INFORMATION STATEMENT DATED OCTOBER 1, 2003

This Information Statement has been prepared solely for assisting prospective purchasers in making an investment decision with respect to the securities described therein. This Information Statement constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale. No securities commission or similar authority in Canada has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence. The securities offered under this Information Statement have not, and will not be registered under the United States Securities Act of 1933, as amended or any state securities law and may not be offered or sold in the United States or to U.S. persons.

BUSINESS DEVELOPMENT BANK OF CANADA

WISE Notes Linked to a Portfolio of AIM Trimark Funds, due 2010

(Worldwide Investment Solution in Equities)

The Business Development Bank of Canada (the "Bank") is hereby offering Principal-Protected Notes linked to a portfolio of AIM Trimark Funds due 2010 (each a "Note", and collectively, the "Notes"). The Notes will mature on December 31, 2010 (the "Maturity Date"). The Notes will be issued at a price of $100 per Note payable on the Closing Date (as hereinafter defined). The value of the Notes on the Maturity Date will be linked to the performance of a portfolio (the "Portfolio") comprising Series I units of two funds managed by AIM Funds Management Inc., carrying on business as AIM Trimark Investments (the "Reference Funds' Advisor"), Trimark Select Growth Fund and Trimark Global Endeavour Fund (each a "Reference Fund" and, collectively, the "Reference Funds"). The investment policy of the Portfolio will be to seek capital appreciation over the medium term by allocating a proportion of the assets of the Portfolio to units of the Reference Funds pursuant to the Leverage Policy (as hereinafter defined). The portion of the Portfolio's assets allocated at any time to Reference Funds will be adjusted on a monthly basis according to the Portfolio's Leverage Policy. In particular, a portion of or all of the assets of the Portfolio may, from time to time, be invested in fixed income or money market instruments ("Permitted Investments") depending on the value of the Portfolio. See "The Portfolio – Investment Level/Leverage Policy". The initial allocation of the Reference Funds in the Portfolio will be 75% to Trimark Select Growth Fund and 25% to Trimark Global Endeavour Fund and will be rebalanced monthly depending on the Investment Level (as hereinafter defined) in order to maintain the same initial proportion in each of the Reference Funds. At the Maturity Date, each holder of Notes (each a "Holder" and, collectively, the "Holders") will be entitled to receive, in respect of each Note held by such Holder, the Maturity Redemption Amount, being the greater of: (a) the principal amount of a Note which is $100 (the "Principal Amount"), and (b) the Principal Amount multiplied by the quotient of the Final NAV (as hereinafter defined) and the Initial NAV (as hereinafter defined). **Investors should consider and understand the risk that the Note Value (as hereinafter defined) may become equal to or less than the Floor Level (as hereinafter defined) during the life of the Notes, in which case the Portfolio will be entirely invested in Permitted Investments until the Maturity Date, regardless of the subsequent performance of the Reference Funds. As a result, investors may receive only the Principal Amount at the Maturity Date.** The Notes will not bear interest but will rather have a return, if any, equal to the difference between the Maturity Redemption Amount and the Principal Amount. The Notes will not be redeemable prior to the Maturity Date.

In this Information Statement, "$" refers to Canadian dollars unless otherwise expressly specified.

See "Risk Factors" for a discussion of risk factors that should be considered by prospective investors in evaluating an investment in the Notes.

PRICE: $100 per Note

The Notes will constitute direct unconditional obligations of the Bank and as such will constitute direct unconditional obligations of Her Majesty in Right of Canada.

National Bank Financial Inc. (the "Agent") and the Bank have entered into an agency agreement (the "Agency Agreement") pursuant to which the Agent has agreed to offer the Notes for sale, if, as and when issued by the Bank, in accordance with the terms and conditions contained in the Agency Agreement. It is expected that the closing of the Notes will take place on or about October 31, 2003 (the "Closing Date") or such later date as may be agreed to by the Bank and the Agent. See "Plan of Distribution".

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. A global certificate for the full amount of the issue of Notes will be issued in registered form to The Canadian Depository for Securities Limited or its nominee ("CDS") and will be deposited with CDS on the Closing Date. Subject to a limited exception, certificates evidencing the Notes will not be available to Holders and registration of ownership of the Notes will be made only through CDS's book-entry system. See "Description of the Notes – Book-Entry System".

In connection with the issue and sale of the Notes, no person other than the Agent and members of its selling group are authorized to give any information and no person is authorized to make any representation not contained in this Information Statement and the Bank does not accept responsibility for any information not contained herein.

The Reference Funds' Advisor

AIM TRIMARK

DEFINITIONS

In this Information Statement, unless the context otherwise requires terms not otherwise defined in this Information Statement have the meaning ascribed thereto hereunder:

"Bank" means the Business Development Bank of Canada.

"Book-Entry System" means the record entry securities transfer and pledge system established and governed by one or more agreements between CDS and CDS Participants pursuant to which the operating rules and procedures for such system are established and administered by CDS, including in relation to CDS.

"Calculation Agent" means National Bank of Canada.

"CDS" means the Canadian Depository for Securities Limited or its nominee.

"CDS Participants" means a broker, dealer, bank or other financial institution or other person for whom CDS effects book-entry transfers and pledges of Notes under the Book-Entry System.

"Closing Date" means the date on or about October 31, 2003 or such later date as may be agreed by the Bank and the Agent.

"Day" means any day, other than a Saturday or a Sunday, a day on which commercial banks in either Montréal or Toronto are required or authorized by law to remain closed or a day on which The Toronto Stock Exchange is not open for business. If a deadline falls on a day, which is not a Day pursuant to this definition, the deadline will be postponed to the following Day.

"Final NAV" means the NAV on the Valuation Date.

"Floor Level" means the level used to calculate the allocation of the Portfolio assets between Reference Funds and Permitted Investments, initially set at $75 as of the Closing Date and which will increase thereafter on a straight-line basis to $100 as of the Valuation Date as more fully described under "The Portfolio – Investment Level/Leverage Policy".

"Global NAV" means on any Day, in Canadian dollars, the net asset value of the Portfolio less its liabilities.

"Holder" means a registered or beneficial owner of a Note.

"Initial NAV" means the initial net asset value per Note of the Portfolio on the Closing Date, which is set at $100.

"Reference Funds' Advisor" means AIM Funds Management Inc., carrying on business as AIM Trimark Investments, the manager of the Reference Funds, who is responsible for managing the Reference Funds pursuant to the respective investment objectives of each fund.

"Reference Funds' Advisor Fee" means the fee payable by the Portfolio to the Reference Funds' Advisor.

"Investment Level" means the portion of the Portfolio's net assets allocated to Reference Funds, expressed as a percentage of the Global NAV.

"Leverage Policy" means the leverage policy described under "The Portfolio – Investment Level/Leverage Policy".

"Maturity Date" means December 31, 2010.

"Maturity Redemption Amount" means the amount payable by the Bank per Note at the Maturity Date.

"NAV" means the Global NAV, divided by the number of Notes outstanding.

"Note Value" means the value provided by the Calculation Agent on any Day equal to the closing NAV minus the sum of the unamortized portion of the issue costs per Note up to the Maturity Date and the present value (using a discounted rate calculated with the Canadian interbank rate) of the Bank's funding spread.

"Permitted Investments" means fixed income or money market instrument consisting of debt issue by the Government of Canada, or its agencies, debt issued by the provinces of Ontario, Québec, Alberta or British Columbia, or bankers' acceptances issued by Canadian banks with a short term debt rating of at least R-1 (low), A-1 or P-1 by Dominion Bond Rating Services, Limited ("DBRS"), Standard & Poor's, a division of the McGraw-Hill Companies, Inc. ("S&P") and Moody's Investors Services, Inc. ("Moody's") respectively. The maximum maturity of the Permitted Investments is the Valuation Date.

"Portfolio Manager" means National Bank of Canada, responsible for implementing the investment policy of the Portfolio including the Leverage Policy.

"Portfolio Manager Fee" means a fee payable by the Portfolio to the Portfolio Manager, accrued and paid monthly from the Portfolio's assets.

"Principal Amount" means the principal amount of each Note ($100).

"Reference Funds" means Series I units of Trimark Select Growth Fund and Trimark Global Endeavour Fund, subject to reallocation in certain circumstances. See "Description of the Notes – Reallocation".

"Valuation Date" means the fifth Day preceding the Maturity Date.

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ELIGIBILITY FOR INVESTMENT

In the opinion of Fasken Martineau DuMoulin LLP, in accordance with legislation in effect at the date hereof, the Notes offered hereby will, at the Closing Date, be qualified investments under the *Income Tax Act* (Canada) (the “Act”) for trusts governed by registered retirement savings plans (“RRSPs”), registered retirement income funds (“RRIFs”), registered education savings plans (“RESPs”) and deferred profit sharing plans (“DPSPs”), other than DPSPs under which the Bank or a corporation with which the Bank does not deal at arm's length within the meaning of the Act is an employer, and may be held in such plan subject to the terms of the plan. The Notes do not constitute “*foreign property*” for the purpose of Part XI of the Act.

SUMMARY OF THE OFFERING

The following is a summary of more detailed information appearing elsewhere in this Information Statement. Capitalized terms not defined in this summary or under the heading "Definitions" are defined elsewhere in this Information Statement.

Issuer:	Business Development Bank of Canada.
Securities Offered:	WISE Notes linked to the performance of a Portfolio of securities of AIM Trimark Funds due in 2010.
Principal Amount:	$100 per Note.
Issue Price:	$100 per Note.
Issuance Date:	On or about October 31, 2003.
Maturity Date:	December 31, 2010.
Portfolio:	The Portfolio will hold securities of the Reference Funds and, as the case may be, Permitted Investments and will implement the Leverage Policy. The Portfolio comprises Series I units of Trimark Select Growth Fund and Trimark Global Endeavour Fund. The Initial NAV of the Portfolio will be set at $100 on the Closing Date. See "The Portfolio"
Reference Funds:	The Reference Funds are Trimark Select Growth Fund and Trimark Global Endeavour Fund. Initially, the Reference Funds will be allocated in the Portfolio as follows: Trimark Select Growth Fund (75%) and Trimark Global Endeavour Fund (25%). The allocation will be rebalanced monthly depending on the Investment Level in order to maintain the same initial proportion in each of the Reference Funds. See "Reference Funds".
Investment Policy of the Portfolio:	The investment policy of the Portfolio is to seek capital appreciation over the medium term by allocating a proportion of the assets of the Portfolio to the Reference Funds pursuant to the Leverage Policy. The Investment Level (being the portion of the Portfolio's assets allocated at any time to the Reference Funds, expressed as a percentage of the Global NAV of the Portfolio) will be adjusted on a monthly basis according to the Portfolio's Leverage Policy. To the extent that the Investment Level is equal to or exceeds 100%, the assets of the Portfolio will be entirely composed of securities of the Reference Funds. To the extent that the Investment Level is below 100%, a portion of or all of the assets of the Portfolio will be invested in Permitted Investments. The Investment Level may vary from a minimum of 0%, in which case none of the Portfolio's assets will be invested in Reference Funds, to a maximum of 125%, in which case the Portfolio will borrow an amount equal to 25% of the Global NAV and will be entirely invested in the Reference Funds. If the Portfolio employs leverage, it will borrow funds from the Portfolio Manager at the Portfolio Manager's one month rate for bankers' acceptances. All distributions by any of the Reference Funds will be automatically reinvested by the Portfolio Manager to purchase additional securities of the same Reference Fund. See "The Portfolio – Investment Level/Leverage Policy" and "The Portfolio – Investment Policy".

Portfolio Manager:	National Bank of Canada, as Portfolio Manager, will be responsible for implementing the investment policy of the Portfolio including the Leverage Policy described above. See “The Portfolio”.
Reference Funds’ Advisor:	AIM Trimark Investments, the manager of the Reference Funds, is responsible for managing the Reference Funds according to the respective investment objectives of each fund. See “The Reference Funds”.
Maturity Redemption Amount:	At the Maturity Date, a Holder will be entitled to receive in respect of each Note held by such Holder, the Maturity Redemption Amount which is equal to the greater of : (a) the Principal Amount; and (b) the Principal Amount $\times\left(\frac{\text{Final NAV}}{\text{Initial NAV}}\right)$ Where (i) the Initial NAV means the initial net asset value per Note of the Portfolio on the Closing Date, set at $100, and (ii) the Final NAV means the final net asset value per Note of the Portfolio on the Valuation Date. **In the event that the Note Value becomes equal to or less than the Floor Level at any time during the life of the Notes, the Portfolio will be entirely invested in Permitted Investments until the Maturity Date, regardless of the subsequent performance of the Reference Funds. As a result, investors may receive only the Principal Amount at the Maturity Date. See “Description of the Notes – Maturity Redemption Amount”, “The Portfolio – Investment Policy” and “Risk Factors – Portfolio Assets may Remain Entirely Invested in Permitted Investments”.**
Return:	The Notes will not bear interest but will rather have a return, if any, equal to the difference between the Maturity Redemption Amount and the Principal Amount. Such return, will not be payable prior to the Maturity Date.
Rank:	The Notes will constitute direct unconditional obligations of the Bank and as such will constitute direct unconditional obligations of Her Majesty in Right of Canada. See “Description of the Notes – Rank”.
Credit Rating:	The obligations of the Bank with a term to maturity in excess of one year in Canadian currency are, as of the date hereof, rated AAA by DBRS and S&P and Aaa by Moody’s. A rating is not a recommendation to buy, sell or hold investments, and may be subject to revision or withdrawal at any time by the relevant rating agency.
Book-Entry System:	The Notes will be evidenced by a single nominative global certificate held by CDS, or on its behalf, as registered holder of the Notes. Registration of the interests in and transfers of the Notes will be made only through the book-entry system of CDS. Subject to a limited exception, no Holder of Notes will be entitled to any certificate or other instrument from the Bank or CDS evidencing the ownership thereof and no Holder will be shown on the records maintained by CDS except through an agent who is a CDS Participant. See “Description of the Notes – Book-Entry System”.

Certain Canadian Income Tax Considerations:	The amount of the excess payment of the Maturity Redemption Amount over the Principal Amount that is payable to a Holder, if any, will be included in the Holder's income, as interest, in the taxation year in which the Maturity Date is reached. Generally, a Holder should realize a capital gain (or capital loss) on a disposition of a Note, other than a disposition resulting from a payment by the Bank, equal to the amount by which the proceeds of disposition net of any reasonable costs of disposition exceed (or are exceeded by) the adjusted cost base of the Note to the Holder. **However, Holders who dispose of Notes within a short period of time before the Maturity Date, should consult their own tax advisors with respect to their particular circumstances.** See "Certain Canadian Income Tax Considerations".
Risk Factors:	Prospective investors should carefully consider all of the information set forth in this Information Statement and, in particular, should evaluate the specific risk factors set forth under "Risk Factors" for a discussion of certain risks involved in evaluating an investment in the Notes.
Secondary Market for the Notes:	The Notes are new securities for which there is currently no established trading market. The Bank does not intend to apply for listing of the Notes on any securities exchange. The Agent has agreed to maintain from November 2004, under normal market conditions, a secondary market for the Notes until the Maturity Date, in which the maximum bid-offer spread will be 1.00% of the Principal Amount, excluding commission. See "Plan of Distribution – Secondary Market for the Notes". **Holders choosing to sell their Notes prior to the Maturity Date will receive a price which could be less than the Principal Amount and which does not necessarily reflect any increase in the NAV up to the date of such sale.** See "Risk Factors – Secondary Market for the Notes/Possible Illiquidity of Secondary Market."
Fees and Expenses of the Portfolio:	All administrative and accounting expenses of the Portfolio will be paid by the Portfolio Manager. The Portfolio Manager will be entitled to the Portfolio Manager Fee equal to 2.95% per annum of the aggregate Principal Amount of Notes outstanding, accrued daily and paid monthly in arrears, which will be assumed by the Portfolio. The Reference Funds' Advisor will be entitled to the Reference Funds' Advisor Fee equal to 0.95% (plus applicable taxes) per annum of the market value of the Reference Funds held by the Portfolio, calculated daily based on the closing prices of the securities of the Reference Funds and paid monthly in arrears, which will be assumed by the Portfolio. Other than the Reference Funds' Advisor Fee in respect of the Reference Funds, no charges (including all administration, accounting and trading expenses) shall be levied against the Portfolio or the Portfolio Manager in connection with any purchase of securities of the Reference Funds or the redemption of such securities.

BUSINESS DEVELOPMENT BANK OF CANADA

The Bank (formerly the Federal Business Development Bank) was established by the *Federal Business Development Bank Act* and was continued as a body corporate under the name "Business Development Bank of Canada" pursuant to the *Business Development Bank of Canada Act*. The Bank's head office is located at 5, Place Ville-Marie, Suite 400, Montreal, Québec, H3B 5E7. The objectives of the Bank are to promote and assist in the establishment and development of business enterprises in Canada, especially small and medium-sized businesses, by providing a wide range of financial and consulting services complementary to those of commercial financial institutions. To finance these objectives, the Bank issues debt instruments, which constitute direct unconditional obligations of the Bank and as such constitute direct unconditional obligations of Her Majesty in right of Canada. The Bank is for all purposes an agent of the Crown.

THE REFERENCE FUNDS

General

AIM Trimark Investments is one of Canada's largest mutual fund companies with over $34 billion in assets under management as of June 30, 2003. A subsidiary of U.K.-based AMVESCAP PLC one of the world's largest independent investment managers. AIM Trimark Investments employs more than 900 people in its Calgary, Montreal, Toronto and Vancouver offices.

Description of the Reference Funds

The following is a brief description of each of the Reference Funds that was taken from publicly available sources, including the most recent simplified prospectus qualifying the Reference Funds. See subheading "Liability Disclaimer".

Trimark Select Growth Fund

Investment Objectives

Trimark Select Growth Fund seeks to achieve strong capital growth with a high degree of reliability over the long term. This fund invests primarily in equities of companies anywhere in the world.

Investment Strategies

To achieve these objectives, the portfolio management team looks, among various strategies, for companies:

- That can profit from technological advances and invest significantly to obtain a competitive advantage;
- That recognize and exploit opportunities for business expansion; and
- Whose management has shown strong entrepreneurial skills.

Fund Information as at August 31, 2003

The start date of the Series A units of the fund is May 1, 1989. The total assets of the fund were $7,079.6 million as at August 31, 2003. The following tables show the 10 largest holdings and geographic and sector allocation of the fund.

	Investment	Percent of Net Assets
1.	The Progressive Corp. United States – Financials	4.14%
2.	RadioShack Corp. United States – Consumer Products	4.00%
3.	American Express Co. United States – Financials	3.83%
4.	WPP Group PLC United Kingdom– Consumer Products	3.77%
5.	Amersham PLC United Kingdom – Health Care	3.26%
6.	Matsushita Electric Industrial Co., Ltd. Japan – Technology	3.22%
7.	Canon Inc. Japan – Technology	3.16%
8.	Harrah's Entertainment United States – Consumer Products	3.00%
9.	Equity Residential Properties Trust United States – Financials	2.99%
10.	Knight-Ridder, Inc. United States – Consumer Products	2.87%
	Aggregate % of top 10 holdings	**34.24%**

Geographic Allocation	
United States	58.84%
United Kingdom	12.08%
ST Investments, cash and other net assets	9.08%
Japan	8.94%
Mexico	3.57%
Italy	2.00%
Ireland	1.95%
France	1.70%
Singapore	1.47%
Denmark	0.37%

Sector Allocation	
Consumer Products	29.78%
Financials	16.54%
Technology	11.89%
Industrials	11.64%
Health Care	11.24%
Materials	9.83%
ST Investments, cash and other net assets	9.08%

Past Performance

The following tables show the fund's past performance for the Series A units of the fund. Performance of Series I units of the fund may differ from performance of Series A units. **It is important to remember that the past performance of the fund is not an indication of future performance.**

Performance and Quartile Ranking (as at August 31, 2003)

	1 year	**2 year**	**3 year**	**5 year**	**10 year**	**Life**
Performance (%)	1.54	2.87	4.12	9.22	10.16	11.35 [(1)]
Quartile ranking[(2)]	2	1	1	1	1	-

[(1)] Life numbers reflect performance from start date, being May 1989.
[(2)] Quartile rankings compare the fund to other global equity funds.
Source: Globe HySales August 31, 2003.

Calendar Performance[(1)]

	2002	**2001**	**2000**	**1999**	**1998**	**1997**	**1996**
Performance (%)	-6.31	9.85	10.69	15.99	5.21	12.62	14.02
MSCI World Index (%)[(2)]	-20.53	-11.34	-9.63	18.30	33.52	21.30	14.50

[(1)] Calendar performance indicates one-year returns (distributions reinvested) for the fund.
[(2)] Morgan Stanley Capital International (MSCI) measures the annualized returns (distributions reinvested) in Canadian dollars of equity securities available in developed markets globally. The capitalized-weighted index is comprised of companies from 23 countries.

Trimark Global Endeavour Fund

Investment Objectives[(1)]

Trimark Global Endeavour Fund seeks to generate long-term capital growth by investing primarily in mid-cap equity securities from anywhere in the world.

Investment Strategies

To achieve these objectives, the portfolio management team looks, among various strategies, for companies:

- Whose competitive advantages provide opportunities for long-term growth;
- That invest significantly to obtain a competitive advantage;
- That possess strong management; and.
- That are believed to be attractively priced in relation to their intrinsic value.

[(1)] Effective August 12 2002, the investment objectives of Trimark Global Endeavour Fund were changed. The performance of this Fund for the period prior to August 12, 2002 would have been different had the current objectives been in effect during that period.

Fund information as at August 31, 2003

The start date of the Series A units of the fund is June 8, 1993. The total assets of the fund were $242.5 million as at August 31, 2003. The following tables show the 10 largest holdings and the geographic and sector allocation of the fund:

	Investment	Percent of Net Assets
1.	Hugo Boss AG, preferred Germany – Consumer Products	4.86%
2.	Wellpoint Health Networks Inc. United States – Health Care	4.61%
3.	Polaris Industries Inc. United States – Consumer Products	4.05%
4.	Ross Stores, Inc. United States – Consumer Products	4.01%
5.	Radian Group Inc. United States – Financials	3.80%
6.	Harrah's Entertainment Inc. United States – Consumer Products	3.78%
7.	Fugro N.V. – CVA Netherlands – Energy	3.33%
8.	Arthur J. Gallagher & Co. United States – Financials	3.32%
9.	Liz Claiborne Inc. United States – Consumer Products	3.25%
10.	Dentsply International Inc. United States – Health Care	3.23%
	Aggregate % of top 10 holdings	**38.24%**

Geographic Allocation	
United States	57.21%
Mexico	8.44%
Germany	8.07%
ST Investments, cash and other net assets	5.80%
France	4.36%
Other countries	4.08%
Sweden	3.86%
Netherlands	3.33%
Italy	2.57%
Denmark	2.28%

Sector Allocation	
Consumer Products	37.53%
Financials	20.14%
Industrials	15.47%
Health Care	15.12%
ST Investments, cash or other net assets	5.80%
Energy	3.33%
Materials	2.61%

Past Performance

The following tables show the fund's past performance for the Series A units of the Fund. Performance of Series I units of the fund may differ from performance of Series A units. **It is important to remember that the past performance of the fund is not an indication of future performance.**

Performance and Quartile Rankings (as at August 31, 2003)

	1 year	2 year	3 year	5 year	10 year	Life
Performance (%) [1]	1.94	1.59	-3.28	8.57	6.36	6.52%[2]
Quartile ranking[3] [4]	2	-	-	-	-	-

[1] Effective August 12, 2002, the investment objectives of Trimark Global Endeavour Fund were changed. The performance of this fund for the period prior to August 12, 2002 would have been different had the current investment objectives been in effect during that period.
[2] Life numbers reflect performance from start date, being June 1993.
[3] Quartile rankings compare the fund to other global equity funds.
Source: Globe HySales (August 31, 2003).
[4] Effective September 2002, Trimark Global Endeavour Fund was categorized as a global equity fund and, as such, the quartile rankings do not reflect periods prior to this date.

Calendar Performance[1]

	2002	2001	2000	1999	1998	1997	1996
Performance (%)[2]	-5.32	0.12	12.53	18.78	-13.85	20.45	20.57
MSCI World Index (%)[3]	-20.53	-11.34	-9.63	18.30	33.52	21.30	14.50

[1] Calendar performance indicates one-year returns (distribution reinvested) for the fund.
[2] Effective August 12, 2002, the investment objectives of Trimark Global Endeavour Fund were changed. The performance of this fund for the period prior to August 12, 2002 would have been different had the current investment objectives been in effect during that period
[3] Morgan Stanley Capital International (MSCI) measures the annualized returns (distributions reinvested) in Canadian dollars of equity securities available in developed markets globally. The capitalization-weighted index is comprised of companies from 23 countries.

Liability Disclaimer

The information set out above was taken from publicly available sources, including the prospectus qualifying the Reference Funds. **As such, neither the Bank, the Portfolio Manager or the Agent make any assurances, representations or warranties or assumes any responsibility as to the accuracy, reliability or completeness of the information relating to the Reference Funds and to the Reference Funds' Advisor included herein and shall have no liability for any errors or omissions herein. Neither the Bank, the Portfolio Manager or the Agent make any warranty, condition or representation, express or implicit, as to the results obtained by the Holders or any other person or entity from the use of the information relating to the Reference Funds and to the Reference Funds' Advisor included herein. Nor will such persons have any duty or obligation to update such information up to or after the Closing Date.**

DESCRIPTION OF THE NOTES

The following is a description of the material attributes and characteristics of the Notes. Reference is made to the global certificate referred to below for full text of such attributes and characteristics.

General

This offering consists of Notes at a price of $100 each and payable on the Closing Date. The amount payable on the Maturity Date is linked to the appreciation, if any, of the Portfolio.

Global Certificate

A single global certificate for the full amount of the issue of Notes (the "Global Certificate") will be issued in registered form to CDS. Subject to a limited exception, certificates evidencing the Notes will not be available to Holders under any circumstances and registration of ownership of the Notes will be made only through the book-entry system of CDS. See sub-heading "Book-Entry System".

Maturity Redemption Amount

At the Maturity Date, a Holder will be entitled to receive in respect of each Note held by such Holder, the Maturity Redemption Amount, which is equal to the greater of:

(a) the Principal Amount; and

(b) the Principal Amount $\times \left(\dfrac{\text{Final NAV}}{\text{Initial NAV}} \right)$

Where (i) the Initial NAV means the initial net asset value per Note of the Portfolio on the Closing Date, set at $100, and (ii) the Final NAV means the final net asset value per Note of the Portfolio on the Valuation Date.

In the event that the Note Value becomes equal to or less than the Floor Level at any time during the life of the Notes, the Portfolio will be entirely invested in Permitted Investments until the Maturity Date, regardless of the subsequent performance of the Reference Funds. As a result, investors may receive only the Principal Amount at the Maturity Date. See "The Portfolio – Investment Policy" and "Risk Factors – Portfolio Assets may Remain Entirely Invested in Permitted Investments".

National Bank of Canada will be the Calculation Agent with regard to the Notes. The Calculation Agent will be solely responsible for the determination and calculation of the NAV and the Maturity Redemption Amount and any other determinations and calculations with respect to any distributions in connection with the Notes. All determinations and calculations made by the Calculation Agent will be at the sole discretion of the Calculation Agent and will, in the absence of manifest error, be conclusive for all purposes and binding on the Holders. The Calculation Agent is obligated to carry out its duties and functions in good faith and using its reasonable judgement.

Return

The Notes will not bear interest but will rather have a return per Note, if any, equal to the difference between the Maturity Redemption Amount and the Principal Amount. Such return will not be payable prior to the Maturity Date.

Rank

The Notes will constitute direct unconditional obligations of the Bank and as such will constitute direct unconditional obligations of Her Majesty in Right of Canada. The Notes will be issued on an unsubordinated basis and will rank pari passu as among themselves and will be payable rateable without preference or priority. The Notes will not constitute deposits that are issued under the *Canada Deposit Insurance Corporation Act*.

Reallocation

In the event that (i) a Reference Fund is terminated or merged into another mutual fund, (ii) the Reference Funds' Advisor proposes to modify the investment objectives of any of the Reference Funds in such a way that investor approval is required by the Reference Funds' Advisor, (iii) there is, in the opinion of the Portfolio Manager, acting reasonably, insufficient liquidity in any of the Reference Funds to enable it to enact proper hedging strategies in respect of the Portfolio, or (iv) the Reference Funds' Advisor is replaced, merged, is subject to a change of control or can no longer carry out its duties relating to the Reference Funds, the Portfolio Manager may redeem the securities held in the affected Reference Fund and reallocate the proceeds, with the consent of the Reference Funds' Advisor, to another fund or funds having similar investment objectives and strategies managed by the Reference Funds' Advisor or its successors. If such a reallocation cannot be agreed upon by the Portfolio Manager and the Reference Funds' Advisor or its successors, the Portfolio Manager may reallocate to another fund or funds having similar investment objectives and strategies not managed by the Reference Funds' Advisor or its successors. A reallocation to another fund or funds managed by the Reference Funds' Advisor or its successors shall be referred to as an "AIM Trimark Reallocation". The Bank will give notice to the Holders (as described below) of any reallocation.

Payment by the Bank on the Notes

Subject to certain exceptions, the Bank will be required to make available to the Holders of record on the Valuation Date, no later than 10:00 a.m. (Montréal time) on the Maturity Date, funds in an amount sufficient to pay the Maturity Redemption Amount. The Maturity Redemption Amount payable under the Global Certificate will be paid through CDS to the applicable CDS Participants to those Participants' CDS accounts in amounts proportionate to their respective beneficial interests in the Principal Amount as shown on the records of CDS. It is expected that payments by CDS Participants to owners of beneficial interests in the Global Certificate held through such CDS Participants will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such CDS Participants. Generally, such payments will be made by cheque or, pursuant to an agreement between the Holders and the relevant CDS Participant, by wire transfer. The responsibility and liability of the Bank in respect of the Notes represented by the Global Certificate is limited to making payment of any amount due on the Global Certificate to CDS. Upon receipt in full of such amounts by CDS or the Holders, as the case may be, the Bank will be discharged from any further obligation with regard to such payments.

Deferred Payment

Federal laws of Canada preclude payments of interest or other amounts for the advancing of credit at effective rates in excess of 60% per annum. When any payment is to be made by the Bank to a Holder on account of the Maturity Redemption Amount of a Note, payment of a portion of such payment may be deferred to ensure compliance with such laws.

No Redemption by the Holders

The Notes are not redeemable by the Holders prior to the Maturity Date.

Extraordinary Event

Provided there has been no AIM Trimark Reallocation, upon the occurrence of an Extraordinary Event and at the option of the Calculation Agent, all of the assets of the Portfolio may be invested in Permitted Investments, in which case, for purposes of calculating the Maturity Redemption Amount, the Final NAV shall be based on the net asset value of such Permitted Investments on the Valuation Date (whether or not the Reference Funds have ceased to exist as a result of the Extraordinary Event). Notwithstanding an Extraordinary Event, the Notes will not be redeemable prior to the Maturity Date.

Extraordinary Event means (i) any event or change affecting any Reference Fund held by the Portfolio and/or any of its securities (such as but not limited to interruption, breakdown, suspension or deferral of the calculation or the publication of the net asset value of a security of such Reference Fund prior to the Valuation Date, or the disappearance of the NAV of a security of such Reference Fund prior to the Valuation Date resulting more particularly from, but not limited to, the winding up or the termination of the Reference Fund or the cancellation of the Reference Funds' Advisor's securities registration or approval by any relevant authority of the Reference Fund) that, in the reasonable opinion of the Portfolio Manager, is likely to have a significant adverse effect on the value of the Reference Funds securities, (ii) a reduction of the number of Reference Funds securities held or likely to be held by the Portfolio Manager for any reason beyond its control, or the compulsory redemption of the Reference Funds securities held by the Portfolio Manager, or the non execution or partial execution by the Reference Funds for any reason of a subscription or redemption order given by the Portfolio Manager or any adverse change in taxation affecting payment made by the Reference Funds in respect of the securities to the Portfolio Manager, (iii) the non-execution, the breach or the termination of any agreement between the Portfolio Manager and any third party relating to the subscription and redemption of the securities of the Reference Funds, (iv) a security of a Reference Fund is converted into another series of securities of the same Reference Fund or into securities of another fund, (v) a Reference Fund splits, consolidates or merges with a third party (other than a split, consolidation or merger in which the Reference Fund is the continuing entity), or (vi) a Reference Fund sells or conveys all or substantially all its assets to a third party. Extraordinary Event shall not include a suspension of NAV calculation under the circumstances discussed in the section entitled "Suspension of NAV Calculation".

Book-Entry System

The Notes of each series must be purchased, transferred and repurchased through a CDS Participant. On the Closing Date, the Bank will cause all Notes to be issued in the form the single Global Certificate to be delivered to and registered in the name of CDS. Registration of interests in and transfers of the Notes will be made only through the book-entry system of CDS. Subject to the exception mentioned hereinafter, no Holder will be entitled to any certificate or other instrument from the Bank or CDS evidencing the ownership thereof, and no Holder will be shown on the records maintained by CDS, except through a CDS Participant. Upon purchase of Notes the Holder will receive only the customary confirmation that will be sent to such Holder by the Agent or by other registered dealers from whom or through whom such Notes are purchased.

Definitive certificates in relation to the Notes will be issued to CDS Participants if the Bank advises the Holders that CDS is no longer willing or able to properly discharge its responsibilities as depository with respect to Notes and the Bank is unable to locate a qualified successor depository system or if the Bank elects or is required by law to terminate the registration of the Notes through the book-entry system.

Upon the surrender by CDS of the Global Certificate representing the Notes and instructions from CDS for registration, the Bank will issue and deliver for each series definitive certificates to CDS Participants appearing on the records maintained by CDS at the time of or as soon as practicable prior to such delivery, which definitive certificates will thereafter evidence the Notes previously evidenced by the Global Certificate.

The Maturity Redemption Amount payable under the Global Certificate will be paid through CDS or its nominee to the applicable CDS Participants to those Participants' CDS accounts in amounts proportionate to their respective beneficial interests in the Principal Amount as shown on the records of CDS or its nominee. It is expected that payments by CDS Participants to owners of beneficial interests in the Global Certificate held through such CDS Participants will be governed by standing instructions and customary practises, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such CDS Participants. The responsibility and liability of the Bank in respect of the Notes represented by the Global Certificate is limited to making payment of any amount due on the Global Certificate to CDS or its nominee.

Notice to Holders

All notices to the Holders regarding the Notes will be validly given if (i) given through CDS to CDS Participants and (ii) published once in one or more important French language Canadian newspaper(s) and in the national edition of an important English language Canadian newspaper. The Bank will give notice as aforesaid to the Holders of any material change or material fact relating to the Notes.

Amendments to the Notes

The Global Certificate may be amended without the consent of the Holders by agreement between the Bank and National Bank Financial Inc. if, in the reasonable opinion of the Bank and National Bank Financial Inc., the amendment would not materially and adversely affect the interests of the Holders. In other cases, the Global Certificate may be amended if the amendment is approved by a resolution passed by the favourable votes of the Holders of not less than 66 2/3% of the Notes represented at a meeting convened for the purposes of considering the resolution, or by written resolution signed by Holders of not less than 66 2/3% of the Notes. Quorum for a meeting shall be reached if Holders of 10% or more of the Notes are present at the meeting. If a quorum is not reached at any meeting, that meeting must be adjourned by the Holders of the Notes attending to a later date not earlier than seven Days after the original meeting date, in which case the quorum required for such adjournment shall be the Holders present at such adjourned meeting. Each Holder is entitled to one vote per Note held by such Holder for the purposes of voting at meetings. The Notes do not carry the right to vote in any other circumstances.

THE PORTFOLIO

Investment Policy

The investment policy of the Portfolio is to seek capital appreciation over the medium term by allocating a proportion of the assets of the Portfolio to the securities of the Reference Funds pursuant to the Leverage Policy. All distributions by any of the Reference Funds will be automatically reinvested by the Portfolio Manager to purchase additional securities of the same Reference Fund.

The Investment Level (being the portion of the Portfolio's assets allocated at any time to Reference Funds, expressed as a percentage of the Global NAV) will be adjusted on a regular basis according to the Portfolio's Leverage Policy. The Portfolio Manager will be responsible for the asset allocation according to the Investment Level. To the extent that the Investment Level is equal to or exceeds 100%, the assets of the Portfolio will be entirely composed of the Reference Funds. To the extent that the Investment Level is below 100%, a portion of or all of the assets of the Portfolio will be invested in Permitted Investments.

The value of the Notes will be linked to the performance of the Portfolio. Holders of Notes will have no direct interest in the Portfolio or in any assets of the Portfolio but an entitlement under the Notes, enforceable against the Bank, the value of which will be determined by the performance of the Portfolio.

In the event that the Note Value becomes equal to or less than the Floor Level at any time during the life of the Notes, the Portfolio will be entirely invested in Permitted Investments until the Maturity Date, regardless of the subsequent performance of the Reference Funds. As a result, investors may receive only the Principal Amount at the Maturity Date. See "Risk Factors – Portfolio Assets may Remain Entirely Invested in Permitted Investments".

To the extent that part or all of the Portfolio is invested in Permitted Investments, the Global NAV will vary with the level of interest rates. The value of Permitted Investments will normally increase as interest rates fall, and decline as interest rates rise.

The Portfolio Manager

National Bank of Canada, as Portfolio Manager, will be responsible for implementing the investment policy of the Portfolio including the Leverage Policy. The Portfolio Manager may buy or sell securities held by any of the

Reference Funds in certain circumstances for hedging purposes only. The Portfolio Manager will be entitled to the Portfolio Manager Fee described under subheading "Fees and Expenses of the Portfolio".

Weighting

The initial asset allocation in Series I units of each of the Reference Funds will be 75% to Trimark Select Growth Fund and 25% to Trimark Global Endeavour Fund. This allocation will be rebalanced monthly by the Portfolio Manager depending on the Investment Level in order to maintain the same initial proportion in each of the Reference Fund, subject to more frequent rebalancing in the event that the NAV increases or decreases by 5% or more from its value since the immediately preceding adjustment date. In the special circumstances where securities held by the Portfolio in any of the Reference Funds would represent 5% or more of the outstanding securities of any such Reference Fund, the Reference Funds' Advisor has the discretion to cap additional investments in a Reference Fund by the Portfolio upon 2 Days notice to the Portfolio Manager. In such case, the Portfolio Manager shall allocate a different proportion of the Portfolio to each Reference Fund, provided that the weighting of the Trimark Select Growth Fund is always dominant in the Portfolio.

Continuous Information

The Bank will make the composition and the NAV of the Portfolio available to any Holder upon request, along with other information regarding the Notes. In addition, the Bank will provide a copy of the Global Certificate to any Holder upon request.

Investment Level/Leverage Policy

Initially, an amount equal to the gross proceeds from the issuance of the Notes will be allocated to the Reference Funds and no amount will be invested in Permitted Investments. In the event that certain events occur, including if losses are experienced in the Reference Funds, an amount of funds calculated in accordance with a mathematical formula summarized below will be withdrawn from the Reference Funds and invested in Permitted Investments. Subsequently, if the value of the Portfolio increases, the funds will then be withdrawn from Permitted Investments and reinvested in the Reference Funds.

The Investment Level may vary from a minimum of 0%, in which case none of the Portfolio's assets will be invested in Reference Funds, to a maximum of 125%, in which case the Portfolio will borrow an amount equal to 25% of the Global NAV and will be entirely invested in the Reference Funds. In positive market conditions, the Portfolio will borrow up to 25% of the Global NAV to invest in additional securities of the Reference Funds. That leverage will be funded at the Portfolio Manager's one month rate for bankers' acceptances.

The Portfolio Manager will implement a leverage policy (the "Leverage Policy") pursuant to which the Investment Level will vary as a function of the difference between the NAV and the "Floor Level", as described below, where the Investment Level may never be less than 0. The Floor Level will be initially set at $75 as of the Closing Date and will increase thereafter on a straight-line basis at a rate of approximately $3.49 per year to $100 as of the Valuation Date:

The Floor Level can therefore be determined from time to time in accordance with the following formula:

$$\text{Floor Level}\,(t) = \$75 + \$3.49 \text{ x } \left(\frac{t}{365}\right)$$

Where t is equal to the number of calendar days elapsed since the Closing Date.

When the difference between the NAV and the Floor Level is equal to or less than $25, then the Investment Level (expressed as a percentage) will be 4.0 times such difference:

$$\text{Investment Level} = 4.0 \times \left(\frac{NAV - Floor\ Level}{100}\right)$$

Example: If the NAV is $95 and the Floor Level is $78, then the Investment Level will equal (rounded up to the nearest whole number):

$$4.0 \times \frac{(95\text{-}78)}{100}$$

$$= 68\%$$

This means that 68% of the Portfolio's assets will be allocated to the Reference Funds and 32% of the Portfolio's assets will be allocated to Permitted Investments and there will be no leverage.

Example: If the NAV is $100 and the Floor Level is $75 (which will be the case at the Closing Date), the Investment Level will equal:

$$4.0 \times \frac{(100 - 75)}{100}$$

$$= 100\%$$

In this case, the Portfolio's assets will be entirely allocated to Reference Funds and there will be no leverage.

When the difference between the NAV and the Floor Level is greater than $25, then the Investment Level expressed as a percentage) will be equal to 100% + X%, where X is the amount by which the difference between the NAV and Floor Level exceeds $25:

Investment Level = Minimum of:

(i) 125% or

(ii) $100\% + \dfrac{(NAV - FloorLevel - 25)}{100}$

Example: If the NAV is $170 and the Floor Level is $85, then the Investment Level will equal (rounded up to the nearest whole number):

$$100\% + \left(\frac{(170 - 85) - 25}{100} \right)$$

= 160% (therefore 125%)

In this case, the Portfolio will borrow from National Bank of Canada an amount equal to 25% of the Global NAV for a corresponding 25% leverage (being the maximum permissible) and all of the Portfolio's assets will be invested in the Reference Funds.

The Investment Level will be adjusted monthly, on the first Day of each month, the calculation being based on the NAV of the previous Day, and will vary from 0% to a maximum of 125%. **Between monthly adjustments, the Investment Level will also be adjusted on any Day in the event that the NAV increases or decreases by 5% or more from its value on the immediately preceding adjustment date.**

The NAV

Determination of the NAV

The NAV will be calculated by the Calculation Agent on each Day and will be equal to the aggregate value of the assets of the Portfolio less the aggregate value of the liabilities of the Portfolio, divided by the number of Notes outstanding.

The value of the Portfolio's assets will be determined as follows:

1. liquid assets will be valued at face value with interest accrued;

2. the value of the securities of any of the Reference Funds will be determined on the basis of the net asset value of each Reference Fund, calculated as described in the prospectus(es) and annual information form(s) for the Reference Funds;

3. all other assets shall be valued at their fair market value based on their foreseeable realization value.

Temporary Suspension of Calculation of the NAV

The Calculation Agent may suspend the determination of the NAV if the Reference Funds' Advisor suspends or does not publish the calculation of the net asset value of any of the Reference Funds.

Suspension of NAV Calculation

If, on the Valuation Date, the right to redeem securities of any of the Reference Funds is suspended by the Reference Funds' Advisor, the obligation of the Bank to effect payment of Notes may be suspended for any period during which such right of redemption is suspended. Notwithstanding the foregoing, the Portfolio Manager will redeem securities of the Reference Funds for which there is no suspension of the NAV Calculation and will invest the proceed thereof into Permitted Investments until the suspension of the NAV Calculation is terminated or waived as described below. The prospectus for the Reference Funds provides that the Reference Funds' Advisor may suspend the right to redeem securities of the Reference Funds (i) if normal trading is suspended in any market where portfolio securities or specified derivatives are traded which represent more than 50 percent of a Reference Fund's total asset value if those portfolio securities or specified derivatives are not traded on another market or exchange that represents a reasonable and practical alternative; or (ii) in other circumstances with the consent of the Canadian securities regulators. In the event that the obligation of the Bank to effect payment is suspended, then the Maturity Redemption Amount calculated on the Valuation Date will be postponed to the next Day on which there is no suspension of the NAV Calculation in effect in respect of the Portfolio assets. However, if on the fifth Day following the date originally scheduled as the Valuation Date, the Valuation Date has not occurred, then despite the continuation of the suspension of the NAV Calculation in respect of the Portfolio assets: (a) such fifth Day shall be the Valuation Date in respect of the Portfolio; and (b) the Global NAV used for determining the Maturity Redemption Amount will be a level estimated by the Calculation Agent as at such Valuation Date taking into account all relevant market circumstances.

Fees and Expenses of the Portfolio

All administrative and accounting expenses of the Portfolio will be paid by the Portfolio Manager.

The Portfolio Manager will be entitled to the Portfolio Manager Fee equal to 2.95% per annum of the aggregate Principal Amount of Notes outstanding, accrued daily and paid monthly in arrears, which will be assumed by the Portfolio.

The Reference Funds' Advisor will be entitled to the Reference Funds' Advisor Fee equal to 0.95% (plus applicable taxes) per annum of the market value of the Reference Funds held by the Portfolio, calculated daily based on the closing prices of the securities of the Reference Funds and paid monthly in arrears, which will be assumed by the Portfolio. Other than the Reference Funds' Advisor Fee in respect of the Reference Funds, no charges (including all administration, accounting and trading expenses) shall be levied against the Portfolio or the Portfolio Manager in connection with any purchase of securities of the Reference Funds or the redemption of such securities.

PLAN OF DISTRIBUTION

General

Under an agreement dated October 1, 2003 (the "Agency Agreement") between the Bank and National Bank Financial Inc. (the "Agent"), as agent, the Agent has agreed to offer the Notes for sale on a best efforts basis, if, as and when issued by the Bank and accepted by the Agent, in accordance with the terms and conditions contained in the Agency Agreement.

The obligations of the Agent under the Agency Agreement may be terminated and the Agent may withdraw all subscriptions for Notes on behalf of the subscribers at its discretion on the basis of its assessment of the state of the financial markets and upon the occurrence of certain other stated events.

The closing will take place on or about October 31, 2003 or any such later date as may be agreed to by the Bank and the Agent. A fee of 6% of the gross proceeds of the offering will be paid to the Agent upon the closing of this offering. The fee payable to the Agent will be paid on account of services rendered in connection with the offering and will be paid out of the general funds of the Bank. Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

The Agent will not receive any benefit in connection with this offering other than the fee payable by the Bank to the Agent.

Secondary Market for the Notes

The Notes are new securities for which there is currently no established trading market. The Bank does not intend to apply for the listing of the Notes on any securities exchange. The Agent has agreed to maintain from November 2004, under normal market conditions, a secondary market for the Notes until the Maturity Date, in which the maximum bid-offer spread will be 1.00% of the Principal Amount, excluding commission.

Holders choosing to sell their notes prior to the Maturity Date will receive a price which could be less than the Principal Amount or any increase in the NAV up to the date of such sale.

USE OF PROCEEDS

The net proceeds of this offering (after payment of the Agents' commission) will be used by the Bank for general banking purposes.

RISK FACTORS

Potential investors should be aware of the risks associated with an investment in the Notes, which include but are not limited to the following.

Suitability of Notes for Investment

An investor should reach a decision to invest in the Notes after carefully considering, in conjunction with his or her advisors, the suitability of the Notes in light of the Note's investment objectives and the other information set out in this Information Statement. For instance, an investment in a Note is not suitable for a person seeking a guaranteed interest yield. The Bank and the Agent make no recommendation as to the suitability of the Notes for investment.

Comparison to Other Debt Securities

The terms of the Notes differ from those of ordinary debt securities, in that a return, if any, is payable on the Notes only to the extent that the Maturity Redemption Amount exceeds the Principal Amount at the Valuation Date. The Maturity Redemption Amount will exceed the Principal Amount only if there is an increase in the Final NAV to a level greater than the Initial NAV. Such an increase is contingent on events that are inherently difficult to predict and which are beyond the Bank's control. Accordingly, there can be no assurance that any such increase will occur, or that more than the Principal Amount will ever be payable with respect to each Note. Moreover, the value of an investment in the Notes may diminish over time owing to inflation and other factors that adversely affect the present value of future payments. Accordingly, an investment in the Notes may result in a lower return when compared to alternative investments.

Portfolio Assets may Remain Entirely Invested in Permitted Investments

Investors should consider and understand the risk that during the life of the Notes, the Note Value may become equal to or less than the Floor Level, in which case the Portfolio will be entirely invested in Permitted Investments until the Maturity Date, regardless of the subsequent performance of the Reference Funds. The Maturity Redemption Amount that investors will receive will therefore be a function of the subsequent performance of the Permitted Investments which will comprise the Portfolio assets. As a result, investors may receive only the Principal Amount at the Maturity Date.

No Ownership Interest

An investment in the Notes does not constitute an investment in the Reference Funds issuing the securities comprising the Portfolio. The Holders of Notes will not be the owners of these securities.

Although Investors will receive at least the Principal Amount at the Maturity Date, Investors May Realize No Return on their Notes

While a Holder is entitled to payment on the Maturity Date which cannot be less than the Principal Amount of the Note, the Notes do not bear interest and there can be no assurance of the receipt of any return. The amount payable at maturity is based on the return of the Portfolio which is based on the return of the Reference Funds and the Permitted Investments, as the case may be, which fluctuates. The return of the Portfolio cannot be predicted. Historical returns of the Reference Funds should not be considered any indication of the future performance of the Notes. The Notes, in regards to interest that might become payable, are subject to the risks of investing in securities, mainly the risk that the market price might not appreciate. No assurance can be given, and none is intended to be given, that the securities will appreciate in the period during which the Notes are outstanding and that any return will be achieved on the Notes.

No Pledging

The ability of a Holder to pledge the Notes or otherwise take action with respect to such Holder's interest in such Notes (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

Secondary Market for the Notes/Possible Illiquidity of Secondary Market

The Notes are new securities for which there is currently no established trading market. The Bank does not intend to apply for the listing of the Notes on any securities exchange. There is no assurance that a secondary market will develop. Despite the fact that the Agent has agreed, under normal market conditions, to maintain from November 2004, a secondary market for the Notes, it is not possible to predict how the Notes will trade in the secondary market or whether such market will be liquid or illiquid. If the secondary market for the Notes is limited, there may be fewer buyers when an investor decides to sell its Notes prior to the Maturity Date, affecting the price such a Holder will receive. **Holders choosing to sell their Notes prior to the Maturity Date will receive a price which is not necessarily equal to the Principal Amount and which does not necessarily reflect any increase in the NAV up to the date of such sale.**

In addition, the value of the Notes prior to the Maturity Date is expected to depend primarily on the economic performance of the Reference Funds. The performance of the Reference Funds over time will depend partly on the ability of the Reference Funds' Advisor to achieve the investment objectives of the Reference Funds. The price at which a Holder will be able to sell the Notes prior to the Maturity Date may be at a discount, which could be substantial, from the Principal Amount of the Notes or from the NAV, based upon one or more factors, such as the return of the Portfolio and the time remaining to the Maturity Date. The factors that will affect the trading value of the Notes interrelate in complex ways, as, for example, one factor may offset a potential increase in the trading value of the Notes caused by another factor. As an illustration, an increase in interest rates may offset some or all of any increase in the trading value of the Notes attributable to the appreciation of the Reference Funds.

Risks Relating to the Notes

The Notes are, with regard to the amounts payable thereon, subject to the risks of any investment in a portfolio of securities of funds, including the risk that the general level of stock prices may decline. Historical levels or simulated returns of the Reference Funds should not be taken as an indication of the future performance of the Reference Funds. While the trading prices of the stocks and assets underlying the Reference Funds will determine the level of the Reference Funds, it is impossible to predict whether the level of the Reference Funds will rise or fall. Trading prices of the stocks of the Reference Funds will be influenced by both the complex and interrelated political, economic, financial and other factors that can affect the capital markets generally and the equity markets on which the underlying funds and assets are traded, and by various circumstances that can influence the values of a particular underlying fund. The composition of the securities comprising the Reference Funds also changes from time to time. The initial allocation of the Reference Funds in the Portfolio will be 75% to Trimark Select Growth Fund and 25% to Trimark Global Endeavour Fund and may be modified in the special circumstance where securities held by the Portfolio in any of the Reference Funds would represent 5% or more of the outstanding securities of any such Reference Fund. Such modification of the initial allocation may affect the return of the Portfolio.

The Leverage Policy / Investment Level

The Investment Level, being the portion of the Portfolio's assets allocated at any time to Reference Funds, may vary from a minimum of 0% (in which case none of the Portfolio's assets will be invested in Reference Funds) to a maximum of 125% (in which case the Portfolio will borrow from the Bank an amount equal to 25% of Global NAV). To the extent that the Investment Level exceeds 100% of its net assets, the Portfolio will borrow in order to create leverage. In such circumstances, a negative performance of the Reference Funds and borrowing costs will accentuate any decrease in the NAV. To the extent that the Investment Level is below 100%, a portion or all of the Portfolio will be invested in Permitted Investments. As a result, the Portfolio could be prevented from continuing to invest in Reference Funds during what would otherwise have been highly profitable periods, and consequently substantially under perform an otherwise identical portfolio consisting entirely of the Reference Funds not subject to such risk control policy. Decreasing the Portfolio's investment in the Reference Funds correspondingly, may reduce the profit potential for a Holder of a Note

Risks Affecting the Return on the Reference Funds

A number of risks associated with investing in various types of securities which may be included in the Reference Funds could affect ultimately the returns on the Notes, such as variation in interest rates, stock market and general economic trends, variation of exchange rate of foreign currencies, political or economic events, the use of derivatives or of hedging strategies and securities lending practices, and, in general, investing in securities of smaller companies.

CERTAIN CANADIAN INCOME TAX CONSIDERATIONS

In the opinion of Fasken Martineau DuMoulin LLP, counsel to the Bank and to the Agents, the following is a fair summary of the principal federal income tax consequences under the laws of Canada generally applicable to a Holder who, at all relevant times, for purposes of the Act is a resident of Canada, deals at arm's length with the Bank, and acquires and holds the Notes as capital property.

The Notes will generally be regarded as capital property of a Holder who acquires and holds the Notes as investments unless the Holder holds the Notes in the course of carrying on a business or as an adventure in the nature of trade. The determination of whether the Notes are held as capital property for the purposes of the Act should take into account, among other factors, whether the Notes are acquired with the intention or secondary intention of selling them prior to the Maturity Date.

Notes acquired by certain "financial institutions" (as defined in the Act) will generally not be held as capital property by Holders and will be subject to special "mark-to-market" rules. This summary does not take into account these mark-to-market rules and taxpayers to whom these rules may be relevant should consult their own tax advisors.

This summary is based upon the current provisions of the Act and the regulations thereunder, all specific proposals to amend the Act, or the regulations publicly announced by the federal Minister of Finance prior to the date hereof and counsel's understanding of certain published administrative practices and policies of the Canada Customs and Revenue Agency ("CCRA"). This summary does not take into account or anticipate any changes in the law, whether by judicial, regulatory, administrative or legislative action, nor does it take into account tax laws of any province or territory of Canada, or of any jurisdiction outside Canada. Provisions of provincial income tax legislation vary from province to provide in Canada and may differ from federal income tax legislation.

This summary is not intended to constitute, nor should it be relied upon as, tax advice to any particular Holder nor is it exhaustive of all possible Canadian federal income tax considerations. For purposes of this summary, it is assumed that a Holder will not undertake nor arrange a transaction in respect of the Notes primarily in view of obtaining a tax benefit. **Holders should consult their own tax advisors as to the overall consequences of their acquisition, ownership and disposition of Notes**.

Federal Income Tax Considerations

The amount of the excess of the Maturity Redemption Amount over the Principal Amount that is payable to a Holder, if any, can be ascertained and the right to it arises only at the Maturity Date. The amount of such excess, if any, will be included in the Holder's income, as interest, in the taxation year in which the Maturity Date is reached.

On a disposition of a Note resulting from the payment by the Bank at the Maturity Date, a Holder will realize a capital gain (or a capital loss) to the extent that a payment received at such time, less the amount, if any, required to be included in the Holder's income in the year of such a disposition as interest, exceeds (or is less than) the Holder's adjusted cost base of the Note.

The CCRA has not expressed any opinion on whether amounts received or deemed to be received by a Holder on a disposition or a deemed disposition of a Note, other than a disposition resulting from a payment by the Bank at the Maturity Date, will be considered to be a capital gain (or a capital loss) or to be income (or an ordinary loss). Generally, a Holder should realize a capital gain (or capital loss) on a disposition of a Note, other than a disposition resulting from a payment by the Bank at the Maturity Date, equal to the amount by which the proceeds of disposition net of any reasonable costs of disposition exceed (or are exceeded by) the adjusted cost base of the Note to the Holder. **Holders who dispose of Notes within a short period of time before the Maturity Date, should consult their own tax advisors with respect to their particular circumstances.**

Draft amendments to the Act announced October 11, 2002 respecting "Foreign Investment Entities (the "Draft Amendments") require a taxpayer to include prescribed amounts in income in respect of any "participating interest" in a "non-resident entity" regardless of whether the taxpayer has received any such amounts. While the CCRA may take a contrary view and there can be no assurances that the Draft Amendments will be passed into law in the form announced, counsel to the Bank and to the Agents is of the view that the holders should not be considered to have a participating interest solely by reason of the holding of the Notes.

One half of any capital gain realized will constitute a taxable capital gain that must be included in the calculation of the Holder's taxable income. One half of any capital loss incurred will constitute an allowable capital loss that is deductible against taxable capital gains of the Holder, subject to and in accordance with the provisions of the Act.

A Holder that is a Canadian-controlled private corporation may be subject to a refundable tax of 6 2/3 % on investment income, including taxable capital gains.

Capital gains realized by an individual or trust, other than certain trusts, may give rise to alternative minimum tax under the Act.

If the entire amount of the Portfolio is invested in Permitted Investments, some of the tax considerations described above may not apply. In this case, Holders should consult their own tax advisor as to the tax consequences resulting therefrom.