

**REPORT OF 2011 ORGANIZATION ACTIONS AFFECTING BASIS OF SECURITIES  
PURSUANT TO SECTION 6045B OF THE INTERNAL REVENUE CODE  
FOR U.S. TAXPAYERS**

**Conversion from a Trust to a Corporation**

The following is a summary of the organizational actions that occurred in the following order on January 1, 2011:

- (a) The units of Westshore Terminals Income Fund (“Fund Units”), a trust formed under the laws of the Province of British Columbia, were transferred by holders of the Fund Units (“Unitholders”) to Westshore Terminals Investment Corporation (“New Westshore”), a corporation incorporated under the British Columbia Business Corporations Act (“BCBCA”), in consideration for the issuance by New Westshore to Unitholders of one common share in the capital of New Westshore (“New Westshore Shares”) and one subordinated note of New Westshore in the principal amount of C\$5.00 (“New Westshore Notes”) for each Fund Unit transferred;
- (b) The Fund Units held by New Westshore were transferred to Westshore Terminals Holdings Ltd. (“Holdings”), a corporation incorporated under the BCBCA, in consideration for the issuance by Holdings to New Westshore of one common share in the capital of Holdings (“Holdings Shares”) and one subordinated note of Holdings in the principal amount of C\$5.00 (“Holdings Notes”) for each Fund Unit transferred;
- (c) The registered ownership of Holdings Notes were transferred by New Westshore to Computershare Trust Company of Canada (“Computershare”) and Computershare issued to New Westshore a number of note receipts that is equal to the number of issued and outstanding Holdings Notes (“Note Receipts”);
- (d) The New Westshore Notes held by Unitholders were transferred to New Westshore in consideration for the transfer of one Note Receipt for each New Westshore Note transferred, and the New Westshore Notes were cancelled; and
- (e) The Fund was wound up and all of Fund property including all units in the Westshore Terminals Limited Partnership and shares in the Westshore Terminals Ltd. were transferred to Holdings.

The acquisition of New Westshore Shares and Note Receipts (“New Units”) should be treated as an exchange under Internal Revenue Code (“IRC”) section 368(a)(1)(F) in which a U.S. Unitholder that exchanges its Fund Units for New Units generally under IRC section 356(a)(1)

will recognize gain in an amount equal to the lesser of (i) the value of the Note Receipts received (C\$5.00 as of January 1, 2011 that is equivalent to US\$4.97 based on the closing foreign exchange rate of C\$1.0054 per US\$1.00 as of December 31, 2010) and (ii) the amount by which the value of the Fund Units (C\$22.98 as of January 1, 2011 based on the closing price of Fund Units as of December 31, 2010 that is equivalent to US\$22.86 based on the closing foreign exchange rate of C\$1.0054 per US\$1.00 as of December 31, 2010) exceeds the U.S. Unitholder's adjusted tax basis in the Fund Units. Any such gain recognized by a U.S. Unitholder generally will be capital gain under IRC section 1221(a). Immediately after the exchange, the U.S. Unitholder's tax basis in the Note Receipts will be equal to the value of the Note Receipts (US\$4.97 as of January 1, 2011) under IRC section 358(a)(2), and the U.S. Unitholder's tax basis in the New Westshore Shares will be the same as its adjusted tax basis in the Fund Units surrendered, decreased by the value of the Note Receipts (US\$4.97 as of January 1, 2011) and increased by the amount of any gain recognized in the exchange under IRC section 358(a)(1).

The above information does not constitute tax advice. It does not purport to be complete or to describe the consequences that may apply to particular categories of Unitholders. Unitholders are urged to consult their own legal, financial or tax advisor with respect to their individual tax consequences relating to the exchange.

The above written statement is instead of a copy of Form 8937 and the above information was reported to the Internal Revenue Service.

*For further information, please contact:*

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