

333 Bay Street, Suite 2400
Bay Adelaide Centre, Box 20
Toronto, Ontario, Canada M5H 2T6

416 366 8381 Telephone
416 364 7813 Facsimile
1 800 268 8424 Toll free



Aubrey E. Kauffman
Direct +1 416 868 3538
akauffman@fasken.com

September 11, 2014
File No.: 119631.00030/16471

VIA EMAIL

The Service List (Attached)

Dear Sir or Madam:

Re: Devonshire Trust – Administrative Amendment to the Plan of Arrangement and Compromise

We are counsel to Metcalfe & Mansfield Alternative Investments VII Corp., in its capacity as Issuer Trustee of the Devonshire Trust.

As you are aware on August 20, 2014 Justice Newbould issued a Sanction Order with respect to the Plan of Arrangement and Compromise dated August 6, 2014 (as it may be further amended from time to time in accordance with its terms (the “Plan”)).

Paragraph 17.1 of the Plan permits amendments to the Plan after the meeting of creditors, at any time prior to the Plan Implementation Date:

- subject to the Monitor’s consent;
- in a written document filed with the CCAA Court;
- with the prior written consent of the other Settlement Parties; if
- in the opinion of the Monitor the amendment is of an administrative nature required to better give effect to the implementation of the Plan and is not materially prejudicial to the interests of the Noteholders or the Plan Participants.

A minor administrative issue has arisen with respect to the transfer of approximately \$6.2 million held by our firm in trust for our client in certain investments. In order to transfer those funds to the Monitor on the Funds Transfer Date, approximately \$90,000 of interest would be lost. If the funds are transferred upon maturity of the investments, in November of this year, there will be no loss of interest.


DM_TOR/119631.00030/7443408.1

We are attaching hereto an amendment to Article 5.3.7 of the Plan which permits the transfer of the aforesaid funds after the Funds Transfer Date thereby preserving the interest payment.

In accordance with paragraph 17.1 of the Plan the Monitor has consented to the amendment and is of the opinion that the amendment is of an administrative nature required to better give effect to the implementation of the Plan and is not materially prejudicial to the interests of Noteholders or the Plan Participants. The Settlement Parties have provided their written consent to the amendment. The amendment will be filed with the CCAA Court. The above payment will not impact upon the Initial Distribution as provided for in the Plan.

Yours truly,

FASKEN MARTINEAU DuMOULIN LLP


Aubrey E. Kauffman

AEK/ima
Enclosure

SERVICE LIST
(August 14, 2014)

| | |
|---------|---|
| TO: | <p>Deloitte Restructuring Inc. 181 Bay Street Bay Wellington Tower, Brookfield Place, Suite 1400 Toronto, ON M5J 2V1</p> <p>Attention: Pierre Laporte Phone: 514.393.7372 Fax: 514.390.4103 Email: pilaporte@deloitte.ca</p> <p><i>Monitor of Metcalfe & Mansfield Alternative Investments VII Corp., in its capacity as issuer trustee of the Devonshire Trust</i></p> |
| AND TO: | <p>Osler, Hoskin & Harcourt LLP 100 King Street West 1 First Canadian Place Suite 4600, P.O. Box 50 Toronto, ON M5X 1B8</p> <p>Attention: Mary Paterson Phone: 416.862.4924 Fax: 416.862.6666 Email: mpaterson@osler.com</p> <p><i>Counsel to Deloitte Restructuring Inc., in its capacity as Monitor of Metcalfe & Mansfield Alternative Investments VII Corp.</i></p> |
| AND TO: | <p>Lenczner Slaght 130 Adelaide Street West, Suite 2600 Toronto, ON M5H 3P5</p> <p>Attention: Monique Jilesen Phone: 416 865 2926 Fax: 416 865 2851 Email: mjilesen@litigate.com</p> <p><i>Counsel to Metcalfe & Mansfield Alternative Investments VII Corp., in its capacity as Issuer Trustee of Devonshire Trust</i></p> |

| | |
|---------|---|
| AND TO: | <p>Caisse de dépôt et placement du Québec 1000 Place Jean-Paul-Riopelle Montreal, QC H2Z 2B3</p> <p>Attention: Marie Giguère / Julie Tremblay Phone: 514.847.2898 / 514.847.2845 Fax: 514.281.5213 Email: mgiguere@lacaisse.com / jutremblay@lacaisse.com</p> |
| AND TO: | <p>Norton Rose Fulbright Canada LLP Royal Bank Plaza, South Tower, Suite 3800 200 Bay Street, P.O. Box 84 Toronto, ON M5J 2Z4</p> <p>Attention: Virginie Gauthier/ Steve Tenai/ Peter Wiazowski Phone: 416.216.4853/ 416.216.4023/ 416.215.1889 Fax: 416.216.3930 Email: virginie.gauthier@nortonrosefulbright.com/ steve.tenai@nortonrosefulbright.com/ peter.wiazowski@nortonrosefulbright.com</p> <p><i>Counsel to Caisse de dépôt et placement du Québec</i></p> |
| AND TO: | <p>Stikeman Elliott 5300 Commerce Court West 199 Bay Street Toronto, ON M5L 1B9</p> <p>Attention: William A. Scott/ Peter F.C. Howard/ Ashley J. Taylor Phone: 416.869.5521/ 416.869.5613/ 416.869.5236 Fax: 416.947.0866 Email: wscott@stikeman.com/ phoward@stikeman.com/ ataylor@stikeman.com</p> <p><i>Counsel to Barclays Bank PLC, Hollygrice Limited, Strickyard Limited, Winhall Limited, Hentock Limited, Coskwo Limited, Blaytell Limited, Godler Limited, Pilkbull Limited, and Harflane Limited</i></p> |
| AND TO: | <p>National Bank Financial and National Bank of Canada The Exchange Tower 130 King Street West Suite 3200, P.O. Box 21 Toronto, ON M5X 1J9</p> <p>Attention: Brian Davis Phone: 416.869.8817 Email: bdavis@nbfinancial.com</p> |

| | |
|---------|--|
| AND TO: | <p>Stockwoods LLP Royal Trust Tower 77 King Street West Suite 4130, P.O. Box 140 Toronto-Dominion Centre Toronto, ON M5K 1H1</p> <p>Attention: Paul H. Le Vay/ Johanna Braden Phone: 416.593.2493/ 416.593.2495 Email: paullv@stockwoods.ca/ johannab@stockwoods.ca</p> <p><i>Counsel to National Bank Financial and National Bank of Canada</i></p> |
| AND TO: | <p>CIBC Mellon Trust Company, Indenture Trustee 320 Bay Street 11th Floor Toronto, ON M5H 4A6</p> <p>Attention: Denice Elleston Phone: 416.933.8531 Fax: 416.360.1711 Email: denice.elleston@bnymellon.com</p> |
| AND TO: | <p>Bennett Jones LLP 3400 One First Canadian Place P.O. Box 130 Toronto, ON M5X 1A4</p> <p>Attention: Jeff Leon Phone: 416.777.7472 Fax: 416.863.1716 Email: leonj@bennettjones.com</p> <p><i>Counsel to CIBC Mellon Trust Company, Indenture Trustee and The Bank of New York Mellon, Custodian</i></p> |
| AND TO: | <p>Canada Revenue Agency c/o Department of Justice The Exchange Tower 130 King Street West Suite 3400, P.O. Box 36 Toronto, ON M5X 1K6</p> <p>Attention: Diane Winters Phone: 416.973.3172 Fax: 416.973.0810 Email: diane.winters@justice.gc.ca</p> <p><i>Counsel to Canada Revenue Agency</i></p> |

Collateral shall be referred to as the "**Collateral Deficiency**"), the Custodian shall not be required to pay such Collateral Deficiency to the Applicant or the Monitor.

STEP 4

- 5.3.4 To the extent that on the Funds Transfer Date, the amount received by the Monitor from the Custodian is less than the Settlement Amount, whether as a result of the existence of a Collateral Deficiency or for any other reason (the deficiency, if any, between the amount received by the Monitor from the Custodian and the Settlement Amount shall be referred to as the "**Settlement Deficiency**"), Barclays shall pay to the Monitor in trust for the Applicant pursuant to the instruction referred to in Section 5.2.4.2 on such date an amount equal to the Settlement Deficiency such that the sum of the amount received by the Monitor from Barclays under this Section 5.3.4 and the amount received from the Custodian under Section 5.3.3 is equal to the Settlement Amount.

STEP 5

- 5.3.5 To the extent that on the Funds Transfer Date there does not exist a Settlement Deficiency and subject to the payments in Sections 5.3.3 and 5.3.4, if any, having been made, the Custodian shall pay to Barclays, from the CDS Collateral, CDN\$600,000,000, together with all accrued interest thereon, net of the amount paid by the Custodian to the Monitor as provided in Section 5.3.3.

STEP 6

- 5.3.6 By virtue of this Plan and without any further action by any Person, the Applicant shall renounce and forgo its right to payment of any and all amounts from Barclays on account of court costs relating to the Litigation, including interest thereon.

STEP 7

- 5.3.7 The Applicant shall transfer to the Monitor, on the Funds Transfer Date, in accordance with the Monitor's written instructions, all cash it then holds including the amounts, if any, received by it from the Custodian and Barclays pursuant to Steps 3 and 4 above and, on the Funds Transfer Date or at the earliest date thereafter the transfer can be made without losing the right to interest accrued, all fixed term guaranteed investment certificates it holds (such cash and guaranteed investment certificates are collectively referred to herein as the "**Aggregate Available Cash**"), all of which the Monitor shall hold in trust and distribute in accordance with the provisions of Articles 6, 7, 8, 9 and 10.

STEP 8

- 5.3.8 From the Aggregate Available Cash received by it, the Monitor shall establish and fund the Primary Plan Reserves as contemplated in Article 6, Article 7 and Article 8.