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The Deposit Notes may not be offered or sold in any jurisdiction outside of Canada except in circumstances which do not constitute a public offering or distribution under the laws of the jurisdiction where the Deposit Notes are to be offered or sold. In particular, the Deposit Notes have not been and will not be registered under the United States Securities Act of 1933 and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, United States persons.

No securities commission or similar authority in Canada or elsewhere has in any way passed upon the merits of the Deposit Notes and any representation to the contrary is an offence.

Information Statement

Dated August 7, 2007



S&P/TSX 60[®] ABSOLUTE RETURN V-NOTES, SERIES 1

Due November 5, 2009

Principal Protected Deposit Notes Linked to the Price Performance of the
S&P/TSX 60 Index[®]

Price: \$100.00 per Deposit Note

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DESCRIPTION OF THE DEPOSIT NOTES

The following is a description of the terms of the Deposit Notes and is qualified entirely by more detailed information appearing elsewhere in this information statement. Unless otherwise indicated, references to "CAD" or to "\$" are to Canadian dollars. Capitalized terms that are not otherwise defined herein are defined under "Definitions".

Issue:	S&P/TSX 60 [®] Absolute Return V-Notes, Series 1 (each a "Deposit Note" and collectively, the "Deposit Notes").
Issuer:	Dundee Bank of Canada ("DBC").
Price Per Deposit Note:	\$100.
Minimum Purchase:	\$2,000 (20 Deposit Notes).
Trade Date:	October 5, 2007.
Issue Date:	October 5, 2007.
Valuation Date:	November 2, 2009; but if an Extraordinary Event has occurred or is continuing on that date or that date is not otherwise a Trading Day, then the Valuation Date means the first Trading Day following that date but if an Extraordinary Event has occurred or is continuing on each of the eight Trading Days immediately following that date, then the Valuation Date means the earlier of the eighth Trading Day and the Scheduled Maturity Date.
Maturity Date:	November 5, 2009.
Eligibility for Registered Plans:	The Deposit Notes would be qualified investments for trusts governed by RRSPs, RRIFs, RESPs and DPSPs within the meaning of the Tax Act (other than a deferred profit-sharing plan to which payments are made by DBC or a person or partnership which DBC does not deal at arm's length).
Index:	S&P/TSX 60 Index [®]
Payment at Maturity:	The amount payable on each Deposit Note on Maturity will be equal to \$100 Principal Amount plus the Variable Return, if any.
Variable Return:	The Variable Return payable on each Deposit Note at Maturity will be equal to: <ul style="list-style-type: none">• \$100 Principal Amount multiplied by the Absolute Index Return if the Closing Level of the Index on each Trading Day in the Measurement Period remains within the Index Range• Zero if the Closing Level of the Index on any Trading Day during the Measurement Period falls outside the Index Range
Lower Index Limit:	75% of the Initial Index Level.
Upper Index Limit:	125% of the Initial Index Level.
Index Range:	All levels of the Index that are greater than or equal to the Lower Index Limit and less than or equal to the Upper Index Limit
Measurement Period:	Every Trading Day from but excluding the Trade Date to and including the Valuation Date.
Index Return:	The Index Return will be the percentage (rounded to two decimal places) equal to: $\text{Index Return} = \frac{(\text{Final Index Level} - \text{Initial Index Level})}{\text{Initial Index Level}}$
Final Index Level:	The Closing Level of the Index on the Valuation Date.
Initial Index Level:	The Closing Level of the Index on the Trade Date.
Absolute Index Return	The absolute value of the Index Return expressed as a percentage rounded to two decimal places.
Closing Level of the Index	The official closing level of the Index published by the index sponsor at the regular weekday

close of trading on the Principal Exchange for the stocks underlying the Index.

Extraordinary Events: An Extraordinary Event is an event that DBC determines has or will have a material adverse effect on DBC's ability to perform its obligations under the Deposit Notes. An Extraordinary Event may delay the time at which the Index Return can be determined and gives DBC the ability to pay an Alternative Variable Return before Maturity instead of the Variable Return at Maturity. The Alternative Variable Return will be reduced by DBC's actual costs in terminating or otherwise ending its market exposure to the Index because of an Extraordinary Event, but never below zero. If reduced to zero, no Alternative Variable Return will be payable before Maturity and no Variable Return will be payable on Maturity. Despite payment of the Alternative Variable Return, the Principal Amount of each Deposit Note will still be payable only at the Maturity Date. For further information, see "Extraordinary Events".

Selling Agent: Dundee Securities Corporation ("DSC"), an affiliate of DBC.

Calculation Agent: DSC.

Right of Rescission: A person may rescind an order to buy a Deposit Note (or its purchase if issued) within 48 hours following the earlier of actual receipt or deemed receipt of this information statement. In such case, the person will receive a refund of the purchase price, applicable interest and any fees relating to the purchase that have been paid by the person. This rescission right does not extend to purchasers buying a Deposit Note in the secondary market. A person will be deemed to have received this information statement: (a) on the day recorded as the time of sending by the server or other electronic means, if provided by electronic means; (b) on the day recorded as the time of sending by fax machine, if provided by fax; (c) five days after the postmark date, if provided by mail; and (d) when it is received, in any other case.

Secondary Market: The Deposit Notes will not be listed on any stock exchange and there is no assurance that a secondary market will develop or be maintained or that Noteholders will be able to sell their Deposit Notes. DSC will use reasonable efforts to arrange for a secondary market for the sale of Deposit Notes by you through FundSERV. DSC may, from time to time, purchase and sell Deposit Notes, but will not be obligated to do so. Sales of Deposit Notes may be subject to an Early Sales Charge. If DSC offers to purchase Deposit Notes in connection with a secondary market transaction, there is no assurance that the purchase price will be the highest possible price available in any secondary market for the Deposit Notes. The resale price of Deposit Notes could be below the \$100 Principal Amount per Deposit Note. For further information, see "Related Matters – Secondary Market" and "Risk Factors – Secondary Market for the Deposit Notes".

Early Sales Charge:

If Sold Within the Specified Number of Months of Issue Date	Early Sales Charge
0-6 Months	3.50%
7 – 12 Months	2.00%
13 – 18 Months	1.50%
Thereafter	Nil

Rank: The Deposit Notes will evidence deposit liabilities of DBC and will rank equally and rateably with all other outstanding deposit liabilities of DBC and by their terms will be fungible. The Deposit Notes will be unsubordinated and, as among themselves, the Deposit Notes will rank equally in payment and priority.

CDIC Insurance: The Deposit Notes will not be deposits insured under the *Canada Deposit Insurance Corporation Act* (Canada) or any other deposit insurance regime.

Fees and Expenses: From its own funds, DBC will pay DSC a selling commission of 2.00% of the Principal Amount of each Deposit Note.

Credit Rating: Neither DBC nor its deposit liabilities, including the Deposit Notes, have been rated by any rating agency.

Suitability and Risk Factors: The Deposit Notes provide a deposit opportunity but may pose risks. Some of these risks result from the possibility of fluctuations in interest rates and Closing Level of the Index and adjustments to the constituents of the Index. The Deposit Notes are subject to certain risks that are distinct from a direct investment in the securities comprising the Index and do not represent any ownership interest in any constituents of the Index at any time. The Deposit Notes are suitable only for investors prepared to assume risks with respect to the objectives of the Deposit Notes. The return on the Deposit Notes, if any, is uncertain and an investor may not receive anything more at Maturity than the Principal Amount which is only guaranteed by DBC if the Deposit Notes are held to Maturity. Disposition of the Deposit Notes prior to Maturity may result in loss. There are no scheduled payments to Noteholders during the term of the Deposit Notes.

For further information, see "Risk Factors".

Income Tax Considerations: If the Deposit Notes are held to the Maturity Date, any payment from the Deposit Notes in excess of the \$100 Subscription Price should be included as income for tax purposes. Generally, there should not be any requirement for a Noteholder to include any amount in income in respect of the Deposit Notes prior to the Maturity Date except in respect of interest earned during the distribution period. A disposition of a Deposit Note prior to the Maturity Date may give rise to a capital gain (or capital loss) to the extent your proceeds of disposition exceed (or are less than) the aggregate of the adjusted cost base of the Deposit Note and any reasonable costs of disposition. **It is recommended that Noteholders consult their tax advisor with respect to their particular circumstances if the Deposit Notes are to be sold prior to the Maturity Date.** For further information, see "Canadian Federal Income Tax Considerations".

Distribution The Deposit Notes are being offered through FundSERV. Funds in respect of all subscriptions shall be payable at the time of subscription. A Global Note for the aggregate Principal Amount of the Deposit Notes issued on the Issue Date will be issued in registered form to CDS on the Issue Date. The Deposit Notes may not be called for redemption by DBC or Noteholders prior to Maturity.

Orders for purchases of Deposit Notes may be accepted in whole or in part. DBC may allot Deposit Notes to an investor in an amount less than that subscribed for by the investor. DBC may discontinue accepting subscriptions at any time without notice. DBC may at any time prior to the Issue Date, in its discretion, elect whether or not to proceed in whole or in part with the issue of the Deposit Notes.

Interest During Distribution: 4.00% per annum. For further information, see Related Matters – Plan of Distribution

Book-Entry System: The Deposit Notes will be represented in the form of a fully-registered book-entry only Global Note held by or on behalf of CDS in Toronto, Canada as custodian of the Global Note (for its participants), and registered in the name of CDS in Toronto or its Nominee. DBC will issue Deposit Notes evidenced by certificates in definitive form to a particular Noteholder only in limited circumstances. Beneficial interests in the Global Note, constituting ownership of Deposit Notes, will be represented through book-entry accounts of Participants acting directly or indirectly on behalf of Noteholders in accordance with the procedures of the Participants.

Governing Law The Deposit Notes and the terms thereof will be governed by and construed in accordance with the laws of Ontario and the federal laws of Canada applicable in Ontario.

SUMMARY INFORMATION REGARDING THE INDEX

All information in this information statement relating to the Index is presented in summary form derived from publicly available sources without independent verification and is assumed to be reliable. However, its accuracy cannot be guaranteed. As such, neither DBC nor any of its affiliate (including DSC as the Calculation Agent), nor any broker or agent selling the Deposit Notes, makes any representation or warranty or accepts or assumes any responsibility for the accuracy, completeness or timeliness of any information concerning the Index, or accepts responsibility for the results to be obtained from the use of the Index and/or the levels of the Index at any time or for the calculation, maintenance or adjustment of the Index. Neither DBC nor any affiliate (including DSC as the Calculation Agent) has any liability for any act or failure to act by the Index sponsor or has any affiliation with or control over the Index or the Index sponsor or any control over the computation, composition or dissemination of the Index. Historical performance of the Index is shown below. **However, such historical performance will not necessarily predict future performance of the Index or the amount payable to a Noteholder at Maturity.**

The Index

Designed by S&P and TSX to represent leading companies in leading industries, the Index covers approximately 73% of Canada's equity market cap. Its 60 stocks make it suitable for large-cap coverage and a cost efficient way to achieve Canadian equity exposure. The Index also represents the Canadian component of Standard & Poor's flagship S&P Global 1200 index. (Source: Standard & Poor's). The Index is sponsored by Standard and Poor's, an independent provider of financial information, analysis and research who is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index and announces (directly or through an agent) the level of the Index on a regular basis during each Trading Day. The Index is calculated every fifteen seconds during the normal trading hours on the Toronto Stock Exchange (the "TSX"). The level of the Index may continue to be reported on a current basis even when trading is interrupted in some of its underlying securities. In that event, the reported level of the Index may be based on the current market prices of those underlying securities that are still being traded (if any) and the last reported prices of those securities that are not currently trading. As a result, reporting levels of the Index may at times be based on non-current price information with respect to some or all of the underlying securities. As well, for purpose of the Deposit Notes, it will be the Closing Level of the Index on the Valuation Date which will be used to calculate the Index Return. Constituent stocks of the Index may be altered according to certain addition and deletion rules of S&P.

The monthly historic performance of the Index from July 1, 1997 to July 1, 2007 is presented below in Figure I. The 60 companies whose securities are included in the Index as of July 18, 2007 are presented below in Table I.

Figure 1 – S&P/TSX 60 Monthly Historic Performance (July 1, 1997 – July 1, 2007). Source: Bloomberg.

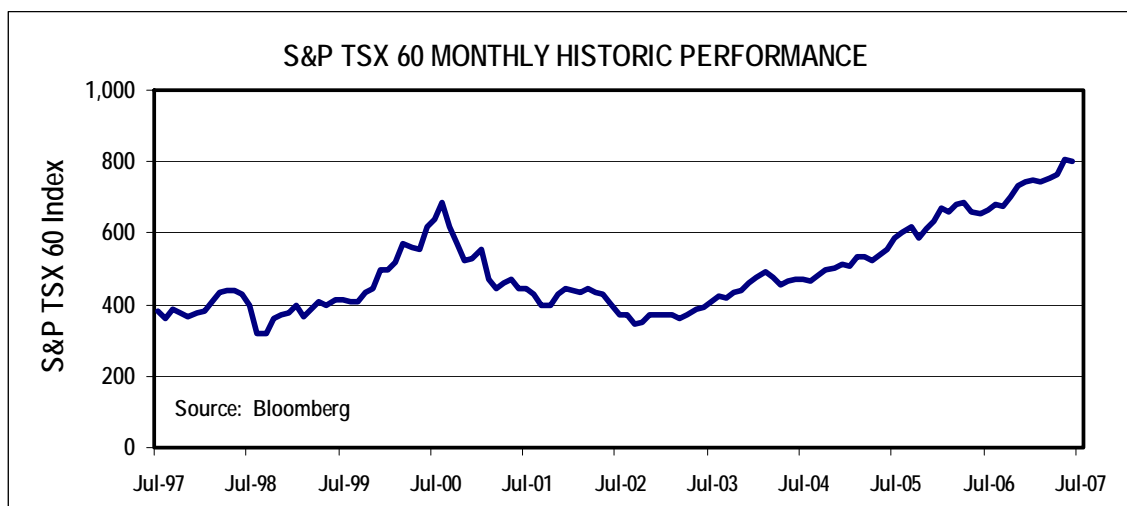


Table I – S&P/TSX 60 Index Components and Weights (As at July 18, 2007). Source: Bloomberg

No	Company Name	Index Weight	No.	Company Name	Index Weight
1	BARRICK GOLD CORP	2.57%	31	LOBLAW COMPANIES LTD	0.44%
2	ACE AVIATION HOLDINGS INC-B	0.25%	32	LUNDIN MINING CORP	0.43%
3	AGNICO-EAGLE MINES	0.52%	33	MDS INC	0.23%
4	AGRIUM INC	0.55%	34	MANULIFE FINANCIAL CORP	5.48%
5	ALCAN INC	3.30%	35	MAGNA INTERNATIONAL INC-CL A	0.95%
6	BROOKFIELD ASSET MANAGE-CL A	1.83%	36	NATIONAL BANK OF CANADA	0.88%
7	BOMBARDIER INC 'B'	0.89%	37	NOVA CHEMICALS CORP	0.31%
8	COTT CORPORATION	0.10%	38	NORTEL NETWORKS CORP	0.98%
9	BCE INC	2.90%	39	NEXEN INC	1.61%
10	BANK OF MONTREAL	3.09%	40	PETRO-CANADA	2.63%
11	BANK OF NOVA SCOTIA	4.50%	41	POTASH CORP OF SASKATCHEWAN	2.50%
12	BIOVAIL CORPORATION	0.33%	42	PENN WEST ENERGY TRUST	0.75%
13	CAMECO CORP	1.50%	43	ROGERS COMMUNICATIONS -CL B	2.42%
14	CELESTICA INC	0.12%	44	RESEARCH IN MOTION	3.32%
15	CAN IMPERIAL BK OF COMMERCE	2.93%	45	ROYAL BANK OF CANADA	6.52%
16	CANADIAN NATURAL RESOURCES	3.47%	46	SHOPPERS DRUG MART CORP	0.97%
17	CANADIAN NATL RAILWAY CO	2.66%	47	SHAW COMMUNICATIONS INC-B	0.78%
18	CANADIAN OIL SANDS TRUST	1.41%	48	SUN LIFE FINANCIAL INC	2.59%
19	CANADIAN PACIFIC RAILWAY LTD	1.06%	49	SUNCOR ENERGY INC	3.97%
20	COGNOS INC	0.34%	50	TELUS CORP	1.88%
21	CANADIAN TIRE CORP -CL A	0.60%	51	TRANSALTA CORP	0.54%
22	ENCANA CORP	4.39%	52	TECK COMINCO LTD-CL B	1.89%
23	ENBRIDGE INC	1.21%	53	TORONTO-DOMINION BANK	4.63%
24	FORDING CANADIAN COAL TRUST	0.46%	54	TIM HORTONS INC	0.57%
25	FIRST QUANTUM MINERALS LTD	0.64%	55	TALISMAN ENERGY INC	1.93%
26	GOLDCORP INC	1.69%	56	THOMSON CORP	0.78%
27	HUSKY ENERGY INC	0.98%	57	TRANSCANADA CORP	1.79%
28	IMPERIAL OIL LTD	1.16%	58	WESTON (GEORGE) LTD	0.34%
29	IPSCO INC	0.70%	59	YELLOW PAGES INCOME FUND	0.66%
30	KINROSS GOLD CORP	0.72%	60	YAMANA GOLD INC	0.35%

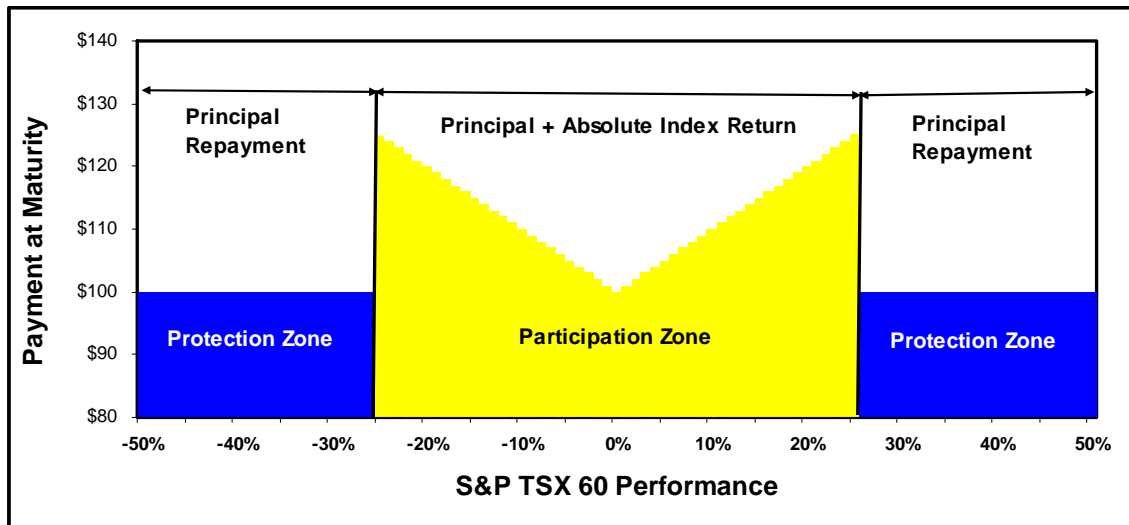
"STANDARD AND POOR'S®" AND "S&P®" ARE TRADEMARKS OF THE MCGRAW-HILL COMPANIES, INC. "TSX" IS A TRADEMARK OF THE TORONTO STOCK EXCHANGE. THESE MARKS HAVE BEEN LICENSED FOR USE BY DBC. THE DEPOSIT NOTES ARE NOT SPONSORED, ENDORSED, SOLD OR PROMOTED BY STANDARD & POOR'S OR THE TORONTO STOCK EXCHANGE AND NEITHER PARTY MAKES ANY REPRESENTATION, WARRANTY OR CONDITION REGARDING THE ADVISABILITY OF INVESTING IN THE DEPOSIT NOTES.

PAYMENT EXAMPLES UNDER THE DEPOSIT NOTES

The examples below are for illustration purposes only. The Index Returns used to illustrate the calculation of the Payment at maturity are not estimates or forecasts of the performance of the Index. All examples assume that a Noteholder has purchased Deposit Notes with an aggregate Principal Amount of \$10,000, has held the Deposit Notes until Maturity and that no Extraordinary Event has occurred.

HYPOTHETICAL PAYMENTS AT MATURITY		
INDEX RETURN ON THE VALUATION DATE	HAS THE CLOSING LEVEL OF THE INDEX REMAINED WITHIN THE INDEX RANGE FOR EACH TRADING DAY IN THE MEASUREMENT PERIOD?	
	YES	NO
100%	N/A	\$10,000
50%	N/A	\$10,000
30%	N/A	\$10,000
25%	\$12,500	\$10,000
20%	\$12,000	\$10,000
15%	\$11,500	\$10,000
10%	\$11,000	\$10,000
5%	\$10,500	\$10,000
0%	\$10,000	\$10,000
-5%	\$10,500	\$10,000
-10%	\$11,000	\$10,000
-15%	\$11,500	\$10,000
-20%	\$12,000	\$10,000
-25%	\$12,500	\$10,000
-30%	N/A	\$10,000
-50%	N/A	\$10,000

Investors bear a risk that if the Closing Level of the Index falls outside the Index Range on any Trading Day during the Measurement Period, the Payment at Maturity will be 100% of the Principal Amount of the Deposit Notes only.



If the Closing Level of the Index remains inside the Index Range during the Measurement Period, the Payment at Maturity falls into the Participation Zone where Noteholders receive the Principal Amount of \$100 per Deposit Note plus the Absolute Index Return.

If the Closing Level of the Index falls outside the Index Range during the Measurement Period, the Deposit Note return falls into the Protection Zone where Noteholders receive only the Principal Amount of \$100 per Deposit Note.

EXTRAORDINARY EVENTS

Extraordinary Events

An Extraordinary Event is an event which DBC or the Calculation Agent determines in its sole discretion has or may have a material adverse effect on DBC's ability to perform its obligations under the Deposit Notes, including the occurrence or existence of any suspension of or limitation imposed on trading (by reason of movements in price exceeding limits permitted by any relevant exchange or market or otherwise) of, or the unavailability through a recognized system of public dissemination of transaction information, for a period longer than two hours, or during the one-half hour period preceding the close of trading, on the applicable exchange or market, of accurate price, volume or related information in respect of a Index or any constituents of the Index.

An Extraordinary Event may delay the time at which the Closing Level of the Index is determined and may allow DBC the option of crystallizing the amount of Variable Return payable, and paying such amount before Maturity by way of a payment of Alternative Variable Return in which case no Variable Return would be payable at Maturity. Despite such early payment of Alternative Variable Return, the Principal Amount per Deposit Note will still be payable only at Maturity. In the event that a payment of Alternative Variable Return is payable, the amount payable, if any, will be subject to a reduction of DBC's Extraordinary Hedging Costs. In the unlikely event that Extraordinary Hedging Costs equal or exceed the amount of such Alternative Variable Return, no amount of Alternative Variable Return will be paid and no Variable Return will be payable on the Maturity Date. For further information, see "Definitions – Extraordinary Event".

Consequences of an Extraordinary Event

(a) Payment due to an Extraordinary Event

If DBC or DSC as the Calculation Agent determines at any time that an Extraordinary Event has occurred and is continuing, then DBC may, at its option, elect to determine and pay Alternative Variable Return on all, but not part, of the Deposit Notes then issued and outstanding effective on the close of business on the date notice of such election is given by DBC, through FundSERV, to the Noteholders.

"Alternative Variable Return" will equal the amount that would be the Variable Return as if determined based on a Final Index Level determined or estimated by the Calculations Experts as of the eighth consecutive Trading Day on which such Extraordinary Event has occurred and is continuing, or if earlier, the Scheduled Maturity Date.

Any Alternative Variable Return may be reduced by Extraordinary Hedging Costs. See "— Delay in Determination of the Closing Index Level and " – Extraordinary Hedging Costs".

Payment of any Alternative Variable Return will be made on the later of (a) the tenth Business Day after the effective date of the election to pay any Alternative Variable Return is given by DBC through FundSERV; or (b) if any calculation is determined, made or confirmed by the Calculation Experts, the tenth Business Day after such calculation is so determined, made or confirmed.

In such circumstances, the Principal Amount remains payable only at Maturity. Noteholders will have no further entitlement to receive any return on their investment, including in respect of Variable Return.

(b) Delay in Determination of the Closing Level of the Index

If an Extraordinary Event occurs and is continuing on a day scheduled to be a day on which the Closing Level of the Index is to be determined, then, unless DBC elects to make a payment of Alternative Variable Return, the date on which the Closing Level of such Index will be determined will be the earlier of (i) the next Trading Day on which there is no such Extraordinary Event (in which case DBC will generally make the calculation); and (ii) the eighth Trading Day following the Maturity Date (in which case the Calculation Experts will make the calculation).

If the date on which the Closing Level of the Index is to be determined is postponed due to the occurrence of an Extraordinary Event, the Variable Return (if any) payable under the Deposit Notes on Maturity will be paid on (i) the first Business Day after such date if the Closing Level of the Index is calculated or determined by DBC, or (ii) as soon as practicable after such date if the

Final Index Level is determined or confirmed by the Calculation Experts (provided in each case that such date is on or after the first Business Day after the Maturity Date).

Extraordinary Hedging Costs

If an Extraordinary Event occurs and DBC chooses to pay the Alternative Variable Return (if any) prior to the Maturity Date, then DBC may choose, or be required, to directly or indirectly dispose of, terminate, settle or liquidate securities, futures contracts, forward contracts, option contracts, currencies or other instruments relating to the Index or any of its constituents in order to offset or meet DBC's obligations under the Deposit Notes.

Extraordinary Hedging Costs are, where DBC has hedged its obligations under the Deposit Notes with a third party, the actual costs, if any, incurred by DBC directly or indirectly in disposing of, terminating, settling, liquidating or otherwise unwinding DBC's arrangements to hedge its market exposure to the Index or any of its constituents as a consequence of the occurrence of an Extraordinary Event. If there are Extraordinary Hedging Costs, then the Alternative Variable Return, if any, payable to the Noteholders will be reduced accordingly.

RELATED MATTERS

The following is a summary of other information relevant to your decision to purchase the Deposit Notes.

Plan of Distribution

Each Deposit Note will be issued at a subscription price of \$100, being 100% of the Principal Amount of the Deposit Note.

The Deposit Notes will be offered from time to time by us through DSC as the Selling Agent. DSC has agreed to promote, on a best efforts basis, the sale of the Deposit Notes in Canada and has the option of forming a selling group for the purposes of selling the Deposit Notes. DBC may also sell Deposit Notes to investors directly on its own behalf in those jurisdictions in which DBC is authorized to do so.

DBC will have the sole right to accept offers to purchase Deposit Notes and may reject any proposed purchase of Deposit Notes in whole or in part. A selling agent will have the right, in its discretion reasonably exercised, without notice to us, to reject any offer to purchase Deposit Notes received by it in whole or in part.

With respect to a purchase of Deposit Notes, the full aggregate Subscription Price of the Deposit Notes to be purchased must be delivered by the purchaser's dealer or financial advisor through FundSERV no later than three Business Days prior to the Issue Date. Upon receipt of the subscription funds, the Selling Agent will deposit the subscription funds in an account established by the Selling Agent in trust for the beneficial Holders. The Selling Agent will pay to the investor interest on the subscription funds at a rate equal to 4.00%. The interest will be calculated from the date two days after the receipt of the subscription funds by the Selling Agent until (but excluding) the fifth Business Day immediately preceding the Issue Date. The Selling Agent will retain the difference between the aggregate amount of interest earned on the subscription funds and the amount of interest that the Selling Agent has agreed to pay to the investor. On the Issue Date, the subscription funds together with the interest earned thereon by the investor, will be used to subscribe for Notes (or portion thereof) for the benefit of the relevant beneficial Noteholders. Investors will have no right to receive a cash payment representing any interest earned on the subscription funds if the settlement of this offering is completed.

If Notes subscribed through FundSERV are not issued for any reason, the subscription funds will be returned forthwith to the investor together with the interest earned on such subscription funds as described in the preceding paragraph.

Settlement of Payments under Global Note

The Principal Amount and Variable Return or Alternative Variable Return, as the case may be, payable under the Deposit Notes will be made available by DSC (or its delegate on our behalf) through FundSERV to dealers and financial advisors with clients who hold Deposit Notes. Our responsibility and liability in respect of Deposit Notes is limited to making payment of any amount due through DSC (or its delegate on our behalf) via FundSERV to dealers and financial advisors with clients who hold Deposit Notes.

Settlement of Payments under Definitive Notes

Payments of the Principal Amount and Variable Return or Alternative Variable Return, as the case may be, on Deposit Notes issued in definitive form (which will only occur in exceptional circumstances) will be made by cheque mailed to the Noteholder at the address of the Noteholder appearing in a register which DBC will maintain or cause to be maintained or, if requested in writing by the Noteholder at least five Business Days before the date of the payment and agreed to by us, by electronic funds transfer to a bank account designated by the Noteholder with a bank in Canada. Payment under any Deposit Note in definitive form is conditional upon the Noteholder first delivering the Deposit Note to us.

Dealings with Noteholders

Neither DBC nor the Paying and Transfer Agent nor CDS (or the Nominee) will be bound to see to the execution of any trust affecting the ownership of any Deposit Note or be affected by notice of any equity that may be subsisting with respect to any Deposit Note. In relation to DBC's role as custodian in connection with the Deposit Notes, DBC will have no obligation to confirm or take notice of any such instructions, appointments, revocations or any other matters pertaining to a Noteholder's appointment of or arrangements with a dealer or financial advisor or any notices given to or through the FundSERV system.

Notices to Noteholders

If notice is required to be given to Noteholders, DBC will provide notice through FundSERV to dealers and financial advisors with clients who hold Deposit Notes. Noteholders will have access to such information through dealers and financial advisors through which their Deposit Notes are held. DBC will have no obligation to notify Noteholders, dealers or financial advisors in any other manner.

Further Issuance of Deposit Notes

DBC reserves the right to issue Deposit Notes in additional tranches and may issue other Deposit Note obligations, including listed Deposit Note obligations. Such other Deposit Note obligations may have terms substantially similar to the terms of the Deposit Notes and may be offered by us concurrently with the offering of this or other tranches of Deposit Notes.

Secondary Market

The Deposit Notes will not be listed on any stock exchange and there is no assurance that a secondary market for Deposit Notes will develop or be sustainable. DSC will use best efforts, subject to normal market conditions, to arrange for a secondary market for the sale of the Deposit Notes by Noteholders through FundSERV but will not be obligated to do so.

A Noteholder wishing to sell Deposit Notes through FundSERV prior to the Maturity Date is subject to certain procedures established to redeem securities through FundSERV. Any Noteholder wishing to sell a Deposit Note through FundSERV should consult with his or her financial advisor in advance in order to understand the timing and other procedural requirements and limitations of selling.

In general, a Noteholder must sell Deposit Notes by using the “redemption” procedures of FundSERV. Accordingly, a Noteholder will not be able to negotiate a sale price for Deposit Notes. Instead, the financial advisor for the Noteholder will need to initiate an irrevocable request to “redeem” the Deposit Note in accordance with the then established procedures of FundSERV. Generally, this will mean the redemption request will need to be initiated by 4:00 p.m. (Toronto time, or such other time as may hereafter be established by FundSERV) on a Business Day. Any request received after such time will be deemed to be a request sent and received in respect of the next following Business Day.

Sale of a Deposit Note will be effected at a sale price (the “Net Bid Price”) equal to (a) the FundSERV “net asset value” of a Deposit Note as of the close of trading on the first Trading Day following the Business Day on which a redemption request is received (or deemed to be received) as posted to FundSERV by DSC (in its capacity as Calculation Agent), minus (b) any applicable pre-determined reduction amount set forth below (an “Early Sales Charge”). Accordingly, a Noteholder will not be able to negotiate a sale price for the Deposit Notes.

An Early Sales Charge of up to 3.50% of the Principal Amount of a Deposit Note will be deducted from the amount received by a Noteholder as sales proceeds if the Noteholder sells Deposit Notes within eighteen months of the Issue Date. The specific amount of Early Sales Charge in relation to a resale transaction will be determined as follows:

If Sold Within the Specified Number of Months of Issue Date	Early Sales Charge
0 – 6 Months	3.50%
7 – 12 Months	2.00%
13 – 18 Months	1.50%
Thereafter	Nil

DSC, in its capacity as Calculation Agent, will act as the “fund sponsor” for the purpose of calculating and posting daily a “net asset value” in relation to Deposit Notes within FundSERV. It is required to post or arrange to be posted a “net asset value” for the Deposit Notes on a daily basis. The Net Bid Price will represent the price at which DSC may offer to purchase Deposit Notes from Noteholders in connection with a secondary market transaction. Such price will be determined as of the close of trading on the Principal Exchange on each Trading Day. There is no guarantee that the Net Bid Price for any day is the highest possible price available in any secondary market for the Deposit Notes, but it will represent a bid price generally available to Noteholders as at the relevant close of business, including clients of DSC. The Net Bid Price of a Deposit Note at any time will generally be

dependent on, among other things, (a) how much the Closing Index Levels of the Index have risen or fallen since the date of issue of the Deposit Notes; (b) the fact that the \$100 Principal Amount of the Deposit Note is payable on the Maturity Date regardless of the Closing Index Levels of the Index at any time; and (c) a number of other interrelated factors, including, without limitation, volatility in the Closing Index Levels of the Index, the level and volatility of exchange rates in the United States and Canada, price volatility or degree to which the price of each security in the Index changes and prevailing interest rates in relevant jurisdictions. The relationship among these factors is complex and may also be influenced by various political, economic and other factors that can affect the trading price of a Deposit Note.

The Noteholder should consult his or her dealer or financial advisor on whether it would be more favourable in the circumstances at any time to sell Deposit Notes (assuming the availability of a secondary market) or hold Deposit Notes until the Maturity Date.

The Noteholder should also be aware that, although the "redemption" procedures of FundSERV will be used, the Deposit Notes of the Noteholder will actually be sold in the secondary market to DSC. In turn, DSC will be able to deal with such Deposit Notes in its discretion, including selling those Deposit Notes to other parties at negotiated prices or holding them in its inventory. Noteholders should also be aware that from time to time such "redemption" mechanism to sell Deposit Notes might be suspended for any reason without notice, thus effectively preventing Noteholders from selling their Deposit Notes.

Global Note

Noteholders will have an indirect beneficial interest in the Global Note. DBC will, directly or indirectly through its CDS Participant, hold all of the beneficial interests in the Deposit Notes for and on behalf of such Noteholders or their representatives, as a custodial agent appointed for the sole purpose of holding such beneficial interests and facilitating certain transactions in respect of the Deposit Notes through FundSERV. Noteholders should understand that DBC will only record cases to be recorded and process such transactions as may be instructed through FundSERV by a dealer or financial advisor recorded under FundSERV as representing the applicable Noteholder and will have no obligation to confirm or take notice of any instructions, appointments, revocations or any other matters pertaining to the Noteholder's appointment of or arrangements with a dealer or financial advisor purporting to act on his or her behalf or in respect of any notices given to or through the FundSERV system. If a Noteholder were to replace or transfer his or her investment accounts to another dealer or financial advisor who did not satisfy such conditions, the Noteholder would be required to sell his or her Deposit Notes pursuant to the procedures described under "Related Matters – Secondary Market".

Calculations and Determinations

All calculations and determinations of DSC as the Calculation Agent, absent manifest error, are final and binding on DBC and the Noteholders.

Ordinarily, all calculations and determinations to be made in connection with the Deposit Notes will be made by DSC as the Calculation Agent, on DBC's behalf. Whenever DSC is required to act as the Calculation Agent, it will do so in good faith. Neither DSC as the Calculation Agent nor DBC warrants the accuracy or completeness of information made available with respect to the Index or of calculations made in connection with the Deposit Notes.

However,

- (a) if DBC elects to make a payment of Alternative Variable Return after the occurrence of an Extraordinary Event (as contemplated under "Extraordinary Events"); or
- (b) if a material determination required in calculating the Index Return involves the application of material discretion by DBC or its agent or is based, in whole or in part, on information which is not compiled by, or derived from, sources that are independent of DBC,

then, DBC will make reasonable efforts to appoint three independent and active participants in markets relating to the Index (each, a "Calculation Expert" and together, the "Calculation Experts") to make or confirm applicable calculations.

Promptly following the appointment of Calculation Experts, DBC will request them to confirm (such confirmation requiring a majority vote of such Calculation Experts) any determination by DBC or its agent that an Extraordinary Event has occurred and is continuing.

Each Calculation Expert will act as an independent expert and will not assume any obligation or duty to, or any relationship of agency or trust for or with, Noteholders or DBC. Any valuations, calculations, determinations or confirmations made by the Calculation Experts will (except in the case of manifest material error) be final and binding on us and the Noteholders. The Calculation Experts will not be responsible for good faith errors or omissions in calculating, determining, announcing or disseminating information regarding the Index or any adjustments or calculations, as applicable, and DBC will not be responsible in any way for the calculations or determinations of the Calculation Experts. The Calculation Experts may, with our consent, delegate any of their obligations and functions to a third party as they deem appropriate, but acting honestly and reasonably at all times.

Promptly following the appointment of Calculation Experts, DBC will give notice, in the manner described under “–Notices to Noteholders”, disclosing the occurrence of the Extraordinary Event; the identity and qualifications of the Calculation Experts; and any past, present or reasonably anticipated relationships between the Calculation Experts and DBC. DBC will also give notice to Noteholders upon the confirmation or determination of a valuation or other calculation, determination or confirmation by the Calculation Experts.

Modifications of the Deposit Notes

The Global Note may be amended without the consent of the Noteholders if in our reasonable opinion the amendment would not materially and adversely affect the rights of the Noteholders. In other cases, the Global Note may be amended if the amendment is approved by a resolution passed by the favourable votes of Noteholders holding Deposit Notes representing not less than $66\frac{2}{3}\%$ of the outstanding aggregate Principal Amount of the Deposit Notes represented for the purpose of considering the resolution. Each Noteholder is entitled to one vote per \$100 of Principal Amount held for the purpose of voting at meetings convened for this purpose. Fractional Deposit Notes do not carry the right to vote in any circumstances. The Deposit Notes do not carry the right to vote in any other circumstances.

Purchases by DSC

DSC or any of its affiliates, associates or successors, may at any time, subject to applicable laws, purchase Deposit Notes for cancellation at any price in the open market or by private agreement.

Dealings with the Index

DBC, DSC, or any of our affiliates may from time to time, in the course of our respective normal business operations, have dealings with companies whose securities comprise the Index, including through investing in securities of such companies. DBC will base all such actions on normal commercial criteria in the particular circumstances and DBC will not take into account the effect, if any, of such actions on the Closing Level of the Index, the amount that may be payable on the Deposit Notes or Noteholders' interests generally.

RISK FACTORS

The Deposit Notes provide opportunities but also pose risks. You should carefully consider the risks involved in purchasing the Deposit Notes before reaching a decision to purchase such Deposit Notes. You should discuss with your advisors the suitability of purchasing Deposit Notes in light of your investment objectives and after reviewing all available information, including the following risk factors:

(a) **Suitability of Deposit Notes for Investment**

The Deposit Notes do not provide investors with an income stream or return prior to Maturity or guaranteed rate of return. The Deposit Notes do not provide a return at Maturity that is calculated or determined with reference to a fixed or floating rate of interest. The Deposit Notes are not suitable investments for investors who (i) need or expect any payments during the term of the Deposit Notes or any return or a specific return on investment; and/or (ii) are not prepared to assume the risks associated with an investment whose return is based on the performance of the Index. Please consult your dealer or financial advisor as to whether an investment in the Deposit Notes is suitable for you in light of your particular situation or circumstances. The Deposit Notes will not be insured under the *Canada Deposit Insurance Corporation Act* (Canada) and will not be entitled to Canada Deposit Insurance Corporation protection.

(b) **Uncertain Return or No Return Until Maturity**

The return, if any, on the Deposit Notes will be uncertain until the Maturity Date and may become zero if the Index Return falls outside of the Index Range. Generally, whether or not there is a return on the Deposit Notes at the Maturity Date will depend on whether an Extraordinary Event has occurred and the performance of the Index, as measured by the change, if any, in the value of the Index. There can be no assurance that the performance of the Index will result in payment of a Variable Return. **If the Closing Level of the Index falls outside the Index Range on any Trading Day during the Measurement Period (i.e. if the Closing Index Level is less than the Lower Index Limit or greater than the Upper Index Limit), then the Variable Return will be zero and the amount payable on each Deposit Note at Maturity is the Principal Amount of the Deposit Note only.** Noteholders will not be able, prior to Maturity, to determine the amount of the return, if any, that they will receive on their Deposit Notes on or before Maturity.

(c) **Extraordinary Events**

The occurrence of certain Extraordinary Events may delay or accelerate the time at which the amount of any return is determined. In these circumstances, the amount of return payable under the Deposit Notes, if any, will be subject to reduction to reflect Extraordinary Hedging Costs, if any.

(d) **Secondary Market for the Deposit Notes**

The Deposit Notes will not be listed on any stock exchange and there is no assurance that a secondary market for Deposit Notes will develop or be sustainable or continued. Noteholders may not be able to resell their Deposit Notes. Any resale price of Deposit Notes could be below the \$100 Principal Amount per Deposit Note, may not be the highest possible price available in any secondary market and, if sold within one year of the Issue Date, will be reduced by the Early Sales Charge.

(e) **Trading Value of the Deposit Notes in the Secondary Market**

The trading value of the Deposit Notes in a secondary market, if any, will be affected by a number of complex and interrelated factors, including the level and composition of the Index, the volatility of the securities that comprise the Index, the level of interest rates in Canada, and the time remaining until Maturity. In addition, the effect of any one factor may be offset or magnified by the effect of another factor.

(f) **Conflicts of Interest**

DBC or DSC may perform functions or engage in activities that could adversely impact on the value of the Deposit Notes, your ability to resell your Deposit Notes or the amount or timing of receipt of entitlements under the Deposit Notes. For example, DBC or DSC may have dealings in the securities that comprise the Index, which dealings will not take into account the effect, if any, on the Noteholders' interests generally. Except in unusual circumstances DBC or DSC, as Calculation Agent, will be responsible

to determine the amount, if any, of the return payable under the Deposit Notes and may exercise judgment and discretion in relation to the functions and activities undertaken in respect of the Deposit Notes from time to time. Consequently, conflicts between the interests of Noteholders and the interests of DBC or DSC may arise.

(g) Credit Risk

The obligation to make payments to Noteholders is an obligation of DBC, and accordingly, the likelihood that Noteholders will receive the payments owing to them in connection with the Deposit Notes will be dependent upon the financial health and creditworthiness of DBC. Neither DBC nor its deposit liabilities, including the Deposit Notes, have been rated by any rating agency.

(h) No Ownership of Index

The Deposit Notes will not entitle a Noteholder to any direct or indirect ownership, or investment of, or entitlement to the Index, or in the securities that comprise the Index. As such, the Deposit Notes are subject to different risks than such a direct investment and any return payable under the Deposit Notes will not be identical to the return associated with such securities. There is no requirement for DBC to hold any interest in the Index or in the securities that comprise the Index and the composition of the Index is subject to adjustment at any time by the Index sponsor, in its sole discretion.

(i) FundSERV

The Deposit Notes may only be purchased, settled and otherwise dealt with in accordance with the clearing and settlement procedures and services operated by FundSERV and certain other rules and protocols established with dealers and financial advisors in connection with such services. Only those dealers and financial advisors that have an effective agreement with DBC will be eligible to deal with Deposit Notes on behalf of Noteholders.

(j) Amounts payable on the Deposit Notes may be limited by applicable law

Under the *Criminal Code* (Canada), a lender is prohibited from entering into an agreement or arrangement to receive interest at an effective annual rate of interest, calculated in accordance with generally accepted actuarial practices and principles, exceeding 60% of the credit advanced under the agreement or arrangement. Accordingly, DBC may be required by law to adjust the amounts payable on the Deposit Notes, but DBC will use reasonable efforts to preserve the economic return on the Deposit Notes for the Noteholders within the parameters of applicable law.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

This summary is based on the current provisions of the Tax Act and the regulations thereunder as in force on the date hereof, the current administrative and assessing practices and policies of the Canada Revenue Agency (“CRA”) and all specific proposals to amend the Tax Act and regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof. This summary does not otherwise take into account or anticipate any changes in law or the CRA’s administrative or assessing practices, whether by legislative, governmental or judicial action. This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Deposit Notes and does not take into account provincial, territorial or foreign income tax legislation or considerations.

This summary is of a general nature only and is not intended to be legal or tax advice to any particular Noteholder. Noteholders should consult their tax advisors for advice with respect to the income tax consequences of an investment in Deposit Notes, based on their particular circumstances.

Canadian Resident Holders of Deposit Notes

The following summary describes the principal Canadian federal income tax considerations generally applicable to the acquisition, holding and disposition of Deposit Notes by a Noteholder who purchases Deposit Notes at the time of their issuance from DBC at a price of \$100 per Deposit Note, who is an individual (other than a trust) and who, for the purposes of the Tax Act, is a resident of Canada, deals at arm’s length with and is not affiliated with DBC and holds the Deposit Notes as capital property (an “Initial Noteholder”). This summary does not apply to a Noteholder that is a corporation, partnership, trust, including a “financial institution” within the meaning of section 142.2 of the Tax Act.

Certain Initial Noteholders whose Deposit Notes might not otherwise be considered to be capital property may be entitled to make an irrevocable election to have the Deposit Notes and all of the Initial Noteholder’s other “Canadian securities” deemed to be capital property pursuant to subsection 39(4) of the Tax Act.

Interest During Distribution

This portion of the summary describes the principal Canadian federal income tax considerations to an individual (other than a trust) who, for purposes of the Tax Act, is a resident of Canada and who earns interest on the Subscription Price during the Interest Distribution Period but does not acquire Deposit Notes in the circumstances set out under “Related Matters – Plan of Distribution” (an “Investor”).

Such Investor will be required to include in computing the Investor’s income for a taxation year all interest earned on the Subscription Price during the Interest Distribution Period received or receivable by such Investor in that year (depending on the method regularly followed by the holder in computing income) to the extent that such interest was not included in computing the holder’s income for a preceding taxation year.

Variable Return

In the event that the Initial Noteholder holds the Deposit Notes until the Maturity Date, the full amount of the Variable Return, if any, will generally be included in the Initial Noteholder’s income in the taxation year that includes the Maturity Date, except to the extent that such return has already been included in the Initial Noteholders income for that or a preceding year. A Deposit Note is a “prescribed debt obligation” within the meaning of the Tax Act. The rules (“prescribed debt obligation rules”) in the regulations applicable to a prescribed debt obligation generally require a taxpayer to accrue the amount of any interest, bonus or premium receivable in respect of the obligation over the term of the obligation, based on the maximum amount of interest, bonus or premium receivable on the obligation. Based in part on the CRA’s administrative practice with regard to “prescribed debt obligations”, there should be no deemed accrual of the Variable Return on the Deposit Notes under these rules prior to the Determination Date, provided that the amount of the return does not become calculable prior to the Maturity Date.

If the Alternative Variable Return becomes payable whether because of the determination that an Extraordinary Event has occurred or otherwise, an Initial Noteholder would be required to include in income for each taxation year commencing in the taxation year in which the Alternative Variable Return becomes calculable, the portion of the Alternative Variable Return deemed to accrue as interest to the Initial Noteholder to the end of the “anniversary day” of the Deposit Note in the taxation year

determined in accordance with the prescribed debt obligation rules, except to the extent that the amount was otherwise included in income for the taxation year or a preceding taxation year.

Disposition of Deposit Notes

In certain circumstances, where an investor assigns or otherwise transfers a debt obligation, the amount of interest accrued on the debt obligation to that time, but unpaid, will be excluded from the proceeds of disposition of the obligation and will be required to be included as interest in computing the investor's income for the taxation year in which the transfer occurs, except to the extent that it has been otherwise included in income for that taxation year or a preceding taxation year. Under the terms of the Deposit Notes, there should be no amount that will be treated as accrued interest on an assignment or transfer of a Deposit Note prior to the amount of the Variable Return payable on the Maturity Date or the Alternative Variable Return becoming calculable.

Except as described above, while the matter is not free from doubt, a disposition or deemed disposition of a Deposit Note by an Initial Noteholder (other than a disposition by virtue of the repayment of such Deposit Note by DBC on the Maturity Date) should give rise to a capital gain (or capital loss) to the extent the Initial Noteholder's proceeds of disposition net of any accrued but unpaid interest exceed (or are less than) the aggregate of the Initial Noteholder's adjusted cost base of the Deposit Note and any reasonable costs of disposition. An Initial Noteholder who disposes of a Deposit Note prior to Maturity should consult his or her tax advisor with respect to his or her particular circumstances.

One-half of a capital gain (a "taxable capital gain") realized by an Initial Noteholder must be included in the income of the Initial Noteholder. One-half of a capital loss (an "allowable capital loss") realized by an Initial Noteholder is deductible against taxable capital gains realized in the taxation year. Allowable capital losses in excess of taxable capital gains may be carried back and deducted against net taxable capital gains realized in the three preceding taxation years or carried forward and deducted against net realized capital gains in subsequent taxation years, subject to the rules in the Tax Act.

Capital gains realized by an individual may give rise to a liability for Alternative Minimum Tax.

Non-Resident Withholding Tax

Any interest paid to non-residents of Canada may be subject to Canadian non-resident withholding taxes. Non-resident Noteholders should consult their own tax advisors with respect to their tax positions and the tax consequences of holding Deposit Notes.

Interest Earned During the Distribution Period

An investor that has earned interest on subscription funds deposited during the distribution period, whether received as additional Deposit Notes or cash in the event the issue does not close, will be required to include such interest in computing the Investor's income in the year in which it was received.

DEFINITIONS

In this information statement, unless the context otherwise requires:

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

"Business Day" means a day on which commercial banks are open for business and able to effect transactions in foreign exchange and foreign currency deposits in Toronto, Canada and New York City, U.S.A. and a day on which book-entry transfers may be effected through CDS. If any date on which any action is otherwise required to be taken in respect of the Deposit Notes is not a Business Day, the date on which such action shall be taken shall, except as otherwise indicated, be the next following Business Day and, if the action involves payment of any amount, no interest or other compensation shall be paid as a result of any such delay.

"CDS" means CDS Clearing and Depository Services Inc.;

"CRA" has the meaning given to it under "Canadian Federal Income Tax Considerations";

"DPSPs" means deferred profit sharing plans;

"Extraordinary Event" means any event, circumstance or cause which DBC determines has or may have a material adverse effect on its ability to perform its obligations under the Deposit Notes or to hedge its position in respect of its obligation to make payment of amounts owing under the Deposit Notes and more specifically includes the following events to the extent that they have such effect: (a) the occurrence or existence on any Business Day of a Market Disruption Event in respect the Index; (b) an Index Adjustment Event; (c) a limitation on trading in futures, forward or options contracts relating to the Index on any relevant Principal Exchange on any one day by reason of movements in prices that exceed the price permitted by such exchanges; (d) the enactment, publication, decree or other promulgation of any statute, regulation, rule or order of any court or other government authority which would make it unlawful or impracticable for DBC to perform its obligations under the Deposit Notes or for dealers to execute, maintain or modify a hedge in a position in respect of the Index; (e) the taking of any action by any governmental, administrative, legislative or judicial authority or power of Canada which has a material adverse effect on the financial markets thereof; or (f) any outbreak or escalation of hostilities or other national or international calamity or crisis (including, without limitation, natural calamities) which has or would have a material adverse effect on the ability of DBC to perform its obligations under the Deposit Notes or of a dealer to execute, maintain or modify a hedge of a position with respect to the Index or a material and adverse effect on the economy of Canada;

For the purpose of determining whether an Extraordinary Event exists at any time, a limitation on the hours or number of days of trading shall not constitute an Extraordinary Event if it results from an announced change in the regular business hours of a Principal Exchange, and a "limitation on trading" of or on such Principal Exchange will not include any time when such Principal Exchange itself is closed for trading under ordinary circumstances;

"FundSERV" means FundSERV Inc. and its successors;

"Index Adjustment Event" means, in respect of a Index, any of the following events set forth below:

- (a) a relevant Index sponsor announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalization and other routine events);
- (b) a relevant Index sponsor permanently cancels the Index and no Successor Index exists; or
- (c) on any Trade Date or Determination Date, the Index sponsor fails to calculate and announce a relevant Index, Initial Index Level or Final Index Level (or the information necessary for determining the respective levels);

"Initial Noteholder" has the meaning given to it under "Canadian Federal Income Tax Considerations";

Market Disruption Event means, in respect of the Index, any of the following events set forth below:

(a) **"Trading Disruption"** means the suspension of or the limitation imposed on trading by the Principal Exchange or related exchange or otherwise as determined by the Calculation Agent in its sole discretion (i) relating to securities that comprise 20 percent or more of the level of the Index by weight or (ii) in any futures contract or options contract relating to such Index;

(b) **"Exchange Disruption"** means (i) any event (other than an Early Closure) that disrupts or impairs the ability of market participants in general (A) to effect transactions in, or obtain market values for, the securities on the Principal Exchange that comprise 20 percent or more of the level of the Index; or (B) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index on the Principal Exchange or any relevant related exchange; or (ii) the failure of a Principal Exchange to open for trading on any Trading Day, Trade Date or Determination Date during its regular trading session;

(c) **"Early Closure"** means the closure on any Trading Day of any relevant Principal Exchange (or any relevant exchange relating to securities that comprise 20 percent or more of the level of the relevant Index) or any related exchange(s) prior to its scheduled closing time unless such earlier closing time is announced by such Principal Exchange or related exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Principal Exchange or related exchange(s) on such Trading Day; and (ii) the submission deadline for orders to be entered into the Principal Exchange or related exchange system for execution at the valuation time on such Trading Day;

(d) **"Tax Disruption"** means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, the Index (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the original issue date, if the direct effect of such imposition, change or removal is to raise or lower the Initial Index Level or Final Index Level on the day that would otherwise be a day of pricing from what it would have been without that imposition, change or removal.

"Maturity" or **"Maturity Date"** means the Scheduled Maturity Date unless if the Valuation Date is postponed, then the Maturity Date will be the **third** Business Day following the Valuation Date;

"Nominee" means the nominee appointed from time to time by CDS, initially CDS & CO.;

"Noteholder" means a beneficial owner of a Deposit Note in global form or a registered holder of a Deposit Note in definitive form;

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

"Paying and Transfer Agent" means the paying and transfer agent for the Deposit Notes appointed by DBC from time to time. The Paying and Transfer Agent will initially be DSC whose address is 1 Adelaide Street East, Suite 2700, Toronto, Ontario M5C 2V9;

"Payment at Maturity" means the payment to be made at Maturity in an amount per Deposit Note equal to the Principal Amount plus the Variable Return, if any;

"Principal Amount" means \$100 per Deposit Note;

"Principal Exchange" means, in relation to the Index, any exchange or quotation system on which such Index actively trades. As of the date hereof, the Principal Exchange is listed under "Summary Information Regarding the Index";

"Index" means the S&P/TSX 60 Index and any Successor Index;

"RESPs" means registered education savings plans;

"RRIFs" means registered retirement income funds;

"RRSPs" means registered retirement income plans;

"Selling Agent" means DSC, in its capacity as selling agent for the Deposit Notes;

"Successor Index" means (a) if a Index is not calculated or announced by the current Index sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent, then such Index as calculated and announced by the successor sponsor; or (b) if a Index is replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Index, then such successor index will be deemed the Index;

"Tax Act" means the *Income Tax Act* (Canada);

"Trading Day" means a day which is scheduled to be open for trading on each Principal Exchange for their respective regular trading session; and

"TSX" means the Toronto Stock Exchange.