

The following summary is intended to assist unitholders of the Westshore Terminals Income Fund (the “Fund”) in understanding the income tax treatment of the distributions made by the Fund in 2007. Unitholders are also encouraged to consult their own tax advisors for appropriate tax advice based on their particular circumstances.

Individual Canadian Resident Unitholders

Canadian resident unitholders will receive a “T3 supplementary slip” (the “T3 slip”) outlining the nature of the quarterly fund distributions received during 2007. The T3 slips are prepared by the unitholders’ brokerage firms and are normally available by March 31 of each year.

The following table summarizes the per-unit distributions for the 2007 calendar year:

Record date	Payment date	Other trust Income (taxable)	Return of capital (cost reduction)	Other capital distributions (non-taxable)	Total cash distributions
Mar 31/07	Apr 15/07	\$0.23904	\$0.02096	Nil	\$0.26000
Jun 30/07	Jul 15/07	\$0.25000	Nil	Nil	\$0.25000
Sep 30/07	Oct 15/07	\$0.29000	Nil	Nil	\$0.29000
Dec 31/07	Jan 15/08	\$0.36000	Nil	Nil	\$0.36000
Total		\$1.13904	\$0.02096	Nil	\$1.16000

“Other trust income” is fully taxable to unitholders and is reported on the T3 slip in Box 26.

“Return of capital” is non-taxable to unitholders and is reported on the T3 slip in Box 42. The return of capital will reduce the adjusted cost base of the fund units.

U.S. Unitholders

Distributions of income by the Fund in the 2007 calendar year are considered foreign-source dividend income under U.S. federal income tax laws, reportable on a Form 1099. Providing that applicable holder-level requirements are met, these distributions may be “qualified dividends”, eligible for taxation at reduced rates under U.S. federal income tax rules.

Distributions of income by the Fund to U.S. unitholders are generally subject to Canadian withholding tax of 15%. U.S. unitholders are advised to seek advice from their tax advisors for the tax treatment of distributions

Other Non-Resident Unitholders

Fund distributions of income to non-resident unitholders are generally subject to the general Canadian withholding tax of 25%. However, this withholding rate may be reduced if an income tax treaty or convention has been entered into between Canada and the foreign jurisdiction.