

**Eighth Reporting Letter of the Trustee – March 30, 2007** 

**Notice: Update and Directions re: February 12, 2007**  
**Mailing to Portus Registered Plan Investors**

**Background**

In its letter, dated February 12, 2007 to Portus Registered Plan Investors, KPMG Inc., the Trustee advised that it was making every effort to facilitate an interim cash distribution to all Portus Investors within the next 6 to 12 months. In order to facilitate this, the Trustee included with the letter, forms which Investors were to complete and return by March 30, 2007.

In the Trustee's Seventh Reporting Letter, dated February 15, 2007 the Trustee noted:

**It is very important that all Portus Registered Plan Investors provide the requested information back to the Trustee in a timely and accurate manner in order to:**

- a) maintain the tax protected status of their investment and,**
- b) as an essential first step to qualify for interim or subsequent distributions of money.**

The purpose of this Notice is to provide an update on the status of the February 12, 2007 mailing and provide updated directions on how to complete the forms to the Portus Registered Plan Investors who have not responded in full to the February 12, 2007 mailing and to those investors who have not sent in all parts of the form or have sent in incorrectly completed forms.

**Update**

As of March 30, less than one third of the 13,600 eligible Portus Registered Plan Investors have returned forms.

All returned forms which are complete are being processed into the data base of Investors eligible for an interim distribution. A listing of Registered Plan Investors who are qualified for interim or subsequent distributions and who have sent in all forms correctly completed will be posted on this website in one to two weeks time. Investors should check this site periodically for updates and additions. The posting of an individual's existing Portus account number on the website will be the only confirmation that an investor's completed forms have been received, verified and successfully entered into the data base.

The processing of incorrect, incomplete or illegible forms has been delayed as additional and correct information is sought. Completing or correcting these forms as submitted will take time as the Trustee has been contacting Investors for missing information and, in some cases, Investors have been asked to redo and resend the forms to the Trustee.

**Because of the low response rate to the February 12, 2007 mailing and the high number of incorrect, illegible or incomplete forms received, there is a risk that the whole interim distribution process will be delayed.**

The information below is for the benefit of those Portus Registered Plan Investors who have yet to complete and send their forms and for those who have had forms sent back to provide missing or illegible information.

## Directions

- The KPMG Portus Call Centre at 1-866-260-5439 is available to answer Investors' questions about correctly completing forms. However, Call Centre staff cannot complete the forms for Investors. We also encourage you to discuss such matters with your legal or financial advisor.
- Please keep all the information and forms together and return all completed forms together. Incomplete documentation results in the forms being sent back. Please ensure the information is legible.
- Please return at least one original of the "Direction and Release" and the "Alternative Registered Plan Designation Form". Feel free to make copies for your own records.
- In the case of the "Alternative Registered Plan Designation Form" the most important information to be completed and recorded legibly is the identifying detail of your Alternative Plan (Part 2 and page three of the form) especially the following:
  - The full name of the receiving financial institution,
  - the correct name of the Registered Plan,
  - the six digit reference code or the specimen plan number (e.g. XXX-XXX) used by Canada Revenue Agency to identify a duly registered plan **MUST** be included and must be correct by Province; and
  - The name of the specimen plan number (e.g. RSP).

*Below is an example of a correctly completed Part 2 and page three of the form (click here for a full example of a completed Part 2 Alternative Registered Plan Designation Form).*

<b>Part 2 – To be Completed by Receiving Financial Institution</b>		
Receiving Financial Institution Name: <b>Alternate Bank</b>	Contact Name: <b>Mary Higgins</b>	
Address: <b>4 Bank Street</b>		
City: <b>Toronto</b>	Province: <b>ON</b>	Postal Code: <b>A2A Z9Z</b>
Telephone Number: <b>416-XXX-XXXX</b>	Fax Number: <b>416-XXX-XXXX</b>	
Make Cheque Payable To: <b>Alternate Bank: Ref John Smith, RSP # 123456789</b>		
<p>1. We agree to the above request for a direct transfer of funds. When we receive the funds, we will transfer the funds to the Investor under the following Alternative Registered Plan:</p> <p><b>RSP Account 123456789</b> _____ (Plan Name and Number) (please print)</p> <p>If the Alternative Registered Plan conforms to a specimen plan, it will conform with the specimen plan number:</p> <p><b>RSP 123-456</b> _____ (Specimen RSP Name and Number) (please print)</p>		

This information should be supplied by and the Part 2 form completed by the Receiving Financial Institution – the Institution you and/or your financial advisor have selected to receive the initial and any subsequent distributions and to place in a plan registered under the *Income Tax Act* (Canada). Note there can be only one duly registered plan as your “Alternative Registered Plan”. Please ensure the account number is readable.

- The KPMG Portus facility located at Suite 810, 4 King Street West, Toronto processes mailed or couriered forms only. There is no consulting or advice service available at that location.
- Additional copies of the mailed documents are available on the Portus website at [www.portusgroup.ca](http://www.portusgroup.ca)

If Investors are working with their financial advisors to complete their forms, they should pass on or make their advisors aware of the information below.

### **Special Note for Financial Advisors**

- Please keep the individual investor forms intact and all forms should be returned together once completed (the Direction and Release Form and Parts 1 and 2 of the Alternative Registered Plan Designation Form).
- Please send the forms as they are completed.
- Please return at least one original of the “Direction and Release” and the “Alternative Registered Plan Designation Form”. Feel free to make copies for your own records.
- In the case of the “Alternative Registered Plan Designation Form” the most important information to be completed and recorded legibly is the identifying detail of your Alternative Plan (Part 2 and page three of the form) especially the following:
  - The full name of the receiving financial institution,
  - the correct name of the Registered Plan,
  - the six digit reference code or the specimen plan number (e.g. XXX-XXX) used by Canada Revenue Agency to identify a duly registered plan MUST be included and must be correct by Province; and
  - The name of the specimen plan number (e.g. RSP).

This information should be supplied by and the Part 2 form completed by the Receiving Financial Institution – the Institution you have selected to receive the initial and subsequent distributions and to place in a plan registered under the *Income Tax Act* (Canada).

- No other financial plans or instruments can be substituted. This is not an opportunity to restructure a client’s portfolio or to put them into a new financial opportunity. Money coming from the Trustee for the benefit of Portus Registered Investors must go from one duly registered plan (the Portus Registered Plan) to another comparable registered plan (i.e. from an RRSP to another RRSP or from a Spousal RRSP to another Spousal RRSP). This must be done exactly as mentioned above or the Investor may be subject to taxation.

*(click here for a full example of a completed Part 2 Alternative Registered Plan Designation Form).*

## ALTERNATIVE REGISTERED PLAN DESIGNATION FORM

### Instructions

Capitalized terms that are used in this form have the meanings given to them in the attached **Exhibit A**.

If you are a person who invested funds with Portus Alternative Asset Management Inc. through a Portus Registered Plan (i.e. a Registered Plan Investor), three copies of this *Alternative Registered Plan Designation Form* must be completed by you in order to participate in any Distribution. On each copy, please print and check the boxes that apply to you in Part 1, have the Receiving Financial Institution complete Part 2 and then send three copies on which Parts 1 and 2 have been duly completed by courier or mail to Portus Trustee in Bankruptcy, Suite 810, 4 King Street West, Toronto, ON M5H 1B6. Please note that your Alternative Registered Plan must be comparable to your Portus Registered Plan (e.g., if your Portus Registered Plan is a LIRA, your Alternative Registered Plan must also be a LIRA). See the attached **Exhibit B** for additional instructions regarding the completion of this *Alternative Registered Plan Designation Form*.

If you are a person who did NOT invest funds with Portus through a Portus Registered Plan, do NOT complete this form. Instead, if you are related or connected to someone who made such an investment and who is now deceased or incapable, please complete the enclosed *Deceased or Incapable Person's Registered Plan Form* and send it by courier or mail to Portus Trustee in Bankruptcy, Suite 810, 4 King Street West, Toronto, ON M5H 1B6.

**If you invested funds through more than one Portus Registered Plan (e.g., a RRSP and a LIRA), you should have received more than one package and must complete the Direction and Release and three copies of the Alternative Registered Plan Designation Form for each plan.**

Please note that additional copies of the enclosed documents are available on the Portus website at [www.portusgroup.ca](http://www.portusgroup.ca).

### **Part 1 – To be Completed by Registered Plan Investor**

#### 1. Registered Plan Investor Information

Last Name: <b>Smith</b>	First Name and Initials: <b>John</b>	
Address: <b>7 No Name Blvd</b>		
City: <b>Toronto</b>	Province: <b>ON</b>	Postal Code: <b>X1X Y2Y</b>
Social Insurance Number: <b>123-456-789</b>	Home Telephone Number: <b>416-123-3456</b>	Business Telephone Number: <b>416-987-6543</b>

2. Portus Registered Plan

I am the Registered Plan Investor of a	Account Number
<input checked="" type="checkbox"/> RRSP	9999999999
<input type="checkbox"/> SRSP	
<input type="checkbox"/> LRSP	
<input type="checkbox"/> LIRA	

If my Portus Registered Plan is a SRSP, the name and social insurance number of my contributing spouse or common law partner are as follows:

Contributing Spouse or Common Law Partner		
Last Name:	First Name:	Social Insurance Number:

3. Description of Amount to be Transferred

Please transfer any Distribution which represents part of the property of my RRSP, SRSP, LRSP or LIRA identified above in Section 2 of Part 1, to my Alternative Registered Plan identified in Section 1 of Part 2.

I acknowledge that my Alternative Registered Plan is comparable to my Portus Registered Plan (e.g., if my Portus Registered Plan is a LIRA, my Alternative Registered Plan must also be a LIRA).

\_\_\_\_\_  
Signature (Registered Plan Investor)

**30 March 2007**

Date

**John Smith**

Name (Registered Plan Investor)

**(please print)**

**Part 2 – To be Completed by Receiving Financial Institution**

Receiving Financial Institution Name: <b>Alternate Bank</b>	Contact Name: <b>Mary Higgins</b>	
Address: <b>4 Bank Street</b>		
City: <b>Toronto</b>	Province: <b>ON</b>	Postal Code: <b>A2A Z9Z</b>
Telephone Number: <b>416-XXX-XXXX</b>	Fax Number: <b>416-XXX-XXXX</b>	
Make Cheque Payable To: <b>Alternate Bank: Ref John Smith, RSP # 123456789</b>		

1. We agree to the above request for a direct transfer of funds. When we receive the funds, we will credit them to the Registered Plan Investor under the following Alternative Registered Plan:

**RSP Account 123456789**

(Plan Name and Number) (please print)

If the Alternative Registered Plan conforms to a specimen plan, it will conform with the specimen identified as:

**RSP 123-456**

(Specimen RSP Name and Number) (please print)

2. We confirm that the Alternative Registered Plan is registered under the *Income Tax Act* (Canada).
3. We confirm that, where required under the applicable pension standards legislation, our name and, if required, the Alternative Registered Plan name and number, appear on the relevant list of approved financial institutions.
4. If the transferred funds are locked-in funds, we agree that we will administer the Alternative Registered Plan in accordance with the applicable pension standards legislation.

\_\_\_\_\_  
Signature (Authorized Person)

**Mary Higgins**  
\_\_\_\_\_  
Name (Authorized Person)  
(please print)

**Financial Advisor**  
\_\_\_\_\_  
Position or Office

**March 29, 2007**  
\_\_\_\_\_  
Date



## Exhibit A

### Definitions

“**Alternative Registered Plan**” means a RRSP, SRSP, LRSP or LIRA that is sponsored by an issuer other than Portus.

“**Distribution**” means any distribution of cash from the Estate.

“**Estate**” means the estate of Portus, a bankrupt.

“**KPMG**” means KPMG Inc., in its capacity as Trustee of the Estate, the agent of Concentra, or the agent of a Registered Plan Investor.

“**LIRA**” means a locked-in retirement account.

“**LRSP**” means a locked-in retirement savings plan.

“**Portus**” means Portus Alternative Asset Management Inc.

“**Portus Registered Plan**” means a Portus Registered Retirement Savings Plan (i.e. a Portus RRSP, SRSP, LRSP or LIRA);

“**Receiving Financial Institution**” means the issuer of the Alternative Registered Plan.

“**Registered Plan Investor**” means a person who invested funds with Portus through a Portus Registered Plan.

“**RRSP**” means a registered retirement savings plan.

“**SRSP**” means a Portus Registered Retirement Savings Plan to which the Registered Plan Investors’ spouse or common law partner contributes.

## Exhibit B

### Instructions for Completion of Alternative Registered Plan Designation Form

#### Part 1

The Registered Plan Investor is to complete and sign three copies of Part 1 only. The Registered Plan Investor is then to deliver all three copies of the Form to the Receiving Financial Institution for its completion of Part 2.

#### Part 2

The Receiving Financial Institution is to complete and sign Part 2 of all three copies of the Form received from the Registered Plan Investor. The Receiving Financial Institution is then to return all three copies of the Form, with Part 2 completed and signed, to the Registered Plan Investor. The Registered Plan Investor is then to send the completed Direction and Release and all three copies of the Form by courier or mail to:

Portus Trustee in Bankruptcy  
Suite 810, 4 King Street West  
Toronto, ON  
M5H 1B6

#### Part 3

KPMG will complete and sign Part 3 of all three copies of the Form. KPMG will keep one completed copy, return one completed copy to the Registered Plan Investor and send one completed copy to the Receiving Financial Institution, along with the funds being transferred.

## **TERMS AND CONDITIONS OF SITE USE**

### **PORTUS ALTERNATIVE ASSET MANAGEMENT INC. (In Receivership / In Bankruptcy)**

#### **KPMG Inc., Receiver / KPMG Inc., Trustee in Bankruptcy**

These website terms and conditions of use (the "Terms of Use") is a legal agreement between the visitor to this Site ("you") and Portus Alternative Asset Management Inc. by its Receiver and Trustee in Bankruptcy, of the estate of Portus Alternative Asset Management Inc., KPMG Inc. (the "Site Operator") concerning your access to and use of this Site.

BY ACCESSING AND USING THIS SITE YOU ARE ACKNOWLEDGING YOUR ACCEPTANCE OF AND AGREEMENT TO THESE TERMS OF USE AND THAT YOU INTEND TO BE LEGALLY BOUND BY THEM.

IF YOU DO NOT AGREE WITH ONE OR MORE OF THESE TERMS OF USE YOU MAY NOT ACCESS OR USE THE SITE OR ANY INFORMATION CONTAINED ON THE SITE.

In consideration of the mutual covenants contained in these Terms of Use and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), you and the Site Operator agree as follows:

#### Purpose

The Site contains legal documents, information and data pertaining to the receivership of Portus Alternative Asset Management Inc. (the "Site Content") and is presented by the Site Operator solely and exclusively as a public service for informational purposes only. The Site Operator hereby grants you a personal, non-transferable and non-exclusive right to access, read and download the Site Content which shall only be used by you solely and exclusively for your personal and private use. You agree that you acquire absolutely no rights or licenses to the Site or any Site Content other than the limited right to access and use the Site and Site Content in accordance with these Terms of Use. Transmissions to the Site by you are not protected and no confidentiality will be maintained with respect such transmissions by you which are made at your sole risk.

#### Limitations

This Site is not an official reporter, and the Site Operator does not guarantee that any Site Content is error free, complete, accurate, reliable or current. The Site Operator uses reasonable efforts to update the Site on the day in which new material is filed with the Court. The Site Operator recommends that all postings be reviewed by you at least 48 hours after posting in order to determine whether any amendments have been made to the posted document. In addition, all Court materials will generally be posted on the Site prior to the hearing of the relevant motion or other proceeding. However, be advised that, due to size restrictions, certain of these materials may be removed from the Site subsequent to the expiry of the relevant appeal period. All materials will continue to be available for public review through the Commercial List Office, 10th Floor, 393 University Avenue, Toronto, Ontario in Court File No. 05-CL-5792 of the Ontario Superior Court of Justice (Commercial List). You acknowledge and agree that this Site does not purport to provide complete records of all litigation and legal documentation (or any other information) pertaining to Portus Alternative Asset Management Inc., in Receivership and/or in Bankruptcy and that the Site contains no legal (or other professional) advice and nothing on the Site or in these Terms of Use shall be taken, implied or construed as an offer to provide, or a provision of, legal advice or as a recommendation for any specific course of action. Changes may be periodically made to the Site and/or the Site Content and may be made at any time. Site Operator reserves the right to change, modify, suspend, or discontinue the Site or any Site Content at any time without notice and may suspend or terminate your access to the Site immediately without prior notice at its sole discretion and for any reason and without further obligation or liability to you.

YOU AGREE THAT THE SITE AND SITE CONTENT ARE PROVIDED ON AN "AS IS" BASIS, AND IS FOR YOUR PERSONAL USE ONLY WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE WHATSOEVER. THE SITE OPERATOR, TO THE FULLEST EXTENT PERMITTED BY LAW, DISCLAIMS ALL EXPRESS OR IMPLIED CONDITION, REPRESENTATIONS AND WARRANTIES, OF ANY KIND OR NATURE AND MAKES NO WARRANTIES ABOUT THE ACCURACY, RELIABILITY, COMPLETENESS, OR TIMELINESS OF ANY SITE CONTENT OR THE SITE OR ANY THIRD PARTY INFORMATION. SITE OPERATOR IS NOT RESPONSIBLE FOR ERRORS OR DELAYS IN TRANSMISSION OVER THE INTERNET AND DOES NOT WARRANT THAT THE SITE WILL OPERATE ERROR-FREE OR UNINTERRUPTED OR THAT THE SITE OR ANY SITE CONTENT IS FREE OF COMPUTER VIRUSES AND OTHER HARMFUL ELEMENTS.

IN NO EVENT SHALL THE SITE OPERATOR, OR ANY AFFILIATES OF KPMG INC. OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS, BE LIABLE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES, HARM, INJURY, COST, EXPENSE OR OTHER LOSSES OR ANY KIND OR NATURE WHATSOEVER (WHETHER BASED ON WARRANTY, CONTRACT, TORT, EQUITY, STRICT LIABILITY, PATENT OR COPYRIGHT INFRINGEMENT OR ANY OTHER LEGAL THEORY) RESULTING FROM THE USE OF, OR THE INABILITY TO MAKE USE OF, THE SITE OR ANY SITE CONTENT (INCLUDING IN ANY CONNECTION WITH THE TRANSMISSION OR DOWNLOADING OF ANY SITE CONTENT FROM THE SITE OR SUBMISSIONS TO THE SITE) OR THE USE OF, OR RELIANCE ON, ANY SITE CONTENT OR OTHER INFORMATION CONTAINED ON THE SITE, WHETHER OR NOT SITE OPERATOR OR ITS AFFILIATES ARE ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

You acknowledge and agree that KPMG LLP is not the Site Operator and has no responsibility for this Site or any Site Content.

#### Links

The Site may include hypertext links to third party web sites solely for the purpose of helping you identify and locate other sources of information that may be of interest. Hypertext links do not imply an endorsement of (including that the Site Operator has reviewed such sites) or association with such third party web sites and the Site Operator, its affiliates and related companies are not responsible for such third party web sites or the information contained on such third party web sites. Use of third party web sites is entirely at your sole discretion and risk and You may not create links from other web sites to this Site. Any copying, republication or redistribution of any part of the Site, including by caching, framing or similar means, is expressly prohibited without the prior written consent of the Site Operator.

#### Conformance with Law

In addition to complying with these Terms of Use, you agree to use the Site and Site Content for lawful purposes only and in a manner consistent with all applicable local, national or international laws and regulations. The Site shall not be used where, and to any extent, such use is prohibited by law. Your use of the Site from any location is subject to your compliance with all applicable laws and regulations that may be applicable to you. You agree, and confirm, that your use of the Site is in full compliance with the laws of the jurisdiction(s) to which you are subject, and that you are not prohibited from using the Site due to any restriction whatsoever.

#### Location and Law

The Site is physically located at, and is administered by the Site Operator from its offices in Province of Ontario, Canada. By accessing the Site, you and the Site Operator agree that all matters relating to access to, or use of the Site and all of the communications, transmissions and transactions associated with the Site shall be deemed to have occurred in the Province of Ontario and shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein, without regard to the conflicts of laws principals thereof. You and the Site Operator also agree and hereby irrevocably submit and attorn to the exclusive personal jurisdiction and venue of the courts of the Province of Ontario with respect to such matters.

### Indemnity

You agree to defend, indemnify, and hold harmless the Site Operator, its affiliates and their respective officers, directors, employees, professional advisors and agents, from and against any claims, actions, demands, losses, liabilities, damages, costs and expenses, including without limitation, reasonable legal and accounting fees, alleging or resulting from your access of the Site, your use of the Site Materials or your breach of these Terms of Use.

### Severability

If, in any jurisdiction, any of these Terms of Use are held to be unenforceable by a court of competent jurisdiction, such Terms of Use shall be restricted or eliminated to the minimum extent necessary and the remaining Terms of Use shall otherwise remain in full force and effect. A printed version of the Terms and Conditions and any notice given in electronic form shall be admissible in judicial proceedings or administrative proceedings based upon or relating to the Terms of Use to the same extent and subject to the same conditions as other business documents and records originally generated and maintained in printed form.

### Entire Agreement

These Terms of Use constitute the entire agreement between you and the Site Operator relating to the access to and use of the Site and the Site Content. Anything on the Site inconsistent with these Terms of Use is superceded by these Terms of Use.

### Amendment and Waiver

The Site Operator reserves the right to modify these Terms of Use at any time. It is your responsibility to review these Terms of Use each time you visit the Site and you are deemed to be aware of such amendments. No supplement, modification or amendment to these Terms of Use proposed by you shall be binding on the Site Operator unless agreed to by the Site Operator in writing. No waiver of any of these Terms of Use shall be deemed a further or continuing waiver of such Term of Use or any other term or condition. All waivers by the Site Operator must be in writing and signed by an authorized representative of the Site Operator.

### Language

English shall be the language of the Site, and all contents, information and communication in connection with the Site, and the parties waive any right to use and rely upon any other language or translations. Il est la volonté express des parties que le présent Site et tous les affaires qui s'y rapportent soient rédigés en langue anglaise, exception faite des documents pour lesquels la loi exige l'usage exclusif du français.

### Termination

The effective date of these Terms of Use is the date on which you have accepted the Terms of Use in accordance with the procedures set out herein. These Terms of Use are effective until terminated by the Site Operator, with or without cause, in the Site Operator's sole and unfettered discretion. The disclaimers, limitations on liability, termination, interpretative provisions, your warranties and indemnities shall survive any termination of these Terms of Use.