

NOVA SCOTIA SECURITIES COMMISSION
CONTINGENCY TRUST FUND AGREEMENT

BETWEEN:

NOVA SCOTIA SECURITIES COMMISSION

- and -

CENTRAL GUARANTY TRUST COMPANY

NOVA SCOTIA SECURITIES COMMISSION
CONTINGENCY TRUST FUND AGREEMENT

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THIS INDENTURE OF TRUST made this 29th day of June, 1990.

BETWEEN: NOVA SCOTIA SECURITIES COMMISSION

- and -

CENTRAL GUARANTY TRUST COMPANY

WHEREAS:

The Securities Regulations require that certain Registrants participate in a compensation fund or contingency trust fund approved by the Commission;

The Commission has agreed with the Trustee on the terms of the contingency trust fund herein established and has approved thereof for the purpose of the Securities Regulations;

The Trustee is authorized under the laws of the Province of Nova Scotia to enter into this Agreement and to carry out its obligations hereunder.

NOW THEREFORE this Indenture witnesseth and the Trustee covenants and declares as follows:

ARTICLE ONE
Interpretation

1.01 Definitions - Unless there is something in the subject matter or context inconsistent therewith, the following words and terms, and where hereinafter in this section capitalized then only the capitalized versions thereof, shall have the following meanings ascribed to them in this Indenture:

"Account" means the account maintained by the Trustee with respect to each Participant in accordance with section 6.01;

"Act" means the Securities Act, RSNS 1989, chapter 418, as amended from time to time and any statute enacted in its place;

"Annual Allottable Amount" in respect of a financial year means the amount by which the Net Income of a financial year exceeds the aggregate of

(a) such portion of the Net Income as the Trustee may be required to allocate to Third Party Contributors in respect of the financial year under the terms of the agreements entered into with Third Party Contributors,

(b) such portion of the Net Income as the Trustee in its discretion determines to be attributable to Third Party Contributions and Borrowed Funds with regard being had to allocations referred to in clause (a) of this definition and interest payable on Borrowed Funds, and

(c) such other amounts as the Trustee in its discretion considers reasonable in the circumstances;

"Annual Deficit" of a financial year means the amount by which the Current Expenses of the financial year exceeds the Gross Income of the financial year;

"Approved Investments" mean bonds, debentures and other evidences of indebtedness of or guaranteed by the Government of Canada or the Province of Nova Scotia;

"Article" means an article of this Indenture;

"assessment" means an assessment made by the Trustee in accordance with this Indenture;

"Assessment Amounts" mean amounts paid to the Trustee pursuant to an assessment;

"Assessment Period" in respect of a Participant at a particular time is a period of Three Hundred Sixty Five consecutive days which ends at that particular time;

"Borrowed Funds" means the amount of the liability of the Trust Fund for moneys borrowed pursuant to section 8.04(h);

"Certificate of Discharge" has the meaning ascribed thereto in section 7.06;

"client", where used to indicate a relationship with a Participant, means any person or company who buys or sells securities from, to or through such Participant or who delivers securities to or leaves securities with such Participant in anticipation of buying or as a result of selling securities from, to or through such a Participant;

"Contribution Agreement" means an agreement between a person or company and the Trustee in the form of the draft agreement attached hereto as Schedule "A" with such

variations and amendments thereto as the Commission may approve or direct from time to time;

"Current Expenses" of a financial year mean the aggregate of the following in respect of the financial year:

(a) all direct fees and expenses properly incurred by the Trustee in the performance of its duties and responsibilities hereunder including, without limitation, costs and expenses for legal, accounting and auditing services which were retained by the Trustee except to the extent that

(i) the Trustee received reimbursement,

(ii) the Account of a Participant was in credit balance at the time the Trustee debited the Account of the Participant pursuant to section 4.12 but not exceeding the amount of the debit computed without duplication, or

(iii) such fees and expenses are incurred by the Trustee in unsuccessfully defending a claim, action or proceeding against the Trustee for the failure to exercise the care, diligence and skill of a reasonably prudent trustee;

(b) the remuneration of the Trustee determined in accordance with section 9.04,

(c) interest on any Borrowed Funds,

(d) loss on investments,

(e) the remuneration and expenses paid in the financial year by the Trustee of any receiver or receiver and manager, trustee or liquidator of all or part of the property of a Participant who is appointed on application pursuant to the Act, and

(f) all taxes which the Trustee pays or is obligated to pay in respect of the income of the Trust;

"Defaulting Participant" means a Participant who is in default or breach of any of its obligations hereunder;

"financial year" means the financial year of the Trust from time to time selected in accordance with section 5.09;

"Gross Assessable Amount" means, at any particular time, the aggregate of all amounts which could be assessed against all Participants pursuant to sections 4.05, 4.06 and 4.10 at that time;

"Gross Income" of a financial year means the aggregate of all interest and other income earned on or from the Trust Fund in the financial year, all interest received by the Trustee on overdue assessments in the financial year and all amounts which were received in the financial year as reimbursement of Current Expenses of a previous financial year;

"Indenture", "this Indenture", "herein", "hereunder", "hereof" and similar expressions mean this Indenture entered between the parties hereto and includes the Schedules as the same may be amended from time to time;

"Initial Contribution" means the payment made by a Participant at the time it enters into a Contribution Agreement or for the account of a Participant pursuant to a direction contained in a Contribution Agreement;

"Initial Defaulter" has the meaning ascribed thereto in section 4.04;

"Net Income" of a financial year means the amount by which the Gross Income of the financial year exceeds the Current Expenses of the financial year;

"Participant" means each person or company who has entered into a Contribution Agreement with the Trustee and to whom a Certificate of Discharge has not been given or to whom a payment has not been made pursuant to section 7.07 or who has not been terminated as a Participant pursuant to section 7.08;

"Participants' Consent" or "Participants' Request" means an instrument of consent or request signed in one or more counterparts by not less than seventy-five percent of all Participants, exclusive of Defaulting Participants and Participants one or more clients of which have made a request for payment of a claim where the Trustee proposes to make a payment or is of the opinion that it may make a payment in respect of such claim;

"Participant's Contribution Limit" means the sum of \$10,000. or such greater amount as may be specified by the Commission from time to time on six months prior written notice given to all Participants;

"Participants' Net Credit Balances" mean, as of a particular time, the amount, if any, by which the aggregate of the credit balances of the Accounts of all Participants whose Accounts have credit balances as of that time exceed the aggregate of the debit balances of the Accounts of all Participants whose Accounts have debit balances as of that time;

"Plan" means the arrangement established pursuant to this Indenture to which a Participant is bound by virtue of having entered into a Contribution Agreement with the Trustee;

"prime lending rate" means the annual rate of interest announced from time to time by The Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada and a certificate of an officer of that bank as to such rate which is in effect at a particular time shall be final and conclusive;

"property" includes choses in action;

"proposed payment" has the meaning ascribed thereto in section 4.04;

"Qualifying Claim" means a claim which satisfies the requirements of section 3.03;

"Qualifying Client" means a person or company who satisfies the requirements of section 3.02;

"Registrant" means a registrant and any person or company designated in an order of the Commission to be deemed to be a registrant for the purposes of this Indenture on the application of the person or company;

"Registrar" means the Registrar of Securities under the Act or the person, by whatever title known, who is the chief administrative officer of the Commission;

"Required Credit" means the sum of \$25,000. or such other amount as the Commission may specify from time to time;

"reserved payment" has the meaning ascribed thereto in section

4.04;

"section" means a section in this Indenture;

"Securities Regulations" mean the regulations made pursuant to the Act;

"Subsequent Defaulter" has the meaning ascribed thereto in section 4.06;

"Third Party Contributions" means the amount of contributions made by Third Party Contributors;

"Third Party Contributor" means a person who makes a contribution to the Plan in accordance with section 8.04(g);

"Trust" means the trust declared to exist in section 2.01;

"Trust Fund" means all money and property, other than assessments which are in default, held from time to time by the Trustee in trust pursuant to section 2.01;

"Trustee" means Central Guaranty Trust Company, or any corporation which is appointed by the Commission pursuant to section 9.05 as its successor and who accepts such appointment and where the context requires any predecessor of the Trustee as trustee hereunder;

"Withdrawal Notice" has the meaning ascribed to it in section 7.02; and

"Withdrawing Participant" means a Participant which has given a Withdrawal Notice.

1.02 Idem - Unless there is something in the subject matter or context inconsistent therewith, words and terms which are used herein and are defined in the Act shall have the same meanings when used herein as are ascribed to them in the Act unless the word or term has another meaning ascribed thereto in section 1.01.

1.03 Expired Registration - For the purpose of section 7.01(b), a Participant whose registration has expired shall not, by virtue only of such expiration, be considered to be a Participant described in section 7.01(b).

1.04 Extended Meanings - This Indenture shall be read with all changes of gender and number required of the context.

1.05 Headings - The insertion of headings and an index herein and the division of this Indenture into articles and sections are for convenience of reference only and shall not affect the interpretation hereof.

1.06 Governing Law - This Indenture shall be governed by and construed in accordance with the laws of the Province of Nova Scotia and the laws of Canada in force therein and all actions, suits and proceedings in connection herewith shall be brought in the Courts of the Province of Nova Scotia and the parties hereto and all Participants and persons or companies which were formerly Participants attorn to the jurisdiction of the Courts of the Province of Nova Scotia.

1.07 Transitional - For the purpose of Article 3, a Participant who has tendered a payment to the Commission or an official of the Province of Nova Scotia in respect of its obligation pursuant to section 27 of the Securities Regulations prior to the date hereof shall be deemed to have become a Participant on the day it so tendered such payment and for the purpose of section 4.21 such a Participant shall be deemed to have made its Initial Contribution on the day on which it tendered such payment.

ARTICLE TWO
Establishment of Trust

2.01 Trust Declaration - In consideration of the premises and of \$1.00 now paid by the Commission to the Trustee the Trustee covenants and declares that it will hold all Initial Contributions, other money or property received by it pursuant to a Contribution Agreement, this Indenture, any agreement authorized by this Indenture, Assessment Amounts and all interest and other income earned on or from the same in trust for the uses and purposes and with the powers and authorities and subject to the terms and conditions herein contained and contained in the Act and the Securities Regulations.

2.02 Contribution Agreement - The Trustee shall enter into a Contribution Agreement with each person or company upon such person or company tendering a payment or a direction to make a payment which will become its Initial Contribution and being approved in writing by the Registrar.

ARTICLE THREE
Qualifying Claims

3.01 Payment of Qualifying Claims - The Trustee may in its discretion make a payment out of the capital of the Trust Fund to a Qualifying Client in respect of a Qualifying Claim in accordance with this Article.

3.02 Qualifying Clients - A person or company satisfies the requirements of this section only if

(a) the person or company was a bona fide client of the Participant at the time the Participant first incurred the duty or obligation to the person or company in respect of which the Qualifying Claim is made,

(b) the person or company was not

(i) a Registrant or a person or company registered or licensed to trade in securities in any other jurisdiction,

(ii) an associate or an affiliate of a Registrant or person or company referred to in subclause (i),

(iii) an associate or an affiliate of a person or company referred to in subclause (ii),

(iv) an employee, shareholder, director, officer, partner or agent of the Participant, or

(v) an associate or affiliate of a person or company described in subclause (iv)

at the time the Participant first incurred the duty or obligation to the person or company in respect of which the Qualifying Claim is made or at any time between that time and the time a request for payment in respect of the Qualifying Claim is made, and

(c) the person or company was dealing with the Participant through an office of the Participant situate in Nova Scotia at the time the Participant first incurred the duty or obligation to the person

or company in respect of which the Qualifying Claim is made provided that the Commission may waive this requirement if it considers it reasonable to do so in the circumstances.

3.03 Qualifying Claims - A claim satisfies the requirements of this section only if

(a) the claim is the subject of a request for payment made to the Trustee in writing by a client,

(b) the claim is against a Participant who was a Participant at the time the event occurred which gave rise to the claim and continues to be a Participant at the time the request for payment of the claim is made to the Trustee,

(c) the Trustee is provided with full particulars of the claim satisfactory to the Trustee,

(d) the claim is for direct out-of-pocket loss suffered by the client which resulted from

(i) the failure of the Participant to refund any payment received from the client for a security ordered by and not delivered as directed by the client other than a security issued or to be issued by the Participant,

(ii) the failure of the Participant to pay to or at the direction of the client any funds arising out of the sale of securities of the client to which the client was entitled,

(iii) the failure of the Participant to pay to or at the direction of the client any funds which are free credit balances in respect of the client to which the client was entitled other than funds which are free credit balances which the client has directed to be used to purchase a security issued or to be issued by the Participant, or

- (iv) any conversion of funds or securities of the client while in the possession or control of the Participant or a person or company who had possession or control thereof on behalf of or for the benefit of the Participant or any partner, director, agent, employee or shareholder of the Participant

to the extent that such loss is not recoverable by the client under any bond or insurance of the Participant.

3.04 Group Claims - For the purpose of this Indenture, where the Trustee is of the opinion that a group of persons or companies acted in concert in their dealings with a Participant the group shall be considered to be a single client and if any one of the group is not a Qualifying Client then the group shall be considered not to be a Qualifying Client.

3.05 Conditions - The Trustee may require as a condition of making a payment in respect of a Qualifying Claim that the Qualifying Client

- (a) execute and deliver all documents and instruments specified by the Trustee,

- (b) execute such documents and instruments which the Trustee considers necessary to establish the right of the Trustee to participate in any subsequent recovery of the loss by the Qualifying Client in respect of the Qualifying Claim in excess of the aggregate of the costs and expenses incurred in effecting such recovery and the amount by which the Qualifying Claim exceeds the payment made by the Trustee in respect of the Qualifying Claim pursuant to section 3.01, and

- (c) execute such documents and instruments which the Trustee considers necessary to entitle the Trustee to have assigned to the Trustee the rights of the Qualifying Client against the Participant in respect of which the Qualifying Claim is made, any other person or company against whom the Qualifying Client has rights in respect of the Qualifying Claim and any security to which the Qualifying Client may be entitled in respect of the Qualifying Claim if the Trustee considers that the Qualifying Client is not

enforcing such rights in a timely and efficient manner, provided that any such assignment shall provide that any recovery made by the Trustee thereunder shall be applied first to the costs and expenses incurred by the Trustee in effecting such recovery, second, to paying the Qualifying Client the amount by which the Qualifying Claim exceeds the payment made by the Trustee in respect of the Qualifying Claim pursuant to section 3.01 and third, to the repayment to the Trustee of the payment made by the Trustee in respect of the Qualifying Claim pursuant to section 3.01.

3.06 Maximum Payment - Subject to 3.07, the maximum amount which may be paid by the Trustee in respect of a Qualifying Claim shall be

(a) if the credit balance of the Account of the Participant in respect of whom the Qualifying Claim is made is not less than the aggregate of the full amount of the Qualifying Claim and the full amount of all other Qualifying Claims outstanding in respect of the Participant at the time of payment, then the full amount of the Qualifying Claim,

(b) if the credit balance of the Account of the Participant in respect of whom the Qualifying Claim is made is less than the aggregate of the full amount of the Qualifying Claim and the full amount of all other Qualifying Claims outstanding in respect of the Participant at the time of payment, then

(i) if the full amount of the Qualifying Claim is \$10,000. or less, the full amount of the Qualifying Claim, and

(ii) if the full amount of the Qualifying Claim is greater than \$10,000., the greater of

A. \$10,000. and

B. a proportion of the full amount of the Qualifying Claim which is equal to the proportion that the amount by which the said credit balance exceeds the aggregate of the

Qualifying Claims referred to in subclause (i) and the Qualifying Claims the amount payable in respect of which would be determined, but for sections 3.07 and 3.08, by paragraph A is of the aggregate of the Qualifying Claims referred to in this subclause (ii) except that if after applying this paragraph B with respect to all such Qualifying Claims the amount which would be payable is less than \$10,000., paragraph A shall apply thereto and this paragraph B shall be reapplied as often as necessary to ensure that the amount determined under this paragraph B in respect of any Qualifying Claim is not less than \$10,000.

3.07 Idem - Notwithstanding section 3.06, the aggregate payments which the Trustee may make at any particular time in respect of Qualifying Claims of which it has knowledge at that time shall not exceed the greater of

- (a) the Gross Assessable Amount at that time, and
- (b) the quotient obtained when the aggregate of the amount of the Trust Fund and the Gross Assessable Amount at that time is divided by three.

For the purpose of this section all proposed payments and reserved payments at a particular time shall be deemed to be made at that time.

3.08 Proration - Where the application of section 3.07 reduces the aggregate payments which the Trustee would otherwise be entitled to make in accordance with section 3.06 the amount to which each Qualifying Client would otherwise be entitled shall be proportionately reduced.

3.09 Deferring Payments - The Trustee shall not make any

payment in respect of a Qualifying Claim where it has reasonable grounds to believe that

(a) there is another claim against the Defaulting Participant by a Qualifying Client which may but has not yet been determined to qualify as a Qualifying Claim, or

(b) there is another claim against another Participant which may but has not yet been determined to qualify as a Qualifying Claim and which, if so qualified, could result in sections 3.07 and 3.08 applying to reduce the amount of any payment.

3.10 Partial Payments - Subject to section 3.11, the Trustee may, from time to time, make partial payments to a Qualifying Client in respect of a Qualifying Claim but no such partial payment shall obligate the Trustee to make any additional payment.

3.11 Subsequent Payment - The Trustee shall not make any further payment in respect of a Qualifying Claim after it has made the initial payment in respect of that Qualifying Claim unless it would have been entitled to have made the payment at the time it made the initial payment.

3.12 Trustee Discretion - The Trustee may, in its discretion, make a payment in respect of a Qualifying Claim notwithstanding that a demand for payment has not been made in respect of the Qualifying Claim by the Qualifying Client against the Participant, a legal action has not been commenced or completed to enforce payment of the Qualifying Claim or that all reasonable action has not been taken to enforce any judgment or security held in respect of the Qualifying Claim provided however that the Trustee may require that any or all of the foregoing actions be taken as a condition of making any payment in respect of the Qualifying Claim.

3.13 Non-Entitlement - The decision of the Trustee with respect to whether or not a client is a Qualifying Client or a claim is a Qualifying Claim or the amount thereof or the amount which may be paid hereunder shall be final and conclusive for all purposes hereof as against all persons in respect thereof. It is hereby declared that no client shall have any absolute or vested right to payment of any claim out of the capital of the Trust Fund.

ARTICLE FOUR
Assessments

4.01 Notice of Assessment - The Trustee shall send a notice of assessment to each Participant in respect of which it levies an assessment hereunder.

4.02 Payment Obligation - Each Participant shall pay to the Trustee the amount which is assessed against it in accordance with the terms of this Indenture.

4.03 Payment Terms - The amount of each assessment made against a Participant shall, subject to section 4.09, be due and payable on the sixtieth day following the date of the notice of assessment with respect thereto, other than assessments made pursuant to sections 4.04 and 4.11 which shall be immediately due and payable, and, in any case, if not so paid when due the unpaid portion thereof shall bear interest at an annual rate equal to the prime lending rate from time to time plus three percent from the day on which it was due.

4.04 Claim - Initial Assessment - The Trustee shall upon receipt of a request for payment of a claim in respect of which it makes a payment, proposes to make a payment (a "proposed payment") or is of the opinion that it may make a payment (a "reserved payment")

(a) debit the Account of the Participant (the "Initial Defaulter") in respect of which the claim is made by an amount equal to the amount of the payment, proposed payment or reserved payment, as the case may be, and

(b) assess the Initial Defaulter for an amount equal to the amount so debited.

4.05 Claim - Subsequent Assessment - If the Initial Defaulter does not pay the full amount of the assessment made pursuant to section 4.04 to the Trustee when due and the amount of the Account of the Initial Defaulter is in debit balance then the Trustee shall

(a) debit the Account of each of the other Participants by an amount equal to the quotient obtained when the amount of such debit balance is divided by the number of the other Participants, and

(b) subject to section 4.20, assess each of the other Participants for an amount equal to the amount so debited to its Account.

4.06 Subsequent Defaulter - Assessment - If a Participant (the "Subsequent Defaulter") in respect of whom an assessment is made pursuant to section 4.05 or this section does not pay the full amount of the assessment to the Trustee when due then the Trustee may, in its discretion,

(a) debit the Account of each Participant which has paid an assessment made against it pursuant to section 4.05 or this section, as the case may be, as a result of the same default by the Initial Defaulter or the same default by a Subsequent Defaulter by an amount equal to the quotient obtained when the amount which was not paid by the Subsequent Defaulter is divided by the number of Participants which paid the full amount of the assessment, and if the Trustee does so debit, it shall

(b) subject to section 4.20, assess each Participant whose Account is so debited for an amount equal to the amount debited to its Account.

4.07 Subsequent Period Assessments - The Trustee may, in its discretion, from time to time assess a Participant for any amount for which the Participant could have been assessed but for section 4.20 and was not previously assessed pursuant to this section provided that

(a) any assessments made pursuant to this section in an Assessment Period shall be deemed for the purpose of section 4.20 to have been made pursuant to section 4.05,

(b) the amount of any such assessment reflects any reductions which would have been made in any previous unpaid assessment which, but for section 4.20, would have been made, and

(c) the payment of the assessment would not result in the credit balance of the Participant's Account exceeding the Required Credit.

4.08 Idem - If the Trustee makes an assessment against a Participant pursuant to section 4.07, the Trustee may, where in its opinion it is fair and reasonable to do so, deem the assessment to have been made against the Participant pursuant to section 4.05 or 4.06 in respect of any particular Initial Defaulter or Subsequent Defaulter.

4.09 Required Credit Increase Assessment - If the Commission increases the amount of the Required Credit then

the Trustee shall debit each Participant's Account and assess the Participant* for an amount equal to the amount of the increase in the Required Credit which assessment shall be payable at such time or times as the Commission may direct.

4.10 Annual Deficit Assessment - If, in respect of any financial year there is an Annual Deficit, the Trustee may, in its discretion, within four months following the end of the financial year

(a) debit, in aggregate, the Accounts of the Participants for the amount of the Annual Deficit and allocate such debit amongst the Accounts of the Participants in such amounts as it considers fair and reasonable in the circumstances, and

(b) subject to section 4.20, assess each Participant whose Account is so debited for an amount equal to the amount debited to its Account.

4.11 Reimbursement Obligation - A Participant shall reimburse the Trustee for all costs and expenses incurred by the Trustee in connection with the Trustee

(a) processing any claim made by a client against the Participant,

(b) enforcing or attempting to enforce any right or security to which the Trustee was subrogated or which was assigned to the Trustee by a Qualifying Client of the Participant, and

(c) bringing any action or proceeding to enforce payment of any amount owing by the Participant hereunder.

4.12 Reimbursement Obligation Assessment - The Trustee shall debit the Account of a Participant for all amounts for which the Participant is obligated to reimburse the Trustee pursuant to section 4.11 and shall assess the Participant for a similar amount.

4.13 Cancelled Assessments - Where, in the opinion of the Trustee, an assessment which was made against a Participant ought not to have been made the Trustee may cancel such assessment and where, in its opinion it is reasonable to do so in accordance with the terms hereof, the Trustee may make another assessment in lieu of the cancelled assessment, specify terms in connection with such assessment, repay any payment or part thereof which was made in respect of the cancelled

assessment and credit and debit the Participant's Account in accordance with section 6.02(a)(iv) and 6.02(b)(iii) as the Trustee considers reasonable in the circumstances.

4.14 Assessment Correction - Where the Trustee fails to make an assessment which is required to be made hereunder or makes an assessment for an amount which is less than the amount for which it ought to have been made the Trustee shall make such assessment or additional assessment as in its opinion is reasonable in the circumstances, may specify terms in connection therewith and shall debit the affected Participant's Accounts if the Trustee considers it reasonable in the circumstances.

4.15 Initial Assessment Recovery - If, subsequent to an assessment being made pursuant to section 4.04, the Initial Defaulter pays to the Trustee all or any portion of the assessment (the amount of such payment is called the "recovered amount" in this section) the Trustee shall

(a) credit the Account of the Initial Defaulter by the recovered amount,

(b) reduce the amount of any unpaid assessments made pursuant to section 4.05 or 4.06 which would not have been made if the Initial Defaulter had paid the recovered amount when due,

(c) credit the Account of each Participant by the amount by which the assessment referred to in clause (b) against it was so reduced, and

(d) credit the Account of each Participant who has paid an assessment made pursuant to section 4.05 or 4.06 which would not have been made if the Initial Defaulter had paid the recovered amount when due

and, in respect of the reduction and credit referred to in clauses (b), (c) and (d) in such amounts, if any, and in respect of such Participants as, in the opinion of the Trustee, are fair and reasonable in the circumstances.

4.16 Subsequent Assessment - Recovery - If, subsequent to an assessment being made pursuant to section 4.06, the Subsequent Defaulter pays to the Trustee all or any portion of the assessment (the amount of such payment is called the "recovered amount" in this section) the Trustee shall

(a) credit the Account of the Subsequent Defaulter by the recovered amount,

(b) reduce the amount of any unpaid assessments made pursuant to section 4.06 which would not have been made if the Subsequent Defaulter had paid the recovered amount when due,

(c) credit the Account of each Participant for the amount by which the assessment referred to in clause (b) against it was so reduced, and

(d) credit the Account of each Participant who has paid an assessment made pursuant to section 4.06, other than the Subsequent Defaulter, which would not have been made if the Subsequent Defaulter had paid the recovered amount when due

and, in respect of the reductions and credits referred to in clauses (b), (c) and (d) in such amounts, if any, in respect of such Participants as, in the opinion of the Trustee, are fair and reasonable in the circumstances.

4.17 Ordering - For the purpose of sections 4.15 and 4.16 and for the purpose of determining the Gross Income and Current Expenses of the financial year, all amounts paid or deemed to be paid to the Trustee in respect of an assessment by a Defaulting Participant shall be applied first to assessments made against the Defaulting Participant pursuant to section 4.12 before any portion thereof is considered to be paid in respect of an assessment made pursuant to section 4.04, 4.05 or 4.06, as the case may be, and the amount so applied shall be deemed to be a reimbursement of the costs and expenses in respect of which the assessments were made pursuant to section 4.12.

4.18 Deemed Payments - For the purpose of section 4.15 but subject to section 4.17, the Initial Defaulter shall be deemed to have paid to the Trustee in respect of an assessment

(a) any amount which the Trustee has received, whether by way of exercising rights acquired by assignment, subrogation or otherwise, from any person or company, other than a Participant in its capacity as a Participant, in respect of the Qualifying Claim which resulted in the assessment except to the extent that the Trustee is required to pay such amount to a Qualifying Client, and

(b) the amount of a proposed payment or reserved payment which resulted in the assessment if the Trustee determines not to make a payment in respect of the proposed payment or reserved payment.

4.19 Idem - For the purpose of sections 4.15 and 4.16 but subject to section 4.17, a Defaulting Participant shall be deemed to have paid to the Trustee in respect of an assessment any amount by which an assessment against the Defaulting Participant is reduced pursuant to section 6.03.

4.20 Claim - Assessment Limitation - The aggregate of all assessments made against a Participant pursuant to sections 4.05, 4.06 and 4.10 in any Assessment Period shall not exceed the Participant's Contribution Limit.

4.21 Deemed Assessment - For the purpose of section 4.20 a Participant shall be deemed to have been assessed pursuant to section 4.05 for the amount of the Participant's Contribution Limit on the day on which it makes its Initial Contribution.

4.22 Idem - For the purpose of sections 4.07 and 4.20 an assessment shall be deemed not to have been made against a Participant

(a) to the extent that the amount of the assessment is subsequently reduced by the Trustee,

(b) to the extent of the amount which has been credited to the Participant's Account pursuant to sections 4.15(d) and 4.16(d) as a consequence of the Participant having paid the assessment, and

(c) where the assessment is cancelled pursuant to section 4.13.

4.23 Withdrawing Participant - The Trustee may, if the Commission concurs, refrain from debiting the Account of a Withdrawing Participant and assessing a Withdrawing Participant pursuant to section 4.05, 4.06 or 4.07 where the debit or assessment would otherwise have been made following the Withdrawing Participant giving a Withdrawal Notice provided that the claim which would otherwise have resulted in the debit or assessment related to a default by a Participant which occurred after the Withdrawing Participant gave a Withdrawal Notice in which event, for the purposes of section 4.05, 4.06 and 4.07, the Withdrawing Participant shall be deemed not to be a Participant.

4.24 Idem - A Withdrawing Participant shall be deemed not to be a Participant for the purpose of section 4.09 and 4.10 in respect of any debits and assessments made under those sections after the Withdrawing Participant gave a Withdrawal Notice where or to the extent that, in the Trustee's opinion,

the debits and the assessments would reasonably relate to events which occurred after the Participant became a Withdrawing Participant.

4.25 Deemed Non-Participant - The Trustee may, with the prior approval of the Commission and for the purpose only of making assessments and receiving payments hereunder, treat a Defaulting Participant as if it was not a Participant hereunder.

4.26 Commission Direction - The Trustee shall refrain from taking the action otherwise required by section 4.05 or permitted by section 4.06 to the extent directed by the Commission in respect of any default by a particular Initial Defaulter in paying an assessment made pursuant to section 4.04 or in respect of any default by a particular Subsequent Defaulter in paying an assessment made pursuant to section 4.05.

4.27 Notice to Commission - The Trustee shall give not less than seven days prior written notice to the Commission before taking any action pursuant to section 4.05.

ARTICLE FIVE
Record Keeping, Financial Statements
and Expenses

5.01 Financial and Bookkeeping Records - The Trustee shall maintain proper financial books and records and shall prepare annual financial statements of the Trust in accordance with this Indenture and where not inconsistent with this Indenture, in accordance with generally accepted accounting principles.

5.02 Annual Audit - The annual financial statements of the Trust shall be audited by a chartered accountant approved by the Commission.

5.03 Interim Audit - The Commission may require the Trustee to cause and the Trustee shall cause the financial books and records of the Trust to be audited at any time and from time to time by a chartered accountant selected by the Commission which chartered accountant shall report to the Commission on the results of the audit.

5.04 Annual Financial Statements - The Trustee shall send to the Commission, within three months following the end of each financial year, and shall send to each Participant, within four months following the end of each financial year, the annual financial statements for the financial year and auditors report thereon.

5.05 Account Statement - The Trustee shall send to each Participant, concurrently with sending the annual financial statements pursuant to section 5.04, a statement of that Participant's Account showing all debits and credits thereto during the financial year.

5.06 Additional Information - In addition to the annual financial statements referred to in section 5.04, the Trustee shall send to the Commission such other information as the Commission may from time to time request and if directed by the Commission shall send such of the information as is so requested by the Commission to each Participant.

5.07 Current Expenses - The Trustee shall pay all Current Expenses out of the Trust Fund.

5.08 Trustee Discretion - Subject to the specific provisions herein, the Trustee may debit or credit the accounts maintained by the Trust in such manner as it, in its discretion, considers reasonable in the circumstances and the decision of the Trustee in making any such debit or credit shall be final and binding subject always to the right of the Trustee, in its

discretion, to make changes or corrections in such debits or credits.

5.09 Financial Year - The Trustee may from time to time with the approval of the Commission select or change the financial year of the Trust.

ARTICLE SIX
Participants' Accounts and Distributions

6.01 Account Maintenance - The Trustee shall maintain in its records a separate Account with respect to each Participant. Notwithstanding the requirement of this section the Trustee shall not be required to segregate the assets of the Trust Fund or any portion thereof among the Participants in accordance with their respective Accounts.

6.02 Account Calculation - The Trustee shall, without duplication,

(a) credit to the Account of each Participant

(i) The amount of the Initial Contribution of the Participant,

(ii) All amounts required or permitted by Article 4 or this Article to be credited to its Account,

(iii) All amounts paid by the Participant to the Trustee pursuant to Article 4 and which are not therein required to be credited to its Account, and

(iv) All other amounts which the Trustee considers reasonable in the circumstances; and

(b) debit to the Account of each Participant

(i) All amounts paid to it pursuant to this Article 6 or Article 7,

(ii) All amounts required or permitted by Article 4 or this Article to be debited to its Account, and

(iii) All other amounts which the Trustee considers reasonable in the circumstances.

6.03 Net Income Allocation - The Trustee shall allocate, as of the end of each financial year, the Annual Allottable Amount in respect of that financial year among and credit to the Accounts of the Participants in such manner as the Trustee considers fair and reasonable having regard to the credit

balances of all Participants' Accounts during the financial year and the Trustee may reduce the amount of any outstanding assessment against a Participant by such amount, if any, as the Trustee considers fair and reasonable.

6.04 Annual Distributions - If, as of the end of a financial year, the amount of the Participants' Net Credit Balances exceed the product obtained when the amount of the Required Credit is multiplied by the number of Participants (in this section such excess is called the "overfunded amount") then the Trustee shall, within three months following the end of the financial year, subject to sections 6.07 to 6.09, inclusive, pay the overfunded amount to those Participants (in this section called "Payee Participants") whose Accounts contain credit balances as of the end of the financial year which exceed the Required Credit (in this section the amount by which the credit balance of a Participant's Account exceeds the Required Credit is the "excess credit" of that Participant) as follows:

(a) if the overfunded amount is greater than the aggregate of the excess credits, pro rata to the amount of the excess credit of each of the Payee Participants but in no event shall the amount paid to any Payee Participant exceed that Participant's excess credit, and

(b) otherwise, so as to result in the excess credit of each Payee Participant being reduced to the maximum extent possible without resulting in the credit balance of any Payee Participant's Account being reduced, after reflecting all such payments, to an amount which is less than (i) the credit balance of the Payee Participant which has, after reflecting all such payments, the greatest credit balance, or (ii) if the Accounts of two or more of the Payee Participants are equal and the credit balance of each such Account is greater than the credit balance of the Account of any other Payee Participant, the credit balance of each such Account.

6.05 Recovery Distributions - If the Trustee credits an amount to the Account of a Participant pursuant to section 4.15(d) or 4.16(d) the Trustee shall, subject to section 6.07, pay the amount so credited to the Participant and debit its Account by a corresponding amount.

6.06 Recovered Expenses - Where Participants have indemnified the Trustee for any of the expenses or costs for which a Defaulting Participant is obligated to reimburse the Trustee pursuant to section 8.05 or 8.06 and such Participants

have actually paid the Trustee pursuant to such indemnity then the Trustee shall distribute to such Participants, in such proportions as the Trustee considers fair and reasonable in the circumstances, all amounts which the Trustee receives as reimbursements of such expenses and costs whether such reimbursement is made by the Defaulting Participant or other person or company.

6.07 Set-Offs - If a Participant who would otherwise be entitled to receive a payment pursuant to section 6.04, 6.05 or 6.06 is at the time at which it would otherwise be entitled to receive the payment subject to an assessment or for any other reason is required to pay any amount to the Trustee hereunder then the Trustee shall

(a) set-off against the otherwise payment the amount of such assessment or other required payment,

(b) reduce the assessment against the Participant accordingly, and

(c) account for the set-off for all purposes as if the otherwise payment pursuant to section 6.04, 6.05 or 6.06 had been made by the Trustee at the time of the set-off and the amount set-off had been paid by the Participant at the same time.

6.08 Commission Direction - Prior to making any payment pursuant to section 6.04 the Trustee shall give ten days prior written notice to the Commission of the intended payment and if the Commission gives a written direction to the Trustee prior to the making of the payment, the Trustee shall reduce, eliminate or delay making the payment in accordance with the direction.

6.09 Postponed Payments - The Trustee may postpone making payments to Participants which are required to be made hereunder until such time as the Trust Fund includes sufficient cash to make such payments.

6.10 Non-Entitlement - A Participant shall not have any right to receive payment of any amount credited to its Account save as herein specifically provided.

ARTICLE SEVEN
Withdrawal from Plan

7.01 Right to Withdraw - A Participant shall be entitled to withdraw from the Plan in accordance with this Article 7 if

(a) the Participant's registration under the Act is surrendered or cancelled, or

(b) the Participant is no longer required as a condition of its registration under the Act to participate in the Plan, or

(c) the Participant is not a registrant and is not entitled to the return of its Initial Contribution pursuant to section 7.07 and the Commission no longer requires the Participant to participate in the Plan

and the Registrar has certified such fact to the Trustee.

7.02 Notice of Intention - A Participant who is entitled to withdraw from the Plan in accordance with section 7.01 and who wishes to withdraw from the Plan shall give written notice (a "Withdrawal Notice") to the Trustee and to the Registrar of its intention to withdraw from the Plan. Notwithstanding the giving of a Withdrawal Notice the Participant shall remain a Participant and, subject as provided otherwise herein, be subject to compliance with its obligations herein as such until the Trustee issues a Certificate of Discharge to the Participant.

7.03 Financial Statement - The Trustee may require a Withdrawing Participant to and a Withdrawing Participant shall, if so required, file with the Trustee such financial statements and other evidence as the Trustee may in its discretion require to establish whether or not there exists any circumstance which could give rise to a claim against the Withdrawing Participant which could be a Qualifying Claim.

7.04 Payment of Credit - Where a Withdrawing Participant is not in breach of any of its obligations hereunder, is not subject to any indemnity given to the Trustee hereunder, is not subject to any outstanding assessments, has established to the reasonable satisfaction of the Trustee that there are no Qualifying Claims in respect of the Participant and there exists no circumstance which could give rise to a claim being made against the Participant which could be a Qualifying Claim, the Trustee shall, subject to section 7.05, pay the amount of the credit balance, if any, of the Participant's Account

(a) to any receiver or receiver and manager of the Participant appointed pursuant to the Act, any receiver or receiver and manager of the Participant or trustee in bankruptcy or liquidator of the Participant or other official having similar powers who is entitled to receive payment thereof, or

(b) if clause (a) is not applicable, to the Participant

and the amount of any payment made pursuant to clauses (a) or (b) shall be debited to the Participant's Account.

7.05 Timing of Payment - The Trustee shall not make any payment to a Withdrawing Participant pursuant to section 7.04 prior to six months following the Withdrawing Participant having given a Withdrawal Notice to the Trustee and the Registrar pursuant to section 7.02.

7.06 Certificate of Discharge - Upon the request and at the expense of a Withdrawing Participant in respect of whom a payment has been made pursuant to section 7.04, the Trustee shall give the Withdrawing Participant a written formal release (a "Certificate of Discharge"), subject to such terms and conditions as the Trustee may impose, of its obligations hereunder.

7.07 Non-Commencement - Where subsequent to a Participant making an Initial Contribution the Participant does not carry on the business of a dealer in Nova Scotia other than for its own account the Trustee may, if authorized by the Commission, pay to the Participant and debit to its Account the amount of the Initial Contribution, without interest, whereupon the Participant shall be deemed never to have been a Participant and the Trustee shall make such adjustments to its records as are necessary as a result thereof.

7.08 Termination of Participant - The Trustee may, with the prior written approval of the Commission, subject to such terms and conditions as the Trustee may impose, terminate any person or company as a Participant whereupon such person or company shall no longer have any further obligations hereunder.

7.09 Transitional - Where the Commission has made a decision prior to the date hereof which contemplates or any amendment or variation to which contemplates the return of all or any part of a Participant's Initial Contribution on a day prior to the day on which the Trustee would otherwise be entitled to make a payment pursuant to section 7.05, the Trustee

shall, on the written direction of the Commission, pay, in accordance with such direction, the amount which would otherwise be payable pursuant to section 7.04 if the conditions therein were satisfied to the person or company to which such amount would otherwise be payable.

ARTICLE EIGHT
Purposes and Powers

8.01 Trust Purposes - The Trust Fund shall be held for the benefit of such Qualifying Clients who have Qualifying Claims as the Trustee may appoint for payment from time to time in accordance herewith and, subject to the terms hereof, for the benefit of the Participants and others who are entitled to receive payments out of the Trust Fund.

8.02 Investments - Except as provided in section 8.04(b), the Trust Fund shall only be invested in and shall at all times be comprised of Approved Investments.

8.03 Receiver Remuneration - The Trustee shall pay from the Trust Fund when directed by the Commission all or any part of the remuneration and expenses of any receiver, receiver and manager, trustee or liquidator of all or part of the property of a Participant who is appointed on application pursuant to the Act.

8.04 Trustee Powers - Subject to the specific provisions hereof, the Trustee shall have power and authority in the administration of the Trust Fund

(a) to invest and reinvest the Trust Fund in Approved Investments and, may do all acts and things and execute, acknowledge and deliver all instruments in respect thereof;

(b) to hold any portion of the Trust Fund awaiting investment or other application hereunder on deposit in an account at a bank to which the Bank Act applies or in an account at any office of the Trustee;

(c) to sell, convert, assign, exchange, tender for redemption, transfer or otherwise dispose of any Approved Investments at any time constituting part of the Trust Fund at public or private sale for such consideration and upon such terms and conditions as the Trustee shall see fit;

(d) to exercise personally or by general or limited power of attorney any right appurtenant to any Approved Investments or to any other property held by it at any time; to join in or dissent from and oppose the reorganization, redistribution, consolidation, merger, liquidation or sale of corporations or properties; to exchange Approved Investments for other securities issued in connection

therewith or resulting therefrom and retain such securities if they are Approved Investments; to exercise or sell any rights issued upon or with respect to any Approved Investments; and to do any other act with respect to any property constituting part of the Trust Fund necessary to protect such property;

(e) to register any Approved Investments or other property held by it hereunder in its own name or in the name of a nominee with or without the addition of words indicating that such securities are held in fiduciary capacity, but the books and records of the Trustee shall at all times show that all Approved Investments and property howsoever held are part of the Trust Fund;

(f) to accept payments received pursuant to a Contribution Agreement or otherwise authorized or contemplated by this Agreement;

(g) subject to the prior written approval of the Commission, to accept money or property as contributions to the Trust Fund which is not paid pursuant to a Contribution Agreement on such terms and conditions as the Commission may approve and to carry out such terms and conditions notwithstanding that such terms and conditions may otherwise be inconsistent with this Indenture provided that such inconsistency does not adversely affect any Participant;

(h) subject to the prior written approval of the Commission, to borrow monies from any government or governmental agency on such terms and conditions as the Commission may approve and to administer such borrowed monies and repay the same from the Trust Fund in accordance with such terms and conditions;

(i) to make all payments and distributions from the Trust Fund provided for or contemplated herein in accordance with the provisions hereof;

(j) to issue such assessments, notices of assessment, releases and discharges provided for or contemplated herein in accordance with the provisions hereof;

(k) to retain such accountants, auditors, solicitors, barristers, dealers and other professionals and experts as are necessary to carry out properly its

duties and responsibilities hereunder and to pay the fees, disbursements and commissions thereof from the Trust Fund;

(l) to take all actions, suits and proceedings to enforce the obligations hereunder of any Defaulting Participant;

(m) to take all actions, suits and proceedings to enforce any claim or security to which the Trustee becomes entitled by way of subrogation or assignment in connection with a Qualifying Claim;

(n) to defend any actions, suits, proceedings or claims which may be made against the Trust Fund;

(o) to compromise, adjust, settle or discontinue any actions, suits or proceedings taken by the Trustee or any actions, suits, proceedings or claims which may be made against the Trust Fund;

(p) to apply to a Judge of the Trial Division of the Supreme Court of Nova Scotia for an interpretation of any sections hereof and directions as to whether or not a person or company is a Qualifying Client or has a Qualifying Claim and the amount thereof or any other matter concerning the interpretation hereof and, subject to any right of appeal, the decision of such Court shall be final and binding in respect of the matter before it provided that no such decision shall in any way affect the discretion of the Trustee hereunder including the discretion to appoint or not to appoint any part of the Trust Fund in respect of a Qualifying Claim;

(q) to or to authorize its representative to enter upon the premises of a Participant and examine such books, records and documents of the Participant and make copies of the books, records and documents which, in the opinion of the Trustee or its representative, are necessary to assist in determining whether or not a person is a Qualifying Client or has a Qualifying Claim or the amount of such claim or in the exercise of any discretion hereunder and no person is, as against the Trustee, entitled to withhold possession of the aforesaid books, records and documents belonging to the Participant or set up any lien thereon; and

(r) to execute all documents, agreements and

instruments and do all other acts and things which are reasonably incidental or ancillary to the foregoing.

8.05 Legal Action - Defaulting Participant - The Trustee shall, when and to the extent requested to do so by a Participants' Request delivered to the Trustee, take whatever actions, suits or proceedings against a Defaulting Participant which the Trustee, in its discretion, considers necessary to compel the Defaulting Participant to fulfil its obligations hereunder, provided that the Trustee shall only be required to take such actions, suits or proceedings after it shall have been fully indemnified to its satisfaction by the Participants who have signed the Participants' Request against all actions, suits, proceedings, claims and demands to which it may thereby render itself liable and all fees, costs, charges, damages and expenses whatsoever which it may incur by so doing. Nothing in this section shall affect the right of the Trustee, in its discretion, to take any such actions, suits or proceedings.

8.06 Legal Action - Subrogation - The Trustee shall, when and to the extent requested to do so by a Participants' Request delivered to the Trustee, take whatever actions, suits or proceedings which the Trustee, in its discretion, considers necessary to recover any moneys which may be payable by any person or company to a Qualifying Client on account of any Qualifying Claim to which the Trustee is subrogated or which is assigned to the Trustee, provided that the Trustee shall only be required to take such actions, suits or proceedings after it shall have been fully indemnified to its satisfaction by the Participants who have signed the Participants' Request against all actions, suits, proceedings, claims and demands to which it may thereby render itself liable and all fees, costs, charges, damages and expenses whatsoever which it may incur by so doing. Nothing in this section shall affect the right of the Trustee, in its discretion, to take any such actions, suits or proceedings.

8.07 Exercising Discretion - The Trustee shall not exercise any discretion granted to it pursuant to sections 3.01, 3.10, 4.06, 4.07, 4.10 and 4.13 without first notifying the Commission of its intention to do so and giving the Commission a reasonable opportunity to make its views known to the Trustee with respect to the matter prior to the exercise of such discretion.

8.08 Nature of Discretion - Except as specifically provided otherwise in this Indenture, where this Indenture provides that a decision is within the discretion of the Trustee then the decision of the Trustee shall be final and binding on all persons and companies.

8.09 Notices to Commission - The Trustee shall forthwith notify the Commission upon the Trustee becoming aware in the course of performing its duties as Trustee hereunder, of

(a) any default of or breach by any Participant in its obligations hereunder, or

(b) any circumstance which the Trustee considers may constitute a breach of a Participant's obligation to a client or a breach by a Participant of the Act or Securities Regulations

and shall furnish to the Commission, upon request, all information, records and documents, or copies thereof, in its possession in connection therewith.

ARTICLE NINE

Trustee

Warranty, Exoneration, Fees, Replacement

9.01 Warranty - The Trustee represents and warrants that it is a corporation authorized to do business in Nova Scotia as a trust company.

9.02 Trustee Exoneration - The Trustee shall not be required to give any bond or other security for the faithful performance of its duties hereunder and shall not be responsible for any diminution in the money or property constituting the Trust Fund, or for any loss resulting from the making of any investment in or from the retention in good faith for any length of time of Approved Investments purchased or acquired by it notwithstanding that such Approved Investments may not be, or may have ceased to be, income producing, or from any mistake in judgment made honestly and in good faith, or from any loss of whatsoever character unless resulting from its failure to exercise the care, diligence and skill of a reasonably prudent trustee.

9.03 Trustee's Reliance - The Trustee may, for the purpose of making any determination hereunder, request information from any party it reasonably believes has possession of such information and the Trustee may rely and shall be protected in relying and acting in good faith upon information received from any such party. Without limiting the foregoing, the Trustee may rely and shall be protected in relying and acting upon any resolution, certificate, statement, statutory declaration, affidavit, instrument, opinion, report, notice, consent, letter, telegram, cablegram, facsimile communication or other paper or document believed by it to be genuine and to have been signed, sent or delivered by or on behalf of the proper party or parties. The Trustee may act and shall be protected in acting in good faith on the opinion or advice of or information obtained from any accountant, auditor, solicitor, dealer or other professional or expert whose profession or expertise lends credibility to an opinion, advice or information provided by him and the Trustee shall not be responsible for any misconduct on the part of any of them.

9.04 Trustee's Fees - The Trustee's fees for performing its duties and responsibilities hereunder shall be such as may be mutually agreed upon from time to time between the Commission and the Trustee, and in default of such agreement, shall be as fixed by a Judge of the Trial Division of the Supreme Court of Nova Scotia upon application thereto by the Trustee, and the costs of such application shall be paid out of the Trust Fund, except if the fees fixed by the Court are not more than

the fees to which the Commission was prepared to agree at the time the application was commenced then the costs of the application shall be borne by the Trustee and not paid out of the Trust Fund. The Trustee's fees shall be paid quarterly determined on the basis of the financial year of the Trust. The Trustee shall, in addition to the fees herein described, be entitled to retain for its own use and benefit, the interest and profit on any portion of the Trust Fund held in an account with the Trustee pursuant to section 8.04(b), which is in excess of the interest that may be payable by the Trustee on such account from time to time.

9.05 Trustee's Replacement - The Trustee may at any time resign its office as trustee hereunder by giving one hundred and twenty days prior written notice to the Commission. Either the Commission or the Participants by Participants' Request approved by the Commission delivered to the Trustee may at any time require the removal of the Trustee from its office as trustee hereunder on giving ninety days prior written notice to the Trustee or, in the event that the Trustee ceases to be authorized to carry on the business of a trust company under its governing legislation or to do business in Nova Scotia as a trust company, such removal shall be immediate. In the event of the resignation or removal of the Trustee or in the event that the Trustee shall at any time be unable to act, the Commission shall appoint as a successor to the Trustee a corporation authorized to do business in Nova Scotia as a trust company who, upon acceptance of such appointment, shall have vested in it without further act or formality all the rights and powers given and duties and responsibilities imposed hereunder to and on the Trustee.

9.06 Idem - Where a successor to the Trustee (the "former trustee") is appointed pursuant to section 9.05, the former trustee shall upon the written request of the Commission execute and deliver an instrument in writing transferring to its successor all the money and property comprising the Trust Fund and shall do all such other acts or things necessary or desirable to vest such money and property in the successor. Upon any such resignation or removal becoming effective the former trustee shall render to the Commission and to each Participant an account of its administration of the Trust and Trust Fund for the period commencing on the first day following the last financial year for which annual audited financial statements of the Trust have been prepared and ending on the effective date of the appointment of its successor and if such period ends after the end of a financial year for which annual audited financial statements of the Trust have not been prepared then such accounting shall account separately for the financial year in respect of which annual audited financial statements

have not been prepared and the period commencing on the first day of the following financial year and ending on the effective date of the appointment of its successor. The accounting so given shall be audited by a chartered accountant approved by the Commission.

9.07 Continuing Obligation - The resignation or removal of a company from its office as the trustee hereunder shall not release the company who resigned or was removed from any liability or obligation which it incurred while acting as trustee hereunder subject however to section 9.02.

ARTICLE TEN
Amendment and Termination

10.01 Amendments - The Trustee and the Commission may amend this Indenture provided that

(a) such amendment shall become effective in accordance with its terms but not prior to ninety days following the giving of written notice of the amendment to all persons and companies which are Participants at the time of the giving of the notice, and

(b) any such amendment shall not affect the rights or obligations of any Participant who has given a Withdrawal Notice prior to the amendment becoming effective.

10.02 Termination of Plan - The Plan shall terminate when the Commission declares it to be terminated.

10.03 Residual Assets of Trust - Upon the termination of the Plan

(a) the Trustee shall pay all indebtedness of the Trust,

(b) all Participants shall be deemed to have given a Withdrawal Notice, and

(c) any monies remaining in the Trust Fund after all payments are made as required by Article 7 shall be paid to the Minister of Finance of the Province of Nova Scotia.

ARTICLE ELEVEN
Miscellaneous

11.01 No Proprietary Interest - A Participant shall not have any proprietary interest or right hereunder except the right to receive payments out of the Trust Fund as herein specifically provided.

11.02 Non-Assignable - An assignment, anticipation, surrender, pledge or encumbrance of any kind of any rights of Participants or other persons or companies to receive funds pursuant to this Indenture shall not be permitted or recognized under any circumstances and such rights shall not be subject to attachments or other legal processes for the debts or other obligations of Participants or other persons or companies.

11.03 Restrictions on Legal Action - In order to protect the Trust Fund against depletion as a result of litigation, no Participant or person claiming under or against it shall bring any legal or equitable action, suit or proceeding against the Trustee or the Trust Fund for any matter or cause whatsoever, except that the Participants, if there is a Participants' Consent approving thereof which has been delivered to the Trustee and the Commission, may claim against the Trustee for any loss resulting from the failure of the Trustee to exercise the care, diligence and skill of a reasonably prudent trustee and in default of a satisfaction or settlement of such claim between the Trustee and the Participants as evidenced by a Participants' Consent, any Participant may commence such action, suit or proceeding as it may see fit against the Trustee in respect of such failure to exercise the care, diligence and skill of a reasonably prudent trustee, but in no event shall any part of the Trust Fund be attachable or otherwise made available to satisfy or settle any such claim or judgment or other court order in respect thereof including costs, fees or expenses with respect thereto.

11.04 Information Exchangeable - All information, records and documents of any kind whatsoever relating to any Participant or any officer, director or shareholder of any Participant or relating to the business relations between a Participant and any other person which is in the possession or control of either the Trustee or the Commission, however obtained, may be freely exchanged between the Trustee and the Commission; and no Participant or any such officer, director or shareholder of any Participant shall have any claim of any kind whatsoever against either the Commission or the Trustee arising from or out of the exchange of any such information, records or documents by either the Trustee or the Commission or its use in good faith by either the Trustee or the Commission for any

purpose hereof or of the Act; provided that nothing in this section shall obligate the Commission or the Trustee to furnish or disclose any information, records or documents.

11.05 Commission Exoneration - Nothing herein shall under any circumstance whatsoever give any person or company any right, demand or claim of any kind whatsoever against or in respect of the Commission.

11.06 Assignment and Revocation - The Commission may, from time to time, on giving written notice to the Trustee, assign or reassign to the Registrar or assign or reassign to the Commission, any power, duty, responsibility, authority, discretion or function which is vested in the Registrar or the Commission, respectively, hereunder.

11.07 Time of Essence - Time shall be of the essence of this Indenture.

11.08 Entire Agreement - This Indenture and the documents and instruments referred to herein constitute the entire agreement between the parties hereto with respect to the subject matter hereof.

11.09 Notices - Any notice or other document required or permitted to be given or sent to a Participant hereunder shall be validly given or sent (a) if sent by facsimile or other form of recorded transmission to the last known address of the Participant as shown on the records of the Commission and any notice or document so transmitted shall be deemed to have been given on the day of transmission; (b) if sent by unregistered surface or air mail, postage prepaid, addressed to the Participant at its last known address as shown on the records of the Commission and any notice or document so mailed shall be deemed to have been given on the seventh day following the day of mailing provided that a mailed notice shall not be deemed to have been given or sent in times of postal strike or general mail delivery disruption or (c) if delivered to the last known address of the Participant as shown on the records of the Commission and any notice or document so delivered shall be deemed to have been given or sent on the day of delivery.

11.10 Idem - Any notice or other document required or permitted to be given or sent to the Trustee hereunder shall be validly given if delivered to an officer of the Trustee or sent by registered mail, postage prepaid, addressed to the Trustee at its Regional Trust Office, 5415 Spring Garden Road, P.O. Box 3410, Halifax, Nova Scotia, B3J 3J1. Any notice or document so delivered shall be deemed to have been given or sent on the day of delivery and any notice or document so mailed

Schedule "A"

Contribution Agreement

THIS AGREEMENT made this _____ day of _____, 199 .

BETWEEN: _____
(hereinafter called the "Participant")
OF THE ONE PART

- and -

TD TRUST COMPANY
(hereinafter called the "Trustee")
OF THE OTHER PART

WITNESSETH:

In consideration of the covenants and agreements herein contained the Participant and the Trustee agree as follows:

Definitions

1. In this agreement the following words and terms shall have the following meanings ascribed thereto unless inconsistent with the subject matter or context viz

"Act" means the Securities Act, RSNS 1989, chapter 418, as amended from time to time;

"Commission" means the Nova Scotia Securities Commission;

"Contingency Trust Fund" means the contingency trust fund established by the Commission and the Trustee or a predecessor in office pursuant to section 27 of the Securities Regulations as evidenced by the Contingency Trust Fund Agreement;

"Contingency Trust Fund Agreement" means the indenture dated June 29, 1990, as amended by the Amending Agreement dated November 10, 1993, between the Commission and the Trustee or a predecessor in office pursuant to which the Contingency Trust Fund was established, a copy of which is attached hereto;

"Plan" means the arrangement established pursuant to the Contingency Trust Fund Agreement; and

"Securities Regulations" means the regulations in effect from time to time made pursuant to the Act;

Contribution

2. The Participant hereby contributes the sum of Twenty-Five Thousand Dollars (\$25,000.) to the Trustee, in trust, the receipt of which the Trustee hereby acknowledges, to be held, invested and disbursed by the Trustee in accordance with the terms of the Contingency Trust Fund Agreement as the same may be amended from time to time in accordance with the terms thereof.

Bound by Plan

3. The Participant agrees to be bound by and perform and observe the terms and conditions contained in the Contingency Trust Fund Agreement, as the same may be amended from time to time in accordance with the terms thereof.

Commission Approval

4. The Trustee acknowledges having received the approval of the Commission or its chief administrative officer or his or her deputy to the contribution referred to in paragraph 2 made to the Trustee by or for the account of the Participant as herein evidenced.

Governing Law

5. The situs of the Contingency Trust Fund shall be in the Province of Nova Scotia and this agreement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia and the laws of Canada in force therein.

Attornment

6. The parties hereto attorn to the jurisdiction of the Courts of the Province of Nova Scotia in respect of all actions, suits and proceedings in connection with this agreement and all such actions, suits and proceedings shall be brought in the Courts of the Province of Nova Scotia.

Headings

7. The headings herein are inserted for convenience of reference only and do not form part of this agreement.

Successors etc.

8. This agreement shall be binding upon and enure to the benefit of the Participant, its successors and assigns or heirs, executors, administrators and assigns if an individual and the Trustee, its successors and assigns.

IN WITNESS WHEREOF the parties hereto have executed this agreement the day and year first above written.

(Name of Participant)

Per: _____

Per: _____

TD TRUST COMPANY
Trustee

Per: _____

Per: _____

THIS AMENDING AGREEMENT made this 10th day of November,
1993.

BETWEEN: NOVA SCOTIA SECURITIES COMMISSION

- and -

TD TRUST COMPANY

WHEREAS:

The Commission and Central Guaranty Trust Company entered into an Indenture of Trust (the "Trust Indenture") dated the 29th day of June, 1990;

TD Trust Company is the Trustee by virtue of its appointment as successor to Central Guaranty Trust Company pursuant to section 9.05 of the Trust Indenture effective on September 30, 1993;

NOW THEREFORE this Indenture witnesseth and the parties hereto agree as follows:

1. Definitions - Unless there is something in the subject matter or context inconsistent therewith, words and terms used herein which have a meaning ascribed to them in the Trust Indenture shall have the same meanings herein as are ascribed to them therein.
2. Amendment - The Trust Indenture is amended by adding thereto, immediately following section 4.09 thereof, the following new section:

4.09.1 Assessment Re Section 6.04.1 - Where a distribution made pursuant to section 6.04.1 results in the credit balance of a Participant's Account being less than the Required Credit, the Trustee shall assess that Participant for the amount by which the Required Credit exceeds such credit balance.
3. Amendment - The Trust Indenture is amended by adding thereto, immediately following section 6.04 thereof, the following new section:

6.04.1 Distributions on Account - The Trustee may, at any time and from time to time during a financial year, distribute to a Participant, out of and on account of the Net Income which is anticipated for that financial year, such amount as the Trustee may determine not exceeding however the amount which the Trustee estimates would be distributable to the Participant pursuant to section 6.04

in the following financial year if the distribution had not been made to the Participant pursuant to this section. All amounts which the Trustee distributes in a financial year pursuant to this section shall be treated, for the purpose of calculating the amount to be distributed in the following financial year pursuant to section 6.04, as being made on account of the distribution to be made by the Trustee pursuant to section 6.04 in the following financial year. The Trustee shall not incur any liability for its failure to accurately estimate any amount for the purpose of this section.

4. Amendment - The Trust Indenture is amended by substituting the following section for section 6.08 thereof:

6.08 Commission Direction - Prior to making any payment pursuant to section 6.04 or 6.04.1 the Trustee shall give five days prior written notice to the Commission of the intended payment and if the Commission gives a written direction to the Trustee prior to the making of the payment, the Trustee shall reduce, eliminate or delay making the payment in accordance with the direction as the same may be amended from time to time.

5. Amendment - The Trust Indenture is amended by substituting the following section for section 10.01 thereof:

10.01 Amendments - The Trustee and the Commission may amend this Indenture provided that

(a) such amendment shall become effective in accordance with its terms but, unless all persons and companies which are Participants at the time written notice of the amendment is given to them signify their consent in writing to the contrary, not prior to ninety days following the giving of written notice of the amendment to all persons and companies which are Participants at the time of the giving of the notice, and

(b) any such amendment shall not affect the rights or obligations of any Participant who has given a Withdrawal Notice prior to the amendment becoming effective.

6. Effective Date - Notwithstanding section 10.01 of the Trust Indenture, this Amending Agreement shall become effective on the earlier of

- (a) the ninetieth day following the date hereof, and
- (b) the day by which all Participants have signified their consent in writing to this Agreement becoming effective.

7. Authority - TD Trust Company warrants that it has authority to enter into this Agreement on behalf of Central Guaranty Trust Company.

8. Affirmation - Save as herein amended the Trust Indenture is affirmed.

9. Successors, etc. - This Agreement shall be binding upon and subject to section 11.01 and 11.02 of the Trust Indenture, enure to the benefit of the parties hereto and their respective successors and assigns.

10. Execution - In witness whereof the parties hereto have executed this Indenture.

NOVA SCOTIA SECURITIES COMMISSION

Per: Robert B. Macleod

Per: H. L. L. L.

TD TRUST COMPANY

Per: D. H. H. H.

Per: [Signature]