

Information Statement

Dated March 31, 2000

Business Development Bank of Canada



**International Equity Index-linked Notes,
Series 1**

Due April 21, 2008

Price: \$10.00 per Note

Business Development Bank of Canada ("BDC") has taken all reasonable care to ensure that the facts stated in this Information Statement in relation to the Notes are true and accurate in all material aspects and that there are no other material facts in relation to the Notes the omission of which would make any statement herein, whether of fact or opinion, misleading.

No person has been authorized to give any information or to make any representations other than those that may be contained in:

- (a) this Information Statement;*
- (b) any amendments made from time to time to this Information Statement, or*
- (c) any supplementary terms and conditions provided in any Global Note or any replacement promissory note therefor,*

in connection with the offering or sale of the Notes and, if given or made, such information or representations must not be relied upon as having been authorized. Neither the delivery of this Information Statement nor the issue of the Notes nor any sale thereof shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of BDC since the date hereof. This Information Statement does not constitute an offer or invitation by anyone in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or invitation.

The distribution of this Information Statement and the offering and sale of the Notes are restricted within Canada and to Canadian residents and may be subject to further restrictions within any relevant province or territory. BDC and the selling agents require persons into whose possession this Information Statement comes to inform themselves of and observe any and all such restrictions.

BDC intends to apply to the relevant securities authorities for relief from continuous disclosure requirements usually applicable to reporting issuers.

More particularly, the Notes have not been and will not be registered under The United States Securities Act of 1933, as amended, and the Notes may not be offered, sold or delivered within the United States or to United States persons (as such expressions are defined in the United States Internal Revenue Code and Regulations thereunder).

In this Information Statement, capitalized terms will have the meanings ascribed to them and references to "\$" are to Canadian dollars.

No securities commission or similar authority has in any way passed upon the merits of the Notes and any representation to the contrary may be an offence.

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for
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SUMMARY

The following summary should be read in conjunction with the more detailed information appearing elsewhere in this Information Statement.

An International Equity Index-linked Note, Series 1, (a "Note") is a variable interest promissory note issued by Business Development Bank of Canada. The interest thereon, if any, will be based on the average of the performances of the S&P 500 Index, the Nikkei 225 Index and the Dow Jones EURO STOXX 50SM Index. Performance in each case will be measured from the Initial Level to the Final Level. The Initial Level of an Index will be its Closing Level on the relevant Exchange Day immediately following the Issue Date. The Final Level of an Index will be the average of its Closing Levels on the 20th day of each of 36 consecutive calendar months starting in February 2005 and ending in January 2008. Gains and losses in the Indices over the last three months prior to maturity of the Note will not be factored into the amount of interest payable. The principal amount, together with interest (if any), will be paid only when the Note matures on April 21, 2008. See below for more detail.

Issuer:	Business Development Bank of Canada ("BDC").						
Principal Amount:	\$10.00 per Note, with a minimum subscription of 500 Notes per holder.						
Issue Price:	<table><thead><tr><th><u>Price to the Public</u>⁽¹⁾</th><th><u>Selling Agent's Commission</u></th><th><u>Proceeds to BDC</u>⁽²⁾</th></tr></thead><tbody><tr><td>\$10.00 (Par)</td><td>\$0.225</td><td>\$9.775</td></tr></tbody></table>	<u>Price to the Public</u> ⁽¹⁾	<u>Selling Agent's Commission</u>	<u>Proceeds to BDC</u> ⁽²⁾	\$10.00 (Par)	\$0.225	\$9.775
<u>Price to the Public</u> ⁽¹⁾	<u>Selling Agent's Commission</u>	<u>Proceeds to BDC</u> ⁽²⁾					
\$10.00 (Par)	\$0.225	\$9.775					
	(1) The subscription price has been determined by negotiation between BDC and CIBC World Markets Inc. (as Agent).						
	(2) Before deduction of expenses of issue which, together with the Agent's commissions, will be paid by the issuer out of general funds.						
Issue Date:	On or about April 20, 2000.						
Maturity Date:	April 21, 2008 (resulting in a term to maturity of approximately 8 years).						
Principal Amount Payment:	The holder of a Note (the "Noteholder") will be paid the Principal Amount of \$10.00 on the Maturity Date.						
Variable Interest:	The Noteholder will be paid interest ("Variable Interest"), if any, in Canadian dollars. Variable Interest will be calculated by the Calculation Agent in accordance with the formula noted on page 2 below. Generally stated, the amount of Variable Interest will be based on the average of the performances of the S&P 500 Index, the Nikkei 225 Index and the Dow Jones EURO STOXX 50 SM Index (each an "Index" and collectively, the "Indices"). See the brief descriptions of the Indices starting on pages 9, 11 and 12 respectively. Performance of each Index will be measured from its Initial Level to its Final Level. The Initial Level of an Index will be its Closing Level (as defined on page 2) on the relevant Exchange Day immediately following the Issue Date. The Final Level of an Index will be the average of its Closing Levels on the 20 th day of each calendar month from and including February 2005 to and including January 2008, provided that, if any such 20 th day is not a Exchange Day for that Index, then the Closing Level on the immediately preceding Exchange Day for that Index will be used. Variable Interest, if any, will be paid only on the Maturity Date, despite the fact that the amount of Variable Interest, if any, payable on the Maturity Date will be determined approximately three months prior to the Maturity Date. The Noteholders may not elect to receive the Variable Interest prior to the Maturity Date. See "VARIABLE INTEREST CALCULATION" starting on page 2 below for the precise formula for determining Variable Interest and for example calculations and see "DESCRIPTION OF THE NOTES" starting on page 3 below for further details.						
Special Circumstances:	If a Market Disruption Event in respect of an Index occurs on a day on which a Closing Level for such Index is to be used for purposes of determining the Initial Level or Final Level, determination of that Closing Level will be postponed to a later date. The occurrence of an Extraordinary Event may result in the acceleration of Final Averaging Dates and the early determination of the amount of Variable Interest, if any, payable on the Maturity Date. In no event						

will Noteholders receive the Principal Amount or Variable Interest under their Notes before the Maturity Date. See "DESCRIPTION OF THE NOTES – *Special Circumstances*" starting on page 4 below.

RRSP Eligible:

The Notes will be qualified investments under the Income Tax Act (Canada) for registered retirement savings plans, registered retirement income funds, registered education savings plans and deferred profit sharing plans and will not constitute foreign property within the meaning of that Act.

TSE Listing:

The Toronto Stock Exchange has conditionally approved the listing of the Notes, subject to BDC fulfilling all of the requirements of such exchange by June 30, 2000, including the distribution of the Notes to a minimum number of Noteholders.

Book-Entry Registration:

Records of ownership and transfer will be maintained through the book-entry system of The Canadian Depository for Securities Limited or its successor ("CDS"). A Noteholder will not receive any document from BDC evidencing ownership of Notes while maintained through CDS.

Risk Factors:

A person should consider carefully certain risk factors set out on page 15 before reaching a decision to buy the Notes.



VARIABLE INTEREST CALCULATION

A Noteholder will be entitled to receive the Variable Interest, if any, per Note payable in Canadian dollars and calculated in accordance with the following formula:

$$\text{Variable Interest} = \$10.00 \times \text{Average Index Return}$$

Where:

"*Average Index Return*" means the greater of (i) the average, expressed as a percentage (rounded to two decimal places), of the Index Returns for all Indices and (ii) zero.

"*Closing Level*" means, in respect of an Index, the official closing or day-end price, level or value (as the case may be) for such Index as announced by the relevant Index Sponsor, provided that, if on or after the Issue Date such Index Sponsor materially changes the time of day at which such official closing price, level or value is determined or no longer announces such official closing price, level or value, the Calculation Agent may deem the Closing Level to be the price, level or value of such Index as of the time of day used by such Index Sponsor to determine the official closing price, level or value prior to such change or failure to announce.

"*Final Averaging Dates*" means, in respect of an Index, the dates which are the 20th day of each of 36 consecutive calendar months from and including February 2005 to and including January 2008, provided that, if any such scheduled 20th day is not an Exchange Day for that Index, then the relevant Final Averaging Date shall occur on the immediately preceding applicable Exchange Day.

"*Final Level*" means, in respect of an Index, the average (rounded to two decimal places) of the Closing Levels of the Index on each Final Averaging Date.

"*Initial Level*" means, in respect of an Index, the Closing Level for the Index on the relevant Exchange Day following the Issue Date.

"*Index Return*" means, in respect of an Index, the number, which may be positive or negative, expressed as a percentage (rounded to two decimal places), determined by the Calculation Agent in accordance with the following formula:

$$\text{Index Return} = \left(\frac{\text{Final Level} - \text{Initial Level}}{\text{Initial Level}} \right)$$

No Variable Interest will be paid unless the Average Index Return is greater than zero.

The two examples set out below are included for purposes of illustration only. The Initial Levels and Final Levels used in the examples are not estimates or forecasts. Both examples assume that the Noteholder has purchased 1,000 Notes.

Example #1	Assumptions			Index Return
	Index	Initial Level	Final Level	
	S&P 500 Index	1500.00	2500.00	66.67%
	Nikkei 225 Index	19500.00	42000.00	115.38%
	Dow Jones EURO STOXX 50 SM Index	5300.00	11000.00	107.55%
	Average Index Return			96.53%
Variable Interest = 1,000 x \$10.00 x 96.53% = \$ 9,653.00				

In Example #1, the Noteholder would receive Variable Interest of \$9,653.00, plus the aggregate Principal Amount of \$10,000.00, on the Maturity Date of April 21, 2008.

Example #2	Assumptions			Index Return
	Index	Initial Level	Final Level	
	S&P 500 Index	1500.00	1450.00	-3.33%
	Nikkei 225 Index	19500.00	23000.00	17.95%
	Dow Jones EURO STOXX 50 SM Index	5300.00	4200.00	-20.75%
	Average Index Return			-2.05%
Since the Average Index Return is not positive, no Variable Interest would be paid.				

In Example #2, the Noteholder would only receive the aggregate Principal Amount of \$10,000.00 on April 21, 2008.



DESCRIPTION OF THE NOTES

Issue

International Equity Index-linked Notes, Series 1, (the "Notes") will be issued by BDC on or about April 20, 2000 (the date of issuance being the "Issue Date"). BDC reserves the right to issue the Notes in an aggregate number as BDC may determine in its absolute discretion.

Principal Amount and Minimum Subscription

Each Note will be issued in a face amount of \$10.00 (the "Principal Amount"). The minimum subscription per Noteholder will be 500 Notes.

Maturity & Repayment of Principal Amount

Each Note matures on April 21, 2008 (the "Maturity Date"), on which date the Noteholder will be entitled to receive the Principal Amount (i.e., \$10.00 per Note). If the Maturity Date is not a Banking Day, then such payment of the Principal Amount per Note will be paid on the next following Banking Day and no interest shall be paid in respect of the delay in such payment.

Variable Interest

Each Note will bear interest (referred to as "Variable Interest") in an amount, if any, in Canadian dollars, without any need for the Noteholder to elect or otherwise take any action.

Variable Interest will be determined by the Calculation Agent (as identified on page 8 below) in accordance with the formula and related definitions noted under "VARIABLE INTEREST CALCULATION" on page 2 above.

No Variable Interest will be paid unless the Average Index Return is greater than zero.

Those Exchange Days on which Closing Levels will be determined for calculating the Initial Level and the Final Level for an Index are referred to as the "Initial Valuation Date" and "Final Averaging Dates", respectively, and each a "Valuation Date".

Payment of Variable Interest will be made by BDC on the Maturity Date. The timing and manner of determining Variable Interest as described above may be affected by the occurrence of certain unusual events as described under "Special Circumstances" below.

TSE Listing of Notes

The Toronto Stock Exchange has conditionally approved the listing of the Notes, subject to BDC fulfilling all of the requirements of such exchange by June 30, 2000, including the distribution of the Notes to a minimum number of Noteholders.

Secondary Trading of Note

A Noteholder cannot elect to receive Variable Interest before the Maturity Date. However, if there is an available secondary market (and there can be no assurance that there will be such a market or whether such market will be liquid or illiquid), the Noteholder could sell the Note.

The trading price of a Note at any time will be dependent on, among other things, (i) how much the Closing Levels of the Indices have risen or fallen since the Issue Date, (ii) the fact that the \$10 Principal Amount of the Note is payable on the Maturity Date regardless of the Closing Levels of the Indices at any time, and (iii) a number of other interrelated factors, including, without limitation, volatility in the Closing Levels of the Indices, the correlation amongst the Closing Levels of the Indices, prevailing interest rates in the various applicable countries, the Closing Levels relative to one another, the dividend yields of the securities comprising the Indices, the time remaining to the Maturity Date, and market demand for the Notes. The relationship among these factors is complex and may also be influenced by various political, economic and other factors that can affect the trading price of a Note.

The amount of Variable Interest per Note will be known approximately three months prior to the Maturity Date. That amount of Variable Interest per Note will only be paid on the Maturity Date, without any additional interest thereon to compensate for the delay of payment over such three-month period. If the Noteholder wished to sell the Note on that date when the amount of Variable Interest is known, the trading price would be largely based on the present value of the total of such Variable Interest plus the \$10 Principal Amount, discounted from the Maturity Date to the date of the proposed sale at the then current yield for three-month Government of Canada treasury bills.

The Noteholder may wish to consult his or her investment advisor on whether it would be more favourable in the circumstances at any time to sell the Note or hold the Note until the Maturity Date.

Special Circumstances

Calculation Experts

If the Calculation Agent determines that any circumstance described below under "*Postponement of Valuation Date Due to Market Disruption Event*", "*Extraordinary Event May Trigger Early Determination of Variable Interest*" or "*Discontinuance or Modification of an Index*" has occurred that requires the appointment of calculation experts (collectively, "Calculation Experts"), the Calculation Agent will (i) appoint five Calculation Experts, and (ii) give notice to the Noteholders of such determination (together with brief reasons therefor) and the identity of the Calculation Experts. Each Calculation Expert will be a person or company (other than the Calculation Agent or any affiliate thereof) that is an active participant in equity markets relevant to the affected Index or Indices. The Calculation Experts will act as independent experts, and not as agents for BDC or the Calculation Agent, and their calculations and determinations shall, absent manifest error, be final and binding on BDC and the Noteholders. The calculations will be available to a Noteholder from the Calculation Agent. Any determination by the Calculation Agent that a circumstance has occurred giving rise to the appointment of Calculation Experts is subject to subsequent confirmation by a majority of the Calculation Experts promptly following their appointment. The Calculation Experts will not be responsible for their errors or omissions if made in good faith.

Postponement of Valuation Date Due to Market Disruption Event

If the Calculation Agent determines that a Market Disruption Event in respect of an Index has occurred and is continuing on any date that but for that event would be a Valuation Date in respect of that Index, then Variable Interest will be calculated on the basis that such Valuation Date will be postponed to the next relevant Exchange Day on which there is no Market Disruption Event in respect of such Index in effect.

However, there will be a limit for postponement of any Valuation Date. If, on the fifth Exchange Day following the date originally scheduled as a Valuation Date in respect of the relevant Index, such Valuation Date has not occurred, then despite the occurrence of any Market Disruption Event in respect of such Index on or after such fifth Exchange Day:

- (i) such fifth Exchange Day shall be the Valuation Date in respect of such Index, and

- (ii) where on that fifth Exchange Day a Market Disruption Event in respect of such Index has occurred and is continuing, then the Closing Level for such Valuation Date used for determining the relevant Initial Level or Final Level, as the case may be, in the calculation of the Variable Interest will be a level (the “Expert Estimated Level”) determined for such Index by the Calculation Experts as at such Valuation Date taking into account all relevant market circumstances based upon the average (rounded to two decimal places) of the estimates of the value by three of the five Calculation Experts whose estimates are neither the highest nor the lowest of the five estimates; provided that, if two or more of the highest and/or lowest estimates are equal, only one of such higher and/or lower estimates shall be deemed to be the highest and/or the lowest estimate for the purpose of determining the average of the estimates of the Calculation Experts.

Extraordinary Event May Trigger Early Determination of Variable Interest

If a Market Disruption Event in respect of one or more Indices has occurred and is continuing, and if any such Market Disruption Event has continued for at least ten consecutive Banking Days (an “Extraordinary Event”), BDC may, at its option upon notice to the Noteholders, elect to accelerate the occurrence of any Final Averaging Dates for all Indices (whether or not affected by such Market Disruption Event) scheduled to occur after such notification date (collectively, the “Remaining Final Averaging Dates”) and thereupon have Variable Interest, if any, per Note determined and calculated effective as of such notification date; provided that:

- (i) Each Remaining Final Averaging Date for each of all Indices (which for purposes of certainty include each Index either affected or unaffected by such Market Disruption Event) scheduled to occur after such notification date will occur (and the relevant Closing Level in respect of the relevant Index will be determined) as of such notification date or, if such notification date is not an Exchange Day for such Index, as of the immediately following relevant Exchange Day, whether or not any Market Disruption Event is continuing on such date; and
- (ii) the relevant Closing Level for any Index which is subject to a Market Disruption Event on the accelerated Remaining Final Averaging Date will be the Expert Estimated Level determined as of such accelerated Remaining Final Averaging Date by the Calculation Experts in the same fashion as noted in “*Postponement of Valuation Date Due to Market Disruption Event*” above.

In these circumstances, payment of the Principal Amount and Variable Interest, if any, per Note will not be accelerated and will remain due and payable on the Maturity Date.

Definition of Market Disruption Event

“Market Disruption Event” means, in respect of an Index, any bona fide event, circumstance or cause (whether or not reasonably foreseeable) beyond the reasonable control of BDC or any person that does not deal at arm’s length with BDC which has or will have a material adverse effect on the ability of equity dealers generally to place, maintain or modify hedges of positions in respect of the Index. A Market Disruption Event in respect of an Index may include, without limitation, any of the following events:

- (a) any suspension of or limitation on trading (by reason of movements in price exceeding permitted limits, or otherwise) (i) on an applicable Exchange (as defined on page 6 below) in securities that in aggregate comprise 20% or more of the Closing Level of the Index, or (ii) on an applicable Related Exchange (as defined on page 6 below) in futures or options on that Index, where such suspension or limitation occurs or exists during the one-half hour period prior to the scheduled close of regular trading on the applicable Exchange or Related Exchange and where, in the determination of the Calculation Agent, such suspension or limitation is material;
- (b) the enactment, publication, decree or other promulgation of any statute, regulation, rule or order of any court or other government authority which would make it unlawful or impracticable for BDC to perform its obligations under the Notes or for equity dealers generally to place, maintain or modify hedges of positions in respect of that Index;
- (c) the taking of any action by any governmental, administrative, legislative or judicial authority or power of Canada or any other country or any political subdivision thereof, which has a material adverse effect on the financial markets of Canada or of any country in which an Exchange or Related Exchange in respect of that Index is located; or
- (d) any outbreak or escalation of hostilities or other national or international calamity or crisis (including, without limitation, natural calamities) which has or would have a material adverse effect on the ability of BDC to perform its obligations under the Notes or of equity dealers generally to place, maintain or modify hedges of positions with respect to that Index or a material and adverse affect on the economy of any country in which an Exchange or the Related Exchange in respect of that Index is located or the trading of securities generally on any such Exchange or Related Exchange.

For the purposes of determining whether a Market Disruption Event has occurred: (1) a limitation on the hours or number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of an applicable Exchange or Related Exchange, (2) a “suspension of or limitation on trading” on any such Exchange or Related Exchange will not include any time when such Exchange or Related Exchange itself is closed for trading under ordinary circumstances, and (3) if trading in a security included in a relevant Index is

materially suspended or materially limited, then the relevant percentage contribution of that security to the Closing Level of that Index shall be based on a comparison of (i) the portion of the Closing Level of the Index attributable to that security relative to (ii) the overall Closing Level of that Index, in each case immediately before that suspension or limitation.

Discontinuance or Modification of an Index

If an Index is (i) not calculated and announced by its existing sponsor or source, but is calculated and publicly announced by another independent authoritative person or party acceptable to the Calculation Agent (the "Successor Source"), or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of such Index, then such Index will be deemed to be that index so calculated and announced by the Successor Source or that successor index, as the case may be, and Variable Interest will be calculated by reference to the Closing Level of that index in accordance with the formula previously set out herein.

If (i) on or prior to any Valuation Date in respect of an Index, a relevant Index sponsor or source makes a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent securities and capitalization and other routine events) or (ii) on any Valuation Date in respect of an Index, the Index sponsor or source fails to calculate and announce the relevant Index, then the Calculation Experts shall calculate the relevant Closing Level for purposes of determining the Initial Level or Final Level (as the case may be) using the price, level or value for that Index as at that Valuation Date as determined by the Calculation Experts in accordance with the formula for and method of calculating that Index last in effect prior to that change or failure, but using only those securities that comprised that Index immediately prior to that change or failure (other than those securities that have since ceased to be listed on any relevant Exchange).

Exchange / Related Exchange

"Exchange" means, in respect of an Index, each of the exchanges and trading systems from which prices of securities are used in the computation of the Closing Level of such Index.

"Related Exchange" means, in respect of an Index, each of the exchanges or trading systems on which futures or options on such Index are listed from time to time.

Form and Registration

All Notes will be represented in the form of a fully-registered book-entry only global note (the "Global Note") held by or on behalf of CDS as custodian of the Global Note (for its participants), and registered in the name of CDS or its nominee (the "Nominee"), initially CDS & Co. (All references to the Notes and a Note contained in this Information Statement will include the Global Note unless the context otherwise requires.)

Except in the limited circumstances described below, purchasers of beneficial interests in the Global Note will not be entitled to receive Notes in definitive form. Rather, the Notes will be represented in book-entry only form. Beneficial interests in the Global Note, constituting ownership of Notes, will be represented through book-entry accounts of institutions acting on behalf of beneficial owners, as direct and indirect participants of CDS. CDS will be responsible for establishing and maintaining book-entry accounts for its participants having interests in the Global Note. Transfers of ownership of beneficial interests in the Global Note will be effected through records maintained by CDS for the Global Note or the Nominee (with respect to interests of participants) and on the records of participants (with respect to interests of persons other than participants).

If CDS notifies BDC that it is unwilling or unable to continue as depository in connection with the Global Note or ceases to be recognized as a self-regulatory organization under applicable Canadian securities legislation at a time when it is required to be and, if a successor depository is not appointed by BDC within 90 days after receiving such notice or becoming aware that CDS is no longer recognized, BDC will issue or cause to be issued Notes in definitive form upon registration, of transfer of, or in exchange for, the Global Note. Notes in definitive form will be in fully registered form. The text of the definitive Notes will contain such provisions as BDC may deem necessary or advisable provided that such provisions may not be incompatible with the provisions of the terms and conditions of the Notes as set out in this Information Statement.

BDC will keep or cause to be kept a register in which will be recorded registrations and transfers of Notes in definitive form if issued. Such register will be kept at the office of BDC or the Paying and Transfer Agent, or at such other office notified by BDC to the Noteholders.

No transfer of the Global Note or, if issued, of Notes in definitive form will be valid unless registered in the aforesaid register upon surrender of the Global Note or Notes in definitive form for cancellation with a written instrument of transfer in form and as to execution satisfactory to BDC, and upon compliance with such reasonable requirements as BDC may prescribe.

The Global Note may not be transferred except as a whole by CDS to a nominee of CDS, or by a nominee of CDS to CDS or another nominee of CDS.

Payment

The amounts payable under the Global Note on the due date will be made available by BDC, at BDC's option, either through the Paying and Transfer Agent or through CDS or its Nominee in accordance with arrangements between BDC and CDS. The Paying and Transfer Agent or CDS or its Nominee (as the case may be) will, upon receipt of any such amount, immediately facilitate payment to the applicable CDS participants, or credit to those participants' CDS accounts, in amounts proportionate to their respective beneficial interests as shown on the records of CDS or its Nominee. BDC expects that payments by participants to owners of beneficial interests in the Global Note held through such 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 participants. The responsibility and liability of BDC in respect of Notes represented by the Global Note is limited to making payment of any amount due on the Global Note to CDS or its Nominee.

Neither BDC nor the Paying and Transfer Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership of Notes represented by the Global Note or for maintaining, supervising or reviewing any records relating to such ownership.

Payment on a definitive Note, if issued, will be made by cheque mailed to the Noteholder at the address of the Noteholder appearing in the aforementioned register in which registrations and transfers of Notes are to be recorded or, if requested in writing by the Noteholder at least five Exchange Days before the date of the payment and agreed to by BDC, by electronic funds transfer to a bank account nominated by the Noteholder with a bank in Canada. Payment under any definitive Note is conditional upon the Noteholder first delivering the Note to BDC who reserves the right to retain the Note and mark the Note as cancelled.

Neither BDC, the Paying and Transfer Agent nor CDS will be bound to see to the execution of any trust affecting the ownership of any Note or be affected by notice of any equity that may be subsisting with respect to any Note.

Status

The Notes will constitute direct unconditional obligations of BDC 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, as among themselves, the Notes will rank *pari passu* and will be payable rateably without any preference or priority.

Plan of Distribution

Each Note will be issued at 100% of the Principal Amount thereof (i.e., \$10.00). The issue price of \$10 per Note was determined by negotiation between BDC and CIBC World Markets Inc.

Under an agreement (the "Agency Agreement") between BDC and CIBC World Markets Inc. (the "Agent"), the Agent has agreed to offer the Notes for sale on a best efforts basis, if, as and when issued by BDC in accordance with the provisions of the Agency Agreement. The continuing 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 may also be terminated upon the occurrence of other stated events.

The issuance of the Notes is conditional upon the listing of the Notes on the Toronto Stock Exchange. Issuance is also conditional upon receipt and acceptance by BDC of subscriptions for a minimum of 1,000,000 Notes (unless such condition is waived by BDC). Any subscription proceeds will be kept with the Agent or other members of the selling group, as depository, upon receipt and held by them in deposit pending sale of such minimum number of Notes. In the event that such minimum number of Notes sold is not achieved, the offering of the Notes may not continue without the consent of the subscribers who subscribed for Notes on or before such date. If such consents are not obtained or if for any reason the issuance of the Notes does not occur, the Agent and members of the selling group will promptly return all subscription proceeds in respect of such Notes to subscribers without interest and deduction.

BDC will pay the Agent a fee of \$0.225 per Note on the Issue Date. All fees 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 BDC. 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. Upon acceptance of a subscription, the Agent will send out or cause to be sent out a confirmation of acceptance by prepaid mail or other means of delivery to the subscriber.

BDC may also sell Notes to any dealer, acting as principal, for resale to one or more investors at varying prices related to prevailing market prices at the time of such resale to be determined by such dealer. BDC also reserves the right to sell Notes to investors directly on its own behalf in those jurisdictions where it is authorized to do so.

Unless the Notes are sold by BDC to the Agent acting as principal, no part of any commission paid by BDC to the Agent may be reallocated, directly or indirectly, to the purchaser of the Notes or to others, and the Agent will not be entitled to receive any commission from any other party in respect of initial sales of the Notes.

The Agent may from time to time purchase and sell Notes in the secondary market but is not obligated to do so.

BDC reserves the right to issue additional Notes of a series previously issued, and other debt securities which may have terms substantially similar to the terms of the Notes offered hereby, which may be offered by BDC concurrently with the offering of Notes.

BDC further reserves the right to purchase for cancellation at its discretion any amount of Notes in the secondary market without notice to the Noteholders in general.

Banking Day / Exchange Day

“Banking Day” means a day on which (i) commercial banks are open for business in (a) Toronto, Ontario, (b) New York City, U.S.A. and (c) London, England, and (ii) BDC is open for business in Montréal, Quebec.

“Exchange Day” means, in respect of an Index, a day that is (i) a Banking Day, (ii) a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in every principal financial centre in the country where an applicable Exchange or Related Exchange is located, and (iii) a day which is (or, but for the occurrence of a Market Disruption Event, would have been) a trading day on each of the applicable Exchanges and Related Exchange other than a day on which trading on any such exchange is scheduled to close prior to its regular weekday closing time.

Calculation Agent

“Calculation Agent” means the calculation agent for the Notes appointed by BDC from time to time. The Calculation Agent initially will be Canadian Imperial Bank of Commerce, whose address is BCE Place, P.O. Box 500, 161 Bay Street, 5th Floor, Toronto, Ontario, Canada M5J 2S8 – Attention: Equity Structured Products.

Whenever the Calculation Agent is required to act, it will do so in good faith and its determinations and calculations will be binding in the absence of manifest error.

Paying and Transfer Agent

“Paying and Transfer Agent” means the paying and transfer agent for the Notes appointed by BDC from time to time. The Paying and Transfer Agent initially will be Canadian Imperial Bank of Commerce, whose address is BCE Place, P.O. Box 500, 161 Bay Street, 4th Floor, Toronto, Ontario, Canada M5J 2S8 – Attention: Debt Management Service.

Dealings With Companies

Any of BDC, the Calculation Agent and the Paying and Transfer Agent may from time to time, in the course of its normal business operations, extend credit to or hold securities of or enter into other business dealings with each other or one or more of the companies whose securities comprise part of any Index. Each of BDC, the Calculation Agent and the Paying and Transfer Agent has agreed that all such actions taken by it shall be taken based on normal commercial criteria in the particular circumstances and shall not take into account the effect, if any, of such actions on the Closing Level of any Index.

Notification

All general notices to Noteholders regarding the Notes will be valid and effective (i) if such notices are given (which notice may be given by wire or fax) to CDS and the Noteholders’ investment dealers who are participants of CDS, or (ii) in the case where the Notes are directly registered in the Noteholders’ names and issued in definitive form, if such notices are mailed or otherwise delivered to the registered addresses of the Noteholders; provided, however, that any required notice in respect of an Extraordinary Event will also be published in the Toronto and national editions of a major daily English language Canadian newspaper with national circulation, and in a daily French language newspaper of general circulation in Montreal.

BDC’s address for purposes of the Notes is 5 Place Ville-Marie Bureau 400, Montréal, Quebec H3B 5E7 – Attention: Vice-President and Treasurer.



CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes the principal Canadian federal income tax considerations generally applicable to a Noteholder who, for the purposes of the Income Tax Act (Canada) (the "Act") is a resident of Canada who deals at arm's length with BDC and holds a Note as capital property. This summary is based on the Act and the Regulations made under the Act as in force on the date of this Information Statement, all specific proposals to amend the Act or Regulations publicly announced by the Minister of Finance prior to the date of this Information Statement and the current administrative practices and policies of the Canada Customs and Revenue Agency ("CCRA") as made publicly available by it. Provincial and foreign income tax considerations are not addressed and this summary is not intended to constitute, nor should it be relied upon as, tax advice to any particular Noteholder. All Noteholders should consult their own tax advisors with respect to their tax positions.

Based on CCRA's administrative practice, no interest should be deemed to accrue on the Notes prior to the last occurring Final Averaging Date therefor. In general, the full amount of Variable Interest, if any, will be included in the Noteholder's income in the year that includes such last occurring Final Averaging Date. Whether the amounts received or deemed to be received by a Noteholder on any disposition or deemed disposition of a Note other than on repayment should be regarded as a capital gain or loss or as ordinary income or loss to such Noteholder will depend on whether the Noteholder has held the Note as capital property or as an adventure in the nature of trade.

The Notes will be qualified investments under the Act for registered retirement savings plans, registered retirement income funds, registered education savings plans and deferred profit sharing plans. The Notes will not constitute foreign property for purposes of the Act.



S&P 500 INDEX

All information in this Information Statement relating to the S&P 500 Index is derived from publicly available sources and is presented in this Information Statement in summary form. More information may be obtained at www.spglobal.com/index.html. Neither BDC, the Calculation Agent, the Paying & Transfer Agent nor any investment dealer, broker or agent selling the Notes assumes any responsibility for the accuracy or completeness of such information, or accepts responsibility for the calculation or other maintenance of, or any adjustments to, the S&P 500 Index.

General

The Standard & Poor's 500 Composite Stock Price Index (also known as the "S&P 500 Index") is published by Standard & Poor's, a division of the McGraw-Hill Companies Inc. (referred to as "Standard & Poor's") and is intended to provide an indication of the pattern of common stock price movements on certain U.S. stock exchanges. The calculation of the value of the Index is based on the relative value of the aggregate Market Value (as defined below) of the common stocks of 500 companies traded on the New York Stock Exchange, the American Stock Exchange and the NASDAQ System as compared to the aggregate Market Value of the common stocks of 500 similar companies during the base period from 1941 through 1943. For the purposes of this Information Statement, "Market Value" means, with respect to the common shares of a company, the product of the market price of such common shares and the number of such shares outstanding. As of February 29, 2000, the stocks of 448 companies included in the Index were traded on the New York Stock Exchange; however, such stocks were not the 448 largest stocks listed on the New York Stock Exchange. Standard & Poor's chooses companies for inclusion in the Index with the aim of achieving a distribution by broad industry groupings that approximates the distribution of these groupings in the common stock population of the major U.S. stock exchanges, which Standard & Poor's uses as an assumed model for the composition of the total market. Elected criteria employed by Standard & Poor's include the viability of the particular company, the extent to which that company represents the industry group to which it is assigned, the extent to which the market price of its common stock is generally responsive to changes in the affairs of the respective industry and the Market Value and trading activity of the common stock of that company. The 500 companies included in the Index are divided into industry groups. These industry groups are, in turn, grouped into the following four major industry sectors: industrials, utilities, financials and transportation. Standard & Poor's may from time to time, in its sole discretion, add companies to, or delete companies from, the Index to achieve the objectives stated above.

Standard & Poor's currently computes the Index as of a particular time by dividing the total market value of the 500 companies in the Index by the index divisor. The calculation of the Index takes a number of steps.

First, a starting point or base period is selected. The base period is 1941-1943. Then, the initial total market value of the index is calculated by taking each company's number of outstanding common shares and multiplying it by its price

per share to determine the market value of each stock for such period. The market values of each company are then added together, and the total represents the base period market value for the index. This total is then indexed – that is, set to equal 10 to become the base period index value – and used in turn to calculate the base period divisor. The base period divisor is the quotient of the base period market value divided by the base period index value. Changes in the index are then calculated by dividing the aggregate market value of all 500 component stocks by the latest divisor. This divisor represents the link to the original base period value of the index and functions so as to keep the index comparable over time. It is the manipulation point for all maintenance adjustments to the index.

Standard & Poor's adjusts the foregoing to negate the effect of changes in the Market Value of a component stock determined by Standard & Poor's to be arbitrary or not due to true market fluctuations. These changes may result from such causes as the issue of stock dividends, stock splits, the granting to shareholders of rights to purchase additional shares of such stock, the purchase of such stock by employees pursuant to employee benefit plans, certain consolidations and acquisitions, the granting to shareholders of rights to purchase other securities of the company, the substitution by Standard & Poor's of particular component stocks in the Index and other reasons. In all such cases, Standard & Poor's first recalculates the aggregate Market Value of all component stocks (after taking account of the new market price per share of the particular component stock or the new number of outstanding shares thereof or both, as the case may be) and then adjusts the S&P Base Value in accordance with the following formula:

$$\text{Old S \& P Base Value} \times \frac{\text{New Market Value}}{\text{Old Market Value}} = \text{New S \& P Base Value}$$

The result is that the S&P Base Value will be adjusted in proportion to any change in the aggregate Market Value of all component companies resulting from the causes cited above, to the extent necessary to negate the effects of such causes upon the Index.

Disclaimer

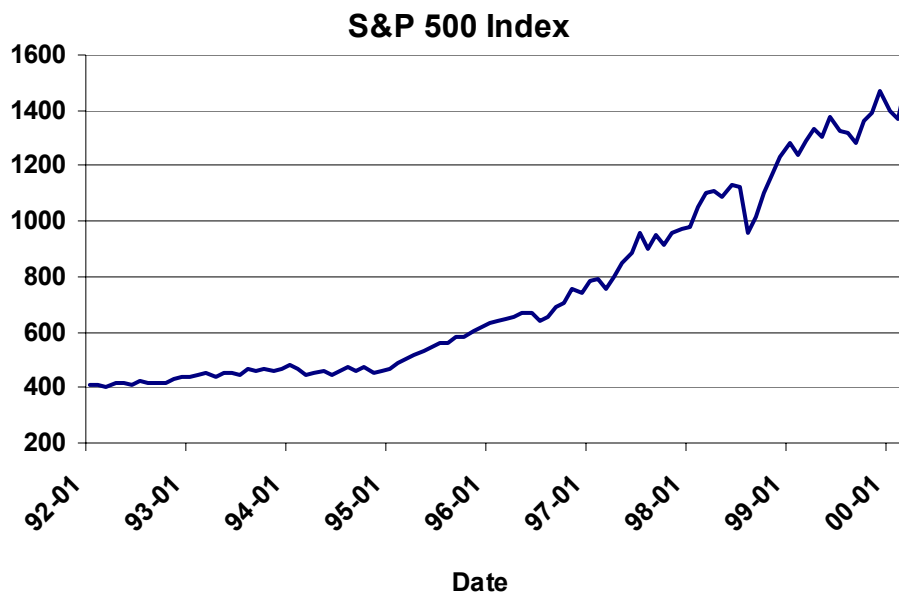
"Standard & Poor's[®]", "S&P[®]", "S&P 500[®]", "Standard & Poor's 500" and "500" are trademarks of Standard & Poor's and have been licensed for use by BDC. The Notes are not sponsored, endorsed, sold or promoted by Standard & Poor's. Standard & Poor's makes no representation or warranty, express or implied, to the owners of the Notes or any member of the public regarding the advisability of investing in securities generally or in the Notes particularly or the ability of the Index to track general stock market performance. The only relationship of Standard & Poor's to BDC is the licensing of certain trademarks and trade names of Standard & Poor's and of the Index which is determined, composed and calculated by Standard & Poor's without regard to BDC or the Notes. Standard & Poor's has no obligation to take the needs of BDC or the Noteholders into consideration in determining, composing or calculating the Index. Standard & Poor's is not responsible for and has not participated in the determination of the timing of, prices of, or quantities of the Notes to be issued or in the determination or calculation of the equation by which the Notes are to be converted into cash. Standard & Poor's has no obligation or liability in connection with the administration, marketing or trading of the Notes.

STANDARD & POOR'S DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE INDEX OR ANY DATA INCLUDED THEREIN AND STANDARD & POOR'S SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. STANDARD & POOR'S MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY BDC, THE NOTEHOLDERS, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEX OR ANY DATA INCLUDED THEREIN. STANDARD & POOR'S MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL STANDARD & POOR'S HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES (INCLUDING LOSS OF PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

While Standard & Poor's currently employs certain methodology to calculate the Index, no assurance can be given that Standard & Poor's will not modify or change such methodology in a manner that may affect any amount of Variable Interest which may be payable to the Noteholders. Standard & Poor's is under no obligation to continue the calculation and dissemination of the Index. None of BDC, any firm that sells the Notes, the Calculation Agent, any Calculation Expert or the Paying & Transfer Agent shall have any responsibility for the calculation and dissemination of the Index (except as expressly stated in this Information Statement) or any errors or omissions therein.

Historical Data

The chart immediately below shows the calendar month-end Closing Levels of the S&P 500 Index from January 1992 through March 2000. Over that period, the starting Closing Level was 408.79; the highest Closing Level was 1,498.58 on March 31, 2000, the lowest Closing Level was 403.69 on March 31, 1992, and the ending Closing Level was 1,498.58.



Note that historical performance will not necessarily predict future performance.



NIKKEI 225 INDEX

All information in this Information Statement relating to the Nikkei 225 Index is derived from publicly available sources and is presented in this Information Statement in summary form. As such, neither BDC, the Calculation Agent nor any investment dealer, broker or agent selling the Notes assumes any responsibility for the accuracy or completeness of such information. In addition, neither BDC, the Calculation Agent nor any investment dealer, broker or agent selling the Notes accepts responsibility for the calculation or other maintenance of, or any adjustments to, the Index.

General

The Nikkei Stock Average (also known as the “Nikkei 225 Index”) is Japan’s most widely watched stock price index. The index is sponsored by Nihon Keizai Shimbun, Inc., which has calculated and announced the index since 1970. Since October 1, 1985, its policy has been to calculate the index every minute during the normal trading hours on the Tokyo Stock Exchange.

The constituent stocks of the Index are 225 actively traded issues of the Tokyo Stock Exchange, 1st Section. In its selection of constituents, the intention is that the index reflect up-to-the-moment market trends. Since October 1991, constituents are checked every year to replace relatively low liquidity issues with high liquidity issues. In this way, the index corresponds to the changes of the market environment.

Constituent stocks of the Index may be altered according to certain addition and deletion rules. The constituents of the index are reviewed in accordance with the rules once each year.

The present calculation method was first applied in 1950. While the Index is an average price of 225 stocks traded on the Tokyo Stock Exchange, 1st Section, it is different from a simple average in that the divisor is adjusted to maintain average in that the divisor is adjusted to maintain continuity and reduce the effect of external factors not directly related to the market.

Disclaimer

The Nikkei 225 Index is intellectual property of Nihon Keizai Shimbun, Inc.; “Nikkei”, “Nikkei Stock Average” and “Nikkei 225” are the service marks of Nihon Keizai Shimbun, Inc. Nihon Keizai Shimbun, Inc. reserves all rights, including copyright, to the Index.

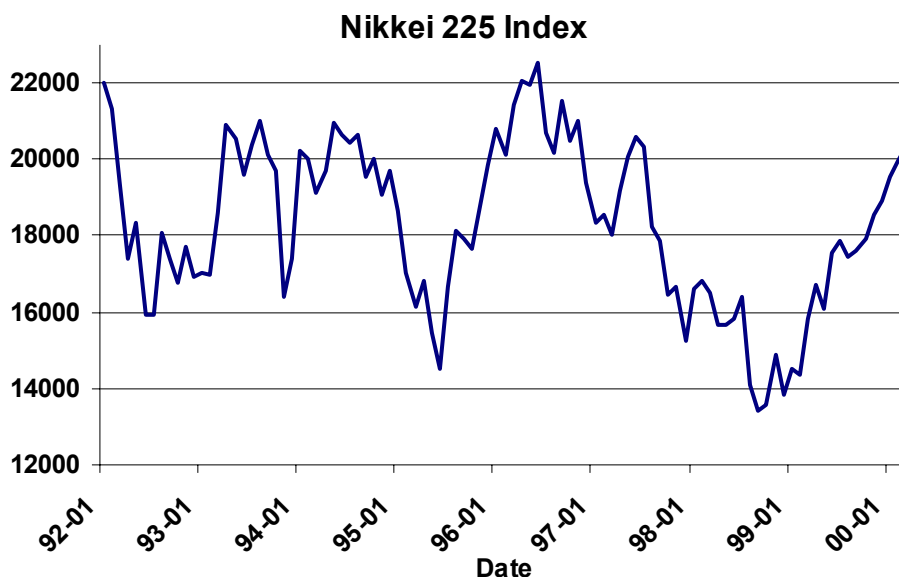
The Notes are not in any way sponsored, endorsed or promoted by Nihon Keizai Shimbun, Inc. Nihon Keizai Shimbun, Inc. does not make any warranty or representation whatsoever, express or implied, either as to the results to be obtained as to the use of the Index or the figure at which the Index stands on any particular day or otherwise.

The Index is compiled and calculated solely by Nihon Keizai Shimbun, Inc. However, Nihon Keizai Shimbun, Inc. shall not be liable to any person for any error in the Index and Nihon Keizai Shimbun, Inc. shall not be under any obligation to advise any person, including a purchaser or vendor of the Notes, of any error therein.

In addition, Nihon Keizai Shimbun, Inc. gives no assurance regarding any modification or change in any methodology used in calculating the Index and is under no obligation to continue the calculation, publication and dissemination of the Index.

Historical Data

The chart immediately below shows the calendar month-end Closing Levels of the Nikkei 225 Index from January 1992 through March 2000. Over that period, the starting Closing Level was 22,023.05; the highest Closing Level was 22,530.75 on June 28, 1996, the lowest Closing Level was 13,406.39 on September 30, 1998, and the ending Closing Level was 20,337.32.



Note that historical performance will not necessarily predict future performance.



DOW JONES EURO STOXX 50SM INDEX

All information in this Information Statement relating to the Index is derived from publicly available sources and is presented in this Information Statement in summary form. As such, neither BDC, the Calculation Agent nor any investment dealer, broker or agent selling the Notes assumes any responsibility for the accuracy or completeness of such information. In addition, neither BDC, the Calculation Agent nor any investment dealer, broker or agent selling the Notes accepts responsibility for the calculation or other maintenance of, or any adjustments to, the Dow Jones EURO STOXX 50SM Index.

General

The Dow Jones EURO STOXX 50SM (Price) Index (referred to in this Information Statement as the “Dow Jones EURO STOXXSM Index”) is a capitalization-weighted index of 50 major European securities from those countries participating in the European Monetary Union. Dow Jones EURO STOXX 50SM is owned by STOXX Limited (being the Index Sponsor for the Index) and is a Service Mark of Dow Jones & Company Inc. The Index is calculated in both euros and U.S. dollars; however, the euro calculation will be used for purposes of the Notes.

The ten countries covered by the Index and the respective stock exchanges or trading systems currently selected to provide price data for securities comprising the Index are as follows:

Country	Stock Exchange / Trading System
---------	---------------------------------

Austria	Vienna Stock Exchange
Belgium	Brussels Stock Exchange
Finland	Helsinki Stock Exchange
France	Parisbourse and Nouveau Marché
Germany	Xetra
Ireland	Irish Stock Exchange
Italy	Milan Stock Exchange
Netherlands	Amsterdam Stock Exchange
Portugal	Lisbon Stock Exchange
Spain	SIBE

In the future, companies from other countries may be added and security prices from other exchanges or trading systems may be used. The Supervisory Board of STOXX Limited is responsible for this decision.

The base date for the Index is December 31, 1991. For this base date, the base value for the Index was set at 1,000.00.

The Closing Level for the Index is currently based on the last traded prices of the constituent securities during the official trading hours on the relevant Exchanges and the latest available currency rates.

If a quotation is suspended during the trading session, the last traded price is used for all subsequent Index calculations. If a quotation is suspended before the trading begins, the closing price from the previous day – or adjusted closing price if there is a corporate action effective that day – is used for the Index calculation.

If there is a stock exchange holiday in any one of the countries covered by the Index, the last available security prices from the relevant Exchange and the last available currency rate at that time are used for the Index calculation.

The Index is capitalization-weighted and the market capitalization is based on the total number of securities outstanding for each class of securities. However, the weighting of any component is limited to 10% of the total market capitalization of the Index.

Disclaimer

The Dow Jones EURO STOXX 50SM Index is proprietary and copyrighted material. Dow Jones EURO STOXX 50SM is a trademark of STOXX Limited (“STOXX”), is a Service Mark of Dow Jones & Company Inc. (“Dow Jones”), and has been licensed for use by BDC.

STOXX and Dow Jones do not:

- Sponsor, endorse, sell or promote the Notes.
- Recommend that any person invest in the Notes or any other securities.
- Have any responsibility or liability for or make any decisions about the timing, amount or pricing of the Notes.
- Have any responsibility or liability for the administration, management or marketing of the Notes.
- Consider the needs of the Notes or the owners of the Notes in determining, composing or calculating the Dow Jones EURO STOXX 50SM Index or have any obligation to do so.

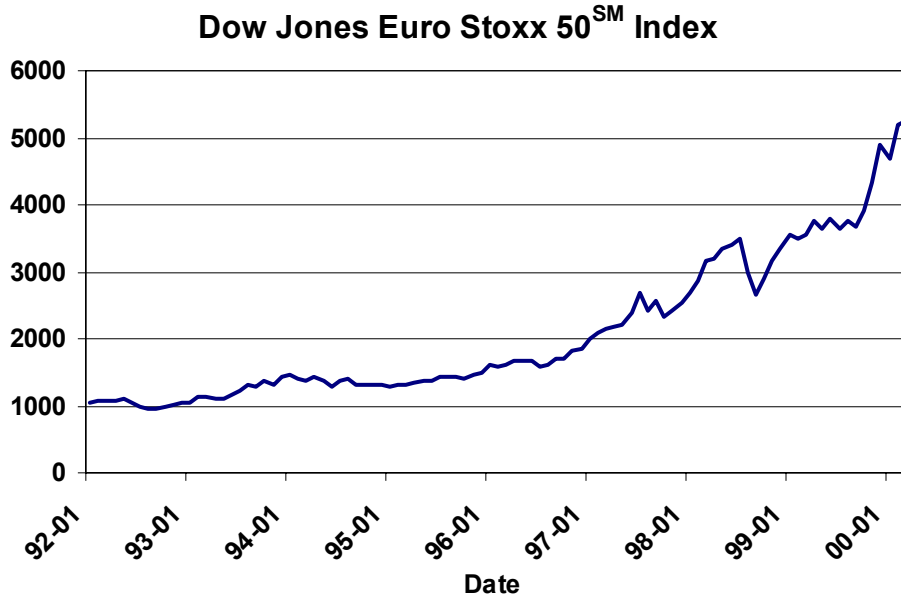
STOXX and Dow Jones will not have any liability in connection with the Notes. Specifically:

- STOXX and Dow Jones do not make any warranty, express or implied and disclaim any and all warranty about:
 - The results to be obtained by the Notes, the owner of the Notes or any other person in connection with the use of the Dow Jones EURO STOXX 50SM Index and the data included in the Dow Jones EURO STOXX 50SM Index.
 - The accuracy or completeness of the Dow Jones EURO STOXX 50SM Index and its data.
 - The merchantability and the fitness for a particular purpose or use of the Dow Jones EURO STOXX 50SM Index and its data.
- STOXX and Dow Jones will have no liability for errors, omissions or interruptions in the Dow Jones EURO STOXX 50SM Index or its data.
- Under no circumstances will STOXX or Dow Jones be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX or Dow Jones knows that they might occur.

The licensing agreement between BDC and STOXX is solely for their benefit and not for the benefit of the owners of the Notes or any other third parties.

Historical Data

The Dow Jones EURO STOXX 50SM Index is a relatively new equity index. However, the Index Sponsor has established a base date of December 31, 1991. For this base date, the base value for the Index was set at 1,000.00. Historical Closing Levels were then generated by the Index Sponsor pursuant to the existing rules for calculating the Index. The chart immediately below shows the calendar month-end Closing Levels of the Dow Jones EURO STOXX 50SM Index (in part using those generated historical Closing Levels) from January 1992 through March 2000. The starting Closing Level was 1,045.71; the highest Closing Level was 5,249.55 on March 31, 2000, the lowest Closing Level was 951.68 on August 31, 1992, and the ending Closing Level was 5,249.55.



Note that historical performance will not necessarily predict future performance.



RISK FACTORS TO CONSIDER

- ◇ **Suitability of Note for Investment** – A person should reach a decision to invest in the Notes after carefully considering, with his or her advisors, the suitability of the Notes in light of investment objectives and the information set out in this Information Statement. For instance, an investment in a Note is not suitable for a person looking for a guaranteed interest yield. BDC makes no recommendation as to the suitability of the Notes for investment.
- ◇ **Interest May Not Be Payable** – The amount, if any, of Variable Interest payable under the Notes is directly linked to the net performances of the Indices. Each Index has in the past experienced significant movements and it is impossible to know future direction of any Index. The Note will not yield any interest return unless the Average Index Return is greater than zero. See “VARIABLE INTEREST CALCULATION” above for examples.
- ◇ **Variable Interest Is Determined Three Months Prior to Maturity** – The Final Level of each Index will be the average of the Index’s Closing Levels on the 20th day of each of 36 consecutive calendar months starting in February 2005 and ending in January 2008. Accordingly, the amount of Variable Interest per Note will be known approximately three months prior to the Maturity Date, but only paid on the Maturity Date. A Noteholder will not participate in any Index gains, or be exposed to any Index losses, over the final three month period of the term of the Notes. No additional interest will be paid thereon to compensate for the three month delay in payment of the Variable Interest amount. See “VARIABLE INTEREST CALCULATION” and “DESCRIPTION OF THE NOTES” above.
- ◇ **Secondary Market** – The amount of principal and Variable Interest, if any, payable under the Notes is only payable at maturity. There is no assurance that a secondary market through which the Notes may be sold will develop or, if such market develops, whether such market will be liquid.
- ◇ **Market Disruption Event / Extraordinary Event** – If a Market Disruption Event in respect of an Index occurs on a day on which a Closing Level for such Index is to be used for purposes of determining the Initial Level or Final Level, determination of that Closing Level will be postponed to a later date. Fluctuations in the Closing Level of the Index may occur in the interim. The occurrence of an Extraordinary Event may result in the acceleration of Final Averaging Dates and the early determination of the amount of Variable Interest, if any, payable on the Maturity Date. In no event will Noteholders receive the Principal Amount or Variable Interest under their Notes before the Maturity Date. See “DESCRIPTION OF THE NOTES – *Special Circumstances*” above.
- ◇ **Calculation Experts May Determine Index Closing Levels** – If an Index Sponsor or (or an acceptable successor) should cease calculation and dissemination of the applicable Index, Calculation Experts will make such calculations as they may deem appropriate to determine the Closing Levels of the Indices on Valuation Dates using in each case the formula and method of calculating the relevant Index as of the date the Index was last so calculated. The Calculation Experts will have no responsibility for good faith errors or omissions in calculation and dissemination of the Index. See “DESCRIPTION OF THE NOTES – *Special Circumstances*” above.