

November 21, 2006

Richard Talbot
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RBC Capital Markets
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Toronto, Ontario M5J 2W7
Canada

Dear Mr. Talbot:

We represent a private investor in Canadian oil and gas trusts. I am contacting you because I believe that issues affecting my client are aligned with your interests. We believe that this situation has created a potential for clients to lose confidence in the advice being tendered and this provides an opportunity for your firm to proactively do all that is reasonably possible to evidence your support of their interests. Please advise what actions your firm is taking in regard to the Canadian government's intention to abolish the flow-through-taxation of resource trust securities. These actions have cost Canadian and U.S. investors 30 billion dollars to date.

Investors rely on the guidance and analysis provided by RBC to make investment decisions. On October 31, the Harper government's unprecedented action apparently took everyone by surprise. It would seem that such action would harm the time-honored reputation of RBC, as well as causing financial losses to your clients. The result of this unprecedented event, the arbitrary renegeing of a pledge to the public and the investment community, has created an atmosphere of questionable credibility. This certainly would have an effect on Canadian firms' ability to raise funds in the international markets. One wonders if this is the beginning of a new style of governing.

We would all agree that it is critical to the success of all capital markets to have open access to information so that investors may make informed decisions. Transparent data and the credibility of corporate and government officials, regulatory agencies, and stock exchanges are absolutely essential. The Harper government's unilateral action will seriously diminish confidence in these institutions and erode the democratic process.

It is important to stress that we do not dispute Canada's sovereign right to change the way in which it collects tax revenues from businesses and individuals. The fact that this administration is not honoring its own pledge to maintain the flow-through-tax status on existing trusts causes us to wonder whether or not investors should expect similar vicissitudes on other issues. This should be of great concern, when one considers that 90% plus of all extractable industries (oil, gas, coal, etc.) are subject to this government influence as they conduct their activities on Crown Lands. For example:

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- Can we expect that increases in oil and gas production royalty payments will be made without open debate when the government decides it wants additional tax revenue?
- Should we expect Canadian officials to make contractual changes with oil and gas producers in a similar fashion as that witnessed in Venezuela (Chavez) or Russia (Yukos)?
- Is this government planning to increase withholding taxes on U.S. and foreign investors without warning?
- Is this government planning to restrict the Trusts' ability to raise funds for future growth?
- If this government unfairly curtails the growth of its energy industry it will surely raise the cost of energy to both Canadian and U.S. citizens.

This legislation is moving rapidly in Canada with The Ways and Means Bill (An Act to Amend the Income Tax Act) being considered for action in late November or early December. It is URGENT to intervene NOW. We would like to know what you are going to do to make our concerns heard in the Canadian legislature.

We would appreciate your taking this matter under consideration. We look forward to a timely response.

Very truly yours,

WOLFE, WOLFE & RYD, LLP

By /s/ Kerry B. Wolfe
Kerry B. Wolfe

KBW/lb
Enclosures