

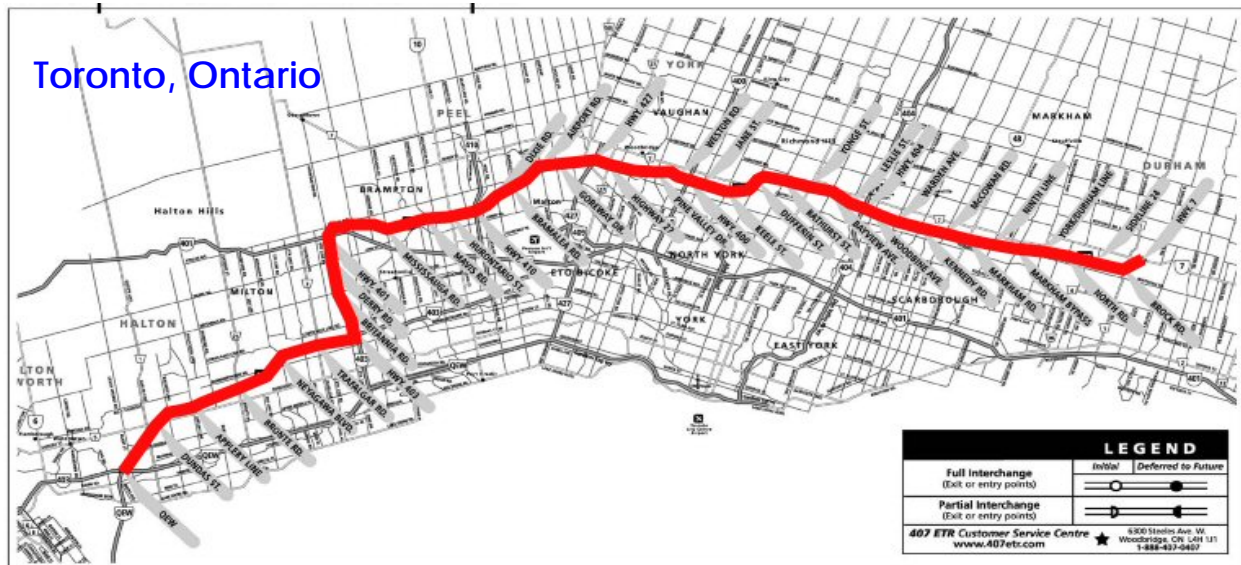
Dear 407 ETR, "The World's Smartest Highway™",

Living in a large city has many advantages to living in a more rural setting (i.e. Hurlock, MD): culture, diversity, shopping, nightlife—anything you could possibly want is only a short cab, streetcar or train ride away. However, there are plenty of drawbacks to city life: crime, pollution, sprawl, and most importantly traffic.

According to [Encarta](#), the Greater Toronto Area (GTA) comprises some 5,868km² north of Lake Ontario. For those of you who have no reason to be familiar with the metric system, that's 2,266mi²... and oh, how I envy you. By the way, that means that T.O. is larger than 31 of the World's [smallest countries](#). Interestingly enough, for such a large city—2.5 million people downtown, 5.2 million people throughout the greater metropolitan area—the traffic in here is better by far than it is around Northern Virginia and inside the Beltway.

Any place this big, with this many people, is bound to have some serious traffic issues. This is especially the case here because Torontonians are a people who love to drive; from the [2001 Transportation Tomorrow Survey](#), 75% of the 943,300 households in Toronto proper have at least one passenger vehicle. Combine this with the fact that "...nearly 95% of employment is outside downtown," and you have what's known as: gridlock. To help alleviate this problem, city planners (and construction crews, of course) built a high-speed, closed access toll road that runs east-to-west, which debuted in late 1997.

Behold, the 407 ETR:

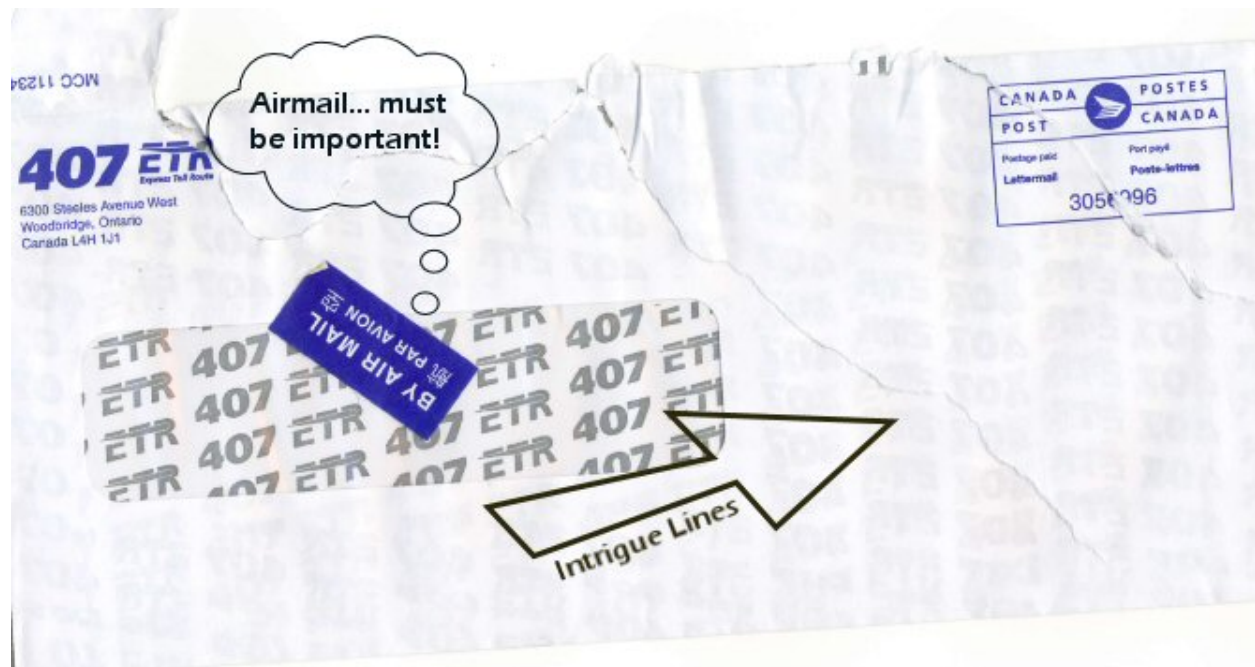


407 ETR
Express Toll Route

The 407 works like any other toll road, insomuch as you are charged only for the portion on which you travel. What makes the 407 different from most toll roads is that there are no toll booths to speak of; it works entirely by the use of transponders (think: EZ-Pass thing behind your rearview mirror). Should you lack one of those, it takes a picture of your car and license plate, and conveniently mails the bill to the address where the car is registered... for an additional fee of \$3.45.

This works out very well for most people. I, however, am not most people. My car is registered in Maryland and I've never bothered with getting a transponder; accordingly, my invoices were being sent to my Maryland address. Since I do not make it to Maryland that frequently, I would come home to find several of these bills awaiting my arrival. After I was aware of what was happening, I called the 407ETR accounting department to explain the situation, and to have my mailing address changed. And because they are morons, I have had to do this three times.

Mind you, I haven't used this road since the last time I paid the balance, in full, and called (third time) to have my address changed, which was several months prior to this. Needless to say, I was intrigued when I received the below:



My intrigue can be further noted by the fact that I almost ripped the envelope in half in my haste to see what was significant enough to have been *airmailed*—and for the first time to the right address—even though it looked suspiciously like a bill. The following is what made my afternoon:

Total Amount Due

Please pay promptly as all amounts are due. To save time and money, pre-authorize your account today by visiting www.407etr.com or calling 1-888-407-0407.

\$0.02

Account Summary

Previous activity

Amount of previous balance	\$14.54
Less Payment received - thank you	14.52 Credit
Previous balance due	\$0.02

New activity

Toll Charges	\$0.00
Video Toll Charge	0.00
GST # 888411055	0.00
PST	0.00

Total Amount Due \$0.02

Messages

407 ETR now offers ebilling. Sign up today to save time and have a chance to win one of 50 ThinkPad notebooks or a ThinkPad plus a thousand dollar credit. See www.407etr.com for details.

Your account is overdue and interest charges are accumulating. If payment is not received before your next bill date, your account may be forwarded to a collection agency and charged a \$12.50 Collection Fee. To immediately pay this bill, please see the variety of payment options available to you on the back of this bill. If you have recently made a payment...thank you, this will be reflected on your next bill.



**Ralph Wiggum says:
When I grow up,
I'm going to Bovine
University!**

Tear off here

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Page 1 of 2

CSI 0405

21 Jun 05



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708105

BRYAN L WILLEY

59 (L)

**New plate? New Address?
New car?**

Remember, we don't receive automatic updates from the Ministry of Transportation, so keeping us up-to-date will help ensure you receive your 407 ETR bill promptly and avoid interest or collection activity.

Visit www.407etr.com or call us to update your account information within six(6) days of the change.

I have taken the liberty of pointing out the three things that jumped off the page at me--after I stopped laughing hysterically, that is:

- 1) After the initial shock that I was actually holding an invoice, I noticed the amount due: two cents. Two. Canadian. Cents.
- 2) I've underlined the next part, but in case the print is too small, it reads:
Your account is overdue and interest charges are accumulating. If a payment is not received before your next bill date, your account may be forwarded to a **collection agency** and charged a \$12.50 collection fee.
- 3) I've also taken the liberty of adding a picture of Ralph Wiggum—partly because he makes me laugh, but mostly because I'm pretty sure Bovine U is the alma mater of the asshole who thought it prudent to send me this.

Well, 407 ETR, since you asked for my 2¢, I'm more than willing to give them to you...

I would like to start off by thanking you for the laugh; it'd been a long day, and I needed it. But seriously, you sent me a bill for two cents. I called Canada Post (Canadian Postal Service) to inquire what it cost 407 ETR to mail me this invoice. After I explained why I was inquiring, and after the gentleman stopped laughing uncontrollably, he told me that it probably cost you close to a dollar—even with your bulk rate—to send this via airmail. Let us not forget the nice envelope with window (the postman said they were more expensive than regular envelopes), the premium paper for the invoice, and the fact that both are printed with color. The way I see it, it probably cost something like \$1.50 to send me that bill for 2¢, which, let's face it, I'm not going to pay. So now you're out \$1.52.

But I'm not quite done. Because I have what some might refer to as "free time," and since yours is a public company, I decided to review your financial results for the past five years. It appears as if your company, 407 International, Inc, purchased this highway from the Canadian Government for \$3.2Bn, in 1999, with structured debt and two IPOs. Then president and CEO, Lopez de Fuentes said, "[the] 407 is a good value for [the] money." Apparently it's a great value Lopez... notice how the president and CEO's name is now Enrique Diaz-Rato? Uh huh. Great value.

So maybe I wasn't the best in accounting either—and I was even worse in finance—but perhaps this has something do with why you were canned: under your tenure, 407 International Inc, averaged a yearly loss of \$89.5Mn. Granted, Enrique hasn't done much better: losing \$86.7Mn his first year, and is already down \$13.1Mn for Q105. Glad I'm not one of your stockholders...

Forgive me, for I seem to have gone off on a tangent; but if you're reading this, chances are you know me, and you know that's always a possibility.

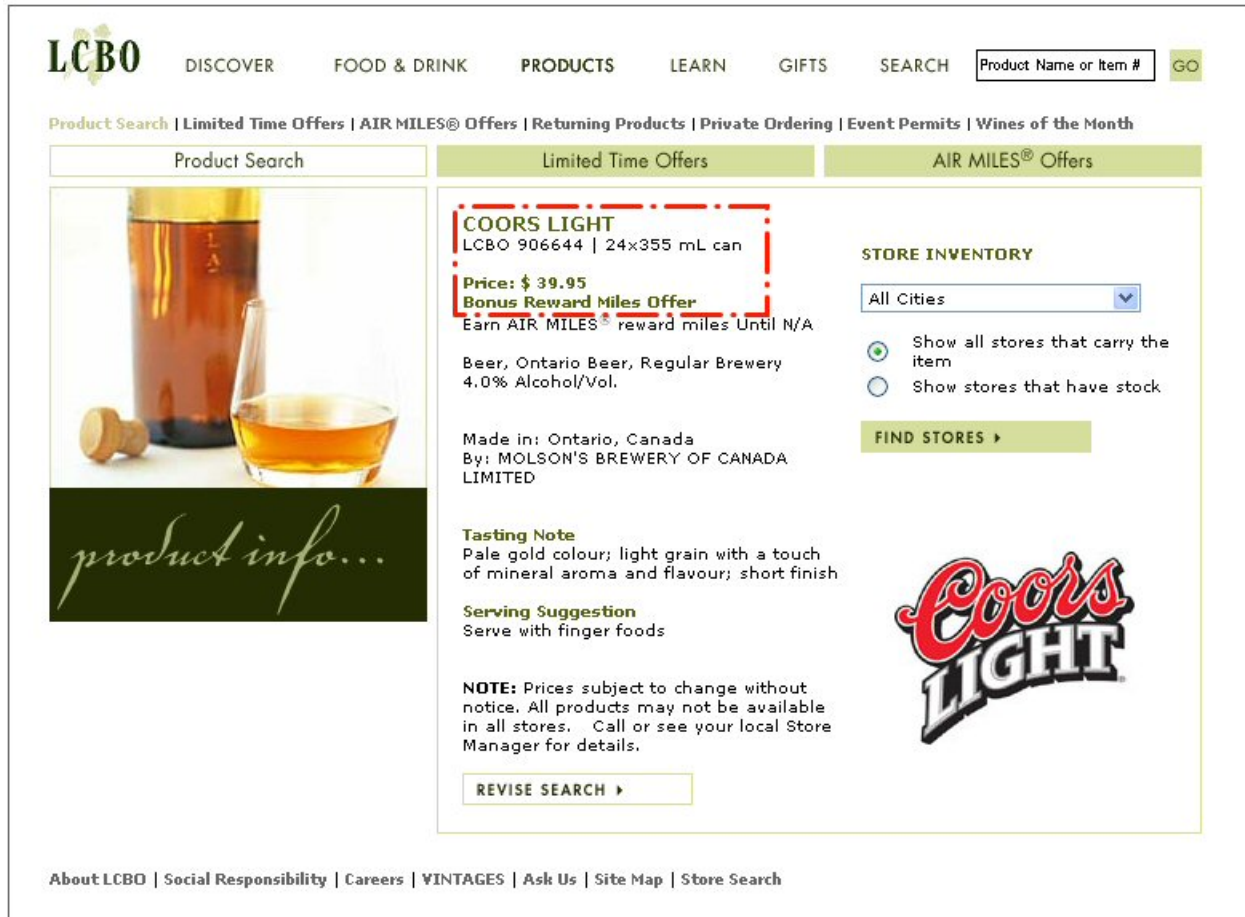
At any rate, the real problem I have with the 407 is this: 407 International Inc, as a company, has spent well over \$4Bn on this money pit, and I don't know of many companies that can repay that kind of debt by operating at a loss of almost \$100Mn a year, and smart investors aren't going to line up to lose money. Buy high, sell low doesn't work in the long run (That is, unless the 407ETR is laundering an unparalleled amount of money.) So, when insolvency rears its ugly little head, the government is going to have to repossess it. At a phenomenal loss.

Question: How do governments raise money?

Answer: Taxes. And it would seem that Canada is particularly good at that.

Maybe this is of no interest to the 407ETR, but Canadians earning more than \$70,000 per year pay over 54% in income tax, not to mention the 15% tax they pay for all goods and services. If the government has to eat \$3Bn to \$4Bn in debt, guess how they are going to offset that loss?


Let me show you something, eh:



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COORS LIGHT
LCBO 906644 | 24x355 mL can

Price: \$ 39.95
Bonus Reward Miles Offer
Earn AIR MILES® reward miles Until N/A

Beer, Ontario Beer, Regular Brewery
4.0% Alcohol/Vol.


Made in: Ontario, Canada
By: MOLSON'S BREWERY OF CANADA LIMITED

Tasting Note
Pale gold colour; light grain with a touch of mineral aroma and flavour; short finish

Serving Suggestion
Serve with finger foods

NOTE: Prices subject to change without notice. All products may not be available in all stores. Call or see your local Store Manager for details.

STORE INVENTORY
All Cities
 Show all stores that carry the item
 Show stores that have stock



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Again, in case the print is too small to read, the area in the red square informs us that 24 x 12oz cans of Coors Light are \$39.95. That's neither typo nor glitch in the system—a case of Coors Light cans is \$40. The last time I was in Maryland, a 30-pack of Coors Light cans cost \$15. Considering Maryland is in the US, and is therefore not a socialized state, this has no bearing, but I offer it to simply point out this: the taxes here are ridiculous. So I ask you: does 407 International, Inc., want to be known as the company that helped *raise* the tax rates, and consequently made us pay more for booze? Do you really want that resting on your narrow shoulders, Enrique?

In conclusion, I started this letter by talking about driving and that is precisely how I shall finish it. You see, I hold grudges, and I *really* didn't appreciate that thinly veiled threat about sending me to a collection agency. So while you're busy driving your company into the ground, I'll be busy sitting in traffic on the MacDonald Cartier Freeway (i.e. your competition) because I sure as hell won't be driving on the 407ETR.

With warmest regards,

Bryan Willey