

May 28, 2010

**To: The Creditors of Forest & Marine Financial Limited Partnership**

Dear Sirs:

As you may know, on August 13, 2009, The Bowra Group Inc. was appointed Receiver of Forest & Marine Financial Limited Partnership (“F&M”) and most of its related entities. We now have sufficient funds on hand from the realization process to contemplate a preliminary distribution to the F&M creditors later this year (most likely August 2010). There will be subsequent distributions as the realization process continues.

In contemplation of the proposed distribution, the Court signed the attached “Claims Process Order”, which you should read carefully and follow its directions. Creditors are defined as both trade creditors and holders of Investment Receipts, who rank equally (*pari passu*).

Creditors with a small claim (say those with claims of \$300 or less) against F&M should pay particular attention to paragraph 12 of the Claims Process Order. Creditors with claims of \$100 or under will be paid in full at the time of the initial distribution. Creditors with claims over \$100 have the option of reducing the amount of their claim to \$100 and foregoing the balance of their claim.

Our last progress report to Court, Receiver’s Fifth Report to Court, was on April 9, 2010. Creditors can review this report by accessing the Forest & Marine page on The Bowra Group Inc. website at: [http://www.bowragroup.com/news\\_2009aug21.htm](http://www.bowragroup.com/news_2009aug21.htm)

At that time, we estimated that creditors of F&M would eventually recover 45% to 64% of their claims, with the mid-point of that range being the more likely. We believe that nothing has occurred subsequently to alter the validity of this estimate. As indicated in the body of the above report, this estimate does not reflect the value to the creditors of:

1. The reduction, if any, to the claim of the senior secured creditor, Asset Engineering. Resolution of this dispute is before the Court.

2. The proceeds to creditors, if any, from the sale of the tax loss carry forwards. A number of ongoing initiatives are in progress, but it is premature to estimate the likely outcome of these negotiations.

We contemplate that the initial distribution later this summer will be in the order of 10% to 20% of your claim. Further distributions are forecast to occur in 2011 and 2012. An updated report on our activities will accompany the initial distribution to you.

Yours very truly

**The Bowra Group Inc.**  
Receiver of Forest & Marine  
Financial Limited Partnership

Per:



Matt Stradiotti