

STATE OF MINNESOTA
COUNTY OF HENNEPIN

DISTRICT COURT
FOURTH JUDICIAL DISTRICT

In re Mortgage Foreclosure Litigation
Involving Lakeland Construction
Finance, LLC, and LCF Funding I, LLC

Master File Number 27-CV-09-6984

Judge Ann L. Alton

Bank of Scotland plc,

CASE TYPE: Civil/Breach of Contract
Court File No. 27-CV-08-22657

Plaintiff,

vs.

**Order Denying Bank of
Montreal Capital Markets
Corp.'s Request to Stay
Joinder**

Lakeland Construction Finance, LLC,

Defendant

vs.

Bank of Montreal Capital Markets Corp.;
LFC Funding I, LLC,

Third-Party Plaintiffs.

The above-captioned matter came before the Court pursuant to the Court's April 20, 2009 Order that Bank of Scotland plc ("BOS"), James A. Bartholomew and Lighthouse Management Group, Inc. as Receiver ("Receiver") for Lakeland Construction Finance, LLC ("Lakeland"), and LCF Funding I, LLC ("LCF") to prepare a statement of the issues to be determined by a special magistrate appointed by this Court.

The Court, being fully advised of the premises, and based upon the arguments of counsel, and the parties' submissions, makes the following order:

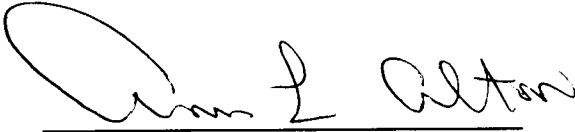
1. On April 29, 2009 this Court ordered Joinder of Bank of Montreal Capital Markets Corp. and LCF Funding I, LLC as parties in this matter pursuant to Minnesota Rule of Civil Procedure Rule 19.01.

2. On May 5, 2009, this Court received a letter from the Bank of Montreal Capital Markets Corp. ("BMO") not in its individual capacity, but solely in its capacity as Administrative Agency under the Amended and Restated Receivables Financing Agreement dated December 22, 2006. The May 5, 2009 BMO letter stated it did not believe BMO needed to be a formal party to the above entitled action and requested the Court to extend the effectiveness of its April 29, 2009 Order for 45 days until June 15, 2009 to permit BMO and Bank of Scotland to continue negotiations, allow BMO to determine the appropriate procedure to respond to the April 29, 2009 Order, and the parties to propose a procedure to the Court to address any disputed collateral issues left unresolved.

3. BMO's request is **denied**.

SO ORDERED.

BY THE COURT:



The Honorable Ann L. Alton
Judge of District Court

Dated May 8, 2009