

ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]

**IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, as amended**

**AND IN THE MATTER OF A PLAN OF COMPROMISE
AND ARRANGEMENT INVOLVING**

**METCALFE & MANSFIELD ALTERNATE INVESTMENTS II CORP.,
METCALFE & MANSFIELD ALTERNATIVE INVESTMENTS III CORP.,
METCALFE & MANSFIELD ALTERNATIVE INVESTMENTS V CORP.,
METCALFE & MANSFIELD ALTERNATIVE INVESTMENTS XI CORP.,
METCALFE & MANSFIELD ALTERNATIVE INVESTMENTS XII CORP.,
6932819 CANADA INC., and 4446372 CANADA INC.
TRUSTEES OF THE CONDUITS LISTED IN SCHEDULE "A" HERETO**

B E T W E E N:

**THE INVESTORS REPRESENTED ON THE PAN-CANADIAN INVESTORS
COMMITTEE FOR THIRD-PARTY STRUCTURED
ASSET-BACKED COMMERCIAL PAPER LISTED IN SCHEDULE "B" HERETO**

Applicants

– and –

**METCALFE & MANSFIELD ALTERNATE INVESTMENTS II CORP.,
METCALFE & MANSFIELD ALTERNATIVE INVESTMENTS III CORP.,
METCALFE & MANSFIELD ALTERNATIVE INVESTMENTS V CORP.,
METCALFE & MANSFIELD ALTERNATIVE INVESTMENTS XI CORP.,
METCALFE & MANSFIELD ALTERNATIVE INVESTMENTS XII CORP.,
6932819 CANADA INC., and 4446372 CANADA INC.
TRUSTEES OF THE CONDUITS LISTED IN SCHEDULE "A" HERETO**

Respondents

**SUBMISSIONS OF REPRESENTATIVE CO-COUNSEL FOR
THE RETAIL HOLDERS OF ABCP**

(May 1, 2008)

SHIBLEY RIGHTON LLP
Barristers and Solicitors
700-250 University Avenue
Toronto, Ontario M5H 3E5
Arthur O. Jacques (LSUC No. 12437M)
Tel: (416) 214-5213/Fax: (416) 214-5413

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JUROVIESKY AND RICCI LLP

Barristers & Solicitors
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Toronto, Ontario M2N 6K1

Henry Juroviesky (LSUC No. 53223S)

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Eliezer Karp (LSUC No. 54317P)

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Representative Co-Counsel for the Retail
Holders of ABCP

TO: GOODMANS LLP
Barristers and Solicitors
2400-250 Yonge Street
Toronto, Ontario
M5B 2M6

Benjamin Zarnett
Fred Myers
Brian F. Empey

(416) 979-2211
Fax: (416) 979-1234

Solicitors for the Applicants

AND TO: THE SERVICE LIST

SCHEDULE "A"
Conduits

Apollo Trust

Apsley Trust

Aria Trust

Aurora Trust

Comet Trust

Encore Trust

Gemini Trust

Ironstone Trust

MMAI-I Trust

Newshore Canadian Trust

Opus Trust

Planet Trust

Rocket Trust

Selkirk Funding Trust

Silverstone Trust

Slate Trust

Structured Asset Trust

Structured Investment Trust III

Symphony Trust

Whitehall Trust

SCHEDULE “B”
Applicants

ATB Financial

Caisse de Dépôt et Placement du Québec

Canaccord Capital Corporation

Canada Mortgage and Housing Corporation

Canada Post Corporation

Credit Union Central Alberta Limited

Credit Union Central of British Columbia

Credit Union Central of Canada

Credit Union Central of Ontario

Credit Union Central of Saskatchewan

Desjardins Group

Magna International Inc.

National Bank Financial Inc./National Bank of Canada

NAV Canada

Northwater Capital Management Inc.

Public Sector Pension Investment Board

The Governors of the University of Alberta

Tabular Summary of the Retail Holders of ABCP

Break-Down of Retail Holders of ABCP

	Total		\$1.0 MM or less		\$1.0+ MM	
	No.	\$	No.	\$	No	\$
Canaccord Customers (including employees)	1,445	\$165,000,000	1,430	\$138,000,000	15	\$27,000,000
Credential Customers	336	\$42,000,000	335	\$39,000,000	1	unknown
Others Who Have Identified Themselves to Representative Co-Counsel	10	unknown (but at least one holds \$20 MM)	unknown		unknown (but at least one holds \$20MM)	

(Note: All figures approximate and based on the best information available.)

Introduction

1. This is the submission of Representative Co-Counsel of the *ad hoc* Retail ABCP Holders Group made further to directions made by the Honourable Mr. Justice Campbell at the case conference held Tuesday, April 29, 2008. The purpose of this submission is to identify for and assist the Court as to the nature of the financial claims that may be released if the CCAA Plan is appropriately sanctioned, and to comment on the consequences if the CCAA Plan is not sanctioned as currently proposed.

The Retail Holders of ABCP

2. The court order of April 15, 2008 appointing Representative Co-Counsel provides, *inter alia*, as follows:

“3. THIS COURT ORDERS that, subject to further order of the Court, the Representative Counsel shall represent the interest of *all persons, family trusts, or personal holding corporations that purchased ABCP from a retail brokerage* [(the “Retail Holders of ABCP Group”)] and shall advise those on whose behalf they are hereby appointed in all aspects of these proceedings, without any obligation to consult with or seek individual instructions from those on whose behalf they have been appointed to represent unless otherwise ordered by the Court.” [Emphasis added.]

3. The Retail Holders of ABCP Group can be broken down as follows:

- (a) those who purchased it through Canaccord Capital Corporation (“Canaccord”);
- (b) those who purchased it through it through Credential Securities Inc. (“Credential”); and
- (c) others.

4. All figures set out herein are based on the best information available to Representative Co-Counsel.

5. There are approximately 1,445 retail holders of ABCP who purchased it through Canaccord; they hold ABCP in the approximate total amount of \$165,000,000.

6. There are approximately **336** retail holders of ABCP who purchased it through Credential; they hold ABCP in the approximate total amount of \$42,000,000.

7. There are approximately 10 other retail holders of ABCP who have approached Representative Co-Counsel. The total amount of ABCP they hold is as yet undetermined but one of them has an outstanding holding of approximately \$20,000,000.

The Canaccord Relief Plan and The Credential Relief Plan

8. The members of the Retail Holders of ABCP Group who purchased the paper from Canaccord or Credential can further be broken down as follows: those who qualify for the Canaccord Relief Plan or the Credential Relief Plan, and those who do not.

9. More particularly, both Canaccord and Credential have made offers to eligible retail holders of ABCP who purchased it through their respective firms (referred to herein as, respectively, the “Canaccord Relief Plan” and the “Credential Relief Plan”). Both of these outstanding offers are limited to those whose holdings of ABCP are \$1 million or less. The expected effect of these offers is that eligible retail holders of ABCP will receive the face value of their ABCP plus some interest, etc.

10. A copy of the Canaccord Relief Program Description (undated) is attached as Exhibit A to the affidavit of Joanne O’Neill sworn May 1, 2008 (and at Tab A hereto). A copy of the

Canaccord Relief Program Offer Letter dated April 16, 2008 is attached as Exhibit B to the affidavit of Joanne O'Neill sworn May 1, 2008 (and at Tab B hereto). A copy of the Credential Relief Program Description (undated) is attached as Exhibit C to the affidavit of Joanne O'Neill sworn May 1, 2008 (and at Tab C hereto).

Issues

Conditionality

11. Both the Canaccord Relief Plan and the Credential Relief Plan are conditional on the existing CCAA Plan being implemented in a form acceptable to them (see condition 3 of each of the Canaccord and Credential Relief Program Descriptions at Tabs B and C, respectively; see also paragraph 2(a) of the Canaccord Relief Program Offer Letter (Tab A hereto). It is assumed that the relief sought by certain of the moving parties in their outstanding motions, particularly those which would vary the scope or extent of the Release provided in Section 10 of the CCAA Plan, would constitute a material change. Inquiries have been made to ascertain whether this assumption is valid, but no determinative answer has yet been received. It is uncertain whether Canaccord or Credential would take the position the conditions were not fulfilled if there were any variation in the scope or extent of the Release as sought by many of the moving parties.

Outstanding Inspection of Credential Material

12. Representative Co-Counsel have satisfied themselves that the Canaccord Relief Plan is valid, *bona fide* and in accordance with its existing commercial terms. Representative Co-Counsel have not yet been given the opportunity to so satisfy themselves concerning the Credential Relief Plan (as we are awaiting the consent of Credential for access) but, assuming it is valid, *bona fide* and in accordance with identical commercial terms, approximately 1,430 clients of Canaccord (who hold approximately \$138,000,000 of ABCP) and approximately 335 customers of Credential (who hold approximately \$39,000,000 of ABCP) will be able to take advantage of these offers if there is no issue concerning the fulfilment of conditions.

Ineligibility

13. Those additional retail holders of ABCP who are **not** encompassed by these offer(s) may be broken down as follows:

- (a) of those who purchased it through Canaccord and hold more than \$1 million, there are approximately 15 retail holders (of whom approximately 8 are understood to be Canaccord employees), holding approximately in total ABCP of \$27 million;
- (b) of those who purchased it through Credential and hold more than \$1 million, it is believed that there is only 1 retail holder who has an indeterminate amount; and
- (c) the others known to Representative Co-Counsel in the approximate number of 10 who hold an indeterminate amount.

Found at the beginning of these submissions is a chart summarizing these monetary divisions with the Retail Holders of ABCP.

Consequences of the Proposed Release and Any Variations Thereto

Clients of Canaccord and Credential Under \$1,000,000

14. The Relief Plans of both Canaccord and Credential are both conditional on the CCAA Plan being implemented in a form satisfactory to them. For this reason, the Representative Co-Counsel for the Retail Holders of ABCP Group recommended on the website they established (www.retailabcpinfo.com) that members of the Retail Holders of ABCP Group qualifying for the Canaccord Relief Plan or the Credential Relief Plan vote in favour of the plan. However, we are concerned that if the CCAA Plan is not implemented “as is” then neither the Canaccord Relief Plan nor the Credential Relief Plan will be available to them because one or both of them are unsatisfied with the implementation of the CCAA Plan. This may occur due to an order of this Honourable Court which would vary the scope or extent of the Section 10.

15. Moreover, although the Canaccord and Credential Relief Plans would have these clients paid the par value of their Notes (plus some interest), the effect of the Release contemplated under section 10 of the CCAA Plan will very likely be to release other rights including, for example, the right to claim for consequential damages arising from their inability to use their funds since last

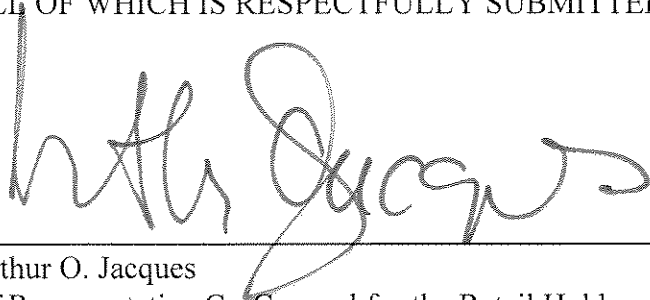
August, or the right to collect legal costs incurred in actions already commenced against either Canaccord or Credential.

Over \$1,000,000 and Non-Canaccord or Credential Clients

16. In respect of other members of the Retail Holders of ABCP Group who are ineligible for either the Canaccord Relief Program or the Credential Relief Program (such as noteholders who have holdings greater than \$1 million¹ as well as noteholders who did not purchase their notes from either Canaccord or Credential), they may have meaningful claims that would be extinguished if the Release under the CCAA Plan is passed without material amendment. These claims would likely be made against the vendor of the ABCP (CIBC World Markets, CIBC Investor's Edge, HSBC Securities, BMO Nesbitt Burns, BMO InvestorLine, BMO InvestorLine, Scotia Capital, ScotiaMcLeod, Scotia Discount Brokerage, National Bank Financial, National Bank Discount Brokerage, Canaccord, Credential Securities, Credential Direct). The third party claims and/or claims over are unknown but could possibly include DBRS, one or more of the Plan Sponsors, or the Asset Providers. The claims may be framed in negligence, negligent misrepresentation, breach of fiduciary duty, fraud, conspiracy or pursuant to causes of action established under the *Competition Act*.

¹ There are certain parties who are owed in excess of \$1,000,000 and wish to be considered to be eligible under the Canaccord Relief Plan for their first \$1,000,000 in holdings, but Canaccord as of this date has refused this approach.

ALL OF WHICH IS RESPECTFULLY SUBMITTED,



Arthur O. Jacques
Of Representative Co-Counsel for the Retail Holders of ABCP Group

May 1, 2008



Thomas McRae
Of Representative Co-Counsel for the Retail Holders of ABCP Group

May 1, 2008



Henry Juroviesky
Of Representative Co-Counsel for the Retail Holders of ABCP Group

May 1, 2008

TAB A



affidavit of JOHNE O'NEILL
sworn before me, this 1st
day of May 2008

Thomas M. [Signature]
A COMMISSIONER FOR TAKING AFFIDAVITS

CANACCORD RELIEF PROGRAM

Purpose:

This sets out the material terms and conditions of a program (the "Canaccord Relief Program") to provide liquidity to clients of Canaccord Capital Corporation ("Canaccord") who are Eligible Clients (as defined below) upon implementation of the plan of compromise and arrangement dated March 17, 2008 (as amended from time to time) pursuant to the *Companies' Creditors Arrangement Act* (Canada) in relation to third-party asset-backed commercial paper (the "CCA Plan") for the series of ABCP addressed thereby (the "Affected ABCP").

Eligible Investment:

"Eligible Investment" means a holder's aggregate investment in Affected ABCP prior to the Plan Implementation Date (as defined in the CCA Plan) and includes investments in the following series of Affected ABCP:

- Comet Trust – Series E
- Encore Trust – Series A
- Encore Trust – Series E
- Gemini Trust – Series E
- Planet Trust – Series A
- Planet Trust – Series E
- Rocket Trust – Series E
- Structured Asset Trust – Series A-1
- Structured Asset Trust – Series E-1
- Structured Investment Trust III – Series A
- Structured Investment Trust III – Series E

CANACCORD CAPITAL CORPORATION

P.O. Box 10337 PACIFIC CENTRE 2200-609 GRANVILLE STREET VANCOUVER BC CANADA V7Y 1H2
TEL: 604 643.7300 FAX: 604 643.7606 WEBSITE: www.canaccord.com

MEMBER CIPF, ALL CANADIAN STOCK EXCHANGES AND THE INVESTMENT DEALERS ASSOCIATION OF CANADA

2069046.6



Eligible Client:

An “**Eligible Client**” means a person who was a client of Canaccord as of April 7, 2008, and who, as of the Record Date (that is, February 29, 2008), held an Eligible Investment in accounts with Canaccord with a Maturity Value of no more than \$1.0 million and elects to sell all of his, her or its Plan Notes (as defined in the CCAA Plan) to Canaccord in accordance with the terms set forth herein. An Eligible Client who elects to participate in the Canaccord Relief Program must participate for the full amount of his, her or its Eligible Investment. “**Eligible Client**” excludes any person to whom an offer to purchase the Eligible Investments cannot be lawfully made or completed. Canaccord reserves the right to deem, in its sole discretion, certain persons who might not meet the definition of “**Eligible Client**” to be an Eligible Client.

For greater certainty, any Eligible Client who elects to participate will be required to assign to Canaccord (or another assignee as it may direct) all Plan Notes to be issued to that Eligible Client upon the Plan Implementation Date including, but not limited to, Tracking Notes (as defined in the CCAA Plan).

The total amount available to fund Eligible Investment purchases will be capped at \$138.3 million.

Purchase Price:

Canaccord will pay to each Eligible Client an aggregate purchase price of 100% of the Maturity Value of the Eligible Investments held by such Eligible Client to a maximum of \$1.0 million for each Eligible Client plus an amount equal to the amount of actual restructuring expenses borne by noteholders paid under the CCAA Plan which are directly attributable to the Plan Notes acquired by Canaccord from Eligible Clients. “**Maturity Value**” as used herein means the full principal amount at maturity of the Eligible Investment. As an example, this is the amount shown on February 29, 2008, client account statements as “**Current Value**” where “**Current Price**” is \$100.00.

Each participating Eligible Client may retain any interest payable on his, her or its Eligible Investments in accordance with the CCAA Plan on the Plan Implementation Date.

For greater certainty, no interest or other right accruing or payable in respect of Plan Notes shall accrue or be paid to a participating Eligible Client; any interest accrued or payable with respect to Plan Notes after the Plan Implementation Date will accrue for the benefit of Canaccord and any subsequent purchasers of the Plan Notes.

CANACCORD CAPITAL CORPORATION

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TEL: 604 643.7300 FAX: 604 643.7606 WEBSITE: www.canaccord.com

MEMBER CIPF, ALL CANADIAN STOCK EXCHANGES AND THE INVESTMENT DEALERS ASSOCIATION OF CANADA



Procedure:

Those Eligible Clients who elect to participate must sign the Offer Letter and the Assignment provided and return the Offer Letter and the Assignment to Canaccord. The purchase of the Plan Notes will take place on the date (the "Closing Date") which is 10 business days after the Plan Implementation Date or such other later date as may be determined by Canaccord provided that the payment shall not occur later than 20 business days after the completion of the distribution of Plan Notes in accordance with the CCAA Plan. Eligible Clients will maintain their entitlement to vote on the CCAA Plan.

Conditions Precedent:

The purchase by Canaccord of Plan Notes from any given Eligible Client under the Canaccord Relief Program is conditional upon: (1) the execution and delivery by such Eligible Client of the Offer Letter and the Assignment in proper form, (2) the truth of the representations and warranties made by such Eligible Client at the time of delivery of the Assignment and on the Closing Date, (3) the delivery of a final Sanction Order, the occurrence of the Plan Implementation Date and the implementation of the CCAA Plan in forms acceptable to Canaccord, (4) the ability of Canaccord to resell the Plan Notes without legal or contractual impediment, including the absence of any litigation relating to the Canaccord Relief Program and (5) the concurrent completion of Canaccord's sale of certain Plan Notes to third parties (the "Concurrent Financing"). Completion of the Concurrent Financing is itself subject to certain conditions including a final CCAA Plan and final Sanction Order, the occurrence of the Plan Implementation Date and the implementation of the CCAA Plan, in each case without material amendment, and other conditions to close.

Timing:

Acceptance of the Canaccord Relief Program by any Eligible Client is open until the Plan Implementation Date.

CANACCORD CAPITAL CORPORATION

P.O. Box 10337 PACIFIC CENTRE 2200-609 GRANVILLE STREET VANCOUVER BC CANADA V7Y 1H2
TEL: 604 643.7300 FAX: 604 643.7606 WEBSITE: www.canaccord.com

MEMBER CIPF, ALL CANADIAN STOCK EXCHANGES AND THE INVESTMENT DEALERS ASSOCIATION OF CANADA

2069046.6

TAB B



This is Exhibit B referred to in the affidavit of Joanne O'Neill sworn before me, this 1st day of May 2008

A COMMISSIONER FOR TAKING AFFIDAVITS

April 16, 2008

TO: Eligible Clients of Canaccord Capital Corporation

RE: Canaccord Relief Program

Canaccord Capital Corporation ("Canaccord") is pleased to offer a solution to provide our eligible clients with payment of Maturity Value on their ABCP investments. Essentially, we offer to purchase from you the Plan Notes into which your ABCP investments will be exchanged under the CCAA Plan. We have included with this Offer Letter a copy of the Canaccord Relief Program. It provides you the details as to who is eligible for the Canaccord Relief Program, what the Purchase Price of the Plan Notes is, the date of purchase, and other terms and conditions of our offer to purchase the Plan Notes.

For the purpose of this Offer Letter, "Plan Notes" means the Plan Notes referred to in the Canaccord Relief Program, and includes any and all benefits, distributions, payments, securities, rights, property or other interests that may arise or be declared, paid, accrued, issued, transferred, made or distributed on or in respect of the Plan Notes. All other capitalized terms used and not defined in this Offer Letter have the meanings given to them in the Canaccord Relief Program and in the CCAA Plan.

The terms and conditions of the Canaccord Relief Program are incorporated by reference in this Offer Letter.

1. OFFER TO ELIGIBLE CLIENTS

Canaccord offers to purchase from you, if you are an Eligible Client, all of your rights to the Plan Notes for the Purchase Price on a date no later than 20 business days after the completion of the distribution of the Plan Notes in accordance with the CCAA Plan.

2. CONDITIONS TO OFFER

Canaccord's offer to purchase is conditional. The following must occur before Canaccord can complete its purchase of the Plan Notes:

- (a) the CCAA Plan must be approved and implemented;



- 4 (b) this Offer Letter and the enclosed Assignment must be signed by you and returned to us as soon as possible but no later than the Plan Implementation Date;
- (c) the representations and warranties in the Assignment must be true when you sign this Offer Letter and at the time we complete the purchase of the Plan Notes from you; and
- (d) the conditions precedent set out in the Canaccord Relief Program must have been satisfied.

3. HOW TO ACCEPT THIS OFFER

You can accept our offer by signing and returning to Canaccord the enclosed copy of this Offer Letter and the enclosed Assignment. We have included a stamped self-addressed envelope for your convenience. The Assignment and your signed copy of this Offer Letter will be held by us until the conditions set out in Section 2 have been satisfied.

4. IF THE CONDITIONS ARE MET

If the conditions in Section 2 all occur, the Assignment will be considered delivered, and pursuant to the Canaccord Relief Program, Canaccord will pay you the Purchase Price by crediting your Canaccord account.

5. IF THE CONDITIONS ARE NOT MET

If any of the conditions in Section 2 do not occur, then Canaccord will not be able to purchase your Plan Notes and this Offer Letter and the Assignment will be null and void.

If you agree with the terms and conditions of this Offer Letter, please sign the enclosed copy of this Offer Letter and the Assignment, and send both documents to Canaccord in the stamped self-addressed envelope. If your existing ABCP investments are represented in whole or in part by physical certificates, these certificates must also be sent to Canaccord.

CANACCORD CAPITAL CORPORATION

P.O. Box 10537 PACIFIC CENTRE 2200-609 GRANVILLE STREET VANCOUVER BC CANADA V7Y 1H2
TEL: 604 643.7300 FAX: 604 643.7606 WEBSITE: www.canaccord.com

MEMBER CIPF, ALL CANADIAN STOCK EXCHANGES AND THE INVESTMENT DEALERS ASSOCIATION OF CANADA



Canaccord may rely on delivery of your executed Offer Letter and Assignment by fax machine or e-mail and a faxed or e-mailed copy will be equally effective to create a valid and binding agreement between us. If less than a complete copy of this Offer Letter or the Assignment is delivered to us, we are entitled to assume that you accept and agree to all of the terms and conditions of the pages not delivered unaltered.

Yours truly,

CANACCORD CAPITAL CORPORATION

Mark G. Maybank
President & Chief Operating Officer

The undersigned agrees with the terms and conditions of this Offer Letter, and accepts Canaccord's offer to purchase the Plan Notes to which the undersigned is entitled as an Eligible Client.

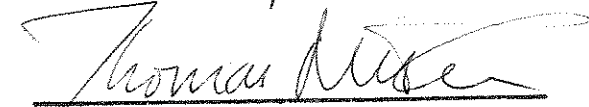
Dated: _____, 2008.

X
Signature of individual or Authorized Signatory (if Eligible Client is not an individual)
Name of Eligible Client (please print)
Name of Authorized Signatory (if applicable) (please print)
Address of Eligible Client
City, Province, Postal Code
Telephone Number and E-mail address

Signed Offer Letters and Assignments may be sent to the following:

Email Address: relief@canaccord.com
Fax Number: (604) 691-6709

TAB C


A COMMISSIONER FOR TAKING AFFIDAVITS

CREDENTIAL RELIEF PROGRAM

Purpose:

This sets out the material terms and conditions of a program (the "Credential Relief Program") to provide liquidity to clients of Credential Securities Inc. ("Credential") who are Eligible Clients (as defined below) upon implementation of the plan of compromise and arrangement dated March 17, 2008 (as amended from time to time) pursuant to the *Companies' Creditors Arrangement Act* (Canada) in relation to third-party asset-backed commercial paper (the "CCAA Plan") for the series of ABCP addressed thereby (the "Affected ABCP").

Eligible Investment:

"Eligible Investment" means a holder's aggregate investment in Affected ABCP prior to the Plan Implementation Date (as defined in the CCAA Plan) and includes investments in the following series of Affected ABCP:

- Comet Trust – Series E
- Encore Trust – Series A
- Encore Trust – Series E
- Gemini Trust – Series E
- Planet Trust – Series A
- Planet Trust – Series E
- Rocket Trust – Series E
- Structured Asset Trust – Series A-1
- Structured Asset Trust – Series E-1
- Structured Investment Trust III – Series A
- Structured Investment Trust III – Series E



Credential[®]

Securities

Eligible Client:

An “**Eligible Client**” means a person who was a client of Credential as of April 7, 2008, and who, as of the Record Date (that is, February 29, 2008), held an Eligible Investment in accounts with Credential with a Maturity Value of no more than \$1.0 million and elects to sell all of his, her or its Plan Notes (as defined in the CCAA Plan) to Credential in accordance with the terms set forth herein. An Eligible Client who elects to participate in the Credential Relief Program must participate for the full amount of his, her or its Eligible Investment. “**Eligible Client**” excludes any person to whom an offer to purchase the Eligible Investments cannot be lawfully made or completed. Credential reserves the right to deem, in its sole discretion, certain persons who might not meet the definition of “Eligible Client” to be an Eligible Client.

For greater certainty, any Eligible Client who elects to participate will be required to assign to Credential (or another assignee as it may direct) all Plan Notes to be issued to that Eligible Client upon the Plan Implementation Date including, but not limited to, Tracking Notes (as defined in the CCAA Plan).

The total amount available to fund Eligible Investment purchases will be capped at \$38.8 million.

Purchase Price:

Credential will pay to each Eligible Client an aggregate purchase price of 100% of the Maturity Value of the Eligible Investments held by such Eligible Client to a maximum of \$1.0 million for each Eligible Client plus an amount equal to the amount of actual restructuring expenses borne by noteholders paid under the CCAA Plan which are directly attributable to the Plan Notes acquired by Credential from Eligible Clients. “**Maturity Value**” as used herein means the full principal amount at maturity of the Eligible Investment. As an example, this is the amount shown on February 29, 2008, client account statements as “Current Value” where “Current Price” is \$100.00.

Each participating Eligible Client may retain any interest payable on his, her or its Eligible Investments in accordance with the CCAA Plan on the Plan Implementation Date.

For greater certainty, no interest or other right accruing or payable in respect of Plan Notes shall accrue or be paid to a participating Eligible Client; any interest accrued or payable with respect to Plan Notes after the Plan Implementation Date will accrue for the benefit of Credential and any subsequent purchasers of the Plan Notes.

Credential[®]

Securities

Procedure:

Those Eligible Clients who elect to participate must sign the Offer Letter and the Assignment provided and return the Offer Letter and the Assignment to Credential. The purchase of the Plan Notes will take place on the date (the "Closing Date") which is 10 business days after the Plan Implementation Date or such other later date as may be determined by Credential provided that the payment shall not occur later than 20 business days after the completion of the distribution of Plan Notes in accordance with the CCAA Plan. Eligible Clients will maintain their entitlement to vote on the CCAA Plan.

Conditions Precedent:

The purchase by Credential of Plan Notes from any given Eligible Client under the Credential Relief Program is conditional upon: (1) the execution and delivery by such Eligible Client of the Offer Letter and the Assignment in proper form, (2) the truth of the representations and warranties made by such Eligible Client at the time of delivery of the Assignment and on the Closing Date, (3) the delivery of a final Sanction Order, the occurrence of the Plan Implementation Date and the implementation of the CCAA Plan in forms acceptable to Credential, (4) the ability of Credential to resell the Plan Notes without legal or contractual impediment, including the absence of any litigation relating to the Credential Relief Program and (5) the concurrent completion of Credential's sale of certain Plan Notes to third parties (the "Concurrent Financing"). Completion of the Concurrent Financing is itself subject to certain conditions including a final CCAA Plan and final Sanction Order, the occurrence of the Plan Implementation Date and the implementation of the CCAA Plan, in each case without material amendment, and other conditions to close.

Timing:

Acceptance of the Credential Relief Program by any Eligible Client is open until the Plan Implementation Date.

**CREDENTIAL RELIEF PROGRAM
ASSIGNMENT**

TO: CREDENTIAL SECURITIES INC. ("CREDENTIAL")

This Assignment is delivered pursuant to the terms and subject to the conditions of the offer contained in the letter dated April 18, 2008, made by Credential (the "Offer Letter").

For the purpose of this Assignment, the "Plan Notes" means the Plan Notes referred to in the Credential Relief Program, which is enclosed with the Offer Letter, and includes any and all benefits, distributions, payments, securities, rights, property or other interests that may arise or be declared, paid, accrued, issued, transferred, made or distributed on or in respect of the Plan Notes. All other capitalized terms used and not defined in this Assignment have the meanings given to them in the Credential Relief Program and in the CCAA Plan (as defined in the Credential Relief Program).

In consideration of the payment to the undersigned of the Purchase Price, the undersigned:

1. assigns and transfers to Credential all of the undersigned's rights in all the Plan Notes to which the undersigned is entitled on a distribution under the CCAA Plan;
2. represents and warrants as of the date hereof and as of the Closing Date that: (a) the undersigned has full capacity to assign and transfer all of the undersigned's rights in the Plan Notes; (b) the undersigned's rights in the Plan Notes are free and clear of all liens, restrictions, charges, encumbrances, claims and rights of others; and (c) the undersigned has not sold, assigned or transferred, or agreed to sell, assign or transfer, any rights in the Plan Notes or in the Eligible Investment;
3. irrevocably constitutes, appoints and authorizes Credential as the undersigned's true and lawful agent, attorney and attorney-in-fact with respect to the Plan Notes, with full power of substitution, in the undersigned's name and on the undersigned's behalf: (a) to request the registration or recording of the assignment and transfer of the Plan Notes to Credential or as it may direct on the appropriate registers; and (b) to exercise any other rights of a holder of the Plan Notes;
4. confirms that the undersigned has revoked any and all other authority, whether as agent, attorney, attorney-in-fact or otherwise, previously conferred or agreed to be conferred at any time with respect to the Plan Notes and that the undersigned will not grant any subsequent authority, whether as agent, attorney, attorney-in-fact or otherwise with respect to the Plan Notes;
5. will sign any additional documents as may be needed to complete the assignment and transfer of the Plan Notes to Credential; and
6. acknowledges that all authority conferred or agreed to be conferred by the undersigned by this Assignment is, to the maximum extent permitted by law, irrevocable and shall survive the undersigned's death or incapacity, bankruptcy or insolvency, that all of the undersigned's obligations in this Assignment shall be binding upon the undersigned's heirs, executors, administrators, attorneys, personal representatives, successors and assigns, and that this Assignment, including the undersigned's representations and warranties, may be assigned by Credential to any subsequent purchaser of any of the Plan Notes or by any such subsequent purchaser to any further subsequent purchaser of any of the Plan Notes and shall enure to the benefit of Credential and its successors and assigns and to the benefit of any such subsequent purchaser and its successors and assigns.

By signing below, the undersigned Eligible Client is expressly agreeing to make this Assignment.

Dated: _____, 2008.

X
Signature of individual or Authorized Signatory (if Eligible Client is not an individual)
Name of Eligible Client (please print)
Name of Authorized Signatory (if applicable) (please print)
Address of Eligible Client
City, Province, Postal Code
Telephone Number and E-mail address

IN THE MATTER OF THE COMPANIES/CREDITORS
ARRANGEMENT ACTS, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE AND
ARRANGEMENT INVOLVING METCALFE & MANSFIELD
ALTERNATIVE INVESTMENTS II CORP., *et al.*

Court File No. 08-CL-7440

ONTARIO
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST
Proceeding Commenced at Toronto

SUBMISSIONS
(May 1, 2008)

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