



FREEDOM INVESTMENT CLUB

December 11, 2008

PRIVATE AND CONFIDENTIAL

Trevoy LLP
Suite 680, Manulife Place
10180 – 101 Street
Edmonton, AB
T5J 3S4

Attention: David Welsh

Re: RCR Construction and Management Ltd. ("RCR")

Dear David,

We would like to strengthen or collection efforts against RCR. As you are aware, the principal of this company is Curt Quigley, a resident of Edmonton. RCR's lawyer at present is Murray Engleking of Engleking Wood. I am not sure if this is the lawyer that appears on corporate records or not.

The purpose of this letter is to give you an overview of the claim. From early in 2006 through 2007, we advanced RCR \$757,190 (the "Advanced Funds") under a Development Agreement (the "Agreement"). The Agreement provided a loan from FIC Investments USA Corp. ("FIC USA") to RCR and pertained to five (5) lots which are referred to as the Willow Park – Stage 7 lots. RCR was to use this loan to build houses. The return to FIC USA was lot cost + 12%, 1% per month interest and 34% of net profit on the home sale. The Advanced Funds were advanced to RCR through a combination of direct from FIC and indirectly from our lawyer, Malcolm D. Lennie.

We reasonably expected repayment of the loan when RCR closed with the home buyers. By March 2008, it became apparent that all five of the Stage 7 lots should have reasonably closed. It is in March 2008 that we relied less on John and took this matter in-house here. I began the process of calculating how much RCR owed FIC USA under the Development Agreement in March 2008. You will see from the correspondence that I am enclosing that I have been more than reasonable and accommodating during the ten months or so that I have been working for FIC USA attempting to get these funds prior to using litigation.

In my opinion, the ball was dropped when Tansowny and Malcolm D. Lennie failed to somehow tie the repayment of the loan to the legal transfer of title from RCR to the home buyer (i.e. caveat on each home). Note that RCR actually purchased the lots from FIC USA for real cash (\$364,900). This gave them title. This money was then quickly loaned back to RCR as a part of the total of \$757,190 in Advanced Funds.

To November 30, 2008, we are owed \$1,016,182 under the Development Agreement. This figure is comprised of the following:

Cost of lots	\$ 364,900	
Plus 12%	43,788	
Less payments from RCR's lawyer (392,648)	\$ 16,040	

Interest to March 31, 2008	136,659	
Interest 1Apr08 to 30Nov08	77,755	214,414

Advances to 31Dec06	608,690	
Advances in 2007	148,500	757,190

Profit		28,538

Total		\$ 1,016,182
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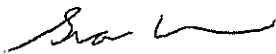
With this letter, I enclose the following attachments:

Development Agreement;
Backup to amounts and calculations; and,
Various correspondence between myself and Curt Quigley.

Note also that that I would like to tag on another \$129,000. This is a payment from 0779243 B.C. Ltd. (our staff real estate company) to RCR in February 2007 for a "Leduc lot." This was one of John's "classic" deals. We never received the \$129,000 or any profit back from this. This item could be treated separately as it involves a different company.

Please contact Matthew and Bill as soon as possible to discuss. I think the balance owing is obviously due and payable by RCR.

Thanks,



Graham Woods
FIC Group of Companies

Attachments