

**@rgentum Management and Research Corporation ("the Corporation") and certain @rgentum Mutual Funds ("the Funds")(collectively "@rgentum")**

**FAQ - Frequently Asked Questions by Unit Holders and their Advisors  
Updated to August 23, 2007**

**1. What assets do you have in your possession at the present time?**

See summary at the end of this document.

**2. You ran a Claims Process earlier this year. Which Funds did the Claims Process apply to?**

The Claims Process applied to the following Funds:

@rgentum Canadian Performance Portfolio  
@rgentum Income Portfolio  
@rgentum Short-Term Assets Portfolio  
@rgentum Canadian L/S Equity Portfolio and  
@rgentum Pooled Market Neutral Portfolio

(collectively "the Solvent Funds")

**3. Why did you limit the Claims Process to just these Funds?**

To save money. The Solvent Funds have some assets. The other Funds do not and it did not make sense to incur the cost of a claims process for Funds currently without assets, a cost that would have had to be paid by the Solvent Funds Unit Holders.

**4. Which Funds did the Claims Process not apply to?**

The Claims Process did not apply to the following Funds as these Funds currently have no assets:

@rgentum US Master Portfolio  
@rgentum Canadian Equity Portfolio  
@rgentum International Master Portfolio  
@rgentum Discovery Portfolio  
@rgentum International Master RSP Portfolio  
@rgentum US Market Neutral Portfolio

(collectively "the Insolvent Funds")

**5. What was the outcome of the Claims Process?**

No parties validly challenged the Receiver's assessment of unit holdings or filed a claim

of any form against any of the Solvent Funds prior to the Court ordered "Claims Bar Date" of July 5, 2007.

We therefore now have a definitive list of who the Unit Holders are in each of the Solvent Funds and how many units they own. We have attached at the end of this document a summary showing the total number of units, as determined by the Claims Process, for each of the Solvent Funds. This was a critical step along the way to making a distribution. We also know that none of the Solvent Funds is subject to claims by creditors.

Further details on the Claims Process can be found on our website at [www.ajohnpage.com](http://www.ajohnpage.com).

6. **Why didn't you require Unit Holders to file claims?**

For Two Reasons:

Firstly we wanted to make the process of determining who was entitled to be paid from each Fund as easy and fair as possible for the Unit Holders. A claims process that requires a claim to be filed is not particularly convenient for Unit Holders. They have to search their records to find documentation supporting their claim and then complete and submit a claims form. Such a process also runs the risk of denying the claims of Unit Holders who, for whatever reason, fail to file their claim on time.

Secondly it saved money. It is expensive to administer a claims process where every unit holder has to submit a claim with supporting documentation.

Sometimes an entity's books and records are such that we have to require stakeholders to file claims. However in this case we were able to build up enough confidence in the Unit Holder Register that we could adopt a simpler approach. We reviewed the Unit Holder Register and adjusted it for a small number of transactions caught by the freeze order in September 2005. We then reviewed all the Unit Holder enquiries we had received. We did not identify any discrepancies and concluded that the Register was most likely accurate. As a result we created a Claims Process through which we sent out Notices of Units confirming the number of units held by a Unit Holder in one of the Solvent Funds and requiring the Unit Holders to contact us **only** if they disagreed with our assessment of their unit holdings. The Claims Process was a success as no one challenged our assessment of their unit holdings.

**7. What should I do if I am a Unit Holder and I never received a "Notice of Units"?**

Firstly check that you hold units in one of the Solvent Funds. We did not send Notices of Units to Unit Holders in any of the Insolvent Funds. If you do hold units in one of the Solvent Funds, please contact the Receiver immediately by email to [argentum@ajohnpage.com](mailto:argentum@ajohnpage.com), by fax to 416-364-4869 or by mail indicating your name, details of your holding and your current address. It may be that the Notice of Units was sent to an old address.

**8. My "Notice of Units" indicates that my units are held through a Nominee. Will you be paying any distributions directly to me or to the Nominee?**

If your units are held through a Nominee, such as a broker, we intend to pay your distribution payments to the Nominee at the address shown on the Notice of Units. Unit Holders and Nominees who have not already done so are requested to contact the Receiver in writing (by mail, email or fax) if they foresee any practical problems with this method of distribution.

**9. What is the likelihood that a distribution will be made to Unit Holders in any of the Insolvent Funds?**

At the moment we have no assets belonging to any of the Insolvent Funds. At the present time the likelihood of any distribution would therefore appear to be low.

**10. What should I do if I am a Unit Holder in one of the Insolvent Funds?**

Keep us aware of your current address in case we do locate and recover assets for one of the Insolvent Funds.

**11. Why do you need to obtain a clearance certificate from Canada Revenue Agency ("CRA") before making a distribution to Unit Holders?**

In a mutual fund, any claim for income taxes has to be paid in priority to any distribution to Unit Holders. A clearance certificate is the formal way that CRA states it does not have any such claim and, therefore, the Receiver is free to distribute the monies in the Fund.

**12. What is the status of your request for clearance certificates?**

Early in 2007 we prepared and filed trust tax returns for each of the Solvent Funds for 2005 and 2006. At that time we requested clearance certificates from CRA. Each of

those tax returns has now been "assessed" by CRA as filed. We understand that our request for clearance certificates will be reviewed in the next few months and, if no problems are encountered, we would hope to receive the clearance certificates by November 2007. @rgentum however never filed fund trust tax returns for the tax years 2001-2004. We would like to avoid the cost and delay involved in preparing and filing the missing returns but do not know whether CRA will issue clearance certificates without them being filed.

**13. My investment is through my RRSP. Will any distribution continue to be sheltered from tax?**

Many of the holdings of units in the Funds were through RRSPs. We are researching the best method of ensuring that any distribution will continue to be sheltered from tax.

**14. Can you estimate when you will be making an interim distribution to Unit Holders of the Solvent Funds?**

We are trying to make an interim distribution as soon as we can. However, there are a number of outstanding matters, including clearance certificate issuance and RRSP distribution issues, which have to be resolved before we can make that distribution. Probably the most critical issue outside of our control is the timing of the issuance of clearance certificates by CRA. We estimate that we should be able to make an interim distribution approximately three months after receiving all the clearance certificates we have applied for. Therefore, if we were to receive those certificates in November 2007 we estimate we would make an interim distribution in February 2008. We should caution unit holders that if CRA do not issue clearance certificates in November 2007, the interim distribution will be delayed until approximately three months after the date on which they do issue those certificates. As noted earlier, if they require returns to be filed for 2001-2004, the distribution will be delayed significantly.

**15. Can I transfer or sell my units?**

No

**16. How much will I get back?**

It depends on which Solvent Fund you hold units in. Ultimately the amount of money in each of the Funds, after paying the costs of administration, will be shared pro rata among the Unit Holders in that Fund.

**17. When do you anticipate completing this assignment?**

It is too early to say. Please note that there are a number of issues, for example potential receipts from class action litigation, that may take many years to be finalized. These long term issues will not, however, prevent us from making an interim distribution.

**18. What happened to the claim against the @rgentum Quebec Balanced Fund ("the Quebec Balanced Claim")?**

The difficulties we have had in dealing with Raymond Chabot Inc., the Receiver of the Quebec Balanced Fund, ("Raymond Chabot") are set out in some detail in our Fourth Report to the Court dated February 16, 2007. In light of the matters described in that report, and the positions being asserted by Raymond Chabot, we decided that the cost of pursuing the Quebec Balanced Claim was out of proportion to the likely gain, regardless of the merits of the Quebec Balanced Claim. We have therefore withdrawn the Quebec Balanced Claim on a no cost basis.

**19. In your reports to the Court you noted that, just prior to the receivership, the reported book value of the Funds was approximately \$3,000,000 higher than the book value of the securities and cash actually held by the Funds, a difference that was categorized in @rgentum's records as "Deferred Charges". What have you learnt about these Deferred Charges since your last report?**

We have continued our review of the records we have been able to locate. As previously reported it appears that over a twenty-one month period in 2004 and 2005 approximately \$3,100,000 that was categorized as Deferred Charges was transferred to @rgentum's regular bank account and was disbursed from there. We have made direct contact with many of the parties receiving payments from that bank account in order to better understand why those payments were made. We are in addition in the process of examining under oath certain former employees and officers of @rgentum. We are developing a clearer picture of what happened and why. However we need to complete our investigations before we can publicly report our findings and any resulting recommendations.

**20. Do you think that your investigations will reveal any recoverable assets?**

It is possible that our investigations will identify potentially recoverable assets. We think however that we should not publicly form a firm conclusion in this regard until we have completed our investigations.

**21. What are the major difficulties you have encountered to date?**

- We are missing many of @rgentum's books and records. We have therefore had to recreate a number of key accounting records from source documents.
- @rgentum's Chief Executive Officer has not always responded to requests for information.
- @rgentum's auditors have provided us with virtually no information, citing Quebec rules concerning professional secrecy.
- The last Fund tax returns filed by @rgentum were for 2000. We have filed returns for 2005 and 2006 for the Solvent Funds but have yet to ascertain whether CRA will want us to file all the missing returns as well.

**22. Who pays the fees and expenses of the Receiver?**

The court order appointing us allows us to take them from the Funds. How much will be taken from each Fund will probably not be determined until the conclusion of the assignment.

**23. I received a "Notice of Units". Is there anything I should do in order to ensure I receive whatever distributions are paid out?**

You should ensure we have your and your Nominee's current address.

**24. Where can I get more information on the status of the receivership?**

We are periodically posting information on the status of the receivership on our website at [www.ajohnpage.com](http://www.ajohnpage.com)

Specific enquiries can be sent by email to [argentum@ajohnpage.com](mailto:argentum@ajohnpage.com)

**@rgentum Management and Research Corporation**  
**Summary of Fund Assets and the Receiver's Determination of Unit Holdings**  
**as at August 23, 2007**

Fund	Transfers and Set-Offs since 16/11/05	Current Book Value of Assets Held	No. of Unit Holders	No. of Units
\$'000				
<b>Solvent Funds</b>				
Short Term Assets Portfolio	110	272	34	36,913.091
Income Portfolio	94	221	43	104,902.339
Canadian Performance Portfolio	460	1,163	336	269,195.937
Canadian L/S Equity Portfolio	45	112	22	48,266.232
Pooled Market Neutral		52	4	39,914.770
	<u>709</u>	<u>1,820</u>	<u>439</u>	<u>499,192.369</u>
Receivership Account		<u>11</u>		
		<u>1,831</u>		

**Notes**

1. The Current Book Value shown above represents the assets under the control of the Receiver at August 23, 2007. It does not include any accrued interest on short term investments.
2. Transfers and Set-Offs represents amounts transferred from individual Funds to the Receiver's account to pay ongoing expenses together with a set-off claimed by CIBC Mellon pertaining to overdrafts on the Insolvent Funds. The amounts shown do not reflect the actual amount that will be levied on that particular fund. The Receiver will equitably allocate these amounts between the Solvent Funds at a later date.
3. The number of Unit Holders and Units were determined by the Receiver through its investigations and were validated by the court approved Claims Process.
4. The Receiver is not holding any assets belonging to any of the Insolvent Funds.