



# BRITISH COLUMBIA

## Province of British Columbia Euro Debt Issuance Programme

Under this Euro Debt Issuance Programme (the "Programme"), the Province of British Columbia (the "Issuer") may from time to time issue debt instruments (the "Notes") denominated in any currency agreed by the Issuer and the relevant Purchaser (as defined below). The Notes will have such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body (however called)) or any laws or regulations applicable to the relevant currency and, subject as set out herein, the maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed U.S.\$5,000,000,000 (or its equivalent in other currencies) calculated as described herein.

The Notes will be issued to one or more of the Dealers specified on page 66 (each a "Dealer" and together the "Dealers", which expression shall include any additional Dealer appointed under the Programme from time to time) on a continuing basis. Notes may also be issued to third parties other than Dealers. Dealers and such third parties are referred to as "Purchasers".

Application has been made to Financial Services Authority in its capacity as United Kingdom Listing Authority (the "UK Listing Authority") for Notes issued under the Programme during the period of 12 months from the date of this Information Memorandum to be admitted to the official list of the UK Listing Authority (the "Official List") and to the London Stock Exchange plc (the "London Stock Exchange") for such Notes to be admitted to trading on the London Stock Exchange's market for listed securities, which together, under the Listing Rules of the UK Listing Authority will constitute official listing on the London Stock Exchange. Notice of the aggregate nominal amount of, interest payable in respect of, the issue price of, and any other terms and conditions not contained herein which are applicable to, each Tranche (as defined below) of Notes will be set forth in a pricing supplement (the "Pricing Supplement") which, with respect to Notes to be admitted to the Official List, will be delivered to the UK Listing Authority and London Stock Exchange on or before the date of issue of the Notes of such Tranche. Unlisted Notes and Notes listed on other stock exchanges may also be issued.

Copies of each Pricing Supplement will be available from FT Business Research Centre, operated by FT Electronic Publishing at Fitzroy House, 13-17 Epworth Street, London EC2A 4DL (in the case of Notes to be admitted to the Official List), from the principal office of the Fiscal Agent (as defined below) in London, England and from the Ministry of Finance at the offices of the Issuer in Victoria, British Columbia (see "Terms and Conditions of the Notes" on page 23).

Notes will be issued in bearer form ("Bearer Notes") or registered form ("Registered Notes"), as specified in the applicable Pricing Supplement. Depending on their form and specified currency, Notes will be accepted for clearance through one or more clearing systems, as specified in the applicable Pricing Supplement. These systems will include, outside Canada and the United States, Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear") and Clearstream Banking, société anonyme ("Clearstream, Luxembourg"); and in the United States, The Depository Trust Company ("DTC").

Unless otherwise specified in the applicable Pricing Supplement, Bearer Notes will initially be represented by one or more temporary global Bearer Notes which will be deposited with a common depository for Euroclear and/or Clearstream, Luxembourg. Beneficial interests in a temporary global Bearer Note will be exchangeable, as specified in the applicable Pricing Supplement, for either beneficial interests in a permanent global Bearer Note or definitive Bearer Notes only in the manner and upon compliance with the procedures described under "Form of the Notes". Except with respect to Registered Notes initially placed in the United States to Institutional Accredited Investors (as defined below) or unless otherwise specified in a Pricing Supplement, Registered Notes will be represented by one or more permanent global Registered Notes which will be registered in the name of and deposited with a common depository for Euroclear and/or Clearstream, Luxembourg and/or, in the case of any sales into the United States pursuant to Rule 144A ("Rule 144A") under the Securities Act of 1933, as amended (the "Securities Act"), registered in the name of Cede & Co. or other nominee for DTC and deposited with the Registrar (as defined herein), as custodian for DTC, as the case may be.

Registered Notes may be initially placed in the United States to Qualified Institutional Buyers ("QIBs") within the meaning of Rule 144A or to institutional "accredited investors" within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act ("Institutional Accredited Investors"). Upon an initial placement of Registered Notes in the United States, QIBs will receive delivery of interests in the Registered Notes through the facilities of DTC and Institutional Accredited Investors will receive delivery of Registered Notes in definitive registered form. Subsequent transfers of interests in Registered Notes held through DTC and of Registered Notes in definitive form initially placed in the United States to Institutional Accredited Investors may only be made to QIBs or Institutional Accredited Investors or pursuant to Rule 144, Rule 904 of Regulation S ("Regulation S") or an effective registration statement, in each case under the Securities Act. Transfers pursuant to Rule 904 of Regulation S of Registered Notes held through DTC or of Registered Notes in definitive form will settle in Euroclear or Clearstream, Luxembourg through the applicable global Registered Note in each such clearing system outside the United States. Registered Notes in definitive form, upon subsequent transfer, will be required to be delivered through the facilities of DTC if the transfer is to a QIB or in definitive form if the transfer is to an Institutional Accredited Investor in the United States.

Unless otherwise specified in the applicable Pricing Supplement, beneficial interests in a permanent global Bearer Note and a permanent global Registered Note will be exchangeable for definitive Bearer Notes and definitive Registered Notes, respectively, only in limited circumstances. See "Terms and Conditions of the Notes — 2. Definitive Certificates".

The Issuer may agree with any Purchaser that Notes may be issued in a form and with terms and conditions not contemplated by the Terms and Conditions of the Notes herein in which event (in the case of Notes to be admitted to the Official List) a supplement to this Information Memorandum, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

Arranger

LEHMAN BROTHERS

Dealers

DEUTSCHE BANK  
JPMORGAN

GOLDMAN SACHS INTERNATIONAL  
LEHMAN BROTHERS

MERRILL LYNCH INTERNATIONAL

This Information Memorandum replaces and supersedes the Information Memorandum dated July 14, 2000

The Issuer accepts responsibility for the information contained in this Information Memorandum. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Information Memorandum is in accordance with the facts and does not omit anything likely to materially affect the import of such information.

This Information Memorandum (including Exhibits A, B and C) comprises the equivalent offering document approved by the UK Listing Authority as required by the Financial Services Act 1986 (the "Equivalent Offering Document") in relation to Notes issued under the Programme during the period of 12 months from the date of this Information Memorandum. This Information Memorandum is to be read in conjunction with all the documents which are deemed to be incorporated herein by reference (see "Documents Incorporated By Reference" on page 5) provided, however, that such incorporated documents do not form part of the Equivalent Offering Document. This Information Memorandum shall be read and construed on the basis that such documents are so incorporated and form part of this Information Memorandum but not part of the Equivalent Offering Document.

The Dealers have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers as to the accuracy or completeness of the information contained in this Information Memorandum or any other information provided by the Issuer in connection with the Notes. The Dealers accept no liability in relation to the information contained in this Information Memorandum or any other information provided by the Issuer in connection with the Notes.

No person is or has been authorized to give any information or to make any representation not contained in or not consistent with this Information Memorandum or any other information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer or any of the Dealers.

Neither this Information Memorandum nor any other information supplied in connection with the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as recommendations by the Issuer or any of the Dealers that any recipient of this Information Memorandum, or any other information supplied in connection with the Notes, should purchase any of the Notes. Each investor contemplating purchasing any of the Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Information Memorandum nor any other information supplied in connection with the Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers to any person to purchase any of the Notes.

The delivery of this Information Memorandum does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme.

The Issuer and the Dealers do not represent that this Information Memorandum may be lawfully distributed, or that Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Dealers (save for the approval of this Information Memorandum by the UK Listing Authority), which would permit a public offering of any Notes or distribution of this Information Memorandum in any jurisdiction where action for that purpose is required. Accordingly, Notes may not be offered or sold, directly or indirectly, and neither this Information Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in

compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by them will be made on the same terms.

The distribution of this Information Memorandum and the offer or sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Information Memorandum or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Information Memorandum and the offer or sale of the Notes in Canada, the United States, the United Kingdom, Japan, Germany, France, The Netherlands and Switzerland (see “Subscription and Sale” on page 50).

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons (see “Subscription and Sale” on page 50).

Investors in France may only participate in the issue of Notes for their own account in accordance with the conditions set out in décret no 98-880 dated October 1, 1998. Notes may only be issued, directly or indirectly, to the public in France in accordance with articles 6 and 7 of *Ordonnance* no 67-833 dated September 28, 1967 (as amended). Where an issue of Notes is effected as an exception to the rules relating to an *appel public à l'épargne* in France (public offer rules) by way of an offer to a restricted circle of investors, to the extent that the Notes are offered to 100 or more of such investors, these persons must provide certification as to their personal relationship of a professional or family nature with a member of the management of the Issuer.

In this Information Memorandum, references to “Cdn. \$” are to Canadian dollars, references to “euro” are to the currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union, as amended, references to “£” and “sterling” are to United Kingdom pounds sterling, references to “U.S. \$” and “U.S. dollars” are to United States dollars and references to “¥” and “yen” are to Japanese yen.

In connection with the issue of any Series of listed Notes, the Dealer (if any) disclosed as stabilizing manager in the applicable Pricing Supplement may over-allot or effect transactions which stabilize or maintain the market price of such Notes at a level which might not otherwise prevail. Such stabilizing, if commenced, may be discontinued at any time. Such stabilizing shall be in compliance with all applicable laws and regulations.

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## DOCUMENTS INCORPORATED BY REFERENCE

All amendments and supplements to this Information Memorandum circulated by the Issuer from time to time in accordance with the undertaking given by the Issuer in the Programme Agreement described in “Subscription and Sale” on page 50, the two most recently published annual public accounts of the Issuer and the most recently published annual financial and economic review of the Issuer shall be deemed to be incorporated in, and to form part of, this Information Memorandum (provided, however, that such incorporated documents do not form part of the Equivalent Offering Document) save that any statement contained herein or in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Information Memorandum (but not the Equivalent Offering Document) to the extent that a statement contained in any such subsequent document which is or is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Such documents will be available for inspection at the principal offices in London, England of Deutsche Bank AG, the issuing, principal paying and fiscal agent and transfer agent for the Notes (the “Fiscal Agent”), and for collection without charge from the Ministry of Finance, Provincial Treasury, Debt Management Branch, 620 Superior Street, Victoria, British Columbia, Canada, V8W 9V1. In addition, such documents will be available from the principal office in England of Lehman Brothers International (Europe) in its capacity as London Listing Agent for the Notes.

## GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme the Issuer may from time to time issue Notes denominated in any currency as described below, and having such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body (however called)) or any laws or regulations applicable to the relevant currency. A summary of the terms and conditions of the Programme and the Notes appear on pages 6 to 12. The applicable terms of any Notes will be agreed between the Issuer and the relevant Purchaser(s) prior to the issue of the Notes and will be set out in the Terms and Conditions of the Notes attached to, endorsed upon or incorporated by reference into, the Notes, as modified and supplemented by the applicable Pricing Supplement, as more fully described under “Form of the Notes” on page 13.

Subject as set out herein, this Information Memorandum and any supplement hereto will only be valid for listing Notes on the Official List and/or any relevant stock exchange in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under this Programme, does not exceed U.S.\$5,000,000,000 or its equivalent in other currencies. For the purpose of calculating the U.S. dollar equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:—

- (a) the U.S. dollar equivalent of Notes denominated in another Specified Currency (as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “Form of the Notes”) shall be determined as of the date of agreement to issue such Notes (the “Agreement Date”) on the basis of the spot rate for the sale of the U.S. dollar against the purchase of such Specified Currency at 11:00 a.m. London time in the London foreign exchange market quoted by any leading bank active in that market selected by the Fiscal Agent on the Agreement Date;
- (b) the U.S. dollar equivalent of Dual Currency Notes and Index Linked Redemption Amount Notes (each as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “Form of the Notes”) shall be calculated in the manner specified above by reference to the original nominal amount of such Notes;
- (c) the nominal amount of Zero Coupon Notes (as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “Form of the Notes”) and other Notes issued at a discount or a premium shall be deemed to be the net proceeds received by the Issuer for the relevant issue; and
- (d) the U.S. dollar equivalent of Partly Paid Notes (as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “Form of the Notes”) shall be the nominal amount of, regardless of the amount paid up on, such Notes.

## SUMMARY OF TERMS AND CONDITIONS OF THE PROGRAMME AND THE NOTES

*The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Information Memorandum and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Pricing Supplement. Words and expressions defined in “Form of the Notes” and “Terms and Conditions of the Notes” shall have the same meaning in this summary:*

<b>Issuer:</b>	Province of British Columbia
<b>Arranger:</b>	Lehman Brothers International (Europe)
<b>Description:</b>	Continuously offered Euro Debt Issuance Programme.
<b>Dealers:</b>	Deutsche Bank AG London Goldman Sachs International Lehman Brothers International (Europe) Merrill Lynch International J.P. Morgan Securities Ltd.  and any other Dealer appointed from time to time by the Issuer.  Notes may also be issued to third parties other than Dealers on the basis of enquiries made by such third parties to the Issuer, including Dealers appointed in relation to issues of Notes denominated in particular currencies in compliance with applicable regulations and guidelines from time to time (see “Subscription and Sale” on page 50).  The name(s) of the Purchaser(s) for each Tranche of Notes will be stated in the applicable Pricing Supplement.
<b>Issuing, Principal Paying, Transfer and Fiscal Agent:</b>	Deutsche Bank AG London
<b>Registrar, Transfer Agent and Exchange Agent:</b>	Bankers Trust Company, New York City
<b>Co-Registrar and Transfer Agent:</b>	Deutsche Bank Luxembourg S.A.
<b>Programme Size:</b>	Up to U.S.\$5,000,000,000 (or its equivalent in other currencies calculated as described herein) in aggregate nominal amount of Notes outstanding at any one time. The Issuer will have the option at any time to increase the amount of the Programme in accordance with the terms of the Programme Agreement (as defined under “Subscription and Sale”).
<b>Distribution:</b>	Notes may be distributed by way of private or public placement and in each case on a syndicated or a non-syndicated basis. The method of distribution of each Tranche of Notes will be stated in the applicable Pricing Supplement.
<b>Method of Issue:</b>	Notes will be issued on a continuous basis in series (each a “Series”). The Notes comprising each Series will have one or more issue dates, the same maturity date and will bear interest (if any) on the same basis and at the same rate (except in respect of the first payment of interest) and on terms otherwise identical. The Notes of each Series are intended to be interchangeable with all other Notes of that Series. The Notes of any Series with the same issue date, issue price and interest commencement date will comprise a tranche (a “Tranche”). A Pricing Supplement will be published in respect of each Tranche.
<b>Redenomination:</b>	If a Specified Currency of an issue of Notes is a currency of one of the countries that subsequently participates in the third stage of European economic and monetary union or otherwise participates in European economic and monetary union in a manner with similar effect to such third stage, the Issuer may specify in the applicable Pricing Supplement that such

Notes will include a redenomination clause providing for the redenomination of the Specified Currency in euro, and, if so specified, the wording of the redenomination clause will be set out in full in the applicable Pricing Supplement.

**Currencies:**

Subject to any applicable legal or regulatory restrictions, Notes may be denominated in such currencies as may be agreed between the Issuer and the relevant Purchaser including, without limitation, Australian dollars, Canadian dollars, Czech korunas, Danish kroner, euros, Hong Kong dollars, yen, New Zealand dollars, Norwegian kroner, Polish Zloty, South African rand, Swedish kronor, Swiss francs, sterling and U.S. dollars (as indicated in the applicable Pricing Supplement).

Each issue of Notes denominated in yen will take place in compliance with all applicable laws, regulations and guidelines of the relevant Japanese governmental and regulatory authorities in effect at the relevant time. Each Purchaser will be required to provide the Issuer any necessary information relating to Notes denominated in yen (which should not include the names of clients) so that the Issuer may make any required reports to the Ministry of Finance of Japan.

Issues of Notes denominated in Swiss francs or carrying a Swiss franc related element with a maturity of more than one year will be effected in compliance with the relevant regulations of the Swiss National Bank based on article 7 of the Federal Law on Banks and Savings Banks of 1934 (as amended) and article 15 of the Federal Law on Stock Exchanges and Securities Trading of March 24, 1995 in connection with article 2, paragraph 2 of the Ordinance of the Federal Banking Commission on Stock Exchanges and Securities Trading of December 2, 1996. Under the said regulations, the relevant Purchaser or, in the case of a syndicated issue, the lead manager (the “Swiss Dealer”) must be a bank domiciled in Switzerland (which includes branches or subsidiaries of a foreign bank located in Switzerland) or a securities dealer duly licensed by the Swiss Federal Banking Commission pursuant to the Federal Law on Stock Exchanges and Securities Trading of March 24, 1995. The Swiss Dealer must report certain details of the relevant transaction to the Swiss National Bank no later than the Issue Date of the relevant Notes.

Issues of Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom shall comply with all applicable laws, regulations and guidelines (as amended from time to time) of the United Kingdom authorities. See “Banking Act 1987 (Exempt Transactions) Regulations 1997” under “General Information” for Notes issued before Section 19 (the general prohibition) of the Financial Services and Markets Act 2000 (the “FSMA”) is brought into force.

**Maturities:**

Any maturity as indicated in the applicable Pricing Supplement subject to such minimum or maximum maturity as may be allowed or required from time to time by the relevant central bank (or equivalent body (however called)) or any laws or regulations applicable to the relevant currency. Unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom before Section 19 of the FSMA is brought into force must have a minimum denomination of £100,000 (or its equivalent in other currencies), unless such Notes may not be redeemed until the third anniversary of their issue and are to be listed on the London Stock Exchange or any other stock exchange of a country within the European Economic Area (an “EEA Exchange”). With respect to any tranche of Notes which will be issued after Section 19 of the FSMA is brought into force and which must be redeemed before the first anniversary of the date of their issue, if the issue of the Notes

would otherwise constitute a contravention of Section 19 of the FSMA, the Issuer will issue such Notes only if (a) the redemption value of each such Note is not less than £100,000 (or an amount of equivalent value denominated wholly or partly in a currency other than sterling), and (b) no part of any Note may be transferred unless the redemption value of that part is not less than £100,000 (or such an equivalent amount) unless the Notes can be issued and sold without contravention of Section 19 of the FSMA.

**Issue Price:**

Notes may be issued on a fully paid or a partly paid basis and at an issue price which is equal to, less than or more than their nominal amount.

**Form and Clearance of Notes:**

Notes may be issued in bearer form (“Bearer Notes”) or registered form (“Registered Notes”) and, depending on their form and specified currency, will be accepted for clearing through one or more clearing systems. Bearer Notes may be issued outside the United States in reliance on the exemption from registration provided by Regulation S. Registered Notes may be issued both outside the United States in reliance on Regulation S or within the United States to QIBs within the meaning of and in reliance on Rule 144A or to Institutional Accredited Investors in reliance on Section 4(2) of the Securities Act (“Section 4(2)”). Notes that are intended to be sold principally in the European primary market will be issued in bearer form and will clear through Euroclear, Clearstream, Luxembourg and/or any other clearing system, as specified in the applicable Pricing Supplement. Notes that are intended to be sold in the United States to QIBs pursuant to Rule 144A or to Institutional Accredited Investors pursuant to Section 4(2), will be issued as Registered Notes only. Notes that are intended to be sold in more than one of the European primary markets or in the United States to QIBs pursuant to Rule 144A or to Institutional Accredited Investors pursuant to Section 4(2), will be issued as Registered Notes only and will clear through Euroclear, Clearstream, Luxembourg and/or DTC or will be issued as definitive Registered Notes, as the case may be.

Unless otherwise specified in the relevant Pricing Supplement, Bearer Notes will initially be represented by one or more Temporary Global Notes which will be deposited on the relevant Issue Date with a common depositary outside the United States for Euroclear and Clearstream, Luxembourg or any other agreed clearing system (including SEGA) and which will be exchanged for one or more permanent global Bearer Notes or for definitive Bearer Notes as described in “Form of the Notes” below not earlier than 40 days after the Issue Date upon certification of non-U.S. beneficial ownership. A permanent global Bearer Note may be exchanged, upon request, in whole but not in part, by Noteholders for definitive Bearer Notes with receipts in respect of instalments of principal (if any) attached and (unless they are Zero Coupon Notes) interest coupons and talons for further coupons (if any) attached, only in the limited circumstances described in “Terms and Conditions of the Notes — 2. Definitive Certificates” or as specified in the applicable Pricing Supplement. Any such exchange will be free of charge to the owner. Any interest in a temporary or permanent global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg or any other agreed clearing system, as appropriate (including SEGA). Only Registered Notes in global form will be issued and cleared through DTC. Payments in respect of Registered Notes issued or cleared through DTC may only be made in U.S. dollars. See “Clearance and Settlement — Currency Conversion”.

Unless otherwise provided in a Pricing Supplement, Registered Notes (other than Registered Notes initially placed in the United States to Institutional Accredited Investors) will be represented by one or more permanent global Registered Notes. In the case of Registered Notes that are intended to be sold in the European primary market, one or more permanent global Registered Notes representing the aggregate Registered Notes sold in such

market will be registered in the name of and deposited with a common depositary for Euroclear and Clearstream, Luxembourg and interests therein will be credited to the securities clearance accounts of the relevant Noteholders with Euroclear and/or Clearstream, Luxembourg (each a “European Permanent Global Registered Note”).

Registered Notes initially placed in the United States to QIBs pursuant to Rule 144A will be issued in the form of one or more permanent global Registered Notes registered in the name of Cede & Co. or other nominee for DTC and deposited with Bankers Trust Company, New York City (the “Registrar”) as custodian for DTC (each a “DTC Permanent Global Restricted Registered Note”). Beneficial interests in a DTC Permanent Global Restricted Registered Note will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants. QIBs may transfer interests in the DTC Permanent Global Restricted Registered Notes to QIBs through the facilities of DTC. Unless otherwise specified in the relevant Pricing Supplement, a permanent global Registered Note will be exchangeable in whole but not in part by the owners of beneficial interests in such Registered Note for security-printed definitive Registered Notes only in the limited circumstances described under “Terms and Conditions of the Notes — 2. Definitive Certificates”. Any such exchange will be free of charge to the owner.

Registered Notes initially placed in the United States to Institutional Accredited Investors will be issued in the form of definitive Registered Notes. Registered Notes in definitive form, upon subsequent transfer, will be required to be delivered through the facilities of DTC if the transfer is to a QIB pursuant to Rule 144A, through the facilities of Euroclear or Clearstream, Luxembourg if the transfer is pursuant to Rule 904 of Regulation S, or in definitive form if the transfer is to an Institutional Accredited Investor in the United States. The holder and the prospective purchaser shall be required to complete the declaration on the definitive Registered Note or the transfer form set forth as Exhibit C to this Information Memorandum.

**ANY U.S. PURCHASER WILL, BY PURCHASING THE REGISTERED NOTES OR BENEFICIAL INTERESTS THEREIN, BE DEEMED TO HAVE MADE THE REPRESENTATIONS AND AGREEMENTS SET FORTH UNDER “SUBSCRIPTION AND SALE — UNITED STATES”.**

Subsequent transfers of interests in global Registered Notes held through DTC and of Registered Notes in definitive form initially placed in the United States to Institutional Accredited Investors may only be made to QIBs or Institutional Accredited Investors or pursuant to Rule 144, Rule 904 of Regulation S or an effective registration statement, in each case under the Securities Act. Transfers of interests in Registered Notes pursuant to Rule 904 of Regulation S will settle in Euroclear or Clearstream, Luxembourg through the applicable European Permanent Global Registered Note. See “Clearance and Settlement”.

A Registered Note may not be exchanged for a Bearer Note while Bearer Notes will be exchangeable for Registered Notes as set forth in the Terms and Conditions of such Notes.

Owners of beneficial interests in temporary global Bearer Notes, permanent global Bearer Notes and permanent global Registered Notes will not be considered holders thereof for purposes of payment of principal and interest on such Notes except in the limited circumstances described under “Form of the Notes” applicable to certain of the Notes only.

**Fixed Rate Notes:**

Fixed interest will be payable in arrear on such date or dates as may be agreed between the Issuer and the relevant Purchaser (as indicated in the applicable Pricing Supplement) and on redemption and will be calculated on

the basis of such Fixed Day Count Fraction as may be agreed between the Issuer and the relevant Purchaser (as indicated in the applicable Pricing Supplement).

**Floating Rate Notes:** Floating Rate Notes will bear interest at a rate determined:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant specified currency governed by an agreement in the form of the ISDA Agreement and evidenced by a confirmation incorporating the 2000 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or
- (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or
- (iii) on such other basis as may be agreed between the Issuer and the relevant Purchaser

as specified in the applicable Pricing Supplement.

The margin (if any) relating to such a floating rate will be agreed between the Issuer and the relevant Purchaser for each Series of Floating Rate Notes.

**Index Linked Notes:** Payments (in respect of principal or interest at maturity or otherwise) in respect of Index Linked Interest Notes and Index Linked Redemption Amount Notes (collectively, “Index Linked Notes” and individually, an “Index Linked Note”) may be calculated by reference to such index and/or formula as the Issuer and the relevant Purchaser may agree (as indicated in the applicable Pricing Supplement). Index Linked Notes which are issued as an *appel public à l'épargne* in France must be issued in compliance with the *Principes Généraux* from time to time set by the *Commission des opérations de Bourse* (“COB”) and the *Conseil des Marchés Financiers* or any successor bodies.

*If any interest payable on a Note, or any portion of the principal amount of a Note in excess of its issue price, is to be calculated by reference to an index or formula or any Note is issued as partly paid, such interest or principal, as the case may be, may be subject to Canadian non-resident withholding tax. Additional opinions from Canadian tax counsel may be required. See “Canadian Income Tax Considerations”.*

**Other Provisions Relating to Floating Rate Notes and Index Linked Notes:** Floating Rate Notes and Index Linked Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes and Index Linked Notes in respect of each Interest Period, as selected prior to issue by the Issuer and the relevant Purchaser and indicated in the applicable Pricing Supplement, will be payable in arrear on such Interest Payment Dates specified in, or determined pursuant to, the applicable Pricing Supplement and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Purchasers (as indicated in the applicable Pricing Supplement).

**Interest Periods for Floating Rate Notes and Index Linked Notes:** Such periods as the Issuer and the relevant Purchaser may agree (as indicated in the applicable Pricing Supplement).

**Dual Currency Notes:** Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Purchaser may agree (as indicated in the applicable Pricing Supplement).

**Zero Coupon Notes:** Zero Coupon Notes may be offered and sold at a discount to their nominal amount and will not bear interest save in the circumstances provided in the Notes.

**Other Notes:** Terms applicable to Partly Paid Notes, Instalment Notes and any other type of Note which the Issuer may agree with the relevant Purchaser(s) to issue under the Programme will be set out in the relevant Pricing Supplement. If the applicable Pricing Supplement specifies any modifications to the Terms and Conditions of the Notes as described below, it is envisaged that a supplemental Information Memorandum describing the modifications will be prepared and issued.

**Redemption:** Except as provided in the immediately following paragraph, Notes will be redeemable at the option of the Issuer only for tax reasons. See “Terms and Conditions — 6. Redemption and Purchase — (b) Early Redemption for Tax Reasons”.

The Pricing Supplement relating to each Tranche of Notes will indicate whether such Notes may be redeemed prior to such stated maturity at the option of the Issuer and/or the Noteholders upon giving not more than 60 nor less than 30 days’ irrevocable notice (or such other notice period (if any) as is indicated in the applicable Pricing Supplement) to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Pricing Supplement.

The Pricing Supplement may provide that the Notes may be repayable in 2 or more instalments of such amounts and on such dates as indicated in the relevant Pricing Supplement.

Unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom before Section 19 of the FSMA is brought into force must have a minimum redemption amount of £100,000 (or its equivalent in other currencies), unless such Notes may not be redeemed until the third anniversary of their Issue Date and are to be listed on the Official List (and admitted to trading by the London Stock Exchange) or an EEA Exchange. With respect to any tranche of Notes which will be issued after Section 19 of the FSMA is brought into force and which must be redeemed before the first anniversary of the date of their issue, if the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA, the Issuer will issue such Notes only if (a) the redemption value of each Note is not less than £100,000 (or an amount of equivalent value denominated wholly or partly in a currency other than sterling), and (b) no part of any Note may be transferred unless the redemption value of that part is not less than £100,000 (or such an equivalent amount) unless the Notes can be issued and sold without contravention of Section 19 of the FSMA.

**Denominations of Definitive Notes:** Such denominations as may be agreed between the Issuer and the relevant Purchaser(s) and indicated in the applicable Pricing Supplement, save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or to the relevant Specified Currency.

Unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom before Section 19 of the FSMA is brought into force must have a minimum denomination of £100,000 (or its equivalent in other currencies), unless such Notes may not be redeemed until the third anniversary of their Issue Date and are to be listed on the Official List (and admitted to trading by the London Stock Exchange) or an EEA Exchange.

Registered Notes offered or sold in the United States to QIBs pursuant to Rule 144A or to Institutional Accredited Investors pursuant to Section 4(2) must have a minimum denomination of U.S.\$150,000 or the equivalent thereof.

<b>Taxation:</b>	All payments in respect of the Notes will be made without withholding or deduction for or on account of any taxes or other charges imposed by any governmental authority or agency in Canada, subject as provided in Condition 10. In the event that any such withholding or deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 10, be required to pay additional amounts to cover the amounts so withheld or deducted.
<b>Cross-default:</b>	None.
<b>Negative Pledge:</b>	None.
<b>Status of the Notes:</b>	The Notes will constitute legal, valid, binding, direct and unsecured obligations of the Issuer. The Notes will rank <i>pari passu</i> without any preference among themselves and equally with all unsecured indebtedness (other than unsecured subordinated indebtedness) of the Issuer and outstanding at the date of issue of Notes or in the future. Payments of principal of and interest on the Notes (including any additional amounts payable under Condition 10) will be payable out of the Consolidated Revenue Fund of British Columbia, except where payment is made from a sinking fund or by other means of repayment.
<b>Listing:</b>	Application has been made to list Notes on the Official List (and to admit them to trading on the London Stock Exchange). Notes may also be listed on such other or further stock exchange(s) as may be agreed between the Issuer and the relevant Purchaser(s) in relation to each issue. Unlisted Notes may also be issued. The Pricing Supplement relating to each issue will state whether or not, and on what exchange(s), the Notes are to be listed.
<b>Governing Law and Enforceability:</b>	<p>The Notes will be governed by, and construed in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein.</p> <p>If an Event of Default should occur, proceedings may be brought against the Issuer in the Supreme Court of the Province of British Columbia and no governmental or other consent is required. There is no immunity from jurisdiction available to the Issuer in any proceedings in the Supreme Court of British Columbia brought in accordance with the <i>Crown Proceeding Act</i> (British Columbia) and within applicable limitation periods. Although any judgement obtained in such proceedings against the Issuer is not capable of being enforced by execution against the property of the Issuer, any final money judgement and costs awarded against the Issuer in any such proceedings are required to be paid out of the Consolidated Revenue Fund of British Columbia.</p>
<b>Non-U.S. Selling Restrictions:</b>	<p>Canadian, United Kingdom, Japanese, German, French, Dutch, Swiss, and such other restrictions as may be required in connection with a particular issue of Notes.</p> <p>Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply (including on the date hereof, without limitation, yen, sterling, and Swiss francs) will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “Subscription and Sale” on page 50).</p>
<b>U.S. Selling Restrictions:</b>	Regulation S, Category 1, Tefra D (see “Subscription and Sale” on page 50).

## FORM OF THE NOTES

Notes will be issued in bearer form (“Bearer Notes”) or registered form (“Registered Notes”), as specified in the applicable Pricing Supplement. Unless otherwise specified in the relevant Pricing Supplement, Bearer Notes will initially be represented by one or more temporary global Bearer Notes without Coupons, Talons or Receipts which may be deposited on behalf of the subscribers of the relevant Notes (a) in the case of a Tranche intended to be cleared through Euroclear and/or Clearstream, Luxembourg with a common depository (the “Common Depository”) for Euroclear and for Clearstream, Luxembourg outside the United States on or about the issue date of the relevant Notes or (b) in the case of a Tranche intended to be cleared through a clearing system other than Euroclear or Clearstream, Luxembourg or delivered outside a clearing system, as agreed between the Issuer, the Fiscal Agent and the relevant Purchaser(s). Upon deposit of the temporary global Bearer Note(s) with the Common Depository, Euroclear or Clearstream, Luxembourg will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

If any payment becomes due on the Notes whilst such Notes are represented by a temporary global Bearer Note, such payment will be made against presentation of the temporary global Bearer Note only to the extent that certification of non-U.S. beneficial ownership (substantially in the form set out in the temporary global Bearer Note or in such other form as is customarily issued in such circumstances by the relevant clearing system) has been received by Euroclear or Clearstream, Luxembourg. On or after the date (the “Exchange Date”) which is 40 days after the date on which the temporary global Bearer Note is issued, provided that certification of non-U.S. beneficial ownership has been received, interests in the temporary global Bearer Note will be exchangeable (free of charge) for interests in a permanent global Bearer Note or for definitive Bearer Notes with, where applicable, Receipts, Coupons and Talons attached, in accordance with the terms of the temporary global Bearer Note. No payment falling due after the Exchange Date will be made on a temporary global Bearer Note unless exchange for an interest in a permanent global Bearer Note or for definitive Bearer Notes is improperly withheld or refused. Payments of principal or interest (if any) in respect of a permanent global Bearer Note will be made through Euroclear and Clearstream, Luxembourg against presentation or surrender, as the case may be, of the permanent global Bearer Note without any requirement for certification.

Unless otherwise provided in the applicable Pricing Supplement, a permanent global Bearer Note will be exchangeable (free of charge), in whole but not in part, for security-printed definitive Bearer Notes with, where applicable, Receipts, Coupons and Talons attached, only in the limited circumstances described under “Terms and Conditions of the Notes — 2. Definitive Certificates”.

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg (or other relevant clearing system) as the holder of a Bearer Note represented by a global Bearer Note must look solely to Euroclear or Clearstream, Luxembourg (or other relevant clearing system) (as the case may be) for the person’s share of each payment made by the Issuer to the bearer of such global Bearer Note and in relation to all other rights arising under the global Bearer Notes, subject to and in accordance with the respective rules and procedures of Euroclear and Clearstream, Luxembourg (or other relevant clearing system). Except as set out under “Direct Rights” below, such persons shall have no claim directly against the Issuer in respect of payments due on the Bearer Notes for so long as the Bearer Notes are represented by such global Bearer Note and such obligations of the Issuer will be discharged by payment to the bearer of such global Bearer Note in respect of each amount so paid.

The following legend will appear on all global Bearer Notes, definitive Bearer Notes with an original maturity of more than 365 days and on all Receipts, Coupons and Talons relating to such Notes:—

“Any United States person (as defined in the Internal Revenue Code of the United States) who holds this obligation will be subject to limitations under the United States income tax laws including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code”.

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes, Receipts or Coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition or payment of principal in respect of Bearer Notes, Receipts or Coupons.

Except with respect to Registered Notes initially placed in the United States to Institutional Accredited Investors or unless otherwise specified in a Pricing Supplement, Registered Notes will be represented by one or more permanent global Registered Notes. In the case of Notes that are intended

to be sold in the European primary market, one or more permanent global Registered Notes representing the aggregate Registered Notes sold in such market will be registered in the name of and deposited with the Common Depositary for Euroclear and/or Clearstream, Luxembourg and interests therein will be credited to the securities clearance accounts of the relevant Noteholders with Euroclear and/or Clearstream, Luxembourg (each a “European Permanent Global Registered Note”).

Registered Notes initially placed in the United States to QIBs pursuant to Rule 144A will be issued in the form of one or more permanent global Registered Notes registered in the name of Cede & Co. or other nominee for DTC and deposited with the Registrar as custodian for DTC (each a “DTC Permanent Global Restricted Registered Note”). Unless otherwise specified in a Pricing Supplement, a permanent global Registered Note will be exchangeable (free of charge) in whole but not in part by the owners of beneficial interests in such Registered Note for security-printed definitive Registered Notes only in the limited circumstances described under “Terms and Conditions of the Notes — 2. Definitive Certificates”.

Registered Notes initially placed in the United States to Institutional Accredited Investors will be issued in the form of security-printed definitive Registered Notes. Registered Notes in definitive form, upon subsequent transfer, will be required to be delivered through the facilities of DTC if the transfer is to a QIB pursuant to Rule 144A, through the facilities of Euroclear and/or Clearstream, Luxembourg if the transfer is pursuant to Rule 904 of Regulation S, or in definitive form if the transfer is to an Institutional Accredited Investor in the United States pursuant to Section 4(2), in each case under the Securities Act.

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg (or other relevant clearing system) as the holder of a Registered Note represented by a European Permanent Global Registered Note must look solely to Euroclear or Clearstream, Luxembourg (or other relevant clearing system) (as the case may be) for the person’s share of each payment made by the Issuer to the registered holder of such European Permanent Global Registered Note and in relation to all other rights arising under the European Permanent Global Registered Note, subject to and in accordance with the respective rules and procedures of Euroclear and Clearstream, Luxembourg (or any other relevant clearing system). Except as set out under “Direct Rights” below, such persons shall have no claim directly against the Issuer in respect of payments under the Registered Notes for so long as the Registered Notes are represented by such European Permanent Global Registered Note and such obligations of the Issuer will be discharged by payment to the registered holder of such European Permanent Global Registered Note in respect of each amount so paid.

Each of the persons shown in the records of DTC as the holder of a Registered Note represented by a DTC Permanent Global Restricted Registered Note must look solely to DTC for that person’s share of each payment made by the Issuer to Cede & Co or any other nominee appointed by DTC as the registered holder of such DTC Permanent Global Restricted Registered Note and in relation to all other rights arising under a DTC Permanent Global Restricted Registered Note, subject to and in accordance with the rules and procedures of DTC. Such persons shall have no claim directly against the Issuer in respect of payments due on the Registered Notes for so long as the Registered Notes are represented by such DTC Permanent Global Restricted Registered Note and such obligations of the Issuer will be discharged by payment to the nominee appointed by DTC as the registered holder of such DTC Permanent Global Restricted Registered Note in respect of each amount so paid.

Temporary and permanent global Bearer Notes and definitive Bearer Notes will be issued by the Fiscal Agent acting on behalf of the Issuer. Permanent global Registered Notes and definitive Registered Notes will be issued by the Co-Registrar or the Registrar, as the case may be, acting on behalf of the Issuer. Until exchanged in full, the bearer or registered holder of a global Note shall in all respects be entitled to the same benefits as if it were the bearer or registered holder of definitive Notes, Coupons and Receipts, subject as set out above and in the “Terms and Conditions of the Notes”. The global Notes contain provisions which apply to the Notes while they are in global form, some of which modify the effect of the terms and conditions of the Notes set out in this document.

For a description of clearance and settlement of Notes, see “Clearance and Settlement”.

### **Direct Rights**

Unless otherwise provided in the applicable Pricing Supplement and global Bearer Note or European Permanent Global Registered Note, in the event that a global Bearer Note or European Permanent Global Registered Note has become due and payable as a result of acceleration as described under “Terms and Conditions of the Notes — 11. Events of Default” or that the Maturity Date in respect thereof has occurred and, in either case, payment in full of the amount due is not made before

8.00 p.m. (London time) on the relevant due date, the owner of a beneficial interest in such global Note shall become entitled to proceed directly against the Issuer on the basis of statements of account provided by the relevant clearing system. The rights to proceed directly against the Issuer acquired by the beneficial owners shall be in substitution for the rights of the bearer or registered holder of the relevant global Bearer Note or European Permanent Global Registered Note, as the case may be, and such bearer or registered holder will not have the right to proceed directly against the Issuer from such time on. Where payment in full of principal or interest has not been made in respect of a DTC Permanent Global Restricted Registered Note, the Issuer understands that, under existing industry practices, if the Issuer requests any action of holders of global Notes or if an owner of a beneficial interest in DTC Permanent Global Restricted Registered Note wishes to give or take any action which a holder of a global Note is entitled to give or take under such global Note, DTC, or its nominee or successor, as the case may be, as the holder of such global Notes would authorise the participants through which the relevant beneficial interests are held to give or take such action, and such participants would authorise owners of beneficial interests owning through such participants to give or take such action or would otherwise act upon the instructions of the beneficial owners holding through them.

### **DTC Permanent Global Restricted Registered Notes**

An initial placement of Registered Notes in the United States to QIBs will be represented by one or more DTC Permanent Global Restricted Registered Notes. An initial placement of Registered Notes in the United States to Institutional Accredited Investors will be issued in the form of definitive Registered Notes. Subsequent transfers of interests in Registered Notes held through DTC and of Registered Notes in definitive form initially placed in the United States to Institutional Accredited Investors may only be made to QIBs or Institutional Accredited Investors or pursuant to Rule 144, Rule 904 of Regulation S or an effective registration statement, in each case under the Securities Act. Transfers of Registered Notes held through DTC pursuant to Rule 904 of Regulation S will settle in Euroclear, Clearstream, Luxembourg through the applicable European Permanent Global Registered Note. See “Clearance and Settlement”. QIBs may transfer interests in the DTC Permanent Global Restricted Registered Notes to QIBs through the facilities of DTC or to Institutional Accredited Investors through delivery of definitive Registered Notes. Institutional Accredited Investors receiving delivery of interests in Registered Notes in the secondary market may transfer such interests to QIBs through the facilities of DTC. The DTC Permanent Global Restricted Registered Note(s) (and any Registered Notes issued in exchange therefor) will bear a legend regarding restrictions on transfer in the form set forth under “Subscription and Sale”.

On or prior to the 40th day after the later of the commencement of the offering of a Series of Notes and the date of settlement, a beneficial interest in a European Permanent Global Registered Note of such Series may be exchanged for, or transferred to a person who takes delivery in the form of, an interest in the DTC Permanent Global Restricted Registered Note(s) of the same Series if such transfer is made to the Issuer or to, by, through, or in a transfer approved by, a Dealer or upon receipt by the Registrar of a written certification from the transferor and transferee (in the form set forth as Exhibit A to this Information Memorandum) to the effect that such transfer is being made to a QIB within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. After such 40th day, transfers of beneficial interests in a European Permanent Global Registered Note to DTC Participants (as defined in “Clearance and Settlement”) will no longer be required.

Beneficial interests in the DTC Permanent Global Restricted Registered Note(s) of a Series may be exchanged for, or transferred to a person who takes delivery in the form of, an interest in a European Permanent Global Registered Note of the same Series, whether before, on or after such 40th day, if such transfer is made to the Issuer or to, by, through, or in a transfer approved by, a Dealer or upon receipt by the Registrar of a written certification from the transferor and transferee (in the form set forth as Exhibit B to this Information Memorandum) to the effect that such transfer is being made in accordance with Rule 904 of Regulation S.

Any beneficial interest in one of the permanent global Registered Notes described above of a Series that is exchanged for, or transferred to a person who takes delivery in the form of, an interest in the other permanent global Registered Note of the same Series will, upon transfer, cease to be an interest in the former such permanent global Registered Note and become an interest in the other global permanent Registered Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other permanent global Registered Note for as long as it remains such an interest.

**Applicable Pricing Supplement**

Set out below is the form of Pricing Supplement which will be completed for each Tranche issued under the Programme. In accordance with the Fiscal Agency Agreement (as defined in “the Terms and Conditions of the Notes”), the form of Pricing Supplement applicable to any Notes may be altered in respect of such Notes by agreement between the Issuer and the relevant Purchaser(s).

Pricing Supplement dated [ ]

Province of British Columbia

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
under its Euro Debt Issuance Programme

[The Notes constitute [commercial paper] [shorter/longer term debt securities]<sup>1</sup> issued in accordance with regulations made under section 4 of the Banking Act 1987. The Issuer of the Notes is the Province of British Columbia which is not an authorised institution or a European authorised institution (as such terms are defined in the Banking Act 1987 (Exempt Transactions) Regulations 1997). Repayment of the principal and payment of any interest or premium in connection with the Notes has not been guaranteed.]<sup>2</sup>

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Information Memorandum dated September 17, 2001 [and the supplemental Information Memorandum dated [ ]]. This Pricing Supplement must be read in conjunction with such Information Memorandum [as so supplemented].

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.]*

- 1. Issuer: Province of British Columbia
- 2. [(i)] Series Number: [ ]  
 [(ii)] Tranche Number: [ ]  
 (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)
- 3. Specified Currency or Currencies: [ ]
- 4. Aggregate Nominal Amount:  
 [(i)] Series: *[Insert total nominal amount of outstanding Tranches, including the Tranche which is the subject of this Pricing Supplement]*  
 [(ii)] Tranche: [ ]
- 5. [(i)] Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (in the case of fungible issues only, if applicable)]  
 [(ii)] Net proceeds: [ ] *(Required only for listed issues)*
- 6. Specified Denominations: [ ]  
 [ ]

1. Include “commercial paper” if Notes must be redeemed before their first anniversary. Include “shorter” if Notes may not be redeemed before their first anniversary but must be redeemed before their third anniversary. Include “longer” if Notes may not be redeemed before their third anniversary.  
 2. Unless otherwise permitted, text to be included for all Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom before Section 19 of the Financial Services and Markets Act 2000 is brought into force.

7. [(i)] Issue Date [and Interest Commencement Date]: [ ]  
 [(ii)] Interest Commencement Date (if different from [ ]  
 the Issue Date): ]
8. Maturity Date: *[specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to [specify relevant month and year]]*
9. Interest Basis: [Fixed Rate]  
 [Floating Rate]  
 [Zero Coupon Notes]  
 [Index Linked Interest Notes]  
 [Other (specify)]  
*(further particulars specified below)*
10. Redemption/Payment Basis: [Redemption at par]  
 [Index Linked Redemption Amount Notes]  
 [Dual Currency Notes]  
 [Partly Paid Notes]  
 [Instalment Notes]  
 [Other (specify)]
11. Change of Interest or Redemption/Payment Basis: *[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]*
12. Put/Call Options: [Investor Put]  
 [Issuer Call]  
 [(further particulars specified below)]
13. Listing: [The Notes will be admitted to listing on the Official List of the UK Listing Authority and to trading on the London Stock Exchange/other (specify)/None]
14. Method of distribution: [Syndicated/Non-syndicated]

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15. **Fixed Rate Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [ ] per cent per annum  
 [payable [annually/semi-annually/  
 quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [ ] in each year commencing  
 [insert first Interest Payment Date] up to  
 and including the Maturity Date  
*(N.B.: This will need to be amended in  
 the case of long or short Coupons)*
- (iii) Fixed Coupon Amount[(s)]: [ ] per [ ] in Nominal  
 Amount
- (iv) Broken Amount(s): *[(Insert particulars of any initial or final  
 broken interest amounts which do not  
 correspond with the Fixed Coupon  
 Amount [(s))] and the Interest Payment  
 Dates to which they relate]*



• Relevant Screen Page:	[ (In the case of EURIBOR, if not Telerate 248 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)
(vii) ISDA Determination:	
• Floating Rate Option:	[ ]
• Designated Maturity:	[ ]
• Reset Date:	[ ]
(viii) Margin(s):	[+/-][ ] per cent. per annum
(ix) Minimum Rate of Interest:	[ ] per cent. per annum
(x) Maximum Rate of Interest:	[ ] per cent. per annum
(xi) Day Count Fraction:	[Actual/365 or Actual/Actual (ISDA) Actual/365 (Fixed) Actual/365 (sterling) Actual/360 30/360 or 360/360 or Bond Basis 30E/360 or Eurobond Basis Other] (See Condition 5(b)(iv) for definitions]
(xii) Fall back provisions, rounding provisions, and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[ ]
<b>17. Zero Coupon Note Provisions</b>	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
(i) Accrual Yield:	[ ] per cent. per annum
(ii) Reference Price:	[ ]
(iii) Any other formula/basis of determining amount payable:	[ ]
(iv) Day Count Fraction in relation to Early Redemption Amounts and late payment:	[Conditions 7(e)(iii) and 7(j) apply/ specify other]
<b>18. Index Linked Interest Note Provisions</b>	[Applicable/Not Applicable] (If not applicable, delete the remaining subparagraphs of this paragraph)
(i) Index/Formula:	[give or annex details]
(ii) Calculation Agent responsible for calculating the principal and/or interest due:	[ ]
(iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[ ]
(iv) Specified Period(s)/Specified Interest Payment Dates:	[ ]
(v) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]

(vi) Additional Business Centre(s):	[	]
(vii) Minimum Rate of Interest:	[	] per cent. per annum
(viii) Maximum Rate of Interest:	[	] per cent. per annum
(ix) Day Count Fraction:	[	]
<b>19. Dual Currency Note Provisions</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>	
(i) Rate of Exchange/method of calculating Rate of Exchange:	[give details]	
(ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due:	[	]
(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:	[	]
(iv) Person at whose option Specified Currency(ies) is/are payable:	[	]
<b>PROVISIONS RELATING TO REDEMPTION</b>		
<b>20. Issuer Call</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>	
(i) Optional Redemption Date(s):	[	]
(ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	[	]
(iii) If redeemable in part:		
(a) Minimum Redemption Amount:	[	]
(b) Higher Redemption Amount:	[	]
(iv) Notice period (if other than as set out in Condition 6(c)):	[	]
<b>21. Investor Put</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>	
(i) Optional Redemption Date(s):	[	]
(ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	[	]
(iii) Notice period (if other than as set out in Condition 6(d)):	[	]
<b>22. Final Redemption Amount</b>	[Par/other/see Appendix]	
<b>23. Early Redemption Amount</b>		
Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 6(e)):	[	]

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes:
- Bearer Notes:**
- [Temporary Global Note exchangeable on or after *[insert Exchange Date]* for a Permanent Global Note which is exchangeable for Definitive Notes on [ ] days' notice/at any time/in the limited circumstances specified in Condition 2.]
- [Temporary Global Note exchangeable on or after *[insert Exchange Date]* for Definitive Notes on [ ] days' notice.]
- [Permanent Global Note exchangeable for Definitive Notes on [ ] days' notice/at any time/in the limited circumstances specified in Condition 2.]
- [Definitive Bearer Notes]
- [Registered Notes]
25. Additional Financial Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/*give details*.  
*Note that this paragraph relates to the place of payment, and not interest period end dates, to which paragraph 16(iii) relates*]
26. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, give details*]
27. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/*give details*]
28. Details relating to Instalment Notes: amount of each instalment, ("Instalment Amount") dates on which each payment is to be made ("Instalment Dates"): [Not Applicable/*give details*]
29. If the Specified Currency is the Currency of a member state of the European Union whether a Redenomination Clause is to be included: [Not Applicable/The provisions annexed to this Pricing Supplement apply]
30. Other terms or special conditions: [Not Applicable/*give details*]

### DISTRIBUTION

31. (i) If syndicated, names of Managers and name of Lead Manager(s): [Not Applicable/*give names*]
- (ii) Stabilising Manager (if any): [Not Applicable/*give name*]
32. If non-syndicated, name of Purchaser(s) and the account number(s) with Euroclear, Clearstream, Luxembourg and/or DTC to whom the Notes are to be credited: [Not Applicable/*give details*]

- 33. Additional selling restrictions: [Not Applicable/*give details*]  
(including any modifications to those contained in the Information Memorandum noted above)
- 34. Rule 144A Resales: [Yes/No]  
*(If yes, indicate procedures for notification of settlement details)*
- 35. Whether TEFRA D applicable or TEFRA Rules not applicable: [TEFRA D applicable/TEFRA Rules not applicable]

**OPERATIONAL INFORMATION**

- 36. ISIN Code: [ ]
- 37. Common Code: [ ]
- 38. Any clearing system(s) including DTC (other than Euroclear and Clearstream, Luxembourg) and the relevant identification number(s), including CUSIP: [Not Applicable/*give name(s) and number(s)*]
- 39. Delivery: Delivery [against/free of] payment
- 40. Additional Paying Agent(s) or Transfer Agent for the Series and if applicable a statement that it or they should be sole Paying Agent(s) or Transfer Agent(s) for the Series (if any): [ ]
- 41. The person (other than an employee of the relevant Agent), if any, who is to be authorised to complete and/or authenticate the Notes on behalf of the Fiscal Agent, Registrar or Co-Registrar, as the case may be, pursuant to a power of attorney from the relevant Agent: [ ]

**[US CONSIDERATIONS**

- 42. United States tax considerations, risk factors and other necessary or appropriate disclosure (if offering pursuant to Rule 144A or Section 4(2) of the United States Securities Act of 1933): [*insert summary*]

**[LISTING APPLICATION**

This Pricing Supplement comprises the details required to list the issue of Notes described herein pursuant to the listing of the Euro Debt Issuance Programme of the Province of British Columbia.]

**RESPONSIBILITY**

*The Issuer accepts responsibility for the information contained in this Pricing Supplement.*

*Province of British Columbia*

*By:*

If the applicable Pricing Supplement specifies any modification to the Terms and Conditions of the Notes as described herein, it is envisaged that, to the extent that such modification relates only to Conditions 1, 2, 3, 5, 6 (except 6(b)), 7, 8, 9, 12, 13 (insofar as the Notes are not listed on any stock exchange), 15, 17 or 18, they will not necessitate the preparation of a supplement to this Information Memorandum. If the Terms and Conditions of the Notes of any Series are to be modified in any other respect, a supplement to this Information Memorandum will be prepared, if appropriate.

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which (subject to completion and amendment) will be attached to, endorsed upon or incorporated by reference into each global Note and each definitive Note, provided that the applicable Pricing Supplement in relation to any Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with such Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Pricing Supplement (or the relevant provisions thereof) will be endorsed on, or attached to, each temporary global Note, permanent global Note and definitive Note. All capitalised terms that are not defined in these Terms and Conditions will have the meanings given to them in the applicable Pricing Supplement.*

This Note is one of a Series (as defined below) of Notes issued by the Province of British Columbia (the “Issuer”) with the benefit of a Fiscal Agency Agreement (the “Fiscal Agency Agreement”) amended and restated as of September 17, 2001 (as further amended from time to time) and made between the Issuer, Deutsche Bank AG London as issuing, principal paying and fiscal agent (the “Fiscal Agent” which expression shall include any successor as fiscal agent) and transfer agent and Bankers Trust Company, New York as registrar (the “Registrar”, which expression shall include any successor as registrar), transfer agent and exchange agent (the “Exchange Agent”, which expression shall include any successor as exchange agent), Deutsche Bank Luxembourg S.A. as paying agent, transfer agent and as co-registrar (the “Co-Registrar”, which expression shall include any successor as co-registrar) and Credit Suisse First Boston as paying agent and transfer agent. The expression “Transfer Agents” shall include Bankers Trust Company, New York; Deutsche Bank AG London; Deutsche Bank Luxembourg S.A.; Credit Suisse First Boston and any additional or successor transfer agents. The expression “Paying Agents” shall include Deutsche Bank AG London; Deutsche Bank Luxembourg S.A.; Credit Suisse First Boston and any additional or successor paying agents. Reference herein to the “Notes” shall be references to the Notes of this Series and shall mean (i) in relation to any Notes represented by a global Note, units of the lowest Specified Denomination of the Notes, (ii) definitive Notes, and (iii) any global Note. The initial Calculation Agent (if any) is specified on the Notes and in the applicable Pricing Supplement.

As used herein, “Series” means each original issue of Notes together with any further issues expressed to form a single series with the original issue in accordance with Condition 18 and the terms of which (save for the Issue Date, the Interest Commencement Date and/or the Issue Price (as indicated as aforesaid)) are otherwise identical (including whether or not the Notes are listed) and the expressions “Notes of the relevant Series” and “holders of Notes of the relevant Series” and related expressions shall be construed accordingly. As used herein, “Tranche” means all Notes of the same Series with the same Issue Date, Issue Price and Interest Commencement Date.

The Pricing Supplement (or the relevant provisions thereof) applicable to this Note, attached hereto or endorsed hereon, may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Series of Notes. References to the “applicable Pricing Supplement” are to the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on this Note.

Copies of the Fiscal Agency Agreement and the applicable Pricing Supplement are available for inspection without charge from the principal offices of the Fiscal Agent in London, England and of each of the other Paying Agents and from the Ministry of Finance, Provincial Treasury, Debt Management Branch, 620 Superior Street, Victoria, British Columbia, Canada, V8W 9V1. The holders of the Notes (the “Noteholders”, which expression shall, in relation to any Notes represented by a global Note, be construed as provided below), the holders of the Coupons (the “Couponholders”) and the holders of Receipts (the “Receiptholders”) are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Fiscal Agency Agreement and the applicable Pricing Supplement, which are binding on them.

Words and expressions defined in the Fiscal Agency Agreement or used in the applicable Pricing Supplement shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated.

### **1. Form and Title**

The Notes are issued in bearer form (“Bearer Notes”) or in registered form (“Registered Notes”) as indicated in the applicable Pricing Supplement.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or an Index Linked Interest Note or any appropriate combination thereof, if so specified next to the “Interest Basis” item in the applicable Pricing Supplement.

This Note may also be an Index Linked Redemption Amount Note (collectively with Index Linked Interest Notes, “Index Linked Notes” and either an “Index Linked Note”), an Instalment Note, a Dual Currency Note, a Partly Paid Note or a combination of any of the foregoing, if so specified next to the “Redemption/Payment Basis” item in the applicable Pricing Supplement.

Notes in definitive form are serially numbered in the Specified Currency and the Specified Denomination(s). Interest bearing definitive Bearer Notes (unless otherwise indicated in the applicable Pricing Supplement) have interest coupons (“Coupons”) and, if indicated in the applicable Pricing Supplement, talons for further coupons (“Interest Talons”) attached on issue. Definitive Bearer Notes repayable in instalments have receipts (“Receipts”) for the payment of the instalments of principal (other than the final instalment) and, if indicated in the applicable Pricing Supplement, talons for further Receipts (“Instalment Talons”) attached on issue. Any reference herein to Receipts or receipts or to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Instalment Talons or instalment talons and Interest Talons or interest talons, respectively (collectively, “Talons”). Registered Notes are issued without Coupons, Receipts or Talons attached.

The Issuer shall cause to be kept at the specified office of the Registrar a register (the “Register”) on which shall be entered, *inter alia*, the name and address of the holders of the Registered Notes and particulars of all transfers of title to the Registered Notes.

Subject as set out below, title to the Bearer Notes, Receipts and Coupons will pass by delivery and title to the Registered Notes will pass upon the registration of transfers in respect thereof in accordance with the Fiscal Agency Agreement and as described in Condition 3. Also subject as set out below, the Issuer, the Fiscal Agent, the other Paying Agents, the Registrar, the Co-Registrar and the Transfer Agents may deem and treat (i) the bearer of any Bearer Note, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Bearer Note, without prejudice to the provisions set out in the next succeeding paragraph and (ii) the person in whose name a Registered Note is registered in the Register, as the absolute owner thereof for all purposes but, in the case of any global Registered Note, without prejudice to the provisions set out below.

For so long as any of the Notes are represented by a global Bearer Note or a European Permanent Global Registered Note, each person who is for the time being shown in the records of Euroclear Bank S.A./N.V., as operator of the Euroclear System (“Euroclear”) or of Clearstream Banking, société anonyme (“Clearstream, Luxembourg”) as the holder of a particular nominal amount of Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Fiscal Agent, any other Paying Agent, the Registrar, the Co-Registrar and the Transfer Agents as the holder of such nominal amount of such Notes for all purposes other than, save as specifically otherwise provided in the relevant global Note, with respect to the payment of principal or interest on the Notes, the right to which shall be vested, as against the Issuer, the Fiscal Agent, any other Paying Agent, the Registrar, the Co-Registrar and the Transfer Agents, solely in the bearer or the registered holder of the relevant global Note in accordance with and subject to its terms and the Fiscal Agency Agreement (and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly).

For so long as any of the Notes are represented by a DTC Permanent Global Restricted Registered Note, the Issuer, the Fiscal Agent, the Registrar, the Co-Registrar or any other Transfer Agent shall treat Cede & Co. or any other nominee appointed by DTC, as the sole owner or holder of such Notes for all purposes under the Fiscal Agency Agreement (as defined herein). Principal and interest payments, if any, on a global Note registered in the name of Cede & Co., or any other nominee appointed by DTC, will be made to the applicable clearing system as the registered owner or holder of such global Note.

Notes which are represented by a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg (or any other relevant clearing system) or DTC, as the case may be.

None of the Issuer, the Fiscal Agent, any other Paying Agent, the Registrar, the Co-Registrar or any Transfer Agent will have any responsibility or liability for any aspect of the records relating to or

payments made on account of beneficial ownership interests in any global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system (including Euroclear France S.A. and the *Intermédiaires financiers habilités* authorised to maintain accounts therein (together “Euroclear France”) and SIS SegalInterSettle AG (“SEGA”)) specified in the applicable Pricing Supplement.

## **2. Definitive Certificates**

Unless otherwise specified in the applicable Pricing Supplement, beneficial interests in a permanent global Bearer Note will only be exchangeable in whole but not in part by the owners of beneficial interests in such global Bearer Note for security-printed definitive Bearer Notes, and beneficial interests in a permanent global Registered Note will only be exchangeable in whole but not in part for security-printed definitive Registered Notes, if such exchange is permitted by applicable law and (i) in the case of a permanent global Bearer Note deposited with the Common Depositary or a permanent global Registered Note registered in the name of the Common Depositary, if Euroclear or Clearstream, Luxembourg, as the case may be, is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or it announces an intention permanently to cease business or does in fact do so and the Issuer is unable to locate a qualified successor within 90 days of the occurrence of any such event; (ii) in the case of a permanent global Registered Note registered in the name of Cede & Co., if DTC notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depository with respect to the permanent global Registered Note, or ceases to be a “clearing agency” registered under the U.S. Securities Exchange Act of 1934, as amended, or is at any time no longer willing or eligible to act as such and the Issuer is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or (iii) upon the occurrence of an Event of Default (as defined in Condition 1.1) and the relevant clearing system acting on instructions of any owner of a beneficial interest in the permanent global Note having requested in writing definitive Notes from the Fiscal Agent. In such circumstances, the Issuer will cause sufficient definitive Notes to be executed and delivered as soon as practicable (and in any event within 45 days of the occurrence of any of the circumstances described in (i) and (ii) above or the making of the written request described in (iii) above) to the Fiscal Agent, Registrar, Co-Registrar, other Paying Agents and/or other Transfer Agents, as the case may be, for completion, authentication and delivery, free of charge, to the relevant Noteholders.

## **3. Exchanges of Notes and Transfers of Registered Notes**

### **(a) Exchange, Transfer and Delivery**

Upon the terms and conditions set out in the Fiscal Agency Agreement and subject as provided in Condition 3(c), Bearer Notes may be exchanged for the same aggregate nominal amount of Registered Notes of authorised denominations at the request in writing of the Noteholder and upon surrender of the Bearer Note to be exchanged (together with all unmatured Receipts and Coupons relating to it) to the specified office of the Registrar, Co-Registrar or the specified office of any Transfer Agent. Where, however, a Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 7(c)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it.

Registered Notes may not be exchanged for Bearer Notes. Definitive Notes of one denomination may not be exchanged for definitive Notes of another denomination.

A Registered Note may be transferred in whole or in part in the Specified Denomination(s) upon the surrender of the Registered Note to be transferred, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar, Co-Registrar or the specified office of any Transfer Agent. In the case of a transfer of part only of a Registered Note a new Registered Note in respect of the balance not transferred will be issued to the transferor.

Subject to the provisions of Condition 3(b), each new Note to be issued upon an exchange of Notes or a transfer of Registered Notes will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar, Co-Registrar or the relevant Transfer Agent, as the case may be, is located) of receipt of such request for exchange or form of transfer, be mailed at the risk of the holder entitled to the Note to such address as may be specified in such request or form of transfer.

**(b) Formalities**

No service charge shall be made for registration or transfers of Registered Notes. Exchange of Notes will be effected free of charge by or on behalf of the Issuer, the Registrar, the Co-Registrar or the Transfer Agents. In the case of transfer or exchange, the Noteholder will be required to pay or give such indemnity as the Registrar, the Co-Registrar or the relevant Transfer Agent may require in respect of any tax or other governmental charges which may be imposed in relation thereto.

**(c) Closed Periods**

No Noteholder may require the transfer of a Registered Note to be registered or a Bearer Note to be exchanged for a Registered Note during the period of 30 days ending on the due date for any payment of principal on that Note. A Bearer Note called for redemption may, however, be exchanged for a Registered Note which is simultaneously surrendered not later than the relevant Record Date.

**4. Status of Notes**

The Notes and the relative Receipts and Coupons (if any) constitute legal, valid, binding, direct and unsecured obligations of the Issuer. The Notes rank *pari passu* without any preference among themselves and equally with all unsecured indebtedness (other than unsecured subordinated indebtedness) of the Issuer from time to time outstanding. Payments of principal of and interest on the Notes (including any additional amounts payable under Condition 10) will be payable out of the Consolidated Revenue Fund of British Columbia, except where payment is made from a sinking fund or by other means of repayment.

**5. Interest**

**(a) Interest on Fixed Rate Notes**

**(i) Interest Payment Dates**

Each Fixed Rate Note bears interest on its outstanding nominal amount (or if it is a Partly Paid Note, the amount paid up) from and including the Interest Commencement Date specified in the applicable Pricing Supplement at the rate(s) per annum equal to the Rate(s) of Interest specified in the applicable Pricing Supplement payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date so specified if that does not fall on an Interest Payment Date. Except as provided in the applicable Pricing Supplement, the amount of interest payable on each Interest Payment Date will amount to a Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Pricing Supplement, amount to the Broken Amount so specified.

**(ii) Method of Calculation**

If interest is required to be calculated for a period ending other than on an Interest Payment Date, such interest shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Fixed Day Count Fraction and rounding the resultant figure to the nearest cent (or its approximate equivalent sub-unit in the relevant Specified Currency), half a cent (or its approximate equivalent sub-unit in the relevant Specified Currency) being rounded upwards or otherwise in accordance with applicable market convention.

In these Conditions: “Fixed Day Count Fraction” means in respect of the calculation of an amount of interest in accordance with Condition 5(a):

(A) if “Actual/Actual (ISMA)” is specified in the applicable Pricing Supplement:

- (a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “Accrual Period”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or
- (b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
  - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as

specified in the applicable Pricing Supplement) that would occur in one calendar year; and

- (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (B) if “30/360” is specified in the applicable Pricing Supplement, the number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date (such number of days being calculated on the basis of a 360-day year consisting of 12 months of 30 days) divided by 360; and
- (C) if none of the above are specified in the applicable Pricing Supplement, the day-count fraction specified in the applicable Pricing Supplement.

“Determination Period” means the period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

“Sub-unit” means with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

**(b) Interest on Floating Rate Notes and Index Linked Interest Notes**

(i) *Interest Payment Dates*

Each Floating Rate Note and Index Linked Interest Note bears interest from and including the Interest Commencement Date and such interest will be payable in arrear on either:—

- (A) the Specified Interest Payment Date(s) (each an “Interest Payment Date”) in each year specified in the applicable Pricing Supplement; or
- (B) if no express Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, each date (each an “Interest Payment Date”) which falls the number of months or other period specified as the Specified Period in the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:—

- (1) in any case where Specified Periods are specified in accordance with Condition 5(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In this Condition 5, “Business Day” means (unless otherwise stated in the applicable Pricing Supplement) a day which is both:—

- (A) a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London and any Additional Business Centre specified in the applicable Pricing Supplement; and
- (B) either (1) in relation to Notes denominated or payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre specified in the applicable Pricing Supplement and which, if the relevant Specified Currency is Canadian dollars, shall be Toronto) or (2) in relation to Notes denominated in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer system (the “TARGET System”) is open.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes and Index Linked Interest Notes will be determined in the manner specified in the applicable Pricing Supplement.

(A) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph (ii), “ISDA Rate” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Fiscal Agent under an interest rate swap transaction if the Fiscal Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2000 ISDA Definitions as amended and updated as at the Issue Date of the first Tranche of the Notes, published by the International Swaps and Derivatives Association, Inc. (the “ISDA Definitions”) and under which:—

- (1) the Floating Rate Option is as specified in the applicable Pricing Supplement;
- (2) the Designated Maturity is a period specified in the applicable Pricing Supplement; and
- (3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate (“LIBOR”) or on the Euro-zone inter-bank offered rate (“EURIBOR”), the first day of that Interest Period, or (ii) in any other case, as specified in the applicable Pricing Supplement.

For the purposes of this sub-paragraph (ii), (i) “Floating Rate”, “Calculation Agent”, “Floating Rate Option”, “Designated Maturity” and “Reset Date” have the meanings given to those terms in the ISDA Definitions.

When this subsection (ii) (A) applies, in respect of each relevant Interest Payment Date:—

- (1) the amount of interest determined for such Interest Payment Date will be the Interest Amount for the relevant Interest Period for the purposes of these Terms and Conditions as though determined under paragraph (vi) below;
- (2) the Rate of Interest for such Interest Period will be the Floating Rate (as defined in the ISDA Definitions) determined by the Fiscal Agent in accordance with the preceding sentence; and
- (3) the Fiscal Agent will be deemed to have discharged its obligations under sub-paragraph (iv) below if it has determined the Interest Amount payable on such Interest Payment Date in the manner provided in the preceding sentence.

(B) *Screen Rate Determination for Floating Rate Notes*

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:—

- (1) the offered quotation (if there is only one quotation on the Relevant Screen Page); or

- (2) the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for deposits in the relevant Specified Currency for that Interest Period which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time) in the case of LIBOR, or 11.00 a.m. (Brussels time) in the case of EURIBOR, on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any) all as determined by the Fiscal Agent. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest rate, one only of such rates) and the lowest (or, if there is more than one such lowest rate, one only of such rates) shall be disregarded by the Fiscal Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of (1) above, no such quotation appears or, in the case of (2) above, fewer than three of such offered quotations appears, in each case as at such time, the Fiscal Agent shall request (i) in the case of LIBOR, the principal London office of each of the Reference Banks (as defined below) or (ii) in the case of EURIBOR, the principal Euro-zone office of each of the Reference Banks (as defined below) to provide the Fiscal Agent with its offered quotation (expressed as a percentage rate per annum) for deposits in the relevant Specified Currency, in an amount approximately equal to the aggregate nominal amount of the Notes of the relevant Tranche, for the relevant Interest Period to leading banks in the London inter-bank market at approximately 11.00 a.m. (London time) in the case of LIBOR, or leading banks in the Euro-zone inter-bank market at approximately 11.00 a.m. (Brussels time) in the case of EURIBOR, on the Interest Determination Date. If two or more of the Reference Banks provide the Fiscal Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Fiscal Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Fiscal Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Fiscal Agent determines as being the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the rates, as communicated to (and at the request of) the Fiscal Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at 11.00 a.m. (London time or, where EURIBOR is the applicable Reference Rate, Brussels time) on the relevant Interest Determination Date, deposits in the relevant Specified Currency for the relevant Interest Period by leading banks in the London inter-bank market in the case of LIBOR, or leading banks in the Euro-zone inter-bank market in the case of EURIBOR, plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Fiscal Agent with such offered rates, the offered rate for deposits in the Specified Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the relevant Interest Period, at which, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Fiscal Agent and the Issuer suitable for such purpose) informs the Fiscal Agent it is quoting to leading banks in the London inter-bank market or, where EURIBOR is the applicable Reference Rate, in the Euro-zone inter-bank market (or, as the case may be, the quotations of such bank or banks to the Fiscal Agent) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

In this Condition 5, the expression “Euro-zone” means the region comprised of Member States of the European Union that adopt the single currency in accordance with the Treaty on European Union, as amended.

In this Condition 5, the expression “Reference Banks” means, in the case of (1) above, those banks whose offered rates were used to determine such quotation when such quotation last appeared on the Relevant Screen Page and, in the case of (2) above, those banks whose offered quotations last appeared on the Relevant Screen Page when no fewer than three such offered quotations appeared.

In this Condition 5, the expression “Relevant Screen Page” means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Reuters

Money 3000 Service (“Reuters”) and Bridge’s Telerate Service (“Telerate’’) as may be specified in the applicable Pricing Supplement for the purposes of providing a Reference Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information services, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of deploying rates or prices comparable to that Reference Rate.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Pricing Supplement.

(iii) *Minimum and/or maximum Rate of Interest*

If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the following provisions is less than such Minimum Rate of Interest, the Rate of Interest for such period shall be such Minimum Rate of Interest. If the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the following provisions is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) *Determination of Rate of Interest and calculation of Interest Amount*

The Fiscal Agent in the case of Floating Rate Notes, and the Calculation Agent in the case of Index Linked Interest Notes, will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest (subject to any Minimum or Maximum Rate of Interest specified in the applicable Pricing Supplement). In the case of Index Linked Interest Notes, the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating same. The Agent will calculate the Interest Amount payable on the Floating Rate Notes and/or Index Linked Interest Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to the Specified Denomination, multiplying such sum by the applicable Day Count Fraction and rounding the resultant figure to the nearest cent (or its approximate equivalent sub-unit in the relevant Specified Currency), half a cent (or its approximate equivalent sub-unit in the relevant Specified Currency) being rounded upwards or otherwise in accordance with applicable market convention.

“Day Count Fraction” means, in respect of the calculation of an amount of interest for any Interest Period:—

- (A) if “Actual/365” or “Actual/Actual (ISDA)” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (B) if “Actual/365 (Fixed)” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;
- (C) if “Actual/365 (sterling)” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (D) if “Actual/360” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360;
- (E) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and

- (F) if “30E/360” or “Eurobond Basis” is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of an Interest Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

(v) *Notification of Rate of Interest and Interest Amount*

The Issuer will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Paying Agents, the Registrar, Co-Registrar, any stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and, for as long as the Notes are represented by a global Note, Euroclear, Clearstream, Luxembourg and/or DTC, and to be published in accordance with Condition 15 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. For the purposes of this subparagraph (v), the expression “London Business Day” means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London.

(vi) *Certificates to be Final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this paragraph (b), by the Fiscal Agent or the Calculation Agent (if applicable), shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Fiscal Agent, Registrar, Co-Registrar the other Paying Agents, and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Noteholders, the Receiptholders or the Couponholders shall attach to the Fiscal Agent or the Calculation Agent (if applicable) in connection with the exercise or non-exercise by the Fiscal Agent of its powers, duties and discretions pursuant to the provisions of this paragraph (b).

**(c) *Dual Currency Notes***

In the case of Dual Currency Notes, if the rate or amount of interest fails to be determined by an exchange rate, the rate or amount of interest payable shall be determined in the manner specified in the applicable Pricing Supplement.

**(d) *Partly Paid Notes***

In the case of Partly Paid Notes, interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Pricing Supplement.

**(e) *Accrual of Interest***

Each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the due date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue at the same rate until the day on which all sums due in respect of such Note up to that day are received by or on behalf of the holder of such Note or, if earlier, the Relevant Date (as defined in Condition 10).

**(f) *Interest Act (Canada) Disclosure***

For the purpose of disclosure pursuant to the Interest Act (Canada), wherever any Rate of Interest to be paid under the Notes is to be calculated on the basis of a year of 360 days or any other period of time that is less than a calendar year, the yearly rate of interest to which such Rate of Interest is equivalent is the Rate of Interest multiplied by the actual number of days in the calendar year in which same is to be ascertained and divided by either 360 or such other period of time that is less than a calendar year, as the case may be. In the event such yearly rate of interest requires computing distinct Rates of Interest, such yearly interest rate shall be determined by multiplying a weighted average of such Rates of Interest, giving effect to the number of days elapsed in each Interest Period, by a fraction the numerator of which is the actual aggregate number of days forming part of such Interest Periods in

which such yearly rate of interest is to be ascertained and the denominator of which is 360 or such other period of time that is less than a calendar year, as the case may be.

## **6. Redemption and Purchase**

### **(a) At Maturity**

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date specified in the applicable Pricing Supplement.

### **(b) Early Redemption for Tax Reasons**

If, on the occasion of the next payment in respect of the Notes the Issuer would be required to pay additional amounts as provided in Condition 10, all but not some only of the Notes may be redeemed at the option of the Issuer at any time or, if the Notes bear interest at a floating rate, on any Interest Payment Date at their Early Redemption Amount referred to in paragraph (e) below, together, if appropriate, with interest accrued to, but excluding, the date fixed for redemption, on not less than 30 nor more than 60 days' notice to the Noteholders. Upon the expiry of such notice, the Issuer shall be bound to repay the Notes accordingly.

### **(c) Early Redemption at the Option of the Issuer (Issuer Call)**

If an Issuer Call is specified in the applicable Pricing Supplement as being applicable, the Issuer may, having (unless otherwise specified in the applicable Pricing Supplement) given not more than 60 nor less than 30 days' notice to the Fiscal Agent and, in accordance with Condition 15, the holders of the Notes (which notice shall be irrevocable), redeem all or some only of the Notes then outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in the applicable Pricing Supplement together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. In the event of a redemption of some only of the Notes, such redemption must be of an amount not less than the Minimum Redemption Amount or not greater than the Higher Redemption Amount, as indicated in the applicable Pricing Supplement. In the case of a partial redemption of definitive Notes, the Notes (or, as the case may be, parts of Registered Notes) to be repaid will be selected individually by lot not more than 60 days prior to the date fixed for redemption and a list of the Notes called for redemption will be published in accordance with Condition 15 not less than 30 days prior to such date. In the case of a partial redemption of Notes which are represented by a global Note, the relevant Notes will be selected in accordance with the rules of the relevant clearing system.

### **(d) Early Redemption at the Option of the Noteholders (Investor Put)**

If and to the extent an Investor Put is specified in the applicable Pricing Supplement as being applicable, upon the holder of any Note giving to the Issuer in accordance with Condition 15 not more than 60 nor less than 30 days' notice or such lesser period if so specified in the applicable Pricing Supplement (which notice shall be irrevocable) the Issuer will, upon the expiry of such notice, redeem (subject to, and in accordance with, the terms specified in the applicable Pricing Supplement) in whole (but not in part) such Note on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified or determined in the manner specified in, the applicable Pricing Supplement together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date.

### **(e) Early Redemption Amounts**

For the purposes of paragraph (b) above and Condition 11, Notes will be redeemed at an amount (the "Early Redemption Amount") calculated as follows:—

- (i) in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or
- (ii) in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be lesser or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount specified in, or determined in the manner specified in the applicable Pricing Supplement or if no such amount or manner is so specified, at their nominal amount; or

(iii) in the case of Zero Coupon Notes, at an amount (the “Amortised Face Amount”) equal to the sum of:—

- (A) the Reference Price specified in the applicable Pricing Supplement; and
- (B) the product of the Accrual Yield specified in the applicable Pricing Supplement (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.

Where such calculation is to be made for a period which is not a whole number of years, it shall be made (i) in the case of a Zero Coupon Note other than a Zero Coupon Note payable in euro, on the basis of a 360-day year consisting of 12 months of 30 days each or (ii) in the case of a Zero Coupon Note payable in euro, on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed falls in a leap year, the sum of (x) the number of those days falling in a leap year divided by 366 and (y) the number of those days falling in a non-leap year divided by 365) or (in either case) on such other calculation basis as may be specified in the applicable Pricing Supplement.

**(f) Instalment Notes**

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Pricing Supplement. In the case of early redemption, the Early Redemption Amount shall be determined pursuant to paragraph (e) above.

**(g) Partly Paid Notes**

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise in accordance with the provisions of this Condition 6 and the applicable Pricing Supplement.

**(h) Purchases**

Subject to any applicable legal or regulatory restrictions, the Issuer may at any time purchase or otherwise acquire Notes (provided that, in the case of definitive Bearer Notes, all unmatured Receipts and Coupons appertaining thereto are surrendered therewith) in the open market or by private treaty at any price. Notes so purchased or acquired by the Issuer may be held or resold or, at the discretion of the Issuer, surrendered to the Fiscal Agent (in the case of Bearer Notes) or the Registrar or Co-Registrar (in the case of Registered Notes) for cancellation (together with, in the case of definitive Bearer Notes, any unmatured Coupons and Receipts attached thereto). If purchases are made by tender, tenders must be available to all holders of Notes of the relevant Series alike.

**(i) Cancellation**

All Notes redeemed shall be and all Notes purchased or otherwise acquired as aforesaid may, at the option of the Issuer, be cancelled (together, in the case of Bearer Notes, with all unmatured Receipts and Coupons attached thereto or surrendered or purchased therewith), and thereafter may not be resold or reissued.

**(j) Late Payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 11 is not paid or available for payment when due, the amount due and repayable in respect of such Zero Coupon Note shall be the Amortised Face Amount of such Zero Coupon Note calculated as though the references therein to the date fixed for redemption or the date upon which the Zero Coupon Note becomes due and repayable were replaced by references to the date (the “Reference Date”) which is the earlier of:—

- (1) the date on which all amounts due in respect of the Zero Coupon Note have been paid; and
- (2) the date on which the full amount of the moneys repayable has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15.

**(k) Further Provisions applicable to Redemption Amount and Instalment Amounts**

- (i) The provisions of Conditions 5(b)(iv), (v) and (vi) shall apply with necessary adaptations to any determination or calculation of the Redemption Amount or any Instalment Amount required by the applicable Pricing Supplement to be made by the Calculation Agent.
- (ii) References herein to “Redemption Amount” shall mean, as appropriate, the Final Redemption Amount, the final Instalment Amount and the Early Redemption Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the applicable Pricing Supplement.

**7. Payments**

**(a) Method of Payment**

Subject as provided below:—

- (i) Payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the relevant Specified Currency is Canadian dollars, shall be Toronto).
- (ii) Payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee with a bank in Europe or, at the option of the payee, by a euro cheque.
- (iii) In the case of Bearer Notes, where the relevant currency is U.S. dollars, payments will be made by transfer to a U.S. dollar account maintained by the payee outside of the United States, or by cheque drawn on a United States bank. In no event will payment of amounts due in respect of Bearer Notes be made by a cheque mailed to an address in the United States.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 10. References to “Specified Currency” will include any successor currency under applicable law.

**(b) Payments in respect of definitive Bearer Notes**

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in paragraph (a) above against surrender of definitive Bearer Notes and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid against surrender of Coupons, in each case at the specified office of any Paying Agent outside the United States.

Notwithstanding the foregoing (and in relation to payments in U.S. dollars only) payments in respect of the Bearer Notes will be made at the specified office of a Paying Agent in the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)) only if:—

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment at such specified offices outside the United States of the full amount owing in respect of the Notes in the manner provided above when due;
- (ii) payment of the full amount owing in respect of the Notes at such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

Payments of instalments of principal (if any), other than the final instalment, will (subject as provided below) be made against presentation and surrender of the relevant Receipt. Each Receipt must be presented for payment of the relevant instalment together with the relevant definitive Bearer Note to which it appertains. Receipts presented without the definitive Bearer Note to which they appertain do not constitute valid obligations of the Issuer. Upon any definitive Bearer Note becoming due and repayable prior to its stated maturity date, unmatured Receipts (if any) (which expression shall for this purpose include Receipts falling to be issued on exchange of matured Instalment Talons)

relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive bearer form (other than Dual Currency Notes, Index Linked Interest Notes or Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons (if any) appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Interest Talons) failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the aggregate amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 10) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 14 or, if later, five years from the date on which such Coupon would otherwise have become due). Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon any Floating Rate Note, Dual Currency Note, Index Linked Interest Note or Long Maturity Note in definitive bearer form becoming due and repayable prior to its stated maturity date, all unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment, or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "Long Maturity Note" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

**(c) *Payments in respect of definitive Registered Notes***

Payments of principal in respect of Registered Notes will be made by cheque in the manner provided in paragraph (a) above to the persons shown on the Register at the close of business on the date (the "Principal Record Date") that is the fifteenth day before the due date for the payment of such principal (or to the first-named of joint holders) against surrender of Registered Notes at the specified office of any of the Transfer Agents or of the Co-Registrar or Registrar. Interest on Registered Notes will be paid to the persons shown on the Register at the close of business on the date (the "Record Date") that is the fifteenth day before the due date for the payment of interest. Payments of interest on each Registered Note will be made by cheque in the manner provided in paragraph (a) above mailed to the holder (or the first-named of joint holders) of such Note at such holder's address appearing in the Register. Upon application by the holder to the specified office of the Registrar, Co-Registrar or any Transfer Agent not less than 15 days before the due date for any payment of interest in respect of a Registered Note, such payment may be made by transfer in the manner provided in paragraph (a) above. Unless otherwise provided in the applicable Pricing Supplement, any such interest not so punctually paid or duly provided for may forthwith cease to be payable to the person in whose name the definitive Registered Note is registered on the Record Date and will be paid to the person in whose name the definitive Registered Note is registered at the close of business on a subsequent Record Date.

Payments of instalments of principal in respect of definitive Registered Notes, if any, will be made to the persons shown on the Register as of the close of business on the Principal Record Date (or to the first-named of joint holders) in the manner described in paragraph (a) above against surrender of the relevant definitive Registered Notes and (other than in the case of the final instalment) the issue of new definitive Registered Notes in the principal amounts remaining outstanding.

**(d) *Payment of Accrued Interest on Redemption***

If the due date for redemption of any Note in definitive form is not an Interest Payment Date, interest (if any) accrued in respect of such Note from and including the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

**(e) *Payments in respect of Global Notes***

Payments of principal and interest (if any) in respect of global Bearer Notes will be made in the manner specified above and otherwise in the manner specified in the relevant global Bearer Note

against presentation or surrender, as the case may be, of such global Bearer Note at the specified office of the Fiscal Agent. A record of each payment made against presentation or surrender of such global Bearer Note, distinguishing between any payment of principal and any payment of interest, will be made on such global Bearer Note by or to the order of the Fiscal Agent and such record shall be *prima facie* evidence that the payment in question has been made.

Payments of principal in respect of global Registered Notes will be made in the manner specified above and otherwise in the manner specified in the relevant global Registered Note against presentation or surrender, as the case may be, of such global Note at the specified office of any Transfer Agent. Payment of interest (if any) in respect of global Registered Notes will be paid to the person shown on the Register at the close of business on the Record Date by cheque in the manner provided in (a) above mailed to such person at its address appearing in the Register. A record of each payment made, whether against presentation or surrender of such global Registered Note or otherwise, distinguishing between any payment of principal and any payment of interest, will be made in the Register and such record shall be *prima facie* evidence that the payment in question has been made.

Subject as provided in a global Bearer Note or a European Permanent Global Registered Note, (i) the holder of the relevant global Note shall be the only person entitled to receive payments in respect of Notes represented by such global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such global Note in respect of each amount so paid and (ii) each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the holder of a particular nominal amount of Notes must look solely to Euroclear, Clearstream, Luxembourg or DTC, as the case may be, for that person's share of each payment so made by the Issuer to, or to the order of, the holder of the relevant global Note.

**(f) Payment Day**

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, unless specified in the applicable Pricing Supplement, "Payment Day" means:—

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:—
  - (A) the relevant place of presentation;
  - (B) London; and
  - (C) any Additional Finance Centre specified in the applicable Pricing Supplement; and
- (ii) a Business Day as defined in Condition 5(b)(i).

**(g) Interpretation of Principal and Interest**

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:—

- (i) any additional amounts which may be payable under Condition 10 in respect of principal;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Notes redeemable in instalments, the Instalment Amounts; and
- (vi) any premium and any other amounts (other than interest or amounts deemed to be interest as described below) which may be payable under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable under Condition 10 in respect of interest or pursuant to any undertaking given in addition thereto or in substitution therefor.

**8. Fiscal Agent, Paying Agents, Registrar, Co-Registrar, Transfer Agents and Exchange Agent**

The names of the initial Fiscal Agent, the other initial Paying Agents, the initial Registrar, the initial Co-Registrar, the initial Transfer Agents, the initial Exchange Agent and their initial specified offices are set out below. In acting under the Fiscal Agency Agreement, the Fiscal Agent, the other

Paying Agents, the Registrar, the Co-Registrar, the other Transfer Agents and the Exchange Agent will act solely as agents of the Issuer and do not assume any obligations or relationships of agency or trust to or with the Noteholders, Receiptholders or Couponholders. All funds received by the Agents for the payment of the principal of or interest on the Notes shall be held in trust for the Issuer in a separate account or accounts from the time such funds are received until the time of actual payment to the Noteholders, Couponholders or Receiptholders in accordance with the terms of the Fiscal Agency Agreement.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent (including the Fiscal Agent), the Registrar, the Co-Registrar, any Transfer Agent or the Exchange Agent and/or appoint additional or other paying agents or transfer agents and/or another registrar, co-registrar or exchange agent and/or approve any change in the specified office through which any Paying Agent, the Registrar, Co-Registrar, any Transfer Agent or the Exchange Agent acts, provided that:—

- (i) so long as the Notes of a Series are listed on any stock exchange, there will at all times be a Paying Agent (which may be the Fiscal Agent) with a specified office in each location required by the rules and regulations of the relevant stock exchange (or any other relevant authority);
- (ii) so long as Notes are outstanding there will at all times be a Paying Agent (which may be the Fiscal Agent) with a specified office in a leading financial centre in continental Europe;
- (iii) if the conclusions of the ECOFIN Council meeting of November 26–27, 2000 are implemented, to the extent possible, the Issuer will ensure that it maintains a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to any European Union Directive on the taxation of savings implementing such conclusions or any law implementing or complying with, or introduced in order to conform to, such Directive;
- (iv) there will at all times be a Fiscal Agent;
- (v) at any time Registered Notes are outstanding, there will at all times be a Co-Registrar (which may be the Fiscal Agent) in Luxembourg and, so long as any Registered Notes are outstanding and cleared through DTC, a Registrar in New York City;
- (vi) so long as any Registered Notes are listed on any stock exchange, there will at all times be a Transfer Agent (which may be the Co-Registrar) having a specified office in each location as may be required by the rules and regulations of the relevant stock exchange (or any other relevant authority) and at any time Registered Notes are outstanding, in New York City; and
- (vii) so long as any DTC Permanent Global Restricted Notes are outstanding and cleared through DTC, there will at all times be an Exchange Agent in New York City.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the second paragraph of Condition 7(b). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Fiscal Agent and the Noteholders in accordance with Condition 15 provided that no such variation, termination, appointment or change shall take effect (except in the case of insolvency) within 15 days before or after any Interest Payment Date. Notwithstanding the foregoing, the Issuer may (after consultation with the Fiscal Agent) appoint one or more additional paying agents or transfer agents (which it may also designate as the sole paying agent(s) or transfer agent(s), as the case may be, where required by applicable law or market practice) for a specific Series of Notes, who shall be specified in the applicable Pricing Supplement and whose appointment shall be of immediate effect without any further requirement to give notice to the Noteholders.

## **9. Exchange of Talons**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to, and including, the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Conditions 7(b) and 14. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

## 10. Taxation

All payments of principal and interest by the Issuer will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or charges of whatever nature imposed or levied by or on behalf of the Government of Canada or any province, territory or political division thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or charges is required by law or by the interpretation or administration thereof. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts receivable by the Noteholders, the Receiptholders or the Couponholders, as the case may be, after such withholding or deduction shall equal the respective amounts of principal or interest which would have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amount shall be payable with respect to any Note, Receipt or Coupon:—

- (i) to a Noteholder, Receiptholder or Couponholder (or a third party on behalf of a holder) who is liable to such taxes or duties in respect of such Note, Receipt or Coupon by reason of that person having some connection with Canada other than the mere holding of such Note, Receipt or Coupon;
- (ii) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amount on presenting the same for payment on or before such thirtieth day;
- (iii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of November 26–27, 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (iv) on account of any such taxes or duties required to be deducted or withheld by any Paying Agent from a payment on a Note, Receipt or Coupon, if such payment can be made without such deduction or withholding by any other Paying Agent in a Member State of the European Union.

As used herein, the “Relevant Date” means:—

- (A) the date on which such payment first becomes due; or
- (B) if the full amount of the moneys payable has not been received by the Fiscal Agent on or prior to such due date, the date on which the full amount of such moneys having been so received, notice to that effect shall have been given to the Noteholders in accordance with Condition 15.

## 11. Events of Default

If any of the following events (“Events of Default”) occurs, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together with accrued interest to the date of payment shall become immediately due and payable:—

- (a) *Non-Payment*: default is made for more than 7 days after the due date for payment of interest or principal in respect of any of the Notes, provided that it shall not be an Event of Default if the non-payment is due solely to administrative error (whether by the Issuer, the Fiscal Agent, another Paying Agent, the Registrar, Co-Registrar or a bank involved in transferring funds to the Fiscal Agent or the Co-Registrar) unless payment is not made within three London Business Days (as defined in Condition 5(b) (v)) after notice of that non-payment has been given to the Fiscal Agent by any Noteholder; or
- (b) *Breach of Other Obligations*: the Issuer does not perform or comply with any one or more of its other obligations in the Notes which default is incapable of remedy or is not remedied within 30 days after written notice of such default shall have been given to the Fiscal Agent at its specified office by any Noteholder.

Any such notice by a Noteholder to the Fiscal Agent shall, in the case of definitive Notes, specify the serial number(s) of the Note(s) concerned.

## **12. No Waiver; Remedies Cumulative**

No failure to exercise, and no delay in exercising, on the part of any Noteholder, any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right. Rights hereunder shall be in addition to all other rights provided by law. No notice or demand given in any case shall constitute a waiver of rights to take other action in the same, similar or other instances without such notice or demand.

## **13. Replacement of Notes, Receipts, Coupons and Talons**

Should any Note, Receipt, Coupon or Talon be mutilated, defaced or destroyed or be lost or stolen, it may be replaced at the specified office of the Fiscal Agent (in the case of Bearer Notes, Receipts and Coupons) and the Transfer Agent (in the case of Registered Notes) (or such other Replacement Agent at such place as may from time to time be designated by the Issuer and notice of whose designation is given in accordance with Condition 15 to the Noteholders), in accordance with all applicable laws and regulations, upon payment by the claimant of such expenses incurred in connection therewith and on such terms as to evidence, indemnity, security or otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

## **14. Prescription**

Subject to applicable law, each Note, Receipt and Coupon will become void unless presented for payment within 6 years from the Relevant Date (as defined in Condition 10) relating thereto. Any moneys paid by the Issuer to the Fiscal Agent (in the case of Bearer Notes) or the Co-Registrar (in the case of Registered Notes) for the payment of principal or interest in respect of the Notes and remaining unclaimed when the Notes, Receipts or Coupons become void shall forthwith be repaid to the Issuer and all liability with respect thereto shall thereupon cease.

## **15. Notices**

Notices regarding Registered Notes will, save where another means of effective communication has been specified in the applicable Pricing Supplement, be mailed by first-class mail (or equivalent) or (if posted to an overseas address) airmail to the holders (or the first named of joint holders) at their respective addresses in the Register and will be deemed to have been given on the fourth weekday after the date of mailing. Notices in respect of Bearer Notes, save where another means of effective communication has been specified in the applicable Pricing Supplement, shall be validly given if published in one leading English language daily newspaper with circulation in London which is expected to be the Financial Times in London or, if this is not practicable, one other English language newspaper with general circulation in Europe as the Issuer, in consultation with the Fiscal Agent, shall decide. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange (or any other relevant authority) on which the Notes are for the time being listed. Any such notice (other than to holders of Registered Notes as specified above) shall be deemed to have been given on the date of the first publication.

Until such time as any definitive Notes are issued, there may (provided that, in the case of Notes listed on a stock exchange, the rules of that stock exchange or other relevant authority permit), so long as the global Note(s) is or are held in their entirety on behalf of Euroclear, Clearstream, Luxembourg, DTC or any other agreed clearing system be substituted for such publication in such newspaper the delivery of the relevant notice to the relevant clearing system for communication by them to the holders of the Notes. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to the relevant clearing system.

Notices to be given by any holder of the Notes shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Fiscal Agent. While any of the Notes are represented by a global Note, such notice may be given by any holder of a Note to the Fiscal Agent via Euroclear, Clearstream, Luxembourg, DTC or any other agreed clearing system in such manner as the Fiscal Agent and the relevant clearing system may approve for this purpose.

## **16. Modifications and Meetings of Noteholders**

The Fiscal Agency Agreement may be amended in writing by the parties thereto, without the consent of the Noteholders, Couponholders, Receiptholders or Talonholders, for the purpose of curing any ambiguity or curing, correcting or supplementing any defective provision contained therein or in a manner which the parties may mutually deem necessary or desirable and which shall not

adversely affect the interests of the outstanding Noteholders, Couponholders, Receiptholders or Talonholders. Other amendments to the Fiscal Agency Agreement or to the Notes, Receipts, Coupons or Talons must be approved by a meeting of Noteholders of the relevant Series in accordance with provisions concerning meetings of Noteholders contained in Appendix F to the Fiscal Agency Agreement.

Pursuant to Appendix F to the Fiscal Agency Agreement, the Issuer may at any time, and upon a request in writing made by Noteholders of the relevant Series holding not less than one-tenth of the nominal amount of the Notes outstanding at any time after any Note of the relevant Series shall have become payable owing to default shall, convene a meeting of Noteholders of the relevant Series. Any such request in writing by Noteholders of the relevant Series shall be made by lodging the same together with the relevant Note or Notes at the specified office of the Fiscal Agent, any Paying Agent, the Registrar or any Transfer Agent.

#### **17. Currency Indemnity**

If, under any applicable law and whether pursuant to a judgment being made or registered against the Issuer or for any other reason, any payment under or in connection with the Notes is made or is to be satisfied in a currency (the “other currency”) other than that in which the relevant payment is expressed to be due (the “required currency”) under the Notes then, to the extent that the payment (when converted into the required currency at the rate of exchange on the date of payment) falls short of the amount due under the terms of the Notes, the Issuer shall, as a separate and independent obligation, indemnify and hold harmless the relevant Noteholder against the amount of such shortfall. For the purpose of this Condition 17, “rate of exchange” means the noon spot rate on the London foreign currency exchange market on the relevant date to purchase the required currency with the other currency as determined by the Fiscal Agent.

#### **18. Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes ranking *pari passu* in all respects (or in all respects save for the first payment of interest) so that the same shall be consolidated and form a single Series with the Notes.

#### **19. Governing Law and Enforceability**

The Fiscal Agency Agreement and the Notes, the Receipts, the Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein.

If an Event of Default should occur, proceedings may be brought against the Issuer in the Supreme Court of British Columbia and no governmental or other consent is required. There is no immunity from jurisdiction available to the Issuer in any proceedings in the Supreme Court of British Columbia brought in accordance with the *Crown Proceeding Act* (British Columbia) and within applicable limitation periods. Although any judgement obtained in such proceedings against the Issuer is not capable of being enforced by execution against the property of the Province of British Columbia, any final money judgement and costs awarded against the Issuer in any such proceedings are required to be paid out of the Consolidated Revenue Fund of British Columbia.

### **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be paid into the Consolidated Revenue Fund of British Columbia and may be used for any of the following purposes:

- (a) the efficient management of the Consolidated Revenue Fund;
- (b) making investments for the benefit of the Issuer; and
- (c) making loans to British Columbia government bodies.

## DESCRIPTION OF ISSUER

### Population and Geography

British Columbia is a province of Canada located on the Pacific Coast. It has an area of 95 million hectares, or about 9.5% of Canada's total surface area. The provincial government owns 94% of British Columbia's land area and also owns or administers the use of 96% of its forests. There are 1.8 million hectares of lakes and rivers, and the coastline, which has many ice-free deep water inlets and ports, measures 7,022 kilometres in length.

British Columbia is the third largest Canadian province in terms of population, which was estimated at 4,063,760 or 13.2% of the total population of Canada on July 1, 2000. British Columbia's population grew at an average annual compound rate of 1.4% between 1995 and 2000, 0.5% faster than the growth of the Canadian population as a whole.

Vancouver, which is a principal Canadian financial, shipping and manufacturing centre, has the largest urban population in British Columbia and is the third largest metropolitan area in Canada with a census metropolitan area population of 2,015,807 persons in 2000. Victoria, the capital of British Columbia, is located on Vancouver Island and had a census metropolitan area population of 334,847 persons in 2000.

### Constitutional Framework

Canada is a constitutional monarchy and structured as a federal state with a division of responsibilities between the federal and provincial governments. Under the Constitution of Canada, the provincial governments have authority to raise revenue through direct taxation within their territories and to borrow on provincial credit, have ownership of and jurisdiction over natural resources and have jurisdiction over education, health and social service, municipal institutions, property and civil rights, administration of justice and other matters of purely provincial and local concern. The federal government is empowered to raise money through taxation and has jurisdiction over matters of a national nature not assigned exclusively to the provinces, including federal public debt and property, regulation of trade and commerce, currency and coinage, banks and banking, national defence, foreign affairs, postal service, navigation, shipping and inter-provincial transportation.

### Economic Review of 2000

British Columbia's economy grew an estimated 3.8% in 2000, up from 2.1% in 1999.<sup>1</sup> Exports and manufacturing shipments grew strongly early in the year. During the second half, manufacturing shipments slowed due to weaker activity in the U.S., while energy exports soared as a result of rising prices.

Employment rose during the year and the unemployment rate fell from 8.3% in 1999 to 7.2% in 2000, its lowest level since 1981. Strong growth in the number of full-time jobs boosted the total number of hours worked and labour income. This contributed to the fastest growth in retail spending since 1995. Residential construction remained weak, although housing starts picked up in the fourth quarter.

Business conditions were mixed overall, good in some sectors and poor in others. In the resource sector, the forest industry recovery in 1999 was partly reversed in 2000 by a sharp decline in lumber prices; however, pulp and newsprint prices increased during the year and industry profits rose. Non-energy exports and manufacturing activity were strong during the first half of 2000, but slowed during the second half as the United States economy cooled. Retail sales posted the biggest gain since 1995, but housing remained weak. Corporate profits are estimated to have risen slightly in 2000 after a large rise in 1999. Wage and price inflation also increased from 1999, but remained low. Rising energy prices accounted for most of the increases in price inflation.

### Economic Outlook for 2001

So far in 2001, the British Columbia economy has shown a mixed growth pattern in the face of weaker external conditions. While manufacturing has declined, consumer spending shows steady growth and the housing sector continues to strengthen. Export and labour markets are not performing as well as expected. Given the increased downside risks associated with U.S. and Canadian economic activity, the government has stated that growth will be slower this year and next. The government will

1. Statistics Canada will release provincial GDP figures for 2000 in October, 2001.

be developing a new economic forecast prior to the release of the next *Quarterly Report* at the end of November.

On June 6, 2001, the provincial government announced a 25% cut in personal income taxes. This was followed by a significant reduction in the corporation income tax, the phase out of corporation capital tax for non-financial corporations and the elimination of social services tax on specific machinery and equipment purchases. The lower personal income taxes and business tax cuts are expected to provide economic stimulus for the rest of the year.

On August 9, 2001 the U.S. government announced it would charge a preliminary 19.3% countervail duty on the value of softwood lumber imports from Canada. In addition, on September 24, 2001, the U.S. is expected to announce its preliminary determination in an anti-dumping investigation. The Canadian and British Columbian governments are challenging the countervail duty and are expected to challenge any anti-dumping duty. In the past, Canada has been generally successful in its fight against similar actions by the U.S.

The external environment and especially the United States economy plays a significant role in the British Columbia economy as more than two-thirds of the province's total international merchandise exports goes to the United States. So far this year, the value of international merchandise exports has risen, due mainly to higher energy prices. Excluding energy products, the value of total exports has fallen year to date (June). Uncertainty surrounding the softwood lumber trade dispute has resulted in very volatile lumber prices for exports to the U.S. Real exports (inflation adjusted) are expected to rise only slightly as a result of soft demand in the U.S. and Asia.

The labour market has been weak for the first half year. Full-year employment is expected to grow 1.5%, down from a 2.2% increase in 2000. The unemployment rate is unchanged from 2000 so far this year, as labour force growth has matched the slow growth in employment.

Consumer spending has been a bright spot throughout North America. In British Columbia, seasonally-adjusted retail sales were up 6.2% through June. Consumer confidence was up substantially for the first half of 2001 from the same period last year. The recent provincial personal income tax cut should translate into stronger consumer confidence and higher spending for the rest of the year.

On the business activity and investment front, manufacturing shipments are down so far this year as a result of lower lumber and pulp prices. However, non-residential construction appears to be picking up and housing construction has showed clear signs of improvement from the low levels of past years. Capital investment is projected to rise this year as are corporate profits. The housing sector is expected to continue its upward trend.

During the first six months of the year, consumer price inflation in British Columbia averaged 2.0%, due primarily to higher energy prices. As energy prices ease off, the inflation rate is forecast to fall for the rest of the year and into next year.

The economic outlook for 2001 may be affected by the following: a longer than expected slowdown in the United States; declines in consumer confidence in the U.S. and Canada; a more rapid than expected decline in energy prices; the resolution of the softwood lumber dispute with the U.S.; and the response by consumers and businesses to the announced provincial tax cuts. The attack on the World Trade Center and Pentagon in the U.S. add further uncertainty to the outlook.

### **Medium Term Prospects**

Over the medium term, the British Columbia economy is expected to grow steadily as the world economy returns to trend growth. The combined impact of tax cuts and the recovery in Canada and the United States is expected to result in continued economic expansion in British Columbia.

Stronger growth in investment coupled with robust consumer spending and residential construction should give British Columbia solid economic growth over the 2003-2005 period. This economic activity in turn is expected to produce stronger labour income growth and a much-improved outlook for corporate profits. Job creation should remain on track and, along with renewed growth in the labour force, the unemployment rate is forecast to gradually decline to 6.5% by the end of the period, as employment growth is expected to rise faster than the labour force.

The improved investment and general economic climate are expected to draw more people to the province, increasing the population by an average of 1.7% per year. Provincial GDP is forecast to grow at an average rate of nearly 3.0% a year for the period of 2003-2005, equal to the forecast of the Canadian average for the period.

## **2000-01 Fiscal Results (audited actual results)**

The consolidated financial results of the government (consolidated revenue fund) and its Crown corporations and agencies are reported in the summary financial statements (summary accounts). In 2000-01, there was a summary accounts surplus of \$1,498 million. This was \$2,776 million better than the original estimate of a \$1,278 million deficit.

In 2000-01, the consolidated revenue fund had a surplus of \$1,603 million. Revenue was \$2,566 million above budget primarily due to significantly higher-than-expected energy prices and the effect of a strengthening economy.

Consolidated revenue fund spending was \$163 million above budget. This included \$787 million of additional spending for health, education and other programs, partially offset by \$624 million of savings due to lower interest costs and reduced pension expenditures primarily resulting from policy changes recommended by the Auditor General. Excluding one-time expenditures in 1999-00, spending in 2000-01 was 7% higher than the previous year.

In aggregate, Crown corporations and agencies had a combined net loss of \$53 million in 2000-01. Taxpayer-supported Crown corporations reported a combined net loss of \$210 million, mainly reflecting a loss in Forest Renewal BC and accounting adjustments, which primarily represent the additional amortisation of highway infrastructure expenditures of the BC Transportation Financing Authority. Commercial Crown corporations showed a combined net income of \$157 million primarily due to strong financial performance of British Columbia Hydro and Power Authority and the Insurance Corporation of British Columbia.

Further information on the provincial government's financial results for 2000-01 can be found at the Ministry of Finance website at <http://www.fin.gov.bc.ca/pubs.htm>; however, any other information available on such website shall not be deemed to form a part of this Information Memorandum comprising the Equivalent Offering Document.

## **2001-02 Economic and Fiscal Update (July 30 Update)<sup>2</sup>**

A new provincial government was formed in June 2001. As a result, the Government presented an Economic and Fiscal Update (July 30 *Update*) to the Legislative Assembly on July 30, 2001 to obtain approval for the 2001-02 budget.

The summary accounts deficit (which combines the results of the Government with its Crown corporations and agencies) was estimated at \$1,500 million in 2001-02. This included a projected consolidated revenue fund deficit of \$2,013 million, combined losses of Crown corporations and agencies totalling \$267 million, a \$500 million forecast allowance to help offset any unfavourable developments over the fiscal year, and a one-time benefit of \$1,280 million resulting from the introduction of joint trusteeship for public sector pension plans.

Revenue of the consolidated revenue fund for 2001-02 was estimated at \$22,737 million, a decrease of 5.5% from the final results for 2000-01. The revenue estimate for 2001-02 included the effect of new provincial tax reduction measures totalling \$1,378 million, and an outlook for weaker electricity prices compared to 2000-01.

Expenditure was estimated at \$24,750 million in 2001-02, an increase of 12.1% from the comparable 2000-01 budget estimate. The expenditure estimate included a contingency reserve of \$360 million.

In 2001-02, the combined net loss of taxpayer-supported Crown corporations and agencies was estimated at \$333 million mainly due to a projected loss in 552513 British Columbia Ltd. (Skeena Cellulose Inc.) and accounting adjustments to reflect the additional amortisation of highway infrastructure expenditures of the BC Transportation Financing Authority. This net loss was partially offset by the estimated net income of commercial Crown corporations and agencies totalling \$66 million.

In accordance with the government's accounting policy (and generally accepted accounting principles) the provincial government recorded a one-time benefit of \$1,280 million in 2001-02, as a result of introducing joint trusteeship for the Teachers' Pension and Municipal Superannuation plans. Joint trusteeship for these plans was concluded on April 5, 2001. Joint trusteeship for the Public Service Pension Plan was introduced in 2000-01.

2. All numerical data in this section has been extracted without material adjustment from the Issuer's Economic and Fiscal Update (mini-budget) presented to the provincial Legislative Assembly on July 30, 2001.

Taxpayer-supported debt, expressed as a percentage of provincial gross domestic product (GDP), was estimated at 21.7% as of March 31, 2002.

The provincial government intends to present a medium-term financial forecast when it presents its next budget on February 19, 2002.

Further information on the July 30, 2001 Economic and Fiscal Update is available at the Ministry of Finance website at <http://www.fin.gov.bc.ca/pubs.htm>; however, any other information available on such website shall not be deemed to form a part of this Information Memorandum comprising the Equivalent Offering Document.

## **2001-02 First Quarterly Report<sup>2</sup>**

On September 13, 2001, the provincial government released its *First Quarterly Report*. The report contains fiscal results for the April – June 2001 period, and provides an update on financial forecasts for the full 2001-02 fiscal year.

The summary accounts (which combines the results of the government with its Crown corporations and agencies) had a three-month surplus of \$680 million. This consisted of a consolidated revenue fund deficit of \$655 million, combined net income of Crown corporations and agencies totalling \$55 million, and a one-time benefit of \$1,280 million as a result of introducing joint trusteeship for the Teachers' Pension and Municipal Superannuation plans on April 5, 2001. The three-month summary accounts surplus compares to a surplus of \$406 million for the same period in the 2000-01 fiscal year.

The revised forecast of the summary accounts deficit in 2001-02 is \$1,981 million, an increase of \$481 million from the July 30 *Update*. This consists of a projected consolidated revenue fund deficit of \$2,178 million, combined losses of Crown corporations and agencies totalling \$458 million, a \$625 million forecast allowance to help offset unfavourable developments over the rest of the fiscal year, and the one-time benefit of \$1,280 million resulting from the introduction of joint trusteeship for public sector pension plans.

The revised forecast for revenue of the consolidated revenue fund for 2001-02 is \$22,547 million, a decrease of \$190 million from the July 30 *Update* primarily due to an outlook for weaker energy prices in 2001-02.

The revised forecast of consolidated revenue fund expenditure is \$24,725 million in 2001-02, \$25 million lower than the July 30 *Update* due to lower-than-expected costs for forest fire fighting. The revised expenditure forecast includes a contingency reserve of \$360 million.

In 2001-02, the combined net loss of taxpayer-supported Crown corporations and agencies is now projected to be \$339 million, up \$6 million from the July 30 *Update*. Commercial Crown corporations and agencies are now projected to have a combined net loss of \$119 million, a deterioration of \$185 million from the July 30 *Update* due to an expected loss for the Insurance Corporation of British Columbia.

The summary accounts forecast allowance is \$125 million higher than the allowance used for the July 30 *Update*, to address increased uncertainties over the remainder of the fiscal year.

In accordance with the government's accounting policy (and generally accepted accounting principles) the provincial government recorded a one-time benefit of \$1,280 million in 2001-02, as a result of introducing joint trusteeship for the Teachers' Pension and Municipal Superannuation plans on April 5, 2001.

Taxpayer-supported debt, expressed as a percentage of provincial GDP, is estimated at 21.8% as of March 31, 2002, up 0.1 percentage points from the July 30 *Update* due to the revised financial outlook for 2001-02.

Further information on the First Quarterly Report is available at the Ministry of Finance website at <http://www.fin.gov.bc.ca/pubs.htm>; however, any other information available on such website shall not be deemed to form a part of this Information Memorandum comprising the Equivalent Offering Document.

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<sup>2</sup> All numerical data in these sections have been extracted without material adjustment from the Issuer's Economic and Fiscal Update (July 30 *Update*) presented to the provincial Legislative Assembly on July 30, 2001, and from the first Quarterly Report issued on September 13, 2001.

## GENERAL ECONOMIC INDICATORS FOR BRITISH COLUMBIA

	Unit or Base Period	Calendar Years			
		1997	1998	1999	2000
<b>Population and Labour Force:</b>					
Population (July 1) .. .. .	thousands	3,960	3,998	4,028	<b>4,064</b>
Net In-migration .. .. .	number	44,614	11,166	24,512	<b>17,892</b>
Interprovincial .. .. .	number	1,980	(17,521)	(8,129)	<b>(14,123)</b>
International .. .. .	number	42,634	28,687	32,641	<b>32,015</b>
Labour force .. .. .	thousands	2,040	2,051	2,079	<b>2,100</b>
Labour force participation rate <sup>(2)</sup> .. .. .	per cent	65.6	64.9	65.1	<b>64.9</b>
Male .. .. .	per cent	72.2	71.2	71.2	<b>70.7</b>
Female .. .. .	per cent	59.1	58.8	59.2	<b>59.2</b>
Employment .. .. .	thousands	1,869	1,870	1,906	<b>1,949</b>
Male .. .. .	thousands	1,013	1,001	1,019	<b>1,042</b>
Female .. .. .	thousands	856	869	887	<b>908</b>
Full-time .. .. .	thousands	1,479	1,467	1,495	<b>1,547</b>
Part-time .. .. .	thousands	390	404	412	<b>402</b>
Unemployment rate .. .. .	per cent	8.4	8.8	8.3	<b>7.2</b>
Male .. .. .	per cent	8.7	9.8	9.0	<b>7.6</b>
Female .. .. .	per cent	8.0	7.7	7.5	<b>6.7</b>
<b>Main Economic Indicators:</b>					
Provincial gross domestic product .. .. .	\$ millions	113,596	113,945	118,783	<b>125,690<sup>(1)</sup></b>
Capital investment (new) .. .. .	\$ millions	21,807	20,055	20,057	<b>20,972</b>
Retail sales .. .. .	\$ millions	33,736	33,049	33,684	<b>35,821</b>
New motor vehicle sales .. .. .	units	164,426	147,497	157,213	<b>167,770</b>
Housing starts .. .. .	dwelling units	29,351	19,931	16,309	<b>14,418</b>
Building permits .. .. .	\$ millions	5,544	4,740	4,696	<b>4,492</b>
Exports merchandise .. .. .	\$ millions	26,761	26,045	28,738	<b>33,441</b>
<b>Incomes:</b>					
Personal income .. .. .	\$ millions	95,600	97,817	100,212	<b>105,520<sup>(1)</sup></b>
Labour income .. .. .	\$ millions	60,681	61,943	64,145	<b>68,067</b>
Average weekly earnings .. .. .	\$	611	618	625	<b>637</b>
<b>Prices:</b>					
Consumer price index, B.C. (urban) .. .. .	1992=100	109.7	110.0	111.2	<b>113.3</b>
Consumer price index, Vancouver .. .. .	1992=100	109.8	110.4	111.4	<b>113.9</b>
Consumer price index, Victoria .. .. .	1992=100	109.7	110.0	111.1	<b>113.0</b>
Industrial product price index, Canada .. .. .	1992=100	119.5	119.4	121.7	<b>127.7</b>
B.C. export commodity price index (\$ Cdn.)	1992=100	140.4	130.7	139.3	<b>139.0</b>
<b>Financial Indicators:</b>					
Business incorporations .. .. .	number	22,958	20,759	21,009	<b>21,515</b>
Business bankruptcies .. .. .	number	898	1,031	1,077	<b>980</b>
Bloomberg B.C. Stock Index, annual close	Dec.30, 1994=100	N/A	107.4	121.9	<b>126.7</b>
Personal savings deposits at chartered banks	\$ millions	41,846	40,557	41,437	<b>47,247</b>
Personal loans outstanding at chartered banks	\$ millions	13,741	13,296	14,482	<b>18,621</b>
<b>Sector Indicators:</b>					
Manufacturing shipments .. .. .	\$ millions	33,496	31,757	35,616	<b>37,768</b>
Timber scaled .. .. .	thousand cubic metres	68,628	64,967	75,997	<b>76,984</b>
Lumber production .. .. .	thousand cubic metres	31,562	30,237	31,833	<b>32,156</b>
Pulp and paper production .. .. .	thousand tonnes	7,181	7,033	8,010	<b>8,289</b>
Gross value of mineral production .. .. .	\$ millions	3,130	3,026	2,565	<b>2,871<sup>(1)</sup></b>
Petroleum and natural gas production .. .. .	\$ millions	1,588	1,574	2,157	<b>4,706<sup>(1)</sup></b>
Electric power generation (net) .. .. .	million kilowatt hours	66,691	67,710	68,045	<b>68,240</b>
Farm cash receipts .. .. .	\$ millions	1,759	1,835	1,935	<b>2,077</b>
Foreign visitors .. .. .	thousands	7,323	7,845	8,269	<b>8,482</b>

(1) Estimates

(2) Per cent of the working-age population in the labour force.

Sources: The information in this table has been extracted without material adjustment from Statistics Canada, BC STATS, BC Fiscal and Economic Update 2001 and other government and industry sources.

## CLEARANCE AND SETTLEMENT

The Programme has been designed so that Notes may be held through one or more international and domestic clearing systems, principally, the book-entry systems operated by Euroclear and Clearstream, Luxembourg in Europe and DTC in the United States. Electronic securities and payment transfer, processing, depositary and custodial links have been established among these systems and others which enable Notes to be issued, held and transferred among the clearing systems across these links. Special procedures have been established among these clearing systems, the Fiscal Agent, the Registrar and the Co-Registrar to facilitate clearance and settlement of certain Notes traded across borders in the secondary market. Cross-market transfers of interests in global Notes may be cleared and settled using these procedures on a delivery free of payment basis. Cross-market transfers of definitive Notes may be cleared and settled in accordance with other procedures established among the Fiscal Agent, the Registrar and/or the Co-Registrar, as the case may be, and the clearing systems concerned for this purpose. Clearance and settlement procedures may vary according to the Specified Currency of the Notes.

The relationship between the Issuer and the holder of a Bearer Note or a Registered Note is governed by the terms and conditions of that Note. The holder of a Bearer Note, other than any definitive Bearer Note that has not been deposited with a clearing system, and the holder of a Registered Note, other than a definitive Registered Note, will be one or more clearing systems. The beneficial interests in Notes in global form held by a clearing system will be in book-entry form in the relevant clearing system. Each clearing system has its own separate operating procedures and arrangements with participants or accountholders which govern the relationship between them and the relevant clearing system and to which the Issuer is not and will not be a party. The Issuer will not impose fees payable by any holder with respect to any Notes held by one or more clearing systems; however, owners of beneficial interests in Notes may incur fees in respect of the maintenance and operation of the book-entry accounts in which Notes are held.

### The Clearing Systems

The following information concerning the clearing systems has been obtained from sources that the Issuer believes are reliable, but is subject to any changes to the arrangements between the Issuer and each of the clearing systems and any changes to such procedures that may be instituted unilaterally by any of the clearing systems.

**Euroclear.** Euroclear was created in 1968 to hold securities for its participants and to clear and settle transactions between its participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing, and interfaces with domestic markets in several countries. The Euroclear System is owned by Euroclear Clearance System Public Limited Company (ECSplc) and operated through a license agreement by Euroclear Bank S.A./N.V., a bank incorporated under the laws of the Kingdom of Belgium (the “Euroclear Operator”).

Euroclear participants (“Euroclear Participants”) include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include Purchasers. Indirect access to Euroclear is also available to others that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly.

The Euroclear Operator is regulated and examined by the Belgian Banking and Finance Commission and the National Bank of Belgium.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions governing use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively, the “Euroclear Terms and Conditions”). The Euroclear Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Euroclear Terms and Conditions only on behalf of Euroclear Participants and has no record of or relationship with persons holding through Euroclear Participants.

Distributions with respect to Notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear Participants in accordance with the Euroclear Terms and Conditions.

**Clearstream, Luxembourg.** Clearstream Banking, société anonyme (“Clearstream, Luxembourg”) is incorporated under the laws of Luxembourg as a professional depository. Clearstream, Luxembourg holds securities for its participating organizations (“Clearstream Participants”) and facilitates the clearance and settlement of securities transactions between Clearstream Participants through electronic book-entry changes in accounts of Clearstream Participants, thereby eliminating the need for physical movement of certificates. Clearstream, Luxembourg provides to Clearstream Participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg interfaces with domestic markets in several countries. As a professional depository, Clearstream, Luxembourg is subject to regulation by the Luxembourg Monetary Institute. Clearstream Participants are recognized financial institutions around the world including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Indirect access to Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream Participant either directly or indirectly.

Distributions with respect to Notes held beneficially through Clearstream, Luxembourg will be credited to cash accounts of Clearstream Participants in accordance with its rules and procedures.

**DTC.** DTC is a limited purpose trust company organised under the New York Banking Law, a “banking organisation” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities for its participating organizations (“DTC Participants”) and also facilitates the settlement among DTC Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic book-entry changes in DTC Participants’ accounts, thereby eliminating the need for physical transfer and delivery of securities certificates. DTC Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organisations. DTC is owned by a number of its DTC Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Indirect access to the DTC system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a DTC Participant either directly or indirectly (“Indirect DTC Participants”). The Rules applicable to DTC and DTC Participants are on file with the United States Securities and Exchange Commission.

Transfers of ownership or other interests in Notes in DTC may be made only through DTC Participants. Indirect DTC Participants are required to effect transfers through a DTC Participant. In addition, beneficial owners of Notes in DTC will receive all distributions of principal of and interest on the Notes from the Registrar through a Paying Agent and such DTC Participant. Distributions in the United States will be subject to tax reporting in accordance with relevant United States tax laws and regulations.

Because DTC can only act on behalf of DTC Participants, who in turn act on behalf of Indirect DTC Participants, and because beneficial owners holding through DTC will hold interests in the Notes through DTC Participants or Indirect DTC Participants, the ability of such beneficial owners to pledge Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such Notes, may be limited.

### **Clearance and Settlement Procedures**

Initial settlement for the Notes will be made in immediately available funds. Beneficial interests in the Notes in global form will be credited to Euroclear Participants’ clearance accounts on the business day following the Issue Date against payment (value Issue Date), and to Clearstream Participants’ custody accounts on the Issue Date against payment in same day funds.

Secondary market trading between Euroclear Participants and Clearstream Participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional eurobonds in immediately available funds. Secondary market trading between DTC

Participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds.

### **Transfers Between Euroclear and Clearstream, Luxembourg and DTC of Registered Notes**

Transfers from a QIB holding an interest in a DTC Permanent Global Restricted Registered Note to a Euroclear or Clearstream Participant will be made in accordance with the immediately following description if such transfer is made to the Issuer or to, by, through, or in a transfer approved by, a Dealer or upon receipt by the Registrar of a written certification from the transferor and transferee (in the form of Exhibit B to this Information Memorandum) to the effect that such transfer is being made in accordance with Rule 904 of Regulation S. See “Form of the Notes — DTC Permanent Global Restricted Registered Notes”.

When Registered Notes are to be transferred from the account of a DTC Participant to the account of a Euroclear or Clearstream Participant, the DTC Participant will transmit the relevant payment instructions to DTC at least two business days prior to the settlement date. The Euroclear Participant or Clearstream Participant will transmit the relevant receipt of payment instructions to Euroclear or Clearstream, Luxembourg at least two business days prior to the settlement date. Separate payment arrangements are required to be made between the DTC seller and the Euroclear or Clearstream, Luxembourg purchaser, or their agents. One business day prior to the settlement date DTC will transmit trade instructions to the Registrar. On the settlement date, the Registrar will (i) decrease the quantity of Registered Notes registered in the name of Cede & Co. and decrease the quantity of Registered Notes evidenced by the DTC Permanent Global Restricted Registered Note(s) and will (ii) increase the quantity of Registered Notes registered in the name of the Common Depositary and will instruct the Co-Registrar to instruct the Common Depositary to increase the quantity of Registered Notes evidenced by the European Permanent Global Registered Note(s). On the settlement date such Notes will be credited by Euroclear or Clearstream, Luxembourg, as the case may be, to the Euroclear Participant’s or Clearstream Participant’s relevant account.

On or prior to the 40th day after the later of the commencement of the offering of a Series of Registered Notes and the date of settlement, Euroclear or Clearstream Participants may transfer beneficial interests in European Permanent Global Registered Notes to DTC Participants in accordance with the immediately following description if such transfer is made to the Issuer or to, by, through, or in a transfer approved by, a Dealer or upon receipt by the Registrar of a written certification from the transferor and transferee (in the form set forth as Exhibit A to this Information Memorandum) to the effect that such transfer is being made to a QIB within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. See “Form of the Notes — DTC Permanent Global Restricted Registered Notes.” After such 40th day, transfers of beneficial interests in European Permanent Global Registered Notes to DTC Participants will no longer be required.

When Registered Notes are to be transferred from the account of a Euroclear or Clearstream Participant to the account of a DTC Participant, the Euroclear Participant or Clearstream Participant will transmit the relevant payment instructions to Euroclear or Clearstream, Luxembourg at least two business days prior to the settlement date. The DTC Participant will transmit the relevant receipt of payment instructions to DTC at least two business days prior to the settlement date. One business day prior to the settlement date Euroclear and Clearstream, Luxembourg will transmit trade instructions to the Co-Registrar. In the case of “delivery free of payment” instructions, separate payment arrangements are required to be made between the DTC purchaser and the Euroclear or Clearstream, Luxembourg seller, or their agents. On the settlement date the Co-Registrar will (i) instruct the Registrar to decrease the quantity of Registered Notes registered in the name of the Common Depositary and will instruct the Common Depositary to decrease the quantity of Registered Notes evidenced by the European Permanent Global Registered Note(s) and will (ii) instruct the Registrar to increase the quantity of Registered Notes registered in the name of Cede & Co. and increase the quantity of Registered Notes evidenced by the DTC Permanent Global Restricted Registered Note. On the settlement date such Registered Notes will be credited by DTC to the DTC Participants’s relevant account.

## **Currency Conversion**

### *Payments for Notes*

Investors will be required to pay for Notes in the Specified Currency. Each Dealer may, under certain terms and conditions, arrange for the conversion of the investors' currency into the Specified Currency to enable investors to pay for the Notes in the Specified Currency. Each such conversion will be made by such Dealer on such terms and subject to such conditions, limitations and charges as such Dealer may from time to time establish in accordance with its regular foreign exchange practices, and subject to any applicable laws and regulations. All costs of conversion will be borne by such investors.

### *Payments on Notes*

Payments in respect of Notes will be made in the currency or currencies specified in the applicable Pricing Supplement.

Where one or more DTC Permanent Global Restricted Registered Notes are issued, the following arrangements will be made. DTC Participants holding a beneficial interest in a DTC Permanent Global Restricted Registered Note denominated in a Specified Currency, other than U.S. dollars ("DTC Noteholders"), will receive such payments in U.S. dollars, unless they elect to receive payments in the specified payment currency. Subject to the provisions set forth below, in the event that a DTC Noteholder shall not have made such election, where the specified payment currency is not U.S. dollars, payments to such DTC Noteholder will be converted to U.S. dollars by the Exchange Agent. The U.S. dollar amount in respect of any payment received by a DTC Noteholder not electing payment in the specified payment currency will be based on the Exchange Agent's bid quotation, at or prior to 11.00 a.m. (New York City time) on the second day on which banks are open for business in New York City preceding the applicable payment date, for the purchase of U.S. dollars with the specified payment currency payable for settlement on such payment date of the aggregate of the specified currency payment to all DTC Noteholders receiving U.S. dollar payments. If such bid quotation is not available, the Exchange Agent will obtain a bid quotation from a leading foreign exchange bank in New York City selected by the Exchange Agent for such purchase. If no such bids are available, payment of the aggregate amount due to all DTC Noteholders on the payment date will be made in the specified payment currency. All costs of any such conversion into U.S. dollars will be borne by the relevant DTC Noteholder by deduction from such payments. A DTC Noteholder may elect to receive payment of the principal of, or interest with respect to, the Notes in the specified payment currency by notifying its Participant as custodian for DTC, prior to 5.00 p.m. (New York City time) on the third calendar day on which banks are open for business in New York City (a "New York Business Day") following the applicable Record Date (as defined in Condition 7(c)) in the case of interest, and on the third calendar day following the applicable Principal Record Date (as defined in Condition 7(c)) in the case of principal, of (i) such holder's election to receive all or a portion of such payment in the specified payment currency for value the relevant Interest Payment Date or final maturity date, as the case may be, and (ii) wire transfer instructions to an account entitled to receive payment in the specified payment currency with respect to any payment to be made in the specified payment currency. Such election shall be made by the relevant DTC Noteholder and any such election in respect of that payment shall be irrevocable. An Indirect DTC Participant must notify the DTC Noteholder through which it is holding its interest in a DTC Permanent Global Restricted Registered Note of such election and wire transfer instructions prior to 5:00 p.m. (New York City time) on the first New York Business Day following the Record Date or Principal Record Date, as the case may be. DTC will notify the Registrar of such election and wire transfer instructions and of the amount of the specified payment currency to be converted into U.S. dollars, prior to 5:00 p.m. (New York City time) on the fifth New York Business Day following the Record Date in the case of interest and the tenth calendar day prior to the payment date for the payment of principal. If complete instructions are received by the DTC Participant and forwarded by the DTC Participant to the Registrar, and by the Registrar to the Exchange Agent, on or prior to such dates, the DTC Noteholder will receive payment in the specified payment currency outside DTC, otherwise only U.S. dollar payments will be made by the Exchange Agent. Payments in the specified payment currency outside DTC will be made by wire transfer of same day funds in accordance with the relevant wire transfer instructions for value the relevant payment date.

So long as any DTC Permanent Global Restricted Registered Notes are outstanding and cleared through DTC, the Issuer covenants that there will at all times be an Exchange Agent in New York City.

## SUBSCRIPTION AND SALE

The Dealers have, in a Programme Agreement (the “Programme Agreement”) amended and restated as of September 17, 2001 (as further amended from time to time) between the Dealers and the Issuer agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “Form of the Notes” and “Terms and Conditions of the Notes” above. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Programme and the issue of Notes under the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Programme Agreement may be terminated in relation to all the Dealers or any of them by the Issuer or, in relation to itself, by any Dealer, at any time on giving not less than 30 days’ written notice.

The following is a description of the contractual and certain other restrictions applicable to the Programme:—

### **United States**

The Notes have not been, and will not be, registered under the Securities Act or any state or other applicable securities laws and may not be offered or sold in the United States except pursuant to an effective registration statement or in accordance with an applicable exemption from the registration requirements of the Securities Act and in compliance with any state or other securities laws. Accordingly, the Registered Notes are being offered and sold in the United States only (a)(i) to QIBs in reliance on Rule 144A under the Securities Act, (ii) to Institutional Accredited Investors purchasing for their own accounts for investment purposes and not for distribution in violation of the Securities Act or (iii) in other transactions exempt from registration under the Securities Act; and (b) in compliance with any applicable state or other securities laws.

This Information Memorandum does not constitute an offer to sell or a solicitation of an offer to buy any of the Notes in the United States. In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer, whether or not participating in the offering, may violate the registration requirements of the Securities Act.

Bearer Notes will be offered and sold only outside the United States in accordance with Regulation S under the Securities Act. Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meaning given to them by the U.S. Internal Revenue Code and regulations thereunder.

### *United States Purchasers’ Representations and Restrictions on Resale*

Each United States purchaser of Registered Notes pursuant to Rule 144A or Section 4(2) (a “U.S. Purchaser”) will be deemed, by its acceptance or purchase thereof, to have represented, acknowledged and agreed as follows:—

- (1) (i)(a) it is a QIB and is acquiring such Registered Notes for its own account or as a fiduciary agent for others (which others also must be QIBs) and it has received such information about the Issuer as it has requested pursuant to Rule 144A and it is aware that the sale to it is being made in reliance on Rule 144A, (b) it is acquiring such Registered Notes for a minimum purchase price of not less than U.S.\$150,000 or the equivalent thereof and (c) it has not purchased the Registered Notes as a result of any general solicitation or general advertising (as defined in the Securities Act) or (ii) it is an Institutional Accredited Investor and is acquiring such Registered Notes (a) for its own account or as a fiduciary or agent for others (which others also must be Institutional Accredited Investors unless the U.S. Purchaser is a bank acting in its fiduciary capacity) for investment purposes and not for distribution in violation of the Securities Act, (b) it is able to bear the economic risk of an investment in the Registered Notes and has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of purchasing such Registered Notes, (c) it is acquiring such Registered Notes for a minimum purchase price of not less than U.S.\$150,000 or the equivalent thereof, (d) it has had access to such financial and other information, and has been afforded the opportunity to ask such questions of representatives

of the Issuer and the Dealers (and to receive answers thereto), as it deems necessary in connection with its decision to purchase such Registered Notes and (e) it has not purchased the Registered Notes as a result of any general solicitation or general advertising (as defined in the Securities Act);

- (2) such Registered Notes have not been registered under the Securities Act and, accordingly, are being offered only in a transaction not involving any public offering within the meaning of the Securities Act, and if such U.S. Purchaser decides to resell or otherwise transfer such Registered Notes at a time when the legend set forth below appearing on such Registered Notes has not been removed, then such Registered Notes may be resold or transferred only in principal amounts of not less than U.S.\$150,000 or the equivalent thereof and only (i) to the Issuer or a Dealer, (ii) so long as such Registered Notes are eligible for resale pursuant to Rule 144A, to a QIB acquiring the Registered Notes for its own account or as a fiduciary or agent for others (which others must also be QIBs) to whom notice is given that the resale or other transfer is being made in reliance on Rule 144A, (iii) pursuant to an exemption from registration provided by Rule 144 under the Securities Act (if available), (iv) in an offshore transaction pursuant to an exemption from registration provided by Rule 904 of Regulation S under the Securities Act, (v) to an Institutional Accredited Investor acquiring the Registered Notes for its own account or as a fiduciary or agent for others (which others must also be Institutional Accredited Investors unless such transferee is a bank acting in its fiduciary capacity) for investment purposes and not for distribution in violation of the Securities Act, or (vi) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction; and
- (3) until the legend set forth below has been removed from the Registered Notes, such U.S. Purchaser shall notify each transferee of Registered Notes from it that (i) such Registered Notes have not been registered under the Securities Act, (ii) such Registered Notes are subject to the restrictions on the resale or other transfer thereof described in paragraph (2) above, (iii) such transferee shall be deemed to have represented as to the matters set forth in paragraph (1) above and (iv) such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing.

In order to effectuate the restrictions on the resale or other transfer of Registered Notes in definitive form, if any such resale or transfer is proposed to be made (1) directly (i.e. not to the Issuer or a Dealer and not by, through, or in a transaction approved by a Dealer) by the holder of such Registered Note or (2) through the services of a broker, dealer or a similar intermediary other than a Dealer, pursuant to the exemption from registration under the Securities Act provided by Rule 144A or otherwise in a qualifying transaction to an Institutional Accredited Investor or pursuant to Rule 904 of Regulation S, the holder and the prospective purchaser shall be required to complete the declaration on the definitive Registered Note or the transfer form set forth as Exhibit C to this Information Memorandum and deliver the definitive Registered Note or the transfer form to the Fiscal Agent to advise of the basis for such transfer and the availability of the exemption from registration provided thereby.

Set forth below is the form of legend which shall appear on each Registered Note, subject to removal thereof with the consent of the Issuer. Such legend may be used to notify transferees of the foregoing restrictions on the resale or other transfer of Registered Notes. Additional copies of such notice may be obtained from the Fiscal Agent.

“THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD IN VIOLATION OF THE SECURITIES ACT OR SUCH OTHER LAWS. THIS NOTE MAY BE TRANSFERRED ONLY IN PRINCIPAL AMOUNTS OF NOT LESS THAN U.S.\$150,000 OR THE EQUIVALENT THEREOF. THE HOLDER HEREOF, BY PURCHASING OR ACCEPTING THIS NOTE, AGREES FOR THE BENEFIT OF THE PROVINCE OF BRITISH COLUMBIA THAT THIS NOTE MAY BE RESOLD OR OTHERWISE TRANSFERRED ONLY (1) TO THE PROVINCE OF BRITISH COLUMBIA OR A DEALER UNDER THE PROGRAMME AGREEMENT, (2) SO LONG AS THIS NOTE IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”), TO A QUALIFIED INSTITUTIONAL BUYER, AS DEFINED IN RULE 144A, THAT IS ACQUIRING THIS NOTE FOR ITS OWN ACCOUNT OR AS A FIDUCIARY OR AGENT FOR OTHERS (WHICH OTHERS MUST ALSO BE

QUALIFIED INSTITUTIONAL BUYERS) TO WHOM NOTICE IS GIVEN THAT THE RESALE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION IN ACCORDANCE WITH RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), (4) TO AN INSTITUTIONAL INVESTOR THAT QUALIFIES AS AN "ACCREDITED INVESTOR", AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT (AN "INSTITUTIONAL ACCREDITED INVESTOR"), THAT IS ACQUIRING THIS NOTE FOR ITS OWN ACCOUNT OR AS A FIDUCIARY OR AGENT FOR OTHERS (WHICH OTHERS MUST ALSO BE INSTITUTIONAL ACCREDITED INVESTORS UNLESS SUCH TRANSFEREE IS A BANK ACTING IN ITS FIDUCIARY CAPACITY) FOR INVESTMENT PURPOSES AND NOT FOR DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT, (5) IN AN OFFSHORE TRANSACTION PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 904 OF REGULATIONS UNDER THE SECURITIES ACT OR (6) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, OR ANY OTHER JURISDICTION. WITH RESPECT TO ANY RESALE OR OTHER TRANSFER OF THIS NOTE (IF IN DEFINITIVE FORM) DESCRIBED IN CLAUSE (2), (4) OR (5) ABOVE, THE REGISTRAR WILL REQUIRE THE SUBMISSION TO IT OF A DULY COMPLETED DECLARATION ON THIS NOTE OR A TRANSFER LETTER IN THE FORM ATTACHED TO THE INFORMATION MEMORANDUM AS EXHIBIT C RELATING TO SUCH NOTE; PROVIDED THAT THE FOREGOING SUBMISSION SHALL NOT BE REQUIRED IF THIS LEGEND HAS BEEN REMOVED IN ACCORDANCE WITH THE PROCEDURES SET FORTH IN THE FISCAL AGENCY AGREEMENT. BY PURCHASING OR ACCEPTING THIS NOTE, THE HOLDER HEREOF AGREES AND REPRESENTS FOR THE BENEFIT OF THE PROVINCE OF BRITISH COLUMBIA TO HAVE MADE THE REPRESENTATIONS CONTAINED IN THE INFORMATION MEMORANDUM INCLUDING THAT (1) IT IS (A) A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A) OR (B) AN INSTITUTIONAL ACCREDITED INVESTOR ACQUIRING THIS NOTE FOR ITS OWN ACCOUNT OR AS A FIDUCIARY OR AGENT FOR OTHERS (WHICH OTHERS MUST ALSO BE INSTITUTIONAL ACCREDITED INVESTORS UNLESS SUCH HOLDER IS A BANK ACTING IN ITS FIDUCIARY CAPACITY) FOR INVESTMENT PURPOSES AND NOT FOR DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT AND IN EACH CASE, IT IS ABLE TO BEAR THE ECONOMIC RISK OF AN INVESTMENT IN THIS NOTE AND (2) ACKNOWLEDGES THAT IT HAS NOT PURCHASED SUCH NOTE AS A RESULT OF ANY GENERAL SOLICITATION OR GENERAL ADVERTISING (AS SUCH TERMS ARE USED IN RULE 502(C) UNDER THE SECURITIES ACT AND (3) IT WILL NOTIFY ANY PURCHASER OF THIS NOTE FROM IT OF THE RESALE AND TRANSFER RESTRICTIONS REFERRED TO ABOVE. THIS NOTE AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF NOTES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS NOTE TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS NOTE AND ANY BENEFICIAL OWNER OF ANY INTEREST IN THIS NOTE SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS NOTE AND ANY NOTES ISSUED IN EXCHANGE OR SUBSTITUTION HEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON)."

The legend set forth above may be removed (i) if the Registered Notes are being sold pursuant to clause 2(iii) above, by the delivery of an opinion of counsel reasonably acceptable to the Issuer that no such legend is required under applicable requirements of the Securities Act or state securities laws; (ii) if the Registered Notes are sold pursuant to clause 2(iv) above, upon the instructions of a Dealer in connection with any resale or other transfer to, by, through, or in a transaction approved by such Dealer or by the completion and due execution of the declaration to that effect on the Registered Note or a separate transfer form set forth as Exhibit C to this Information Memorandum; or (iii) if the Registered Notes are sold pursuant to clause 2(vi) above.

#### *Index Linked Notes*

Certain issuances of Notes in respect of which any payment is determined by reference to an index or formula, or to changes in prices of securities or commodities, Dual Currency Notes or certain other

Notes, will be subject to such additional U.S. selling restrictions as the Issuer and the relevant Purchaser may agree, as indicated in the applicable Pricing Supplement. Each Dealer has severally agreed and each Purchaser will be required to agree that it will offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

### **United Kingdom**

Each Dealer has represented and agreed, and each other Purchaser will be required to represent and agree, that it has complied and will comply with all applicable provisions of the Financial Services Act 1986 (the “Act”) (and, after they come into force, all applicable provisions of the Financial Services and Markets Act 2000 (the “FSMA”) with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Each Dealer has represented and agreed, and each other Purchaser will be required to represent and agree that with respect to any Notes which are issued after Section 19 (the general prohibition) of the FSMA is brought into force and which must be redeemed before the first anniversary or the date of their issue, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business, and (b) it has not offered or sold and will not offer or sell any such Notes other than to persons:

- (i) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
- (ii) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer.

### **Japan**

In the case of Notes denominated in yen, each Dealer understands that the relevant Notes have not been, and will not be, registered under the Securities and Exchange Law of Japan. Accordingly, each Dealer has represented and agreed, and each other Purchaser will be required to represent and agree, that it will not offer or sell any Notes which are denominated in yen (“Yen Notes”) directly or indirectly in Japan or to, or for the benefit of, any Japanese person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese person except in compliance with the Securities and Exchange Law of Japan and all other applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities in effect at the relevant time. For the purposes of this paragraph, “Japanese person” shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Each Purchaser will be required to provide to the Issuer any necessary information relating to Yen Notes (which should not include names of clients) so that the Issuer may make any required reports to the Ministry of Finance of Japan.

### **Germany**

Each Dealer has represented and agreed, and each other Purchaser will be required to represent and agree, that Notes have not been and will not be offered, sold or publicly promoted or advertised by it in the Federal Republic of Germany other than in compliance with the German Securities Selling Prospectus Act (*Wertpapierverkaufsprospektgesetz*) of December 13, 1990, as amended, or any other laws applicable in the Federal Republic of Germany governing the issue, offering and sale of securities.

### **Republic of France**

The Issuer and each Dealer has represented and agreed, and each other Purchaser will be required to represent and agree, that in connection with their initial distribution it has not offered or sold, and will not offer or sell directly or indirectly any Notes to the public in France and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Information Memorandum or any other offering material relating to the Notes, and that such offers, sales and distributions have been and shall be made in France only to (i) qualified investors (*investisseurs qualifiés*) and/or (ii) a restricted circle of investors (*cercle restreint d’investisseurs*), all as defined in

Article 6 of *Ordonnance* no. 67-833 dated September 28, 1967 (as amended) and *décret* no. 98-880 dated October 1, 1998.

### **The Netherlands**

Each Dealer has represented and agreed, and each other Purchaser will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not directly or indirectly, offer or sell in The Netherlands any Notes other than to persons who trade or invest in securities in the conduct of a profession or business (which include banks, stockbrokers, insurance companies, pension funds, other institutional investors and finance companies and treasury departments of large enterprises).

### **Switzerland**

Issues of Notes denominated in Swiss francs or carrying a Swiss franc related element with a maturity of more than one year will, to the extent applicable, be effected in compliance with Swiss law and the relevant regulations of the Swiss National Bank based on article 7 of the Federal Law on Banks and Savings Banks of 1934 (as amended) and article 15 of the Federal Law on Stock Exchanges and Securities Trading of March 24, 1995 in connection with article 2, paragraph 2 of the Ordinance of the Federal Banking Commission on Stock Exchanges and Securities Trading of December 2, 1996. Under the said regulations, the relevant Purchaser or, in the case of a syndicated issue, the lead manager (the “Swiss Dealer”) must be a bank domiciled in Switzerland (which includes branches or subsidiaries of a foreign bank located in Switzerland) or a securities dealer duly licensed by the Swiss Federal Banking Commission pursuant to the Federal Law on Stock Exchanges and Securities Trading of March 24, 1995. The Swiss Dealer must report certain details of the relevant transaction to the Swiss National Bank no later than the Issue Date of the relevant Notes.

### **Canada**

Each Dealer has represented and agreed, and each other Purchaser will be required to represent and agree, that it will not offer any Notes, directly or indirectly, in Canada or to residents of Canada, in contravention of the securities laws of any province or territory of Canada.

### **General**

Each Dealer has agreed, and each other Purchaser will be required to agree, that it will (to the best of its knowledge and belief) comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells Notes or possesses or distributes the Information Memorandum and will obtain any consent, approval or permission required by it for the purchase, offer or sale by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales and neither the Issuer nor any other Purchaser shall have any responsibility therefor.

With regard to each Tranche, the relevant Purchaser will be required to comply with such other additional restrictions as the Issuer and the relevant Purchaser shall agree and as shall be set out in the applicable Pricing Supplement.

These selling restrictions will be deemed to be modified by the agreement of the Issuer and the relevant Purchaser(s) following a change in a relevant law, regulation or directive. Any such modification may be set out in the applicable Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Information Memorandum.

Each Dealer has acknowledged, and each other Purchaser will be required to acknowledge, that other than with respect to the listing of the Notes on the relevant stock exchange, no action has been taken or will be taken in any jurisdiction by the Issuer or the Purchaser that would permit a public offering of any of the Notes, or possession or distribution of the Information Memorandum or any other offering material or any Pricing Supplement, in such jurisdiction where action for that purpose is required.

## CANADIAN INCOME TAX CONSIDERATIONS

In the respective opinions of the Canadian legal advisers to the Issuer and to the Dealers, the following summarises the income tax considerations as of the date of this Information Memorandum under the laws of Canada and of British Columbia generally applicable to a holder of Notes who acquires Notes pursuant to this Information Memorandum, and who, at all relevant times, is not resident and is not deemed to be resident in Canada and who does not use or hold and is not deemed to use or hold Notes in or in the course of carrying on a business in Canada and is not an insurer carrying on an insurance business in Canada and elsewhere (a “Non-resident Holder”).

This summary is based upon the provisions of the Income Tax Act (Canada) (the “Act”) and the Income Tax Act (British Columbia) in force on this date and any regulations thereunder, proposed amendments thereto and any regulations in the form publicly announced prior to the date hereof and the current administrative practices and policies published by the Canada Customs and Revenue Agency. This summary does not take into account or anticipate any other changes in law, whether by legislative, governmental or judicial action and does not take into account income tax considerations arising under the law of any other country or province or any income tax convention between Canada and another country.

In the event that the Canadian income tax considerations applicable to particular Notes are described in the Pricing Supplement relevant to such Notes, the following summary will be superseded thereby to the extent indicated in such Pricing Supplement.

The Issuer is not required to withhold tax from interest or principal paid or credited by it in respect of the Notes to a Non-resident Holder unless all or any part of the interest, or of any amount deemed by the Act to be interest, payable on the Notes is contingent or dependent upon the use of or production from property in Canada or is computed by reference to revenue, profit, cash flow, commodity price or any other similar criterion or by reference to dividends paid or payable to shareholders of any class of shares of a corporation. However, interest, or amounts deemed by the Act to be interest, payable on the Notes that is contingent or dependent upon any of the criteria described above will be exempt from withholding tax if the Notes are “prescribed obligations” under the Act. A “prescribed obligation” under the Act is a debt obligation the terms or conditions of which provide for an adjustment to an amount payable in respect of the obligation for a period during which the obligation was outstanding which adjustment is determined by reference to a change in the purchasing power of money and no amount payable in respect thereof, other than an amount determined by reference to a change in the purchasing power of money, is contingent or dependent upon any of the criteria described above. *If any interest payable on a Note, or any portion of the principal amount of a Note in excess of its issue price, is to be calculated by reference to an index or formula or any Note is issued as partly paid, such interest or principal, as the case may be, may be subject to Canadian non-resident withholding tax.*

A Non-resident Holder is not taxable on income or capital gains under the laws of Canada or British Columbia in respect of the Notes, or interest thereon.

**The summary of Canadian income tax considerations above is of a general nature only and is not, and should not be construed to be, advice to any particular holder of Notes. Prospective holders should consult their tax advisers for advice regarding the income tax considerations applicable to them.**

## **PROPOSED EUROPEAN UNION SAVINGS DIRECTIVE**

The European Union is currently considering proposals for a new directive regarding the taxation of savings income. It is proposed that, subject to a number of important conditions being met, Member States will be required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to an individual resident in that other Member State, subject to the right of certain Member States to opt instead for a withholding system for a transitional period in relation to such payments and subject to the proposals not being required to be applied to tranches of Notes issued before March 1, 2002 and fungible with Notes issued before March 1, 2001. The proposals are not yet final and they may be subject to further amendment and/or clarification.

## GENERAL INFORMATION

### Authorisation

The establishment of the Programme and the issue of Notes under the Programme have been duly authorised under the *Financial Administration Act* (British Columbia) and Order No. 538 of the Lieutenant Governor in Council of British Columbia, approved and ordered on April 27, 1994, as amended by Orders No. 606, 632, 621, 714, 939 and 646 of the Lieutenant Governor in Council of British Columbia, approved and ordered on May 25, 1995, June 5, 1997, May 13, 1998, June 21, 1999, June 29, 2000 and July 12, 2001 respectively.

### Clearing Systems

The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. The appropriate codes for each Tranche allocated by Euroclear and Clearstream, Luxembourg or any other agreed clearing system (including SEGA) will be contained in the relevant Pricing Supplement. Transactions will normally be effected for settlement not earlier than 3 days after the date of the transaction. If specified in the applicable Pricing Supplement, application will be made to DTC for the Registered Notes to be accepted for clearance through DTC. The CUSIP number(s) for each issue will be contained in the relevant Pricing Supplement.

### Documents Available for Inspection or Collection

Throughout the life of the Programme, copies of the Issuer's most recently published annual public accounts and the Issuer's most recently published annual financial and economic review, any future Information Memoranda and supplements (including the Pricing Supplements for listed issues of Notes) to this Information Memorandum and copies of the Fiscal Agency Agreement (incorporating the forms of the temporary global, permanent global and definitive Notes), the Programme Agreement and, in the case of syndicated issues of listed Notes, the Subscription Agreement between the Issuer and managers will be available for inspection at the principal offices of the Fiscal Agent in London, England and for collection without charge from the Ministry of Finance, Provincial Treasury, Debt Management Branch, 620 Superior Street, Victoria, British Columbia, Canada, V8W 9V1.

### Litigation

Except as disclosed in the annual public accounts of the Issuer, there are no pending or threatened legal or arbitration actions, suits or proceedings against or affecting the Issuer which may have, or have had during the 12 months prior to the date hereof, individually or in the aggregate, a significant effect on the financial position of the Issuer and, to the best of the knowledge of the Issuer, no such actions, suits or proceedings are pending or threatened.

### No Material Adverse Change

Save as disclosed in this Information Memorandum, since March 31, 2001 there has been no material adverse change in the financial position or prospects, and no significant change in the financial or trading position, of the Issuer.

### Banking Act 1987 (Exempt Transactions) Regulations 1997

*The text set out below applies only until Section 19 (the general prohibition) of the FSMA is brought into force, following which the U.K. Regulations (as defined below) will be repealed. This is currently expected to take place on November 30, 2001.*

**Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom before Section 19 (the general prohibition) of the FSMA is brought into force and which are issued pursuant to an exempt transaction under regulation 13(1) or (3) of the Banking Act 1987 (Exempt Transactions) Regulations 1997 (the "U.K. Regulations") will constitute commercial paper, shorter term debt securities or longer term debt securities (in each case, as defined in the U.K. Regulations), as specified in the applicable Pricing Supplement, in each case issued in accordance with regulations made under section 4 of the Banking Act 1987. The Issuer is not an authorised institution or a European authorised institution (as such terms are defined in the U.K. Regulations) and repayment of the principal and payment of any interest or premium in connection with such Notes will not be guaranteed.**

***Listing on the Official List***

It is expected that each Tranche of Notes which is to be admitted to the Official List of the UK Listing Authority and to trading by the London Stock Exchange will be admitted separately as and when issued, subject only to the issue of the global Note representing the Notes of that Tranche. The listing of the Programme in respect of such Notes is expected to be granted on or around September 17, 2001. Notes may also be listed on other stock exchanges.

**CERTIFICATION FORM FOR RULE 144A  
TRANSFERS FROM EUROCLEAR/CLEARSTREAM, LUXEMBOURG TO DTC**

**NOT REQUIRED FOR ANY RESALE OR OTHER TRANSFER TO THE PROVINCE OF  
BRITISH COLUMBIA OR TO, BY, THROUGH OR IN A TRANSFER APPROVED BY,  
A DEALER UNDER THE PROGRAMME AGREEMENT**

Bankers Trust Company, as Registrar  
Four Albany Street  
New York City  
New York 10006

TO BE COMPLETED BY TRANSFEROR HOLDING AN INTEREST IN EUROCLEAR  
OR CLEARSTREAM, LUXEMBOURG:—

The undersigned confirms that its beneficial interest in \_\_\_\_\_  
(Currency, Amount and Description of Notes)

Notes due \_\_\_\_\_ issued by the Province of British Columbia (the “Notes”) transferred to  
(Maturity)

a participant in The Depository Trust Company (a “DTC Participant”) or a person holding through a DTC Participant (i) is being transferred on or prior to the 40th day after the later of the commencement of the offering of the Notes and the date of settlement, (ii) is being transferred pursuant to the exemption from registration under the United States Securities Act of 1933, as amended (the “Securities Act”) provided by Rule 144A thereunder (“Rule 144A”) in compliance with all applicable securities laws of any relevant U.S. state or any other applicable jurisdiction and (iii) the transferee is a “qualified institutional buyer” (as defined in Rule 144A) and has been advised that this beneficial interest in the Notes is being sold or transferred in reliance upon Rule 144A and has received the information, if any, requested by it pursuant to Rule 144A.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Name of Transferor)

\_\_\_\_\_  
(Signature of Authorised Official of Transferor)

Name:

Title:

TO BE COMPLETED BY THE TRANSFEREE TO HOLD AN INTEREST IN DTC:—

The undersigned represents and warrants that (i) it is a “qualified institutional buyer”, as defined in Rule 144A under the United States Securities Act of 1933, as amended, and acknowledges that the undersigned either has received such information regarding the Province of British Columbia as the undersigned has requested pursuant to Rule 144A or has determined not to request such information, (ii) this instrument has been executed on behalf of the undersigned by one of its executive officers, (iii) it is accepting delivery of the beneficial interest in the above-referenced Notes through the facilities of The Depository Trust Company, (iv) that is it not purchasing the accompanying Note as a result of any general solicitation or general advertising as defined under Regulation D of the Securities Act of 1933, as amended, and (v) it is aware that the transferor of the beneficial interest in the above-referenced Notes is relying upon the undersigned’s foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Name of Transferee)

\_\_\_\_\_  
(Signature of Authorised Official of Transferee)

Name:

Title:

CERTIFICATION FORM FOR REGULATION S  
TRANSFERS FROM DTC TO EUROCLEAR/CLEARSTREAM, LUXEMBOURG

NOT REQUIRED FOR ANY RESALE OR OTHER TRANSFER TO THE PROVINCE OF  
BRITISH COLUMBIA OR TO, BY, THROUGH OR IN A TRANSFER APPROVED BY,  
A DEALER UNDER THE PROGRAMME AGREEMENT

Bankers Trust Company, as Registrar  
Four Albany Street  
New York City  
New York 10006

TO BE COMPLETED BY TRANSFEROR HOLDING AN INTEREST IN DTC:—

The undersigned confirms that its beneficial interest in \_\_\_\_\_  
(Currency, Amount and Description of Notes)

Notes due \_\_\_\_\_ issued by the Province of British Columbia (the "Notes") transferred  
(Maturity)

to a participant in \_\_\_\_\_ or a person holding through such participant is being  
(Print Euroclear or Clearstream Luxembourg),

transferred pursuant to the exemption from registration under the United States Securities Act of 1933, as amended (the "Securities Act") provided by Rule 904 of Regulation S under the Securities Act ("Regulation S") and (1) the undersigned is not an "affiliate" (as defined in Rule 405 under the Securities Act) of the Province of British Columbia and (2) the offer of the beneficial interest in the Notes was not made to a person in the United States and either (a) at the time the buy order was originated, the transferee was outside the United States, or the undersigned and any person acting on its behalf reasonably believe that the transferee was outside the United States or (b) the transaction was executed on or through the facilities of a stock exchange which is a "designated offshore securities market" and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a transferee in the United States and (3) neither the undersigned nor any person acting on its behalf engaged in any directed selling efforts in connection with the offer and sale of the beneficial interest in the Notes and (4) the address of the person in whose name the beneficial interest in the Notes is to be registered upon transfer is an address outside the United States and (5) the transaction is not a part of a plan or scheme to evade the registration requirements of the Securities Act (terms used in this paragraph have the meanings given to them in Regulation S).

Dated: \_\_\_\_\_  
(Name of Transferor)

\_\_\_\_\_  
(Signature of Authorised Official of Transferor)

Name:

Title:

**TO BE COMPLETED BY THE TRANSFEREE TO HOLD AN INTEREST IN EUROCLEAR  
OR CLEARSTREAM, LUXEMBOURG:—**

The undersigned represents and warrants that (i) it is acquiring the beneficial interest in the above referenced Notes pursuant to the exemption from registration provided by Rule 904 of Regulation S (“Regulation S”) under the United States Securities Act of 1933, as amended (the “Securities Act”), (ii) its address and the address of the person in whose name such beneficial interest will be registered on the records of the undersigned (if different) are located outside the United States, (iii) this transaction is not one of a series of transactions ultimately prearranged with one or more transferees or beneficial holders in the United States, (iv) it is not acquiring the beneficial interest in the above-referenced Notes as a result of directed selling efforts, (v) it is accepting delivery of the beneficial interest in the above-referenced Notes through the facilities of (x) Euroclear Bank S.A./N.V., as operator of the Euroclear System or any successor in that capacity or (y) Clearstream, Luxembourg and (vi) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act (terms used in this paragraph have the meanings given to them under Regulation S).

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Name of Transferee)

\_\_\_\_\_  
(Signature of Authorised Official of Transferee)

Name:

Title:

**TRANSFER FORM FOR LEGENDED NOTES  
IN DEFINITIVE REGISTERED FORM**

**NOT REQUIRED FOR ANY RESALE OR OTHER TRANSFER TO THE PROVINCE OF  
BRITISH COLUMBIA OR TO, BY, THROUGH OR IN A TRANSFER APPROVED BY, A  
DEALER UNDER THE PROGRAMME AGREEMENT**

TO BE COMPLETED IF THE UNDERSIGNED REGISTERED HOLDER WISHES TO SELL, ASSIGN  
AND TRANSFER THE ACCOMPANYING NOTE:—

In connection with the resale or other transfer of the accompanying Note occurring prior to the time the legend originally set forth on the face of the accompanying Note (or one or more predecessor Notes) restricting resales and other transfers thereof has been removed with the consent of the Province of British Columbia in accordance with the procedures set forth in the Fiscal Agency Agreement referred to therein (other than a resale or other transfer made to the Province of British Columbia or to, by, through, or in a transfer approved by, a Dealer under the Programme Agreement) the undersigned confirms that without any general solicitation or general advertising (as defined in Regulation D under the Securities Act of 1933, as amended) on its part or any of its agents:—

[CHECK ONE]

(a) Such Note is being transferred by the undersigned to a “qualified institutional buyer”, as defined in Rule 144A under the Securities Act of 1933, as amended, pursuant to the exemption from registration under the Securities Act of 1933, as amended, provided by Rule 144A thereunder, and in compliance with all applicable securities laws of any relevant U.S. state or any other applicable jurisdiction. The prospective transferee has been informed that the accompanying Note is being sold or transferred in reliance upon Rule 144A and has received the information, if any, requested by it pursuant to Rule 144A.

or

(b) Such Note is being transferred by the undersigned to an institutional investor which is an “accredited investor”, as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act of 1933, as amended, in compliance with all applicable securities laws of any relevant U.S. state or any other applicable jurisdiction and the undersigned has been advised by the prospective transferee that it intends to hold such Note for investment and not for distribution.

or

(c) Such Note is being transferred pursuant to the exemption from registration provided by Rule 904 of Regulation S under the Securities Act of 1933, as amended and (1) the undersigned is not an “affiliate” (as defined in Rule 405 under the Securities Act of 1933, as amended) of Province of British Columbia and (2) the offer of the accompanying Note was not made to a person in the United States and either (a) at the time the buy order was originated, the transferee was outside the United States, or the undersigned and any person acting on its behalf reasonably believe that the transferee was outside the United States or (b) the transaction was executed on or through the facilities of a stock exchange which is a “designated offshore securities market” and neither the undersigned nor any person acting on its behalf knows that the transaction has been prearranged with a transferee in the United States and (3) neither the undersigned nor any person acting on its behalf engaged in any directed selling efforts in connection with the offer and sale of the accompanying Note and (4) the address of the person in whose name the accompanying Note is to be registered upon transfer is an address outside the United States and (5) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act of 1933, as amended (terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act of 1933, as amended).

If none of the foregoing boxes is checked, then, so long as the accompanying Note shall bear a legend restricting resales and other transfers thereof (except in the case of a resale or other transfer made to Province of British Columbia or to, by, through, or in a transfer approved by, a Dealer under the Programme Agreement), the Agent shall not be obligated to register such Note in the name of any person other than the registered holder hereof unless and until the conditions to any such transfer of registration set forth in the accompanying Note and in the Fiscal Agency Agreement shall have been satisfied.

Dated: \_\_\_\_\_ By: \_\_\_\_\_

**TO BE COMPLETED BY TRANSFEREE IF (a) ABOVE IS CHECKED:—**

The undersigned represents and warrants that (i) it is a “qualified institutional buyer”, as defined in Rule 144A under the Securities Act of 1933, as amended, and acknowledges that the undersigned either has received such information regarding the Province of British Columbia as the undersigned has requested pursuant to Rule 144A or has determined not to request such information, (ii) this instrument has been executed on behalf of the undersigned by one of its executive officers, (iii) it is accepting delivery of the accompanying Note through the facilities of The Depository Trust Company, (iv) that it is not purchasing the accompanying Note as a result of any general solicitation or general advertising as defined under Regulation D of the Securities Act of 1933, as amended, and (v) it is aware that the registered holder of the accompanying Note is relying upon the undersigned’s foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
Executive Officer

**TO BE COMPLETED BY TRANSFEREE IF (b) ABOVE IS CHECKED:—**

The undersigned represents and warrants that (i) it is an institutional investor and an “accredited investor” as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act of 1933, as amended, (ii) this instrument has been executed on behalf of the undersigned by one of its executive officers, (iii) it is not purchasing the accompanying Note as a result of any general solicitation or general advertising as defined under Regulation D of the Securities Act of 1933, as amended, (iv) it understands that the accompanying Note has not been and will not be registered under the Securities Act of 1933, as amended and that the sale contemplated thereby is being made in reliance on a private placement exemption, (v) it has received or, has access to, such information concerning the Province of British Columbia as it has considered necessary in connection with its investment decision to invest in the accompanying Note and (vi) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the accompanying Note and is able to bear the economic risks of such investment. The undersigned undertakes to hold this Note for investment and not for distribution and will accept delivery of the accompanying Note in definitive form.

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
Executive Officer

**TO BE COMPLETED BY TRANSFEREE IF (c) ABOVE IS CHECKED:—**

The undersigned represents and warrants that (i) it is acquiring the accompanying Note pursuant to the exemption from registration provided by Rule 904 of Regulation S under the Securities Act of 1933, as amended, (ii) its address and the address of the person in whose name the accompanying Note will be registered (if different) are located outside the United States, (iii) this transaction is not one of a series of transactions ultimately prearranged with one or more transferees in the United States, (iv) it is not acquiring the accompanying Note as a result of directed selling efforts, (v) it is accepting delivery of the accompanying Note through the facilities of (x) Euroclear Bank S.A./N.V., as operator of the Euroclear System or any successor in that capacity or (y) Clearstream, Luxembourg and (vi) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act of 1933, as amended (terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act of 1933, as amended).

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
Executive Officer

NOTE:—

1. This form of transfer must be accompanied by such documents, evidence and information as may be required pursuant to the Terms and Conditions endorsed on the Note to which this form of transfer relates and must be executed under the hand of the transferor or, if the transferor is a corporation, this form of transfer must be executed either under its common seal or under the hand of two of its officers duly authorized in writing and, in the latter case, the document so authorizing the officers must be delivered with this form of transfer.
2. In each case the signature(s) must be guaranteed by a commercial bank with a correspondent bank in The City of New York, or by an institution which is a member of the Securities Transfer Agents Medallion Program, The New York Stock Exchange or The American Stock Exchange in The City of New York.
3. The signature(s) on this form of transfer must correspond with the name(s) as it/they appear(s) on the face of the accompanying Note in every particular, without alteration or enlargement or any change whatever.

## ISSUER

*Province of British Columbia  
Ministry of Finance*

**Provincial Treasury**  
Debt Management Branch  
620 Superior Street  
Victoria, British Columbia  
Canada V8W 9V1

## DEALERS

**Deutsche Bank AG London**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB

**Goldman Sachs International**  
Peterborough Court  
133 Fleet Street  
London EC4A 2BB

**Lehman Brothers International (Europe)**  
One Broadgate  
London EC2M 7HA

**Merrill Lynch International**  
Ropemaker Place  
25 Ropemaker Street  
London EC2Y 9LY

**J.P. Morgan Securities Ltd.**  
60 Victoria Embankment  
London EC4Y 0JP

## ISSUING AND PRINCIPAL PAYING AGENT, TRANSFER AGENT AND FISCAL AGENT

**Deutsche Bank AG London**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB

## REGISTRAR, TRANSFER AGENT AND EXCHANGE AGENT

**Bankers Trust Company**  
4 Albany Street  
New York  
N.Y. 10006

## CO-REGISTRAR, PAYING AGENT AND TRANSFER AGENT

**Deutsche Bank Luxembourg S.A**  
2 boulevard Konrad Adenauer  
L-1115 Luxembourg

## PAYING AGENT AND TRANSFER AGENT

**Credit Suisse First Boston**  
Uetlibergstrasse 231  
CH-8070 Zurich  
Switzerland

## LEGAL ADVISERS

*To the Dealers  
as to Canadian law*

**Ogilvy Renault**  
38 Charterhouse Square  
London EC1M 6EQ

*To the Issuer  
as to Canadian law*

**Ministry of Attorney General**  
Suite 602, 1175 Douglas Street  
Victoria, British Columbia  
Canada V8W 9J7

## LONDON LISTING AGENT

**Lehman Brothers International (Europe)**  
One Broadgate  
London EC2M 7HA

