

**NEWSLETTER No. 1**

**Dated: April 15<sup>th</sup>, 2009**

**Under *The Class Proceeding Act of Ontario.***

**TO: Investors of the Gift Program with Parklane Financial Group Limited  
Class Proceeding: Cannon v Parklane Financial Group Limited et al  
Court File No: CV-08-362807-00CP**

This is to advise of the outcome of the Case Conference before Madam Justice Lax held on April 14<sup>th</sup>, 2009.

The purpose of the Case Conference was to discuss some of the issues that have been raised by both sides, that need to be addressed in advance of the Certification Motion.

Counsel for the Defendants have indicated that there are issues with respect to the jurisdiction of the claim that relates to the Defendants who are outside of Ontario and Canada. The Defendants have also raised an issue with the validity of the claims against some of the Defendants.

Finally, some of the Defendants are suggesting that they are entitled to a stay pending the appeals currently before the Canada Revenue Agency.

Madam Justice Lax decided that rather than scheduling a motion to argue these issues, as discussed above, it would be best to allow counsel to try to negotiate a resolution of some or all of these issues.

To that end, Defendants' counsel will be preparing a detailed letter setting out the issues they wish to raise. Once we are in receipt of same, we would be prepared to consider some of the arguments they raised.

We have scheduled another Case Conference before Madam Justice Lax for June 1<sup>st</sup>, 2009 at 10:00 a.m. At that time, we hope to schedule a date for the hearing of the Certification Motion.

We shall continue to keep you advised of further developments.

You can also access information on the file at any time by visiting our website at:  
[www.lmklawyers.com](http://www.lmklawyers.com).

April 15<sup>th</sup>, 2009

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