

CLASS ACTION SETTLEMENT AGREEMENT

This Settlement Agreement made effective this ____ day of _____, 2016.

Between:

SHANON ARCHIBALD and SHANON ARCHIBALD AS PROPOSED
REPRESENTATIVE PLAINTIFF (the “**Plaintiffs**”)
UNDER THE *CLASS PROCEEDINGS ACT*, SA 2003, c. C-16.5

and

KEYSTONE BUSINESS PARK INC.; KBP CAPITAL CORP.; KEYSTONE REAL ESTATE INVESTMENT CORP.; CBI CAPITAL INC.; CBI INVESTMENTS LTD.; 744988 ALBERTA LTD.; CADMAN INVESTMENTS LTD.; RON CADMAN and TRAVIS CADMAN (the “**Defendants**”)

WHEREAS:

- (a) A proposed class action, in the Court of Queen’s Bench of Alberta (the “**Court**”) bearing Action No. 1501-09143 (the “**Action**”) has been commenced by the Plaintiffs, but not certified as a class proceeding. Keystone Business Park Inc.; KBP Capital Corp.; Keystone Real Estate Investment Corp.; CBI Capital Inc.; CBI Investments Ltd.; 744988 Alberta Ltd.; Cadman Investments Ltd., Ron Cadman and Travis Cadman are the named Defendants in the Action;
- (b) The Action alleges that, *inter alia*, the Defendants were negligent, breached duties owed to the Plaintiffs and acted oppressively with respect to the Plaintiffs’ investment for the purpose of developing the Property as defined herein;
- (c) The Defendants, and each of them, deny the allegations and claims made in the Action, and deny any wrongdoing or liability;
- (d) This Settlement Agreement is intended by the Parties to fully and finally compromise, resolve, release and settle the Action and to discontinue the Action with prejudice, subject to the terms and conditions below and without any admission or concession as to the merits of any claim or defence by any of the Parties;
- (e) Plaintiffs’ Counsel has fully explained the terms of this settlement agreement to the Plaintiffs and based on the analyses of the facts and law applicable to the claims of the Plaintiffs, having regard to the burdens, expense in conducting litigation, the risks and uncertainties of the litigation and the ultimate outcome, the Plaintiffs and their legal counsel have concluded that this Settlement Agreement provides substantial benefits to the Class Members and is fair, reasonable and in the best interests of the Class Members;

- (f) The Defendants, and each of them, with the advice of legal counsel, while denying liability and wrongdoing, and while asserting the existence of good and valid defences to the Action, have concluded that this Settlement Agreement is desirable in order to avoid the uncertainty, delay and expense of litigation, and to resolve completely the pending and potential claims of the Class Members;
- (g) The Plaintiffs and Defendants intend that certification for settlement purposes of a multi-jurisdictional class shall be brought in the Court, in accordance with sections 4 and 9.1 of the *Class Proceedings Act*;
- (h) The Plaintiffs and Defendants intend that this Settlement Agreement be binding on all those individuals in Canada who invested in the Property further to the Offering Memoranda dated February 29th, 2008, and all subsequent versions thereto, prior to or on the date that the Court approves the Notice of Certification and Settlement Approval Hearing, and that all claims by all such persons are included and will be satisfied by this Settlement Agreement, subject only to those who opt out in a timely manner in compliance with the procedures set forth herein for doing so. It is acknowledged that the Defendants would not have entered into this Settlement Agreement if not for the foregoing;
- (i) Neither this Settlement Agreement itself, nor any step taken to carry out this Settlement Agreement, nor any document relating to it is or may be construed or used as an admission by or against the Defendants, or any of them, for the truth of any allegations or claims or regarding liability or the certifiability of the Action herein as a class action; or as a waiver of any applicable legal right or benefit, unless otherwise expressly stated herein. Further, neither this Settlement Agreement nor any document relating to, or action taken to carry out, this Settlement Agreement shall be offered, tendered or received in evidence in any action or proceeding against the Defendants, or any of them, the Plaintiffs or the Class Members, or any of them, in any court, administrative agency or other tribunal for any purpose whatsoever other than to enforce the provisions of the Settlement Agreement or to seek court approval of the Settlement Agreement in the manner as described below;
- (j) The Parties understand and acknowledge that this Agreement must be approved by the Court, and have agreed upon a form of Certification and Settlement Approval Order which is attached hereto as **Schedule "A"**.

NOW THEREFORE, in consideration of the covenants, agreements and releases set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

I. DEFINITIONS

1.1 The following terms used in this Agreement have the meanings specified below:

“Certification and Settlement Approval Order” means the Order of the Court that the Parties have agreed to seek as part of this settlement to certify the Action as a class proceeding and to approve the settlement on the terms and conditions set out in this Settlement Agreement, in the form attached hereto as **Schedule “A”**.

“Class Members” means the proposed Plaintiff Class and means “All individuals other than Excluded Persons who have invested money with the Defendants in the Investment, directly or indirectly, and suffered a loss of all or part of that Investment, and were Shareholders or Bondholders whether actual or beneficial, at any time.

“Class Proceedings Act” means the *Class Proceedings Act*, SA 2003, c C-16.5.

“Consideration” means all of the Settlement Benefits set out at section 4.1 of this Settlement Agreement.

“Deadline for Opt-Out and Claim Filing” means the date that is 45 days after the date the Notice of Settlement and Claims Process is approved by the Court.

“Defendants” means the Defendants cited in the Action.

“Defendants’ Counsel” means Jensen Shawa Solomon Duguid Hawkes LLP.

“Effective Date” means the date upon which all of the following occur or have occurred:

- (1) the certification and settlement approval order becomes final; and
- (2) the defendants have transferred the Property to the Transferee Corporation.

“Excluded Persons” means the Defendants, any past or present subsidiaries, affiliates, officers, directors, senior employees, partners, legal representatives, heirs, predecessors, successors and assigns of one of the Defendants, as well as any party who received any Class “B” Shares of Keystone Business Park Inc. or Bonds in KBP Capital Corp. from any of the Defendants without consideration outside of the subscription agreement for investing in the Investment, and any individual who is a member of the immediate family of the Defendants Ron Cadman or Travis Cadman, including:

- i. parents, grandparents, or great grandparents;
- ii. aunts or uncles, whether related by blood, by law, or by marriage;
- iii. siblings, whether related by blood, by law, or by marriage; or,
- iv. any direct descendants, including children, grandchildren, and so forth.

“Final” with respect to any order or judgment of the Court, including but not limited to, the Settlement Approval Order, means the first business day twenty-one (21) days following the day on which such order has been granted and entered, so long as the order or judgment has not been appealed, been made subject of a leave to appeal application, withdrawn, rescinded, modified, vacated or reversed by the Court. If an appeal from the order or judgment is taken, Final means upon such appeal being finally disposed of.

“Investment” means the securities purchased by the Plaintiff Class pursuant to the Offering Memoranda, being Class “B” shares of Keystone Business Park Inc. and / or Bonds of KBP Capital Corp.;

“Notice of Settlement and Claims Process” has the meaning set out in section 6.1 below.

“Notice Period” is the period of time between the date the Class Members are sent Notice of Settlement and Claims Process and the Deadline for Opt-Out and Claim Filing, being 45 days from the date that the Certification and Settlement Approval Order has been granted by the Court.

“Offering Memoranda” means the Offering Memoranda issued by KBP Capital Corp and Keystone Business Park Inc. on February 29th, 2008, and all subsequent versions thereto;

“Parties” means collectively the Plaintiffs and the Defendants.

“Plaintiffs” means the Plaintiffs in the Action.

“Plaintiffs’ Counsel” means McGuigan Nelson LLP, being the Plaintiff Class Counsel.

“Property” means the lands located in the municipal district of Rocky View County, Alberta, and legally described as:

Meridian 5
Range 1
Township 26
Section 24
Quarter North West
Containing 64.7 hectares (160 Acres) more or less;
Excepting the east half of legal subdivision 14
Containing 8.09 hectares (20 Acres) more or less;
Excepting thereout all mines and minerals.

“Released Claims” and **“Releasees”** have the meanings set out in paragraph 10.1 below.

“Representative Plaintiff” means Shanon Archibald, or such other person made a representative plaintiff in this Action from time to time.

“Settlement Agreement” means this Agreement, which shall apply to and resolve the Action.

“Settlement Class” and **“Settlement Class Members”** means Class Members excluding those individuals who opt out of the Class in a timely manner in compliance with the procedures set forth herein for doing so.

“Subject Claims” means all claims or other proceedings at law, in equity or under a statute including declaratory or subrogated claims, all causes of action for damages (actual, compensatory, punitive or exemplary), losses, injuries, contribution, indemnity and other relief over, and all claims for interest, costs, disbursements, expenses, taxes, including GST, penalties and lawyers’ fees, known or unknown, that the Plaintiff Class or any member of the Plaintiff Class, ever had, now has, or hereafter can, shall or may have to the date hereof and into the future, relating to or arising from the Investment with or in the Defendants or any of them, or any related or affiliated company or entity or made as advanced in the Action, as amended from time to time, or claims or allegations that could have been made or advanced against the Defendants in the Action.

“Transfer Date” means the date that Plaintiffs’ Counsel is in receipt of a registerable Transfer of Land transferring the Property to the Transferee Corporation.

“Transferee Corporation” means a corporation created by Plaintiffs’ Counsel under the Alberta *Business Corporations Act*, RSA 2000, c B-9, as amended, that will hold the Property upon transfer by the Defendants, or one of them.

II. CERTIFICATION OF COMMON ISSUES

- 2.1 The Defendants consent to the certification of the common issues set out in **Schedule “B”**, as part of the Certification and Settlement Approval Order, as described below.

III. APPROVAL ORDER

- 3.1 The parties shall take all steps necessary to ensure that all approval orders are sought in an expeditious manner from the Court.
- 3.2 On a date to be agreed between the Parties, an Order from the Court approving the “Notice of Certification and Settlement Approval Hearing” will be sought in the form attached to this Settlement Agreement as **Schedule “C”**, which will *inter alia* advise proposed Class Members of their right to appear in the Court to object to the Settlement Agreement.

IV. SETTLEMENT BENEFITS

4.1 In consideration of the terms and covenants herein, including any claims for costs, the Defendants shall:

a. Cause ownership of the entirety of the Property, on an “as is where is” basis and without any representation or warranty whatsoever with respect to any aspect of the Property, except as set out in sub-section 4.1(b) below, to be transferred to the Transferee Corporation for the purposes of the Transferee Corporation assuming control and development of the Property for the benefit of the Plaintiff Class, subject to the following encumbrances:

- (i) Utility Right of Way in favour of Rockyview Gas Co-Op Ltd. (Registration #751 047 236);
- (ii) Zoning Regulations with respect to the Calgary International Airport (Registration #771 147 064)
- (iii) Certificate of Lis Pendens by Shanon Archibald (Registration # 151 235 079)
- (iv) Restrictive Covenant in favour of the Municipal District of Rockyview (Registration #1028IG)
- (v) Lease Agreement with Lamb Cattle Company expiring October 31, 2016

b. Apart from the foregoing encumbrances listed in sub-section 4.1(a) above, title to the Property shall be free and clear of all other liens, encumbrances, registrations and obligations except those implied by law.

c. Prior to transferring the Property:

- (i) Execute all necessary shareholder and directors’ resolutions, and all other corporate procedures and steps necessary to transfer ownership of the Property to the Transferee Corporation and discharge the KBP Capital Corp. mortgage registered as instrument number 081 304 898;

d. Prior to transferring the Property, pay all outstanding property taxes, fees, arrears, municipal assessments, or other fees or levies as of the Transfer Date of the Property, or to pay such adjustments as may be necessary to the Transferee Corporation for the same.

4.2 Sections 4.1(a) – (d) collectively comprise the “Settlement Benefits”.

4.3 Transfer of the Property to the Transferee Corporation shall be on an "as is where is" basis and there shall be no representation or warranty with respect to the Property, express or implied, including without limitation any

representation or warranty whatsoever, including any representations or warranties relating to the documents to be provided to the Plaintiffs' Counsel pursuant to sub section 4.1(d) above, or relating to the size/measurements of the Property, the zoning, planning or development of the Property, the compliance or non-compliance of any improvements on the Property with any government law or regulation, the location of any improvements on the Property, and the existence or non-existence of any environmental condition or issue in respect of the Property, provided however that the following representations and warranties shall apply:

- (a) Keystone Business Park Inc. is the legal and registered owner of the Property and has the legal right to sell the Property; and
- (b) Within the meaning of the *Income Tax Act*, Keystone Business Park Inc. is not a non-resident of Canada nor an agent or a trustee for any person with an interest in the property who is a non-resident of Canada.
- (c) Keystone Business Park Inc. is a registrant for the purposes of the *Excise Tax Act* (Canada) and its GST registration number is 823040019 RT0001.

4.4 If any GST is payable in respect to the land transfer contemplated herein, the Transferee Corporation shall be registered under Subdivision "D" of the *Excise Tax Act* (Canada) and Plaintiffs' Counsel shall advise the Defendants of the Transferee Corporation's GST registration number. The Transferee Corporation shall assume all liability for any GST accruing in respect of the transfer of the Property to the Transferee Corporation, and shall complete and execute such forms, make such filings and reports, and do all other things that are necessary or required pursuant to the *Excise Tax Act*, all within the time limits prescribed in the *Excise Tax Act*.

4.5 The Defendants shall at their expense cause a registerable Transfer of Land to be delivered to the Plaintiffs' Counsel within 30 days of the date that the Opt Out period for class members has expired. The cost of registering the Transfer of Land and all other documentation to be registered on behalf of the Transferee Corporation shall be the responsibility of the Plaintiff.

4.6 The Transfer of Land shall specify that the consideration for the transfer is \$1.00 and pursuant to the terms of a Settlement Agreement made effective as of [Effective Date]". The Affidavit of Value shall specify the value of the Property to be \$8,680,000.00, being the value of the Property when initially purchased by Keystone Business Park Inc. on August 19th, 2008.

4.7 The Defendants shall provide access to Plaintiffs' Counsel to review the minute books of Keystone Business Park Inc. and KBP Capital Corp. in order to verify Class Members' investment and to ensure no Excluded Person is included in the settlement. This includes, but shall not be limited to, review of the Defendants' records with respect to Class Members' subscription agreements, share certificates, bond certificates, as well as share and bond registers, and

other corporate records as may be necessary to verify Class Members' investment.

- 4.8 The Defendants, and any of them, shall have no liability or responsibility with respect to any conduct of the Plaintiff Class members or Plaintiffs' Counsel, in connection with the use of or administration of the Settlement Benefits once the Consideration is transferred to Plaintiffs' Counsel. Plaintiffs' Counsel will apply to the Honourable Justice Macleod as case management Justice for approval of payments made from and distribution of the Settlement Benefits to the Plaintiff Class.

V. SETTLEMENT CONDITIONS

- 5.1 The Court shall approve the Certification and Settlement Approval Order and this Settlement Agreement.
- 5.2 The Action shall be dismissed by the Court as against the Defendants in its entirety.

VI. NOTICE OF CERTIFICATION AND SETTLEMENT APPROVAL HEARING

- 6.1 The Defendants will make commercially reasonable efforts to compile a list of the last known email addresses and contact information of those people or entities who participated in the Investment and may be Class Members as of the date that the Court approves the Notice of Certification and Settlement Approval Hearing (the "**Shareholder and Bondholder List**"). Within 30 days of Court approval of the Notice of Certification and Settlement Approval Hearing, the Defendants or Defendants' Counsel will email all people or entities on the Shareholder and Bondholder List the Notice of Certification and Settlement Approval Hearing. The Defendants or Defendants' Counsel will also mail, by standard mail, the Notice of Certification and Settlement Approval Hearing to all people or entities who are on the Shareholder or Bondholder list who either do not have email addresses or whose e-mail addresses are inactive or otherwise did not receive the Notice of Certification and Settlement Approval Hearing. Defendants' Counsel shall also request that all people or entities named on the Shareholder and Bondholder List provide current contact information, including current email addresses (the "**Current Information Request**"). The cost of providing this notice to the people and entities on the Shareholder and Bondholder List shall be borne by the Defendants, and it is agreed there shall be no contribution by the Plaintiffs to those costs, nor shall the Defendants make application seeking restitution of these costs against the Property. Plaintiffs' Counsel shall be permitted to post the Notice of Certification and Settlement Approval Hearing on their firm website.

VII. NOTICE OF SETTLEMENT AND CLAIMS PROCESS

- 7.1 Immediately following the date that the Certification and Settlement Approval Order is issued and entered, Defendants' Counsel shall provide the Shareholder and Bondholder list to Plaintiffs' Counsel, in addition to any updated information contained in the Current Information Request. No later

than 15 days following the date that the Certification and Settlement Approval Order is issued and entered, Plaintiffs' Counsel will email Class Members at the last known email addresses according to the Shareholder and Bondholder List and Current Information Request, a copy of the Notice of Settlement and Claims Process to all prospective Class Members, including an "Opt Out Form" (in the form attached as **Schedule "D"** to this Settlement Agreement) and a Claim Form (in the form attached as **Schedule "E"** to this Settlement Agreement), and Plaintiffs' Counsel will post the notice on their firm website. Plaintiffs' Counsel shall also mail the Notice of Settlement and Claims Process by standard mail to all people or entities who are on the Shareholder or Bondholder List and Current Information Request who do not have a current e-mail address, or whose e-mail addresses are inactive or otherwise did not receive the email. The Notice to all Class Members will advise prospective Class Members that they are entitled to: a) opt out of the proceeding; or alternatively b) make a claim against the Settlement Benefits. The disbursement costs of providing the notice by ordinary mail to the Class Members shall be borne by the Plaintiffs.

- 7.2 Class Members will have until the Deadline for Opt-Out and Claim Filing to opt out of the Action by returning the Opt Out Form as directed by the Notice of Settlement and Claims Process, or alternatively, to claim against the Settlement Benefits by submitting the Claim form. For clarity, Class Members will have 45 days after the date that the Notice of Settlement and Claims Process is approved by the Court to opt out. Plaintiffs' Counsel will forward a copy of any such opt out notices to Defendants' Counsel immediately upon receipt.
- 7.3 Prior to making a claim against the Settlement Benefits, Settlement Class Members will submit a claim and therein acknowledge that no additional amounts may be claimed as against the Defendants or any of them.

VIII. OPTING OUT

- 8.1 Class Members who opt out of this Settlement Agreement shall be excluded from the terms of the Settlement Agreement and from any and all rights and obligations under the Settlement Agreement. Class Members who do not opt out in the manner prescribed shall be deemed to have elected to participate in this Settlement Agreement and shall be bound by this Settlement Agreement and all related releases and Court orders, regardless of whether they receive any consideration or participate in the claims process.
- 8.2 Each Class Member who wishes to exclude himself, herself or itself from the Settlement Class must submit a properly completed form along with all required supporting documents to Plaintiffs' Counsel by the Deadline for Opt Out and Claim Filing.
- 8.3 In order to remedy any deficiency in the completion of any form, Plaintiffs' Counsel may require and request that additional information be submitted by a Class Member who submits the appropriate form, but all such additional

information shall be received by Plaintiffs' Counsel by the Deadline for Opt Out and Claim Filing.

- 8.4 If a Class Member fails to submit a properly completed form and/or all required supporting documents to Plaintiffs' Counsel or fails to remedy any deficiency by the Deadline for Opt Out And Claim Filing, the class member shall be deemed not to have opted out of the settlement, subject to any order of the Court to the contrary, and will in all other respects be subject to, and bound by the Settlement, the terms of this Agreement and the releases contained herein.
- 8.5 Any form shall be deemed not to have been submitted until it is actually received by Plaintiffs' Counsel.
- 8.6 The Deadline for Opt Out and Claim Filing will not be extended unless the Court orders otherwise.
- 8.7 Plaintiffs' Counsel shall also provide to counsel for the defendants copies of all forms and additional information submitted to Class Counsel by the opt out parties.
- 8.8 The Plaintiffs and Plaintiffs' Counsel represent and warrant that:
 - (a) They are unaware of any class member who has expressed an intention to opt out of the class; and
 - (b) They will not encourage or solicit any Class Member to opt out of the class.
- 8.9 The Settlement Agreement will be terminated if the defendants elect to terminate the settlement on the basis that the cumulative total investment of the class members who have opted out is \$1,500,000.00 and the total number of individual class members who have opted out is not less than ten percent (10%) of the total number of investors who have invested in the Investment. For greater clarity, if the cumulative total of the loss sustained by the opt out parties meets or exceeds \$1,500,000.00 based on a calculation of the face value of the investment in shares and bonds, and the total number of individual investors who opt out comprise a total of ten percent (10%) of the total number of investors who have invested in the Investment, then the Defendants may elect to terminate the settlement.

IX. EFFECT OF NON-APPROVAL BY THE COURT

- 9.1 If the settlement and this Settlement Agreement are not approved by the Court, or if the Court does not approve the dismissal of the Action:
 - (a) This Settlement Agreement shall be null and void and shall have no force or effect, and no Party to the Settlement shall be bound by any of its terms except the terms of this section; and,
 - (b) This Settlement Agreement and all of its provisions and negotiations, all documents and information exchanged in furtherance of settlement, and

all statements and proceedings relating to it, and the fact of its existence and any of its terms, shall be without prejudice to the rights of the Parties all of whom shall be restored to their respective positions existing immediately before the Settlement Agreement and negotiations in respect of it. For clarity and without limitation, this Settlement Agreement is without prejudice to the rights of each Party to seek or oppose certification in the Action should the Settlement Agreement not be approved by the Court.

X. RELEASE

- 10.1 Effective as of the Effective Date, the Plaintiffs and Settlement Class Members herewith, personally and on behalf of their respective heirs, legal representatives, attorneys, guardians, estate trustees, executors, trustees, successors and assigns, and their past or present parent, subsidiary, affiliated, predecessor, successor and related companies, trusts, and partnerships shall be deemed to have released and do hereby release and forever discharge the Defendants, and each of them, and each of their affiliates, parents, subsidiary, predecessor, successor, and related companies, trusts, partnerships and other entities and their respective past, present and future stockholders, directors, officers, trustees, employees, agents, including legal counsel and attorneys, financial advisors, sales agents, sellers, contractors, subcontractors, insurers, licensees and licensors, partners, and any other party (and the affiliates, predecessors, successors and companies related to any other party) (the "Releasees") from any and all claims, demands, actions, causes of action, suits, debts, damages, losses, expenses, interest, costs, duties, accounts, bonds, covenants, contracts, rights and all other liabilities of any kind or description, under common law, equity or statute or otherwise, that they have or may have, including assigned claims, whether known or unknown, asserted or unasserted, related to, in connection with or arising from, directly or indirectly, the claims and allegations that were raised or which could have been raised in the Action (the "Released Claims"). Any entities who are Releasees who are not parties to the Action are intended to be third party beneficiaries of this release, and the parties intend to confer a benefit upon each of them which is enforceable by each of them.
- 10.2 Effective as of the Effective Date, the Plaintiffs and the Settlement Class Members further agree not to make any claims, or to commence or continue any proceedings against any other person, partnership, corporation or continue any proceedings against any other person, partnership, corporation or other entity of any kind who or that might claim contribution or indemnity or any other relief of a monetary, declaratory or injunctive nature from the Defendants, or any of them, or any of their predecessors, successors, related entities or affiliates in connection with the claims released in this Settlement Agreement. The Plaintiffs and Settlement Class Members further agree to discontinue, on a without costs and with prejudice basis, any claims they, or any of them, have commenced against the Defendants, or any of them, for the Released Claims, and for any claims, losses or actions arising from the matters, facts, and issues raised in this Action.

10.3 The Settlement Approval order shall finally and forever bar and enjoin the initiation, prosecution or assertion of any of the Released Claims of the Plaintiffs and of all Settlement Class Members in any court or any forum. The Settlement Agreement shall be the sole and exclusive remedy for any and all Released Claims of the Settlement Class. No Releasee shall be subject to liability or expense of any kind with respect to any Released Claim.

XI. PLAINTIFFS' COUNSEL LEGAL FEES AND EXPENSES

11.1 At the Settlement Approval hearing, Plaintiffs' Counsel shall seek further order or orders of the Court, through Justice Macleod as the case management Justice, as required, for legal fees, disbursements, and taxes and the administration of the Settlement Benefits. Plaintiffs' Counsel is not precluded from making additional applications to the Court for expenses incurred as a result of implementing the terms of the Agreement. All amounts awarded on account of Plaintiffs' Counsel Fees shall be paid from funds realized from the Settlement Benefits.

11.2 The Defendants acknowledge that they are not parties to the application concerning approval of Plaintiffs' Counsel Fees, they will have no involvement in the approval process to determine the amount of Plaintiffs' Counsel Fees, and they will not take any position or make any submissions to the Court concerning Plaintiffs' Counsel Fees.

11.3 The procedure for, and the allowance or disallowance by the Court of, any requests for Plaintiffs' Counsel Fees to be paid out of the Settlement Amount are not part of the Settlement provided for herein, except as expressly provided in section 7.1, and are to be considered by the Court separately from its consideration of the fairness, reasonableness and adequacy of the Settlement provided for herein.

11.4 Any order or proceeding relating to Plaintiffs' Counsel Fees, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel this Agreement or affect or delay the finality of the Approval Order and the Settlement of the Action provided herein.

XII. NO ADMISSIONS, NO USE

12.1 This Settlement Agreement exists and is entered into for settlement purposes only. Neither this Settlement Agreement nor any step taken to carry out this Settlement Agreement, nor any document relating to it shall:

- (a) Constitute, be construed as or be admissible in evidence as an admission or a concession on the part of either the Plaintiffs or Defendants, or any of them, with respect to any claim, allegation, wrongdoing, fault, violation or law or liability or any defence, including regarding the certifiability of the Action outside settlement; or,
- (b) Be offered, tendered or received in evidence in any other civil, criminal, administrative, or regulatory action or proceeding, whether before a court,

agency, or tribunal for any purposes whatsoever against any of the Plaintiffs, Defendants, of Class Member other than such civil proceeding as may be necessary to effectuate the provisions of this Settlement Agreement.

12.2 Each party represents that he/she/it shall not take any contrary position.

XIII. ENTIRE AGREEMENT

13.1 This Settlement Agreement, together with the preambles and attached schedules, constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior understandings, representations, negotiations, discussions, and agreements, whether written or oral, which may have occurred prior hereto pertaining to the subject matter hereof. There are no other written warranties or representations between the Parties in connection with the subject matter hereof except as specifically set forth herein. The Parties have not relied on any such warranties or representations in entering into this Settlement Agreement.

13.2 This Settlement Agreement may not be changed, modified or amended except in writing as signed by all Parties and, if required, approved by the Court. The Parties contemplate that, if approved by the Court, certain of the Schedules relating to Class Notices may be modified by subsequent agreement prior to dissemination to the Class.

13.3 All counsel of record represent that they are unaware of any other pending Canadian litigation involving the subject of this settlement and that they have the authority, on behalf of their respective clients, to execute, deliver and perform their obligations under this Settlement Agreement and confirm that this Settlement Agreement constitutes a legal and binding obligation of their respective clients.

XIV. MISCELLANEOUS PROVISIONS

14.1 It is the intention of the Parties that this Settlement Agreement be the final settlement and resolution in all respects of all claims against the Defendants, and any of them, regarding the claims in the Action in all jurisdictions. However, in the event that Proceedings are commenced in another jurisdiction in relation to the matters comprising the subject of the Action and Released Claims, by an individual who was not a member of the Plaintiff Class, the Plaintiffs agree to provide reasonable assistance to the Defendants, or any of them, including but not limited to providing relevant records and making themselves available for witness interviews or examinations, with a view to having the matter or claim discontinued or dismissed.

14.2 The Parties acknowledge that it is their intent to cooperate to the extent necessary to effectuate and implement all terms and conditions of this Settlement Agreement.

- 14.3 The Settlement Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta. The Court of Queen’s Bench of Alberta has exclusive jurisdiction over any issues arising from this Settlement Agreement, its implementation, and enforcement.
- 14.4 Plaintiffs’ Counsel, on behalf of the Plaintiff Class, is expressly authorized by the Plaintiff Class to take all appropriate actions required or permitted to be taken by them pursuant to the Settlement Agreement to effectuate its terms.
- 14.5 All notices hereunder shall be delivered to the Parties’ respective counsel or such other addressee as any Party may designate in accordance with this Settlement Agreement.
- 14.6 This Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument.

IN WITNESS WHEREOF the Parties hereto have executed this Settlement Agreement as of the date written below.

Executed this _____ day of _____, 2016.

 Witness

SHANON ARCHIBALD AND SHANON
 ARCHIBALD AS REPRESENTATIVE
 PLAINTIFF

 Print Name

 Witness

KEYSTONE BUSINESS PARK INC.

 Print Name

Print Name: _____
 Title: _____

 Witness

KBP CAPITAL CORP.

 Print Name

Print Name: _____
 Title: _____

KEYSTONE REAL ESTATE INVESTMENT
CORP.

Witness

Print Name

Print Name:

Title: _____

CBI CAPITAL INC.

Witness

Print Name

Print Name:

Title: _____

CBI INVESTMENTS LTD.

Witness

Print Name

Print Name:

Title: _____

744988 ALBERTA LTD.

Witness

Print Name

Print Name:

Title: _____

CADMAN INVESTMENTS LTD.

Witness

Print Name

Print Name:

Title: _____

RONALD CADMAN

Witness

Print Name

Witness

TRAVIS CADMAN

Print Name

Schedule "A"

Proposed Certification and Settlement Approval Order

COURT FILE NUMBER 1501-09143

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFFS SHANON ARCHIBALD and SHANON ARCHIBALD as REPRESENTATIVE PLAINTIFF

DEFENDANTS KEYSTONE BUSINESS PARK INC., KBP CAPITAL CORP., KEYSTONE REAL ESTATE INVESTMENT CORP., CBI CAPITAL INC., CBI INVESTMENTS LTD., 744988 ALBERTA LTD., CADMAN INVESTMENTS LTD., RON CADMAN and TRAVIS CADMAN



Brought under the *Class Proceedings Act*

DOCUMENT **ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT MCGUIGAN NELSON LLP
Barristers and Solicitors
700, 1300 – 8th Street S.W.
Calgary, Alberta T2R 1BZ
Phone: 403-265-7744 Fax: 403-265-7528
Attention: Kevin P. McGuigan

THIS MOTION made by the Plaintiffs for an Order seeking certification of this action and approving the settlement of this action in accordance with the Settlement Agreement entered into with the Defendants, approving Class Counsel's fees and disbursements, and for other declaratory relief.

ON READING the materials filed and on hearing submissions of counsel for the Plaintiffs and counsel for the Defendants;

1. THIS COURT ORDERS that the use of capitalized terms in this Order shall have the same meaning as found in the Settlement Agreement dated **[DATE OF SETTLEMENT AGREEMENT]** between the Plaintiffs and the Defendants (attached hereto as Schedule "A").
2. THIS COURT ORDERS AND DECLARES that the Settlement Agreement is fair, reasonable and in the best interests of the Class.
3. THIS COURT ORDERS that this action is certified as a class proceeding, and that:
 - a. Shanon Archibald is appointed as the representative plaintiff for the class; and
 - b. The class consists of all those persons and entities in Canada who purchased or acquired Class B shares from Keystone Business Park Inc. and/or bonds from KBP Capital Corp. on or before March 31st, 2013, except for Excluded Persons, as defined in the Settlement Agreement dated **[DATE OF SETTLEMENT AGREEMENT]** between the Plaintiffs and the Defendants (attached hereto as Schedule A);

4. THIS COURT ORDERS that the common issues certified are as set out on Schedule B to the attached Settlement Agreement.
5. THIS COURT ORDERS that the settlement of this action on the terms set forth in the attached Settlement Agreement, including the schedules thereto, be and is hereby approved pursuant to section 35 of the *Class Proceedings Act*, RSA 2003, c C-16.5 (the "*Class Proceedings Act*") and shall be implemented in accordance with its terms.
6. THIS COURT ORDERS AND DECLARES that the Settlement Agreement, including the schedules thereto, is incorporated by reference into and forms part of this Order and is binding upon each member of the Class who has not opted out and his or her heirs, executors, administrators, legal representatives, successors and assigns including those persons who are under disability.
7. THIS COURT ORDERS AND DECLARES that following the Effective Date, each Class Member who has not opted out (the "Settlement Class") shall consent and shall be deemed to have consented to the dismissal as against the Defendants of any actions he, she or it has commenced without costs and with prejudice.
8. THIS COURT ORDERS AND DECLARES that, upon the Effective Date, any other action commenced by any member of the Settlement Class shall be and is hereby dismissed against the Defendants without costs and with prejudice.
9. THIS COURT ORDERS AND DECLARES that each member of the Settlement Class and his or her heirs, executors, administrators, legal representatives, successors and assigns, and others as set out in the Settlement Agreement have fully, finally and forever absolutely released and discharged the Defendants and any of its predecessors, successors, related entities or Affiliates from and in respect of all claims released in the Settlement Agreement on the terms set out therein.
10. THIS COURT ORDERS AND DECLARES that each member of the Settlement Class who has commenced any action or taken any proceeding relating in any way to the Released Claims shall consent and shall be deemed to have consented to the dismissal of such action or proceeding against any of the Defendants, without costs and with prejudice.
11. THIS COURT ORDERS AND DECLARES that each action or proceeding commenced in Alberta by a member of the Settlement Class shall be and is hereby dismissed against the Defendants herein, without costs and with prejudice.
12. THIS COURT ORDERS that McGuigan Nelson LLP and Kevin McGuigan are hereby appointed as Administrator to effect the administration of the settlement in accordance with the Settlement Agreement.
13. THIS COURT DECLARES that this Order and the settlement approved hereby are not based upon any finding or admission of liability or wrongdoing by the Defendants, and there has been no admission in respect of liability by the Defendants.
14. THIS COURT ORDERS that jurisdiction is retained by the Court to consider any further appropriate applications concerning the administration of the settlement.
15. THIS COURT ORDERS that, in accordance with subsection 33(6) of the *Class Proceedings Act*, Plaintiffs' Class Counsel's fees and disbursements are approved at 25% of any amounts distributed from the dealing with or disposition of the real property legally described as:

Meridian 5
Range 1
Township 26
Section 24
Quarter North West
Containing 64.7 hectares (160 Acres) more or less;

Excepting the east half of legal subdivision 14
Containing 8.09 hectares (20 Acres) more or less;
Excepting thereout all mines and minerals.

or on such other terms as this Honourable Court orders.

The Honourable Justice A.D. MacLeod

APPROVED AS TO FORM AND CONTENT:

JSS BARRISTERS
Counsel for the Defendants

Per: _____
Matthew Epp / Sean Carrie

Schedule “B” Common Issues

Definitions

The following terms used in this list of common issues have the meanings specified below:

“Class Members” means “All individuals other than Excluded Persons who have invested money with the Defendants in the Investment, directly or indirectly, and suffered a loss of all or part of that Investment, and were Shareholders or Bondholders of record on or before March 31st, 2013.

“Class Member Funds” means funds provided by the Class Members for investing in the Investment.

“Corporate Defendants” means Keystone Business Park Inc., KBP Capital Corp., Keystone Real Estate Investment Corp., CBI Capital Inc., CBI Investments Ltd., 744988 Alberta Ltd., and Cadman Investments Ltd.

“Defendants” means the Defendants cited in the Action.

“Excluded Persons” means the Defendants, any past or present subsidiaries, affiliates, officers, directors, senior employees, partners, legal representatives, heirs, predecessors, successors and assigns of one of the Defendants, as well as any party who received any Class “B” Shares of Keystone Business Park Inc. or Bonds in KBP Capital Corp. from any of the Defendants without consideration outside of the subscription agreement for investing in the Investment, and any individual who is a member of the immediate family of the Defendants Ron Cadman or Travis Cadman, including:

- i. parents, grandparents, or great grandparents;
- ii. aunts or uncles, whether related by blood, by law, or by marriage;
- iii. siblings, whether related by blood, by law, or by marriage
- iv. any direct descendants, including children, grandchildren, and so forth

“Individual Defendants” means Ron Cadman and Travis Cadman

“Investment” means the securities purchased by the Plaintiff Class pursuant to the Offering Memoranda, being Class “B” shares of Keystone Business Park Inc. and / or Bonds of KBP Capital Corp.;

“Property” means the lands located in the municipal district of Rocky View County, Alberta, and legally described as:

Meridian 5
Range 1
Township 26
Section 24
Quarter North West
Containing 64.7 hectares (160 Acres) more or less;
Excepting the east half of legal subdivision 14
Containing 8.09 hectares (20 Acres) more or less;
Excepting thereout all mines and minerals.

Piercing the Corporate Veil

- a. Did the Individual Defendants as principals of the Corporate Defendants use the corporate structures of the Corporate Defendants as cloaks, shams or alter egos for the purpose of and to facilitate performing wrongful, unlawful and improper acts that have caused harm to the class members?
 - i. If yes, should the Individual Defendants be held liable for any found breaches?

Unjust Enrichment

- b. Were the Defendants enriched through their receipt and use of the Class Member Funds?
 - i. If so, have Class Members suffered a corresponding deprivation?
 - ii. Is there a juristic reason for the enrichment/deprivation?

Breach of Contract

- c. Did the Defendants, or any of them, breach the terms of any of the Offering Memorandums?

Negligence

- d. Did any of the Defendants owe Class Members a duty of care?
 - i. If any of the Defendants owed a duty of care to Class Members, did any of them breach that duty of care?; and
 - ii. If the Defendants, or any of them, breached a duty of care owed to Class Members, did that breach cause Class Members to suffer any loss?

Misrepresentation

- e. Did the Defendants make any misrepresentation, negligent, fraudulent, or innocent, to class members?
 - i. If yes, was any misrepresentation made to Class Members intended by the representor(s) to be relied on by Class Members?
 - ii. If yes, was any misrepresentation in fact relied on by Class Members?
 - iii. If yes, did Class Members suffer any detriment?

Breach of Fiduciary Duty

- f. Did the Defendants owe a fiduciary duty to the class members?
 - i. If yes, did the Defendants breach that duty?
 - ii. If yes, did Class Members suffer damages as a result?

Oppression

- g. Did the Defendants engage in any conduct that was oppressive to Class Members?

Breaches of Securities Act

- h. Did the Defendants breach the Alberta *Securities Act*, RSA 2000, c S-4?
 - i. If yes, are the Defendants liable to Class Members as a consequence of that breach?
 - ii. If the answer to (i) is yes, have the Class Members initiated this Action outside the applicable limitation period?
 - iii. If the answer to (i) is yes, did such breaches cause any loss to Class Members?

Remedies

- i. What, if any, remedies are Class Members entitled to?