

September 23, 2011

TO THE CREDITORS OF OLYMPUS UNITED FUNDS CORPORATION ("OUFC")

As you are aware, by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 29, 2005 and by subsequent orders, RSM Richter Inc. was appointed receiver of OUFC and certain other entities forming part of the Norshield Financial Group (the "**Receiver**"). The Receiver's reports to the Court forming part of the public record are posted on its website at www.rsmrichter.com/Restructuring/Norshield.aspx.

As part of its Court-ordered mandate to identify and realize upon the assets of OUFC, the Receiver previously advised the Court that it was assessing the possibility of instituting legal proceedings against certain third parties who had dealings with the Norshield Financial Group.

The Receiver wishes to advise that a settlement agreement has been reached with one of those third parties, namely KPMG LLP ("**KPMG**"), the former auditors of OUFC. The agreement provides for a payment of \$7,500,000, without any admission of fault, in exchange for a full release of KPMG and parties related thereto, and it is subject to a number of conditions, including the approval of the creditors of OUFC (including retail investors who invested in OUFC). The agreement also provides for the filing of a plan of arrangement (the "**Plan**") pursuant to the *Companies' Creditors Arrangement Act* ("**CCAA**"), which was determined to be the most appropriate and effective manner to seek the creditors' approval of the agreement and to provide KPMG with the necessary releases stipulated therein. If approved by the required majority of creditors and the Court in accordance with the provisions of the CCAA, this settlement would allow the Receiver to make a first distribution of funds shortly after the completion of the CCAA process.

Accordingly, the Receiver sought and obtained, on September 7, 2011, a Court order (the "Initial CCAA Order") granting protection to OUFC pursuant to the CCAA and appointing RSM Richter Inc. as Monitor for the purpose of the CCAA proceedings. Please be advised that the Initial CCAA Order suspends all proceedings against OUFC and KPMG. A copy of the Initial CCAA Order can be obtained upon direct request to the Monitor/Receiver or on its website at www.rsmrichter.com/Restructuring/Olympus.aspx.


At present, you are not required to take any action.

In due course, the Monitor will be forwarding to you details of the claims and voting process as well as a report describing the proposed Plan and terms of the settlement with KPMG referred to above. You will also be advised of the place and time of the meeting of creditors of OUFC which will be convened to consider and vote upon the Plan.

The CCAA proceedings will not otherwise affect the liquidation process of the remaining assets of OUFC and any other eventual distributions that could be made from the receivership process.

For any further information, please do not hesitate to contact the undersigned or visit the Monitor/Receiver's website (as referenced above). Additional information, as it becomes available, will also be posted on the website.

RSM Richter Inc.
Court-Appointed Monitor



Raymond Massi, CA, CIRP