STUDENTS TRUST INTERNATIONAL

PROSPECTUS

CDN$ STUDENTS TRUST INTERNATIONAL PLAN

An Education Savings Plan Sponsored By O'Shaughnessy Education Foundation Limited ("the Foundation")

(A British Virgin Islands Registered International Business Corporation)

The Students Trust International Plan ("STI Plan") is an education savings plan designed to assist parents and other individuals who are resident in countries around the world to save for the university or college education of their children. Children can attend university or college anywhere in the world and qualify for Education Payments from this program. The program is offered in CDN $, however Subscribers can make deposits in their own currency to be converted to CDN$ at the prevailing exchange rate at the time.

As a Subscriber, the parent, grandparent or other interested participant will enter into an agreement ("Agreement") to purchase an interest ("Unit") in the STI Plan. To purchase a Unit the Subscriber deposits an amount (a "Deposit") in accordance with the "Deposit Schedule" with the Trustee of the Plan. From the Deposit the Subscriber agrees to have the Trustee deduct and remit to the Foundation a fee ("Enrolment Fee") of $200 per Unit. The Foundation establishes an account ("Account") for each Subscriber and keeps a record of Deposits and Accumulated Growth for each Account.

In order for a child ("Beneficiary") to obtain the benefits ("Education Payments") that a Unit provides, the Subscriber agrees to keep Deposits in the Account until the Beneficiary qualifies for post-secondary education, usually when the Beneficiary is eighteen years old. Subscriber Deposits are pooled with Deposits of other Subscribers and invested according to the terms set out by the Foundation in the Agreement. Total accumulated growth achieved with the investments ("Accumulated Growth") is allocated to each Account based upon the proportion that the Account represents as part of all amounts held in all Subscriber Accounts..

When a Beneficiary has completed secondary school, generally when they are eighteen years old ("Maturity"), Accumulated Growth in the Account will be pooled with all other Accounts where the Beneficiary is born in the same year ("Commencement Year") and used to make Education Payments to all Beneficiaries from that Commencement Year who qualify for an Education Payment. Principal is returned to the Subscriber when the Beneficiary qualifies for their first Education Payment. A Beneficiary can qualify for up to four Education Payments. An amount equal to 1/4 of the Enrolment Fee paid is added as part of Education Payments so that a Beneficiary receives the equivalent of all Enrolment Fees paid if they receive all Education Payments.

THE AMOUNT THAT THE BENEFICIARY RECEIVES CANNOT BE PREDICTED as it will depend on the Accumulated Growth, the number of Subscribers who kept their Accounts open and the number of Beneficiaries who qualify for Education Payments within each Commencement Year. A Subscriber whose Beneficiary qualifies for all four Education Payments will receive a higher total Education Payment than if they had invested on their own. However, a Subscriber whose Beneficiary does not qualify for any Education Payments will receive no investment return.

<u>The STI Plan has been classified by the Bermuda Monetary Authority ("BMA") as a Bermuda standard fund under the Investment Funds Act 2006. Approvals received from the BMA do not constitute a guarantee by the BMA as to the performance of the Plan or its creditworthiness. Furthermore, in giving such approvals the BMA shall not be liable for the performance or default of the Plan or for the correctness of any opinions or statements expressed.</u>

This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Units may not be circulated or distributed, nor may Units be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (a) to accredited investors and certain other persons pursuant to Section 305 of the Securities and Futures Act, Chapter 289 of Singapore ("SFA"), and in accordance with the conditions specified in Section 305 of the Securities and Futures Act or (b) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

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STUDENTS TRUST INTERNATIONAL PLAN

The Plan is a savings plan established by Trust Indenture to assist parents and others to save for the college and university education of a child. Each participant, referred to as a Subscriber, purchases a unit or a number of units in the Trust that will entitle their child to receive a share of a pool of accumulated growth of investments that is earned by the deposits from all units in the Trust.

The Subscriber receives their deposits made into the Plan, less an Enrolment Fee, when the child is ready to attend a post-secondary school, usually when the child is 18 years old.

The child becomes entitled to receive their share of the pool of accumulated growth when they qualify to attend post-secondary education. An additional share will be provided for each of the second, third and fourth year of post-secondary education. Added to this share of accumulated growth is an amount equal to the Enrolment Fee paid by the Subscriber, paid in four equal instalments over the four years of qualifying post-secondary education. In addition The O'Shaughnessy Education Foundation, the promoter of the Plan, has a mandate to add to the education payments by making annual donations from its revenue collected.

Units in the STI Plan are not transferable, except as described in the section Change of Beneficiary on page 9 or Assignment on page 17.

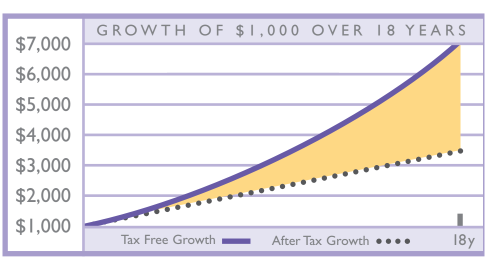
This Prospectus is for the CDN$ Students Trust International Plan. For Plans offered in other currencies, please contact the Foundation or your local agent.

The Plan is structured to ensure that all accumulated growth from investments flows to the Plan tax-free and all education payments flow to Beneficiaries without tax deduction or tax reporting to any jurisdiction. Tax-free accumulation and distribution of funds is extremely important as the graph below illustrates. The graph plots the accumulation of income on an investment of $1 assuming a growth rate of 11% and a tax rate of 40%.

A similar investment that is taxed at 40% would need to generate a rate of return of over 18% to obtain the same net investment return as the tax-free return of 11%. As a result the Plan allows you to obtain superior after-tax returns with a very conservative and guaranteed investment.

The Plan is subject to the laws of Bermuda, a jurisdiction that provides a strong legal framework for the application of Trust laws but also provides a high degree of privacy and asset protection for Subscribers.

The Plan is designed based upon the model of tax assisted Plans offered in Canada and the United States to encourage residents there to save for their child's education. Currently Canadian Registered Education Savings Plans ("RESP") have accumulated over $15 billion in assets for over 1.8 million Canadian children and are the primary savings vehicle for education in Canada. The 529K Plan in the United States, enhanced a few years ago to provide greater flexibility, are now becoming the savings vehicle of choice in the US. These programs are only available to residents of these two countries.



For residents of Canada we encourage a visit the web sites of the larger Canadian RESP Plans, www.cst.org or www.resp-usc.com. For US residents visit www.savingforcollege.com or www.theeducationplan.com.

O'SHAUGHNESSY EDUCATION FOUNDATION LIMITED

The sponsor of the Plan is O'Shaughnessy Education Foundation Limited (the "Foundation"), an International Business Company registered in the British Virgin Islands. The plans sponsored by the Foundation have been distributed to the public around the world since 1989 and currently have over $100 million combined.

The Foundation has offices in Tortola, British Virgin Islands and Toronto, Canada.

The Foundation is responsible for the distribution of the STI Plan in respect of which it receives Enrolment Fees. The Administrator (as described below) delegates the performance of certain administrative functions to the Foundation and the Foundation receives certain Administration Fees from the Plan for such services. These fees are described in more detail in Fees and Charges on page 10.

The driving force behind the Foundation and the Plan is the President of the Foundation, Thomas O'Shaughnessy. Mr. O'Shaughnessy spent 16 years from 1986 to 2002 in the Canadian RESP field, most recently as Executive Vice-President and Chief Financial Officer with the Canadian Scholarship Trust Foundation and President of the RESP Dealers Association of Canada. During his tenure at CST he was responsible for financial, investment and administrative management of the Canadian Scholarship Trust Plan, Canada's largest education savings plan.

Mr. O'Shaughnessy currently holds the designation of Partner, Director and Officer from the Canadian Securities Institute and is a Chartered Accountant registered with the Canadian Institute of Chartered Accountants and BA in Economics from the University of Western Ontario (Canada) He was instrumental in convincing the Canadian Government to introduce the Canada Education Savings Grant in 1998 and has been a leading innovator in the field of education savings plans in Canada and Bermuda.

HSBC INTERNATIONAL TRUSTEE LIMITED

The Trustee for the CDN$ Plan is HSBC International Trustee Limited which is an affiliate of HSBC Financial Group, one of the largest financial institutions in the world and an expert in providing Trustee services to corporate and individual clients around the world. HSBC Group has over 9,500 offices in 76 worldwide.

The Trustee has established CDN$ bank accounts for the Trust in Bermuda with Bank of Bermuda to receive Deposits and return Principal from or to Subscribers send Education Payments to Beneficiaries and transfer amounts to the Investment Dealers and the Foundation as required. The Trustee is also the custodian of investments for the Plan and has established investment dealer accounts with HSBC Private Bank in Bermuda and BMO Nesbitt Burns and Scotia McLeod in Toronto, Canada to execute investment transactions for the Plan.

Copies of the Trust Agreement constituting the Trust and the Annual Report and Audited Financial Statements of the Plan may be inspected at or obtained from the Trustee at the principal office of the Trust in Bermuda during normal business hours in Bermuda. The principal office is located at Compass Point, 9 Bermudiana Road. Hamilton, Bermuda HM11.

HARBOUR FINANCIAL SERVICES LIMITED

Harbour Financial Services Limited has been appointed as Administrator and Registrar and Transfer Agent to the Plan. The Administrator is licensed in Bermuda as a fund administrator under the Investment Funds Act 2006. The Administrator is an affiliate of Wakefield Quin, legal counsel of the Plan in Bermuda. The Administrator is responsible for, among other things: (i) maintaining the register of Unit holders of the Plan and generally performing all actions related to the issuance of Units, (ii) reviewing and accepting subscriptions for the Units and accepting payment therefore, (iii) on a monthly basis, computing and disseminating the value of the Plan and Units, (iv) performing all acts related to redemption of the Units, (v) keeping the accounts of the Plan and such financial books and records as are required by law or otherwise for the proper conduct of the financial affairs of the Plan and preparing or procuring the preparation of annual financial statements of the Plan and providing Unit holders with such statements as well as monthly performance reports regarding the Plan's performance, (vi) performing all other accounting and clerical services necessary in connection with the administration of the Plan and (vii) disbursing payments of legal fees, accounting fees and officers' and directors' salaries (if any) and dividends (if any).

The Administrator has delegated certain functions to the Foundation. These include certain accounting and clerical services as well as responsibility for disbursing other routine operational expenses.

The Plan will indemnify the Administrator, its affiliates and any of their respective officers, agents and employees, from and against any and all liabilities, costs, claims, demands, proceedings, charges, actions, suits or expenses (including, without limitation, attorneys' fees) of whatsoever kind or character that may be incurred or suffered howsoever arising (other than by reason of fraud, wilful neglect or wilful default on the part of such indemnified person) in connection with the performance of its duties and obligations under the Administration Agreement.

The Administration Agreement between the Plan and the Administrator provides, inter alia, that the agreement may be terminated at any time by either party upon not less than 90 days prior written notice. The fees payable to the Administrator are set out in Fees and Charges on page 10.

ENROLMENT

To become a Subscriber, a person submits an application to the Foundation to enter into an Agreement with the Foundation and the Trustee to purchase Units or fractions of Units, and agrees to make Deposits according to the Deposit Schedule per Unit on page 6. For each Agreement the Subscriber nominates one child under the age of 13 as the Beneficiary.

In order for an application to be accepted by the Foundation the following items must be submitted with the signed application form:

- **A copy of a legal birth certificate or registration of the Beneficiary from the jurisdiction where the child was born;**
- **A copy of the Subscriber's personal identification documents (passport, photo ID);**
- **A copy of a wire transfer receipt confirming your deposit to HSBC International Trustee Limited issued by the remitting bank; and**
- **Personal reference letter and business cards of the Subscriber if the deposit amount exceeds $50,000.**

Subscribers must agree to purchase at least the minimum units established for each deposit mode (check with your representative about the current minimums). The amounts of the Deposits and the amount of an Education Payment will vary according to the number of Units subscribed to and paid for.

DEPOSIT SCHEDULE PER UNIT

The Deposit Schedule is designed so that each Deposit amount and frequency will accumulate approximately the same amount of Accumulated Growth per Unit up to Maturity. As a result, the Deposit amount for a Unit increases significantly as the Beneficiary becomes older.

Age of Child	One-time Deposit	Annual Deposit	(# of Deposits)	5 Year Annual Deposit	(# of Deposits)	5 Year Monthly Deposit	(# of Deposits)
Under 1 year	$875	$105	(18)	$200	(5)	$17.50	(60)
One year	$945	$120	(17)	$222	(5)	$19.50	(60)
Two years	$1,022	$140	(16)	$245	(5)	$21.50	(60)
Three years	$1,107	$165	(15)	$270	(5)	$23.65	(60)
Four years	$1,200	$195	(14)	$298	(5)	$26.10	(60)
Five years	$1,305	$230	(13)	$335	(5)	$29.15	(60)
Six years	$1,430	$280	(12)	$385	(5)	$33.70	(60)
Seven years	$1,585	$350	(11)	$440	(5)	$38.50	(60)
Eight years	$1,780	$440	(10)	$550	(5)	$48.15	(60)
Nine years	$2,040	$560	(9)	$670	(5)	$58.65	(60)
Ten years	$2,350	$740	(8)	$840	(5)	$73.50	(60)
Eleven years	$2,775	$1,010	(7)	$1,085	(5)	$94.95	(60)
Twelve years	$3,400	$1,425	(6)	$1,475	(5)	$129.10	(60)

5 Year Monthly Deposit is not available in all jurisdictions. Please check with your local agent.

At any time after enrolment a Subscriber can purchase additional Units using the amount in the Deposit Schedule that corresponds to the current age of your Beneficiary. The maximum age for adding Units is age 12.

A Subscriber may enrol a Beneficiary using a Deposit age that is one year younger than the Beneficiary's current age if they enrol within 90 days after the Beneficiary's birthday. The Subscriber will pay a lower Deposit per Unit, however the Subscriber must acknowledge by initial on the application form that the Maturity of the Plan will be one year later than the date described in Return of Principal and Transfer of Income on page 10.

From the Deposit the Subscriber authorizes the Trustee to deduct and remit $200 per Unit to the Foundation until the full Enrolment Fee is paid. The Enrolment Fee is used to pay for expenses of distribution and administration, registration and legal costs, printing of documents, computer systems development and other operating costs of the Foundation.

A portion of the Enrolment Fee is returned to the Plan each year to be invested for the accumulation of Return of Enrolment Fee Reserve. From this and other Reserves, each Beneficiary will receive an amount equal to the Enrolment Fee paid by the Subscriber, in instalments of ¼ with each of the four Education Payments the Beneficiary is eligible to receive.

For annual and monthly Deposits the Deposit is due on the anniversary date of when the Agreement was set up by the Foundation. A Subscriber whom does not make a Deposit when the Deposit is due may be considered to have given Notice of Withdrawal as outlined in Withdrawal by the Subscriber on page 16. Alternatively, a Subscriber who makes a deposit more than 30 days after the due date will be charged a late penalty at a prescribed rate set by the Foundation.

The Subscriber may change the Deposit frequency at any time and agrees to comply with any resulting change in the Deposits required and Accumulated Growth adjustment as determined by the Foundation.

INVESTMENT OF DEPOSITS AND ACCUMULATED GROWTH

Subscriber Deposits are made to the HSBC International Trustee Limited and, after deducting the Enrolment Fee, accumulate in respective Subscriber Accounts as Principal.

Principal and Accumulated Growth thereon will be maintained in your Account in trust and will be invested according to established investment guidelines agreed to by the Trustee and the Foundation that will include investments in:

- Bonds, Coupons and other instruments of, or guaranteed by, the Governments of the United States and Canada;
- Bonds, Coupons and other instruments of, or guaranteed by, Governments of the States of the United States and Provinces of Canada;
- Government of United States and Canada Treasury Bills;
- Mutual funds, index linked funds or professionally managed investment accounts that invest primarily in the Canadian instruments noted above, or are based upon a stock market index replication and provide hedge protection against foreign currency fluctuations.

In order to ensure that Principal is always guaranteed to be returned to the Subscriber, the Foundation and the Trustee will maintain sufficient investments in liquid Government and Government Guaranteed instruments to satisfy Subscriber Principal requests on withdrawal and Principal returns at Maturity.

The investment strategy of the trust is to maximize the Accumulated Growth within the classes of investment while preserving the full value of the Subscriber Principal. The strategy is not considered highly volatile or risky, nor is it expected to generate extremely high returns. The objective is to allow the Subscriber to realize a return on investment that is much higher than they would have if they had invested in the same relatively safe investment instruments on their own. The Foundation must also ensure that all investments are tax efficient and, except for receipt of residual dividend payments, not subject to Withholding Tax Liability under United States and Canadian Income Tax laws.

Currently the Custodian and Investment Manager that the Foundation engages to purchase and hold investments for the Trust is:

HSBC Private Bank Dominic Powell, CFA dominic.t.powell@bob.hsbc.com

The Custodian and Investment Manager in turn utilizes the following sub-dealers/custodians:

ScotiaMcLeod Robert Bruno, FMA, robert_bruno@scotiamcleod.com

BMO Nesbitt Burns Chris Shatilla, MA, CFP Christopher.Shatilla@nbpcd.com

All investment accounts are established in the name of the Trustee for the benefit of the Subscribers and Beneficiaries of the STI Plan.

Annual investment return results are calculated using income earned on an accrual basis adjusted for amortization of premiums and discounts for Government Bonds, Coupons and other debt instruments; mark to market for equity based investments.

Historical audited investment returns since the inception of the Plans are:

	2003	2004	2005	2006	2007	2008	2009
CDN $ Plan	6.29%	6.19%	8.32%	7.25%	5.14%	4.39%	6.05%

The return is calculated after deducting all administration fees and includes the annual donation from the Foundation. The investment rate of return is only one part of the overall Education Payment amount as shown in Calculation of Education Payments on page 14.

DEATH OF SUBSCRIBER/BENEFICIARY

Deposits due are required under the Agreement, even if the Subscriber dies. If a Deposit is not made in accordance with the Agreement the Foundation may consider the missed Deposit as Notice of Withdrawal as outlined in Withdrawal by the Subscriber on page 16. The Agreement can be continued by another individual or the Subscriber's estate, however it is always wise for the Subscriber to make provisions in their will for payment of any Deposit still due under the Agreement.

If the Beneficiary dies before Maturity the Plan may be transferred by the Subscriber to another Beneficiary as described in Change of Beneficiary below. If there is no other potential Beneficiary the Subscriber is entitled to receive their Principal and any Enrolment Fees paid upon providing appropriate proof of death by Notice to the Foundation.

CHANGE OF BENEFICIARY

The Subscriber may change the Beneficiary if the current Beneficiary dies or if the current Beneficiary will not qualify for Education Payments. Prior to Maturity the new Beneficiary can be any child. After Maturity the child must be a Family Member. Family Member means, in relation to the subscriber:

- **a person who is a brother, sister, child or grandchild or other descendant of the individual, or**
- **a person who has been adopted (either legally or in fact) by the individual or by a descendant of the individual.**

For a change before Maturity, the new Beneficiary must be under the age of 18 at the time of substitution. If the new Beneficiary is younger than the original Beneficiary no changes to the contract are required. The Year of Commencement will be changed to ensure the Accumulated Growth is pooled with other Beneficiaries of the same age.

If the new Beneficiary is older, there will be a requirement to make additional deposits and payments representing Accumulated Growth so that the Units of the Agreement will have approximately the same amount of accumulated growth as all other Units with the same Year of Commencement.. The Year of Commencement will be changed to ensure the Accumulated Growth of the contract is pooled with other children the same age

After Maturity the Beneficiary can be changed until either:

- **August 31st of the Year of Commencement, or**
- **The original Beneficiary turns 21 and has not received an Education Payment.**

In this case the new Beneficiary must be the same age or younger than the original Beneficiary. In the case where the new Beneficiary is younger, the Year of Commencement will be changed to ensure the accumulated growth in the agreement is pooled with other children born in the same year.

RETURN OF PRINCIPAL AND TRANSFER OF INCOME

Each Agreement will have a Maturity date assigned to it based upon the age of the Beneficiary at enrolment. For a Beneficiary that is less than a year old at enrolment the Maturity will be eighteen years and one month from the date of enrolment. For a one year old it is seventeen years and one month and so on. Accumulated Growth earned and allocated to Subscriber Accounts up to Maturity is automatically transferred into an account called the Education Payment Account, where all Accumulated Growth for Beneficiaries of the same age is retained.

After Maturity the Subscriber may chose to have all Principal returned when their Beneficiary qualifies for an Education Payment. Alternatively, they can instruct the Trustee to continue to invest the Principal.

Amounts earned on invested Principal after Maturity ("Bonus Interest") can, upon the Subscriber instruction, be added to an Education Payment for a Beneficiary or donated to the Enhancement Account for the benefit of all Beneficiaries in the Plan.

Amounts transferred to the Education Payment Account that are not required for Education Payments immediately will be invested according to the investment guidelines of the Agreement and Accumulated growth earned will accumulate in the Enhancement Account.

As all Deposit schedules are established to allow each Unit for each Subscriber to earn approximately the same amount of Accumulated Growth, a Beneficiary should always receive more in the four Education Payments they can qualify to receive than the Accumulated Growth the Subscriber Account earned up to Maturity.

There is a limit to the time the Trustee will hold Principal and Bonus Interest on behalf of a Subscriber and Education Payments on behalf of the Beneficiary. This limit is established to ensure that each Account has a provision for ending as is required under the Trust concept. The Trustee will hold Principal and Bonus Interest for the Subscriber up to, but no later than 60 days prior to the 25th year following the year the subscriber signed the contract.

In the event that the Trustee and the Foundation cannot locate the Subscriber and, or the Beneficiary, the Foundation will continue to invest all amounts in the Subscriber Account in accordance with the terms of the contract. For these cases, accumulated growth earned prior to Maturity is credited to the Subscriber Account and after Maturity accumulated growth earned is transferred to the Enhancement Account to be used for the purposes of the Fund.

Principal and Education Payments for the Subscriber and Beneficiary that are not claimed within three years of entitlement, or before the Beneficiary turns 28 years old, shall be considered unclaimed and will be transferred to the Foundation for use that is consistent with the objectives of the Foundation, including donation to the Enhancement Account and the funding of Return of Enrolment Fee, if required.

FEES AND CHARGES

The Subscriber agrees to pay the Enrolment Fee, which is currently $200 per Unit. This fee is used to cover the cost of distribution of the Plan, which can include the registration requirements with jurisdictions where the Plan is distributed, development, and printing of documents including the Prospectus, bank fees and the compensation for international agents who represent the Plan.

As long as you do not give notice of Withdrawal from the Plan or cancel Units, an amount equal to the Enrolment Fee will be returned to each Beneficiary in equal 1/4 installments as part of each Education Payment they receive

The Enrolment Fee is deducted from Deposits by the Trustee and remitted to the Foundation. At this time, this is the only deduction from Deposits that will occur during the lifetime of the Agreement..

The Subscriber may have the Enrolment Fee returned as explained in <ins>Withdrawal by the Subscriber</ins> on page16 <ins>Death of Subscriber/Beneficiary</ins> on page 9 or if they chose to take coverage under the <ins>Guaranteed Return of Fees</ins> ("GRF") Program explained on page 11.

As a result of the greater cost of providing services to Asia Region clients such as translation services, currency conversion, legal and regulatory costs, O'Shaughnessy Education Foundation has agreed with its Asian area managers that a management fee may be collected in addition to the required Deposit.

For contracts entered into after October 1, 2007 the Regional Management Fee is $90.00 per unit.

This Regional Management Fee is not refundable except in the case of withdrawal from the program within 60 days of the contract date.

Accumulated Growth from investments is allocated to Accounts for all Subscribers monthly. There are two deductions prior to allocation:

- The annual Trustee Fee, plus its costs, expenses and out-of-pocket charges and investment counsel fees as agreed to between the Foundation and the Trustee from time to time. The current Trustee fees for the CDN$ Plan are:
- **0.15% of total Plan assets held up to $75 million**
- **0.10% of total Plan assets held for amounts over $75 million**

This fee is payable annually in advance on the anniversary of the Trust, based upon the gross asset value of the trust assets held on the last day of the previous period, subject to a minimum fee of $7,000 US per Trust.

- An annual Administration Fee of 1% of all amounts held in Subscriber Accounts, deducted at a rate of 1/12 of 1% of the month end balance. This Administration Fee is paid to the Foundation and is allocated to cover the cost of ongoing administration of the Plans including maintenance of computer records, processing of education payments production and delivery of annual statements and reports. The fees payable to the Administrator are payable from the Administration Fees paid to the Foundation.

For its services Harbour Financial Services Limited receives an amount of $500 per month, paid from the Administration Fee deducted from subscriber accounts.

Since inception the Foundation donations to the Plan have been:

	2004	2005	2006	2007	2008	2009
CDN $ Plan	$50,000	$85,000	$122,500	$30,000	$225,000	$300,000

These donations are allocated to Beneficiary pool Accumulated Growth, Return of Enrolment Fee Reserve and Enhancement Account in accordance with the objects of the Foundation.

For its services as primary investment manager, HSBC Private Bank receives a management fee based upon total assets invested in its accounts, currently 0.55% of invested assets. The dollar amount of this fee is disclosed in the audited financial statements of the Plan and is deducted from income of the Plans before calculation of the yield on investments and net yield on investments after expenses and donation.

Other investment dealers do not charge a management fee. They are compensated for each transaction that the Plan enters into with them. The majority of transactions with these dealers are for government bonds and coupons that are traded over the counter and so the fee is built into the transaction cost and not separated for disclosure purposes.

GUARANTEED RETURN OF FEES ("GRF") PROGRAM

Subscribers are always entitled to a return of their Principal and Beneficiaries will always receive ¼ of the Enrolment Fee with each of four Education Payments.

For Subscribers whose Beneficiaries do not qualify for Education Payments and wish to receive all their Deposits returned including Enrolment Fee, the Foundation offers the Guaranteed Return of Fees ("GRF") Program.

Subscribers may enrol in this optional program at the time they submit their Students Trust International Plan application or within 60 days thereof. The Subscriber agrees to make the required GRF Payment from the table below.

The Subscriber purchases coverage for all units of the Canadian $ Students Trust International Plan they have subscribed for and submits a GRF Payment that corresponds with the Deposit age of the Beneficiary for whom Units were purchased.

Age of Child	One-time Deposit	Annual Deposit (# of Deposits)	5 Year Annual Deposit (# of Deposits)	5 Year Monthly Deposit (# of Deposits)
Under 1 year	$150	$ 17 (18)	$ 39 (5)	$3.50 (60)
One year	$150	$ 19 (17)	$ 39 (5)	$3.50 (60)
Two years	$150	$ 22 (16)	$ 39 (5)	$3.50 (60)
Three years	$200	$ 26 (15)	$ 51 (5)	$4.50 (60)
Four years	$200	$ 31 (14)	$ 51 (5)	$4.50 (60)
Five years	$200	$ 36 (13)	$ 51 (5)	$4.50 (60)
Six years	$300	$ 43 (12)	$ 75 (5)	$6.75 (60)
Seven years	$300	$ 53 (11)	$ 75 (5)	$6.75 (60)
Eight years	$300	$ 66 (10)	$ 75 (5)	$6.75 (60)
Nine years	$550	$ 85 (9)	$170 (5)	$15.25 (60)
Ten years	$550	$110 (8)	$170 (5)	$15.25 (60)
Eleven years	$550	$145 (7)	$170 (5)	$15.25 (60)
Twelve years	$550	$195 (6)	$170 (5)	$15.25 (60)

5 Year Monthly Deposit is not available in all jurisdictions. Please check with your local agent.

As a GRF Program Holder, the Subscriber is entitled to receive their Return of Principal, Enrolment Fee and GRF Payment when the following conditions are met:

- **The Date of Maturity of the Students Trust International Plan has been reached;**
- **Corresponding Units in the Students Trust International Plan are still active;**
- **The Program Holder has not previously received their Return of Principal;**
- **The Beneficiary has not received any Education Payments from the Plan; and**
- **The Subscriber of the Students Trust International Plan has written to the Foundation waiving rights to any Education Payments that the Beneficiary may be entitled to in the future.**

Alternately, the GRF Program Holder shall receive their Principal and their GRF Payment when the Foundation receives formal notification that the Beneficiary for that Plan has qualified for Education Payments.

The Program Holder may only withdraw from this Program in conjunction with Notice of Withdrawal from the Students Trust International Plan. On Withdrawal from the Plan prior to Maturity, the Program Holder is entitled to a prorated portion of the GRF Payment as calculated by the Foundation in addition to the return of Principal as outlined in Withdrawal by the Subscriber on page 16.

HOW A BENEFICIARY QUALIFIES FOR EDUCATION PAYMENTS

The purpose of the Plan is to have funds available for when the Beneficiary attends post-secondary education at a college or university anywhere in the world. In order for your Beneficiary to qualify for Education Payments the school they attend must be an Eligible Institution. The Subscriber or Beneficiary should contact the Foundation to ensure that a school is an Eligible Institution.

In addition, the course of study the Beneficiary takes must be a Qualifying Education Program. A program qualifies if it is at least (13) consecutive weeks in duration and provides that each student in the program spend not less than 10 hours per week on courses or work in the program.

Normally Beneficiaries complete their secondary education by the time they are 18 or 19 and then proceed to some kind of post-secondary education after that. As a result the Foundation assigns a Year of Commencement, as the first year the Beneficiary is expected to attend post-secondary education.

Each Beneficiary is entitled to receive four Education Payments, normally paid during the four-year period starting in the Year of Commencement.

However, not all Beneficiaries will follow the normal path of attending four years of post-secondary studies immediately after high school. In this case Beneficiaries can move their Year of Commencement ahead if they attend at an earlier age or move it back if they wait until they are older to attend.

CHANGE OF YEAR OF COMMENCEMENT (ADVANCEMENT AND POSTPONEMENT)

When a Beneficiary starts their post-secondary education prior to the Year of Commencement the Subscriber can advance the Year of Commencement to the year the Beneficiary starts their studies. If this Year of Commencement is before Maturity, the Subscriber may:

- have an amount deducted from their Principal and transferred to Accumulated Growth. The amount to deduct is calculated by the Foundation to ensure the Accumulated Growth transferred from their Account is equivalent to that of other Beneficiaries in the new Year of Commencement; or
- agree to maintain their Principal in their Account to the original Maturity and donate any Accumulated Growth accumulated during that time to the Enhancement Account. In this case no deduction from Principal is made.

A Beneficiary may also postpone the start of post-secondary education. The Subscriber can delay the Year of Commencement by one year and continue to do so until the Beneficiary turns 22 years old.

The Foundation must be notified by August 31st of the initial Year of Commencement of the Subscriber's intention to postpone. A Beneficiary may collect Education Payments automatically up to age 26 and upon application to the STI Committee until age 28. The role of the STI Committee is explained on page 16.

The Subscriber also has the option of postponing the Maturity for one-year periods until the Beneficiary turns 21 by giving Notice to the Foundation prior to the current date of Maturity. When the date of Maturity is postponed the Year of Commencement is also changed by one year to correspond with the new Maturity.

CALCULATION OF EDUCATION PAYMENTS

The Education Payment Account is from where all basic Education Payments are disbursed. The Education Payment Account is segregated by Year of Commencement. Transfers of Accumulated Growth from a Subscriber Account on Maturity or Withdrawal are pooled based upon the Year of Commencement of the Beneficiary of that Plan. If a Beneficiary's Year of Commencement is changed, the Accumulated Growth that was transferred to the Education Payment Account for that Beneficiary is transferred from the original Year of Commencement to the new Year of Commencement prior to any calculation of Education Payments.

Calculation of the first Education Payment for a Year of Commencement can only occur when all Plans have reached Maturity and all Accumulated Growth with respect to that Year of Commencement has been transferred to the Education Payment Account. The Education Payment calculation is performed by the Foundation and approved by the Trustee.

The calculation of the first Education Payment for each Beneficiary is:

- **Take the total Accumulated Growth in the Education Payment Account for the Year of Commencement and divide by 4;**
- **Divide by the total units held by Beneficiaries who qualify for an Education Payment;**
- **Multiply this amount by the total units the Subscriber purchased for that Beneficiary.**

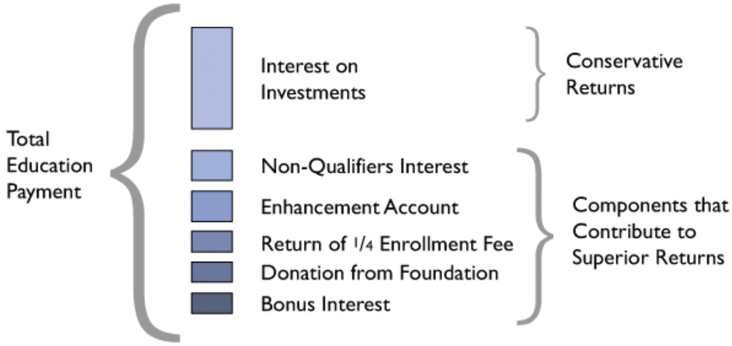
For the second, third and fourth Education Payments divide the total Accumulated Growth remaining by 3, 2 and 1 respectively and follow the same calculation methodology. Should a Beneficiary not qualify for Education Payments the Accumulated Growth in the Education Payment Account for that Beneficiary will be shared by all qualifying Beneficiaries in the same Year of Commencement.

This amount shared by Beneficiaries is called the non-qualifiers accumulated growth and is one of the factors that provide overall returns higher than the basic return on investments.

Each Education Payment may be increased from four other sources:

- **A payment from the Enhancement Account with any excess funds the Enhancement Account holds ;**
- **An amount equal to ¼ of Enrolment Fees paid for each unit an Education Payment is made;**
- **A donation from the Foundation should there be surplus funds from administration fees to be allocated equally to all Beneficiaries; and**
- **Bonus Interest allocated to the Account after Maturity, when the Subscriber decides to have the Trustee invest their principal after Maturity.**

The illustration below shows how the Education Payment provides more than just the accumulated growth earned on investments.



Although total Education Payments have historically generated returns over 10% over the life of an agreement, past performance is no guarantee of future results. Education Payments will be determined by future investment income, attrition rates, donations from the Foundation and other factors.

ENHANCEMENT ACCOUNT

The Enhancement Account has the sole purpose of accumulating funds from various sources to increase or enhance the amount Beneficiary receives over and above the basic Education Payment they qualify for. The sources of funds for the Enhancement Account are:

- Accumulated growth on funds invested from the Education Payment Account that are not required immediately for Education Payments;
- Accumulated growth of Subscribers Principal after Maturity when they elect to donate such growth to the Enhancement Account;
- Accumulated growth after Maturity in the Account of Subscribers who cannot be located by the Foundation at their last known address;
- Donations, Grants or Bequests received from Subscribers or other parties;
- Amounts remaining in the Education Payment Account for a Year of Commencement after all Education Payments have been made for Beneficiaries in that Year of Commencement;
- Donations from the Foundation, to the extent that such Donations are not made directly to the Beneficiaries to enhance the Education Payment.

The Foundation will have the discretion to determine how funds in the Enhancement Account will be allocated between Years of Commencement.

STI COMMITTEE

As an added protection for Subscribers and Beneficiaries, there is an independent Committee that reviews and can ultimately make decisions on disputes Subscribers may have with the Foundation. The Committee is empowered to make decisions on any issue with respect to Education Payments, Eligible Institutions, Qualifying Education Programs or changes to the Year of Commencement. The Committee has an established set of guidelines which can be obtained from the Foundation or the Bermuda Manager.

This independent advisory body is appointed according to the provisions of the Trust Indenture, three-fifths of whose members are required to be active in or retired from educational, financial or business institutions or agencies as a director, officer, official, professor or teacher. The Trustee appoints the chairperson of the Committee.

The members of the STI Committee are:

Jonathan Dunlop, Senior Trust Officer, Bermuda Trust Company Limited Limited (HSBC) - Chairperson

Susan Nenadich, Director of Client Services, O'Shaughnessy Education Foundation Limited

Stephen Ruben, Lawyer, New York, NY USA

Oliver Bohun, Business Owner, Melbourne, Australia

Shigeru Ibi, Insurance Company Executive, Japan

WITHDRAWAL BY THE SUBSCRIBER

The Subscriber can withdraw from the Agreement at any time by giving written notice to the Foundation. There are three main reasons for Withdrawal:

- **The Subscriber has an emergency requirement for the assets in the Plan and cannot secure a loan against the assets in the Plan;**
- **The Subscriber is unhappy with the terms of the Agreement; or**
- **The Subscriber has determined that the Beneficiary will not attend post-secondary education and does not want to name a new, or does not have a replacement Beneficiary for the Agreement.**

If the notice of Withdrawal is received within 60 days of the time the Agreement was entered into, the Subscriber is entitled to a complete refund of all Deposits. At any other time the Subscriber will have their Principal returned in accordance with the terms of the Agreement. All Accumulated growth in the Subscriber Account is transferred to the Education Payment Account to be shared by all Beneficiaries in the same Year of Commencement who qualify for Education Payments.

As a result, a Subscriber must consider the options available carefully before Withdrawal, as, in many cases, the amount of Accumulated growth that is allocated to other Beneficiaries and lost to the Subscriber and their Beneficiary can be great. A Subscriber may re-enter the Plan within 2 years of Withdrawal but no later than Maturity, as long as Principal and Accumulated growth is contributed as required under their original agreement.

If the Subscriber has chosen to become a Program Holder in the Guaranteed Return of Fees ("GRF") Program outlined on page 11 of this document, Withdrawal by the Subscriber automatically cancels the GRF Program with respect to the related STI Plan and the Program Holder will receive a return of a prorated portion of their GRF Payment as calculated by the Foundation.

ANNUAL REPORT AND STATEMENT

Each Subscriber will receive annually an individual statement of account and an Annual Report which includes audited financial statements of the Plan. The statement will report on individual balances as of September 30 of a particular year, the fiscal year end of the Trust. The Annual Report, Annual Statement and Audited Financial Statements are sent by electronic mail to the subscriber of record, usually in late January or early February after completion of the annual audit. The Annual Report and audited Trust financial statements are available for download from the Plan website at www.stiplan.com.

AMENDMENT TO THIS AGREEMENT

It is agreed that the Foundation and the Trustee may, without reference to the Subscriber or the Beneficiary, change or amend the provisions of this Agreement, if such change or amendment in the opinion of the Foundation and the Trustee:

(a) Is for the purpose of complying with any statute of the Bermuda or any order, rule or regulation made pursuant to such statute; or

(b) Does not materially adversely affect the Subscriber or the Beneficiary.

All other amendments shall require the consent of the Foundation, the Trustee and, at a meeting called for the purpose of approving such amendments, the Subscribers. The Foundation or the Trustee shall give no less than 21 days notice of such meeting to Subscribers. Each Unit shall entitle the Subscriber to one vote. Resolutions may be passed by a 2/3 vote of Subscribers represented at a meeting in person or by proxy.

ASSIGNMENT

This Agreement may be assigned by the Foundation to any other corporation, subject to the approval of the STI Committee and the Trustee, and may be assigned by the Trustee to a corporation authorized to carry on the business of a trust company in the Bermuda or other similar jurisdiction.

This Agreement may not be assigned by a Subscriber except:

- **upon the death of the Subscriber, to any other person who makes Deposits under this Agreement in respect of the Beneficiary or;**
- **to the spouse of the Subscriber as a result of the distribution of property due to marriage breakdown.**

The subscriber may assign certain rights under the Agreement, specifically the right to the return of Principal and Notice of Withdrawal when a new Beneficiary is named under the Agreement and that Beneficiary is not a Family Member.

COMPLIANCE DISCLAIMER

1. Money Laundering

Participation in the Plan sometimes requires a large Deposit from the Subscriber. The Subscriber undertakes, when they sign the Application, that the funds used for Deposit have not been derived from activities specified in the Money Laundering Statement that follows:

Activities can consist of drug-trafficking offenses and financial misconduct or other specified activities. Drug-trafficking offenses include the manufacture, importation, sale, or distribution of controlled substances; the commission of acts constituting a continuing criminal enterprise; and transportation of drug paraphernalia. Financial misconduct includes the concealment of assets from a receiver, custodian, trustee, marshal, or other officer of the court, from creditors in a bankruptcy proceeding; the making of a fraudulent conveyance in contemplation of a bankruptcy proceeding or with the intent to defeat any bankruptcy law; the giving of false oaths or claims in relation to a bankruptcy proceeding; bribery; the giving of commissions or gifts for the procurement of loans; theft, embezzlement, or misapplication of bank funds or funds of other lending, credit, or insurance institutions; the making of fraudulent bank or credit institution entries or loan or credit applications; and mail, wire, or bank fraud or bank or postal robbery or theft. Other specified activities include counterfeiting, espionage, kidnapping or hostage-taking, copyright infringement, entry of goods by means of false statements, smuggling, removing goods from the custody of Customs officials, illegally exporting arms.

2. United States of America

This memorandum does not constitute an offer to sell Units in the Plan to anyone resident in the United States of America or by anyone in the United States of America or any other jurisdiction prohibited by law.

3. Legal and Taxation Due Diligence

All potential Subscribers should consult the appropriate professional advisors on issues of taxation implications, investment suitability and whether any governmental or other consents are required before purchasing Units in the Plan.

4. Bermuda Monetary Authority Disclaimer

Approvals received from the Bermuda Monetary Authority do not constitute a guarantee by the Authority as to the performance of the Plan or its creditworthiness. Furthermore, in giving such approvals the BMA shall not be liable for the performance or default of the Plan or for the correctness of any opinions or statements expressed.

LIST OF DIRECTORS AND OFFICERS OF THE FOUNDATION

DIRECTORS AND OFFICERS

Thomas O'Shaughnessy, CA
c/o O'Shaughnessy Education Foundation Limited
Nemours Chambers - Qwomar Complex
4th Floor, P.O. Box 3170
Road Town, Tortola
British Virgin Islands VG1110

Director of Client Services and Director
Susan Nenadich
c/o O'Shaughnessy Education Foundation Limited
Nemours Chambers - Qwomar Complex
4th Floor, P.O. Box 3170
Road Town, Tortola
British Virgin Islands VG1110

Director
Charles Bongers
58 Braeside Road,
Toronto
Ontario, Canada

At this time the Directors of the Foundation receive no remuneration for their services as Directors. Mr. O'Shaughnessy and Ms. Nenadich receive remuneration as executive officers and employees of the Foundation.

OFFICES

Bermuda
c/o Wakefield Quin
Victoria Place,
Hamilton HM 10
Bermuda

British Virgin Islands
c/o Ogier Fiduciary Services (BVI) Limited
Nemours Chambers - Qwomar Complex
4th Floor, P.O. Box 3170
Road Town, Tortola
British Virgin Islands VG1110

Toronto
The Exchange Tower, PO Box 427
130 King St. W. Suite 1800
Toronto, Ontario
Canada M5X 1E3

AUDITORS
Deloitte
James Frett Building
Wickams Cay I
Road Town
Tortola VG1110
British Virgin islands

ADMINISTRATOR
Harbour Financial Services Limited
Victoria Place
31 Victoria Street
Hamilton HM 10
Bermuda

TRUSTEE/CUSTODIAN
HSBC International Trustee Limited
Compass Point
9 Bermudiana Road
Hamilton HM 11
Bermuda

INVESTMENT MANAGER / CUSTODIAN
HSBC Private Bank Investment Group
Compass Point
9 Bermudiana Road
Hamilton HM11
Bermuda

LEGAL COUNSEL – BERMUDA
Wakefield Quin
Victoria Place
31 Victoria Street
Hamilton HM 10
Bermuda

DEPOSITORY BANK
HSBC Bank of Bermuda Limited
6 Front Street
Hamilton HM11
Bermuda