

SCHEDULE ^A

Court File No. 05-CL-5965

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE

) WEDNESDAY, THE 29th DAY

)
MR. JUSTICE CAMPBELL

) OF JUNE, 2005



ONTARIO SECURITIES COMMISSION

Applicant

- and -

**GESTION DE PLACEMENTS NORSHIELD (CANADA) LTÉE /
NORSHIELD ASSET MANAGEMENT (CANADA) LTD., NORSHIELD INVESTMENT
PARTNERS HOLDINGS LTD./GESTION DES PARTENAIRES D'INVESTISSEMENT
NORSHIELD LTÉE, OLYMPUS UNITED FUNDS HOLDINGS CORPORATION,
OLYMPUS UNITED FUNDS CORPORATION/CORPORATION DE FONDS UNIS
OLYMPUS, OLYMPUS UNITED BANK AND TRUST SCC, GROUPE OLYMPUS
UNITED INC./OLYMPUS UNITED GROUP INC.**

Respondents

INITIAL ORDER

THIS APPLICATION, made by the Ontario Securities Commission (the "Commission") for an Order pursuant to section 129 of the *Securities Act*, R.S.O. 1990, c. S-5, as amended (the "Act") appointing RSM Richter Inc. as receiver (in such capacity, the "Receiver") without security, of all of the assets, undertakings and properties of Gestion de Placements Norshield (Canada) Ltée/Norshield Asset Management (Canada) Ltd., Norshield Investment Partners Holdings Ltd./Gestion des Partenaires d'Investissement Norshield Ltée, Olympus United Funds Holdings Corporation, Olympus United Funds Corporation/Corporation de Fonds Unis Olympus, Olympus United Bank and Trust SCC and Groupe Olympus United Inc./Olympus United Group Inc., (collectively, the "Debtors", which term for greater certainty includes any of them) was heard this day at 393 University Avenue, Toronto, Ontario.

ON READING the affidavit of Richard Radu sworn June 29, 2005 and the Exhibits thereto, the letter from the Autorité des Marchés Financiers ("AMF") supporting the relief sought by the Applicant herein, on hearing the submissions of counsel for the Commission, and on reading the consent of RSM Richter Inc. to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 129 of the Act, RSM Richter Inc. is hereby appointed Receiver, without security, of all of the Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (collectively, the "Debtors' Property") and any assets, undertakings, properties, claims and rights of recourse against any third parties, relating to the Debtors' business, including without limitation, that which is in the possession or under the control of the Debtors or any other Person (as defined herein) including cash, deposit instruments, securities or other property held in trust for any other person, including, without limitation, retail and institutional investors (collectively, the "Other Property"), such appointment to be for a period of 15 days from the date hereof, subject to further Order of the Court.

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Debtors' Property and the Other Property (collectively the "Property") and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession and control of the Property including, without limitation, any Property held in segregated accounts, non-segregated

accounts, trust accounts, custodial accounts or segregated cells in the name of or on behalf of any of the Debtors and any and all proceeds, receipts and disbursements arising out of or from the Property;

- (b) to receive and collect all monies, dividends or other amounts payable in respect of the Property;
- (c) to receive, preserve, protect and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the powers and duties conferred by this Order;
- (e) to engage such investment managers, fund managers, portfolio managers, hedge fund managers and other financial professionals from time to time and on whatever basis, including on a temporary basis, as may in the opinion of the Receiver be appropriate;
- (f) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to carry out the terms of the Receiver's appointment;
- (g) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (h) to settle, extend or compromise any indebtedness owing to the Debtors;

- (i) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (j) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (k) subject to the stay of proceedings referred to herein, to initiate, prosecute and continue the prosecution of any and all proceedings and to defend or intervene in all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (l) to report to, meet with and discuss with any party deemed necessary or advisable by the Receiver, including without limitation any secured and unsecured creditors of the Debtors, investors in any of the Debtors, any other stakeholders of the Debtors, any entity in which any Property has been directly or indirectly invested and any of their advisors as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (m) to perform any investigation or enquiry related to the Debtors or the Property required by the Receiver to carry out the terms of this Order including, without limitation, to compel any Person to be examined under oath in respect of the Debtors, the Property or any matters relating thereto;
- (n) without limiting the foregoing subparagraph (l), to report to, meet with and discuss with any domestic and foreign regulatory bodies including provincial securities commissions and any securities exchanges and their advisors as the Receiver deems appropriate on all matters relating to the

Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (q) to enter into arrangements with any trustee in bankruptcy or monitor appointed pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors and the power to lend money to or indemnify any such trustee, such trustee borrowings or indemnity not to exceed \$100,000 unless otherwise increased by this Court;
- (r) to negotiate and enter into an extension of any real property lease where the Receiver considers it advisable to do so, on such terms as the Receiver considers appropriate;
- (s) to repudiate any real property lease where the Receiver considers it advisable to do so;
- (t) to repudiate leases in respect of equipment leased by the Debtors, and to return any such equipment to the lessors;
- (u) to arrange for the liquidation of such equipment and property of the Debtors as the Receiver considers advisable;
- (v) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have;

(w) to enter into, terminate, suspend, extend, amend and/or postpone any and all financial contracts entered into or to be entered into by any of the Debtors with any other party; and

(x) to take any steps reasonably incidental to the exercise of these powers,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver without charge to the Receiver, shall provide the Receiver with account numbers and/or names under which Property may be held by third parties, shall deliver all such Property to the Receiver upon the Receiver's request, and shall disclose to the Receiver, upon demand being made therefor by the Receiver, any and all information and documentation regarding any transactions between a Debtor and any Person as well as any transaction entered into between a Debtor and any party related to or affiliated with a present or former director, officer or employee of a Debtor.

5. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to take possession and control of any funds held in the name of the Debtors, in any former names of the Debtors or by a third party for the benefit of the Debtors, or any stakeholders of the Debtors, including, without limitation, all amounts standing to the credit or in the name of any of the funds listed at Schedule "A" hereto.

6. THIS COURT ORDERS that all Persons shall forthwith and without charge advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and

accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors or the Property, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 6 or in paragraph 7 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

7. THIS COURT ORDERS that that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information

8. THIS COURT ORDERS that Internet Service Providers and other Persons which provide e-mail, world wide web, file transfer protocol, Internet connection or other similar services to the Debtors and/or their present and former directors, officers, employees and agents shall deliver to the Receiver all documents, server files, archive files and any other information in any form in any way recording messages, e-mail correspondence or other information sent or received by such directors, officers, employees or agents in the course of their association with the Debtors.

NO PROCEEDINGS AGAINST THE RECEIVER

9. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

10. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court, provided that nothing herein shall prevent the commencement or continuation of any proceedings against the Debtors by the Commission or by the AMF.

NO EXERCISE OF RIGHTS OR REMEDIES

11. THIS COURT ORDERS that all rights and remedies against the Debtors or affecting the Property are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment (provided, however, that the Receiver shall not be required to comply with any statutory or regulatory reporting requirements imposed upon the Debtor solely by virtue of its appointment as Receiver), or (iii) prevent the filing of any registration to preserve or perfect a security interest or a claim for lien. Without limiting the foregoing, the rights and remedies against the Debtors or affecting the Property which are hereby stayed and suspended shall include all rights and remedies relating to the shares, securities, debentures, notes, bonds or other instruments issued by or on behalf of the Debtors or in respect of the Property including, without limitation, futures contracts, options, derivatives, swaps and other financial contracts in respect of present or future rights or obligations.

NO INTERFERENCE WITH THE RECEIVER

12. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, arrangement, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

13. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

14. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of or realization upon all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

15. THIS COURT ORDERS that the employment of each employee of and the engagement of any independent contractor or consultant to the Debtors is hereby terminated and that no present or past director, officer or employee of a Debtor may hereafter purport to act on behalf of a Debtor or enter into any agreements in respect of the Debtor or the Property. The Receiver shall not be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts, other than such amounts as the Receiver may specifically agree in writing to pay, or such amounts as may be determined in a Proceeding before a court or tribunal of competent jurisdiction, provided that pursuant to subsection 14.06(1.2) of the BIA, the Receiver shall not be liable for any amount that is or could be due to an employee by the Debtors including, without limitation, any amount calculated by reference to any period of employment, service or seniority that precedes the date of this Order. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA.

16. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to any party to the extent desirable or required to carry out the provisions of this Order. Each person to whom such personal information is disclosed shall maintain and protect the privacy of such information and shall limit the use of such information to a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or

relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that the Receiver shall promptly advise the Ontario Ministry of the Environment of any obvious or known environmental condition existing on or in any of the Property in accordance with applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it in fact takes possession.

LIMITATION ON THE RECEIVER'S LIABILITY

18. THIS COURT ORDERS that the Receiver (which term includes, for the purpose of this paragraph, RSM Richter Inc. in its capacity as the Monitor (as defined below) and the Receiver's partners, employees, agents, consultants, solicitors, and other persons engaged by the Receiver for the purpose of its administration of the receivership) shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. The term "Monitor" shall mean RSM Richter Inc. in its capacity as the monitor appointed by the OSC and the AMF of Gestion de Placements Norshield (Canada) Ltée/Norshield Asset Management (Canada) Ltd., Olympus United Funds Corporation/Corporation de Fonds Unis Olympus, and Olympus United Bank and Trust SCC.

RECEIVER'S ACCOUNTS

19. THIS COURT ORDERS that any expenditure or liability which shall properly be made or incurred by the Receiver, including the fees and disbursements of the Receiver, its agents and the fees and disbursements of its legal counsel, incurred at the normal rates and charges of the Receiver and its counsel, shall be allowed to it in passing its accounts and shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person (the "Receiver's Charge").

20. THIS COURT ORDERS that the Receiver shall be authorized and directed to retain the law firms of Thornton Grout Finnigan LLP and Goldstein, Flanz & Fishman LLP as legal counsel to the Receiver.

21. THIS COURT ORDERS the Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and their legal counsel are referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

22. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

23. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$1,000,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge.

24. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

25. THIS COURT ORDERS that the Receiver may at any time apply for its discharge as Receiver without any further obligation in the event that the Property is not, in the opinion of the Receiver, likely to be sufficient to indemnify the Receiver for its remuneration, costs, expenses and liabilities.

26. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

27. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis.

SERVICE

28. THIS COURT ORDERS that the Receiver is at liberty to serve notice of its appointment as Receiver by placing advertisements regarding such appointment substantially in the form attached hereto as Schedule "C" in at least two (2) Canadian daily newspapers with national distribution, and such advertisements shall constitute effective notice of the appointment of the Receiver and all Persons shall be deemed, absent evidence to the contrary, to have received notice of the appointment.

29. THIS COURT ORDERS that, except as otherwise specified herein, the Receiver is at liberty to serve any notice, form or other document in connection with these proceedings by forwarding copies by prepaid ordinary mail, courier, personal delivery or electronic transmission to Persons or other appropriate parties at their respective addresses or other contact particulars as last indicated in the records of the Debtors and that any such service shall be deemed to be received on the date of delivery if by personal delivery or electronic transmission, on the following business day if delivered by courier, or three business days after mailing if by ordinary mail.

30. THIS COURT ORDERS that the Receiver may serve any court materials in these proceedings (including, without limitation, application records, motion records, facts and orders) on all represented parties electronically, by e-mailing a PDF or other electronic copy of such materials (other than any book of authorities) to counsels' e-mail addresses as recorded on the service list, and posting a copy of the materials to an internet website to be hosted by the Receiver or its designee (the "Website") as soon as practicable thereafter, provided that the Receiver shall deliver hard copies of such materials to any party requesting same as soon as practicable thereafter.

31. THIS COURT ORDERS that any party in these proceedings (other than the Debtors) may serve any court materials (including, without limitation, application records, motion records, facts and orders) electronically, by emailing a PDF or other electronic copy of all materials (other than any book of authorities) to counsels' e-mail addresses as recorded on the service list; provided that such party shall deliver both PDF or other electronic copies and hard copies of full materials to counsel to the Receiver and to any other party requesting same and the Receiver shall cause a copy to be posted to the Website, all as soon as practicable thereafter.

32. THIS COURT ORDERS that, unless otherwise provided herein or ordered by this Court, no document, order or other material need be served on any Person in respect of these proceedings unless such Person has served a Notice of Appearance on the solicitors for the Receiver and has filed such notice with this Court.

BANKRUPTCY AND CCAA

33. THIS COURT ORDERS that with leave of the Court first being obtained the Receiver shall be entitled to make an assignment in bankruptcy on behalf of the Debtors to initiate any proceeding under the BIA, the CCAA, the *Canada Business Corporations Act*, the *Winding-Up and Restructuring Act* (Canada) or any other similar legislation in Canada or elsewhere in respect of one or more of the Debtors or the Property or in respect of any party related to or affiliated with any present or former employees, officers or directors of a Debtor.

34. THIS COURT ORDERS that the Receiver be and it is hereby authorized to issue an Application for a Bankruptcy Order against the Debtors on an individual or consolidated basis.

35. THIS COURT ORDERS that, in the event that the Receiver obtains a Bankruptcy Order against the Debtors on a consolidated basis, the Official Receiver be and it is hereby directed to open one estate file and to assign one estate file number to the consolidated estate.

GENERAL

36. THIS COURT ORDERS AND DIRECTS the Toronto Police Services to assist the Receiver in carrying out its duties under this Order, including assisting the Receiver in obtaining access to any premises leased or owned by the Debtors.

37. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

38. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy or monitor under the CCAA in respect of the Debtors, with leave of the Court first being obtained.

39. THIS COURT ORDERS that nothing contained in this Order shall prevent the Receiver from acting as a provisional administrator under the laws of the Province of Quebec, including, but not limited to, the *Securities Act* (Quebec).

40. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada (including, without limitation, the Superior Court of Quebec), the United States or elsewhere (including without limitation the Commonwealth of the Bahamas and Barbados) to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order, including, without limitation, to assist the Receiver to take possession of or to control the Property, including Property held by third parties or parties affiliated or related to the Debtors or any one of them, as well as to enforce the stay of proceedings described herein in respect of the Debtors and the Property.

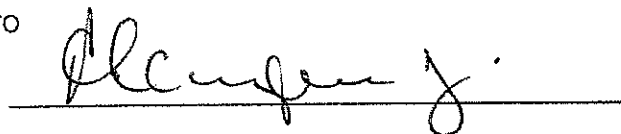
41. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

42. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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

JUN 29 2005

PER/PAR



SCHEDULE "A"

NORSHIELD GROUP FUNDS

Olympus United Multi-Asset
Olympus United Diversified
Olympus United Global Trading
Olympus United Global Trading (F)
Olympus United Uninvest Fund II CAN\$
Olympus United Uninvest Fund II US\$
Olympus United Uninvest Fund DPP CAD\$
Olympus United Uninvest Fund II (F)
Olympus United Momentum Fund
Olympus United Momentum (F) Fund
Olympus United Uninvest Fund DPP US\$
Olympus United Uninvest II (F) USD
Olympus United Uninvest II High Net Worth
Olympus United Tactical Trading
Olympus United Tactical Trading (F)

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that RSM Richter Inc., the receiver (the "Receiver") of all of the assets, undertakings and properties of [Norshield], appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the ____ day of _____, 2005 (the "Order") made in an application having Court file number _____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 2005.

RSM Richter Inc., solely in its capacity
as Receiver, and not in its personal capacity

Per: _____
Name:
Title:

SCHEDULE "C"

NOTICE

in respect of

[Norshield et al.] (collectively, the "Debtors")

Please be advised that pursuant to the Order of the Honourable Justice • of the Ontario Superior Court of Justice (Commercial List) dated June 29, 2005 in Court File No. • (the "Order"), RSM Richter Inc. has been appointed as Receiver (the "Receiver") of all of the Debtors' assets, undertakings and properties. The appointment of the Receiver was made under Section 129 of the Ontario *Securities Act*.

A copy of the Order and other information regarding the Receiver's appointment are available online at www.●. The Receiver has established a helpline available at (●).

ONTARIO SECURITIES COMMISSION
Plaintiff

and

GESTION DE PLACEMENTS NORSHIELD (CANADA) LTÉE / NORSHIELD ASSET
MANAGEMENT (CANADA) LTD., NORSHIELD INVESTMENT PARTNERS
HOLDINGS LTD./GESTION DES PARTENAIRES D'INVESTISSEMENT
NORSHIELD LTÉE, OLYMPUS UNITED FUNDS HOLDINGS CORPORATION,
OLYMPUS UNITED FUNDS CORPORATION/CORPORATION DE FONDS UNIS
OLYMPUS, OLYMPUS UNITED BANK AND TRUST SCC, GROUPE OLYMPUS
UNITED INC./OLYMPUS UNITED GROUP INC.

Defendant
Court File No.: 05-CL-5965

ONTARIO
SUPERIOR COURT OF JUSTICE
Proceeding commenced in Toronto

ORDER

ThorntonGroutFinnigan LLP
Barristers and Solicitors
Suite 2200, P.O. Box 329
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Toronto-Dominion Centre
Toronto, Ontario
M5K 1K7

Grant B. Moffat/Greg Azeff
Law Society No.: 32380L 1D / 45324C
Tel: (416) 304-1616
Fax: (416) 304-1313

Solicitors for RSM Richter Inc., solely in its
capacity as Receiver, and not in its personal capacity

SCHEDULE "B"

Court File No.: 05-CL-5965

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE) THURSDAY, THE 14TH
MR. JUSTICE COLIN CAMPBELL) DAY OF JULY, 2005.

BETWEEN:



ONTARIO SECURITIES COMMISSION

Applicant

- and -

**GESTION DE PLACEMENTS NORSHIELD (CANADA) LTÉE /
NORSHIELD ASSET MANAGEMENT (CANADA) LTD., NORSHIELD
INVESTMENT PARTNERS HOLDINGS LTD./GESTION DES PARTENAIRES
D'INVESTISSEMENT NORSHIELD LTÉE, OLYMPUS UNITED FUNDS
HOLDINGS CORPORATION, OLYMPUS UNITED FUNDS
CORPORATION/CORPORATION DE FONDS UNIS
OLYMPUS, OLYMPUS UNITED BANK AND TRUST SCC, GROUP OLYMPUS
UNITED INC./OLYMPUS UNITED GROUP INC.**

Respondents

ORDER

THIS MOTION made by the Applicant, the Ontario Securities Commission (the "Applicant") for the relief set out in its Notice of Motion herein dated Tuesday, July 12, 2005 was heard this day at 393 University Avenue, in the City of Toronto.

UPON READING the First Report (the "First Report") of RSM Richter Inc. (the "Receiver") in its capacity as the court appointed receiver of the Respondents and upon hearing the submissions of counsel for the Applicant, the Receiver and the Respondents,

1. **THIS COURT ORDERS** that the time for service of this motion be and it is hereby abridged to the date and time of actual service and that such service is valid service of the materials filed in support of this motion.

2. **THIS COURT ORDERS** that the appointment of the Receiver pursuant to the Order of this Honourable Court dated Wednesday, June 29, 2005 (the "Initial Order") in respect of each of the Respondents (collectively, the "Norshield Group") be and it is hereby continued in accordance with the terms of the Initial Order, as amended and supplemented hereby, until such time as the Receiver has completed its administration of the Estate and has applied to this Honourable Court for its discharge.

3. **THIS COURT ORDERS** that the Receiver be and it is hereby authorized to commence proceedings and/or participate in existing proceedings in The Commonwealth of the Bahamas, Barbados or any other Caribbean jurisdiction including, without limitation, bankruptcy, restructuring, liquidation, winding-up and civil proceedings with respect to any of the Respondents, Mosaic Composite Ltd. or Uninvest Multi-Strategy Fund II Ltd. .

4. **THIS COURT ORDERS** that the Receiver be and it is hereby authorized to take all necessary steps to have the Receiver or one of its personal representatives appointed by the court of The Commonwealth of the Bahamas, together with Clifford Culmer in his personal capacity (or any other individual substituted for Mr. Culmer by the Bahamian court), as joint liquidator (the "Joint Liquidator") of the assets, undertakings and properties of Olympus Uninvest Ltd. ("Uninvest").

5. **THIS COURT ORDERS** that the Receiver shall be authorized to advance to the Joint Liquidator, on such terms as may be satisfactory to the Receiver, the "Funding Amount" which shall be utilized by the Joint Liquidator to fund its fees and disbursements only in its capacity as Joint Liquidator. The Funding Amount shall be a percentage of the sum of \$500,000.00, calculated by determining the *pro rata* share of such amount attributable to the amount of funds invested in Uninvest by the Retail Investors as compared to the Institutional Investors (each as defined in the First Report). The Receiver shall only advance the Funding Amount to the Joint

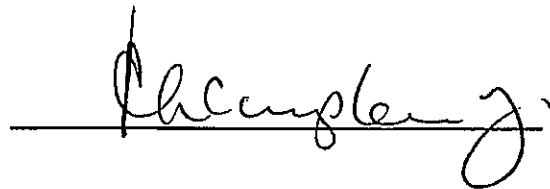
Liquidator if the Institutional Investors advance to the Joint Liquidator their *pro rata* share of the sum of \$500,000.00 as described above.

6. **THIS COURT ORDERS** that Mr. Jean Fontaine of the law firm Stikeman Elliott LLP be appointed as representative counsel to the Retail Investors (as defined in the First Report) on the Univest Committee (as defined in the First Report) during the pendency of the Univest liquidation (the "Representative Counsel").

7. **THIS COURT ORDERS** that the fees and disbursements of the Representative Counsel be secured by and paid from a charge on the Property (as defined in the Initial Order)

8. **THIS COURT ORDERS** that all of the Property (as defined in the Initial Order) including, without limitation, all moneys, bank accounts, investment funds and other assets or property of the Norshield Group, shall be subject to the Receiver's Charge and the Receiver's Borrowings Charge (together the "Charges") and the Receiver shall not be required to specifically allocate to or otherwise segregate any amounts secured by the Charges amongst any of the Property.

9. **THIS COURT ORDERS** that the conduct of the Receiver as described in the First Report of the Receiver be and it is hereby approved.



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LE / DANS LE REGISTRE NO.:

JUL 14 2005

PER/PAR: 

ONTARIO SECURITIES COMMISSION
Applicant

and

GESTON DE PLACEMENTS NORSHIELD (CANADA)
LTÉE/NORSHIELD ASSET MANAGEMENT (CANADA)
LTD. ET AL.

Respondents

Court File No.:05-CL-5965

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)
Proceeding commenced in Toronto

ORDER

ONTARIO SECURITIES COMMISSION
20 Queen Street West
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M5H 3S8

Karen Manarin
Litigation Counsel Enforcement Branch
Law Society No.: 32354N
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SCHEDULE "C"

Court File No. 05-CL-5965

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE

)

FRIDAY THE 9TH DAY

)

MR. JUSTICE C.L. CAMPBELL

)

OF SEPTEMBER, 2005

ONTARIO SECURITIES COMMISSION

Applicant

- and -



**GESTION DE PLACEMENTS NORSHIELD (CANADA) LTÉE /
NORSHIELD ASSET MANAGEMENT (CANADA) LTD., NORSHIELD INVESTMENT
PARTNERS HOLDINGS LTD./GESTION DES PARTENAIRES D'INVESTISSEMENT
NORSHIELD LTÉE, OLYMPUS UNITED FUNDS HOLDINGS CORPORATION,
OLYMPUS UNITED FUNDS CORPORATION/CORPORATION DE FONDS UNIS
OLYMPUS, OLYMPUS UNITED BANK AND TRUST SCC, GROUPE OLYMPUS
UNITED INC./OLYMPUS UNITED GROUP INC.**

Respondents

ORDER

THIS APPLICATION, made by RSM Richter Inc. in its capacity as receiver (the "Receiver"), without security, of all of the assets, undertakings and properties of Gestion de Placements Norshield (Canada) Ltée/Norshield Asset Management (Canada) Ltd., Norshield Investment Partners Holdings Ltd./Gestion des Partenaires d'Investissement Norshield Ltée, Olympus United Funds Holdings Corporation, Olympus United Funds Corporation/Corporation de Fonds Unis Olympus, Olympus United Bank and Trust SCC and Groupe Olympus United Inc./Olympus United Group Inc., (collectively, the "Debtors", which term for greater certainty includes any of them) was heard this day at 393 University Avenue, Toronto, Ontario.

ON READING the affidavit of Raymond Massi sworn September 9, 2005 and the Exhibits thereto, and on hearing the submissions of counsel for the Receiver,

SERVICE

1. THIS COURT ORDERS that this motion is properly made without notice.
2. THIS COURT ORDERS that this Order shall be served on the persons affected by this Order as soon as reasonably possible after the Receiver has taken control of the assets, undertakings and properties of the Additional Entities (as defined below)

APPOINTMENT

3. THIS COURT ORDERS that pursuant to section 101 of the *Courts of Justice Act* (Ontario), RSM Richter Inc. is hereby appointed Receiver, without security, of all property, assets and undertaking of the following entities:

(i) Norshield Investment Corporation; and

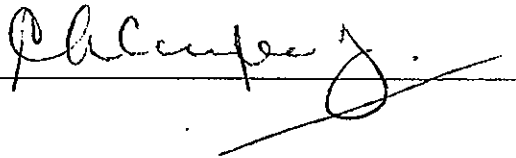
(ii) Norshield Capital Management Corporation,

(together the "Additional Entities") all in accordance with the provisions of the Order of the Honourable Mr. Justice C.L. Campbell of the Ontario Superior Court of Justice (Commercial List) dated June 29, 2005 (the "Initial Order", a copy of which is attached hereto as Schedule "A"), and the definition of "Debtors" set out in the Initial Order shall be and it is hereby amended to also include the Additional Entities.

REQUEST FOR ASSISTANCE

4. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or elsewhere to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

5. THIS COURT ORDERS that any other interested person may apply to this Court to vary or rescind this Order or seek other relief on seven days' written notice to the Receiver and to any other person likely to be affected by the order sought, or on such other notice as this Court may order, provided that nothing in this section shall act to extend any applicable appeal period.



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ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

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PER/PAR 

SCHEDULE "A"

Court File No. 05-CL-5965

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE

) WEDNESDAY, THE 29th DAY

)

MR. JUSTICE CAMPBELL

)

OF JUNE, 2005



ONTARIO SECURITIES COMMISSION

Applicant

- and -

**GESTION DE PLACEMENTS NORSHIELD (CANADA) LTÉE /
NORSHIELD ASSET MANAGEMENT (CANADA) LTD., NORSHIELD INVESTMENT
PARTNERS HOLDINGS LTD./GESTION DES PARTENAIRES D'INVESTISSEMENT
NORSHIELD LTÉE, OLYMPUS UNITED FUNDS HOLDINGS CORPORATION,
OLYMPUS UNITED FUNDS CORPORATION/CORPORATION DE FONDS UNIS
OLYMPUS, OLYMPUS UNITED BANK AND TRUST SCC, GROUPE OLYMPUS
UNITED INC./OLYMPUS UNITED GROUP INC.**

Respondents

INITIAL ORDER

THIS APPLICATION, made by the Ontario Securities Commission (the "Commission") for an Order pursuant to section 129 of the *Securities Act*, R.S.O. 1990, c. S-5, as amended (the "Act") appointing RSM Richter Inc. as receiver (in such capacity, the "Receiver") without security, of all of the assets, undertakings and properties of Gestion de Placements Norshield (Canada) Ltée/Norshield Asset Management (Canada) Ltd., Norshield Investment Partners Holdings Ltd./Gestion des Partenaires d'Investissement Norshield Ltée, Olympus United Funds Holdings Corporation, Olympus United Funds Corporation/Corporation de Fonds Unis Olympus, Olympus United Bank and Trust SCC and Groupe Olympus United Inc./Olympus United Group Inc., (collectively, the "Debtors", which term for greater certainty includes any of them) was heard this day at 393 University Avenue, Toronto, Ontario.

ON READING the affidavit of Richard Radu sworn June 29, 2005 and the Exhibits thereto, the letter from the Autorité des Marchés Financiers ("AMF") supporting the relief sought by the Applicant herein, on hearing the submissions of counsel for the Commission, and on reading the consent of RSM Richter Inc. to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 129 of the Act, RSM Richter Inc. is hereby appointed Receiver, without security, of all of the Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (collectively, the "Debtors' Property") and any assets, undertakings, properties, claims and rights of recourse against any third parties, relating to the Debtors' business, including without limitation, that which is in the possession or under the control of the Debtors or any other Person (as defined herein) including cash, deposit instruments, securities or other property held in trust for any other person, including, without limitation, retail and institutional investors (collectively, the "Other Property"), such appointment to be for a period of 15 days from the date hereof, subject to further Order of the Court.

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Debtors' Property and the Other Property (collectively the "Property") and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession and control of the Property including, without limitation, any Property held in segregated accounts, non-segregated

accounts, trust accounts, custodial accounts or segregated cells in the name of or on behalf of any of the Debtors and any and all proceeds, receipts and disbursements arising out of or from the Property;

- (b) to receive and collect all monies, dividends or other amounts payable in respect of the Property;
- (c) to receive, preserve, protect and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the powers and duties conferred by this Order;
- (e) to engage such investment managers, fund managers, portfolio managers, hedge fund managers and other financial professionals from time to time and on whatever basis, including on a temporary basis, as may in the opinion of the Receiver be appropriate;
- (f) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to carry out the terms of the Receiver's appointment;
- (g) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (h) to settle, extend or compromise any indebtedness owing to the Debtors;

- (i) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (j) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (k) subject to the stay of proceedings referred to herein, to initiate, prosecute and continue the prosecution of any and all proceedings and to defend or intervene in all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (l) to report to, meet with and discuss with any party deemed necessary or advisable by the Receiver, including without limitation any secured and unsecured creditors of the Debtors, investors in any of the Debtors, any other stakeholders of the Debtors, any entity in which any Property has been directly or indirectly invested and any of their advisors as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (m) to perform any investigation or enquiry related to the Debtors or the Property required by the Receiver to carry out the terms of this Order including, without limitation, to compel any Person to be examined under oath in respect of the Debtors, the Property or any matters relating thereto;
- (n) without limiting the foregoing subparagraph (l), to report to, meet with and discuss with any domestic and foreign regulatory bodies including provincial securities commissions and any securities exchanges and their advisors as the Receiver deems appropriate on all matters relating to the

Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (q) to enter into arrangements with any trustee in bankruptcy or monitor appointed pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors and the power to lend money to or indemnify any such trustee, such trustee borrowings or indemnity not to exceed \$100,000 unless otherwise increased by this Court;
- (r) to negotiate and enter into an extension of any real property lease where the Receiver considers it advisable to do so, on such terms as the Receiver considers appropriate;
- (s) to repudiate any real property lease where the Receiver considers it advisable to do so;
- (t) to repudiate leases in respect of equipment leased by the Debtors, and to return any such equipment to the lessors;
- (u) to arrange for the liquidation of such equipment and property of the Debtors as the Receiver considers advisable;
- (v) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have;

(w) to enter into, terminate, suspend, extend, amend and/or postpone any and all financial contracts entered into or to be entered into by any of the Debtors with any other party; and

(x) to take any steps reasonably incidental to the exercise of these powers,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver without charge to the Receiver, shall provide the Receiver with account numbers and/or names under which Property may be held by third parties, shall deliver all such Property to the Receiver upon the Receiver's request, and shall disclose to the Receiver, upon demand being made therefor by the Receiver, any and all information and documentation regarding any transactions between a Debtor and any Person as well as any transaction entered into between a Debtor and any party related to or affiliated with a present or former director, officer or employee of a Debtor.

5. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to take possession and control of any funds held in the name of the Debtors, in any former names of the Debtors or by a third party for the benefit of the Debtors, or any stakeholders of the Debtors, including, without limitation, all amounts standing to the credit or in the name of any of the funds listed at Schedule "A" hereto.

6. THIS COURT ORDERS that all Persons shall forthwith and without charge advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and

accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors or the Property, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 6 or in paragraph 7 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

7. THIS COURT ORDERS that that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information

8. THIS COURT ORDERS that Internet Service Providers and other Persons which provide e-mail, world wide web, file transfer protocol, Internet connection or other similar services to the Debtors and/or their present and former directors, officers, employees and agents shall deliver to the Receiver all documents, server files, archive files and any other information in any form in any way recording messages, e-mail correspondence or other information sent or received by such directors, officers, employees or agents in the course of their association with the Debtors.

NO PROCEEDINGS AGAINST THE RECEIVER

9. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

10. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court, provided that nothing herein shall prevent the commencement or continuation of any proceedings against the Debtors by the Commission or by the AMF.

NO EXERCISE OF RIGHTS OR REMEDIES

11. THIS COURT ORDERS that all rights and remedies against the Debtors or affecting the Property are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment (provided, however, that the Receiver shall not be required to comply with any statutory or regulatory reporting requirements imposed upon the Debtor solely by virtue of its appointment as Receiver), or (iii) prevent the filing of any registration to preserve or perfect a security interest or a claim for lien. Without limiting the foregoing, the rights and remedies against the Debtors or affecting the Property which are hereby stayed and suspended shall include all rights and remedies relating to the shares, securities, debentures, notes, bonds or other instruments issued by or on behalf of the Debtors or in respect of the Property including, without limitation, futures contracts, options, derivatives, swaps and other financial contracts in respect of present or future rights or obligations.

NO INTERFERENCE WITH THE RECEIVER

12. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, arrangement, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

13. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

14. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of or realization upon all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

15. THIS COURT ORDERS that the employment of each employee of and the engagement of any independent contractor or consultant to the Debtors is hereby terminated and that no present or past director, officer or employee of a Debtor may hereafter purport to act on behalf of a Debtor or enter into any agreements in respect of the Debtor or the Property. The Receiver shall not be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts, other than such amounts as the Receiver may specifically agree in writing to pay, or such amounts as may be determined in a Proceeding before a court or tribunal of competent jurisdiction, provided that pursuant to subsection 14.06(1.2) of the BIA, the Receiver shall not be liable for any amount that is or could be due to an employee by the Debtors including, without limitation, any amount calculated by reference to any period of employment, service or seniority that precedes the date of this Order. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA.

16. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to any party to the extent desirable or required to carry out the provisions of this Order. Each person to whom such personal information is disclosed shall maintain and protect the privacy of such information and shall limit the use of such information to a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or

relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that the Receiver shall promptly advise the Ontario Ministry of the Environment of any obvious or known environmental condition existing on or in any of the Property in accordance with applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it in fact takes possession.

LIMITATION ON THE RECEIVER'S LIABILITY

18. THIS COURT ORDERS that the Receiver (which term includes, for the purpose of this paragraph, RSM Richter Inc. in its capacity as the Monitor (as defined below) and the Receiver's partners, employees, agents, consultants, solicitors, and other persons engaged by the Receiver for the purpose of its administration of the receivership) shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. The term "Monitor" shall mean RSM Richter Inc. in its capacity as the monitor appointed by the OSC and the AMF of Gestion de Placements Norshield (Canada) Ltée/Norshield Asset Management (Canada) Ltd., Olympus United Funds Corporation/Corporation de Fonds Unis Olympus, and Olympus United Bank and Trust SCC.

RECEIVER'S ACCOUNTS

19. THIS COURT ORDERS that any expenditure or liability which shall properly be made or incurred by the Receiver, including the fees and disbursements of the Receiver, its agents and the fees and disbursements of its legal counsel, incurred at the normal rates and charges of the Receiver and its counsel, shall be allowed to it in passing its accounts and shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person (the "Receiver's Charge").

20. THIS COURT ORDERS that the Receiver shall be authorized and directed to retain the law firms of Thornton Grout Finnigan LLP and Goldstein, Flanz & Fishman LLP as legal counsel to the Receiver.

21. THIS COURT ORDERS the Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and their legal counsel are referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

22. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

23. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$1,000,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge.

24. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

25. THIS COURT ORDERS that the Receiver may at any time apply for its discharge as Receiver without any further obligation in the event that the Property is not, in the opinion of the Receiver, likely to be sufficient to indemnify the Receiver for its remuneration, costs, expenses and liabilities.

26. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

27. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis.

SERVICE

28. THIS COURT ORDERS that the Receiver is at liberty to serve notice of its appointment as Receiver by placing advertisements regarding such appointment substantially in the form attached hereto as Schedule "C" in at least two (2) Canadian daily newspapers with national distribution, and such advertisements shall constitute effective notice of the appointment of the Receiver and all Persons shall be deemed, absent evidence to the contrary, to have received notice of the appointment.

29. THIS COURT ORDERS that, except as otherwise specified herein, the Receiver is at liberty to serve any notice, form or other document in connection with these proceedings by forwarding copies by prepaid ordinary mail, courier, personal delivery or electronic transmission to Persons or other appropriate parties at their respective addresses or other contact particulars as last indicated in the records of the Debtors and that any such service shall be deemed to be received on the date of delivery if by personal delivery or electronic transmission, on the following business day if delivered by courier, or three business days after mailing if by ordinary mail.

30. THIS COURT ORDERS that the Receiver may serve any court materials in these proceedings (including, without limitation, application records, motion records, facts and orders) on all represented parties electronically, by e-mailing a PDF or other electronic copy of such materials (other than any book of authorities) to counsels' e-mail addresses as recorded on the service list, and posting a copy of the materials to an internet website to be hosted by the Receiver or its designee (the "Website") as soon as practicable thereafter, provided that the Receiver shall deliver hard copies of such materials to any party requesting same as soon as practicable thereafter.

31. THIS COURT ORDERS that any party in these proceedings (other than the Debtors) may serve any court materials (including, without limitation, application records, motion records, facts and orders) electronically, by emailing a PDF or other electronic copy of all materials (other than any book of authorities) to counsels' e-mail addresses as recorded on the service list; provided that such party shall deliver both PDF or other electronic copies and hard copies of full materials to counsel to the Receiver and to any other party requesting same and the Receiver shall cause a copy to be posted to the Website, all as soon as practicable thereafter.

32. THIS COURT ORDERS that, unless otherwise provided herein or ordered by this Court, no document, order or other material need be served on any Person in respect of these proceedings unless such Person has served a Notice of Appearance on the solicitors for the Receiver and has filed such notice with this Court.

BANKRUPTCY AND CCAA

33. THIS COURT ORDERS that with leave of the Court first being obtained the Receiver shall be entitled to make an assignment in bankruptcy on behalf of the Debtors to initiate any proceeding under the BIA, the CCAA, the *Canada Business Corporations Act*, the *Winding-Up and Restructuring Act* (Canada) or any other similar legislation in Canada or elsewhere in respect of one or more of the Debtors or the Property or in respect of any party related to or affiliated with any present or former employees, officers or directors of a Debtor.

34. THIS COURT ORDERS that the Receiver be and it is hereby authorized to issue an Application for a Bankruptcy Order against the Debtors on an individual or consolidated basis.

35. THIS COURT ORDERS that, in the event that the Receiver obtains a Bankruptcy Order against the Debtors on a consolidated basis, the Official Receiver be and it is hereby directed to open one estate file and to assign one estate file number to the consolidated estate.

GENERAL

36. THIS COURT ORDERS AND DIRECTS the Toronto Police Services to assist the Receiver in carrying out its duties under this Order, including assisting the Receiver in obtaining access to any premises leased or owned by the Debtors.

37. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

38. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy or monitor under the CCAA in respect of the Debtors, with leave of the Court first being obtained.

39. THIS COURT ORDERS that nothing contained in this Order shall prevent the Receiver from acting as a provisional administrator under the laws of the Province of Quebec, including, but not limited to, the *Securities Act* (Quebec).

40. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada (including, without limitation, the Superior Court of Quebec), the United States or elsewhere (including without limitation the Commonwealth of the Bahamas and Barbados) to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order, including, without limitation, to assist the Receiver to take possession of or to control the Property, including Property held by third parties or parties affiliated or related to the Debtors or any one of them, as well as to enforce the stay of proceedings described herein in respect of the Debtors and the Property.

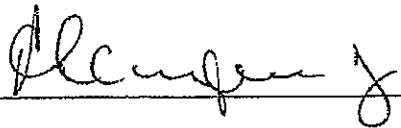
41. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

42. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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

JUN 29 2005

PER/PAR


_____

SCHEDULE "A"

NORSHIELD GROUP FUNDS

Olympus United Multi-Asset
Olympus United Diversified
Olympus United Global Trading
Olympus United Global Trading (F)
Olympus United Uninvest Fund II CAN\$
Olympus United Uninvest Fund II US\$
Olympus United Uninvest Fund DPP CAD\$
Olympus United Uninvest Fund II (F)
Olympus United Momentum Fund
Olympus United Momentum (F) Fund
Olympus United Uninvest Fund DPP US\$
Olympus United Uninvest II (F) USD
Olympus United Uninvest II High Net Worth
Olympus United Tactical Trading
Olympus United Tactical Trading (F)

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that RSM Richter Inc., the receiver (the "Receiver") of all of the assets, undertakings and properties of [Norshield], appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the ____ day of _____, 2005 (the "Order") made in an application having Court file number _____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 2005.

RSM Richter Inc., solely in its capacity
as Receiver, and not in its personal capacity

Per: _____

Name:

Title:

SCHEDULE "C"

NOTICE

in respect of

[Norshield et al.] (collectively, the "Debtors")

Please be advised that pursuant to the Order of the Honourable Justice • of the Ontario Superior Court of Justice (Commercial List) dated June 29, 2005 in Court File No. • (the "Order"), RSM Richter Inc. has been appointed as Receiver (the "Receiver") of all of the Debtors' assets, undertakings and properties. The appointment of the Receiver was made under Section 129 of the Ontario *Securities Act*.

A copy of the Order and other information regarding the Receiver's appointment are available online at [www. •](http://www.). The Receiver has established a helpline available at (•).

ONTARIO SECURITIES COMMISSION
Plaintiff

and

GESTION DE PLACEMENTS NORSHIELD (CANADA) LTÉE / NORSHIELD ASSET
MANAGEMENT (CANADA) LTD., NORSHIELD INVESTMENT PARTNERS
HOLDINGS LTD./GESTION DES PARTENAIRES D'INVESTISSEMENT
NORSHIELD LTÉE, OLYMPUS UNITED FUNDS HOLDINGS CORPORATION,
OLYMPUS UNITED FUNDS CORPORATION/CORPORATION DE FONDS UNIS
OLYMPUS, OLYMPUS UNITED BANK AND TRUST SCC, GROUPE OLYMPUS
UNITED INC./OLYMPUS UNITED GROUP INC.

Defendant
Court File No.: *OSCL-5965*

ONTARIO
SUPERIOR COURT OF JUSTICE
Proceeding commenced in Toronto

ORDER

ThorntonGroutFinnigan LLP
Barristers and Solicitors
Suite 2200, P.O. Box 329
Royal Trust Tower
Toronto-Dominion Centre
Toronto, Ontario
M5K 1K7

Grant B. Moffat/Greg Azeff
Law Society No.: 32380L 1D / 45324C
Tel: (416) 304-1616
Fax: (416) 304-1313

Solicitors for RSM Richter Inc., solely in its
capacity as Receiver, and not in its personal capacity

ONTARIO SECURITIES COMMISSION
Applicant

and

GESTON DE PLACEMENTS NORSHIELD (CANADA)
LTÉE/NORSHIELD ASSET MANAGEMENT (CANADA)
LTD. ET AL.

Respondents

Court File No.:05-CL-5965

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)
Proceeding commenced in Toronto

ORDER

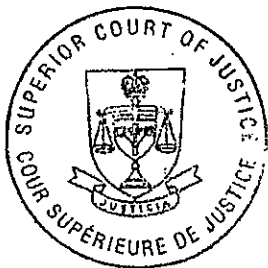
ThorntonGroutFinnigan LLP
Barristers and Solicitors
Suite 3200, Canadian Pacific Tower
100 Wellington Street West
P.O. Box 329
Toronto-Dominion Centre
Toronto, ON M5K 1K7

John L. Finnigan (LSUC# 240408)
Gregory R. Azeff (LSUC# 45324C)

Tel: (416) 304-1616
Fax: (416) 304-1313

Solicitors for RSM Richter Inc., in its capacity
as Receiver of the Norshield Group.

SCHEDULE "D"



Court File No. 05-CL-5965

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE

)

FRIDAY, THE 14th DAY

)

MR. JUSTICE C.L. CAMPBELL

)

OF OCTOBER, 2005

ONTARIO SECURITIES COMMISSION

Applicant

- and -

**GESTION DE PLACEMENTS NORSHIELD (CANADA) LTÉE /
NORSHIELD ASSET MANAGEMENT (CANADA) LTD., NORSHIELD INVESTMENT
PARTNERS HOLDINGS LTD./GESTION DES PARTENAIRES D'INVESTISSEMENT
NORSHIELD LTÉE, OLYMPUS UNITED FUNDS HOLDINGS CORPORATION,
OLYMPUS UNITED FUNDS CORPORATION/CORPORATION DE FONDS UNIS
OLYMPUS, OLYMPUS UNITED BANK AND TRUST SCC, GROUPE OLYMPUS
UNITED INC./OLYMPUS UNITED GROUP INC.**

Respondents

ORDER

THIS MOTION, made by RSM Richter Inc. in its capacity as receiver (the "Receiver"), without security, of all of the assets, undertakings and properties of Gestion de Placements Norshield (Canada) Ltée/Norshield Asset Management (Canada) Ltd., Norshield Investment Partners Holdings Ltd./Gestion des Partenaires d'Investissement Norshield Ltée, Olympus United Funds Holdings Corporation, Olympus United Funds Corporation/Corporation de Fonds Unis Olympus, Olympus United Bank and Trust SCC and Groupe Olympus United Inc./Olympus United Group Inc., Norshield Investment Corporation and Norshield Capital Management Corporation (collectively, the "Debtors", which term for greater certainty includes any of them) was heard this day at 393 University Avenue, Toronto, Ontario.


ON READING the affidavit of Raymond Massi sworn October 12, 2005 and the Exhibits thereto, and on hearing the submissions of counsel for the Receiver,

SERVICE

1. THIS COURT ORDERS that this motion is properly made without notice.
2. THIS COURT ORDERS that this Order shall be served on the persons affected by this Order as soon as reasonably possible after this Order has been issued and entered.

AMENDMENT

3. THIS COURT ORDERS that the Order of this Court dated September 9, 2005 (the "September 9 Order"), a copy of which is attached as Schedule "A" hereto shall be and the same is hereby amended by deleting the name "Norshield Investment Corporation" from paragraph 3(i) of the September 9 Order and substituting therefore the name "Honeybee Software Technologies Inc./ Technologies de Logiciels Honeybee Inc."
4. THIS COURT ORDERS that any interested person may apply to this Court to vary or rescind to this Order or seek relief on seven (7) days' written notice to the Receiver and to any other person likely to be affected by the Order sought, or on such other notice as this Court may order, provided that nothing in this paragraph shall act to extend any applicable appeal.



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

OCT 17 2005

PER/PAR:



SCHEDULE "A"

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE

)

FRIDAY THE 9TH DAY

)

MR. JUSTICE C.L. CAMPBELL

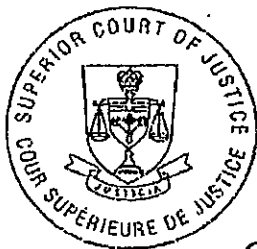
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OF SEPTEMBER, 2005

ONTARIO SECURITIES COMMISSION

Applicant

- and -



**GESTION DE PLACEMENTS NORSHIELD (CANADA) LTÉE /
NORSHIELD ASSET MANAGEMENT (CANADA) LTD., NORSHIELD INVESTMENT
PARTNERS HOLDINGS LTD./GESTION DES PARTENAIRES D'INVESTISSEMENT
NORSHIELD LTÉE, OLYMPUS UNITED FUNDS HOLDINGS CORPORATION,
OLYMPUS UNITED FUNDS CORPORATION/CORPORATION DE FONDS UNIS
OLYMPUS, OLYMPUS UNITED BANK AND TRUST SCC, GROUPE OLYMPUS
UNITED INC./OLYMPUS UNITED GROUP INC.**

Respondents

ORDER

THIS APPLICATION, made by RSM Richter Inc. in its capacity as receiver (the "Receiver"), without security, of all of the assets, undertakings and properties of Gestion de Placements Norshield (Canada) Ltée/Norshield Asset Management (Canada) Ltd., Norshield Investment Partners Holdings Ltd./Gestion des Partenaires d'Investissement Norshield Ltée, Olympus United Funds Holdings Corporation, Olympus United Funds Corporation/Corporation de Fonds Unis Olympus, Olympus United Bank and Trust SCC and Groupe Olympus United Inc./Olympus United Group Inc., (collectively, the "Debtors", which term for greater certainty includes any of them) was heard this day at 393 University Avenue, Toronto, Ontario.

ON READING the affidavit of Raymond Massi sworn September 9, 2005 and the Exhibits thereto, and on hearing the submissions of counsel for the Receiver,

SERVICE

1. THIS COURT ORDERS that this motion is properly made without notice.
2. THIS COURT ORDERS that this Order shall be served on the persons affected by this Order as soon as reasonably possible after the Receiver has taken control of the assets, undertakings and properties of the Additional Entities (as defined below)

APPOINTMENT

3. THIS COURT ORDERS that pursuant to section 101 of the *Courts of Justice Act* (Ontario), RSM Richter Inc. is hereby appointed Receiver, without security, of all property, assets and undertaking of the following entities:

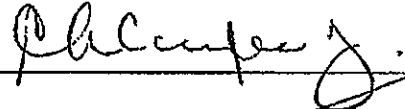
- (i) Norshield Investment Corporation; and
- (ii) Norshield Capital Management Corporation,

(together the "Additional Entities") all in accordance with the provisions of the Order of the Honourable Mr. Justice C.L. Campbell of the Ontario Superior Court of Justice (Commercial List) dated June 29, 2005 (the "Initial Order", a copy of which is attached hereto as Schedule "A"), and the definition of "Debtors" set out in the Initial Order shall be and it is hereby amended to also include the Additional Entities.

REQUEST FOR ASSISTANCE

4. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or elsewhere to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

5. THIS COURT ORDERS that any other interested person may apply to this Court to vary or rescind this Order or seek other relief on seven days' written notice to the Receiver and to any other person likely to be affected by the order sought, or on such other notice as this Court may order, provided that nothing in this section shall act to extend any applicable appeal period.



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

SEP 09 2005

PER/PAR 

SCHEDULE "A"

Court File No. 05-CL-5965

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE

)

WEDNESDAY, THE 29th DAY

)

MR. JUSTICE CAMPBELL

)

OF JUNE, 2005



ONTARIO SECURITIES COMMISSION

Applicant

- and -

GESTION DE PLACEMENTS NORSHIELD (CANADA) LTÉE /
NORSHIELD ASSET MANAGEMENT (CANADA) LTD., NORSHIELD INVESTMENT
PARTNERS HOLDINGS LTD./GESTION DES PARTENAIRES D'INVESTISSEMENT
NORSHIELD LTÉE, OLYMPUS UNITED FUNDS HOLDINGS CORPORATION,
OLYMPUS UNITED FUNDS CORPORATION/CORPORATION DE FONDS UNIS
OLYMPUS, OLYMPUS UNITED BANK AND TRUST SCC, GROUPE OLYMPUS
UNITED INC./OLYMPUS UNITED GROUP INC.

Respondents

INITIAL ORDER

THIS APPLICATION, made by the Ontario Securities Commission (the "Commission") for an Order pursuant to section 129 of the *Securities Act*, R.S.O. 1990, c. S-5, as amended (the "Act") appointing RSM Richter Inc. as receiver (in such capacity, the "Receiver") without security, of all of the assets, undertakings and properties of Gestion de Placements Norshield (Canada) Ltée/Norshield Asset Management (Canada) Ltd., Norshield Investment Partners Holdings Ltd./Gestion des Partenaires d'Investissement Norshield Ltée, Olympus United Funds Holdings Corporation, Olympus United Funds Corporation/Corporation de Fonds Unis Olympus, Olympus United Bank and Trust SCC and Groupe Olympus United Inc./Olympus United Group Inc., (collectively, the "Debtors", which term for greater certainty includes any of them) was heard this day at 393 University Avenue, Toronto, Ontario.

ON READING the affidavit of Richard Radu sworn June 29, 2005 and the Exhibits thereto, the letter from the Autorité des Marchés Financiers ("AMF") supporting the relief sought by the Applicant herein, on hearing the submissions of counsel for the Commission, and on reading the consent of RSM Richter Inc. to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 129 of the Act, RSM Richter Inc. is hereby appointed Receiver, without security, of all of the Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (collectively, the "Debtors' Property") and any assets, undertakings, properties, claims and rights of recourse against any third parties, relating to the Debtors' business, including without limitation, that which is in the possession or under the control of the Debtors or any other Person (as defined herein) including cash, deposit instruments, securities or other property held in trust for any other person, including, without limitation, retail and institutional investors (collectively, the "Other Property"), such appointment to be for a period of 15 days from the date hereof, subject to further Order of the Court.

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Debtors' Property and the Other Property (collectively the "Property") and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession and control of the Property including, without limitation, any Property held in segregated accounts, non-segregated

accounts, trust accounts, custodial accounts or segregated cells in the name of or on behalf of any of the Debtors and any and all proceeds, receipts and disbursements arising out of or from the Property;

- (b) to receive and collect all monies, dividends or other amounts payable in respect of the Property;
- (c) to receive, preserve, protect and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the powers and duties conferred by this Order;
- (e) to engage such investment managers, fund managers, portfolio managers, hedge fund managers and other financial professionals from time to time and on whatever basis, including on a temporary basis, as may in the opinion of the Receiver be appropriate;
- (f) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to carry out the terms of the Receiver's appointment;
- (g) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (h) to settle, extend or compromise any indebtedness owing to the Debtors;

- (i) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (j) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (k) subject to the stay of proceedings referred to herein, to initiate, prosecute and continue the prosecution of any and all proceedings and to defend or intervene in all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (l) to report to, meet with and discuss with any party deemed necessary or advisable by the Receiver, including without limitation any secured and unsecured creditors of the Debtors, investors in any of the Debtors, any other stakeholders of the Debtors, any entity in which any Property has been directly or indirectly invested and any of their advisors as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (m) to perform any investigation or enquiry related to the Debtors or the Property required by the Receiver to carry out the terms of this Order including, without limitation, to compel any Person to be examined under oath in respect of the Debtors, the Property or any matters relating thereto;
- (n) without limiting the foregoing subparagraph (l), to report to, meet with and discuss with any domestic and foreign regulatory bodies including provincial securities commissions and any securities exchanges and their advisors as the Receiver deems appropriate on all matters relating to the

Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (q) to enter into arrangements with any trustee in bankruptcy or monitor appointed pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors and the power to lend money to or indemnify any such trustee, such trustee borrowings or indemnity not to exceed \$100,000 unless otherwise increased by this Court;
- (r) to negotiate and enter into an extension of any real property lease where the Receiver considers it advisable to do so, on such terms as the Receiver considers appropriate;
- (s) to repudiate any real property lease where the Receiver considers it advisable to do so;
- (t) to repudiate leases in respect of equipment leased by the Debtors, and to return any such equipment to the lessors;
- (u) to arrange for the liquidation of such equipment and property of the Debtors as the Receiver considers advisable;
- (v) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have;

(w) to enter into, terminate, suspend, extend, amend and/or postpone any and all financial contracts entered into or to be entered into by any of the Debtors with any other party; and

(x) to take any steps reasonably incidental to the exercise of these powers,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver without charge to the Receiver, shall provide the Receiver with account numbers and/or names under which Property may be held by third parties, shall deliver all such Property to the Receiver upon the Receiver's request, and shall disclose to the Receiver, upon demand being made therefor by the Receiver, any and all information and documentation regarding any transactions between a Debtor and any Person as well as any transaction entered into between a Debtor and any party related to or affiliated with a present or former director, officer or employee of a Debtor.

5. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to take possession and control of any funds held in the name of the Debtors, in any former names of the Debtors or by a third party for the benefit of the Debtors, or any stakeholders of the Debtors, including, without limitation, all amounts standing to the credit or in the name of any of the funds listed at Schedule "A" hereto.

6. THIS COURT ORDERS that all Persons shall forthwith and without charge advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and

accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors or the Property, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 6 or in paragraph 7 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

7. THIS COURT ORDERS that that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information

8. THIS COURT ORDERS that Internet Service Providers and other Persons which provide e-mail, world wide web, file transfer protocol, Internet connection or other similar services to the Debtors and/or their present and former directors, officers, employees and agents shall deliver to the Receiver all documents, server files, archive files and any other information in any form in any way recording messages, e-mail correspondence or other information sent or received by such directors, officers, employees or agents in the course of their association with the Debtors.

NO PROCEEDINGS AGAINST THE RECEIVER

9. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

10. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court, provided that nothing herein shall prevent the commencement or continuation of any proceedings against the Debtors by the Commission or by the AMF.

NO EXERCISE OF RIGHTS OR REMEDIES

11. THIS COURT ORDERS that all rights and remedies against the Debtors or affecting the Property are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment (provided, however, that the Receiver shall not be required to comply with any statutory or regulatory reporting requirements imposed upon the Debtor solely by virtue of its appointment as Receiver), or (iii) prevent the filing of any registration to preserve or perfect a security interest or a claim for lien. Without limiting the foregoing, the rights and remedies against the Debtors or affecting the Property which are hereby stayed and suspended shall include all rights and remedies relating to the shares, securities, debentures, notes, bonds or other instruments issued by or on behalf of the Debtors or in respect of the Property including, without limitation, futures contracts, options, derivatives, swaps and other financial contracts in respect of present or future rights or obligations.

NO INTERFERENCE WITH THE RECEIVER

12. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, arrangement, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

13. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

14. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of or realization upon all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

15. THIS COURT ORDERS that the employment of each employee of and the engagement of any independent contractor or consultant to the Debtors is hereby terminated and that no present or past director, officer or employee of a Debtor may hereafter purport to act on behalf of a Debtor or enter into any agreements in respect of the Debtor or the Property. The Receiver shall not be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts, other than such amounts as the Receiver may specifically agree in writing to pay, or such amounts as may be determined in a Proceeding before a court or tribunal of competent jurisdiction, provided that pursuant to subsection 14.06(1.2) of the BIA, the Receiver shall not be liable for any amount that is or could be due to an employee by the Debtors including, without limitation, any amount calculated by reference to any period of employment, service or seniority that precedes the date of this Order. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA.

16. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to any party to the extent desirable or required to carry out the provisions of this Order. Each person to whom such personal information is disclosed shall maintain and protect the privacy of such information and shall limit the use of such information to a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or

relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that the Receiver shall promptly advise the Ontario Ministry of the Environment of any obvious or known environmental condition existing on or in any of the Property in accordance with applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it in fact takes possession.

LIMITATION ON THE RECEIVER'S LIABILITY

18. THIS COURT ORDERS that the Receiver (which term includes, for the purpose of this paragraph, RSM Richter Inc. in its capacity as the Monitor (as defined below) and the Receiver's partners, employees, agents, consultants, solicitors, and other persons engaged by the Receiver for the purpose of its administration of the receivership) shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. The term "Monitor" shall mean RSM Richter Inc. in its capacity as the monitor appointed by the OSC and the AMF of Gestion de Placements Norshield (Canada) Ltée/Norshield Asset Management (Canada) Ltd., Olympus United Funds Corporation/Corporation de Fonds Unis Olympus, and Olympus United Bank and Trust SCC.

RECEIVER'S ACCOUNTS

19. THIS COURT ORDERS that any expenditure or liability which shall properly be made or incurred by the Receiver, including the fees and disbursements of the Receiver, its agents and the fees and disbursements of its legal counsel, incurred at the normal rates and charges of the Receiver and its counsel, shall be allowed to it in passing its accounts and shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person (the "Receiver's Charge").

20. THIS COURT ORDERS that the Receiver shall be authorized and directed to retain the law firms of Thornton Grout Finnigan LLP and Goldstein, Flanz & Fishman LLP as legal counsel to the Receiver.

21. THIS COURT ORDERS the Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and their legal counsel are referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

22. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

23. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$1,000,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge.

24. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

25. THIS COURT ORDERS that the Receiver may at any time apply for its discharge as Receiver without any further obligation in the event that the Property is not, in the opinion of the Receiver, likely to be sufficient to indemnify the Receiver for its remuneration, costs, expenses and liabilities.

26. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

27. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis.

SERVICE

28. THIS COURT ORDERS that the Receiver is at liberty to serve notice of its appointment as Receiver by placing advertisements regarding such appointment substantially in the form attached hereto as Schedule "C" in at least two (2) Canadian daily newspapers with national distribution, and such advertisements shall constitute effective notice of the appointment of the Receiver and all Persons shall be deemed, absent evidence to the contrary, to have received notice of the appointment.

29. THIS COURT ORDERS that, except as otherwise specified herein, the Receiver is at liberty to serve any notice, form or other document in connection with these proceedings by forwarding copies by prepaid ordinary mail, courier, personal delivery or electronic transmission to Persons or other appropriate parties at their respective addresses or other contact particulars as last indicated in the records of the Debtors and that any such service shall be deemed to be received on the date of delivery if by personal delivery or electronic transmission, on the following business day if delivered by courier, or three business days after mailing if by ordinary mail.

30. THIS COURT ORDERS that the Receiver may serve any court materials in these proceedings (including, without limitation, application records, motion records, facts and orders) on all represented parties electronically, by e-mailing a PDF or other electronic copy of such materials (other than any book of authorities) to counsels' e-mail addresses as recorded on the service list, and posting a copy of the materials to an internet website to be hosted by the Receiver or its designee (the "Website") as soon as practicable thereafter, provided that the Receiver shall deliver hard copies of such materials to any party requesting same as soon as practicable thereafter.

31. THIS COURT ORDERS that any party in these proceedings (other than the Debtors) may serve any court materials (including, without limitation, application records, motion records, facts and orders) electronically, by emailing a PDF or other electronic copy of all materials (other than any book of authorities) to counsels' e-mail addresses as recorded on the service list; provided that such party shall deliver both PDF or other electronic copies and hard copies of full materials to counsel to the Receiver and to any other party requesting same and the Receiver shall cause a copy to be posted to the Website, all as soon as practicable thereafter.

32. THIS COURT ORDERS that, unless otherwise provided herein or ordered by this Court, no document, order or other material need be served on any Person in respect of these proceedings unless such Person has served a Notice of Appearance on the solicitors for the Receiver and has filed such notice with this Court.

BANKRUPTCY AND CCAA

33. THIS COURT ORDERS that with leave of the Court first being obtained the Receiver shall be entitled to make an assignment in bankruptcy on behalf of the Debtors to initiate any proceeding under the BIA, the CCAA, the *Canada Business Corporations Act*, the *Winding-Up and Restructuring Act* (Canada) or any other similar legislation in Canada or elsewhere in respect of one or more of the Debtors or the Property or in respect of any party related to or affiliated with any present or former employees, officers or directors of a Debtor.

34. THIS COURT ORDERS that the Receiver be and it is hereby authorized to issue an Application for a Bankruptcy Order against the Debtors on an individual or consolidated basis.

35. THIS COURT ORDERS that, in the event that the Receiver obtains a Bankruptcy Order against the Debtors on a consolidated basis, the Official Receiver be and it is hereby directed to open one estate file and to assign one estate file number to the consolidated estate.

GENERAL

36. THIS COURT ORDERS AND DIRECTS the Toronto Police Services to assist the Receiver in carrying out its duties under this Order, including assisting the Receiver in obtaining access to any premises leased or owned by the Debtors.

37. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

38. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy or monitor under the CCAA in respect of the Debtors, with leave of the Court first being obtained.

39. THIS COURT ORDERS that nothing contained in this Order shall prevent the Receiver from acting as a provisional administrator under the laws of the Province of Quebec, including, but not limited to, the *Securities Act* (Quebec).

40. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada (including, without limitation, the Superior Court of Quebec), the United States or elsewhere (including without limitation the Commonwealth of the Bahamas and Barbados) to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order, including, without limitation, to assist the Receiver to take possession of or to control the Property, including Property held by third parties or parties affiliated or related to the Debtors or any one of them, as well as to enforce the stay of proceedings described herein in respect of the Debtors and the Property.

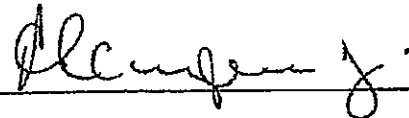
41. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

42. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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

JUN 29 2005

PER/PAR



SCHEDULE "A"

NORSHIELD GROUP FUNDS

Olympus United Multi-Asset
Olympus United Diversified
Olympus United Global Trading
Olympus United Global Trading (F)
Olympus United Uninvest Fund II CAN\$
Olympus United Uninvest Fund II US\$
Olympus United Uninvest Fund DPP CAD\$
Olympus United Uninvest Fund II (F)
Olympus United Momentum Fund
Olympus United Momentum (F) Fund
Olympus United Uninvest Fund DPP US\$
Olympus United Uninvest II (F) USD
Olympus United Uninvest II High Net Worth
Olympus United Tactical Trading
Olympus United Tactical Trading (F)

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that RSM Richter Inc., the receiver (the "Receiver") of all of the assets, undertakings and properties of [Norshield], appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the ____ day of _____, 2005 (the "Order") made in an application having Court file number _____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 2005.

RSM Richter Inc., solely in its capacity
as Receiver, and not in its personal capacity

Per: _____

Name: _____

Title: _____

SCHEDULE "C"

NOTICE

in respect of

[Norshield et al.] (collectively, the "Debtors")

Please be advised that pursuant to the Order of the Honourable Justice • of the Ontario Superior Court of Justice (Commercial List) dated June 29, 2005 in Court File No. • (the "Order"), RSM Richter Inc. has been appointed as Receiver (the "Receiver") of all of the Debtors' assets, undertakings and properties. The appointment of the Receiver was made under Section 129 of the Ontario *Securities Act*.

A copy of the Order and other information regarding the Receiver's appointment are available online at [www.●](http://www.). The Receiver has established a helpline available at (●).

ONTARIO SECURITIES COMMISSION
Plaintiff

and

GESTION DE PLACEMENTS NORSHIELD (CANADA) LTÉE / NORSHIELD ASSET
MANAGEMENT (CANADA) LTD., NORSHIELD INVESTMENT PARTNERS
HOLDINGS LTD./GESTION DES PARTENAIRES D'INVESTISSEMENT
NORSHIELD LTÉE, OLYMPUS UNITED FUNDS HOLDINGS CORPORATION,
OLYMPUS UNITED FUNDS CORPORATION/CORPORATION DE FONDS UNIS
OLYMPUS, OLYMPUS UNITED BANK AND TRUST SCC, GROUPE OLYMPUS
UNITED INC./OLYMPUS UNITED GROUP INC.

Defendant
Court File No.: 05-CV-5965

ONTARIO
SUPERIOR COURT OF JUSTICE
Proceeding commenced in Toronto

ORDER

ThorntonGroutFinnigan LLP
Barristers and Solicitors
Suite 2200, P.O. Box 329
Royal Trust Tower
Toronto-Dominion Centre
Toronto, Ontario
M5K 1K7

Grant B. Moffat/Greg Azeff
Law Society No.: 32380L 1D / 45324C
Tel: (416) 304-1616
Fax: (416) 304-1313

Solicitors for RSM Richter Inc., solely in its
capacity as Receiver, and not in its personal capacity

ONTARIO SECURITIES COMMISSION
Applicant

and

GESTON DE PLACEMENTS NORSHIELD (CANADA)
LTÉE/NORSHIELD ASSET MANAGEMENT (CANADA)
LTD. ET AL.

Respondents

Court File No.:05-CL-5965

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)
Proceeding commenced in Toronto

ORDER

ThorntonGroutFinnigan LLP
Barristers and Solicitors
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100 Wellington Street West
P.O. Box 329
Toronto-Dominion Centre
Toronto, ON M5K 1K7

John L. Finnigan (LSUC# 240408)
Gregory R. Azeff (LSUC# 45324C)

Tel: (416) 304-1616
Fax: (416) 304-1313

Solicitors for RSM Richter Inc., in its capacity
as Receiver of the Norshield Group.

ONTARIO SECURITIES COMMISSION
Applicant

and

GESTON DE PLACEMENTS NORSHIELD (CANADA)
LTÉE/NORSHIELD ASSET MANAGEMENT (CANADA)
LTD. ET AL.

Respondents

Court File No.:05-CL-5965

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)
Proceeding commenced in Toronto

ORDER

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John L. Finnigan (LSUC# 240408)
Gregory R. Azeff (LSUC# 45324C)

Tel: (416) 304-1616
Fax: (416) 304-1313

Solicitors for RSM Richter Inc., in its capacity
as Receiver of the Norshield Group.



SCHEDULE "E"

Court File No. 05-CL-5965

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE

MR. JUSTICE C.L. CAMPBELL

)
)
)

FRIDAY THE 2nd DAY

OF MARCH, 2007

B E T W E E N:

ONTARIO SECURITIES COMMISSION

Applicant

- and -

**GESTION DE PLACEMENTS NORSHIELD (CANADA) LTÉE/NORSHIELD ASSET
MANAGEMENT (CANADA) LTD.,
NORSHIELD INVESTMENT PARTNERS HOLDINGS LTD./GESTION DES
PARTENAIRES D'INVESTISSEMENT NORSHIELD LTÉE,
OLYMPUS UNITED FUNDS HOLDINGS CORPORATION, OLYMPUS UNITED
FUNDS CORPORATION/CORPORATION DE FONDS UNIS OLYMPUS,
OLYMPUS UNITED BANK AND TRUST SCC,
GROUPE OLYMPUS UNITED INC./OLYMPUS UNITED GROUP INC.,
HONEYBEE SOFTWARE TECHNOLOGIES INC./TECHNOLOGIES DE LOGICIELS
HONEYBEE INC. (FORMERLY NORSHIELD INVESTMENT
CORPORATION/CORPORATION D'INVESTISSEMENT NORSHIELD), AND
NORSHIELD CAPITAL MANAGEMENT CORPORATION/CORPORATION
GESTION DE L'ACTIF NORSHIELD**

Respondents

ORDER

THIS MOTION, made by RSM Richter Inc. in its capacity as receiver (the "Receiver"), without security, of all of the assets, undertakings and properties of Gestion de Placements Norshield (Canada) Ltée / Norshield Asset Management (Canada) Ltd., Norshield Investment Partners Holdings Ltd. / Gestion des Partenaires d'Investissement Norshield Ltée, Olympus United Funds Holdings Corporation, Olympus United Funds Corporation / Corporation de Fonds Unis Olympus, Olympus United Bank and Trust SCC, Groupe Olympus United Inc. / Olympus

United Group Inc., Norshield Capital Management Corporation/Corporation Gestion de l'Actif Norshield and Honeybee Software Technologies Inc./Technologies de Logiciels Honeybee Inc. (formerly Norshield Investment Corporation/Corporation d'investissement Norshield) (collectively, the "Norshield Companies", which term for greater certainty includes any of them) was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Seventh Report of the Receiver dated February 28, 2007 (the "Seventh Report") and the Exhibits attached thereto, and on hearing the submissions of counsel for the Receiver, and any other party properly appearing:

1. **THIS COURT ORDERS** that capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Seventh Report.

SERVICE

2. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein be and it is hereby abridged such that this motion is properly returnable today and hereby dispenses with service thereof upon any person other than Jean Fontaine in his capacity as Representative Counsel appointed pursuant to the Order of this Honourable Court dated February 7, 2006, Craig Hill in his capacity as counsel to KPMG, and Peter Griffin in his capacity as counsel to MLI.

APPROVAL OF ACTIVITIES

3. **THIS COURT ORDERS AND DECLARES** that the activities of the Receiver, as described in the Seventh Report, be and they are hereby approved.
4. **THIS COURT ORDERS** that the Global Settlement Agreement (the "GSA"), the Local Jurisdiction Agreements (the "LJAs") and the Bank Release (all as more particularly described in the Seventh Report) be and they are hereby sanctioned and approved.
5. **THIS COURT ORDERS** that the Receiver be and it is hereby authorized and directed, *nunc pro tunc*, to enter into and carry out the terms of the GSA, the LJAs and the Bank Release.

6. **THIS COURT ORDERS** that the Receiver be and it is hereby authorized and directed to implement and complete the transactions contemplated by the GSA, the LJAs and the Bank Release (together, the "Settlement") in accordance with the terms and conditions thereof, with such alterations, amendments and deletions as the parties thereto may agree, and to perform its obligations contained in each of the GSA, the LJAs and the Bank Release.
7. **THIS COURT ORDERS** that the Receiver be and it is hereby authorized and directed to execute and deliver such additional, related or ancillary documents and assurances governing or giving effect to the Settlement as the Receiver, in its sole discretion, may deem to be reasonably necessary or advisable to conclude the Settlement and to take such steps as are, in the opinion of the Receiver, necessary or incidental to the performance of its obligations pursuant to the GSA, the LJAs and the Bank Release.
8. **THIS COURT ORDERS** that the Receiver be and it is hereby authorized to provide to the Univest Parties, the Univest Representatives and MLI copies of each of the redacted Fifth Report, the Sixth Report and the Seventh Report.
9. **THIS COURT ORDERS** that no claims against any of the Univest Parties, the Univest Representatives, the MS-II JOLs or MLI relating directly or indirectly to any facts alleged in any Proceedings (as defined in the GSA), in particular, without limiting the generality of the foregoing, relating directly or indirectly to the RBC SOHO Option or the Option Proceeds, may be brought by any person without leave of the Ontario Court.
10. **THIS COURT ORDERS** that the Receiver be and it is hereby directed to take no further action pursuant to the Letters of Request issued by this Court on August 18, 2006 (the "August 18 Order") and October 12, 2006.
11. **THIS COURT ORDERS** that, notwithstanding the provision of the August 18 Order, the Receiver shall not examine David Bree, any representative of the Strategy Funds (as defined in the August 18 Order) or S.L.C. Whicker and K.D. Blake of KPMG in the Cayman Islands in their capacity as the joint voluntary liquidators of each of those Univest Parties which is in voluntary liquidation.

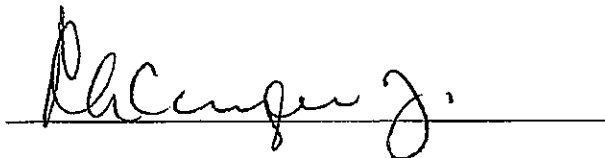
12. **THIS COURT ORDERS** that David Bree, S.L.C. Whicker and K.D. Blake and any officer, shareholder (or its representative in the case of a corporate shareholder), director and/or manager of any or all of the Strategy Funds shall not be required to produce any of the books and records relating to the financial affairs of the Strategy Funds or to otherwise produce an affidavit attesting to the authenticity of those documents as previously required by the August 18 Order.

SEALING OF RECEIVER'S REPORTS

13. **THIS COURT ORDERS** that the Seventh Report and the Exhibits thereto shall be sealed from the public record pending further Order of this Court.
14. **THIS COURT ORDERS** that the Receiver be and it is hereby authorized and directed to file with the Court a redacted version of the Fifth Report, which shall be sealed from the public record pending further order of this Court.

RECEIVER'S COSTS

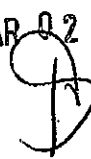
15. **THIS COURT ORDERS** that the costs of the Receiver in preparation of this motion and of these proceedings, up to and including the hearing of this motion and the entry of this Order (including applicable Goods and Services Tax) be paid to the Receiver from the estate herein.



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

MAR 02 2007

PER/PAR:



SCHEDULE “A”

“Univest Parties” means:

- (1) Univest Multi-Strategy Fund II, Ltd. (in Official Liquidation)
- (2) Univest High Yield Fund Ltd.
- (3) Univest Convertible Arbitrage Fund Ltd.
- (4) Univest Diversified Fund II, Ltd.
- (5) Univest Equity Long/Short Fund Ltd. (in Voluntary Liquidation)
- (6) Univest Global Macro Fund Ltd. (in Voluntary Liquidation)
- (7) Univest Managed Futures Fund I, Ltd. (in Voluntary Liquidation)
- (8) Univest Market Neutral Fund Ltd. (in Voluntary Liquidation)
- (9) Univest Multi-Strategy Fund Ltd. (in Voluntary Liquidation)
- (10) Univest Convertible Arbitrage Fund II, Ltd. (in Voluntary Liquidation)
- (11) Univest Equity Long/Short Fund II, Ltd. (in Voluntary Liquidation)
- (12) Univest Equity Long/Short Fund IV, Ltd. (in Voluntary Liquidation)

“MS-II JOLs” means S.L.C. Whicker and George Bullmore in their capacity as Joint Official Liquidators for Univest Multi-Strategy Fund II, Ltd.

“Univest Representatives” means S.L.C. Whicker and Keith Blake (each in their capacity as a representative of those Univest Parties which are in voluntary liquidation), the MS-II JOLs and KPMG, a firm duly organized under the laws of the Cayman Islands.

“MLI” means Merrill Lynch International.

ONTARIO SECURITIES COMMISSION
Applicant

and

GESTON DE PLACEMENTS NORSHIELD (CANADA)
LTÉE/NORSHIELD ASSET MANAGEMENT (CANADA)
LTD. ET AL.

Respondents

Court File No.:05-CL-5965

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)
Proceeding commenced in Toronto

ORDER

ThorntonGroutFinnigan LLP
Barristers and Solicitors
Suite 3200, Canadian Pacific Tower
100 Wellington Street West
P.O. Box 329
Toronto-Dominion Centre
Toronto, ON M5K 1K7

John L. Finnigan (LSUC# 240408)
Grant B. Moffat (LSUC #32380L 1D)
Tel: (416) 304-1616
Fax: (416) 304-1313

Solicitors for RSM Richter Inc., in its capacity
as Receiver of the Norshield Group.

SCHEDULE ² F



Court File Number: 07-U-7282

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

RSM RICHTER INC., in its capacity as Receiver of Gestion de Placements Norshield (Canada) Ltée/Norshield Asset Management (Canada) Ltd., Norshield Investment Partners Holdings Ltd./Gestion des Partenaires D'Investissement Norshield Ltée, Olympus United Funds Holding Corporation, Olympus United Funds Corporation/Corporation de Fonds Unis Olympus, Olympus United Bank and Trust SCC, Groupe Olympus United Inc./Olympus United Group Inc., Honeybee Software Technologies Inc./Technologies de Logiciels Honeybee Inc. (formerly Norshield Investment Corporation/Corporation D'Investissement Norshield), and Norshield Capital Management Corporation/Corporation Gestion de L'Actif Norshield

Plaintiff

- and -

JOHN XANTHOUDAKIS and DALE SMITH

Defendants

NOTICE OF ACTION

TO THE DEFENDANTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The claim made against you is set out in the Statement of Claim served with this Notice of Action.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the Plaintiffs' lawyer or, where the Plaintiffs do not have a lawyer, serve it on the Plaintiff, and file it, with proof of service, in this Court Office, **WITHIN TWENTY DAYS** after this Notice of Action is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your Statement of Defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

IF YOU PAY THE PLAINTIFF'S CLAIM, and \$40,000.00 for costs, within the time for serving and filing your statement of defence you may move to have this proceeding dismissed by the court. If you believe the amount claimed for costs is excessive, you may pay the Plaintiff's claim and \$400 for costs and have the costs assessed by the court.

Date: November 14, 2007

Issued by: 
Local Registrar

Address of Court Office:
330-693 University Avenue
7th Floor
Toronto, Ontario

TO: JOHN XANTHOUDAKIS
242 Place Felix Guyon
Vimont, Laval QC H7M 5M2

AND TO: DALE SMITH
c/o Gowling Lafleur Henderson LLP
2600 - 150 Elgin Street
Ottawa, ON K1P 1C3
Attention: Lorne Segal

CLAIM

1. The Plaintiff claims as against the defendants John Xanthoudakis and Dale Smith for breach of fiduciary duties and breach of duties of care in their capacities as directors and officers of the Plaintiff Companies, as defined herein:
 - (a) general damages in the amount of \$155,000,000.00;
 - (b) prejudgment interest in accordance with the *Courts of Justice Act*, R.S.O. 1990, c. C.43 (the “CJA”); and
 - (c) post-judgment interest in accordance with the CJA;
 - (d) the costs of this action on a substantial indemnity basis including Goods and Services Tax; and
 - (e) such further and other relief as this Honourable Court may deem just.

Executive Summary

2. This claim arises out of the breach of fiduciary and other duties of care owed by the individual defendants to the Plaintiff Companies currently in receivership. John Xanthoudakis (“Xanthoudakis”) and Dale Smith (“Smith”) were officers and directors of a number of corporate entities that operated under the auspices of the “Norshield Financial Group”. Xanthoudakis and Smith were the directing minds of the entities that comprised the Norshield Financial Group and the principal architects of the wrongful conduct against the Plaintiff Companies, which is the subject matter of this action.

3. There is no legal entity which bears the name “Norshield Financial Group”; however, the term “Norshield Financial Group” was used extensively by the defendants as a brand name to project an image of substance and worldwide presence. Many companies in the investment structure have the word “Norshield” somewhere in their corporate name.
4. For the purposes of this action, the term Norshield Financial Group includes all of the Plaintiff Companies as well as Olympus Uninvest Ltd. (“**Olympus Uninvest**”), Mosaic Composite Limited (U.S.), Inc. (“**Mosaic**”), both of which are now in the midst of bankruptcy proceedings in the Commonwealth of the Bahamas and were part of the sophisticated investment structure of the Plaintiff Companies.
5. The Plaintiff Companies were pawns in a complex, intertwined investment structure designed by Xanthoudakis and Smith with assets in a number of foreign jurisdictions, in particular, Barbados, the Commonwealth of the Bahamas and Cayman Islands. The Receiver has been appointed the common liquidator/custodian/receiver in all jurisdictions to assure a cohesive, efficient and effective administration of all the interrelated estates of the Plaintiff Companies; however, the Receiver brings this action solely in its capacity as receiver of the Plaintiff Companies.

The Plaintiff Companies

6. At the request of the Ontario Securities Commission and its counterpart in the Province of Quebec, L’*autorité des Marchés Financiers*, and pursuant to various Orders issued by the Ontario Superior Court of Justice in Court File No. 05-CL-5965 and the Quebec Superior Court in Court File No. 500-11-026027-058, RSM Richter Inc. was appointed

the Receiver of all the assets, undertakings and properties of the following companies (the “**Receiver**”):

- (a) Gestion de Placements Norshield (Canada) Ltée/ Norshield Asset Management (Canada) Ltd. (“**NAM**”);
 - (b) Gestion des Partenaires d’Investissement Norshield Ltée/ Norshield Investment Partners Holdings Ltd. (“**NIPH**”);
 - (c) Olympus United Funds Holdings Corporation (“**Olympus Holdings**”);
 - (d) Corporation de Fonds Unis Olympus/ Olympus United Funds Corporation (“**Olympus Funds**”);
 - (e) Olympus United Bank and Trust SCC (“**Olympus Bank**”);
 - (f) Groupe Olympus United Inc./ Olympus United Group Inc. (“**Olympus United**”);
 - (g) Norshield Capital Management Corporation/ Corporation Gestion de l’Actif Norshield (“**Norshield Capital Management**”); and
 - (h) Honeybee Software Technologies Inc./ Technologies de Logiciels Honeybee Inc. (“**Honeybee**”) (formerly Norshield Investment Corporation/ Corporation d’Investissement Norshield (“**NIC**”)),
- (collectively, the “**Plaintiff Companies**”).

Individual Defendants

7. Xanthoudakis is a businessman and was at all material times a director of the following Plaintiff Companies: NAM, Olympus Holdings, Olympus Funds, Olympus United, Norshield Capital Management, and NIC (now Honeybee). Xanthoudakis was also a director of Norshield Investment Partners, Inc. ("NIP") based in the United States, which, along with NAM, provided the asset and risk management advisory services for the Plaintiff Companies, Olympus Uninvest and Mosaic. Xanthoudakis was described in marketing materials as the Chairman and Chief Executive Officer of the Norshield Financial Group, which described in more detail below. Xanthoudakis resides in Laval, Quebec.
8. Smith is a chartered accountant and was at all material times a director of Olympus Funds, Olympus Uninvest and Mosaic. Smith was described in marketing materials as the President and Chief Operating Officer of the Norshield Financial Group and the President and Chief Executive Officer of Olympus Bank. Smith resides in Ottawa, Ontario.

The Norshield Financial Group

9. The Norshield Financial Group offered "alternative" investment strategies to investors by employing a variety of hedge fund investment techniques. As of June 2005, the Norshield Financial Group collectively owed approximately \$500 million to investors, including \$155 million to Canadian individual retail investors. The majority of the retail investors reside in Ontario.

10. The Plaintiff Companies were placed in Court protection in Ontario and Quebec beginning on June 29, 2005. To date, the Receiver has recovered only approximately \$10 million of the funds invested in the Plaintiff Companies. Another \$60 million has been recovered from the foreign, non-Canadian entities in the Norshield Financial Group, but such funds are subject to competing claims. Accordingly, approximately \$430 million of investor funds entrusted to the Norshield Financial Group remain unaccounted for, and \$150 million of those funds are attributable to the Canadian retail investors. The failure of the Norshield Financial Group is one of Canada's largest hedge fund scandals.
11. Xanthoudakis and Smith had fiduciary obligations to act honestly and in good faith in the best interests of the entities that comprise the Norshield Financial Group. They also owed duties of care to exercise the care, diligence and skill of a reasonably prudent person in supervising and managing the affairs of the Norshield Financial Group.
12. Xanthoudakis and Smith breached their obligations to the Plaintiff Companies by:
 - (a) diverting corporate assets contrary to the best interests of the Plaintiff Companies;
 - (b) causing the Norshield Financial Group to make speculative and improvident investments contrary to the best interests of the Plaintiff Companies and contrary to the representations made in the public documents used to solicit investments;
 - (c) causing the Plaintiff Companies to enter into commercially unreasonable transactions to their detriment;
 - (d) causing the Plaintiff Companies to engage in non-arm's length and sham transactions for the purpose of artificially inflating the value of the Plaintiff

Companies' assets, diverting the Plaintiff Companies' assets and concealing their wrongful conduct;

- (e) intentionally misrepresenting the value of the Plaintiff Companies' assets and engineering sham transactions to support such inflated values;
 - (f) causing the Plaintiff Companies to transfer assets for less than fair market value at times when the Plaintiff Companies were insolvent; and
 - (g) operating the Plaintiff Companies in aid of their scheme to divert the assets of the Plaintiff Companies.
13. As a result of the diversion of corporate assets and the loss of corporate assets in undisclosed speculative investments, the Plaintiff Companies experienced escalating difficulties in meeting redemption requests. Xanthoudakis and Smith, assisted by the other defendants, turned to elaborate schemes to intentionally overstate the financial condition and performance of the Plaintiff Companies to stem the tide of redemptions and attract new investors.
14. The business of the Plaintiff Companies, and the Norshield Financial Group as a whole, ceased to have any legitimate business purpose. They existed only to attract new investors to meet growing redemption requests.
15. Xanthoudakis and Smith breached their fiduciary duties and other duties of care owed to the Plaintiff Companies as officers and/or directors of certain of the Plaintiff Companies and by concealing the diversion of corporate assets, hiding failed investments, and presenting false financial information to raise additional money through the Norshield

brand name in order to support the scheme that the Norshield Financial Group ultimately became..

The Plaintiff proposes that this action be tried at the City of Toronto, Ontario.

DATE: November 14, 2007

ThorntonGroutFinnigan LLP
Barristers and Solicitors
Suite 3200, P.O. Box 329
Toronto-Dominion Centre
Toronto, ON M5K 1K7

John L. Finnigan / Jessica S. Bookman
LSUC No. 24040L / 48236I

Tel: (416) 304-1616
Fax: (416) 304-1313

Solicitors for the Plaintiff

RSM RICHTER INC., in its capacity as Receiver
Plaintiff

and

JOHN XANTHOUDAKIS and DALE SMITH
Defendants

Court File No.: 07-C-7282

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)
Proceeding commenced in Toronto

NOTICE OF ACTION

ThorntonGroutFinnigan LLP
Barristers and Solicitors
Suite 3200, Canadian Pacific Tower
100 Wellington Street West
P.O. Box 329
Toronto-Dominion Centre
Toronto, ON M5K 1K7

John L. Finnigan (LSUC# 24040L)
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Tel: (416) 304-1616
Fax: (416) 304-1313

Solicitors for RSM Richter Inc.

SCHEDULE " 6 "

Court File No. 07-CL-7282

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

RSM RICHTER INC., in its capacity as Receiver of Gestion de Placements Norshield (Canada) Ltée/Norshield Asset Management (Canada) Ltd., Norshield Investment Partners Holdings Ltd./Gestion des Partenaires d'Investissement Norshield Ltée, Olympus United Funds Holdings Corporation, Olympus United Funds Corporation/Corporation de Fonds Unis Olympus, Olympus United Bank and Trust SCC, Groupe Olympus United Inc./Olympus United Group Inc., Honeybee Software Technologies Inc./Technologies de Logiciels Honeybee Inc. (formerly Norshield Investment Corporation/Corporation d'Investissement Norshield), and Norshield Capital Management Corporation/Corporation Gestion de l'Actif Norshield

Plaintiff

- and -

JOHN XANTHOUDAKIS and DALE SMITH

Defendants

STATEMENT OF CLAIM

TO THE DEFENDANTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a statement of defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the Plaintiff lawyer or, where the Plaintiff do not have a lawyer, serve it on the Plaintiff, and file it, with proof of service in this court office, **WITHIN TWENTY DAYS** after this Statement of Claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a statement of defence, you may serve and file a notice of intent to defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your statement of defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

IF YOU PAY THE PLAINTIFF'S CLAIM, and \$40,000.00 for costs, within the time for serving and filing your statement of defence you may move to have this proceeding dismissed by the court. If you believe the amount claimed for costs is excessive, you may pay the Plaintiff claim and \$400 for costs and have the costs assessed by the court.

Date:

Issued by: _____
Local Registrar

393 University Avenue
10th Floor
Toronto, ON M5G 1E6

TO: JOHN XANTHOUDAKIS
2535 Rue Modugno
Apartment 307
St-Laurent, QC
H4R 3G7

AND TO: DALE SMITH
3740 Cremazie Blvd. E
Montreal, QC
H2A 1B2

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A. Relief Requested

1. The Plaintiff claims as against the defendants John Xanthoudakis and Dale Smith for breach of fiduciary duties and breach of duties of care in their capacities as directors and officers of the Plaintiff Companies, as defined herein:
 - (a) general damages in the amount of \$159,000,000.00;
 - (b) pre-judgment interest in accordance with the *Courts of Justice Act*, R.S.O. 1990, c. C.43 (the “CJA”);
 - (c) post-judgment interest in accordance with the CJA;
 - (d) the costs of this action on a substantial indemnity basis including Goods and Services Tax; and
 - (e) such further and other relief as this Honourable Court may deem just.

B. Executive Summary

2. This claim arises out of the breach of fiduciary and other duties of care owed by the defendants to the Plaintiff Companies currently in receivership. John Xanthoudakis (“Xanthoudakis”) and Dale Smith (“Smith”) were officers and directors of a number of corporate entities that operated under the auspices of the “Norshield Financial Group”. Xanthoudakis and Smith were the directing minds of the entities that comprised the

Norshield Financial Group and the principal architects of the wrongful conduct against the Plaintiff Companies, which is the subject matter of this action.

3. There is no legal entity which bears the name “Norshield Financial Group”; however, the defendants used the term “Norshield Financial Group” extensively as a brand name to project an image of substance and worldwide presence. Many companies in the Norshield Financial Group investment structure have the word “Norshield” somewhere in their corporate name.
4. For the purposes of this action, the term Norshield Financial Group includes, but is not limited to, all of the Plaintiff Companies as well as Olympus Uninvest Ltd. (**“Olympus Uninvest”**) and Mosaic Composite Limited (U.S.), Inc. (**“Mosaic”**), both of which are now in the midst of liquidation proceedings in the Commonwealth of The Bahamas (**“The Bahamas”**).
5. The Plaintiff Companies were pawns in a complex, intertwined investment structure designed by Xanthoudakis and Smith with assets in a number of foreign jurisdictions, in particular, Barbados and The Bahamas. RSM Richter Inc. and Brian F. Griffith & Co. have been appointed as Joint Custodians of Olympus Bank and Trust SCC by Order of the Barbados High Court of Justice (the **“Olympus Bank Joint Custodians”**). Raymond Massi, a partner of RSM Richter Inc. and G. Clifford Culmer, a partner of BDO Mann Judd, have been appointed by the Supreme Court of the Commonwealth of The Bahamas as Joint Official Liquidators of Olympus Uninvest (**“Olympus Uninvest JOLs”**). Raymond Massi and G. Clifford Culmer have also been appointed by the Supreme Court of the

Commonwealth of The Bahamas as the Joint Official Liquidators of Mosaic (**“Mosaic JOLs”**).

C. The Parties

Plaintiff

6. Pursuant to various Orders issued by the Ontario Superior Court of Justice (“Ontario Court”) in Court File No. 05-CL-5965 and the Quebec Superior Court in Court File No. 500-11-026027-058, RSM Richter Inc. was appointed as the receiver of all of the assets, undertakings and properties of the following companies (the **“Receiver”**):

- (a) Gestion de Placements Norshield (Canada) Ltée/ Norshield Asset Management (Canada) Ltd. (**“NAM”**);
- (b) Gestion des Partenaires d’Investissement Norshield Ltée/ Norshield Investment Partners Holdings Ltd. (**“NIPH”**);
- (c) Olympus United Funds Holdings Corporation (**“Olympus Holdings”**);
- (d) Corporation de Fonds Unis Olympus/ Olympus United Funds Corporation (**“Olympus Funds”**);
- (e) Olympus United Bank and Trust SCC (**“Olympus Bank”**);
- (f) Groupe Olympus United Inc./ Olympus United Group Inc. (**“Olympus United”**);

- (g) Norshield Capital Management Corporation/ Corporation Gestion de l'Actif Norshield ("**Norshield Capital Management**"); and
 - (h) Honeybee Software Technologies Inc./ Technologies de Logiciels Honeybee Inc. ("**Honeybee**") (formerly Norshield Investment Corporation/ Corporation d'Investissement Norshield ("**NIC**")),
- (collectively, the "**Plaintiff Companies**").

Defendants

7. Xanthoudakis is a businessman and was at all material times a director of the following Plaintiff Companies: NAM, Olympus Holdings, Olympus Funds, Olympus United, Norshield Capital Management, and NIC (now Honeybee). Xanthoudakis was also a director of Norshield Investment Partners, Inc. ("**NIP**") based in the United States, which, along with NAM, provided the asset and risk management advisory services for some of the Plaintiff Companies, Olympus Uninvest and Mosaic. Xanthoudakis was described in marketing materials as the Chairman and Chief Executive Officer of the Norshield Financial Group, which is described in more detail below. Xanthoudakis resides in St-Laurent, Quebec.
8. Smith is a chartered accountant and was at all material times a director of Olympus Funds, Olympus Uninvest and Mosaic. Smith was described in marketing materials as the President and Chief Operating Officer of the Norshield Financial Group and the President and Chief Executive Officer of Olympus Bank. Smith resides in Ottawa, Ontario.

The Norshield Financial Group

9. The Norshield Financial Group marketed itself as offering “alternative” investment strategies to investors by employing a variety of hedge fund investment techniques. As of June 2005, Olympus Funds and Olympus Uninvest collectively owed approximately \$472 million to investors, including \$159 million to approximately 1,900 Canadian retail investors (“Retail Investors”). The majority of the Retail Investors reside in Ontario.
10. Since the date of the Receiver’s initial appointment by the Ontario Court on June 29, 2005, the Receiver has recovered and/or identified only approximately \$16 million from the remaining assets in the Plaintiff Companies at the time of its appointment, which may be subject to competing claims. Approximately \$15 million has been recovered and/or identified by the Olympus Uninvest JOLs and the Mosaic JOLs, but such funds may be subject to competing claims within the liquidation of each of Olympus Uninvest and Mosaic. Accordingly, approximately \$441 million of investor funds entrusted to the Norshield Financial Group have not been recovered and/or identified. The failure of the Norshield Financial Group is one of Canada’s largest hedge fund scandals.
11. Xanthoudakis and Smith had fiduciary obligations to act honestly and in good faith with a view to the best interests of the Plaintiff Companies. Xanthoudakis and Smith owed duties of care to exercise the care, diligence and skill that a reasonably prudent person would exercise in supervising and managing the affairs and assets of the Plaintiff Companies.

12. In particular, Xanthoudakis and Smith breached the foregoing obligations to the Plaintiff Companies by:

- (a) diverting corporate assets contrary to the best interests of the Plaintiff Companies;
- (b) causing the Plaintiff Companies and the entire Norshield Financial Group to make speculative and improvident investments contrary to the best interests of the Plaintiff Companies and contrary to the representations made in the public documents used to solicit investments in Canada;
- (c) causing the Plaintiff Companies to enter into commercially unreasonable transactions to their detriment;
- (d) causing the Plaintiff Companies to engage in non-arm's length and sham transactions for the purpose of artificially inflating the value of the Plaintiff Companies' assets, and concealing their wrongful conduct;
- (e) operating the Plaintiff Companies in aid of their scheme to divert the assets of the Plaintiff Companies; and
- (f) using new investor subscriptions entirely to fund redemptions.

13. As a result of the diversion and loss of corporate assets in undisclosed speculative investments, the Plaintiff Companies experienced escalating difficulties in meeting redemption requests. Xanthoudakis and Smith intentionally turned to elaborate schemes

to overstate the financial condition and performance of the Plaintiff Companies to stem the tide of redemptions and attract new investors.

14. Ultimately, the business of the Plaintiff Companies, and the Norshield Financial Group as a whole, ceased to have any legitimate business purpose and existed only to attract new investors to meet growing redemption requests.
15. Xanthoudakis and Smith breached their fiduciary duties and other duties of care owed to the Plaintiff Companies as officers and/or directors of certain of the Plaintiff Companies by concealing the diversion of corporate assets, hiding failed investments and presenting false financial information to attract additional investment in the Plaintiff Companies.

D. Solicitation of Funds in Canada

Olympus Funds

16. In Canada, the Norshield Financial Group successfully marketed and sold subscriptions for shares in Olympus Funds (Olympus United Funds Corporation, as defined above), a Canadian mutual fund investment vehicle. Olympus Funds' predecessor was First Horizon Holdings Ltd., which was incorporated in 1993 under the *Canada Business Corporations Act*, R.S., 1985, c. C-44. Olympus Funds offered investors access to "alternative" investment strategies through the application of various hedge fund investment techniques.
17. Olympus Funds issued a series of private offering memoranda (the "OMs") in order to solicit funds from Canadian retail investors for investments in redeemable, convertible,

non-voting shares in Olympus Funds. The OM's stated that the Retail Investors' funds would be used to purchase shares in twenty-two different classes of shares. Numerous OM's were issued between 1998 and 2004.

The 2004 Offering Memorandum

18. The June 21, 2004 offering memorandum (the "2004 OM") was typical of the OM's issued by Olympus Funds and stated at Section 2.4:

"We are a mutual fund corporation. Our business is to raise capital for investment in and management by our subsidiary, Olympus United Bank. We have been in this business since 1994. The development of our business depends on our ability to raise capital for investment and provide a satisfactory return to our investors. Assets under administration by Olympus United Bank totalled \$211,820,646 as of March 31, 2004."

[Emphasis added]

19. Section 2.2 of the 2004 OM states:

"The Funds provide sophisticated investors with the ability to participate in investment strategies on a global basis which are alternative to the traditional "buy and hold" approach to stock and bond investing. Each of the Funds is structured using hedge fund management specialists. The nature of hedge fund investing activity often limits the capital any single specialist will accept and typically a minimum of US\$1,000,000 is required to invest in any single fund or strategy."

[Emphasis added]

20. Sections 1.2 and 1.3 of the 2004 OM state:

"1.2 *Use of Net Proceeds*

The net proceeds of the Offering will be used by us, firstly, to pay for the estimated Offering costs of \$15,000, and, secondly, to provide capital to the segregated asset cells of Olympus United Bank corresponding to the relevant Fund. Olympus United Bank will manage the segregated asset cells in accordance with each Fund's investment objectives and strategies, outlined in Appendices A to F.

1.3 *Reallocation*

We intend to spend the available funds as stated. We do not intend to reallocate funds."

[Emphasis added]

21. The defendant Smith signed the 2004 OM in his capacity as President and CEO of Olympus Funds.
22. Olympus Funds did not direct the investor funds to hedge funds as represented in the OMs; rather, the funds were negligently, recklessly and improperly used by Xanthoudakis and Smith as officers, directors, and the controlling minds of the Plaintiff Companies, and the Norshield Financial Group as a whole, for unexplained purposes through a complex web of individuals and companies, all of which is explained in more detail below.

E. The Norshield Financial Group Investment Structure

Flow of Funds from Canada

23. The share classes of Olympus Funds were divided into different types of investment strategies and a Retail Investor could choose to invest in one or more of the classes on this basis. This investment structure was marketed as a flow-through investment from

Olympus Funds in Canada into Olympus Bank, a wholly-owned subsidiary of Olympus Funds, located in Barbados. The investment funds were to remain segregated in Barbados at the Olympus Bank in parallel “cells” that matched the strategies of the different share classes of Olympus Funds in Canada.

24. As at April 2005, approximately 1,900 Canadian Retail Investors, most of whom were located in Ontario, had invested an aggregate of \$159 million, as stated in the last published net asset values (the “NAVs”) of Olympus Funds, by purchasing shares in one or more of the twenty-two different classes of shares in Olympus Funds.
25. Funds invested by the Retail Investors in Olympus Funds were then invested, net of redemptions, fees and other unexplained disbursements, by Olympus Funds in its wholly-owned subsidiary, Olympus Bank, in Barbados. Olympus Bank then held investments in Olympus Uninvest in The Bahamas. These investments were then co-mingled in Olympus Uninvest with investments received from: (i) Canadian pension funds and financial institutions (“**Institutional Investors**”); (ii) and individuals and entities whose investments were in cash/cash equivalents and/or contributions “in kind” (“**Direct Investors**”). As stated above, Smith was a director of both Olympus Bank in Barbados and Olympus Uninvest in the Bahamas.
26. Olympus Uninvest held investments in Mosaic. Mosaic, in turn, held investments in both hedged and non-hedged assets. Mosaic’s hedged assets were predominantly comprised of two cash settled equity barrier call options with the Royal Bank of Canada which were consolidated into a single option on March 31, 2004 (the “**SOHO Option**”) while the

non-hedged assets consisted mainly of investments in a number of private entities, namely:

- (a) Channel Fixed Income Fund Ltd.;
- (b) Channel F.S. Fund Ltd.;
- (c) Channel Technology Fund Ltd.; and
- (d) Channel Diversified Private Equity Fund Ltd.

(collectively, the “**Channel Entities**”).

27. The Channel Entities were incorporated in The Bahamas in the late 1990s and early 2000s. Mosaic was the largest shareholder of Channel Fixed Income Fund Ltd., which was the parent corporation of the other three Channel Entities.
28. For most of 2002 and 2003, Stephen Hancock was a director of the Channel Entities, Olympus Uninvest and Mosaic. He was also president and owner of Cardinal International Fund Services Ltd. (“**Cardinal**”), the fund administrator of certain of the companies within the Norshield Financial Group investment structure.
29. Olympus Uninvest issued shares of between approximately \$40 million and \$100 million in value in exchange for alleged “assets in kind” from Direct Investors in Olympus Uninvest. There is no record that Olympus Uninvest ever received any “assets in kind”; however, Smith and Xanthoudakis negligently attributed an arbitrary value to these “assets in kind” and issued Olympus Uninvest’s shares in accordance with that value. In doing so, Smith and Xanthoudakis breached their fiduciary obligations and general duties of care to the Plaintiff Companies and the Norshield Financial Group as whole.

30. As at April 2005, Olympus Uninvest received more than USD \$400 million from Retail Investors, Institutional Investors, and Direct Investors in exchange for preference shares in Olympus Uninvest (the “**Olympus Preference Shareholders**”).
31. As at September 30, 2003, Mosaic’s audited financial statements reported assets totalling approximately USD \$770 million consisting of:
- (a) hedged assets, consisting primarily of the SOHO Option (and also including managed futures accounts and tactical trading accounts) with a gross exposure of approximately USD \$388 million against which there was an outstanding secured margin loan of approximately USD \$300 million; and
 - (b) non-hedged assets, including:
 - (i) investment in the Channel Fixed Income Fund Ltd., having a carrying value of approximately USD \$307 million; and
 - (ii) other assets having a carrying value of approximately USD \$75 million.

As described in more detail below, the value of Mosaic’s assets as disclosed in its audited financial statements was grossly overstated. The 2003 audited statements were the last audited financial statements issued by Mosaic.

32. Xanthoudakis, although not a director of Olympus Uninvest, was, along with Smith, the directing mind with respect to (i) the quantum of funds to be sent from Olympus Uninvest to Mosaic and (ii) the investment of those funds by Mosaic. Smith, as an officer and

director of Olympus Funds, Olympus Uninvest and Mosaic, and as an officer of Olympus Bank, worked alongside Xanthoudakis without regard to and in breach of their obligations and duties of care owed to the Plaintiff Companies.

OUL/MCL Agreement

33. The defendants Xanthoudakis and Smith advised the Receiver that Olympus Uninvest and Mosaic entered into an agreement (the “**OUL/MCL Agreement**”). Despite the Receiver’s numerous requests, the defendants have not produced a copy of the OUL/MCL Agreement or of any other agreement between Olympus Uninvest and Mosaic.
34. The defendants advised the Receiver that the OUL/MCL Agreement provided that Mosaic would guarantee the following in favour of Olympus Uninvest:
- (a) to deliver 100% of the underlying net asset value of the Olympus Uninvest portfolio;
 - (b) to provide the Olympus Preference Shareholders with hedge fund returns on 100% of their investments;
 - (c) to be responsible for and to pay any outstanding indebtedness (including capital, interest and fees) owing by Mosaic to third parties;
 - (d) to maintain cash reserves to meet liquidity needs;
 - (e) to absorb all foreign exchange risks; and

- (f) to assume all settlement risks.
35. Under the terms of the OUL/MCL Agreement, Mosaic's hedged assets were for the exclusive benefit of the Olympus Preference Shareholders. The non-hedged assets were for the exclusive benefit of the Mosaic shareholders (excluding the Olympus Preference Shareholders), subject to its obligations pursuant to the OUL/MCL Agreement. Accordingly, any gains or losses realized on the hedged assets would be attributable to the Olympus Preference Shareholders, and any gains or losses realized on the non-hedged assets were solely for the benefit of Mosaic.
36. Mosaic did not provide any security to Olympus Uninvest to support its obligations under the OUL/MCL Agreement. In fact, virtually all of Mosaic's equity was attributable to the funds invested by the Olympus Preference Shareholders and only a nominal amount was available to support Mosaic's undertakings pursuant to the OUL/MCL Agreement.
37. The OUL/MCL Agreement was commercially unreasonable and contrary to the best interests of the Plaintiff Companies.
38. Only a small portion of the funds that flowed into Mosaic were actually invested in hedged financial instruments as represented in the OMs. The remaining funds were used to:
- (a) invest in non-hedged assets, which were unauthorized, speculative, and improvident investments, most of which ultimately failed;

- (b) make unexplained payments to entities or funds with a connection to Xanthoudakis, other companies within the Norshield Financial Group or other entities over which Xanthoudakis had influence with respect to investment decisions;
 - (c) maintain the Norshield Financial Group's costly operations in multiple jurisdictions; and
 - (d) pay administrative, management, incentive and other fees to NAM and NIP (entities controlled by Xanthoudakis), the funds managers of certain of the Plaintiff Companies, and to Cardinal, which acted as the funds administrator of Olympus Uninvest and provided accounting services to Mosaic, on the basis of asset values that were intentionally overstated.
39. At all material times, the defendants knew, by virtue of their multiple positions as directors and officers in Olympus Funds, NAM, Olympus Bank, Olympus Uninvest, and Mosaic, that the funds invested in the Plaintiff Companies were not being used in the best interests of the Plaintiff Companies or in accordance with the representations made in the OMs. Xanthoudakis and Smith each played a key role in determining the quantum of assets to be diverted and the investments into which the diverted assets were placed.

F. Inflated Asset Values

The Channel Entities

40. The Channel Fixed Income Fund Ltd. was Mosaic's most significant non-hedged investment. As stated above, the Channel Fixed Income Fund Ltd.'s underlying assets consisted primarily of its investments in related entities including Channel F.S. Fund Ltd., Channel Technology Fund Ltd. and Channel Diversified Private Equity Fund Ltd. (defined above collectively as the "**Channel Entities**"). The majority of the Channel Entities' investments were in various related private corporations.
41. In 2002, Mount Real Innovation Centre Inc. (now Red Chili Media Ltd./Média Red Chili Ltée.) ("**MRIC**") and in 2003, Spectrum Financial Services ("**Spectrum**") provided the Channel Entities with asset valuations of all of their investments, including their investment in MRIC. The MRIC and Spectrum valuations overstated the value of the Channel Entities' assets. As described in more detail below, Xanthoudakis and Smith participated in artificially inflating the value of the Channel Entities' assets.
42. The NAVs carried on the audited financial statements of the Channel Entities were overstated by at least US\$200 million for fiscal 2002, increasing to at least US\$300 million for fiscal 2003. As a result, the value of the Channel Entities' assets was overstated by approximately 88% on their fiscal 2003 financial statements.

Liberty Trust and the Option Agreements

43. The defendants used the Option Agreements, as defined below, to inflate artificially the value of the Channel Entities by at least \$111 million. Consequently, the subscription and redemption prices of Olympus Uninvest and Olympus Funds were overstated because the value of Mosaic's NAVs were inflated due, in part, to the Option Agreements.
44. Xanthoudakis either directly or indirectly through Norshield Financial Holdings Ltd. and Norshield Capital Management (each of which is controlled by Xanthoudakis) purportedly entered into a series of agreements with Liberty Trust ("**Option Agreements**") pursuant to which Liberty Trust had the option to purchase the assets subject to the Option Agreements.
45. Although Liberty Trust did not exercise any of the Option Agreements, with the result that it did not own the underlying assets subject to the Option Agreements, it nevertheless purported to enter into various cash settled equity call option agreements (the "**Equity Agreements**") with various Channel Entities pursuant to which the Channel Entities were given the option to purchase the assets subject to the Option Agreements.
46. Several of the Option Agreements and Equity Agreements are dated as of the same date. The value attributed to the assets under the Equity Agreements is often double (or more than double) the value of such assets as recorded in the Option Agreements.

47. Although there is no evidence that the Channel Entities exercised the Equity Agreements, the Channel Entities nevertheless recorded on their financial statements the assets subject to the Option Agreements and the Equity Agreements as assets owned by the Channel Entities.
48. MRIC and Spectrum prepared inaccurate and inflated valuations of the assets subject to the Option Agreements and the Equity Agreements. At all material times, Xanthoudakis and Smith knew or should have known that the MRIC and Spectrum valuations were inaccurate, overstated and improperly used by the Channel Entities in their financial statements.
49. The NAVs for Olympus Funds that were reported to the Retail Investors were overstated in two critical respects. First, the NAVs reported by Mosaic to the Olympus Preference Shareholders and indirectly to the Retail Investors (flowing up from Olympus Uninvest, through Olympus Bank and then Olympus Funds) were calculated entirely on the gross value of the hedged assets of Mosaic. However, the value of the hedged assets was reported without deducting the amount of the margin loan secured by the SOHO Option, with the result that the equity held by Mosaic in such hedged assets was overstated by approximately \$300 million as at September 30, 2003.
50. Second, since the calculation of the value of Mosaic's hedged assets did not deduct the amount of the margin loan secured by the SOHO Option, the only basis upon which Mosaic's NAVs that were ultimately reported to the Retail Investors could have been

correct was if, as required by the OUL/MCL Agreement, Mosaic's non-hedged assets had, at a minimum, a realizable value equal to or greater than the outstanding amount of the \$300 million margin loan. However, the value of Mosaic's non-hedged assets was worth significantly less than the amount of the margin loan secured by the SOHO Option. At September 30, 2003, the value of Mosaic's non-hedged assets, which consisted principally of its investments in the Channel Entities, was approximately \$382 million, which was overstated on its financial statements by approximately 88% or \$300 million.

51. At all material times, Norshield Asset Management International Ltd. ("NAMI") (of which Hancock was a director) acted as the investment advisor and manager to Mosaic; and Cardinal provided accounting services for Mosaic. NAMI and Cardinal reported Mosaic's NAVs relying on the false valuations of Mosaic's assets.
52. Xanthoudakis and Smith were aware of and assisted in the creation and disclosure of the intentionally overstated NAVs and were aware that the NAVs did not reflect the proper valuation of the underlying assets of Mosaic.
53. Smith and Xanthoudakis acted in concert to report grossly exaggerated NAVs for Mosaic. Smith and Xanthoudakis knew or ought to have known that false financial information would be relied upon and would elicit investments by Retail Investors in Olympus Funds.

54. Alternatively, Smith and Xanthoudakis were negligent in failing to detect and disclose that Mosaic's assets were overstated, and in doing so, they breached their fiduciary duties and other duties of care owing to the Plaintiff Companies.
55. NAM, NAMI, NIP and Cardinal received consulting, advisory, management, incentive and other fees from the Plaintiff Companies and the Norshield Financial Group as a whole, based on the reported NAVs. Xanthoudakis and Smith knew or ought to have known that these fees were calculated based on the inflated values created in the falsified financial statements.

G. Collapse of the Norshield Investment Scheme

56. By 2004, the funds invested by the Retail Investors had been dissipated and diverted at each level of the Norshield Financial Group investment structure contrary to the fiduciary and other obligations owed by Smith and Xanthoudakis to the Plaintiff Companies. Xanthoudakis and Smith were the prime architects and directing minds of the diversion of the Plaintiff Companies' assets through the complex Norshield Financial Group investment structure, and as such they breached their obligations to the Plaintiff Companies.
57. Xanthoudakis and Smith tried to camouflage the dissipation of the Retail Investors' funds by artificially inflating the NAVs presented to the Retail Investors in Canada. Ultimately, redemption requests by Retail Investors could not be fulfilled as a result of the enormous disparity between the real value of the underlying assets within the

investment structure and the amount of the liabilities of the Plaintiff Companies and, as a result, the Norshield Financial Group investment structure collapsed.

H. Statutes Relied Upon

58. The Receiver brings this action pursuant to Part X and, in particular, section 122 of the *Canada Business Corporations Act*, R.S., 1985, c. C-44.

H. Service Outside Ontario

59. This statement of claim is served outside Ontario in accordance with rule 17.02 of the *Rules of Civil Procedure* on the basis that this proceeding consists of a claim;

- (a) in respect of a tort committed in Ontario (Rule 17.02(g));
- (b) in respect of damage sustained in Ontario arising from tort and breach of fiduciary duty, wherever committed (Rule 17.02(h));
- (c) against a person outside Ontario who is a necessary or proper party to a proceeding properly brought against another person served in Ontario (Rule 17.02(o)); and
- (d) against a person ordinarily resident or carrying on business in Ontario (Rule 17.02(p)).

60. The Plaintiff proposes that this action be tried at the City of Toronto, Ontario.

Date: December 13, 2007

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Solicitors for the Plaintiff

RSM RICHTER INC.
Plaintiff

- and -

JOHN XANTHOUDAKIS et al
Defendants

Court File No. 07-CL-7282

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced in Toronto

STATEMENT OF CLAIM

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SCHEDULE "H"

Court File No. 07-CL-7282

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

RSM RICHTER INC., in its capacity as Receiver of Gestion de Placements Norshield (Canada) Ltée/Norshield Asset Management (Canada) Ltd., Norshield Investment Partners Holdings Ltd./Gestion des Partenaires d'Investissement Norshield Ltée, Olympus United Funds Holdings Corporation, Olympus United Funds Corporation/Corporation de Fonds Unis Olympus, Olympus United Bank and Trust SCC, Groupe Olympus United Inc./Olympus United Group Inc., Honeybee Software Technologies Inc./Technologies de Logiciels Honeybee Inc. (formerly Norshield Investment Corporation/Corporation d'Investissement Norshield), and Norshield Capital Management Corporation/Corporation Gestion de l'Actif Norshield

Plaintiff

and

JOHN XANTHOUDAKIS and DALE SMITH

Defendants

**STATEMENT OF DEFENCE OF
JOHN XANTHOUDAKIS**

1. The Defendant, John Xanthoudakis ("Xanthoudakis"), admits the allegations in paragraphs 6, 16, 17, 34 and 35 of the Statement of Claim.
2. Xanthoudakis denies the balance of the allegations in the Statement of Claim.
3. Xanthoudakis was a director and/or officer of certain of the entities referred to by the Plaintiffs as the "Norshield Financial Group", including Norshield Asset Management (Canada) Ltd. ("NAM") and Norshield Investment Partners, Inc. ("NIP"). However,

Xanthoudakis was not an officer, director or a “directing mind” of all of the entities defined by the Plaintiffs as comprising the “Norshield Financial Group”. In particular, Xanthoudakis was not an officer or director of Olympus Uninvest Ltd. (“Olympus Uninvest”) or Mosaic Composite Limited (U.S.), Inc. (“Mosaic”) referred to by the Plaintiffs in paragraph 4 of the Statement of Claim. In particular, Xanthoudakis states that Mosaic and entities under Mosaic were independent and acted at arms length from the Norshield entities and were not part of any “Norshield Financial Group”.

4. The role of Xanthoudakis within the context of what the Plaintiffs have loosely (and erroneously) defined as the “Norshield Financial Group”, was to oversee the provision of advisory services by NAM and NIP to allocate assets to hedge fund managers and trading portfolios in accordance with the requirements of the various Olympus Funds (as defined in the Statement of Claim) and the contractual relationship with Royal Bank of Canada. The advisory services provided by NAM and NIP were delivered by a staff of highly qualified personnel who operated within a management structure tailored for the delivery of such services. For example, decisions regarding the allocation of assets to the hedge fund portfolios were made by an investment committee, comprising individuals with competencies in structuring, risk management and due diligence.
5. The advisory engagements undertaken by NAM and NIP did not extend to any investment decisions with respect to the non-hedged assets invested in by Mosaic. Specifically, neither NAM or NIP, or Xanthoudakis in any other capacity, directed the investments made by Mosaic in the Channel Entities (as defined in the Statement of Claim).

6. Xanthoudakis denies that he was the architect of a “complex, intertwined investment structure” as alleged by the Plaintiffs, or that the Plaintiff corporations were “pawns” within that structure. Rather, the arrangements that developed between the various entities involved in what the Plaintiffs refer to as the Norshield investment structure evolved incrementally and for commercial reasons and were entered into by the duly authorized officers and directors of those entities.
7. Xanthoudakis acknowledges that he owed fiduciary duties to the corporations which he served as an officer or director of. Xanthoudakis denies breaching his fiduciary duties by “diverting corporate assets” or entering into improvident transactions as alleged by the Plaintiffs in paragraphs 12 to 15 of the Statement of Claim. Xanthoudakis states that he acted in good faith with a view to the best interests of the corporations for which he served as an officer or director. Xanthoudakis states further that at all times he endeavoured to oversee the operations of NAM and NIP to ensure that the advisory mandates of those companies were undertaken to a high standard with a view to maximising returns for the investors in the Olympus Funds.
8. Xanthoudakis states that the allegations and insinuations in the Statement of Claim that he diverted corporate assets to the disadvantage of the Plaintiffs and to the investors in the Olympus Funds are false. The Plaintiffs have not particularized any specific transactions in which it is alleged that corporate assets were wrongfully diverted by Xanthoudakis or by any entities that he served as an officer or director of.
9. Xanthoudakis denies the Plaintiffs’ allegations in paragraph 29 of the Statement of Claim in relation to the so-called Direct Investors (as defined in the Statement of Claim) in

Olympus Uninvest. Xanthoudakis was not responsible for attributing a value to the assets held by the Direct Investors that were exchanged for shares of Olympus Uninvest and denies that he breached any duties as alleged in relation to those transactions.

10. Xanthoudakis states that he relied on the reported valuations of the non-hedged assets held by Mosaic, which valuations he believed had been undertaken by qualified professionals and would have been subjected to review by the auditors of the Channel Entities and Mosaic. Accordingly, Xanthoudakis denies that the value of Mosaic's assets was "grossly overstated" and denies that he "participated in artificially inflating" the value of those assets.
11. In particular, Xanthoudakis denies that the option agreements described in paragraphs 43 to 46 of the Statement of Claim were either intended or had the effect of inflating the value of the Channel Entities. Xanthoudakis states that his understanding of the purpose of the option transactions described was to convey the economic value of certain assets owned by Norshield Financial Holdings Ltd. and Norshield Capital Management to certain of the Channel Entities.
12. Xanthoudakis believes that the transactions were structured based on legal advice, including with respect to tax consequences. Xanthoudakis was not involved in negotiating the option agreements entered into between Liberty Trust and certain of the Channel Entities. Moreover, it was Xanthoudakis' belief that Liberty Trust and the Channel Entities were acting at arms length and independently in determining the value of the assets, and that the option transactions were completely transparent and would have been subject to review by the auditors of the Channel Entities and Mosaic.

13. With respect to the allegations in paragraphs 49 to 53 of the Statement of Claim in relation to the net asset value calculations ("NAVs") undertaken of the Olympus Funds, Xanthoudakis states that he was not involved in the calculation of the NAVs. The NAV calculations were undertaken by Cardinal International Fund Management and NAV Consulting Inc. which were independent and highly regarded organizations that provided similar services to other major investment funds. Xanthoudakis believed at the time that the NAVs reported to retail investors were accurate and properly reflected the value of the hedged assets that the Olympus Funds were exposed to.
14. Based on the expertise of the independent entities providing the NAV calculations, the terms of the agreement between Olympus Uninvest and Mosaic and his own reasonable belief that Mosaic was able to support its obligations to Olympus Uninvest, including the indebtedness to the Royal Bank of Canada, Xanthoudakis believed that it was appropriate for the NAVs to reflect only the value of the hedged assets. Xanthoudakis therefore denies the allegation in paragraph 52 of the Statement of Claim that he was aware of and assisted in the creation and disclosure of intentionally overstated NAVs.
15. Furthermore, Xanthoudakis relied on the fact that valuations of the non-hedged assets of Mosaic were undertaken by third parties and that the financial statements of Mosaic which reported those valuations, had been subject to audit by an independent and reputable audit firm and that unqualified audit opinions were rendered. Audit opinions were also rendered on the financial statements of Olympus Uninvest and Olympus Funds by independent and recognized audit firms.

16. Contrary to the allegations in the Statement of Claim, subscriptions received from investors were invested in hedged assets as represented in the offering documents for the Olympus Funds.
17. Despite the extravagant and broad allegations contained therein, the Statement of Claim does not identify any transactions in which investor funds or the assets of the Plaintiffs were “diverted” as alleged. Xanthoudakis nevertheless denies being a “prime architect” or “directing mind” of any “diversion” of assets through the Norshield investment structure. To the best of Xanthoudakis’ knowledge, assets were only ever transferred for valid commercial purposes.
18. Ultimately it was the unexpected and extraordinary increase in redemption requests that greatly exceeded the liquidity provisions in place within Mosaic that caused the investment structure to fail. As the non-hedged assets of Mosaic were predominantly long term investments that were valued as a going concern, the effect of the extraordinary and unexpected redemption requests precipitated the untimely collapse of the investment structure and permanently impaired the value of the non-hedged assets.
19. Xanthoudakis states that but for the extraordinary sequence of events that prompted the avalanche of redemption requests, the investment structure would have remained viable and value would have been preserved for the investors in the Olympus Funds.
20. Xanthoudakis relies on the *Limitations Act, 2002* and pleads that the action is barred for being brought out of time.

21. Xanthoudakis requests that the action be dismissed with costs.

April 2, 2008

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de Placements Norshield (Canada) Ltée, et al
Plaintiff

and

JOHN XANTHOUDAKIS and DALE SMITH
Defendants

Court File No. 07-CL-7282

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
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STATEMENT OF DEFENCE

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SCHEDULE " I "

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Court File No.: 07-CL-7282

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

**RSM RICHTER INC., in its capacity as Receiver of Gestion de Placements
Norsheld (Canada) Ltée / Norsheld Asset Management (Canada) Ltd.,
Norsheld Investment Partners Holdings Ltd./Gestion des Partenaires
D'Investissement Norsheld Ltée, Olympus United Funds Holding Corporation,
Olympus United Funds Corporation / Corporation de Fonds Unis Olympus,
Olympus United Bank and Trust SCC, Groups Olympus United Inc./Olympus
United Group Inc., Honeybee Software Technologies Inc./Technologies de
Logiciels Honeybee Inc. (formerly Norsheld Investment
Corporation/Corporation D'Investissement Norsheld), and Norsheld Capital
Management Corporation / Corporation Gestion de L'Actif Norsheld**

Plaintiff

- and -

JOHN XANTHOUDAKIS and DALE SMITH

Defendants

**STATEMENT OF DEFENCE
OF DALE SMITH**

Introduction

1. The defendant Dale Smith ("Smith") admits the allegations contained in paragraphs 6, 7 (though Smith has no knowledge of the defendant John Xanthoudakis' ("Xanthoudakis") current residence), 17, 18, 19, 20, 21, 23, 34, 35 and the first sentence of paragraph 36 of the statement of claim.

- 2 -

2. Smith denies all other allegations of fact contained in the statement of claim unless specifically admitted herein.

3. The plaintiff spent significant time and moneys investigating this matter prior to commencing this claim.

4. The plaintiff concluded that the moneys must have been misappropriated by someone at some time in the past, but concluded that Smith was not that someone.

5. The plaintiff similarly concluded that Smith was not the architect or directing mind of the Norshield Financial Group ("NFG") nor of any scheme to defraud anyone of anything.

6. Rather, the plaintiff concluded that because Smith was an officer and/or director of certain companies in the NFG, he must bear some responsibility if the moneys were misappropriated while Smith held any officer and/or director positions with the Plaintiff Companies (as defined below).

7. In many paragraphs of the claim, allegations are made against both Smith and Xanthoudakis, when the plaintiff has no basis for making the allegation, as against Smith.

- 3 -

8. Smith is a chartered accountant who was responsible for certain operational activity of certain companies in the NFG. He was not responsible for any investment-related matters.

9. Smith states that he complied with all legal obligations that he owed, that none of his conduct, should it be found to be below the standard of care required in the circumstances (which is denied), was the cause of any loss suffered by any company in the NFG and that, in any event, he is entitled to be indemnified for the costs he incurs with respect to this matter, as at all times he acted in the course of his employment.

Factual Overview

10. Contrary to the allegations in paragraph 5 of the statement of claim, Smith did not design the NFG investment structure. By the time Smith joined the NFG in September 1998 most elements of the NFG investment structure had been in place for many years, it had some \$300 million of assets under management and was regarded as a well-established hedge fund in the Canadian market and indeed abroad. NFG and its founder, Xanthoudakis, had established a considerable reputation as successful money managers, with a number of management contracts with offshore funds (where most hedge funds are domiciled for taxation reasons), and had also established themselves as significant investors in the private equity and "small cap" public market.

11. NFG was not a legal entity but a loosely defined aggregation of Norshield entities based mainly in Montreal and came to include all of the Plaintiff Companies (as defined below).

- 4 -

As such Smith's nominal title of Chief Financial Officer did not coincide with his actual duties. Aside from the oversight of NFG operations such as payroll, Human Resources and Information Technology, Smith's major duties until 2003 consisted of monitoring the investee portfolios of Norshield Capital Management Corporation ("NCM") and Norshield Investment Corporation, which is now known as Honeybee Software Technologies Inc. ("NIC.") In this capacity Smith held board and officer positions in several investee companies. There is no allegation that any losses suffered relate to any of these activities.

12. In June 1999 Norshield Asset Management ("NAM") acquired a 50% interest in First Horizon Holdings Ltd. (which was later renamed Olympus United Funds Holdings Corporation ("Olympus Holdings") which owned the entity that would come to be called Olympus United Funds Corporation ("Olympus Funds") which in turn owned a Barbadian bank that would ultimately be renamed Olympus United Bank & Trust SCC ("Olympus Bank"). Smith played no role in the decision to purchase Olympus Holdings. Subsequent to the purchase, Smith was appointed director of Olympus Funds.

13. In 2000 Smith's title changed to President and Chief Operating Officer of NFG, although there were no significant changes in his responsibilities.

14. Smith was never a director or officer of NAM or Mosaic Composites Limited ("Mosaic").

- 5 -

15. In or about January 2003 NAM acquired the remaining 50% of the Olympus Holdings' entities and Smith became the President and CEO of Olympus Funds and the Chairman and CEO of Olympus Bank. At this time Smith was also appointed to the board of Olympus Uninvest Ltd. ("Olympus Uninvest"). Approximately \$400 million had already been invested by investors in Olympus Uninvest by the time of Smith's appointment.

16. The plaintiff believes that the alleged misappropriation took place prior to Smith's appointment.

17. As elaborated upon below, as a director of these foreign entities, Smith had to rely on foreign experts, including accountants and valuers. Eventually, delays in the production of financial statements and valuations became prolonged and could not be justified. Accordingly, on March 21, 2005 Smith resigned from all posts at NFG. Following his resignation he continued to work as a consultant to NAM. In his capacity as consultant he retained no decision-making authority. Smith also continued on as Chairman of Olympus Bank in order to fulfill the requirements of Barbadian banking regulations. Both these roles came to an end on or about June 29, 2005 when RSM Richter Inc. was appointed the receiver of all the assets, undertakings and properties of the following companies:

- (a) NAM;
- (b) Norshield Investment Partners Holdings Ltd. ("NIPH");
- (c) Olympus Holdings;

- 6 -

- (d) Olympus Funds;
- (e) Olympus Bank; and
- (f) Olympus United.

18. On September 9, 2005 RSM Richter Inc. was appointed receiver of:

- (a) NCM; and
- (b) NIC (along with the companies listed in 12 (a)-(f) and NCM, the "Plaintiff Companies").

Smith Fulfilled All Obligations Owed

19. Smith admits he owed to those Plaintiff Companies of which he was a director and/or officer, namely Olympus Funds, Olympus Bank and Olympus Uninvest, a duty to:

- (a) act honestly and in good faith with a view to the best interests of the corporation; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

20. Smith denies owing any such duties to Plaintiff Companies of which he was not a director or officer.

- 8 -

22. With respect to the allegations set out in paragraph 17 of the statement of claim, all offering memoranda ("OMs") issued by Olympus Funds between 1998 and January 31, 2003, which raised assets of approximately \$160 million, were drafted and signed by Fred Purvis and Gordon Cummings, the senior management and controlling minds of Olympus Bank and Olympus Funds' businesses throughout that period of time.

23. In his capacity as President and CEO of Olympus Funds Smith signed OMs issued by Olympus Funds during 2003 and 2004. Smith reasonably believed these OMs to accurately reflect the nature of the investment offered and the manner in which funds were directed. In signing the OMs Smith relied on the same professional advisors that had assisted previous Olympus Funds' senior management in preparing OMs.

24. With respect to the allegations set out in paragraph 22, investor funds were invested as represented in the OMs. Smith denies that any investor funds were negligently, recklessly or improperly used by him and he was not aware of investor funds being negligently, recklessly or improperly used by anyone else associated with the NFG.

25. With respect to the allegations in paragraph 29 of the statement of claim; any issuance of shares of Olympus Uninvest for assets in kind from direct investors took place prior to Smith's appointment as a director of Olympus Uninvest. Smith never took part in attributing a value to the assets in kind and reasonably relied on the directors, officers and independent auditors of Olympus Uninvest's assessment at the time the direct investments took place, that the valuation of the assets in kind was commercially reasonable.

- 9 -

26. With respect to the allegations contained in paragraph 32 of the statement of claim, Smith denies being the directing mind of either (i) the quantum of funds sent from Olympus Uninvest to Mosaic or (ii) the investment of those funds by Mosaic. Indeed, as noted above, Smith was never a director or officer of Mosaic.

27. Smith admits that the agreement between Olympus Uninvest and Mosaic is as described in paragraphs 34-35 and the first sentence of paragraph 36 of the statement of claim. Smith denies that the agreement was commercially unreasonable or contrary to the best interests of the Plaintiff Companies as alleged in paragraph 37 of the statement of claim.

28. Contrary to the allegations in paragraphs 38 and 39 of the statement of claim, Smith believes the funds invested in the Plaintiff Companies were used in the best interest of the Plaintiff Companies in accordance with the OMs. In the alternative, if the funds were not so invested, it was not as a result of any breach of duty by Smith. To the best of Smith's knowledge, no funds that flowed into Mosaic were used to make:

- (a) any unauthorized or improvident investments;
- (b) unexplained payments to entities or funds with a connection to Xanthoudakis, other companies within the NFG or other entities over which Xanthoudakis had influence;
- (c) maintain the NFG's operations; or

- 10 -

- (d) pay administrative, management, incentive or other fees on the basis of intentionally overstated asset values.

29. Contrary to the allegations in paragraphs 40-55 of the statement of claim, at all material times Smith was satisfied that the net asset values ("NAVs") of Olympus Funds, Olympus Uninvest, Mosaic and the Channel Entities (as defined in the statement of claim) properly reflected the underlying assets of those entities. In coming to this conclusion Smith reasonably relied on:

- (a) the valuations performed by Mount Real Innovation Centre Inc. and Spectrum Financial Services on the Channel Entities assets;
- (b) the unqualified audit opinions rendered by Mosaic's independent auditors, Grant Thornton LLP, on Mosaic's audited financial statements for 2002 and 2003;
- (c) The independence and industry stature of Cardinal International Fund Management as Fund Administrator for Olympus Uninvest and Mosaic;
- (d) Cardinal International Fund Management's calculation of Mosaic and Olympus Uninvest's NAVs;
- (e) NAV Consulting Inc.'s NAV calculations for Olympus Uninvest's managed futures and tactical trading portfolios;

- 11 -

- (f) the detailed review of Cardinal and NAV Consulting's methodology performed by NFG's risk management team (which had over 30 years of cumulative experience in the hedge fund industry);
- (g) the unqualified audit opinions rendered by Olympus Uninvest's independent auditor, Deloitte & Touche, on Olympus Uninvest's audited financial statements for 2002 and 2003;
- (h) The unqualified audit opinions rendered by Olympus Funds' independent auditor, KPMG, on Olympus Funds' audited financial statements for 2002 and 2003; and
- (i) The independence and industry stature of Administrative Fundamentals Inc. as Fund Administrator for Olympus Funds.

30. To the extent that the Plaintiff Companies have suffered losses as alleged in the statement of claim, which is not admitted but expressly denied, such losses were not caused by any act, omission or breach of duty of Smith.

31. The damages claimed by the receiver on behalf of the Plaintiff Companies are exaggerated, remote and arise from circumstances for which Smith is not responsible.

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32. Smith pleads and relies on the *Limitations Act*, R.S.O. 1990, c. L.15 and/or the *Limitations Act, 2002*, S.O. 2002, c. 24, Sched. B, as applicable, and the equitable doctrine of laches to the effect that the claim is barred by the passage of time.

33. Smith therefore asks that this action be dismissed, with costs on a full indemnity basis.

Date: March 14, 2008

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M5X 1G5

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Solicitors for the defendant, Dale Smith

- 13 -

TO: THORNTON GROUT FINNIGAN LLP
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Solicitors for the plaintiff

AND TO: CRAWLEY MEREDITH LLP
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Solicitors for the defendant John Xanthoudakis

RSM Richter – Plaintiff –		v.	JOHN XANTHOUDAKIS <i>et al</i> – Defendants –	
		ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST (PROCEEDING COMMENCED AT TORONTO)		
		STATEMENT OF DEFENCE OF DALE SMITH		
		GOWLING LAFLEUR HENDERSON LLP Barristers and Solicitors 1 First Canadian Place 100 King Street West, Suite 1600 TORONTO, Ontario M5X 1G5 Steven Sofer – LSUC No.: 27110G James Camp – LSUC No: 53046U Telephone: (416) 862-5413 Facsimile: (416) 862-7661 Solicitors for the DEFENDANT, DALE SMITH		

SCHEDULE "J"

COMMONWEALTH OF THE BAHAMAS

2006/COM/bnk/00015

IN THE SUPREME COURT

JUL 31 2008

Commercial Division

NASSAU, BAHAMAS

IN THE MATTER OF MOSAIC COMPOSITE LIMITED
now MOSAIC COMPOSITE LIMITED (U.S.) INC.
(a Minnesota Corporation) ("Mosaic")

AND

IN THE MATTER OF THE INTERNATIONAL BUSINESS
COMPANIES ACT, Chapter 309
Statute Laws of The Bahamas, 2000 Edition ("the Act")

AND

COMMONWEALTH OF THE BAHAMAS

2005/COM/bnk/00047

IN THE SUPREME COURT

Commercial Division

IN THE MATTER OF OLYMPUS UNIVEST LTD.
(In Liquidation)

AND

IN THE MATTER OF THE INTERNATIONAL
BUSINESS COMPANIES ACT, Ch. 309, Statute Laws of
The Bahamas, 2000 Edition

ORDER

BEFORE the Honourable Justice Mrs. Cheryl Albury in Chambers in the British American Building, Marlborough Street, Nassau, Bahamas, this Tuesday the 29th day of July, A.D., 2008.

UPON the Ex Parte Summons filed herein on 8th day of July, A.D., 2008.

AND UPON HEARING Tracy A.A.A. Ferguson of Counsel for George Clifford Culmer and Raymond Massi, the Joint Official Liquidators of Olympus Uninvest Limited (In Liquidation) and Mosaic Composite Limited (US) Inc., (In Liquidation) (the "Joint Official Liquidators"); Mr. Andrew K. McKinney of Counsel for Deloitte & Touche LLP (Bahamas) ("Deloitte") and Veronique J.N. Evans of Counsel for Grant Thornton Bahamas.

UPON READING the Affidavit of George Clifford Culmer sworn and filed herein on the 8th day of July, A.D., 2008 (the "Culmer Affidavit").

IT IS HEREBY ORDERED:

1. That the Joint Official Liquidators, as well as others whom they may direct, be authorized to disclose, any and all confidential information and documentation obtained by or in the possession of the Joint Official Liquidators to RSM Richter Inc, in its capacity as the Court-appointed Receiver (the "Canadian Receiver") of the Plaintiff Companies (as defined in the Culmer Affidavit) and to RSM Richter Inc., and Brian F. Griffith & Company in their capacity as Joint Custodians of Olympus United Bank and Trust SCC (the "Joint Custodians") for use by the Canadian Receiver and/or the Joint Custodians in connection with the following proceedings:

- i) Civil action bearing Court file no07-CL-7282 commenced by the Canadian Receiver in the Ontario Superior Court of Justice against John Xanthoudakis and Dale Smith (the "Action");
- ii) the administrative proceeding commenced by the Ontario Securities Commission (the "O S C") against John Xanthoudakis, Dale Smith and Peter Kefalas (the "OSC Proceeding"); and
- iii) the investigation and any proceeding commenced by Autorité des marchés financier (the "AMF") in connection with certain of the Plaintiff Companies and the officers and directors thereof (the "AMF Proceeding") including, without limitation, pursuant to the AFM Subpoena (as defined in the Culmer Affidavit).

2. That the Joint Official Liquidators, the Canadian Receiver and the Joint Custodians, as well as others whom they may direct on their behalf, are hereby permitted to disclose, by way of production of documents or information, by way of oral evidence or otherwise, within the Action, the OSC Proceeding, the AMF Proceeding (which includes, without limitation, the AMF Subpoena), , any Additional Proceedings and in the course of administering the estates of any of Olympus, Mosaic, the Plaintiff Companies or Olympus Bank, any and all confidential information or documentation obtained by or in the possession of the Joint Provisional Liquidators of Mosaic and Olympus or the Joint Official Liquidators or otherwise received by the Receiver or the Joint Custodians from the Joint Provincial Liquidators of Mosaic and Olympus, the Joint Official Liquidators or which may otherwise be subject to confidentiality obligations imposed by the laws of The Bahamas.

3. That the Orders given in paragraph 1 and 2 above **ARE CONDITIONED UPON THE AGREEMENT AND UNDERTAKING GIVEN BY** the Joint Official Liquidators that they will not disseminate any of the material and information provided by Deloitte to the Joint Official Liquidators in February 2007 pursuant to the *ex parte* Order of Justice Jeanne Thompson of this Honourable Court dated October 4, 2006 and pursuant to the *ex parte* Order of Her Ladyship the Honourable Justice Madam Cheryl Albury dated October 18, 2006 to any persons **AND THAT** the disclosure hereby ordered shall be used by the Joint Official Liquidators, as well as to others whom they may direct only in connection with the Action, the OSC Proceeding and the AMF Proceeding as defined above at paragraph 1 subsection (i) through (iii).

4. That the Joint Official Liquidators have further liberty to apply as may be necessary; and

5. That the costs of this application be costs in the winding-up.

6. That the Affidavit of George Clifford Culmer sworn and filed herein on the 8th day of July, A.D., 2008 is to be sealed.

BY ORDER OF THE COURT

REGISTRAR

COMMONWEALTH OF THE BAHAMAS
IN THE SUPREME COURT
Commercial Division

IN THE MATTER OF MOSAIC COMPOSITE LIMITED
now **MOSAIC COMPOSITE LIMITED (U.S.) INC.**
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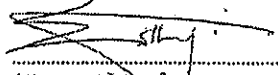

CALLENDERS & CO.

Chambers
One Millars Court
Nassau, N.P., Bahamas
Attorneys for the Joint Official Liquidators
Attn: Tracy A.A.A. Ferguson



SCHEDULE "K"

DRAWN AND/OR PREPARED BY


Attorney-at-Law of
Lex Caribbean Law Office
Worthing Corporate Centre
Worthing, Christ Church, Barbados

BARBADOS

2008 No.1226

IN THE HIGH COURT OF JUSTICE

CIVIL DIVISION

IN THE MATTER OF RSM RICHTER
INC. AS RECIEVER/JOINT CUSTODIAN
AND OLYMPUS UNITED BANK AND
TRUST SCC

AND IN THE MATTER OF THE
INTERNATIONAL FINANCIAL
SERVICES ACT, NO. 5 OF 2002 OF THE
LAWS OF BARBADOS

ORDER

BEFORE the Honourable Justice Mr. Randall Worrell, judge of the High Court

On the 29th day of July, 2008.

Entered on the day of 2008

UPON THE APPLICATION by Summons filed herein on the 24th day of July, 2008, coming on for hearing AND UPON READING the Affidavit of Eric Rodier filed on the 24th day of July 2008 AND UPON HEARING Mrs. Esther Arthur, Attorney-at-Law, of the firm of Lex Caribbean, Attorneys-at-Law for Brian F. Griffith and R.S.M. Richter Inc., the Joint Custodians of Olympus Untied Bank and Trust SCC (the "Bank") and H. Adrian W. Cummins, Q.C., and Brian Barrow of Messrs. Carrington & Sealy, Attorneys-at-Law for the Central Bank of Barbados IT IS HEREBY ORDERED that:

1. The Joint Custodians, as well as others whom they may direct (including the Receiver), be authorized to disclose, any and all confidential information and documentation, as the term is defined in section 46(3) of the International Financial Services Act, pertaining to the Bank that they or either of them may have acquired or

have in their possession as Joint Custodians for use by the Receiver, RSM Richter (the "Receiver") and/or the Joint Custodians in connection with the following proceedings:

- i) Civil action bearing Court file no07-CL-7282 commenced by the Canadian Receiver in the Ontario Superior Court of Justice against John Xanthoudakis and Dale Smith (the "Action");
- ii) the administrative proceeding commenced by the Ontario Securities Commission (the "O S C") against John Xanthoudakis, Dale Smith and Peter Kefalas (the "OSC Proceeding");
- iii) the investigation and any proceeding commenced by Autorité des Marchés financier (the "AMF") in connection with the Plaintiffs in suit no 07-CL-7282 (the "Plaintiff Companies") and the officers and directors thereof (the "AMF Proceeding"), pursuant to the AFM Subpoena ; and
- iv) any additional legal proceedings ("Additional Proceedings") which may be commenced by any of the Joint Official Liquidators of Olympus Univest Ltd. and Mosaic Composite Limited (U.S.), Inc. (the "Joint Liquidators"), the Receiver or by the Joint Custodians against any third parties or in connection with the administration of any of the estates of, any of the Plaintiff Companies.

2. The Joint Custodians, as well as others whom they may direct on their behalf (including the Receiver), are hereby permitted to disclose, by way of production of documents or information, by way of oral evidence or otherwise, within the Action, the OSC Proceeding, the AMF Proceeding (which includes, without limitation, the AMF Subpoena), any additional proceedings and in the course of administering the estates of any of the Plaintiff Companies, or any and all confidential information or documentation obtained by or in the possession of the Joint Custodians or otherwise received by the Receiver or the Joint Custodians or which may otherwise be subject to confidentiality obligations imposed by the laws of Barbados.

3. The Joint Custodians or either of them submits to this Court a report of the above mentioned proceedings in Canada and the information disclosed pursuant to this Order in respect of the Olympus United Bank and Trust SCC

4. The Joint Custodians have further liberty to apply as may be necessary.

5. The costs of this application be costs in the winding-up (inclusive of the costs of the Attorneys-at-Law for the Central Bank of Barbados); and

6. The Affidavit of Eric Rodier sworn and filed herein on the 24th day of July, 2008 be sealed.

DATED this 30th day of July, 2008.

[Signature]
REGISTRAR



CERTIFIED A TRUE COPY

[Signature]
LEGAL ASSISTANT (ag)

BARBADOS

2008 No.1226

IN THE HIGH COURT OF JUSTICE

CIVIL DIVISION

IN THE MATTER OF RSM RICHTER
INC. AS RECIEVER/JOINT CUSTODIAN
AND OLYMPUS UNITED BANK AND
TRUST SCC

AND IN THE MATTER OF THE
INTERNATIONAL FINANCIAL
SERVICES ACT, NO. 5 OF 2002 OF THE
LAWS OF BARBADOS

ORDER

Presented for filing by
Lex Caribbean
Attorneys-at-Law for Joint Custodians, Brian F. Griffith and RSM Richter Inc.

SCHEDULE "L"

COMMONWEALTH OF THE BAHAMAS

2006/COM/bnk/00015

IN THE SUPREME COURT

Commercial Division

SUPREME COURT

JUL 31 2008

NASSAU, BAHAMAS

IN THE MATTER OF MOSAIC COMPOSITE LIMITED
now **MOSAIC COMPOSITE LIMITED (U.S.) INC.**
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2. That the Joint Official Liquidators, the Canadian Receiver and the Joint Custodians, as well as others whom they may direct on their behalf, are hereby permitted to disclose, by way of production of documents or information, by way of oral evidence or otherwise, within the Action, the OSC Proceeding, the AMF Proceeding (which includes, without limitation, the AMF Subpoena), , any Additional Proceedings and in the course of administering the estates of any of Olympus, Mosaic, the Plaintiff Companies or Olympus Bank, any and all confidential information or documentation obtained by or in the possession of the Joint Provisional Liquidators of Mosaic and Olympus or the Joint Official Liquidators or otherwise received by the Receiver or the Joint Custodians from the Joint Provincial Liquidators of Mosaic and Olympus, the Joint Official Liquidators or which may otherwise be subject to confidentiality obligations imposed by the laws of The Bahamas.

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5. That the costs of this application be costs in the winding-up.

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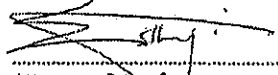

Calenders & Co.

Chambers
One Millars Court
Nassau, N.P., Bahamas
Attorneys for the Joint Official Liquidators
Attn: Tracy A.A.A. Ferguson

SCHEDULE M



DRAWN AND/OR PREPARED BY


Attorney-at-Law of
Lex Caribbean Law Office
Worthing Corporate Centre
Worthing, Christ Church, Barbados

BARBADOS

2008 No.1226

IN THE HIGH COURT OF JUSTICE

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On the 29th day of July, 2008.

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have in their possession as Joint Custodians for use by the Receiver, RSM Richter (the "Receiver") and/or the Joint Custodians in connection with the following proceedings:

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- ii) the administrative proceeding commenced by the Ontario Securities Commission (the "O S C") against John Xanthoudakis, Dale Smith and Peter Kefalas (the "OSC Proceeding");
- iii) the investigation and any proceeding commenced by Autorité des Marchés financier (the "AMF") in connection with the Plaintiffs in suit no 07-CL-7282 (the "Plaintiff Companies") and the officers and directors thereof (the "AMF Proceeding"), pursuant to the AFM Subpoena ; and
- iv) any additional legal proceedings ("Additional Proceedings") which may be commenced by any of the Joint Official Liquidators of Olympus Uninvest Ltd. and Mosaic Composite Limited (U.S.), Inc. (the "Joint Liquidators"), the Receiver or by the Joint Custodians against any third parties or in connection with the administration of any of the estates of, any of the Plaintiff Companies.

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3. The Joint Custodians or either of them submits to this Court a report of the above mentioned proceedings in Canada and the information disclosed pursuant to this Order in respect of the Olympus United Bank and Trust SCC

4. The Joint Custodians have further liberty to apply as may be necessary.

5. The costs of this application be costs in the winding-up (inclusive of the costs of the Attorneys-at-Law for the Central Bank of Barbados); and
6. The Affidavit of Eric Rodier sworn and filed herein on the 24th day of July, 2008 be sealed.

DATED this 30th day of July, 2008.

[Signature]
REGISTRAR



CERTIFIED A TRUE COPY

Breanida
LEGAL ASSISTANT (as)

BARBADOS

2008 No.1226

IN THE HIGH COURT OF JUSTICE

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IN THE MATTER OF RSM RICHTER
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LAWS OF BARBADOS

ORDER

Presented for filing by
Lex Caribbean
Attorneys-at-Law for Joint Custodians, Brian F. Griffith and RSM Richter Inc.

**NORSHIELD COMPANIES, OLYMPUS UNIVEST AND MOSAIC
ESTIMATED GROSS REALIZATION SCHEDULE**

		SIXTH REPORT (02/27/2007)			THIRTEENTH REPORT 09/30/2009)		
ENTITY	ASSETS IDENTIFIED	REALIZED	ESTIMATED ADDITIONAL REALIZATION	TOTAL	REALIZED	ESTIMATED ADDITIONAL REALIZATION	TOTAL
		C\$	C\$	C\$	C\$	C\$	C\$
		(US \$ Converted at 1.16)			(US \$ Converted at 1.07)		
Norshield Companies (excluding Olympus Bank)							
NAM	Bank balances, receivables, misc.	603,000	-	603,000	920,000	-	920,000
Olympus Funds	Bank balances	1,231,000	-	1,231,000	1,231,000	-	1,231,000
	Receivable from Horizon Funds Inc.	1,600,000	-	1,600,000	1,600,000	-	1,600,000
		2,831,000	-	2,831,000	2,831,000	-	2,831,000
Norshield Capital Management / Honeybee Software	Investment in Oceanwide	-	3,000,000	3,000,000	3,276,000	-	3,276,000
	Cash balances at banks and brokers	37,000	-	37,000	37,000	-	37,000
	Miscellaneous income	30,000	-	30,000	55,000	-	55,000
	Investment in AMT	1,400,000	-	1,400,000	1,402,000	-	1,402,000
	Investment in Niocan	###	-	-	1,201,000	-	1,201,000
		###	1,467,000	3,000,000	4,467,000	-	5,971,000
Norshield Companies (excluding Olympus Bank) Liquidations		4,901,000	3,000,000	7,901,000	9,722,000	-	9,722,000
Olympus Bank							
	Bank balances and managed funds	4,889,000	-	4,889,000	4,975,994	-	4,975,994
	Sale of Summerland property	365,000	1,914,000	2,279,000	2,358,006	-	2,358,006
Olympus Bank Liquidation		5,254,000	1,914,000	7,168,000	7,334,000	-	7,334,000
Olympus Uninvest							
Olympus Uninvest Liquidation		-	-	-	-	-	-
Mosaic							
	MS-II Class B Shares	-	7,500,000	7,500,000	7,813,000	-	7,813,000
	Premier Commercial Real Estate Investment Corporation:						
	Proceeds from sale of shares	-	6,380,000	6,380,000	-	5,897,000	5,897,000
	Dividends received	-	1,040,000	1,040,000	1,899,000	-	1,899,000
	Claims in two Bahamas Liquidations	1,139,000	-	1,139,000	1,053,000	-	1,053,000
	Interest and tax refunds	-	-	-	730,000	-	730,000
Mosaic Liquidation		1,139,000	14,920,000	16,059,000	11,495,000	5,897,000	17,392,000
Total Estimated Gross Realization		11,294,000	19,834,000	31,128,000	28,551,000	5,897,000	34,448,000

**NORSHIELD COMPANIES, OLYMPUS BANK, OLYMPUS UNIVEST AND MOSAIC
ESTIMATED GROSS DISTRIBUTION SCHEDULE**

As at September 30, 2009

Amounts in Canadian Dollars

	<u>Mosaic</u>	Notes	<u>Olympus Univest</u>	Notes	<u>Olympus Bank</u>	Notes	<u>Olympus Funds</u>	Notes
Estimated Claims								
From Olympus Univest	411,100,000	< 1, 2						
From Olympus Bank	11,800,000	< 3	133,800,000	< 3				
From Olympus Funds					160,100,000	< 3		
From Institutional Investors			194,000,000	< 5				
From Other Claimants	48,400,000	< 1, 4	130,800,000	< 5	13,500,000	< 3		
From Retail Investors							159,000,000	< 6
Total Claims	<u>471,300,000</u>		<u>458,600,000</u>		<u>173,600,000</u>		<u>159,000,000</u>	
Estimated Gross Realizations								
From Asset Recoveries	17,392,000	< 7			7,334,000	< 7	9,722,000	< 8, 9
From Distributions			15,170,488		4,861,550		11,247,163	
Total Available for Distribution	<u>17,392,000</u>	< 9	<u>15,170,488</u>	< 9	<u>12,195,550</u>	< 9	<u>20,969,163</u>	< 9
Estimated Distributions to Claimants								
To Olympus Univest	15,170,488							
To Olympus Bank	435,446		4,426,104					
To Olympus Funds					11,247,163			
To Institutional Investors			6,417,520					
To Other Claimants	1,786,066		4,326,864		948,387			
To Retail Investors							20,969,163	
Total Distributions	<u>17,392,000</u>		<u>15,170,488</u>		<u>12,195,550</u>		<u>20,969,163</u>	
Percentage Recovered	<u>3.69%</u>		<u>3.31%</u>		<u>7.03%</u>		<u>13.19%</u>	

Notes

- 1> US\$ to C\$ Exchange Rate: 1.07
- 2> Based on the unaudited financial statements of Olympus Univest for the year ended September 30, 2004.
- 3> Based on the unaudited financial statements of Olympus Bank as at June 30, 2005.
- 4> Based on the Mosaic claims process initiated by the Mosaic JOLs (the Mosaic JOLs will seek Court authority to disallow certain proofs of claim).
- 5> Based on the Olympus Univest claims process initiated by the Olympus Univest JOLs (the Olympus Univest JOLs will seek Court authority to disallow certain proofs of claim).
- 6> Based on the fund administrator's database (Unisen).
- 7> Based on the Receiver's estimated gross realization as at September 30, 2009 and as illustrated on Schedule "N".
- 8> Based on the Receiver's estimated gross realization as at September 30, 2009 (Schedule "N") and further assumes that all recoveries from the assets of NAM, Norshield Capital Management and Honeybee Software will be distributed within the Olympus Funds receivership on the basis that Retail Investors' funds were utilized to purchase such assets.
- 9> Assumes that all claimants (creditors and shareholders) would participate in any distribution on a pro-rata basis.

SCHEDULE "D"

[RSM RICHTER LETTERHEAD]

●, 2010

TO: All Shareholders of Olympus United Funds Corporation/ Corporation de Fonds Unis Olympus

Dear Madam or Sir:

**Re: Ontario Securities Commission v. Olympus United Funds Corporation/
Corporation de Fonds Unis Olympus et al
Court File No.: 05-CL-5965**

**NOTICE: This document contains very important information
which requires your immediate attention.**

The undersigned, RSM Richter Inc. (the “**Receiver**”), is the Court-appointed Receiver of Olympus United Funds Corporation/Corporation de Fonds Unis Olympus (“**OUFC**”) pursuant to Orders rendered by the Ontario Superior Court of Justice (Commercial List) in the above-noted proceeding (the “**Receivership Proceeding**”). By judgment of the Quebec Superior Court (Commercial Division), the Receivership was recognized and declared enforceable in the Province of Quebec. The present documentation is delivered to you pursuant to the order of the Honourable Mr. Justice Campbell of the Ontario Superior Court of Justice (Commercial List) dated ● (the “**Claims Process Order**”) to permit the Receiver to establish the identity of all investors and the details of all investments in OUFC.

We enclose herewith a form entitled “Proof of Investment in Olympus United Funds Corporation as at April 29, 2005”(the “**Proof of Investment**”) and a schedule of your individual investments in OUFC (the “**Individual Investor List**”), which contains details relating to your account with OUFC based upon the records in the possession of the Receiver (the “**Receiver’s Information**”).

Pursuant to the Claims Process Order, you are required to complete and return to the Receiver the Proof of Investment form on or before March 31, 2010, failing which your claim against OUFC will be forever barred, released and extinguished, subject to further order of the Court. In your Proof of Investment form, you are required to confirm the correctness and completeness of the Receiver’s Information related to your account as detailed in the enclosed Individual Investor List or to indicate any corrections or omissions relating thereto in the space provided The

Receiver reserves the right to revise the Receiver's Information based upon any information subsequently received.

If the Receiver disputes, in whole or in part, your completed Proof of Investment, the Receiver shall send to you a Notice of Disallowance indicating the reasons for such dispute prior to distributing any funds to you or to other investors in OUFC. In the event of any discrepancy between the Receiver's Information and the information which you provide to us, we may contact you again for further details.

If you have any questions regarding the completion of the Proof of Investment form, please contact the Receiver as follows:

RSM Richter Inc.

Receiver of Olympus United Funds Corporation

Tel. No.: 1-866-869-9679

Fax No.: 514-934-8603

E-mail: Norshield@rsmrichter.com

We thank you in advance for your timely cooperation in this matter.

Yours very truly,

**RSM RICHTER INC. solely in its capacity as
the Court-appointed Receiver of Olympus United
Funds Corporation/Corporation de Fonds Unis
Olympus, and without personal or corporate liability**

RSM RICHTER INC., solely in its capacity as the Court-appointed Receiver of Olympus United Funds Corporation/Corporation de Fonds Unis Olympus, and without personal or corporate liability • • • Telephone: 1-866-869-9679 Telecopier: 514-934-8603 Email: Norshield@rsmrichter.com		OFFICE USE ONLY
		O/F _____
		C/N _____
		Date _____

**NOTICE: This document contains very important information
which requires your immediate attention.**

Court File No. 05-CL-5965

ONTARIO
**SUPERIOR COURT OF JUSTICE
 (COMMERCIAL LIST)**

B E T W E E N:

ONTARIO SECURITIES COMMISSION

and

**GESTION DE PLACEMENTS NORSHIELD (CANADA) LTÉE/NORSHIELD ASSET
 MANAGEMENT (CANADA) LTD., NORSHIELD INVESTMENT PARTNERS HOLDINGS
 LTD./GESTION DES PARTENAIRES D'INVESTISSEMENT NORSHIELD LTÉE, OLYMPUS
 UNITED FUNDS HOLDINGS CORPORATION, OLYMPUS UNITED FUNDS
 CORPORATION/CORPORATION DE FONDS UNIS OLYMPUS, OLYMPUS UNITED BANK AND
 TRUST SCC, GROUPE OLYMPUS UNITED INC./OLYMPUS UNITED GROUP INC., HONEYBEE
 SOFTWARE TECHNOLOGIES INC./TECHNOLOGIES DE LOGICIELS HONEYBEE INC.
 (FORMERLY NORSHIELD INVESTMENT CORPORATION/CORPORATION
 D'INVESTISSEMENT NORSHIELD), AND NORSHIELD CAPITAL MANAGEMENT
 CORPORATION/CORPORATION GESTION DE L'ACTIF NORSHIELD**

**PROOF OF INVESTMENT
 IN
 OLYMPUS UNITED FUNDS CORPORATION/CORPORATION
 DE FONDS UNIS OLYMPUS ("OUFC")
 AS OF APRIL 29, 2005**

I. DESCRIPTION OF INVESTOR AND NATURE OF CLAIM

Name of person(s) asserting an investment in OUFC: _____)
 _____)
 _____) (hereinafter collectively
 _____) the "Investor")
 _____)
Name of Joint Investor (if applicable) _____)

Individual ☐

Corporation ☐

Other ☐ Specify: _____

If individual, Investor's Social Insurance Number: _____

If applicable, Joint Investor's Social Insurance Number: _____

If corporation, Business Identification Number: _____

Address of Investor: _____

Telephone number of Investor: _____

E-mail address of Investor: _____

Fax number of Investor: _____

I(We), _____, of _____, do hereby certify

(Name) *(City and Province)*

1. That I am (we are) an Investor in OUFC

or that I am

of

(State position or title)

(Name of Investor)

an Investor in OUFC.

2. That I(we) have knowledge of all the circumstances connected with the claim referred to in this form.

3. *(Check and complete appropriate category:)*

☐ That I(we) agree with the description of the investments of the Investor in OUFC and the amount(s) reflected on the Individual Investor List attached as **Annex "A"** hereto.

-or-

☐ That I(we) do not agree with the description of the investments in OUFC and the amount(s) reflected on **Annex "A"** hereto and I(we) declare that, as at April 29, 2005, the Investor, in his/her/their/its capacity as an **investor in OUFC**, had and still has(have) an investment in OUFC in the sum of CAD\$ _____, based upon the number of shares owned by the Investor(s)

multiplied by the net asset value of such shares as at such date, after deducting any counterclaims to which OUF C may be entitled. *(Please attach documentation to support your correction(s) and/or addition(s) to Annex "A".)*

4. That to the best of my(our) knowledge and belief, I am *or* we are *or* the above-named Investor(s) are *(or am not or are not or are not)* related to OUF C within the meaning of section 4 of the *Bankruptcy and Insolvency Act*.

II. ATTESTATION

I(we) hereby attest that, to the best of my(our) knowledge, the information in this document is and any and all annexes hereto are truthful and accurate in all material respects.

SIGNED this _____ day of _____, 20

(Signature of Investor)

(Signature of witness)

(Name of Investor in block letters)

(Name of witness in block letters)

(Address of witness in block letters)

(Signature of Joint-Investor, if applicable)

(Signature of witness)

(Name of Joint-Investor in block letters, if applicable)

(Name of witness in block letters)

(Address of witness in block letters)

ANNEX "A"

**INDIVIDUAL INVESTOR LIST
DETAILS OF INVESTMENT**

Name of Investor: _____

Account No.: _____

1. SHARES OWNED BY INVESTOR

The following lists all shares of OUFC owned by the Investor on April 29, 2005 according to the records in the possession of the Receiver. Please insert any corrections or additions in the shaded areas of the table.

Share Class (Please see attached Reference List)	Fund Description	Number of Shares held on April 29, 2005	Net Asset Value per Share as at April 29, 2005	Claim (Number of Shares X Net Asset Value)
Additions (if any):				

2. REDEMPTIONS BY INVESTOR

A) *Redemptions by Investor (payment received)*

The following lists all redemptions of shares of OUFC made during the one-year period between May 1, 2004 and April 29, 2005 by the Investor in respect of which payment was received by the Investor, according to the records in the possession of the Receiver. Please insert any corrections or additions in the shaded areas of the table.

Date of Redemption	Share Class (Please see attached Reference List)	Fund Description (Please see attached Reference List)	Number of Shares Redeemed	Net Redemption Proceeds
Additions (if any):				

B) *Unsatisfied Redemption Requests*

As at April 29, 2005, the following redemption request(s) made by the Investor was(were) outstanding but unsatisfied by OUFC according to the records in the possession of the Receiver. Please insert any corrections and additions in the shaded areas of the table.

Date of Redemption Request	Share Class (Please see attached Reference List)	Fund Description (Please see attached Reference List)	Number of Shares Pending Redemption
Additions (if any):			

REFERENCE LIST

DESCRIPTION OF CLASSES OF SHARES OF OUFC

Share Class	Fund Description
A	Olympus United Multi Asset Fund
B	Olympus United Momentum (F) Fund
C	Olympus United Global DPP Fund
F	Olympus United Momentum Fund
G	Olympus United Global Trading Fund
H	Olympus United Tactical Trading Fund
I	Olympus United Uninvest II Fund
K	Olympus United Diversified Fund
L	Olympus United Uninvest II USD Fund
M	Olympus United Uninvest II DPP Fund
N	Olympus United Uninvest II USD DPP Fund
O	Olympus United Uninvest II (F) Fund
P	Olympus United Uninvest II (F) USD Fund
Q	Olympus United Uninvest II High Net Worth Fund
R	Olympus United Uninvest II High Net Worth USD Fund
S	Olympus United Uninvest II IA RRSP Fund
T	Olympus United Uninvest II IA Fund
U	Olympus United Uninvest Diversified IA RRSP Fund
V	Olympus United Uninvest Diversified IA Fund
W	Olympus United Global Trading (F) Fund
X	Olympus United Tactical Trading (F) Fund
Y	Olympus United Global Trading High Net Worth Fund
Z	Olympus United Tactical Trading High Net Worth Fund

SCHEDULE "Q"

Court File No.

05-CL-5965

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

BETWEEN:

ONTARIO SECURITIES COMMISSION

Applicant

and

**GESTION DE PLACEMENTS NORSHIELD (CANADA) LTÉE /NORSHIELD ASSET
MANAGEMENT (CANADA) LTD.,**

**NORSHIELD INVESTMENT PARTNERS HOLDINGS LTD./GESTION DES PARTENAIRES
D'INVESTISSEMENT NORSHIELD LTÉE,**

**OLYMPUS UNITED FUNDS HOLDINGS CORPORATION, OLYMPUS UNITED FUNDS
CORPORATION/CORPORATION DE FONDS UNIS OLYMPUS,**

OLYMPUS UNITED BANK AND TRUST SCC,

GROUPE OLYMPUS UNITED INC./OLYMPUS UNITED GROUP INC.

**HONEYBEE SOFTWARE TECHNOLOGIES INC./TECHNOLOGIES DE LOGICIELS
HONEYBEE INC. (FORMERLY NORSHIELD INVESTMENT
CORPORATION/CORPORATION D'INVESTISSEMENT NORSHIELD), AND**

**NORSHIELD CAPITAL MANAGEMENT CORPORATION/CORPORATION
GESTION DE L'ACTIF NORSHIELD**

Respondents

**NOTICE OF THE DEADLINE
TO FILE PROOFS OF CLAIM AND PROOFS OF INVESTMENT**

By Order dated December 16, 2009 (the "Order"), the Ontario Superior Court of Justice (Commercial List) has approved a claims process in respect of the Respondents ("Claims Process"). Capitalized terms in this notice are as defined in the Order, a copy of which can be found on the following website: <http://www.rsmrichter.com/Restructuring/Norshield.aspx>.

In accordance with the Claims Process, on or before January 15, 2010, the Receiver shall:

- (i) mail to all known investors ("Retail Investors") in Olympus United Funds Corporation / Corporation de Fonds Unis Olympus ("OUFC") a Proof of Investment form that will include a schedule of each Retail Investor's investment(s) in OUFC based upon records in the possession of the Receiver; and
- (ii) mail to all known creditors (each a "Creditor") of the Respondents (other than Olympus United Bank and Trust SCC) a Proof of Claim form.

Any Retail Investor who does not receive a Proof of Investment form and any Creditor who does not receive a Proof of Claim form may obtain these forms on the website referred to above or by contacting the Receiver directly as follows:

- (i) by email: [insert address];
- (ii) by mail: [insert address]; or
- (iii) by facsimile: [insert number].

All Retail Investors must forward to the Receiver a completed Proof of Investment form and all Creditors must forward to the Receiver a completed Proof of Claim form on or before **March 31, 2010** (the “Claims Bar Date”).

Any Proof of Investment or Proof of Claim not received by the Receiver by the Claims Bar Date shall be forever barred, released and extinguished, unless otherwise allowed by the Court.

A Proof of Investment or a Proof of Claim which is disputed by the Receiver will be addressed in the manner set out in the Order.

Proofs of Claim and Proofs of Investment may be delivered to the Receiver by mail, messenger, facsimile or e-mail, provided that such Proof of Claim or Proof of Investment must be received by the Receiver by **no later than the Claims Bar Date at the following address:**

**RSM Richter Inc.
2 Place Alexis Nihon, Suite 1820
Montréal QC H3Z 3C2
Email : Norshield@rsmrichter.com
Fax: 514.934.8603**

MONTREAL, this ____ day of _____ 2010.

RSM Richter Inc., solely in capacity as the
Court-Appointed Receiver of the Respondents,
and without personal or corporate liability

SCHEDULE "R"

PROOF OF CLAIM (CREDITOR)

[RSM RICHTER LETTERHEAD]

●, 2010

TO: All Creditors of the Norshield Companies (as defined below)

Dear Madam or Sir:

Re: Ontario Securities Commission v. Gestion de Placements Norshield (Canada) Ltée/Norshield Asset Management (Canada) Ltd., Norshield Investment Partners Holdings Ltd./Gestion de Partenaires D'Investissement Norshield Ltée, Olympus United Funds Holdings Corporation, Olympus United Funds Corporation/Corporation de Fonds Unis Olympus, Groupe Olympus United Inc./Olympus United Group Inc., Honeybee Software Technologies Inc./Technologies de Logiciels Honeybee Inc. (formerly Norshield Investment Corporation/Corporation D'Investissement Norshield), and Norshield Capital Management Corporation/Corporation Gestion de L'Actif Norshield (together the "Norshield Companies")
Court File No.: 05-CL-5965

**NOTICE: This document contains very important information
which requires your immediate attention.**

The undersigned, RSM Richter Inc. (the "Receiver"), is the Court-appointed Receiver of the Norshield Companies pursuant to Orders rendered by the Ontario Superior Court of Justice (Commercial List) in the above-noted proceeding (the "Receivership Proceeding"). By judgment of the Quebec Superior Court (Commercial Division), the Receivership was recognized and declared enforceable in the Province of Quebec. The present documentation is delivered to you pursuant to the order of the Honourable Mr. Justice Campbell of the Ontario Superior Court of Justice (Commercial List) dated ● (the "Claims Process Order") to permit the Receiver to establish the identity of all creditors and the details of all claims against the Norshield Companies. Please note that, in accordance with the Claims Process Order, creditors of Olympus United Bank and Trust SCC are not required to prove a claim in the Receivership

Proceeding. Claims against Olympus United Bank and Trust SCC will be addressed under a separate claims process administered pursuant to the laws of Barbados.

We enclose herewith a Proof of Claim form (the “**Proof of Claim**”). Pursuant to the Claims Process Order, you are required to complete and return the Proof of Claim to the Receiver **on or before March 31, 2010**, failing which your claim against the Norshield Companies will be forever barred, released and extinguished, subject to further order of the Court.

If the Receiver disputes, in whole or in part, your completed Proof of Claim, the Receiver shall send to you a Notice of Disallowance indicating the reasons for such dispute prior to distributing any funds to you or to other creditors of the Norshield Companies.

If you have any questions regarding the completion of the Proof of Claim form, please contact the Receiver as follows:

RSM Richter Inc.
Receiver of the Norshield Companies

Tel. No.: 1-866-869-9679
Fax No.: 514-934-8603
E-mail: Norshield@rsmrichter.com

We thank you in advance for your timely cooperation in this matter.

Yours very truly,

**RSM RICHTER INC. solely in its capacity as
the Court-appointed Receiver of the Norshield Companies,
and without personal or corporate liability**

RSM RICHTER INC., solely in its capacity as the Court-appointed Receiver of the Norshield Companies, and without personal or corporate liability • • • Telephone: 1-866-869-9679 Telecopier: 514-934-8603 Email: Norshield@rsmrichter.com		OFFICE USE ONLY
		O/F _____
		C/N _____
		Date _____

Court File No. 05-CL-5965

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

ONTARIO SECURITIES COMMISSION

and

GESTION DE PLACEMENTS NORSHIELD (CANADA) LTÉE/NORSHIELD ASSET MANAGEMENT (CANADA) LTD., NORSHIELD INVESTMENT PARTNERS HOLDINGS LTD./GESTION DES PARTENAIRES D'INVESTISSEMENT NORSHIELD LTÉE, OLYMPUS UNITED FUNDS HOLDINGS CORPORATION, OLYMPUS UNITED FUNDS CORPORATION/CORPORATION DE FONDS UNIS OLYMPUS, OLYMPUS UNITED BANK AND TRUST SCC, GROUPE OLYMPUS UNITED INC./OLYMPUS UNITED GROUP INC., HONEYBEE SOFTWARE TECHNOLOGIES INC./TECHNOLOGIES DE LOGICIELS HONEYBEE INC. (FORMERLY NORSHIELD INVESTMENT CORPORATION/CORPORATION D'INVESTISSEMENT NORSHIELD), AND NORSHIELD CAPITAL MANAGEMENT CORPORATION/CORPORATION GESTION DE L'ACTIF NORSHIELD

PROOF OF CLAIM

I. DESCRIPTION OF DEBTOR, CLAIMANT AND NATURE OF CLAIM

Name of entity against which claim is being made: *(Check appropriate box in following list. If claims are being made against more than one entity, use a separate Proof of Claim form for each entity.)*

- ☐ Olympus United Funds Corporation/Corporation de Fonds Unis Olympus
- ☐ Gestion de Placement Norshield (Canada) Ltée/Norshield Asset Management (Canada) Ltd.
- ☐ Norshield Investment Partners Holdings Ltd./Gestion des Partenaires d'Investissement Norshield Ltée
- ☐ Olympus United Funds Holdings Corporation
- ☐ Groupe Olympus United Inc./Olympus United Group Inc.
- ☐ Honeybee Software Technologies Inc./Technologies de Logiciels Honeybee Inc.
(formerly Norshield Investment Corporation/Corporation d'Investissement Norshield)
- ☐ Norshield Capital Management Corporation/Corporation Gestion de l'Actif Norshield
(hereinafter the "**Debtor**")

Name of person asserting a claim against the Debtor: _____
(hereinafter the “**Claimant**”)

Individual: ☐ Corporation: ☐ Other: ☐ Specify: _____

If individual, Claimant's Social Insurance Number: _____

If corporation, Business Identification Number: _____

Address of Claimant: _____

Telephone number of Claimant:

E-mail address of Claimant:

Fax number of Claimant:

I, _____, of _____, do hereby certify:

(Name)

(City and province)

1. That I am a Claimant of the Debtor
or that I am _____ of _____
(State position or title) (Name of Claimant)
a Claimant of the Debtor.
2. That I have knowledge of all the circumstances connected with the claim referred to in this form.
3. (Check and complete appropriate category:)
- ☐ That, as at April 29, 2005, the Claimant had and still has an **unsecured claim** against the Debtor in the sum of CAD\$_____, as shown by the statement (or affidavit or solemn declaration) attached hereto and marked **Annex "A"**, after deducting any counterclaims to which the Debtor may be entitled. (The attached statement, affidavit or solemn declaration must specify and attach the evidence in support of the claim.) (Give full particulars of the claim with all necessary supporting documentation.)
- or-
- ☐ That, as at April 29, 2005, the Claimant had and still has a **secured claim** against the Debtor in the sum of CAD\$_____, as shown by the statement (or affidavit or solemn declaration) attached hereto and marked **Annex "A"**, after deducting any counterclaims to which the Debtor may be entitled. (The attached statement, affidavit or solemn declaration must specify and attach the evidence in support of the claim and the security held in respect of the claim, including copies of all security.) (Give full particulars of the claim and security with all necessary supporting documentation.)
4. That to the best of my knowledge and belief, I am (or the above-named Claimant is) (or am not or is not) related to the Debtor within the meaning of section 4 of the *Bankruptcy and Insolvency Act*.

II. ATTESTATION

I hereby attest that, to the best of my knowledge, the information in this document is and any and all annexes hereto are truthful and accurate in all material respects.

SIGNED this _____ day of _____, 20

(Signature of Claimant)

(Name of Claimant in block letters)

(Signature of witness)

(Name of witness in block letters)

(Address of witness in block letters)

ANNEX “A”

DETAILS OF CLAIM

ONTARIO SECURITIES COMMISSION

Applicant

and

GESTON DE PLACEMENTS NORSHIELD (CANADA)
LTÉE/NORSHIELD ASSET MANAGEMENT (CANADA)
LTD. ET AL.

Respondents

Court File No.:05-CL-5965

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)
Proceeding commenced in Toronto

**THIRTEENTH REPORT
OF THE RECEIVER**
(Dated December 17, 2009)

ThorntonGroutFinnigan LLP
Barristers and Solicitors
Suite 3200, Canadian Pacific Tower
100 Wellington Street West
P.O. Box 329
Toronto-Dominion Centre
Toronto, ON M5K 1K7

Grant B. Moffat (LSUC #32380L)
Tel: (416) 304-0599
Fax: (416) 304-1313

Solicitors for RSM Richter Inc., in its capacity
as Receiver of the Norshield Group.