COURT FILE NUMBER	**1201-08478**
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	Calgary
APPLICANTS	**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended** **AND IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, R.S.A. 2000, c. B-9** **AND IN THE MATTER OF FOUNDATION MORTGAGE CORPORATION and FOUNDATION MORTGAGE "2" CORPORATION**

CLERK OF THE COURT
FILED
Clerk's Stamp
JUL 05 2012
JUDICIAL CENTRE
OF CALGARY

DOCUMENT	**ORDER** **(Appointment of a Chief Restructuring Officer)**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Patrick T. McCarthy Q.C./John Ircandia, Q.C. Borden Ladner Gervais LLP 1900, 520 3rd Ave. S.W. Calgary, AB T2P 0R3 Telephone: (403) 232-9441/232-9774 Facsimile: (403) 266-1395 Email: jircandia@blg.com File No. 439537-000004

I hereby certify this to be a true copy of the original Order
Dated this 5 day of July 2012
for Clerk of the Court

DATE ON WHICH ORDER WAS PRONOUNCED: July 5, 2012

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: Justice B.E.C. Romaine

UPON the application of Foundation Mortgage Corporation and Foundation Mortgage "2" Corporation, (together "the FM's") **AND UPON** having read the Affidavit of Ron Aitkins filed (the "Aitkins Affidavit"); **AND UPON** reading the consent of BTM Advisory Services Inc. and Gary Bentham to act as chief restructuring officer of the FM's; **AND UPON** hearing counsel for the FM's, Ernst & Young Inc. and other parties appearing at the hearing of the within application; **IT IS HEREBY ORDERED AND DECLARED THAT**:

1. Capitalized terms not defined herein shall have the meanings ascribed to them in the Initial Order of this Honourable Court in these proceedings (the "Initial Order").

APPOINTMENT OF CHIEF RESTRUCTURING OFFICER

2. The engagement of BTM Advisory Services Inc. and Gary Bentham as the chief restructuring officer of the FM's is authorized and approved, on the terms and conditions outlined in the engagement agreement, and BTM Advisory Services Inc. and Gary Bentham are hereby appointed chief restructuring officer of the FM's to manage the businesses, affairs and restructuring of the FM's, as an officer of this Court, with the powers and obligations set out in this Order. Mr. Bentham's services will be provided through BTM Advisory Services Inc., Mr. Bentham and BTM Advisory Services Inc. are hereinafter together referred to as the "CRO".

3. The CRO shall be and is hereby authorized to manage the businesses, affairs and restructuring of the FM's including, without limiting the generality of the foregoing:

(a) to oversee and direct the Restructuring including, without limitation, engaging in discussions and negotiations with creditors, investors, customers, the Monitor or others;

(b) to review FM's mortgage loans and other loans to third parties (the "Mortgage Loans") and to companies related by common share ownership and / or common directorship and management (referred herein as the "Harvest Group of Companies");

(c) to oversee and direct the preparation of the FM's cash flow statements and in the dissemination of financial and other information in these proceedings;

(d) to arrange for debtor-in-possession ("DIP") financing, as required to fund the ongoing operations of the FM's, under terms to be approved by the Monitor and this Court;

(e) to sell or otherwise realize on the Mortgage Loans subject to the approval of the Monitor and this Court;

(f) subject to the other restrictions contained in this Order, to approve all disbursements of the FM's on such basis as the CRO considers appropriate;

(g) to have full access to the books, records and key personnel of the FM's and the Harvest Group of Companies as may be necessary for the completion of its duties under this Order;

(h) to report to this Court and other stakeholders as the CRO, in its discretion, considers appropriate;

(i) to perform such other duties as are required to carry out the powers and obligations conferred upon the CRO by this Order or any further Order of this Court; and

(j) to generally inform and seek the input and advice of the larger or more material investors of the FM's, as the CRO considers appropriate in the circumstances, regarding all material matters relating to the restructuring of the FM's.

4. The FM's and their respective shareholders, officers, directors, employees, agents and representatives shall co-operate fully with the CRO in the exercise of its powers and discharge of its duties and obligations, including providing the CRO with access to the FM's and the Harvest Group of Companies' books, records, assets and premises as the CRO requires.

5. No director, officer, shareholder, employee, agent or representative of the FM's, nor any party related to the business of the FM's, shall interfere with the CRO's management of the business and affairs of the FM's and the Restructuring and the exercise of its powers, duties, rights and obligations in connection therewith.

6. The CRO shall not incur any liability or obligation as a result of the fulfillment of its duties, and no action or other proceedings may be commenced against the CRO relating to its appointment or its conduct as CRO except with the prior leave of this Court obtained on at least seven days notice to the FM's and the CRO and provided further that any liability of the CRO hereunder shall not in any event exceed the quantum of the fees and disbursements paid to or incurred by the CRO in connection herewith. In addition, all of the protections granted to the directors and officers of the FM's in the Initial Order shall apply *mutatis mutandis* for the benefit of the CRO and the CRO shall be entitled to the benefit of the Administration Charge granted in the Initial Order.

7. The CRO may apply to this Court for advice and directions in connection with the discharge or variation of its powers and duties under this Order.

"B.E.C. Romaine"

J.C.Q.B.A.