

Legal Update July, 2002

Information From Court

STATUS OF ONGOING LEGAL ACTION

(1) Court of Appeal for Ontario conducted the hearing on April 29 & 30, 2002 between Monsanto Canada Inc. (represented by Borden Ladner Gervais LLP), The Association of Canadian Pension Management - ACPM (Blake Cassels & Graydon LLP) and National Trust Company, i.e. The Bank of Nova Scotia - Scotiabank (Osler, Hoskin & Harcourt LLP) and Superintendent of Financial Services Commission of Ontario (FSCO, in-house counsel) and AFTER (R. M. Smallhorn, D.G.Halsall & S.J. Galbraith, named intervenors) (**Koskie Minsky**).

(2) AFTER was well represented in court for the two days of hearings. In fact, the three Honourable Justices (John Laskin, Stephen Goudge & Robert Armstrong) commented upon entering the Court on the first day how surprised they were with the large turnout. Included among our supporters were a number of pensioners & their spouses, former employees of NTC who had taken personal time off to attend both sessions, other individuals representing their constituents from both Ontario & B.C. and with whom AFTER is working. Finally, there were senior executive from Monsanto and representatives from some of the 156 - 200 employee groups who are receiving the same unfair and inequitable treatment from their employers as AFTER continues to receive from Scotiabank. Unfortunately, there was no visible support from NTC / Scotiabank employees over the two days, but a significant portion of our supporters is from that group.

(3) Given that the Divisional Court of Ontario took some six (6) months to reach its unanimous decision, i.e. a 3 - 0 verdict in FSCO / AFTER's favour, it is anticipated that with case loads, summer recesses, etc., it will likely be sometime this fall before the Court of Appeal's decision is rendered. We are unable to speculate on that decision or if an further appeal to the Supreme Court of Canada by either party is appropriate. We can say, however, and this statement has been conveyed to Scotiabank on numerous occasions, that AFTER will not be going away until the matter has been mutually resolved.

(4) For your information, we now have about 4,000 names of our various NTC constituents and we expect that, directly or indirectly, they will all have access to this web site and / or their area Committee Members and supporters such as yourselves to keep them informed.

Your Committee Members