



PeoplesTM
Trust '08

AT WORK FOR YOU.



WELCOME

Peoples Trust Company is a smaller personable Canadian Financial Institution offering specialty services and products to meet the specific needs of our discerning customer base. We succeed in a marketplace dominated by very large institutions and continue to prosper because we provide an ingredient that appears to be in short supply – Quality!

Business today is conducted at an ever-growing pace by organizations who grow bigger and bigger by the moment. There is a strong tendency in this environment for levels of personal professional service to deteriorate. We at Peoples Trust have chosen to provide excellence in selected areas, rather than attempt to provide all things to all people. This decision has enabled us to maintain high standards of customer service throughout our organization. In addition, our focus on the personal approach has allowed us to assemble a team of talented professionals dedicated to providing you with unparalleled service.

If you need financial solutions, or are currently dissatisfied with the support of your existing institution, I invite you to browse our brochure and contact us. Why not give us the opportunity to prove that we are “Worthy of Your Trust”.





BRIAN KENNEDY

*Vice President and Regional Manager
British Columbia*

VANCOUVER

We are dedicated to providing the very best in personalized, professional service to all of our clients.



DENNIS AITKEN

*Vice President and Regional Manager
Prairie*

CALGARY

Quality, excellent, personable customer service...

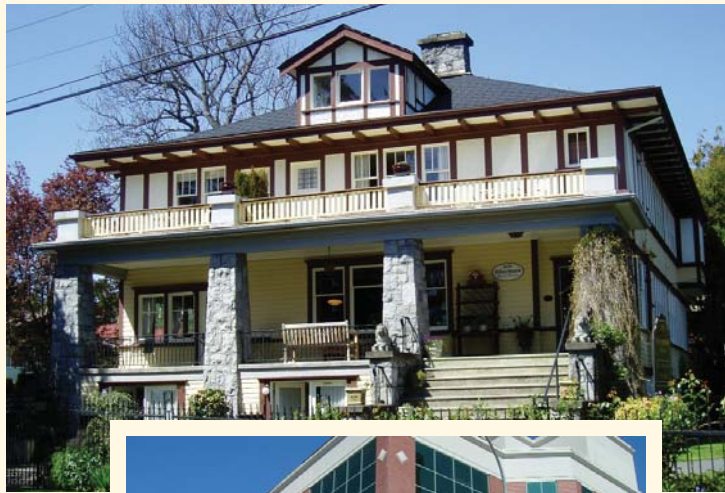


MICHAEL LOMBARD

*Vice President and Regional Manager
Ontario*

TORONTO

“Worthy of Your Trust.”



The background is a detailed architectural floor plan of a building. It shows various rooms and corridors with handwritten labels such as 'BED', 'KIT', 'GARAGE', 'FUEL', and 'RND'. Dimensions like '2'10"' and '12'0"' are also visible. The plan is drawn with black lines on a light-colored paper.

MISSION STATEMENT:

*“To profitably grow the assets administered by the Company,
enhance customer loyalty by delivering innovative
financial products with exceptional client service,
and create a rewarding work environment for employees.”*



JONATHAN WONG

*Manager Commercial Mortgages
British Columbia*



DOUG EVENESHEN

*Manager Commercial Mortgages
Prairie*



**COMMERCIAL
LENDING**

FOCUSED

UNCONVENTIONAL

PROGRESSIVE

MULTI-FAMILY

Peoples Trust has outstanding in-house expertise in all aspects of multi-family financing, whether it is construction, take out, or long term. In addition to the acquisition of mortgages for its own portfolio, Peoples Trust has strong relationships with other institutions and has been able to engineer some innovative methods of borrowing which can reduce the cost of financing for an owner or developer.

The Company has an excellent relationship with Canada Mortgage and Housing Corporation and is adept at providing financing using mortgage insurance as a mechanism to reduce the cost of borrowing.



www.peoplestrust.com

DYNAMIC

EXPERIENCED

COMPETITIVE

COMMERCIAL, BIG OR SMALL

Peoples Trust has developed strategic alliances with a large number of low cost commercial mortgage investors. These partnerships allow us to provide commercial financing on some of the best terms and conditions available in the market.

Talk to our commercial mortgage specialists...they have the experience and the market knowledge to ensure you get the best deal available for your needs.



www.peoplestrust.com

INNOVATIVE

TRUSTWORTHY

ATTENTIVE

SENIORS' HOUSING:

Nursing homes and congregate care

The change in demographics in Canada will place a considerable strain on the availability of quality housing both in the specialized care sector and in quality residential facilities for seniors. This demand has created a growth market in the development of new facilities in both private and non-profit sectors.

Peoples Trust has partnered with CMHC for over 20 years in the financing of all types of care facilities and is consequently well positioned to expand in this growth area. The Company has significant in-house expertise to arrange the appropriate construction or term financing for your facility.



www.peoplestrust.com



PEOPLE ARE TALKING ABOUT PEOPLES TRUST:

As a valued business partner, Peoples Trust has assisted us with numerous financing packages that are extremely competitive and priced aggressively.

We have found the service level excellent with extremely quick turn-around time for approvals. Often we have discussion papers within the same business day which assists us tremendously when dealing with sophisticated clients who demand top service.

Peoples Trust is a tremendous asset to our success. We recommend Peoples Trust always!

– MORRIS BRIGLIO, BRITISH COLUMBIA
MORTGAGE ADVANTAGE FINANCIAL SERVICES LTD.



TOM WOLLNER

*Manager Residential Mortgages
British Columbia*



JAMES PELL

*Manager Residential Mortgages
British Columbia*



PHILIP FIUZA

*Assistant Vice President Mortgages
Ontario*



RICHARD COLEMAN

*Manager Residential Mortgages
Ontario*



**SINGLE FAMILY
LENDING**

DETERMINED

WISE

RELIABLE

SINGLE FAMILY

Many borrowers do not fit the narrow requirements of most financial institutions. Our specialty programs focus on situations where the borrower requires a more personal and creative approach in satisfying their needs. Peoples provides a choice.

This, coupled with exceptional customer service, has earned the Company a solid reputation in this specialized niche. We are simply more flexible than the big institutions.

Call our residential underwriters and let them show you how we can provide value added alternatives.



www.peoplestrust.com



BARRIE BATTLEY

Senior Vice President



DENNIS DINEEN

*Vice President
Commercial Mortgage Banking*



JULIE BERKS

*Senior Manager
MBS and Mortgage Banking
Administration*



CINDY SHIELD

*Assistant Manager
MBS and Mortgage Banking
Administration*



**MORTGAGE
BANKING**

STRONG

MOTIVATED

CREATIVE

MORTGAGE BANKING, SERVICING AND M.B.S.

Peoples Trust has long been an active participant in the Institutional Investors segment of the financial industry. The Company is well known and highly regarded for its involvement in the origination and placement of CMHC Mortgage Backed Securities.

Peoples Trust also originates mortgage product and provides full servicing and reporting for the investor. We offer a variety of real estate mortgage investments to institutional and large private investors and have placed over three billion dollars in mortgage product with our clients.

Peoples Trust also provides administrative support to those investors who source their own product but do not wish to service it themselves.



www.peoplestrust.com



JEANETTE CURTIS
Senior Manager
Deposit Services



JANET CUBBAGE
Assistant Manager
Deposit Services

**DEPOSIT
SERVICES**



UNIQUE

RESPONSIBLE

DRIVEN

PEOPLES CHOICE™ SAVINGS ACCOUNT

Introducing a new way to SAVE at Peoples Trust...the high interest Peoples Choice Savings account offers you a safe, liquid and flexible way to manage your daily savings with an above-market rate. There is no minimum balance required, you can set up an automatic savings plan and there are no monthly fees!



www.peoplestrust.com

INTUITIVE

PRACTICAL

SUCCESSFUL

REGISTERED RETIREMENT SAVINGS PLANS

No set up or service fees are charged. Interest rates are fixed and guaranteed for the full term of your investment. Interest is compounded annually and paid on the maturity date. We issue annual statements as at December 31st and offer a 45 day rate guarantee for funds you transfer to us from your other financial institution.



www.peoplestrust.com

EXPERT

DISTINCTIVE

SOLID

GUARANTEED INVESTMENT CERTIFICATES

We offer very competitive interest rates which are fixed and guaranteed for the full term of your investment. Our GIC's are fully assignable and transferable. An automatic renewal option is available and interest payments can be directly deposited to the financial institution of your choice. With no fees or service charges we invite you to check it out!

In addition to our fixed term offerings we also give you the option of purchasing a cashable product. A more attractive alternative to Canada Savings Bonds, the **Peoples Savings Certificate** is cashable at anytime and offers a premium savings rate.

We have a product for you – call us.



www.peoplestrust.com



PEOPLE ARE TALKING ABOUT PEOPLES TRUST:

For more than 10 years I've been investing my money in Peoples Trust Investment Certificates. The rates and range of products are the best I've been able to find at any bank, credit union or trust company.

The people offer very good service, they are knowledgeable, helpful and able to answer any question I might have. It is a pleasure dealing with the same people time after time. I look forward to many more years with Peoples Trust, and recommend them to anyone who asks. Great rates, good people and a pocket diary every year. What more could an investor ask for?

– MALCOLM BLAKE, BRITISH COLUMBIA

2007 – BETTER THAN EVER!



FRANK RENO
*President and
Chief Executive Officer*

2007 was a pivotal year for our company with many new initiatives coming to fruition.

Firstly, the Canadian marketplace continued to be strong on the real estate front, enabling Peoples Trust to underwrite significant volumes of new mortgage product during the year. This activity generated a surge in our mortgage portfolio which grew 27% year over year. As a direct consequence our overall balance sheet growth was also 24% for 2007, ending the year at \$998 million. Total administered assets rose by 18% to close the year at \$3.5 billion, a milestone achievement. The Mortgage Banking Unit developed several new business relationships during 2007 which created much of the activity in the unit. The Company remains well matched in its asset and liabilities portfolios, and is therefore not exposed to significant risk if interest rates change. Net income after tax is the highest ever, and reflects the positive contributions from portfolio growth and new business lines.

The Company expanded its existing banking affiliations by becoming members of both the Canadian Payments Association and Interac®. These memberships have allowed us to launch new banking products, particularly the high interest chequing and savings account, and enabled

the Company to provide more functionality to the MasterCard® business lines. Also 2007 saw major breakthroughs in our MasterCard products. Firstly, the Secured Card program reached critical mass very early in the year and was a positive contributor to income every month. As the issuer on several reloadable prepaid MasterCard programs, we saw the volumes grow significantly over the year with a number of new opportunities going into production. More importantly, the Company saw the launch of a national MasterCard Gift Card product just in time for Christmas, which puts Peoples Trust as the leader in universal gift cards in Canada. This is a remarkable achievement for such a small organization and with more programs, both reloadable and gift cards in the works, we expect 2008 to be an exciting year.

In summary, 2007 turned out to be an exceptional year with asset growth, product development and profitability all demonstrating solid gains. Looking forward, we expect 2008 to be more challenging due to the continuing impact of the economic slow down in the United States, coupled with the sub-prime and asset backed liquidity situations. On a positive note, however, we may be able to capitalise on the situation as these issues have already caused a number of our competitors to suspend operations or withdraw from the market altogether.

We are looking forward to 2008 which will be an interesting year, especially if the Canadian market remains in its current state of uncertainty.



A MILESTONE YEAR!!

HIGHLIGHTS

- Highest net income after tax in our history.
- Balance Sheet Assets grew significantly over the course of the year to \$998 million at December 31st. This is a 24% increase and represents an exciting achievement for the Company.
- Total administered assets also grew strongly, up 18% at the end of the year to almost \$3.5 billion! The Mortgage Banking Unit performed very well in 2007 as it expanded operations and improved generation of mortgage product by developing new strategic alliances.
- Toward the end of 2007 a new deposit product was introduced, the high interest Peoples Choice™ savings / chequing account which has been well received by our clients.
- 2007 was also a pivotal year in the MasterCard® Gift Card programs as we issued the 1st Canada wide MasterCard Gift Card through a variety of national retailers.



DEREK PEDDLESDEN, CA
*Executive Vice President and
Chief Operating Officer*

- The Secured MasterCard product line is now well established and is a positive contributor to the bottom line results.
- Became a member of both the Canadian Payments Association and Interac® to further support our banking and MasterCard product lines.
- Restructured branch offices to maintain corporate consistency and improve controls and efficiency.
- New distribution channels for the reloadable Prepaid MasterCard were developed leading to the expansion and improved market acceptance of prepaid cards.



JOHN NATION
Assistant Vice President
Mortgage Administration



JULIA HALLETT
Manager Mortgage Administration
British Columbia



TANYA PERRIN
Manager Mortgage Administration
Prairie



**CLIENT
SERVICES**

SPECIALISTS

HELPFUL

DEPENDABLE

CLIENT SERVICES

Peoples Trust places a very high emphasis on customer relations and customer service. Our team of administrators use their extensive experience and expertise to ensure that commitments made by our company are translated into action. This professional attitude is reflected in their ability to consistently deliver on time and with maximum efficiency! We pride ourselves that we have the people, the experience and the “can do” attitude that makes our clients value our commitment and ability to deliver time and time again. We will make it work!



www.peoplestrust.com



ROBERT PAIN

*Vice President
Card Services*



GERRY SERRATORE

*Vice President
Marketing*



LENORE O'ROURKE

*Manager
Administration Secured Card Programs*



MICHAEL CHITTENDEN

*Manager
Administration Prepaid Card Programs*



**MASTERCARD®
PROGRAMS**

FLEXIBLE

DIFFERENT

SUPPORTIVE

MASTERCARD® PROGRAMS

Secured Credit Card: This program allows most Canadian residents to have a credit card. Specifically, it is geared to those who do not qualify for unsecured credit cards due to financial difficulties or lack of a credit history. With our card, these individuals enjoy the benefits and flexibility of a MasterCard credit card which also builds a positive credit profile.

Gift Cards: Peoples Trust is the largest issuer of MasterCard Gift Cards in Canada. These cards are sold through major national chains and allow the purchaser to use their gift card anywhere in the world that MasterCard is accepted. These are excellent for gift giving as they do not limit the recipient to a particular vendor or brand name.

Prepaid / Payment Cards: These MasterCard cards allow organizations to make distributions to employees and customers without the inconvenience of producing cheques or using cash. They are an excellent medium for payroll and employee incentives /commission payments, rebate or warranty distributions and many other tender replacement applications.



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KATHLEEN KLASSEN
CGA, CFA, MBA
*Treasurer and
Vice President Finance*



RICK KREKLEWETZ, CMA
*Assistant Vice President and
Controller*

BALANCE SHEET*

as at December 31 st	2007	2006
ASSETS		
Cash & securities	176,819	142,577
Mortgage & other loans	753,969	595,375
Other assets	67,563	66,462
TOTAL ASSETS	998,351	804,414
LIABILITIES		
Deposits	909,162	724,548
Accounts payable & other liabilities	10,244	9,064
Deferred income	4,884	4,320
TOTAL	924,290	737,932
SHAREHOLDERS' EQUITY		
Share capital	14,004	14,004
Retained earnings**	60,057	52,478
TOTAL	74,061	66,482
TOTAL LIABILITIES & EQUITY	998,351	804,414
TOTAL ADMINISTERED ASSETS	3,467,489	2,936,995

thousands of dollars

**includes other comprehensive income/loss



WILLIAM TANG, CA
Manager Internal Audit

STATEMENT OF EARNINGS^{*}

for the year ending December 31 st	2007	2006
INCOME		
Interest	55,687	46,034
Fees & other income	13,334	11,892
TOTAL INCOME	69,021	57,926
EXPENSES		
Interest	37,041	30,060
General & administrative expenses	19,136	17,509
Provision for loan losses	1,175	95
TOTAL EXPENSES	57,352	47,664
EARNINGS BEFORE INCOME TAXES	11,669	10,262
INCOME TAXES	4,084	3,592
NET INCOME AFTER TAX	7,585	6,670

thousands of dollars

AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants

*Prepared from audited financial statements which are available upon request at the Company's head office.



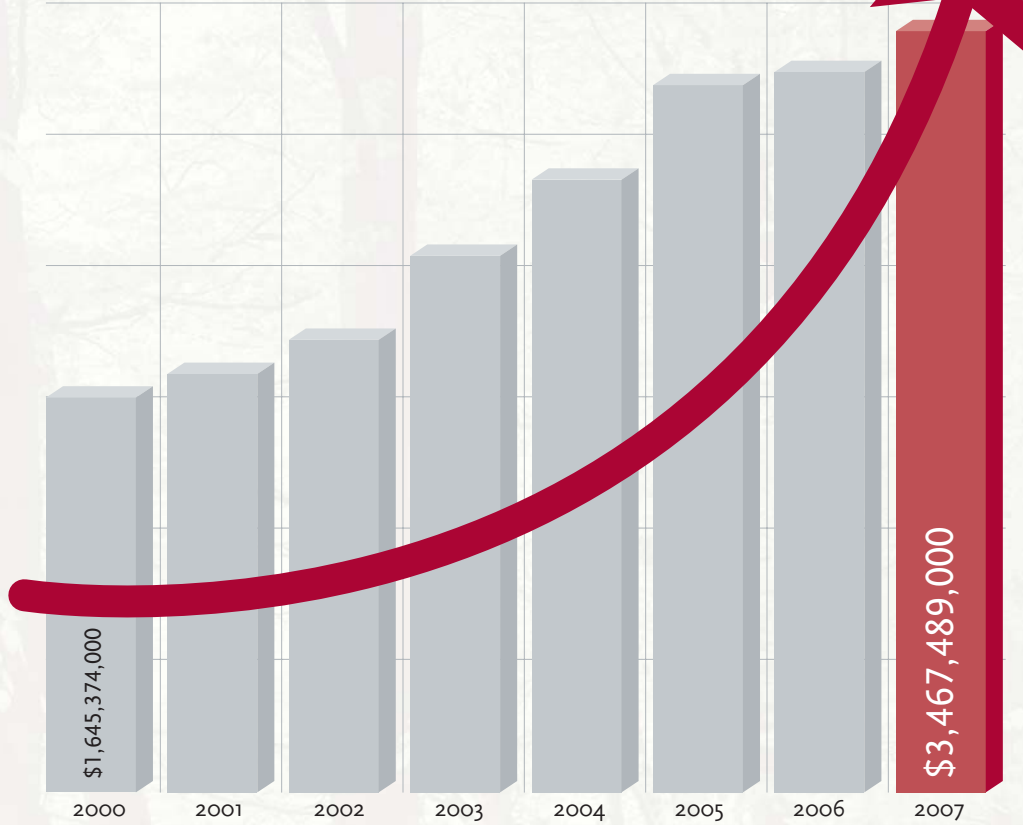


NEIL ALLEN, B.SC.
*Vice President
Information Technology*

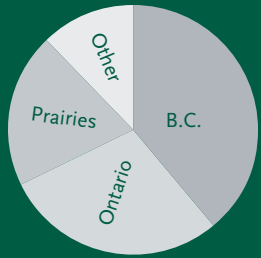
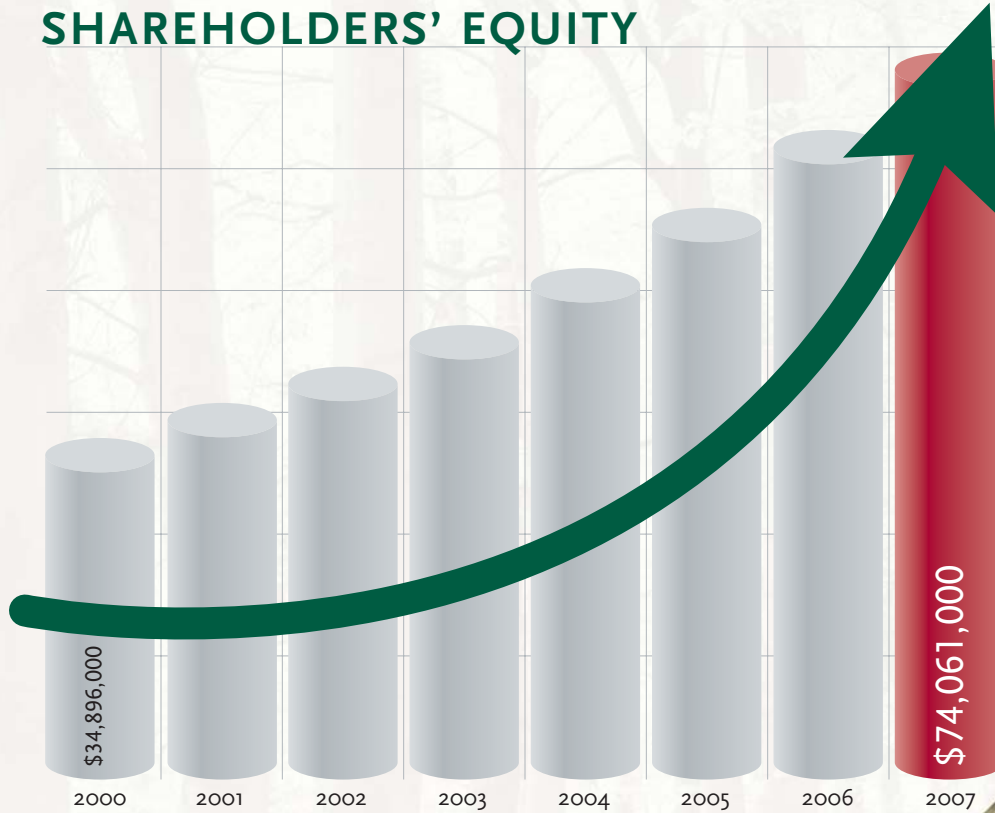


MARTIN MALLICH
*Manager
Default Management*

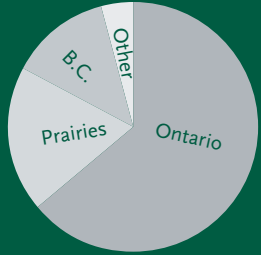
ASSETS UNDER ADMINISTRATION



SHAREHOLDERS' EQUITY



Administered Mortgages by Location



Administered Deposits by Location



Administered Mortgages by Security

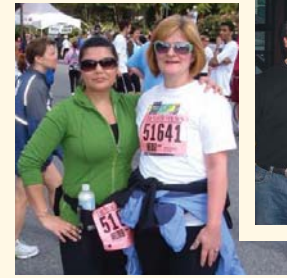




PEOPLE ARE TALKING ABOUT PEOPLES TRUST:

Our firm is a large niche player in the financing of seniors' facilities across Canada. Since our inception we have employed Peoples Trust as a servicing agent for our sometimes rather complex financing arrangements. We have certainly found Peoples to be a highly competent servicing agent.

– ROD DOUGHERTY, ONTARIO
CARLISLE CAPITAL STRUCTURES



PEOPLES' SPIRIT



Greater Vancouver Food Bank Society
food bank

Certificate of Appreciation
is awarded to

PEOPLES TRUST COMPANY

For your support in the fight against
hunger
Sharing the "We" Company Food Bank Drive



THE PEOPLE OF PEOPLES TRUST ARE TALKING:

"Management continually puts forth special effort to make every employee feel like a valued member of the team, a member whose ideas and opinions are always taken into consideration and received with appreciation. This makes for a great atmosphere that constantly encourages growth and learning."





JO-ANNE MOREFIELD

*Manager
Human Resources*

PEOPLES' SPIRIT

Peoples Trust, a Success Story! A success story because we know it's our people that make us succeed. We are an organization of like minded individuals who demonstrate the same drive and commitment to the Company as we do to our families and communities across Canada. In return, the Company encourages all staff to have a healthy balance between work and home life, recognizing that satisfied employees contribute significantly to its ongoing growth and success. Like a family we grow and learn together, making us a stronger team and a leader in the industry. At Peoples Trust we strive to provide a dynamic and rewarding work environment; we believe in team work and team play and that everyone should have a little fun in their day.

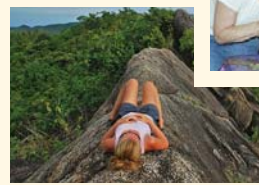


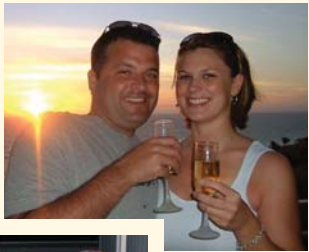
www.peoplestrust.com



THE PEOPLE OF PEOPLES TRUST ARE TALKING:

"We have formed a little family here. I have the privilege of working with individuals who are caring and helpful. It is inspiring to work amongst those who value relationships not only with clients, but with colleagues too."





THE PEOPLE OF PEOPLES TRUST ARE TALKING:

"It's the people at Peoples Trust that make the difference. They are a highly motivated and committed group. It is refreshing to see senior management working at all levels of the organization. The Company is progressive and forward thinking with new and innovative products. It is a pleasure to be part of such a great organization!"

SENIOR MANAGEMENT

FRANK RENO

President and Chief Executive Officer

DEREK PEDDLESDEN

Executive Vice President and Chief Operating Officer

BARRIE BATTLE

Senior Vice President

KATHLEEN KLASSEN

Treasurer and Vice President Finance

DENNIS DINEEN

Vice President, Commercial Mortgage Banking

BRIAN KENNEDY

Vice President and Regional Manager, British Columbia

MICHAEL LOMBARD

Vice President and Regional Manager, Ontario

DENNIS AITKEN

Vice President and Regional Manager, Prairie

NEIL ALLEN

Vice President, Information Technology



BOARD OF DIRECTORS

ESKANDAR GHERMEZIAN

Chairman, Peoples Trust Company

FRANK RENO²

President and CEO, Peoples Trust Company

HOWARD ANSON^{1,4}

Chartered Accountant

MICHAEL TERRELL

Corporate Secretary, Peoples Trust Company

MICHAEL ANDREWS

Businessman

DAVID GHERMEZIAN²

Businessman

ANDREW BURY^{1,2,3,4}

Lawyer

KEITH THOMPSON^{1,2,3,4}

Lawyer

DEREK WOODS

Businessman

JONATHAN LEVIN

Lawyer

PETER HINDMARCH-WATSON^{2,3}

Businessman

¹ Audit Committee ² Investment Committee

³ Corporate Governance Committee ⁴ Conduct Review Committee

MEMBERSHIPS & AFFILIATIONS

CMHC approved Lender and
Mortgage Backed Securities Issuer

Member of Canada Deposit Insurance
Corporation

Member of Canadian Payments Association

Member of Interac®

Principal Issuing Member of MasterCard®

Principal Issuing Member of Cirrus®

Member of Federation of Canadian
Independent Deposit Brokers

Various Provincial Care Home Associations

Various Provincial Mortgage Broker
Associations

Various Provincial Apartment Owner
Associations

Contact us:

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14th Floor, 888 Dunsmuir Street
Vancouver, BC V6C 3K4
Telephone (604) 683-2881
Facsimile (604) 331-3469
Email people@peoplestrust.com

VANCOUVER DEPOSIT SERVICES

Suite 750, 888 Dunsmuir Street
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Email deposits@peoplestrust.com

REGIONAL OFFICES

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