

*This Information Memorandum constitutes an offering of these Unsecured Unsubordinated Bonds only by those persons permitted to sell such securities. No securities commission or similar authority in Canada or elsewhere has in any way passed upon the merits of the securities offered hereunder, and any representation to the contrary is an offence. No person is authorized to give any information or to make any representation not contained in this Information Memorandum and, if given or made, such representation must not be relied upon.*

**Information Memorandum dated October 26, 2010**

**SOUTH COAST BRITISH COLUMBIA  
TRANSPORTATION AUTHORITY  
("TransLink")**

**\$300,000,000 Aggregate Principal Amount**

**3.80% Unsecured Unsubordinated Bonds Due November 2, 2020**

The Issuer, also known as "**TransLink**" is governed by the South Coast British Columbia Transportation Authority Act (British Columbia) (the "**SCBCTA Act**"). Detailed information regarding TransLink's purpose, powers, governance structure, and planning processes is contained in the SCBCTA Act.

The bonds offered hereby are 3.80% unsecured, unsubordinated bonds, due November 2, 2020 of the TransLink (the "**Bonds**").

The Bonds bear interest at 3.80% per annum, payable in equal semi-annual payments on November 2 and May 2 of each year commencing on May 2, 2011. The final payment of interest and repayment of principal will be due on November 2, 2020. The Bonds are not redeemable prior to maturity.

The issue of the Bonds is within the Debt Obligation Limit (defined below) prescribed by the SCBCTA Act.

The Bonds have been assigned a long-term credit rating of AA by DBRS Limited ("**DBRS**") and a long-term credit rating of Aa2 by Moody's Investor Services, Inc. ("**Moody's**"). The assignment of a credit rating by DBRS and / or Moody's is not a recommendation by DBRS and / or Moody's to buy, sell or hold Bonds, and such credit rating may be subject to revision or withdrawal at any time by DBRS and / or Moody's.

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**Price: \$99.926 per Bond**

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The TD Securities Inc., National Bank Financial Inc., RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., Scotia Capital Inc. and Casgrain & Company Limited (the “**Underwriting Group**”), as principals, conditionally offer the Bonds subject to prior sale if, as and when sold by TransLink and accepted by the Underwriting Group in accordance with the Purchase Agreement referred to under “Plan of Distribution” and subject to the approval of certain legal matters by Farris, Vaughan, Wills & Murphy LLP on behalf of TransLink.

## SUMMARY OF THE OFFERING

<b>Issuer:</b>	South Coast British Columbia Transportation Authority (“TransLink”)
<b>The Offering:</b>	CAD\$300,000,000 unsecured, unsubordinated Bonds
<b>Maturity:</b>	November 2, 2020
<b>Interest:</b>	The Bonds will bear interest at 3.80% payable semi-annually, in arrears, on November 2 and May 2 in each year from the date of issue until the date of maturity.
<b>Ranking:</b>	The Bonds will be direct, unsecured, unsubordinated and unconditional obligations of TransLink, and will rank equally with all other existing and future unsubordinated and unsecured debt of TransLink.
<b>Sinking Fund:</b>	None
<b>Right of Redemption:</b>	None
<b>Depository Service:</b>	Registrations and transfers of Bonds will be effected through the book-based system administered by CDS. A global certificate evidencing the Bonds will be held by CDS, and definitive Bond certificates will not be available for delivery to Investors.
<b>Entitlement to Principal and Interest:</b>	The Fiscal Agent will pass through to CDS, as registered holder of the Bonds, the semi-annual interest payments on each applicable Payment Date and the principal amount on the final Payment Date. These payments will be made by the Fiscal Agent from funds received by it from TransLink.
<b>Debt Obligation Limit</b>	The Debt Obligation Limit is set by SCBTA Act and is currently set at \$2,800,000,000.
<b>Use of Proceeds:</b>	The net proceeds received by TransLink from the sale of the Bonds will be used for general corporate purposes.

## GLOSSARY

*The following terms used in this Information Memorandum shall have the following meanings, respectively:*

“**Business Day**” means a day other than a Saturday, Sunday, or statutory holiday in the Province of British Columbia.

“**Bonds**” means the 3.80% unsecured, unsubordinated Bonds due November 2, 2020 of TransLink referred to in this Information Memorandum.

“**CDS**” means CDS Clearing and Depository Services Inc. and its successors.

“**Closing Date**” means November 2, 2010 or such other date as may be agreed upon by TransLink and the Underwriting Group.

“**DBRS**” means DBRS Limited.

“**Debt Obligation Limit**” means the maximum permitted outstanding debt obligations of TransLink arising from borrowings, calculated in accordance with the SCBCTA Act and B.C. Regulation 86/99.

“**Fiscal Agency Agreement**” means the fiscal agency agreement between TransLink and the Fiscal Agent to be entered into on or before the Closing Date.

“**Fiscal Agent**” means BNY Trust Company of Canada, and includes any successor appointed under the Fiscal Agency Agreement.

“**Investors**” means the purchasers of the Bonds under this offering.

“**Issuer**” means the South Coast British Columbia Transportation Authority, also known as TransLink.

“**Moody’s**” means Moody’s Investor Services, Inc.

“**Participant**” means a participant in the book-based system for securities transfers operated by CDS.

“**Payment Date**” means November 2 and May 2 in every year commencing on May 2, 2011 with the final payment occurring on November 2, 2020.

“**Purchase Agreement**” means the underwriting agreement dated October 26, 2010 between the Underwriting Group and TransLink.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**TransLink**” means the South Coast British Columbia Transportation Authority.

**“Underwriting Group”** means TD Securities Inc., National Bank Financial Inc., RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., Scotia Capital Inc. and Casgrain & Company Limited.

## **SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY**

The Issuer, formerly named the Greater Vancouver Transportation Authority, is a regional public transportation authority that was established in 1998 under the *Greater Vancouver Transportation Authority Act* (British Columbia). The *Greater Vancouver Transportation Authority Act* (British Columbia) was amended and re-named the *South Coast British Columbia Transportation Authority Act* (British Columbia) in November 2007. Primary responsibility for public transit in Metro Vancouver was transferred from British Columbia Transit, a provincial crown corporation, to the Issuer in 1999. The Issuer does not have any share capital. The Issuer has the capacity, rights and powers and privileges of an individual of full capacity (section 6(1) of the SCBCTA Act) in addition to its specific statutory powers under the SCBCTA Act.

Under the SCBCTA Act, the purpose of the Issuer is to provide a regional transportation system in the transportation service region (currently the boundaries of Metro Vancouver). The regional transportation system, which includes ferries, cycling path networks, bus transportation systems, rail transportation systems, designated projects, and the major road network, is operated by the Issuer or its subsidiaries or contractors.

The regional transportation system currently includes bus public transit, rapid transit rail lines, passenger ferries, and commuter trains. The Issuer also owns a number of tolled and non-tolled bridges. In addition to management and operation of the regional transportation system, the Issuer is responsible for developing transportation demand management strategies and programs and for the motor vehicle emissions testing program known as “AirCare”.

Under the SCBCTA Act, the Issuer must prepare a long-term transportation strategy (covering a period of at least 30 years) every 5 years. This long term strategy guides the development of 3 year base and supplemental transportation and financial plans. The Issuer’s 3 year strategic plan consists of the 3 year base transportation and financial plan, as amended by any 3 year supplemental transportation and financial plan(s) approved by the mayors’ council on regional transportation, provided that any “supplementary fare increase” or “first-time short term fare” (as defined by the SCBCTA Act) proposed in an approved 3 year supplemental transportation and financial plan must also be approved by the regional transportation commissioner (section 206 of the SCBCTA Act). The Issuer must ensure that all service, capital and operational plans and policies of the Issuer and its subsidiaries are consistent with the strategic plan.

Each year, the Issuer must prepare a 3 year base transportation and financial plan which describes the transportation services to be provided, major capital projects planned, and key transportation demand management initiatives for the 3 year period, utilizing only “established funding resources” (as defined in the SCBCTA Act). The Issuer must also prepare an outlook, for the 7 year period following the 3 year plan period, with each new base transportation and financial plan, identifying contemplated transportation services and major capital projects for the 7 year period. The Issuer may also, in any given year, choose to prepare one or more 3 year supplemental transportation and financial plans that set out (i) the additions, enhancements, or other changes that the Issuer proposes be made to the transportation services and major capital projects contemplated in the base plan, (ii) any additional initiatives the Issuer proposes to

undertake in addition to those contemplated in the base plan, and (iii) the increased expenditures, funding sources, anticipated revenues, and increases to borrowing limits needed to implement such plans. Each supplemental transportation and financial plan must be accompanied by an outlook, for the 7 year period following the 3 year plan period, identifying how the base plan outlook would change if the supplemental plan is approved. The Issuer must ensure that, for each base or supplemental transportation and financial plan, the contemplated expenditures do not exceed anticipated revenues, borrowings, and accumulated funding resources (sections 194(4) and 200(3) of the SCBCTA Act).

The governance structure of the Issuer is as follows:

- the mayors' council on regional transportation. The mayors' council is composed of 22 members – the mayors from all 21 municipalities within the Issuer's transportation service region and a representative from the Tsawwassen First Nation. The mayors' council appoints the board of directors (from a list of candidates identified by a screening panel) and the regional transportation commissioner. The mayors' council reviews and provides input on the Issuer's long term transportation strategies and its 3 year base and supplemental transportation and financial plans and approves or rejects 3 year supplemental transportation and financial plans;
- the board of directors consisting of 9 members. The board appoints the chair of the board and the chief executive officer and generally is responsible for overseeing the conduct of business, supervising management (which conducts the day-to-day business of the Issuer); and
- the regional transportation commissioner. The commissioner: (i) advises whether the assumptions and parameters in the 3 year base and supplemental transportation and financial plans are reasonable, (ii) generally approves new and increased short term fares, (iii) approves customer surveys and complaint processes, (iv) oversees sales of major assets, and (v) publishes an annual report. The commissioner may, under section 228 of the SCBCTA Act, order the Issuer to comply with a decision of the commissioner if the Issuer has failed to comply with such a decision.

Under the SCBCTA Act, the Issuer is explicitly permitted to raise revenues by means of taxes (including property taxes, fuel taxes and parking sales taxes), levies, toll charges, user fees and motor vehicle charges, in accordance with the provisions of the SCBCTA Act. Revenues raised by means of property taxes are collected by the applicable municipality on behalf of the Issuer.

Under the SCBCTA Act, increases in taxation, toll charge, vehicle charge and user fee rates/revenues beyond "established funding resources" (as defined in the SCBCTA Act) generally cannot be implemented unless they are included in a supplemental transportation and financial plan, the mayors' council on regional transportation has approved the plan, and the regional transportation commissioner has approved the user fee increases. However, mayors' council and commissioner approval are not required if the Issuer's board of directors, by a vote of at least two-thirds of its members voting at the meeting, pass a resolution confirming that

assessing the proposed tax, charge or fee is “necessary and unavoidable” in order to meet the debt obligations properly incurred by the Issuer (section 16 (3)) and 223 (11)).

Under section 7(7) of the SCBCTA Act, each annual budget of the Issuer must set out all the anticipated revenue in the fiscal year together with accumulated surpluses and all of the operating expenses that the Issuer anticipates it will incur in the fiscal year. The total amount of anticipated operating expenses must not be greater than the total amount of the anticipated revenue plus accumulated surpluses.

Under the SCBCTA Act, the Issuer is restricted from incurring debt obligations that exceed the greater of (i) \$1 billion 50 million, (ii) such higher amount that has been ratified by the board of directors of the Greater Vancouver Regional District, and (iii) an amount proposed in a 3 year supplemental transportation and financial plan that has been approved by the mayors’ council, after consultation with the Greater Vancouver Regional District. As of the date hereof, TransLink is restricted from incurring debt obligations that exceed \$2.8 billion.

The office of Chief Financial Officer for TransLink is located at 1600 - 4720 Kingsway, Burnaby BC V5H 4N2. Financial and other information concerning the Issuer may be obtained from the website [www.translink.ca](http://www.translink.ca). The material on that website does not form part of this Information Memorandum.

## **DESCRIPTION OF BONDS**

### **General**

Each Investor, by purchasing a Bond under the Offering, will be deemed to have purchased such Bond subject both to the terms and conditions set out in the global bond certificate representing the Bonds and to the terms and conditions contained in the Fiscal Agency Agreement.

### **Status of Bonds**

**The Bonds are issued by TransLink and are unsecured, unsubordinated and unconditional obligations of TransLink.** Notwithstanding any differences in the date of issue or maturity of any issue of bonds, Bonds or other evidences of indebtedness of TransLink, the Bonds will rank equally with respect to payment of principal and interest with all other existing and future unsubordinated and unsecured bonds, Bonds, or other evidences of indebtedness of TransLink, except as the availability of any sinking fund, retirement fund or other prescribed fund applicable to any particular issue of bonds, Bonds, or other evidences of indebtedness.

### **Debt Obligation Limit**

The Debt Obligation Limit is set out by the SCBCTA Act and is currently set at \$2,800,000,000.



## **Interest**

The Bonds will bear interest from the Closing Date at a rate of 3.80% per annum. Interest on Bonds will be payable in two equal semi-annual instalments in arrears on November 2 and May 2 of each year commencing on May 2, 2011.

## **Payments**

The Fiscal Agent will deliver payment to CDS as the registered holder of a global bond certificate representing the Bonds in payment of amounts due thereunder on, or one day prior to, each Payment Date. CDS will pay such amounts to Participants shown on its book-based system as the registered holder of interests in the applicable Bonds. Each such Participant will in turn pay the applicable amount to Investors in the Bonds shown as such in the records of the Participant.

Payments with respect to principal and interest on Bonds will only be made on a Business Day and if a date for payment is not a Business Day, payment shall be made on the next following Business Day and no interest will be paid with respect to the delay in such payment.

## **Maturity**

The Bonds will mature and be payable in full on November 2, 2020.

The Bonds are not subject to any sinking fund, are not redeemable at the option of TransLink prior to maturity and are not repayable at the option of the holder prior to maturity. TransLink may, at any time and from time to time, purchase Bonds in the open market or by tender or private contract at any price.

## **Depository Service and Transfers**

The Bonds may be acquired and held only through the book-based system of CDS. On the Closing Date, TransLink will sign and deliver to CDS a global Bond certificate representing the Bonds. This global certificate will be held by CDS in fully registered form in the name of a nominee of CDS. CDS maintains a computerized book-based system for securities transfers whereby Participants can make transfers of securities without physical movement of definitive certificates representing Bonds. Participants are primarily investment dealers, banks and trust companies. Investors must hold Bonds through a Participant. The Participant will be shown as the registered holder of Bonds on the book-based system of CDS and the Participant will reflect the beneficial ownership of Investors in Bonds on the books of the Participant.

Transfers of Bonds will be effected through the book-based system administered by CDS. After transfers have been agreed to by Participants, they will instruct CDS to effect the transfers through book-entry deliveries. Book-entry deliveries are made by crediting an account of a Participant representing a purchaser with Bonds and debiting the account of another Participant representing a vendor with respect to such Bonds. CDS calculates and reports the delivery and payment obligations and each Participant makes a net payment to, or receives a net payment from, CDS.

Since Bonds will be transferred, and deliveries effected, only through the book-based system of CDS, Investors will not receive definitive certificates representing Bonds. Those positions will be reflected solely through appropriate entries in the book-based system of CDS and in the books of the Participant through whom an Investor has acquired Bonds. Investors will receive confirmation slips confirming their purchase of a Bond from such Participants.

Until Bonds may be acquired and held other than through the book-based system of CDS, Investors will not be recognized by the Fiscal Agent as the holder of Bonds. All references herein or in the Fiscal Agency Agreement or the global bond certificate with respect to Bonds or to distributions, notices, reports and statements to or actions by Investors will be made to or by CDS as registered holder of the global bond certificate representing the Bonds. All payments on the Bonds will be made by the Fiscal Agent to CDS and will be forwarded by CDS to its Participants and by Participants to Investors.

### **Definitive Certificates**

No beneficial owner of Bonds will be entitled to received physical delivery of Bonds in certificated form except in the limited circumstances described below.

If CDS is unwilling or unable to continue to hold the global certificate representing the Bonds or if CDS ceases to be a recognized clearing agency and a successor is not appointed by TransLink, or if TransLink elects to terminate the book-entry system with respect to the Bonds, upon surrender of the global certificate representing the Bonds, the Fiscal Agent will authenticate and deliver certificated Bonds registered in the names of Participants in accordance with their proportionate interests in the global certificate registered in the book-entry register.

### **Discharge of Bonds**

Any and all rights and claims of an Investor in Bonds will be conclusively satisfied, discharged, or exhausted, as the case may be, at such time as the Bonds have been paid in full.

### **Governing Law**

The Bonds will be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

## **USE OF PROCEEDS**

The net proceeds received by TransLink from the sale of the Bonds will be used for general corporate purposes.

## **CREDIT RATING**

The Bonds have been assigned a long-term credit rating of Aa2 by Moody's and of AA by DBRS.

Credit ratings are intended to provide investors with an independent measure of an issue of securities. The credit rating accorded to the Bonds is not a recommendation to purchase, hold or sell such Bonds inasmuch as such rating is not a comment upon the market price of Bonds or their suitability for a particular investor. There is no assurance the rating will remain in effect for any given period of time or that the rating will not be revised or withdrawn entirely by Moody's or DBRS in the future if, in its judgment, circumstances so warrant.

## CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Farris, Vaughan, Wills and Murphy LLP, counsel to TransLink, the following summary describes the principal Canadian federal income tax considerations generally applicable to a purchaser who acquires, as a beneficial owner, a Bond pursuant to this Offering and who, at all relevant times, for the purposes of the application of the *Income Tax Act* (Canada) and the Income Tax Regulations (collectively, the "**Tax Act**") deals at arm's length with TransLink; is not affiliated with TransLink or a subsequent holder of the Bond; and holds the Bond as capital property (a "**Holder**"). Generally, a Bond will be capital property to a Holder provided the Holder does not acquire or hold the Bond in the course of carrying on a business or in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder an interest in which is a "tax shelter investment"; a Holder that is a "financial institution" for the mark-to-market rules contained in the Tax Act; or a Holder that has made a "functional currency" reporting election, each as defined in the Tax Act. Such Holders should consult their own tax advisors.

This summary is based on the current provisions of the Tax Act, the regulations thereunder (the "**Regulations**") and counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**") in effect as of the date hereof. This summary also takes into account all specific proposals to amend the Tax Act and Regulations publicly announced by the Minister of Finance (Canada) prior to the date hereof (collectively, the "**Tax Proposals**") and assumes all Tax Proposals will be enacted in the form proposed. There is no certainty that the Tax Proposals will be enacted in the form proposed, if at all. This summary does not otherwise take into account or anticipate any changes in laws or administrative policy or assessing practice whether by judicial, regulatory, administrative or legislative decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations.

**This summary is of a general nature only and is not, and is not intended to be, nor should it be construed to be, legal or tax advice to any prospective or particular purchaser of a Bond. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, purchasers should consult their own tax advisors regarding the income tax consequences of purchasing a Bond based on their particular circumstances.**

## **Residents of Canada**

The following summary applies to a Holder who, at all relevant times and for purposes of the Tax Act, is resident or deemed to be resident in Canada (a “**Resident Holder**”).

### *Interest on the Bonds*

A Resident Holder that is a corporation, partnership, unit trust or any trust of which a corporation or a partnership is a beneficiary will be required to include in computing its income for a taxation year any interest (or amount considered for the purposes of the Tax Act to be interest) on a Bond that accrued to it to the end of the taxation year or that became receivable or was received by it before the end of the taxation year, except to the extent that the interest (or amount considered to be interest) was included in computing its income for a preceding taxation year.

Any other Resident Holder, including an individual, will be required to include in computing its income for a taxation year any amount received or receivable by the Resident Holder in the taxation year as interest (or amount considered to be interest) in the year on the Bonds, depending upon the method regularly followed by the Resident Holder in computing income, to the extent that such amount was not included in computing the Resident Holder’s income for a preceding taxation year.

### *Disposition of Bonds*

On a disposition or deemed disposition of a Bond by a Resident Holder at any time, the Resident Holder will be required to include in computing its income for the taxation year in which the disposition occurs the amount of interest (including amounts considered to be interest) that has accrued on the Bond to the date of the disposition and that is not payable until after that time, to the extent that such amount was not otherwise included in computing the Resident Holder’s income for that taxation year or a preceding taxation year. Where the amount so included in income exceeds the portion of the total consideration received by the Resident Holder for the Bond that is reasonably allocated to such accrued but unpaid interest, and the Bond has been disposed of for consideration equal to the fair market value of the Bond at the time of disposition, such excess may generally be deducted by the Resident Holder in computing income, subject to the detailed rules contained in the Tax Act in that regard.

In general, on the disposition or deemed disposition of a Bond, the Resident Holder will realize a capital gain (or sustain a capital loss) to the extent that the proceeds of disposition of the Bond, net of any amount included in the Resident Holder’s income as interest and any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Bond to the Resident Holder. One-half of any capital gain must be included in computing the Resident Holder’s income as a taxable capital gain for the taxation year in which the disposition occurs, and one-half of any capital loss may generally be deducted from a Resident Holder’s taxable capital gains, in accordance with and subject to the detailed rules contained in the Tax Act in that regard.

Capital gains realized by an individual (including certain trusts) may give rise to alternative minimum tax under the Tax Act.

### *Additional Refundable Tax*

A Resident Holder that is a “Canadian controlled private corporation” (as defined in the Tax Act) may be liable to pay a refundable tax of 6⅔% on its “aggregate investment income” (as defined in the Tax Act) for the year, including interest income and taxable capital gains.

### **Non-Residents of Canada**

The following summary applies to a Holder who, at all relevant times and for purposes of the Tax Act, is neither resident or deemed to be resident in Canada and who will not use or hold and will not be deemed to use or hold the Bonds in or in the course of carrying on business in Canada (a “**Non-Resident Holder**”). Special rules which apply to non-resident purchasers carrying on an insurance business in Canada and elsewhere are not discussed in this summary.

Interest paid or credited or deemed to be paid or credited by TransLink to a Non-Resident Holder in respect of the Bonds will be exempt from Canadian non-resident withholding tax.

Generally, there are no other Canadian income taxes that would be payable by a Non-Resident Holder as a result of holding or disposing of a Bond (including for greater certainty, any gain realized by a Non-Resident Holder on a disposition of a Bond).

### *Eligibility for Investment*

Provided more than \$25 million of Bonds are issued by TransLink as contemplated in this Information Memorandum and are rated investment grade by DBRS or Moody’s the Bonds, if issued on the date hereof, would be qualified investments under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, registered disability savings plans, deferred profit sharing plans (other than a trust governed by a deferred profit sharing plan in respect of which any employer is TransLink or is a person that does not deal at arm’s length with TransLink within the meaning of the Tax Act) and tax-free savings accounts.

Notwithstanding the foregoing, if the Bonds are “prohibited investments” for the purposes of a tax-free savings account, a holder will be subject to a penalty tax as set out in the Tax Act. Prospective purchasers are advised to consult their own tax advisors in this regard.

## **PLAN OF DISTRIBUTION**

Under the Purchase Agreement, TransLink has agreed to sell all, but not less than all, of the Bonds, and the Underwriting Group have agreed to purchase the Bonds on the Closing Date, for an aggregate purchase price of \$99.926.

The rights and obligations of the Underwriting Group may be terminated on the occurrence of certain stated events. The obligations of TransLink to sell, and of the Underwriting Group to purchase, the Bonds are subject to compliance with all necessary legal requirements and to the terms and conditions contained in the Purchase Agreement.

The Underwriting Group may effect transactions that stabilize or maintain the market prices of the Bonds at levels other than those that might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

Subscriptions for the Bonds will be received subject to rejection or allotment in whole or in part by the Underwriting Group and the right is reserved by the Underwriting Group to close subscriptions at any time without notice.

There is currently no market for the Bonds. The offering price for the Bonds has been determined by negotiation between the Underwriting Group and TransLink.

### **LEGAL MATTERS**

Certain legal matters in connection with the Bonds will be passed upon for TransLink by Farris, Vaughan, Wills & Murphy LLP.

### **PROSPECTUS EXEMPTION**

TransLink has received a discretionary exemption order from the Ontario Securities Commission and from the British Columbia Securities Commission, as principal regulator on its own behalf and on behalf of all other provinces and territories of Canada (other than Ontario), that the distribution of debt securities by TransLink (including the distribution of the Bonds) is exempt from the prospectus requirements of applicable securities legislation of each of the provinces and territories of Canada.

### **RIGHTS OF RESCISSION OR DAMAGES FOR PURCHASERS IN NOVA SCOTIA**

The right of action for rescission or damages described herein is conferred by section 138 of the *Securities Act* (Nova Scotia). Section 138 provides, in relevant part, that in the event that this Information Memorandum, together with any amendments hereto, or any advertising or sales literature (as defined in the *Securities Act* (Nova Scotia)) contains an untrue statement of material fact or omits to state a material fact that is required to be stated or that is necessary in order to make any statements contained herein or therein not misleading in light of the circumstances in which it was made (a “**misrepresentation**”), a purchaser of Bonds is deemed to have relied upon such misrepresentation if it was a misrepresentation at the time of purchase and has, subject to certain limitations and defences, a statutory right of action for damages against the seller of such Bonds or, alternatively, while still the owner of the Bonds, may elect instead to exercise a statutory right of rescission against the seller, in which case the purchaser will have no right of action for damages against the seller, the directors of the seller or the persons who have signed the Information Memorandum, provided that, among other limitations:

- (a) no action will be commenced to enforce the right of action for rescission or damages by a purchaser resident in Nova Scotia later than 120 days after the date payment was made for the Bonds (or after the date on which initial payment was made for the Bonds where payments subsequent to the initial payment are made

pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment);

- (b) no person will be liable if it proves that the purchaser purchased the Bonds with knowledge of the misrepresentation;
- (c) in the case of an action for damages, no person will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Bonds; and
- (d) in no case will the amount recoverable in any action exceed the price at which the Bonds were offered to the purchaser.

The liability of all persons or companies referred to above is joint and several with respect to the same cause of action. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person or company who is jointly and severally liable to make the same payment in the same cause of action unless, in all the circumstances of the case, the court is satisfied that it would not be just and equitable.

The rights under section 138 of the *Securities Act* (Nova Scotia) are in addition to any other right or remedy available at law to the purchaser, as required by section 65 of the *Securities Act* (Nova Scotia). This summary is subject to the express provisions of the *Securities Act* (Nova Scotia) and the regulations and rules made under it, and prospective investors should refer to the complete text of those provisions.

### ***General***

This summary is subject to the express provisions of the *Securities Act* (Nova Scotia) and the regulations and rules made under it and prospective investors should refer to the complete text of those provisions.