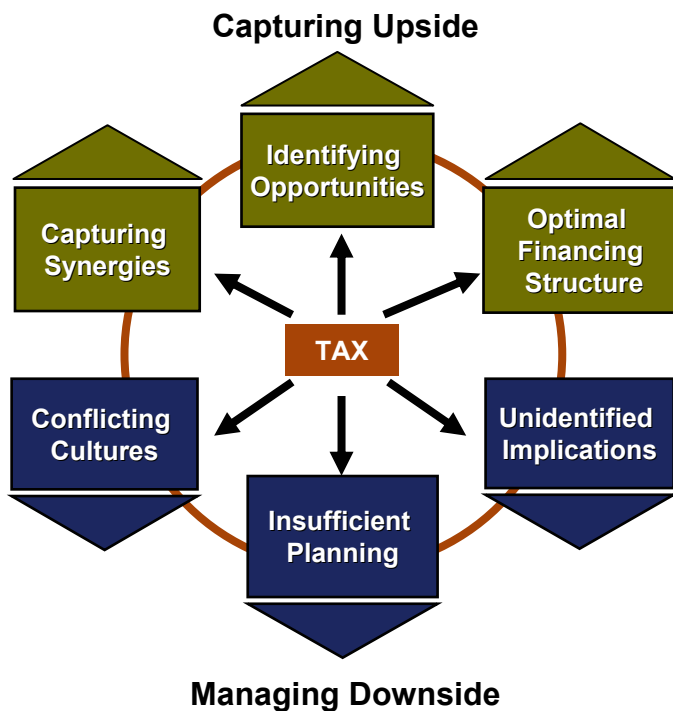




Tax issues have a major impact on the successful completion of transactions and post-deal integration. Early involvement and development of a tax efficient plan/structure will maximize the return on your deal.

At PricewaterhouseCoopers, we provide more than technical tax expertise. We work with our clients not only to identify and manage the tax risks involved in the transaction, but more importantly to identify and capitalize on opportunities.

An M&A transaction presents a unique opportunity to implement tax planning and create substantial synergies which are unlikely to have been taken into account when evaluating the merger. These opportunities are therefore all upside. Similarly, if not planned and implemented properly, a merger can create huge costs which were also not planned.



The PricewaterhouseCoopers Advantage

The PricewaterhouseCoopers approach to M&A tax services:

- emphasizes clear communication of tax and structuring issues;
- provides creative solutions for business problems;
- uses an international team of deal experienced M&A tax specialists;
- and is supported by a detailed methodology.

The Canadian Mergers and Acquisitions Tax Services group consists of twenty-seven dedicated full-time mergers and acquisitions tax professionals located in Montreal, Toronto, Calgary and Vancouver.

We are also a part of the PricewaterhouseCoopers global mergers and acquisitions tax team, the largest team of mergers and acquisitions tax specialists in the world. More important than size, is the common methodology which promotes efficiency and effectiveness.

Our merger and acquisition tax services include:

- tax due diligence;
- transaction structuring and financing;
- complex restructurings, including income trusts;
- transaction cost analysis; and
- post-acquisition reorganization, integration and compliance matters.

M&A tax services form one component of PricewaterhouseCoopers transaction support/deal advisory practice.

Tax Due Diligence Investigation

Prior to formal bids, letters of intent or commencement of due diligence, you should have developed a tax strategy that meets your deal objectives. This strategy should include an identification of alternative structures and a high level understanding of potential tax issues and opportunities.

Formal tax due diligence involves a detailed review and analysis of the target company's position. The areas of our analysis include Canadian and US tax compliance, contingences and aggressive filing positions, transfer pricing, identification of risk areas, commodity taxes and tax planning opportunities.

Our focus is on purchase price issues and purchase agreement considerations. We communicate issues in a concise, non-technical manner along with an estimated quantification of any exposures.

Transaction Structuring and Financing

Structuring to take advantage of opportunities or to facilitate the integration of operations can add value to a transaction and help achieve synergies. Structuring tends to be very deal specific given the objectives of the parties. The focus can be on a number of areas including creative financing structures, maximizing tax basis, purchase price allocation, deferral of vendor gains, managing future tax costs, partnership arrangements or exit strategies.

If your organization is contemplating a merger, acquisition, spin-off, reorganization or divestiture transaction, we will conduct a review to identify the most tax efficient structure that meets your needs.

We prepare a detailed structure memorandum setting out each stage of the project. This acts as an important communication tool to ensure that liaison with other advisors and communication of each stage of the process to the next is handled in a disciplined way.

Our group also specializes in complex corporate reorganizations including income trust conversions, butterfly reorganizations, post-acquisition basis "bumps", etc. Our link to the global PwC team provides a one-stop shop for international structuring solutions.

Post-acquisition Reorganization and Integration

In the period immediately following a merger or acquisition, it is imperative that management is able to rapidly and effectively implement its business strategies.

To streamline the process, we offer advice on the necessary reorganizations to integrate business operations. We can also assist you to identify and implement tax planning opportunities that would optimize the group tax position.

Our group will also handle all your post-acquisition compliance requirements including tax return and tax election preparation.

Transaction Cost Analysis

Many companies find that their deal costs are capitalized or not otherwise deductible, thereby increasing the cost of transactions. The goal of transaction cost analysis is to provide you with a CCRA ready analysis, allocating costs to deductible and non-deductible categories. Through detailed analysis, interviews with your service providers and our past experience, we are able to support the highest level of current deductions.

For more information on PricewaterhouseCoopers Canadian Mergers and Acquisitions Tax Services, contact:

Toronto

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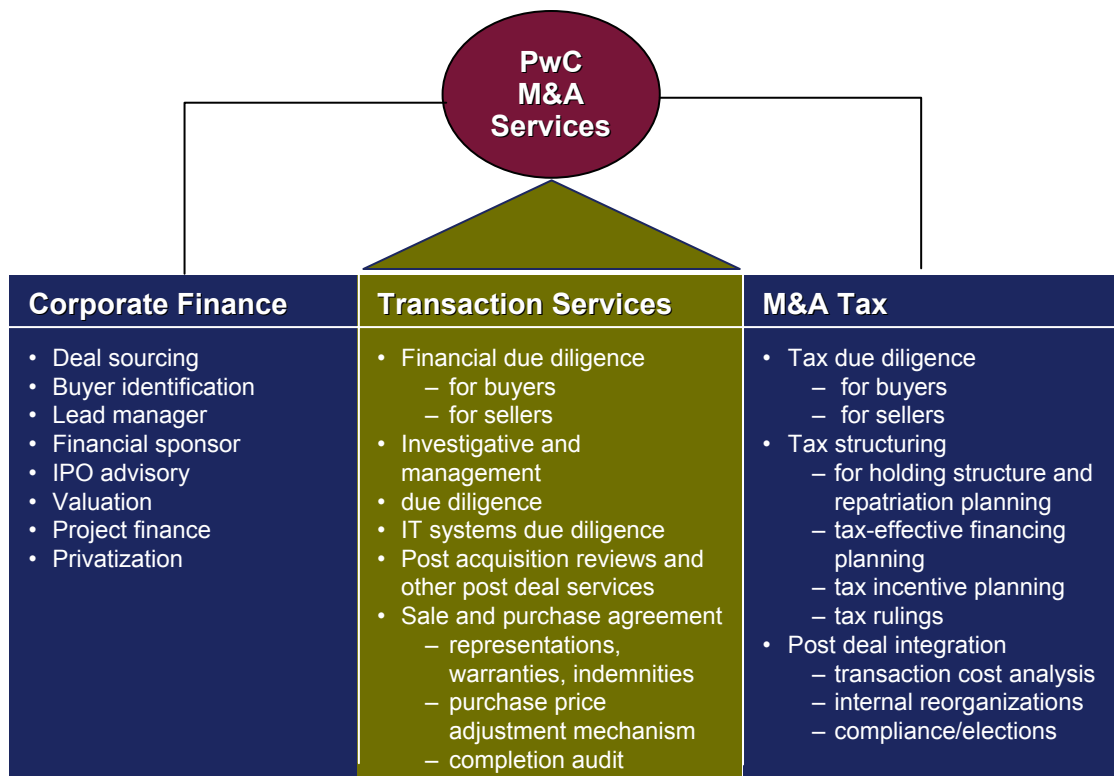
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Vancouver

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At PricewaterhouseCoopers our M&A Service Offerings are coordinated by three principle departments



Supported by:

- Relevant industry expertise
- Other specialist departments (e.g., Information Technology Human Resource Consulting, GAAP/ International Accounting Standards, audit, etc.)