

The Receivership of @rgentum Management and Research Corporation and certain @rgentum Mutual Funds (“@rgentum”)

Bulletin on the Status of the Receiver’s Request for Clearance Certificates as at October 30, 2008

We should like to give unit holders and other interested parties an update on the status of our request for clearance certificates.

In the Fifth Report to the Court by A. John Page & Associates Inc., Receiver of @rgentum dated June 9, 2008 (“the Report”) (a copy of which is posted on our website at www.ajohnpage.com) we indicated that we could not proceed towards an interim distribution to Solvent Fund unit holders until we had received clearance certificates from Canada Revenue Agency (“CRA”) to confirm that no Solvent Fund had any tax liability. We then described in the Report the difficulties we were encountering in obtaining those clearance certificates. In particular we noted that CRA had, in February 2008, proposed to disallow any deductions relating to the transfer of “Deferred Charge” moneys out of the Solvent Funds. Such a disallowance might have caused the Solvent Funds to owe about \$750,000 in income tax. This was not a palatable option.

We met with CRA a number of times and, in a meeting in April 2008, proposed a series of adjustments that would allow us to deduct a portion of the Deferred Charge transfers sufficient to ensure none of the Solvent Funds would owe any tax for the taxation years up to 2007. By letter dated June 26, 2008, CRA indicated that they were prepared to accept these adjustments. This was good news as it meant that it was probably just a matter of time before CRA would be able to issue the clearance certificates.

CRA then processed the agreed upon adjustments. CRA’s field auditor told us in July that procedurally, before they could issue the clearance certificates, a different department in Ottawa had to issue Notices of Reassessment to reflect the adjustments. This, she estimated, could take a number of months. On October 21, 2008, we started to receive formal “Trust Notices of Reassessment” from CRA.

We seem at last to be making progress and hope to receive the actual clearance certificates in the next month or so.

In our web posting “FAQ – Frequently Asked Questions by Unit Holders and their Advisors Updated to August 23, 2007” we estimated that we should be able to make an interim distribution approximately three months after receiving all the requested clearance certificates. We suspect this is still a reasonable estimate because, among other things, we will need to make an application to court for permission to make this distribution.

A. John Page & Associates Inc.
Court Appointed Receiver of @rgentum