

March 26, 2010

To the Creditors and Investors of Nelson Financial Group Ltd.

Dear Sir/Madam:

**Subject: Nelson Financial Group Ltd. ("Nelson")**

Nelson is in financial difficulty. It is however still in business and wants to stay in business. Over the next few months it wishes to develop a plan of compromise or arrangement ("a Plan") that will enable it to restructure and thereby provide a better return to its stakeholders than the alternative.

To that end, on March 23, 2010 ("the Filing Date"), Nelson successfully applied under the *Companies' Creditors Arrangement Act* ("CCAA") for an order ("the Initial Order") of the Ontario Superior Court of Justice (Commercial List) ("the Court") providing, among other things, a stay of proceedings against Nelson. A. John Page & Associates Inc. was appointed monitor ("the Monitor") by the Court to oversee the restructuring process. A copy of the Initial Order is available on the Monitor's website at [www.ajohnpage.com/html/files.html](http://www.ajohnpage.com/html/files.html). A printed copy can be obtained by contacting the Monitor at [nelson@ajohnpage.com](mailto:nelson@ajohnpage.com) or by telephone, fax or regular mail at the above address.

As a result of the Initial Order, all liabilities of Nelson as of the Filing Date are frozen and creditors are restrained from discontinuing, altering, interfering with or terminating the supply of any goods or services, provided that Nelson pays for such post-filing goods or services. Arrangements should therefore be made with Nelson regarding the ongoing supply of goods and services after the Filing Date.

All payments to investors, whether re interest, dividends or a repayment of principal, are halted until Nelson successfully completes its restructuring.

Nelson has not yet prepared a Plan and it may be a couple of months before it does. It is anticipated that, once its Plan is ready, a meeting of creditors and investors will be held to consider and vote on the Plan in accordance with the CCAA.

No claims process has, as yet, been established. Accordingly, you do not need to file a proof of claim at this time. Once a specific process to establish your claim as at the



Page 2

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Filing Date has been approved by the Court, the Monitor will provide you with details. In the meantime please ensure that you notify the Monitor and Nelson if you change your address.

The Monitor is posting key documents relating to Nelson's CCAA restructuring process on its website and encourages you to check there regularly for updates.

If, after reviewing the information posted on the Monitor's website, you still have any questions in respect of Nelson's restructuring and the CCAA proceedings, please contact Colleen Delaney, Senior Vice-President of A. John Page & Associates Inc., by email at [nelson@ajohnpage.com](mailto:nelson@ajohnpage.com) or by telephone at 416-364-4894 ext. 13.

Yours very truly,

A. JOHN PAGE & ASSOCIATES INC.  
IN ITS CAPACITY AS COURT-APPOINTED MONITOR OF  
NELSON FINANCIAL GROUP LTD., AND NOT IN ITS PERSONAL CAPACITY  
per:

A. John Page  
President