

C.A. BANCORP INC.
ANNUAL INFORMATION FORM
for the Year Ended December 31, 2006

as at May 24, 2007

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GENERAL

Wherever used in this Annual Information Form, the term “**Company**” refers to C.A. Bancorp Inc., including its predecessor entities, except where the context otherwise requires, and references to “**C.A. Bancorp**” refer to the Company and its consolidated subsidiaries other than Charter Real Estate Investment Trust.

Unless otherwise indicated, the information given in this Annual Information Form is given as of May 24, 2007 and all dollar amounts herein are expressed in Canadian dollars.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Information Form contains “forward-looking statements” relating, but not limited, to the Company’s expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as “anticipate”, “believe”, “expect”, “plan”, “intend”, “estimate”, “may” and “will” or similar words suggesting future outcomes, or other expectations, goals, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. The forward-looking statements are not historical facts but reflect the Company’s current expectations regarding future results or events.

These statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Factors which could cause actual results to differ materially from those set forth in the forward-looking statements include (but are not limited to): that at the date hereof, other than as disclosed in this Annual Information Form; the nature of the Company’s investments; the Company’s dependence on management of portfolio companies; the Company’s limited operating history; the available opportunities and competition for investments; the concentration of the Company’s investments; the Company’s access to capital for fund management; the Company’s dependence on key personnel and Sentry Select Capital Corp. (“**Sentry Select**”); leverage of the businesses in which the Company invests; the market for the Company’s securities and volatility of trading price; the trading price of the Company’s common shares relative to net asset value; risks affecting the Company’s investments; risks affecting the Company’s investments in capital pool companies; the need for the Company to make follow-on investments in portfolio companies; borrowing by the Company to make investments; investments by the Company in private issuers and illiquid securities; joint investments with strategic partners of the Company and third parties; conflicts of interest; no guaranteed returns; the potential loss of investment in common shares; the Company’s additional financing requirements; the management of the growth of the Company; and other risks detailed from time to time in the Company’s continuous disclosure documents, including this Annual Information Form. See “Risk Factors”.

Readers are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

C.A. BANCORP INC.

C.A. Bancorp Inc. is a publicly traded Canadian merchant bank and asset manager established to provide investors with access to a range of private equity and alternative asset class investment opportunities. The Company is focused on equity investments, either directly or through funds managed and/or sponsored by C.A. Bancorp, in small and middle-market public and private companies with emphasis on opportunities in the industrials, real estate, infrastructure and financial services industries.

The head office of the Company is located at The Exchange Tower, 130 King St. West, Suite 2810, Toronto, Ontario M5X 1A4. The registered office of the Company is located at 3700 Canterra Tower, 400 Third Avenue SW, Calgary, Alberta T2P 4H2.

John F. Driscoll formed C.A. Bancorp in 2005, and currently is the Chairman and Chief Executive Officer of the Company. Mr. Driscoll is also the founding President, Chairman and Chief Executive Officer of Sentry Select. Mark Gardhouse joined the Company as President in January 2006. Previously, Mr. Gardhouse was Managing Director of Corporate Finance of Roynat Capital Inc. In April 2006, Mark MacDonald joined the Company as Managing Director, Private Investments. Mr. MacDonald was previously Vice-President of Teachers' Private Capital, the private equity arm of Ontario Teachers' Pension Plan Board. Messrs. Gardhouse and MacDonald have significant experience investing in private and public companies in Canada and are principally responsible for investing C.A. Bancorp's funds as described herein. Michael Lovett recently joined the Company as Managing Director, Real Estate Capital. Previously, Mr. Lovett was employed by Commercial Mortgage & Capital, a private commercial mortgage company, where he was responsible for originating and placing commercial loans and mortgages. See "Directors, Senior Officers and Management - Biographies of Directors, Senior Officers and Management".

Sentry Select provides management and administrative services to the Company. Sentry Select is a portfolio manager and mutual fund dealer engaged in the business of sponsoring and managing investment funds in Canada. As at April 30, 2007, Sentry Select had over \$8 billion in gross assets under management. The Company has entered into management and administration agreements with Sentry Select in order to access Sentry Select's investment, advisory and administrative expertise, as well as Sentry Select's strong relationships within the Canadian public capital markets. Pursuant to these agreements, Sentry Select supplies the full-time services of Messrs. Gardhouse, MacDonald, Lovett and others to provide certain management services, including searching for, evaluating and screening investment opportunities and conducting due diligence with respect to potential investments. The management agreement also provides the Company with access to the expertise and experience of Sentry Select's portfolio managers, portfolio advisers and research analysts. Sentry Select may also develop structured alternative asset investment vehicles to be managed and/or sponsored by the Company. See "Description of the Business - Management and Administration Agreements".

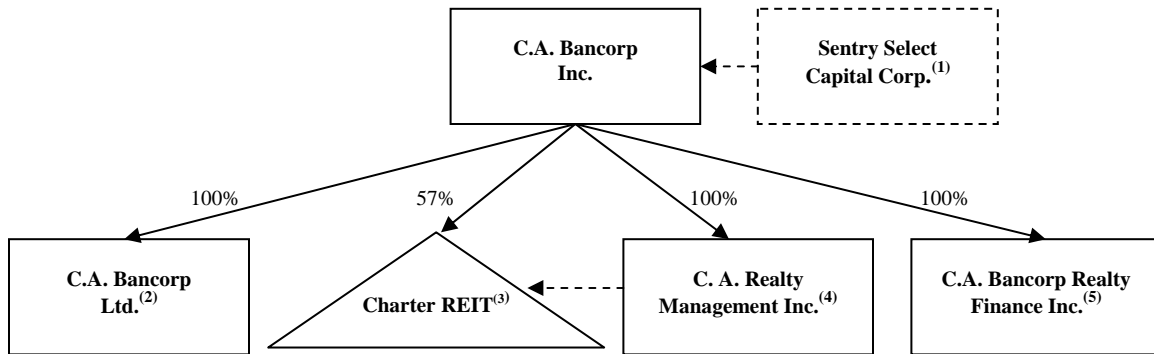
CORPORATE STRUCTURE

C.A. Bancorp Inc. is a corporation existing under the *Business Corporations Act* (Alberta) (the "ABCA"). On January 17, 2006, the Company changed its name from "Masthead Resources Ltd." to "C.A. Bancorp Inc." pursuant to articles of amendment filed under the ABCA. Masthead Resources Ltd. ("**Masthead**") was incorporated pursuant to the ABCA on March 29, 2005 as "Master Mines and Metals Inc." Masthead filed articles of amendment changing its name to "Master West Resources Inc." on April 19, 2005, changing its name to "Masthead Resources Ltd." on April 27, 2005, and removing its private company restrictions on June 13, 2005.

On April 30, 2007, the Company filed articles of amendment, consolidating the common shares (each, a "**Common Share**") on a ten to one basis and reorganizing the authorized capital of the Company by: (i) deleting the class of first preferred shares; and (ii) creating an unlimited number of Class A preference shares, Class B preference shares and Class C preference shares. See "Description of Capital Structure". On

April 30, 2007, the Common Shares were listed on the Toronto Stock Exchange (“TSX”) under the symbol “BKP”, and the Company concurrently delisted from the TSX Venture Exchange (“TSXV”).

The Company has four operating subsidiaries: C.A. Bancorp Ltd., C.A. Realty Management Inc. (“CARM”), C.A. Bancorp Realty Finance Inc. (each of which was incorporated pursuant to the *Business Corporations Act* (Ontario)) and Charter Real Estate Investment Trust (“Charter REIT”) (which is a trust formed under the laws of the Province of Ontario). The chart below shows the relationship between the Company, its operating subsidiaries and Sentry Select.



Notes:

- (1) Sentry Select provides management and administrative services to the Company. See “Description of the Business - Management and Administration Agreements”.
- (2) C.A. Bancorp Ltd. is registered as a limited market dealer and an investment counsel and portfolio manager under the *Securities Act* (Ontario).
- (3) Charter REIT is a real estate investment trust, the units of which are listed on the TSXV.
- (4) C.A. Realty Management Inc. provides management and administrative services to Charter REIT. See “Description of the Business - Direct Investing”.
- (5) C.A. Bancorp Realty Finance Inc. has been formed with the intention that it will provide management and administrative services to funds which will focus on loans and investments in the Canadian real estate sector.

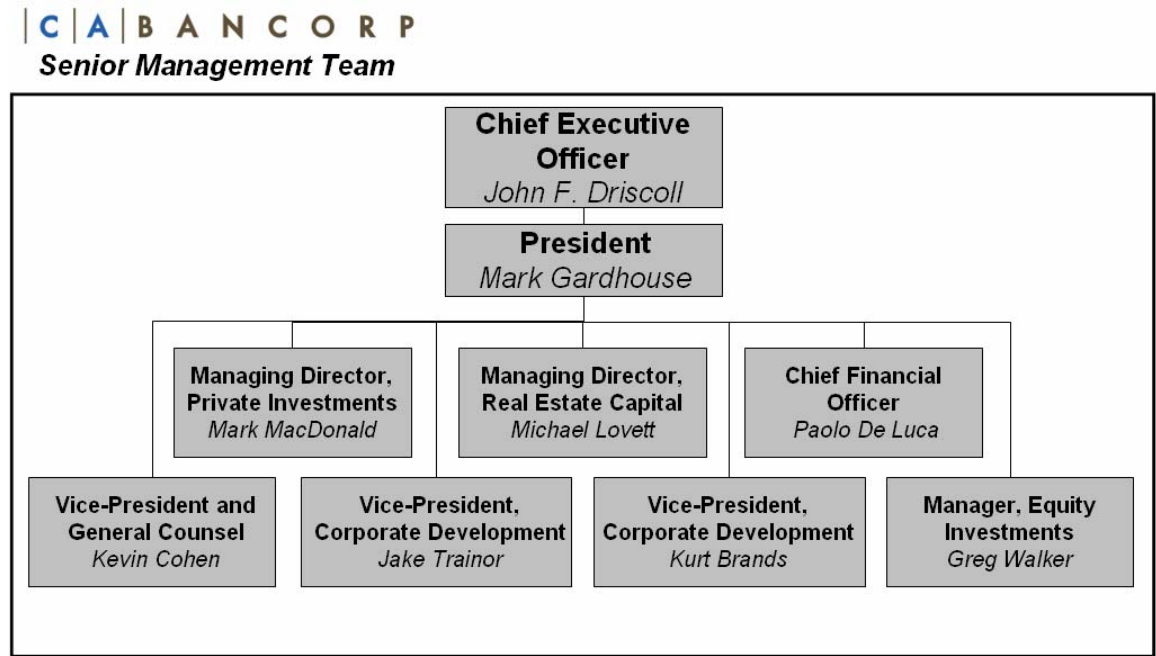
GENERAL DEVELOPMENT OF THE BUSINESS

The Company completed a qualifying transaction (the “**Qualifying Transaction**”) on January 26, 2006 in accordance with TSXV Policy 2.4 - *Capital Pool Companies* (“**TSXV Policy 2.4**”). Pursuant to a fund acquisition agreement (the “**Fund Acquisition Agreement**”) with Sentry Select Wealth Management Fund (the “**Fund**”) dated January 26, 2006, the Company acquired all of the assets of the Fund in exchange for 451,638 Common Shares and 451,638 common share purchase warrants of the Company (each, a “**Warrant**”). In addition, pursuant to a share purchase agreement (the “**Bancorp Share Purchase Agreement**”) with Petro Assets Inc. dated January 26, 2006, the Company acquired all of the issued shares of C.A. Bancorp Ltd. in exchange for 339,991 Common Shares and 339,991 Warrants. Each Warrant entitled the holder thereof to purchase one Common Share for \$3.50 until January 26, 2007. See “Significant Acquisition”.

The Company completed a prospectus offering on November 27, 2006, which together with the exercise of the agents’ over-allotment option on December 18, 2006 raised gross proceeds of \$38,751,177 on the issuance of 12,924,059 Common Shares at \$3.00 per Common Share.

C.A. Bancorp has been implementing its business plan (described under “Description of the Business”), by assembling its management, sales and investment team, building its direct investments portfolio and pipeline and developing alternative asset investment vehicles.

The Company has assembled a team of qualified personnel consisting of: Paolo De Luca, C.A., C.F.A. (Chief Financial Officer); Kevin Cohen, M.B.A., LL.B. (Vice-President and General Counsel); Jake Trainor, M.B.A., B.Eng. (Vice-President, Corporate Development); Kurt Brands, C.M.A., M.B.A. (Vice-President, Corporate Development); Greg Walker, B.A. (Manager, Equity Investments); and Ryan Caughey, LL.B. (Corporate Secretary). See “Directors, Senior Officers and Management - Biographies of Directors, Senior Officers and Management”. The Company’s management organizational chart is as follows:



The management team has been drawn from varied backgrounds, including corporate finance, operations, strategic consulting, outsourcing, marketing, legal and accounting, which enhance the Company’s ability to evaluate and manage investments. Management’s broad set of skills as well as their educational backgrounds contribute significant investment, financial, sales, and operational experience to C.A. Bancorp. The Company will also be able to draw on the resources of Sentry Select, including marketing and investment expertise, and specifically its knowledge of the Canadian income trust market.

The Company has been actively executing its business plan (described under “Description of the Business”). The announcement in October 2006 by the Canadian federal government of its intention to tax income trusts has created additional deal flow and investment opportunities which C.A. Bancorp is actively pursuing. As well as the public market opportunities, the Company has been involved in evaluating and bidding on a number of private company investments.

The Company has made “toehold” and “activist/catalyst” investments in a number of public companies. As of May 14, 2007, the Company had invested in 14 toehold investments in public companies. The Company made these toehold investments with the intention of pursuing a specific strategy, such as a going-private transaction that may be initiated by the Company on its own or with a partner. In addition to the Company’s toehold investments, it has also made a series of activist or catalyst driven investments in Canadian income trusts where management believes a change in the ownership structure, such as a take-over, will occur prior to the implementation of the proposed taxation changes.

C.A. Bancorp has completed investments in three capital pool companies: Charter Realty Holdings Ltd. (“**Charter**”), Universal Infrastructure Corp. (“**Universal**”), and Global Alternative Investments Inc. (“**Global**”), Charter subsequently completed its qualifying transaction in February 2007 and has recently converted into a real estate investment trust (Charter REIT). See “Description of the Business - Direct Investing”.

The offering of C.A. Bancorp’s first structured alternative asset investment vehicle, Sentry Select Total Strategy Fund, was completed in September 2006 raising gross proceeds of \$55 million. Up to 25% of such fund’s total assets may be invested in private equity investments. In February 2007, C.A. Bancorp commenced marketing its first private equity fund. This fund is being formed to provide institutional and high net worth investors the opportunity to capitalize on a variety of small to middle-market opportunities in both private and publicly-traded companies. The fund’s first closing is expected later in 2007.

The Company continues to explore new fund opportunities (including private equity funds and structured alternative asset investment vehicles) that will generate management fees to the Company. The Company is exploring a number of alternative asset categories, including Canadian real estate, bridge and mezzanine lending, fund of hedge funds and certain types of infrastructure investments. These funds will be formed to provide institutional, high net worth and retail investors with access to alternative asset classes. See “Description of the Business – Fund Management”.

DESCRIPTION OF THE BUSINESS

Introduction

C.A. Bancorp’s business model is based on two types of revenue generating investment activities:

- (i) direct investing to generate capital gains realized from the sale of investments and interest payments, management fees, syndication fees and dividends paid by portfolio companies; and
- (ii) fund management to generate management fees and performance bonuses paid by private equity funds and other alternative asset investment vehicles managed and/or sponsored by C.A. Bancorp.

C.A. Bancorp’s direct investing activities focus on equity investments in the private and public small to middle-markets with emphasis on industrials, real estate, infrastructure and financial services opportunities. C.A. Bancorp’s management team has developed strategic relationships across these industry segments, having successfully completed over the course of their careers investments in a variety of these industries. It is expected that C.A. Bancorp’s dedicated management team will enable it to acquire, develop and manage a portfolio of diverse investments.

C.A. Bancorp’s direct investing activities include both shorter term, private equity style investments, shorter term toehold investments in public companies (intended to facilitate a potential private equity transaction or activist/catalyst strategy), as well as longer term “platform” investments that are integral to the Company’s long term strategy.

C.A. Bancorp’s private equity investments may be made to finance acquisitions, expansions, restructurings, refinancings, privatizations and management buy-outs. C.A. Bancorp will seek to invest between \$500,000

to \$20 million of its own capital in each transaction. C.A. Bancorp will pursue investments that it believes will generate a minimum return of 1.5 times invested capital, with a typical range of 1.5 to 3.0 times invested capital (representing approximately 15% to 30% annual returns depending upon the length of time that the investment is held). However, there can be no assurance that such returns will be achieved. In order to finance its direct private equity investing activities, the Company will be required to raise capital from time to time.

Platform investments may include control or minority investments in companies that management believes will provide the Company with both superior returns as well as strategic benefits. These benefits may include access to expertise, access to capital or providing the Company with the ability to leverage its core investment management expertise.

As part of its fund management activities, the Company intends to manage and/or sponsor private equity funds and other alternative asset investment vehicles for institutional, high net worth and retail investors. It is anticipated that C.A. Bancorp will make investments through or in conjunction with such investment vehicles. C.A. Bancorp may establish investment vehicles to complete specific acquisitions or to carry out a specific mandate to seek out investment opportunities.

C.A. Bancorp manages and/or sponsors structured alternative asset investment vehicles, which have been and may in the future be offered in conjunction with Sentry Select, designed to provide investors with exposure to investments that are not generally available from traditional public markets. In September 2006, C.A. Bancorp's first structured alternative asset investment vehicle, Sentry Select Total Strategy Fund, an investment fund focused on investments in public and private companies, raised \$55 million. Up to 25% of such fund's total assets may be invested in private equity investments. Michael Lovett recently joined the Company as Managing Director, Real Estate Capital and will be responsible for structured alternative asset investment vehicles focused on loans and investments in the Canadian real estate sector.

The alternative asset investment vehicles managed and/or sponsored by C.A. Bancorp will generally follow the same investment strategy and investment process as C.A. Bancorp's direct private equity investing activities.

This combination of direct investing and fund management is designed to leverage: (i) the combined private and public equity investment expertise of C.A. Bancorp and Sentry Select; (ii) deal flow arising from management's extensive experience and business relationships; (iii) management's experience in structuring and completing investments, and (iv) management's experience in identifying and developing alternative asset investment vehicle opportunities.

Canadian Private Equity Market

In 2005, total assets under management by Canadian private equity funds, including pension/institutional, private independent, retail, corporate and government funds was estimated at over \$38 billion, up from \$28 billion in 2004. These funds are investing worldwide in direct investments as well as in other funds.

Industry data for 2006 indicates that new funds being established are considerably larger than previous funds, with many new funds targeting to raise between \$300 million and \$800 million (often resulting in such funds targeting investments of between \$30 million and \$80 million). Management also believes that the funds which focused on the smaller end of the private equity market and which were successful in doing so are now larger than at inception and are often focussed on much larger deals. Industry observers expect these trends to continue as larger investment funds (particularly pension funds) target increasingly larger deal sizes. Minimum investment sizes at the upper end of the market can range from \$50 million to \$400 million per transaction, which, with the addition of leverage, can result in company enterprise values ranging from \$200 million to \$1.2 billion. Management of the Company believes that, with the addition of increasing amounts of capital, the upper end of the market has become increasingly competitive with respect to deal flow, which, in turn, may result in lower returns on invested capital.

Management believes that the current focus on larger investment sizes provides opportunities at the smaller end of the private equity market. Providers of capital to the small to middle-market segment of the private equity market are typically independent private firms that rely heavily on their relationships for deal flow, with relatively fewer competitive auction transactions. It is the Company's view that the Canadian private equity market is still relatively underserved with regard to equity investments of up to \$30 million. As a result, the Company believes that transaction pricing is more favourable in this segment, with higher associated potential returns.

Subsets of the private equity market include "private investments in public entities" ("**PIPES**") and activist/catalyst investments. PIPES typically involve negotiated, illiquid investments in public companies to fund expansions, acquisitions or restructuring events. These types of investments provide capital to public companies in situations where other sources of capital (such as the public markets or bank financing) cannot be easily accessed due to timing, size or company-specific constraints. Activist/catalyst investing involves making a significant minority investment in what is perceived to be an under-valued public company, with a view to working with the company's board and management team to effect change and create value. It is the Company's view that there are relatively few private equity firms focused on PIPES and activist/catalyst investments in Canada providing the potential for superior returns on these types of investments.

Investment Strategy

The Company pursues a strategy of making equity investments principally in small and middle-market public and private companies, either directly or through funds managed and/or sponsored by it. Such investments, when combined with non-recourse leverage or capital provided by co-investors, can target companies with enterprise values ranging from \$25 million to \$200 million. These investments will generally focus on:

- (i) investments that exhibit potential for superior returns over a six to 24 month period, including proprietary private company opportunities and structured investments in public companies; and
- (ii) longer term investments that may be utilized as platforms that can be grown through mergers or acquisitions. The Company expects that it would typically manage and hold these types of investments for four to seven years in order to realize maximum value.

Additionally, the Company may make toehold investments in public companies, as a strategy to facilitate a potential private equity transaction or to pursue an activist/catalyst strategy.

C.A. Bancorp is currently focussed on investment opportunities in the industrials, real estate, infrastructure and financial services sectors. C.A. Bancorp believes these sectors represent attractive investment opportunities as: (i) they often enjoy stable growth rates and sustainable cash flows; (ii) consolidation opportunities exist in the small to middle-market segments of these sectors; and (iii) management of C.A. Bancorp and Sentry Select have experience in investing in these sectors. Within each sector, C.A. Bancorp generally targets investments with tangible asset bases and sustainable cash flows. While these sectors will be its initial focus, C.A. Bancorp may also pursue investments in other sectors on an opportunistic basis.

Industrials

C.A. Bancorp focuses on investments in mature industrial companies with operations in a variety of sectors, including the manufacturing, distribution and service-sectors. These investments will typically exhibit stable and growing cash flows and significant tangible assets.

Real Estate

C.A. Bancorp focuses on real estate investments in well-located, long-term leased, specialized, industrial, commercial, healthcare, hospitality and retail properties and other related real estate opportunities in select markets. A key objective is to produce a geographically and sectorally diversified portfolio with stable and growing cash flows. The Company believes that there are a significant number of real estate opportunities available through sale-lease back arrangements that will yield suitable cash flows and returns. The Company owns approximately 57% of Charter REIT, a TSXV listed real estate investment trust (“**REIT**”) which is the successor of Charter and is in the process of developing a portfolio of commercial real estate properties. CARM, a wholly owned subsidiary of the Company, has entered into a management agreement with Charter REIT for the provision of management and administrative services. See “Description of the Business - Direct Investing” for additional information regarding Charter REIT.

Infrastructure

The Company intends to invest in infrastructure opportunities focusing on power generation, transportation and utilities. It will invest primarily in sectors that exhibit sustainable cash flows in niche markets with significant barriers to entry. The Company intends to invest in infrastructure assets that provide stable rates of return over a long-term investment horizon.

Financial Services

The Company intends to acquire a portfolio of Canadian and international financial services businesses, including asset managers and investment counsellors. It is anticipated that these investments will be structured to provide C.A. Bancorp with a majority controlling interest. The Company’s strategy will seek to preserve the entrepreneurial orientation that distinguishes the most successful financial services firms by enhancing equity incentives, promoting operational autonomy and providing the benefits of economies of scale in distribution, operations and technology.

Investment Objectives

C.A. Bancorp targets investment opportunities that exhibit the potential for substantial capital appreciation through improved management, operational performance and enhanced strategic positioning. The Company pursues investments that it believes will generate a minimum return of 1.5 times invested capital, with a typical range of 1.5 to 3.0 times invested capital (representing approximately 15% to 30% annual returns depending upon the length of time that the investment is held). However, there can be no assurance that such returns will be achieved. PIPES and activist/catalyst investments will likely exhibit returns in the lower end of this range, due to a lower risk and higher liquidity profile relative to traditional private equity opportunities.

Among other strategies, C.A. Bancorp focuses on companies that: (a) present unique growth opportunities; (b) management believes are under-valued and/or under-performing due to poor management execution or inappropriate capital structure; or (c) are undergoing a significant transition, such as change in senior management or succession in ownership.

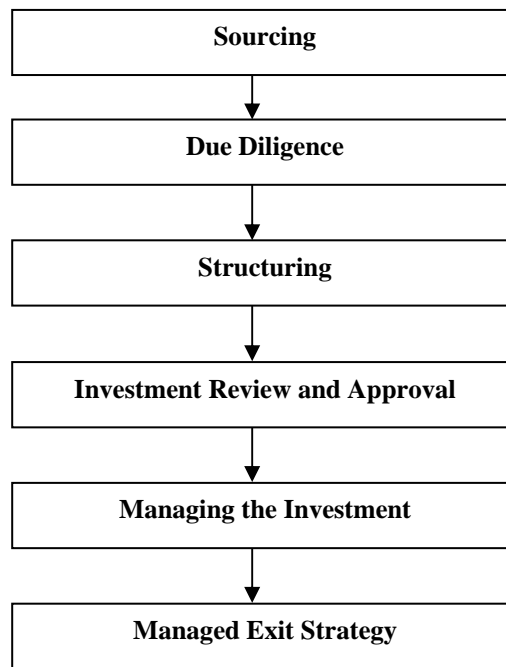
These strategies will be followed by C.A. Bancorp in its direct investing activities, as well as, generally, by the private equity funds and alternative asset investment vehicles managed and/or sponsored by it.

For example, C.A. Bancorp believes that the Canadian income trust market can continue to provide numerous potential investment opportunities through restructurings, refinancings, expansion, acquisition, activist/catalyst and going-private transactions. C.A. Bancorp has successfully pursued a strategy to build a portfolio of publicly traded small and middle-market entities that, in management’s view, exhibited high potential for a take-over by a third party or a privatization transaction. A representative investment of this strategy was the Company’s investment in Norcast Income Fund (“**Norcast**”) (NCF.UN on the TSX). The

Company sold its investment in Norcast in the first quarter of 2007 for a realized gain of \$39,975. Norcast was acquired by a Swiss private equity fund, Pala Investments Holdings Ltd., in March, 2007. **The foregoing is included as an example of, and is not intended to be representative of, the investments of the Company in private and public entities generally. This is not a forecast or a projection and should not be construed to be an indication of the future performance of the Company.**

Investment Process

C.A. Bancorp’s investment philosophy is to be an active and constructive partner whose executives will work together with management of portfolio companies to implement strategic, financial and governance initiatives with a view to creating significant value. C.A. Bancorp’s investment process is as follows:



Sourcing

C.A. Bancorp sources investments using the extensive network of long-term relationships that have been developed and maintained by its management team. As a result of the extensive combined experience in directly related activities prior to joining the Company, Mark Gardhouse, Mark MacDonald and Michael Lovett have extensive networks of professional contacts. As well, they have in-depth knowledge and contacts in a number of industries, having made investments in, and acted as directors of, numerous companies. In addition, the Company has assembled an experienced management team with backgrounds in a broad range of industries, which enhances the Company’s ability to generate a proprietary deal flow (see “Directors, Senior Officers and Management - Biographies of Directors, Senior Officers and Management”). Further, through the Company’s relationship with Sentry Select, C.A. Bancorp has a proprietary source of ongoing analysis of the Canadian public markets. Sentry Select’s portfolio managers provide the Company with a unique perspective and specialized knowledge in income trust, oil and gas, mining and minerals, and other Canadian public investment opportunities. See “Description of Business - Competitive Advantage”.

The Company’s management team focuses on the development of proprietary, non-“auction” deal flow, as these types of investments offer a higher probability of closing and potentially higher returns due to typically more favourable pricing of the investment.

C.A. Bancorp's deal flow is based on a number of factors, including:

- management's relationships with participants in the capital and private equity markets, including investment bankers, legal, accounting and other advisors, other private equity funds and banks;
- the reputation of C.A. Bancorp and its management, including a reputation of dealing fairly and professionally with other equity partners and portfolio company management teams and being able to create and manage flexible and timely financing solutions; and
- the knowledge of C.A. Bancorp and its management, including market and/or industry specific knowledge, and a proactive, opportunistic approach to capitalizing on opportunities fostered by that knowledge.

It is expected that these attributes will generate proprietary deal flow and a preferred status when more than one financing source is being considered by a prospective portfolio company.

Due Diligence

Management of the Company has broad experience in evaluating investment opportunities. In connection with any potential investment, C.A. Bancorp will complete a comprehensive due diligence review, including an in-depth operational review, to identify areas of the business where value can be created, the profit and growth levels of the business and its inherent risks.

Due diligence includes a comprehensive evaluation of the industry, market, competition, business strategy, sales and marketing plans, products, customers and management of the prospective portfolio company, a detailed financial review and analysis of any pending environmental, litigation, tax or labour issues. This includes site visits and customer contact to assess each potential investment opportunity. Where it is appropriate, C.A. Bancorp engages other professional groups, such as chartered accounting firms and operational consulting companies with particular expertise, for assistance and advice in its review of a particular prospective portfolio company, which may include independent evaluation of technology, financial statements, management and the industry.

Structuring

Management will seek to add value through appropriate structuring of investments. Investments will be structured to minimize risk and maximize returns, and may include any one, or a combination, of debt with warrants, convertible debt, preferred shares and common shares.

Management believes that alignment of interests is a key factor in a successful investment and, as a result, the management team of each portfolio company will typically have a meaningful personal investment in, as well as performance-based participation in the success of, the portfolio company.

In certain private equity investments, C.A. Bancorp will employ leverage to enhance its investment returns, which leverage will be non-recourse to C.A. Bancorp and, if applicable, its managed fund. For these types of investments, equity will typically represent up to 40% of the total capitalization required to finance an acquisition, with the balance of the purchase price provided through third party debt, with recourse limited to the assets of the portfolio company.

Where management deems it appropriate, C.A. Bancorp will seek to exercise significant influence in portfolio companies that will generally involve acquiring controlling or joint-controlling interests. In the case of non-controlling interests, it is intended that investments will be accompanied by appropriate controls, minority shareholder protections and board representation. The Company's senior management has extensive experience on both public and private boards. See "Directors, Senior Officers and Management - Biographies of Directors, Senior Officers and Management". Shareholder and debt

agreements will be negotiated with terms and conditions that will provide C.A. Bancorp with the ability to influence change should that be required. Management has experience structuring such agreements in minority, partner and control positions, having or gaining control over a range of material items such as strategy, budget and major cash outflows and inflows, and significant business decisions.

Investment Review

The Company has established detailed investment criteria to facilitate the evaluation of each investment opportunity. The following is a representative breakdown of what C.A. Bancorp will review when evaluating a potential portfolio company:

- management team,
- industry dynamics and structure,
- company characteristics and feature/organization,
- product,
- board of directors,
- structure of investment,
- financial performance, and
- evaluating exit criteria and opportunities for the investment.

Upon completion of due diligence, the Company typically prepares an investment memorandum detailing the portfolio company's operations, prospects, valuation, proposed investment structure and defined exit strategy for final review by senior management prior to finalizing an investment.

Managing the Investments

The Company intends to be an active investor that will work with management teams to improve both the financial results and the strategic positioning of its portfolio companies. C.A. Bancorp will focus on aligning management's interests with its own by encouraging senior managers of its portfolio companies to become significant, long-term owners of their businesses. In conjunction with management and other stakeholders, C.A. Bancorp will seek to proactively identify and develop initiatives for change, including:

- implementing strategic initiatives that will materially enhance revenue and earnings before interest, taxes, depreciation and amortization (EBITDA) growth rates,
- recruiting new talent to augment management teams,
- improving governance by building an effective board of directors,
- refinancing/restructuring the balance sheet,
- implementing an effective process for capital allocation, and
- providing advice on strategic positioning to enhance overall value.

Following the investment, C.A. Bancorp's representatives will typically become members of the board of directors of the portfolio company and will maintain regular contact with its management.

C.A. Bancorp seeks to create value by providing the capital and management expertise necessary to assist small public or private companies to grow in order to take advantage of greater investor appeal, higher valuations and enhanced attractiveness to strategic buyers and investors. The Company intends to work strategically with the management of portfolio companies to quickly improve the fundamentals of the business and prepare such companies for a strategic sale or business combination, refinancing or public offering, as may be appropriate in the particular circumstances.

Managed Exit Strategy

The management of the Company carefully considers the holding time horizon and possible exit scenarios for each portfolio company investment. Exit mechanisms are expected to include the sale to strategic buyers or financial investors, open market sales, normal course retirement of securities, refinancing and public offerings. C.A. Bancorp will utilize its extensive business contacts to maximize the exit value of its investments, including Canadian and international merger and acquisitions specialists and investment bankers.

Competitive Advantage

C.A. Bancorp combines the private equity/merchant banking capabilities of its management with Sentry Select's investment and advisory expertise and strong relationships within the Canadian public capital markets. This combination provides C.A. Bancorp with a unique and differentiated competitive advantage in the Canadian private equity sector, providing proprietary deal flow together with comprehensive knowledge of a wide variety of sectors and a public market perspective on liquidity strategies. C.A. Bancorp focuses on investments in the small to middle-market sectors, which management believes are relatively underserved by the Canadian private equity market.

The Company's senior executive team offers a combination of strategic and investment management experience. Mark Gardhouse (President), Mark MacDonald (Managing Director, Private Investments) and Michael Lovett (Managing Director, Real Estate Capital) have broad and successful experience sourcing, negotiating and managing private equity investments for major financial institutions. The senior executive team is supported by Paolo De Luca, C.A., C.F.A. (Chief Financial Officer); Kevin Cohen, M.B.A., LL.B. (Vice-President and General Counsel); Jake Trainor, M.B.A., B.Eng. (Vice-President, Corporate Development); Kurt Brands, C.M.A., M.B.A. (Vice-President, Corporate Development); Greg Walker, B.A. Econ. (Manager, Equity Investments); and Ryan Caughey, LL.B. (Corporate Secretary). See "Directors, Senior Officers and Management - Biographies of Directors, Senior Officers and Management".

The Company will also be able to draw on the resources of Sentry Select, including its significant expertise and knowledge of the Canadian income trust market. As at April 30, 2007, Sentry Select had over \$8 billion in gross assets under management, of which approximately \$3.2 billion was invested in income trusts. The Company believes that the Canadian income trust market can provide potential investment opportunities through restructurings, refinancings, expansion, acquisition, activist/catalyst and going-private transactions. A number of income trusts are either expected to cut or terminate distributions or have already cut or terminated distributions and typically trade at depressed prices, providing attractive investment opportunities. Management believes that the market sometimes under-values these trusts, due to a lack of perspective and knowledge, as well as the abundance of alternative less volatile income trust investments. In a number of cases, the Company believes the operating companies underlying the trusts can be refocused and improved to become more appealing to the financial marketplace. "Broken" trusts present an opportunity to provide capital and work with either management or an industry partner to improve the business, either continuing as a public company or taking the company private.

The Company will also consult with Sentry Select's investment managers regarding other public and private companies that management believes can increase profits by pursuing operational improvements or acquiring synergistic businesses.

The Company's middle-market private and public market investment focus continues to provide it with a competitive advantage over those investors in the Canadian private equity sector that generally focus on private investment opportunities only. It is the Company's view that the Canadian private equity market is still relatively underserved with regard to small to middle-market investments, where it will be focusing. As a result, the Company believes that the transaction pricing is more favourable in this segment, with higher associated potential returns. As well, it is the Company's view that there are also relatively few private equity firms focused on PIPEs and activist/catalyst investments in Canada.

Additionally, management believes that it has been able to generate significant proprietary deal flow through its own networks, as well as Sentry Select's extensive distribution network.

Direct Investing

C.A. Bancorp focuses on investments of between \$500,000 to \$20 million, in public and private opportunities, which, with the use of non-recourse leverage or capital provided by co-investors, can result in investments in portfolio companies with enterprise values ranging from \$25 million to \$200 million. It is anticipated that prospective portfolio companies will be mature businesses that are supported by underlying tangible assets and cash flows. These opportunities will be sourced from both private and public markets. Transaction types include open market purchases and PIPES, management buy-outs, equity investments in private issuers, going-private transactions and restructurings. C.A. Bancorp intends to invest in subordinated debentures, convertible debentures, preferred shares, common shares or similar equity-like instruments of prospective portfolio companies. It is also anticipated that C.A. Bancorp will make activist/catalyst driven investments in public/private entities, such investments to be undertaken with the intention that C.A. Bancorp and/or a third party will work with the entities' boards and management to effect change and create value in such entities. It is expected that C.A. Bancorp will generate revenues through capital gains realized from the sale of its interest in such investments and through interest payments, management fees, syndication fees and dividend payments paid by portfolio companies.

In certain instances, direct investments made by C.A. Bancorp will have greater appeal to strategic buyers or other investors. Such investments may be sold or partially divested over a period of six to 24 months. In other instances, portfolio companies may be utilized as platforms for sector consolidation and may be grown through mergers or acquisitions. The Company expects that it would typically manage and hold these types of investments for four to seven years in order to realize maximum value.

C.A. Bancorp may also continue to make investments in TSXV listed capital pool companies ("CPCs"). The Company believes that CPCs offer alternative platforms to finance certain investments, such as real estate and infrastructure, that require significant equity funding and which may not be attractive to larger traditional private equity funds. By investing in a CPC at the founder level, C.A. Bancorp will have the opportunity to generate capital gains on its investment. It is intended that after a CPC acquires its initial assets or business, C.A. Bancorp will enter into a management agreement with the CPC to provide management and administrative services. C.A. Bancorp may also enter into fixed term management contracts to provide strategic and management services to CPCs while they are developing and be paid a management fee based on a predetermined formula commensurate with the size of the CPC.

Charter and Charter REIT

The first CPC transaction was completed by the Company on September 14, 2006, when it acquired 2,500,000 common shares of Charter. The Company purchased an additional 9,500,000 common shares of Charter on February 23, 2007, as part of Charter's qualifying transaction. On May 10, 2007, Charter converted into a REIT (i.e. Charter REIT). The Company currently holds approximately 57% of Charter REIT's issued units. In addition, the Company has provided a \$10 million non-recourse subordinate loan facility to Charter REIT, \$4.5 million of which was drawn as of March 31, 2007. The outstanding principal amounts owing on this loan facility earn interest at a rate of 12% per annum, payable monthly. The loan facility has a maximum term of two years. It is the Company's current intention to maintain a minimum 20% equity interest in Charter REIT. Charter REIT has been established as a real estate investment vehicle focussed on acquiring a portfolio of retail and mixed-use retail real estate throughout Canada.

CARM provides management and administrative services to Charter REIT for an annual fee of 0.30% of the adjusted book value of Charter REIT's assets, paid quarterly in arrears, and an acquisition fee equal to 0.50% of the property cost of all real property acquired by Charter REIT during each calendar quarter. The initial term of the management agreement expires on March 27, 2012, and will renew automatically for successive three year terms, subject to termination by either party as set out in the agreement.

CARM provides the services of Ari Silverberg, President and Chief Operating Officer of Charter REIT, and Floriana Cipollone, Chief Financial Officer of Charter REIT, among others, to Charter REIT. Mr. Silverberg and Ms. Cipollone joined the Company and Charter in September 2006 and January 2007, respectively, and were integral to the completion of Charter's qualifying transaction and conversion into a REIT. Mr. Silverberg has significant experience in negotiating, structuring and managing real estate transactions. Previously, Mr. Silverberg was a senior director at Chicago-based General Growth Properties Inc. (the second largest REIT in the United States), where he was responsible for the evaluation, acquisition and development of retail and mixed-use retail real estate opportunities. Ms. Cipollone is a Chartered Accountant with more than 15 years of diversified business experience. Previously, Ms. Cipollone was Vice-President, Corporate Planning & Strategy of O&Y Properties Corporation, and Vice-President, Finance of O&Y Real Estate Investment Trust, where her duties included active involvement in strategic, capital markets and financing activities.

The Company, CARM and Charter REIT have entered into a non-competition agreement pursuant to which the Company and CARM have agreed not to, directly or indirectly, create, manage or provide strategic, advisory or management services to another person that carries on the business of (and will not themselves engage in the business of) acquisition, development and/or management of commercial or mixed use real estate property in Canada. The non-competition agreement will terminate at the latest on the date that is one year after the termination of the management agreement, and may terminate earlier in certain circumstances.

Universal

Universal has been established by C.A. Bancorp as an investment vehicle to focus on investments in infrastructure businesses, including power generation, transportation systems, railroad and shipping assets and various communication, toll road and utility-based companies. The Company purchased 950,000 common shares of Universal at \$0.10 per share, as founders' capital. Universal closed its initial public offering ("**IPO**") on December 4, 2006, raising \$300,000 by issuing 1.5 million common shares at \$0.20 per share. As a result of these transactions, the Company holds 27.1% of the issued common shares of Universal. It is anticipated that the Company will enter into a management agreement with Universal upon completion of its qualifying transaction pursuant to which, among other things, certain investment opportunities identified by the Company that are within Universal's investment mandate will first be offered to Universal.

Global

Global has been established by C.A. Bancorp as an investment vehicle to raise equity capital outside of North America to make alternative investments in various offshore asset classes. The Company purchased 950,000 common shares of Global at \$0.10 per share, as founders' capital. Global closed its IPO on December 4, 2006, raising \$300,000 by issuing 1.5 million common shares at \$0.20 per share. As a result of these transactions, the Company holds 27.1% of the issued common shares of Global. It is anticipated that the Company will enter into a management agreement with Global upon completion of its qualifying transaction pursuant to which, among other things, certain investment opportunities identified by the Company that are within Global's investment mandate will first be offered to Global.

Fund Management

The Company believes that raising and managing funds (public or institutional) is an integral component of its business model. The Company plans to offer a variety of private equity funds and alternative asset investment vehicles to retail, institutional and high net worth investors, effectively leveraging its management's expertise. In these activities, C.A. Bancorp will utilize both the distribution channels and investment advisory expertise of Sentry Select where appropriate. Potential investors in these funds will consider the investment strategy and focus, targeted returns, experience, expertise and track record of C.A.

Bancorp's management team and its affiliates as well as appropriate fund terms and conditions when evaluating a potential investment.

C.A. Bancorp's sponsored private equity funds will focus on institutional and high net worth investors. It is anticipated that C.A. Bancorp will be required to dedicate personnel to oversee these funds and make a meaningful financial commitment (between 2% and 4% of capital raised) to each fund that it establishes. Through its direct investment in its sponsored funds, C.A. Bancorp will participate in their performance. Through its management of such funds, C.A. Bancorp will earn recurring operating income in the form of fund management fees, and will have the potential to earn performance fees.

The Company, or a controlled subsidiary, will typically be the general partner of each private equity fund that it establishes. It is anticipated that the typical fee structure will provide that the general partner will be paid a 2% annual management fee on committed capital and will be entitled to a 20% participation in the realized investment return (i.e. the carried interest), subject to realized returns exceeding a negotiated portfolio hurdle return, typically in the range of 6% to 8% compounded annually. It is intended that such carried interest will be paid on an investment by investment basis but may be subject to a clawback should the overall performance of the portfolio drop below the hurdle return due to subsequent losses. The funds will typically be subject to other terms and conditions relating to the investment term and the realization period, investment focus, dedication of personnel, financial commitments of both the senior management team and the sponsoring entity, and potential exclusivity regarding deal sourcing. However, the terms of each fund will be negotiated when such fund is formed, and the terms of any particular fund may be different than those outlined above. The terms of any fund established to be managed by C.A. Bancorp will be reviewed and approved by the Company's board of directors (the "**Board**").

C.A. Bancorp may sponsor funds with specific mandates to invest in sectors in which C.A. Bancorp has a specific expertise. Where necessary, C.A. Bancorp will acquire the requisite asset specific expertise to allow it to effectively manage funds with specified mandates. Areas of focus for these funds may include infrastructure related investments, including power generation, transportation and utilities.

C.A. Bancorp manages and/or sponsors structured alternative asset investment vehicles, which may be offered in conjunction with Sentry Select, designed to provide investors with exposure to investments that are not generally available from traditional public markets. The first structured alternative asset investment vehicle sponsored by C.A. Bancorp is Sentry Select Total Strategy Fund, which raised gross proceeds of \$55 million in September 2006. Sentry Select Total Strategy Fund was created to capitalize on the private equity experience and expertise of C.A. Bancorp across various industry sectors, as well as Sentry Select's public portfolio management expertise. Pursuant to its management arrangements with the Company, Sentry Select Total Strategy Fund pays the Company an annual fee of 1.10% of its net asset value. The Company will be responsible for the payment of certain of Sentry Select's fees, as investment manager of Sentry Select Total Strategy Fund. Up to 25% of the total assets of Sentry Select Total Strategy Fund may be invested with the strategic focus and investment processes outlined herein, focusing on securities of private companies that are believed to be near-term (e.g. six to 24 months) initial public offering candidates. Such investments will typically focus on mature, cash flow positive, Canadian small and middle-market companies. Sentry Select Total Strategy Fund has a first right of refusal with respect to any investments originated or identified by the Company in which Sentry Select Total Strategy Fund is entitled to invest. See "Conflicts of Interest".

C.A. Bancorp's private equity funds and alternative asset investment vehicles are intended to provide retail, institutional and high net worth investors with access to its expertise in public and private equity investments and negotiated investments in public equity opportunities. Both Mark Gardhouse and Mark MacDonald have significant expertise and experience in this area. Mark Gardhouse previously managed a small-cap private equity fund on behalf of Roynat Capital Inc. and Mark MacDonald co-managed a \$4.5 billion private equity fund on behalf of a major Canadian pension fund. Mark MacDonald will be responsible for leading the development and ongoing management of the Company's private equity funds. It is intended that the private equity funds and alternative asset investment vehicles sponsored by C.A.

Bancorp will generally follow the same investment strategy and investment process as C.A. Bancorp's direct investing activities.

Management and Administration Agreements

Management Agreement

The Company entered into an amended and restated management agreement (the "**Management Agreement**") with Sentry Select on September 25, 2006, effective as of July 1, 2006.

Pursuant to the Management Agreement, Sentry Select has been retained to manage the Company's business, including:

- (a) searching for, identifying, introducing, evaluating and screening investment opportunities;
- (b) conducting due diligence with respect to potential investments;
- (c) structuring, sourcing, negotiating and organizing the financing of investments;
- (d) organizing and co-ordinating the completion of investments, including structuring and negotiating the business terms on which investments are made;
- (e) monitoring investments; and
- (f) negotiating the sale of investments.

These services are provided by Mark Gardhouse (President), Mark MacDonald (Managing Director, Private Investments), Michael Lovett (Managing Director, Real Estate Capital), Paolo De Luca (Chief Financial Officer), Greg Walker (Manager, Equity Investments), Kurt Brands (Vice-President, Corporate Development) and Jake Trainor (Vice-President, Corporate Development), who are employees of Sentry Select. Pursuant to the Administration Agreement (described below), these individuals will devote all of their time to C.A. Bancorp's business.

In addition, Sentry Select may from time to time identify, develop and, at Sentry Select's sole discretion, present to the Company funds or structured alternative asset investment vehicles to be managed by the Company. There is no obligation on the part of the Company to manage and/or sponsor such funds or structured alternative asset investment vehicles. In the event the Company agrees to manage and/or sponsor such funds or vehicles, the terms of such arrangements will be reviewed and approved by the Board.

Pursuant to the Management Agreement, Sentry Select is paid a quarterly fee (the "**Management Fee**") of 1/4 of 1.50% of the consolidated shareholders' equity of the Company, as determined in accordance with Canadian generally accepted accounting principles, calculated quarterly after adjustments for issuances, redemptions and purchases of shares during such quarter and the deemed conversion of any outstanding convertible debentures. In addition to the Management Fee, Sentry Select is entitled to be paid an annual performance bonus (the "**Performance Bonus**") equal to 20% of the amount by which the consolidated net income of the Company before income taxes, the Management Fees and the Performance Bonus exceeds an 8% per annum return earned on the consolidated shareholders' equity of the Company calculated in respect of each calendar year, determined in a similar manner as described above. In addition, the Performance Bonus shall be calculated in respect of the period commencing on the date of commencement of each five-year term of the Management Agreement and ending on December 31st of each year during such term and, in the event that the aggregate Performance Bonuses paid to Sentry Select during such period exceeds the Performance Bonus calculated for such period, Sentry Select will repay to the Company the amount of such excess. This structure will ensure that the threshold 8% compounded annual return is exceeded during the

entire five-year term before Sentry Select is entitled to be paid and retain a Performance Bonus with respect to such term.

The initial term of the Management Agreement commenced on July 1, 2006 and will expire on December 31, 2011. The Management Agreement will renew automatically for successive five-year terms following the initial term, provided that there has been no breach or material default of the terms of the agreement by Sentry Select, subject to termination on any expiry date upon not less than 180 days prior written notice from the Company or Sentry Select to the other. In the event that the Company terminates the Management Agreement, Sentry Select will be entitled to receive from the Company an amount equal to five times 1.5% of the consolidated shareholders' equity of the Company determined in the foregoing manner, calculated as at the close of business on the last business day of the term of the Management Agreement, plus five times the Performance Bonus paid in respect of the calendar year immediately preceding the date of termination of the Management Agreement. The Management Agreement may be terminated by either party upon the occurrence of certain events.

Administration Agreement

The Company and Sentry Select entered into an amended and restated administration agreement (the "**Administration Agreement**") on September 25, 2006, effective as of July 1, 2006. The Administration Agreement will terminate automatically upon the termination of the Management Agreement.

Pursuant to the Administration Agreement, the Company pays \$40,000 per month to Sentry Select and Sentry Select provides certain management and administrative services to the Company, including record-keeping, filing of tax returns, investor relations services, advice with respect to the Company's obligations as a reporting issuer (including its continuous disclosure obligations), administrative support with respect to the holding of directors' and shareholders' meetings, office space, equipment and personnel, and all accounting, clerical, secretarial, corporate and administrative services as may be reasonably necessary to perform its obligations under the Administration Agreement. Pursuant to the Administration Agreement, Sentry Select has agreed to provide to the Company the full time services of Messrs. Gardhouse, MacDonald, De Luca, Lovett, Walker, Brands and Trainor and has agreed not to terminate any of Messrs. Gardhouse, MacDonald, De Luca and Walker as employees of Sentry Select without the prior approval of the independent directors of the Company. In the event that Sentry Select determines that it is necessary or desirable to hire any additional employees to provide full time management or administrative services to the Company, Sentry Select may elect, subject to the approval of the independent directors of the Company, to require the Company to reimburse it for all or part of such employees' respective salaries. In the event that such approval is not given with respect to any prospective employee, Sentry Select may elect not to hire such individual.

The services provided by Sentry Select under the Management Agreement and the Administration Agreement are not exclusive to the Company. Sentry Select may provide similar services to other clients.

CONFLICTS OF INTEREST

Given the nature of the business of the Company and its relationship with Sentry Select and the other private equity funds and alternative asset investment vehicles that C.A. Bancorp may manage and/or sponsor in the future, there are a number of conflicts of interest and potential conflicts of interest which may arise, including but not limited to those described below. The Company has established policies and procedures in order to minimize and/or deal with such conflicts. A committee of the Company's independent directors will monitor and revise these policies when necessary in order to address any future conflicts as they arise.

John F. Driscoll, the Chief Executive Officer and a director of the Company, is the President, Chief Executive Officer and a director of Sentry Select. Sentry Select is a privately held company beneficially owned by John F. Driscoll and his family.

Pursuant to the Management Agreement and the Administration Agreement, Sentry Select provides management services to the Company, for which it receives management fees and performance bonuses, and administrative and other services to the Company, for which it receives a monthly fee, respectively. In order to avoid conflicts arising as a result of senior management of the Company being employees of Sentry Select, pursuant to the Administration Agreement, Sentry Select has agreed that Messrs. Gardhouse, MacDonald, De Luca, Lovett, Walker, Brands and Trainor will devote 100% of their time to the business of the Company and that none of Messrs. Gardhouse, MacDonald, De Luca or Walker will be terminated as employees of Sentry Select without the prior approval of the independent directors of the Company. See “Description of the Business - Management and Administration Agreements”.

In the event that Sentry Select presents an investment opportunity to the Company in respect of any portfolio company in which any fund managed by Sentry Select holds securities, and management of the Company decides to make an investment in such portfolio company, such investment must be approved by the independent directors of the Company.

In the event that C.A. Bancorp or any funds managed by it invests in any portfolio company in which any fund managed by Sentry Select holds securities, any conflicts arising between Sentry Select and C.A. Bancorp and their respective funds concerning purchases and/or sales of such securities (including purchases of securities by one group from the other) will be dealt with by the independent directors of each of the Company and Sentry Select.

C.A. Bancorp may from time to time establish private equity funds or alternative asset investment vehicles. In such cases, C.A. Bancorp may be required to offer such funds or vehicles an opportunity to co-invest with C.A. Bancorp in investment opportunities, subject to certain pre-determined limits negotiated with such funds or vehicles. To the extent that it has such obligations, C.A. Bancorp’s ability to directly invest in such opportunities may be reduced. As well, if such funds or alternative asset investment vehicles co-invest with C.A. Bancorp, they may hold different securities or have different investment horizons than C.A. Bancorp, which may cause conflicts of interest to arise between C.A. Bancorp and such entities. In order to address this conflict, C.A. Bancorp will seek to structure its obligations to other funds and alternative asset investment vehicles to minimize conflicts between such funds and alternative asset investment vehicles and C.A. Bancorp and to provide C.A. Bancorp with the opportunity to directly invest a specified minimum amount in any investment opportunity.

For example, Sentry Select Total Strategy Fund has a right of first refusal with respect to any investment sourced by or presented to the Company in which Sentry Select Total Strategy Fund is permitted to invest. Pursuant to an agreement (the “**Right of First Refusal Agreement**”) between the Company and Sentry Select Total Strategy Fund made as of August 24, 2006, the Company agreed that before making any investment of its own funds or other funds that it manages in an investment opportunity, it will present such opportunity to Sentry Select Total Strategy Fund and Sentry Select Total Strategy Fund will have the right to invest up to an amount determined pursuant to a specified formula (which is currently approximately \$1.375 million). If a proposed investment exceeds such amount, the Company may invest its own funds, choose to offer Sentry Select Total Strategy Fund the opportunity to invest a larger amount, draw from funds it manages and/or obtain funds from other co-investors, including related parties.

The Company, or a controlled subsidiary of the Company, will be the general partner of each private equity fund it establishes. In this capacity, the Company: (i) intends to provide a general partner’s commitment to each private equity fund that it establishes of between 2% and 4% of the capital raised by such fund; and (ii) will seek to have the right to invest directly (as a co-investor with the private equity fund) an amount of not less than 5% (and not more than a percentage to be agreed upon with the limited partners of each fund) in each investment made by such fund. This structure is designed to provide the Company with leverage on investments made by such funds through its exposure as general partner (through its capital investment and management and performance fees) and the potential for direct co-investments with such funds, while aligning its interest with those of investors in such funds. It is anticipated that each private equity fund that the Company may establish in the future will have a specific mandate in order to avoid conflicts between

such funds during their respective investment periods. However, the terms of each such fund, including the Company's investment and co-investment rights, will be negotiated when each fund is formed and the Company may not receive all of these rights and benefits in every case.

The Company, CARM and Charter REIT have entered into a non-competition agreement pursuant to which the Company and CARM have agreed not to, directly or indirectly, create, manage or provide strategic, advisory or management services to another person that carries on the business of (and will not themselves engage in the business of) acquisition, development and/or management of commercial or mixed use real estate property in Canada. In addition, the Company has provided a \$10 million subordinate loan facility to Charter REIT, \$4.5 million of which was drawn as of March 31, 2007. See "Description of the Business - Direct Investing."

Currently, the Company holds approximately 57% of Charter REIT and 27.1% of each of Universal and Global. See "Description of the Business - Direct Investing". DCT Investment Corp. (a company controlled by John F. Driscoll) owns 13.6% of Charter REIT and 27.1% of each of Universal and Global.

RISK FACTORS

Due to the Company's present stage of development, nature of operations and certain other factors, the Company is subject to the following risk factors. Additional risks and uncertainties that are not presently known or that are believed to be immaterial may also adversely impact the Company. In the event that any of the following occur, the value of an investment in Common Shares would likely be adversely affected.

Nature of Investments

The Company's business is to make investments predominantly in a basket of established businesses exhibiting stable growth rates, sustainable cash flows and tangible asset bases. These investments may require a number of years in order to mature and generate the returns expected by the Company. A significant portion of the Company's investment portfolio may be comprised of investments in private companies. These investments are likely to mature and generate returns at different times, which could create an irregular pattern in the Company's revenues. In addition, losses on unsuccessful private company investments are often realized before gains on successful private company investments are realized. An investment in the Common Shares is appropriate only for investors who are prepared to hold their investment in the Company for a long period of time.

The Company's investment portfolio may consist, in part, of investments in under-managed entities, and in securities of distressed companies. Such investments involve substantial risk. The level of analytical sophistication necessary for successful investment in distressed or under-managed entities is particularly high. Operational, capital structure and management issues may be complex and difficult to successfully resolve. In addition, such investments may require active monitoring and direct management of the under-managed portfolio company. Although the Company may make an investment with the expectation that there will be a liquidity event, such as an initial public offering, there can be no assurance that such an event will occur within the expected timeframe or at all.

Dependence on Management of Portfolio Companies

In certain circumstances, the Company may make equity investments in issuers where the Company does not participate in the management or otherwise directly control the business or affairs of such issuers. The Company will typically seek to have board of director's representation and will monitor the performance of each investment and maintain an ongoing dialogue with each portfolio company's management team; however, the management of the portfolio company will be primarily responsible for the day-to-day operations. Although the Company intends to invest in portfolio companies with strong operating management with a successful track record, there can be no assurance that a portfolio company's management team will be able to operate that company successfully. The departure of a member of the

management team of a portfolio company may, in certain circumstances, have a material adverse effect on the value of the Company's investment in such portfolio company.

Limited Operating History

The Company is a recently-formed corporation and has no prior operating history upon which an investor can base its prediction of future success or failure.

Other than as described in this Annual Information Form, the Company has not entered into any agreements to invest in or acquire businesses or to manage or sponsor private equity funds or alternative asset investment vehicles.

Available Opportunities and Competition for Investments

The success of the Company's operations will depend on: (i) the ability to raise funds; (ii) the availability of appropriate investment opportunities; and (iii) the ability of the Company to identify, select, acquire, grow and exit those investments. The Company can expect to encounter competition from other entities having investment objectives similar to those of the Company, including private equity funds, institutional investors and strategic investors. These groups may compete for the same investments as the Company, may be better capitalized, have more personnel, have a longer operating history and have different return targets than the Company. As a result, the Company may not be able to compete successfully for investments. In addition, competition for investments may lead to the price of such investments increasing which may further limit the Company's ability to generate desired returns. There can be no assurance that there will be a sufficient number of suitable investment opportunities available to enable the Company to invest in or that such investments can be made within a reasonable period of time. There can be no assurance that the Company will be able to identify suitable investment opportunities, acquire them at a reasonable cost or achieve an appropriate rate of return. Identification of attractive opportunities is difficult, highly competitive and involves a high degree of uncertainty. Potential returns from investments will be diminished to the extent that the Company is unable to find and make a sufficient number of investments.

Concentration of Investments

Although Board approval is required for certain types of investments, there are no specific restrictions on the proportion of the Company's funds and no limit on the amount of funds that may be allocated to any particular investment, industry or sector. The Company may participate in a limited number of investments and, as a consequence, the Company's financial results may be substantially adversely affected by the unfavourable performance of a single investment. Completion of one or more investments may result in a highly concentrated investment by the Company in a particular company, business, industry or sector.

Access to Capital for Fund Management

The managing and/or sponsoring of private equity funds and alternative asset investment vehicles for retail, institutional and high net worth investors will be an important part of the Company's business model and will affect its ability to generate revenue. There can be no assurance that the Company will be able to raise the required capital to operate such private equity funds or alternative asset investment vehicles at all or at an acceptable level to permit the Company to execute its investment strategy. In addition, the terms pursuant to which the Company will manage and/or sponsor such funds will be negotiated with the lead investors or underwriters of each such fund. There can be no assurance that the terms relating to such funds or vehicles will be as described in this Annual Information Form.

Dependence on Key Personnel and Sentry Select

The success of the Company depends in substantial part upon the skill and expertise of its management. The loss of service to the Company of one or more of its executives could have a material adverse effect on

the Company. The Company will be dependent on Sentry Select for management services under the Management Agreement and administration services under the Administration Agreement. The loss of the services provided by Sentry Select to the Company pursuant to such agreements could have a material adverse effect on the Company. The Management Agreement and Administration Agreement each have a term of five years. There can be no assurance that such agreements will be renewed at the conclusion of their respective terms. In addition, the employment agreements between Sentry Select and each of Mark Gardhouse, Mark MacDonald and Michael Lovett contain non-solicitation covenants but do not contain non-competition covenants. There can be no assurance that Messrs. Gardhouse, MacDonald and/or Lovett will not compete with the business of the Company in the event of termination of their employment with Sentry Select.

Although C.A. Bancorp consults with Sentry Select's investment managers regarding investments in public and private companies, Sentry Select has no obligation to present any investment opportunities to C.A. Bancorp.

Leverage of the Businesses in which the Company is an Investor

To the extent that any investment is made in an issuer with a leveraged capital structure, such investment will be subject to increased exposure to adverse economic factors such as a significant rise in interest rates, a downturn in the economy or deterioration in the condition of such issuer or its industry. If the issuer is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, the value of the Company's investment in such issuer could be significantly reduced or even eliminated.

Market for Securities and Volatility of Trading Price

There can be no assurance that an active trading market in the Common Shares will be sustained. The market price for the Common Shares could be subject to wide fluctuations, which could include an adverse affect on the market price of the Common Shares. The stock market has, from time to time, experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Trading Price of Common Shares Relative to Net Asset Value

Due to the nature of the Company's investment strategy and the composition of its investment portfolio, the market price of the Common Shares may be at a discount from the net asset value per share. This risk is separate and distinct from the risk that the market price of the Common Shares may decrease.

Risks of Investments

Investments in equity and debt instruments of small to middle-market private and public companies (including PIPES) are subject to many and various risks, including adverse changes in national or international economic conditions, adverse local market conditions, the financial condition of customers and suppliers, changes in availability of debt financing, changes in interest rates, changes in exchange rates, changes in tariffs and duties, changes in tax rates, environmental laws and regulations, energy prices, risks due to dependence on cash flow, as well as acts of God, uninsurable losses and other factors which are beyond the control of the Company.

The financial condition of the Company will depend, in part, upon the performance of the securities of portfolio companies in which the Company invests. The value of the portfolio of securities in which the Company may invest will be influenced by factors that are largely not within the Company's control, including the financial performance of portfolio companies, operational risks relating to the specific business activities of portfolio companies, the quality of assets owned by portfolio companies, commodity prices, exchange rates, interest rates, environmental risks, political risks, issues relating to government regulation and other financial market conditions.

Economic Recessions or Downturns

The Company may make, directly or indirectly, investments in entities that are susceptible to economic recessions or downturns. During periods of adverse economic conditions, these entities may experience decreased revenues, financial losses, difficulty in obtaining access to financing and increased funding costs. During such periods, these entities may also have difficulty in expanding their businesses and operations and may be unable to meet their debt service obligations or other expenses as they become due. Any of the following could cause the value of the Company's investment in such an entity to decline.

Risks of Investments in Capital Pool Companies

Investments in CPCs are subject to many and various risks, including that such issuers have not commenced commercial operations and typically have no assets, no history of earnings and will not generate earnings or pay dividends until at least after completion of a qualifying transaction. Until completion of a qualifying transaction, a CPC is not permitted to carry on any business other than the identification and evaluation of potential qualifying transactions. A CPC only has limited funds with which to identify and evaluate potential qualifying transactions and there can be no assurance that it will be able to identify a suitable qualifying transaction. Even if a proposed qualifying transaction is identified, there can be no assurance the CPC will be able to successfully complete the transaction. Completion of a qualifying transaction is subject to a number of conditions including acceptance by the TSXV and majority of minority shareholder approval. There can be no assurance that such acceptance or approval will be obtained.

Need for Follow-on Investments

From time to time, the Company may be called upon to provide additional funds to portfolio companies in order to fully implement their business strategies. There is no assurance that the Company will make, or will have sufficient funds available to make, follow-on investments. Any decision by the Company not to make follow-on investments, or the Company's inability to make such investments, may have a substantial negative impact on the portfolio company and the Company's investment therein.

Borrowing

The Company may borrow to invest in securities. The risk to investors may increase if securities purchased with borrowed funds decline in value. The use of leverage may result in capital losses. The Company may be required to sell investments in order to comply with the terms of such borrowing facility and such sales may be required to be completed at prices which may adversely affect the value of the Company's securities portfolio and the return to the Company on such investments. The interest expense and banking fees incurred in respect of any borrowing may exceed the incremental capital gains and income generated by the incremental investment of securities purchased with borrowed funds. In addition, the Company may not be able to establish any borrowing facility on acceptable terms. There can be no assurance that the borrowing strategy employed by the Company will enhance returns.

Private Issuers and Illiquid Securities

Investments in private issuers cannot be resold without a prospectus, an available exemption or an appropriate ruling under relevant securities legislation and there may not be any market for such securities. These limitations may impair the Company's ability to react quickly to market conditions or negotiate the most favourable terms for exiting such investments. Investments in private issuers may offer relatively high potential returns, but will also be subject to a relatively high degree of risk. There can be no assurance that a public market will develop for any of the Company's private company investments or that the Company will otherwise be able to realize a return on such investments.

The value attributed to securities of private issuers will be the cost thereof, subject to adjustment in limited circumstances, and therefore may not reflect the amount for which they can actually be sold. Because valuations, and in particular valuations of investments for which market quotations are not readily available, are inherently uncertain, may fluctuate within short periods of time and may be based on estimates, determinations of fair value may differ materially from the values that would have resulted if a ready market had existed for the investments.

The Company will invest in illiquid securities of public issuers. A considerable period of time may elapse between the time a decision is made to sell such securities and the time the Company is able to do so, and the value of such securities could decline during such period. Illiquid investments are subject to various risks, particularly the risk that the Company will be unable to realize its investment objectives by sale or other disposition at attractive prices or otherwise be unable to complete any exit strategy. In some cases, the Company may be prohibited by contract from selling such securities for a period of time or otherwise be restricted from disposing of such securities. Furthermore, the types of investments made may require a substantial length of time to liquidate.

The Company may also make direct investments in publicly traded securities that have low trading volumes. Accordingly, it may be difficult for the Company to make trades in these securities without adversely affecting the price of such securities.

Joint Investments with Third Parties and Strategic Partners

The Company expects that a significant number of its investments will be made in the context of co-investments with third-party financial or strategic partners. The Company anticipates that it may acquire interests in certain companies in cooperation with third-party partners or co-investors through jointly owned acquisition vehicles, joint ventures or other structures. In these situations, the ability of the Company to control such equity investments in a manner other than that conferred by negative control rights, including by means of buy/sell rights, will depend upon the nature of the joint arrangements with such partners and the Company's relative ownership stake in the investment. In addition, such arrangements may restrict the ability of the Company to dispose of its investment for potentially significant periods of time. The Company may invest under circumstances where it does not control the investment and where a third party does control the investment. Such arrangements present risks not present with wholly-owned investments, such as the possibility that a co-investor could become bankrupt, develop business interests or goals that conflict with those of the Company and goals in respect of the investment, or acts in a way that results in the triggering of a buy/sell provision at an inopportune time for the Company.

Conflicts of Interest

The Company may make co-investments in opportunities with an entity that is managed by Sentry Select or one of its affiliates utilizing investment structures in which the Company may represent either the majority or the minority position in such investment. Such investments may present all or some of the risks described in the preceding paragraph with respect to co-investments with third parties, including but not limited to limitations on the Company's ability to control the investment, ability to dispose of or realize on such investment and the possibility that such entities may have conflicting investment goals with respect to any such co-investment.

Certain of the officers and directors of the Company are engaged in, and will continue to be engaged in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The ABCA provides that in the event that a director has an interest in a contract or agreement, the director shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided under the ABCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the ABCA and the Company's corporate governance policies and procedures.

No Guaranteed Return

There is no guarantee that an investment in Common Shares will earn any positive return in the short term or long term. The task of identifying investment opportunities, monitoring such investments and realizing a significant return is difficult. Many organizations operated by persons of competence and integrity have been unable to make, manage and realize a return on such investments successfully. The past performance of investment professionals provides no assurance of future success.

Loss of Investment

An investment in Common Shares is appropriate only for investors who have the capacity to absorb a partial or total loss of their investment at any time.

Additional Financing Requirements

The Company anticipates ongoing requirements for funds to support its business development and may seek to obtain additional funds for these purposes through public or private equity or debt financing. There are no assurances that additional funding will be available at all, on acceptable terms or at an acceptable level. Any additional equity financing may cause shareholders to experience dilution, and any additional debt financing may result in increased interest expense or restrictions on the Company's operations or ability to incur additional debt.

Management of the Company's Growth

Significant growth in the Company's business, as a result of acquisitions or otherwise, could place a strain on the Company's managerial, operational and financial resources and information systems. Future operating results will depend on the ability of senior management to manage rapidly changing business conditions, and to implement and improve the Company's technical, administrative and financial controls and reporting systems. No assurance can be given that the Company will succeed in these efforts. The failure to effectively manage and improve these systems could increase the Company's costs which could have a material adverse effect on the Company.

DIVIDENDS

The Company has not declared or paid any dividends on its shares. The future payment of dividends will be dependent upon the financial requirements of the Company to fund future growth, the financial condition of the Company and other factors which the Board may consider appropriate in the circumstances. The Company will consider paying dividends in the future on its shares when its operational circumstances permit, including earnings, cash flow, financial and legal requirements and business considerations.

DESCRIPTION OF CAPITAL STRUCTURE

The authorized capital of the Company consists of an unlimited number of Common Shares, an unlimited number of Class A preference shares (the "**Class A Shares**") issuable in series, an unlimited number of Class B preference shares (the "**Class B Shares**") issuable in series, and an unlimited number of Class C preference shares (the "**Class C Shares**") issuable in series (collectively the Class A Shares, Class B Shares and Class C Shares are referred to herein as the "**Preference Shares**"), of which approximately 14,174,171 Common Shares and no Preference Shares are issued and outstanding as fully paid and non-assessable as of the date of this Annual Information Form.

Common Shares

The holders of the Common Shares are entitled to receive notice of and attend any meeting of the Company's shareholders and are entitled to one vote for each Common Share held (except at meetings of a

class of shares other than the Common Shares). The holders of the Common Shares are entitled to receive dividends as and when declared by the Board on the Common Shares as a class, subject to the prior satisfaction of all preferential rights to dividends attaching to all shares of other classes of the Company ranking in priority to the Common Shares in respect of dividends. In the event of any liquidation, dissolution or winding-up of the Company, and subject to the prior satisfaction of all preferential rights, the holders of Common Shares are entitled to share rateably in such assets of the Company as are available for distribution.

Preference Shares

The rights, privileges, restrictions and conditions attaching to the Class A Shares are as follows:

- (i) the Class A Shares may be issued at any time or from time to time in one or more series. The Board will fix the provisions attached to each series from time to time before issuance, including determining entitlements to the payment of dividends, redemptions and any entitlements to receive notice of, to attend or to vote at any meeting of shareholders of the Company; and
- (ii) the Class A Shares of each series will rank on a parity with the Class A Shares of every other series with respect to priority in payment of dividends and in the distribution of assets in the event of liquidation, dissolution or winding up of the Company.

The rights, privileges, restrictions and conditions attaching to the Class B Shares are as follows:

- (i) the Class B Shares may be issued at any time or from time to time in one or more series. The Board will fix the provisions attached to each series from time to time before issuance, including determining entitlements to the payment of dividends, redemptions and any entitlements to receive notice of, to attend or to vote at any meeting of shareholders of the Company;
- (ii) the Class B Shares will rank junior to the Class A Shares as to payment of dividends and return of capital in the event of liquidation, dissolution or winding up of the Company; and
- (iii) the Class B Shares will rank senior to the Common Shares and all other shares ranking junior to the Class B Shares. Each series of the Class B Shares will participate rateably with every other series of Class B Shares in respect of accumulated dividends and return of capital.

The rights, privileges, restrictions and conditions attaching to the Class C Shares are as follows:

- (i) the Class C Shares may be issued at any time or from time to time in one or more series. The Board will fix the provisions attached to each series from time to time before issuance, including determining entitlements to the payment of dividends, redemptions and any entitlements to receive notice of, to attend or to vote at any meeting of shareholders of the Company;
- (ii) the Class C Shares will rank junior to the Class B Shares as to payment of dividends and return of capital in the event of liquidation, dissolution or winding up of the Company; and
- (iii) the Class C Shares will rank senior to the Common Shares and all other shares ranking junior to the Class C Shares. Each series of the Class C Shares will participate rateably

with every other series of Class C Shares in respect of accumulated dividends and return of capital.

Stock Option Plan

Upon the listing of the Common Shares on the TSX on April 30, 2007, the new stock option plan (the “**Option Plan**”), which was approved by the shareholders on April 19, 2007, became effective.

The persons eligible to receive options to purchase Common Shares (“**Options**”) under the Option Plan are the directors, senior officers and employees of the Company or affiliates of the Company, and any person or company engaged by the Company to provide consulting services (“**Eligible Individuals**”) and permitted assigns of such persons (“**Permitted Assigns**”). Permitted Assigns include trustees acting on behalf of Eligible Individuals, corporations controlled by Eligible Individuals, registered retirement savings plans or registered retirement income funds of Eligible Individuals and spouses of Eligible Individuals.

The Board may grant Options to any Eligible Individual or Permitted Assign (an “**Eligible Person**”), as determined by the Board in its discretion. At the time of the grant of an Option the Board, in its discretion, must fix the number of Common Shares being optioned to the Eligible Person (in this capacity, an “**Optionee**”), the exercise price of the Option, the extent to which each Option is exercisable from time to time during the term of the Option and the expiration date of the Option. The Option Plan does not specify a maximum term for Options granted thereunder.

The number of Common Shares which are issuable pursuant to the exercise of Options outstanding at any particular time may not exceed 10% of the number of Common Shares outstanding at such time.

The exercise price of an Option may not be less than the market price of the Common Shares on the date on which the grant of the Option is approved by the Board. For this purpose the market price is the closing sale price of the Common Shares on the last trading day preceding the date of grant on which the Common Shares traded on the TSX or another exchange on which the Common Shares are listed.

The number of Common Shares that may be issued to any one person, under the Option Plan and any other share compensation arrangement of the Company, may not exceed 5% of the outstanding Common Shares.

No Options may be granted by the Board where such grant could result in the number of Common Shares issuable to insiders under all share compensation arrangements exceeding 10% of the issued and outstanding Common Shares or in the issuance to insiders, within a one-year period, of a number of Common Shares exceeding 10% of the issued and outstanding Common Shares.

If the termination date of an Option falls during or within three business days of a black out period, during which the policy of the Company prevents certain persons from trading in the securities of the Company, the expiry date for the Option will be extended for an additional period expiring on the 10th business day following the end of the black out period.

By its terms, the Option Plan may be amended by the Board without the consent of the shareholders, including amending the terms and conditions of Options, amending the categories of persons who are Eligible Persons and entitled to be granted Options, allowing the grant of financial assistance to Optionees for the purpose of exercising Options, authorizing the addition of a cashless exercise feature (payable in cash or securities, which provides for a full deduction of the number of underlying securities from the Option Plan reserve), and amendments of a housekeeping nature. However, pursuant to TSX rules, the extension of the term of an Option for the benefit of an insider must be approved by disinterested shareholders.

MARKET FOR SECURITIES

The Common Shares have been listed and posted for trading on the TSX under the symbol “BKP” since April 30, 2007.

The Common Shares were listed for trading on the TSXV from September 2, 2006 to April 30, 2007. The following tables sets forth the high and low closing trading prices and the aggregate volume of trading of the Common Shares as reported by the TSXV from January 1, 2006 to April 30, 2007.

<u>Period</u>	<u>High</u> ⁽¹⁾	<u>Low</u> ⁽¹⁾	<u>Volume</u> ⁽¹⁾
<u>2006</u>	(\$)	(\$)	
January.....	3.50	3.00	3,000
February.....	6.00	2.50	52,980
March.....	3.30	1.30	57,620
April.....	2.90	1.80	23,360
May.....	3.10	2.50	69,390
June.....	3.50	2.60	27,420
July.....	6.00	3.20	54,060
August.....	5.50	4.20	23,020
September.....	4.90	4.00	13,070
October.....	4.00	2.80	31,440
November.....	3.70	2.80	84,140
December.....	3.30	2.90	150,400
<u>2007</u>			
January.....	3.90	3.20	77,294
February.....	4.90	3.60	96,666
March.....	4.45	3.60	39,568
April.....	4.50	3.75	51,035

Note:

(1) The price and trading volume of the Common Shares are provided on a consolidated basis, to reflect the consolidation of the Common Shares on a ten (10) to one (1) basis, effective on April 30, 2007.

ESCROWED SECURITIES

Pursuant to escrow agreements dated: (i) June 13, 2005 among Masthead, DCT Investment Corp., John Nestor, Richard Zarzeczny and Computershare Trust Company of Canada, as escrow agent (the “**CPC Escrow Agreement**”); and (ii) January 26, 2006 among the Company, Petro Assets Inc., Driscoll Children’s Trust and Computershare Trust Company of Canada, as escrow agent (the “**Qualifying Transaction Escrow Agreement**” and, together with the CPC Escrow Agreement, the “**Escrow Agreements**”), the following securities remain deposited in escrow:

<u>Name of Securityholder</u>	<u>Number of Securities Escrowed Pursuant to the Escrow Agreements⁽²⁾</u>	<u>Percentage of Class</u>
John F. Driscoll ⁽¹⁾	380,963 Common Shares	2.7%
Richard J. Zarzeczny	3,750 Common Shares	0.02%
John Nestor	3,750 Common Shares	0.02%

Notes:

- (1) John F. Driscoll and his family beneficially own the Common Shares through J.F. Driscoll Investment Corp. (1,580,000 Common Shares), DCT Investment Corp. (190,000 Common Shares), Petro Assets Inc. (339,991 Common Shares) and Driscoll Children’s Trust (57,447 Common Shares).
- (2) Pursuant to the CPC Escrow Agreement, 20,000 escrowed Common Shares were released (to John F. Driscoll - 19,000, Richard J. Zarzeczny - 500 and John Nestor - 500) on August 10, 2005; 39,744 escrowed Common Shares were released (to John F. Driscoll) on February 6, 2006; 30,000 escrowed Common Shares were released (to John F. Driscoll - 28,500, Richard Zarzeczny - 750 and John Nestor - 750) on December 13, 2006; and 59,616 escrowed Common Shares were released (to John F. Driscoll) on each of August 6, 2006 and February 6, 2007. An additional 15% of the originally deposited escrowed securities are eligible to be released after 18 months, 24 months, 30 months and 36 months following the issuance of the Exchange Bulletin on February 7, 2006 in respect of the completion of the Qualifying Transaction (the “**Exchange Bulletin**”).

The escrowed shares held pursuant to the Escrow Agreements may not be sold, assigned, transferred, redeemed, surrendered or otherwise dealt with in any manner except provided by such agreement. Securities may be transferred within escrow to an individual who is a director or senior officer of the Company or a material operating subsidiary of the Company, provided that certain requirements of the TSX are met, including that the new proposed transferee agrees to be bound by the terms of the agreement. In the event of the death of a securityholder, the shares held in escrow shall be released to the legal representatives of the deceased securityholder.

Escrowed securityholders who are not individuals will provide undertakings to the TSX that they will not issue securities of their own issue or effect or permit a transfer of ownership of securities of their own issue that would have the effect of changing the beneficial ownership of, or control or direction over, the escrowed shares.

The TSX’s prior consent must be obtained before a transfer within escrow of escrowed Common Shares.

DIRECTORS, SENIOR OFFICERS AND MANAGEMENT

Name, Municipality of Residence and Principal Occupation of Directors and Senior Officers

The following are the names and municipalities of residence of the directors and senior officers of the Company, their positions and offices with the Company and their principal occupations during the last five years. Each director will hold office until the next annual meeting of the Company's shareholders or until a successor is duly elected or appointed, unless his office is earlier vacated in accordance with the Company's by-laws.

<u>Name and Municipality of Residence</u>	<u>Position Held</u>	<u>Director/Officer Since</u>	<u>Principal Occupation</u>
Frank J. Crothers Nassau, Bahamas	Director	Director since December 1, 2006	Chairman and Chief Executive Officer of Island Corporate Holdings Limited (a private investment company).
John F. Driscoll Toronto, Ontario	Chief Executive Officer, Director and Chairman	Director and Officer since March 29, 2005	President of J.F. Driscoll Investment Corp. (a private holding company) since 1981; President and Chief Executive Officer and Director, Sentry Select (a fund management company) since 1997 and President and Chief Executive Officer, NCE Resources Group since 1984.
Mark Gardhouse Toronto, Ontario	President and Director	Director and Officer since January 26, 2006	President of the Company since January 26, 2006; Managing Director, Merchant Banking of Sentry Select since July 27, 2006; President of C.A. Bancorp Ltd. since fall 2005; Managing Director, Roynat Capital Inc. (a merchant bank) from 1998 to 2005.
Philip Johnson Toronto, Ontario	Director	Director since August 24, 2006	President of Pinnacle Reefs Ltd. (a management consulting services company for the energy industry) since 1988.
Frank Potter Toronto, Ontario	Director	Director since June 26, 2006	Chairman of Emerging Market Advisors Inc. (a Toronto based consultancy that assists corporations in making and managing direct investments internationally) since 1995.
Richard J. Zarzeczny Stouffville, Ontario	Director	Director since March 29, 2005	President of Canadian Enerdata Limited (a consulting company) since 1984.
J. Mark MacDonald Toronto, Ontario	Managing Director, Private Investments	Officer since August 28, 2006	Managing Director, Private Investments of the Company since August 28, 2006; Managing Director, Private Investments of Sentry Select since July 25, 2006; Vice-President, Teachers' Private Capital, Ontario Teachers' Pension Plan Board from 1995 to 2005.

Name and Municipality of Residence	Position Held	Director/Officer Since	Principal Occupation
Michael Lovett Mississauga, Ontario	Managing Director, Real Estate Capital	Officer since May 16, 2007	Managing Director, Real Estate Capital of the Company since May 16, 2007; President of Commercial Mortgage & Capital (a private commercial mortgage company) from 2005 to 2007; President and founder of Montrose Mortgage Corporation (Toronto) Ltd. (a private commercial mortgage company) from 2001 to 2005.
Paolo De Luca Woodbridge, Ontario	Chief Financial Officer	Officer since August 28, 2006	Chief Financial Officer of the Company since August 28, 2006; Senior Manager, Internal Audit of TD Bank Financial Group from 2005 to 2006; Senior Manager, Ernst & Young LLP from 2003 to 2005; public accountant with Arthur Andersen LLP and Deloitte & Touche LLP from 1996 to 2003.
Kevin Cohen Toronto, Ontario	Vice-President and General Counsel	Officer since April 12, 2006	Vice-President, Operations and General Counsel of Sentry Select since February 2006; Lawyer, Torys LLP from 2004 to 2006; Lawyer, Macaulay McColl, Barristers & Solicitors from 1998 to 2002.

Biographies of Directors, Senior Officers and Management

John F. Driscoll, Chief Executive Office, Director and Chairman

John F. Driscoll is the Chief Executive Officer, a Director and the Chairman of the Company. In 1988, Mr. Driscoll founded Petrofund Energy Trust and was its Chairman from 1988 until it was sold in June 2006 for \$2.99 billion to Penn West Energy Trust to create the largest conventional oil and gas trust in North America with an enterprise value of more than \$11 billion. Mr. Driscoll is the founding President, Chairman and Chief Executive Officer of Sentry Select, also founded and has been Chairman of NCE Resources Group since 1984 and is the Chairman of Inter Pipeline Fund and Strategic Energy Fund since October 2002 and May 2002, respectively. Mr. Driscoll is the Chairman, Chief Executive Officer and a trustee of Charter REIT. Mr. Driscoll has been the Chairman of Endeve Energy Inc., a junior oil and gas exploration and production company, since its founding in 2002. Mr. Driscoll has been President of J.F. Driscoll Investment Corp. since 1981, a company specializing in investment management and related advisory and consulting services. Mr. Driscoll received his Bachelor of Science degree from the Boston College Business School and attended the New York Institute of Finance for advanced business studies. He has more than 35 years of diversified business experience. Mr. Driscoll is a member of the CFA Institute and also attained the professional manager designation with the Canadian Institute of Management. He has founded numerous public partnerships as well as public and private energy and investment companies. Mr. Driscoll is Vice-Chair of the Royal Ontario Museum Foundation Board of Directors.

Frank Crothers, Director

Frank Crothers is a corporate executive with extensive business expertise. Over the past 35 years, he has served on many public and private sector boards. Mr. Crothers is Chairman and CEO of Island Corporate Holdings Limited, a private Bahamas-based investment company. He is Vice-Chairman of Abaco Markets Limited, Indigo Networks Limited (Bahamas) and former Vice-Chairman of Boschendal Wine Estates (South Africa). He is also a Director of Caribbean Utilities Company Ltd., Nuinsco Resources Limited, CIC Energy Corp., BrazMin Corp., Templeton Mutual Funds, and Victory Nickel Ltd. For more than a

decade, he was on the board of Harvard University Graduate School of Education and recently served a three-year term as Chairman of CARILEC, the Caribbean Association of Electrical Utilities.

Philip Johnson, Director

Philip Johnson has been President of Pinnacle Reefs Ltd., a private consulting company that provides management consulting and financial services largely to emerging and senior oil and gas companies, since 1988. From 1972 to 1988, Mr. Johnson held various coordination and management capacities at Imperial Oil Limited, including Vice-President of the Commercial Department. Mr. Johnson's responsibilities included wholesale petroleum product sales, acquisition of crude oil for refineries, scheduling of refineries, product pipeline operations and the lubricants business. During his tenure he was seconded to Exxon Mobil Corporation as Coordinator of World Petroleum Product Sales and then Coordinator of World Downstream Strategic Planning. Mr. Johnson serves as a director of European Goldfields Limited, CAPVEST Income Corp., Canadian Income Management CIM Limited, Universal Infrastructure Corp. and Global Alternatives Inc. as well as several private corporations. Mr. Johnson has been a member of the CJCF Charitable Fund, a fund that provides seed capital to charitable ventures, since 1973 and served as its Chairman for five years. Mr. Johnson received a Master of Arts (International Relations) degree in 1970 from the Patterson School of International Affairs at Carleton University where Lester B. Pearson was his thesis advisor.

Mark Gardhouse, President and Director

Mark Gardhouse is the President and a Director of the Company. Mr. Gardhouse has over 22 years experience as a merchant banker both at financial institutions and as a principal. From 1998 to 2005, Mr. Gardhouse was Managing Director of Corporate Finance of Roynat Capital Inc.'s middle-market internal equity buy-out group. In this position, he headed a team of professionals located in Toronto, Calgary and Montreal to lead majority investments and acquisitions in the Canadian middle-market sector. In a number of investments, the group led or partnered with other private equity groups to purchase companies such as Liberty Brand Products Inc, AG Growth Inc and MTB Industries Inc. Mr. Gardhouse has experience in various industries including distribution, auto parts manufacturing, heavy industrial products and food manufacturing and wholesaling. Prior to his tenure at Roynat Capital Inc., Mr. Gardhouse negotiated and structured financial investments and acquisitions for different firms and banks, including Canadian chartered banks, Lincoln Capital Corp. and First Chicago Inc. He received a Bachelor of Arts (Honours) degree in Economics from the University of Toronto and a Masters of Business Administration degree from the Richard Ivey School of Business at the University of Western Ontario in 1983.

Frank Potter, Director

Frank Potter has been Chairman of Emerging Markets Advisors Inc. in Toronto since 1995. He has an extensive background in international banking and is a former Executive Director of The World Bank. More recently he was senior advisor at the Department of Finance in Ottawa. He sits on a number of boards, both corporate and not-for-profit, including Sentry Select, Canadian Tire Corporation Limited and Penn West Energy Trust. Mr. Potter attended the Royal Military College of Science, and is a Fellow of the Institute of Canadian Bankers.

Richard J. Zarzeczny, Director

Richard J. Zarzeczny is President of Canadian Enerdata Limited (established in 1984), an energy and economic consulting firm specializing in oil and natural gas market analysis and forecasting. Mr. Zarzeczny is a trustee of Charter REIT. He is the publisher/editor of the Canadian Gas Price Reporter, the leading Canadian newsletter covering natural gas prices and gas indices. He graduated from Simon Fraser University in 1980 with a Master of Arts Degree in Economics specializing in econometrics and in 1975 received a Master of Arts Degree in Mathematics from the University of Regina.

J. Mark MacDonald, Managing Director, Private Investments

J. Mark MacDonald is the Managing Director, Private Investments of the Company. Mr. MacDonald has over 25 years experience in the financial services industry, with broad experience in private equity investment management. Prior to joining the Company, Mr. MacDonald was Vice-President, Teachers' Private Capital, the private equity arm of Ontario Teachers' Pension Plan Board, co-managing its private equity and mezzanine portfolio during the 10 year period that it grew from \$750 million to over \$4.5 billion. Mr. MacDonald joined Ontario Teachers' Pension Plan Board in 1995 and was responsible for starting up and managing Teachers' Private Capital mezzanine program and he co-managed several successful private to public investments and mezzanine investments involving companies such as Sun Media Corporation, Osprey Media Group Inc., AT&T Canada Inc. and Shoppers Drug Mart Corp. Prior to joining Ontario Teachers' Pension Plan, Mr. MacDonald held senior investment management and advisory positions, focused on investment management, corporate development, restructuring and lending, and project finance, with organizations such as Citibank Canada, Morgan Financial Corporation and a Canadian chartered bank. Mr. MacDonald has extensive board of directors experience on both private and public boards in Canada and the United States, having served on the boards of Trimac Corporation, AT&T Canada Inc., Osprey Media Group Inc. and Sun Media Corporation, amongst others. He received a Bachelor of Arts degree (Honours) in Economics from Queen's University in 1979 and a Master of Business Administration degree from the Schulich School of Business at York University in 1982. Mr. MacDonald is also a graduate of the ICD Corporate Governance College, Directors Education Program and holds the ICD.D professional designation.

Michael Lovett, Managing Director, Real Estate Capital

Michael Lovett joined the Company as Managing Director, Real Estate Capital in May 2007. Mr. Lovett has over 24 years of expertise in the commercial real estate lending industry most recently as the President of Commercial Mortgage & Capital, a private commercial mortgage company controlled by Avison Young Commercial Real Estate Inc., which originated and placed commercial real estate loans and mortgages. He was the President and founder of Montrose Mortgage Corporation (Toronto) Ltd. from 2001 to 2005 where he was responsible for opening the Toronto office and originating and structuring commercial real estate loans. Mr. Lovett has been involved in placing loans on all major asset classes, including term loans, construction financing and mezzanine facilities. Mr. Lovett has also held senior real estate related positions in origination, risk assessment and special loans with CIBC Mortgages Inc. (National Sales Manager), National Trust (VP, Risk Management), Citibank (Assistant Vice-President) National Bank (Senior Manager, Corporate Real Estate) and Swiss American Bank of Antigua (General Manager).

Paolo De Luca, Chief Financial Officer

Paolo De Luca joined the Company as its Chief Financial Officer in the summer of 2006. Prior to joining the Company, Mr. De Luca was a Senior Manager at TD Bank Financial Group. He worked in a risk management capacity, focusing on derivatives, structured products and other trading business lines within the securities division. Prior to that, Mr. De Luca was a Senior Manager at the public accounting firm of Ernst & Young LLP. He specialized in accounting for complex transactions, derivatives, securitizations and long-term investments including private equity transactions. Mr. De Luca began his career at Arthur Andersen LLP before moving to Deloitte & Touche LLP, where he was engaged in various assurance and business advisory capacities, serving primarily financial institutions including large Canadian, United States and international banks and investment dealers. Mr. De Luca earned a Bachelor of Business Administration degree from the Schulich School of Business at York University. In addition, he holds a Chartered Accountant designation and is a CFA Charterholder. Mr. De Luca is a member of the Institute of Chartered Accountants of Ontario as well as the CFA Institute.

Kevin Cohen, Vice-President and General Counsel

Kevin Cohen is Vice-President and General Counsel of the Company. Mr. Cohen is also Vice-President Operations and General Counsel of Sentry Select and General Counsel of Charter REIT. Prior to joining Sentry Select in February 2006, Mr. Cohen practised corporate and securities law with Torys LLP from 2004 to 2006. From 2002 to 2004, Mr. Cohen attended the Richard Ivey School of Business at the University of Western Ontario, graduating in 2004 with a Master of Business Administration degree. From 1994 to 2002, Mr. Cohen practised law in Vancouver after obtaining his Bachelor of Laws degree in 1994 from the University of British Columbia.

Kurt Brands, Vice-President, Corporate Development

Kurt Brands joined the Company as Vice-President, Corporate Development in April 2007. Prior to joining the Company, Mr. Brands was a Senior Consultant at Everest Group, a global outsourcing advisory firm. He was engaged in a variety of client assignments, developing sourcing strategies for non-core business operations and negotiating commercial outsourcing agreements. Prior to that, Mr. Brands worked in finance and corporate development at IBM. Mr. Brands received a Masters of Business Administration degree from the Richard Ivey School of Business at the University of Western Ontario and a Bachelor of Commerce degree from Royal Roads University. In addition, he holds a CMA designation and is a member of the Society of Management Accountants of Ontario.

Jake Trainor, Vice-President, Corporate Development

Jake Trainor joined the Company as Vice-President, Corporate Development in April 2007. Prior to joining the Company, Mr. Trainor was Senior Associate at Mercer Management Consulting, a top-tier consulting firm. He has experience gained from client engagements spanning transportation, infrastructure and retail sectors. Most recently, Mr. Trainor was seconded to a leading Middle Eastern airline where he managed their cargo division for 14 months. Mr. Trainor received a Masters of Business Administration degree from the Richard Ivey School of Business at the University of Western Ontario and a Bachelor of Electrical Engineering degree from the Royal Military College of Canada. Mr. Trainor's previous experience also includes serving in the Canadian Forces as a Special Operations Pilot.

Greg Walker, Manager, Equity Investments

Greg Walker is the Manager, Equity Investments of the Company. Mr. Walker joined the Company as Senior Associate in January 2006 and was a Research Analyst with Sentry Select from November 2000 to January 2006. He has 13 years of experience in the financial industry. Mr. Walker has held numerous positions in the financial services industry, including sales, marketing and operations roles. He has completed his CFA Level II and is currently working toward obtaining his Chartered Business Valuators designation. In addition, Greg holds a Bachelor of Arts degree in Economics from the University of Western Ontario.

Ryan Caughey, Corporate Secretary

Ryan Caughey is the Corporate Secretary of the Company. Mr. Caughey joined Sentry Select in July 2006 as in-house counsel and was appointed Corporate Secretary of Sentry Select on December 18, 2006. Mr. Caughey is also the Corporate Secretary of Charter REIT. He practised corporate and securities law with Osler, Hoskin & Harcourt LLP from 2003 to 2006. He obtained a Bachelor of Laws degree in 2002 from Queen's University and a Honours Bachelor of Arts degree in 1998 from the University of Western Ontario.

SIGNIFICANT ACQUISITION

On January 26, 2006, the Company completed the Qualifying Transaction pursuant to TSXV Policy 2.4. The Company was exempt from filing a business acquisition report in respect of the Qualifying Transaction pursuant to Part 8 of National Instrument 51-102 – *Continuous Disclosure Obligations*.

Details of the Qualifying Transaction

Purchase Agreements

Pursuant to the Fund Acquisition Agreement, the Company acquired all of the assets of the Fund in exchange for 451,638 Common Shares and 451,638 Warrants. Pursuant to the Bancorp Share Purchase Agreement, the Company purchased all of the issued and outstanding shares of C.A. Bancorp Ltd. in exchange for 339,991 Common Shares and 339,991 Warrants. The Common Shares issued pursuant to the Bancorp Share Purchase Agreement are held in escrow pursuant to the policies of the TSX. See “Escrowed Securities”.

Businesses Acquired

Prior to the Qualifying Transaction, the Fund was a mutual fund trust established under the laws of the Province of Ontario by declaration of trust dated July 14, 2000. The investment objective of the Fund was to provide long-term capital appreciation by investing primarily in common shares of the companies operating in the financial services industry, including commercial and investment banks, insurance providers, brokerages and investment management companies.

Prior to the Qualifying Transaction, C.A. Bancorp Ltd. carried on business as a merchant bank focused on the Canadian middle-market sector. C.A. Bancorp Ltd.’s investment strategy was to make equity investments in Canadian small and middle-market public and private companies that exhibit the potential for substantial capital appreciation through improved management, financial performance and enhanced strategic positioning. Among other strategies, C.A. Bancorp Ltd. targeted under-valued companies that were under-performing due to poor management execution or inadequate capital structure or were undergoing a significant transition, such as a change in senior management or succession in ownership. C.A. Bancorp Ltd. also carried on a limited market dealer business by finding equity and/or debt funding for junior and middle-market public and private issuers in various industries including the oil and gas and mining sectors.

Material Changes in the Company’s Business Following the Qualifying Transaction

Following the Qualifying Transaction, the Company commenced carrying on the business of a merchant bank and a limited market dealer, through its wholly-owned subsidiary, C.A. Bancorp Ltd., the Board was reconstituted and the Company expanded its management team with individuals having expertise in the merchant bank business.

Non-Arm’s Length Transaction

The Qualifying Transaction was a non-arm’s length transaction because John F. Driscoll, the President and Chief Executive Officer of Sentry Select, the manager of the Fund, was also an officer and director of the Company. As well, a corporation beneficially owned by Driscoll Children’s Trust (a trust of which John F. Driscoll is the trustee and beneficiary) beneficially owned 54.29% of the outstanding Common Shares prior to the date of the Qualifying Transaction. Driscoll Children’s Trust also owned 15,000 trust units (3.92%) of the Fund. Additionally, C.A. Bancorp Ltd., prior to the Qualifying Transaction, was beneficially owned by John F. Driscoll and his family.

Exemption from Formal Valuation Requirement

The Company was exempt from the formal valuation requirement under securities laws in respect of the Qualifying Transaction pursuant to the exemption in section 5.5(3) of Ontario Securities Commission Rule 61-501. In addition, the Company applied for and was granted a similar exemption by the Autorité des Marchés Financiers under the laws of the Province of Quebec.

PROMOTER

John F. Driscoll may be considered to be the promoter of the Company as he took the initiative in founding and organizing the Company. John F. Driscoll's shareholdings are disclosed below. Except as set forth elsewhere in this Annual Information Form and in the Company's management information circular dated March 15, 2007 ("MIC") under the headings "Part Four - Compensation of Executive Officers" and "Part Eight - Interests of Informed Persons in Material Transactions", which information is incorporated by reference into this Annual Information Form, no assets, services or other considerations have been received or are presently contemplated to be received by John F. Driscoll from the Company. A copy of the MIC may be obtained free of charge on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com.

<u>Name</u>	<u>Total Voting and Equity Securities</u>	<u>Percentage of Class</u>
John F. Driscoll ⁽¹⁾⁽²⁾ Toronto, Ontario	2,167,438 Common Shares	15.3%

Notes:

- (1) John F. Driscoll and his family beneficially own the Common Shares through J.F. Driscoll Investment Corp. (1,580,000 Common Shares), DCT Investment Corp. (190,000 Common Shares), Petro Assets Inc. (339,991 Common Shares) and Driscoll Children's Trust (57,447 Common Shares).
- (2) John F. Driscoll holds stock options to purchase up to 172,500 Common Shares (17,500 at a price of \$2.00 exercisable until Sep. 15, 2010 and 155,000 at \$3.10 exercisable until Dec. 22, 2011).

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The acquisition on January 26, 2006 by the Company of the assets of the Fund and of C.A. Bancorp Ltd. were non-arm's length party transactions. See "Significant Acquisition" for further information regarding the transactions and insider participation in the transactions.

On September 13, 2006, the Company acquired 2,500,000 common shares of Charter, representing approximately 42% of Charter's issued and outstanding common shares. At the time of the above investment, John F. Driscoll, the Chief Executive Officer and a director of the Company, was the President, Chief Executive Officer and a director of Charter. DCT Investment Corp. (a company controlled by John F. Driscoll) owned 54.2% of the outstanding common shares of Charter. The Company purchased an additional 9,500,000 common shares of Charter on February 23, 2007, as part of Charter's qualifying transaction. Charter subsequently converted to a REIT (i.e. Charter REIT). As of the date hereof, the Company holds approximately 57% of the outstanding units of Charter REIT. The Company has provided a \$10 million non-recourse subordinate loan facility to Charter REIT, \$4.5 million of which was drawn as of March 31, 2007 (see "Description of the Business - Direct Investing"). DCT Investment Corp. (a company controlled by John F. Driscoll) owns 13.6% of the outstanding units of Charter REIT.

Richard J. Zarzeczny, a director of the Company, is a trustee of Charter REIT. Mr. Zarzeczny owns 0.24% of the outstanding units of Charter REIT.

TRANSFER AGENT AND REGISTRAR

Computershare Trust Company of Canada through its principal office in Toronto, Ontario at 9th Floor, 100 University Ave, Toronto Ontario M5J 2Y1, is the transfer agent and registrar for the Common Shares.

MATERIAL CONTRACTS

Except for contracts entered into by the Company in the ordinary course of business, the only material contracts entered into or to be entered into by the Company which can reasonably be regarded as presently material are the following:

- (1) the Management Agreement, as discussed under the heading “Description of the Business - Management and Administration Agreements”; and
- (2) the Administration Agreement, as discussed under the heading “Description of the Business - Management and Administration Agreements”.

Copies of the above agreements may be inspected during regular business hours at the head office of the Company in Toronto, Ontario.

INTEREST OF EXPERTS

The Company’s auditors are Deloitte & Touche LLP, Chartered Accountants, who have prepared an independent auditors’ report dated March 1, 2007 in respect of the Company’s consolidated financial statements with accompanying notes as at and for the year ended December 31, 2006.

ADDITIONAL INFORMATION

Additional information regarding the Company may be found on SEDAR. Additional information, including directors’ and officers’ remuneration and indebtedness to the Company, principal holders of securities of the Company and securities authorized for issuance under equity compensation plans, if applicable, is contained in the Company’s MIC dated March 15, 2007 prepared in connection with the annual and special meeting of shareholders held on April 19, 2007. Additional financial information is provided in the Company’s financial statements for its financial year ended December 31, 2006, together the accompanying report of the auditor, and management’s discussion and analysis filed on SEDAR.