

CRA Rollover Form
Partnership
Class A Shares + Cash Option



ELECTION ON DISPOSITION OF PROPERTY BY A PARTNERSHIP TO A TAXABLE CANADIAN CORPORATION

- For use by a taxable Canadian corporation and all the members of a partnership, to jointly elect under subsection 85(2) where the partnership has disposed of property to the corporation and has received as consideration shares of any class of capital stock of the corporation.
- File one completed copy of the election and related schedules (if any) as follows:
 - by a partner designated for the purpose by the partnership;
 - on or before the earlier date on which any party to the election has to file an income tax return for the taxation year in which the transaction occurred (due date);
 - at the tax centre serving the area where the partnership is located; and
 - separately from any tax returns. You may put it in the same envelope with a return, but do not insert it in or attach it to the return.
- Sections and subsections referred to on this form are from the *Income Tax Act*.

Do not use this area

Name of partnership (transferor) (print)						Partnership identification number													
Address										Postal code									
Taxation year of partnership		Year		Month		Day		to		Year		Month		Day		Tax services office			
from																Sudbury			

Name of corporation (transferee) (print)										Business Number									
S Split Corp.										8 2 5 8 9 3 5 6 3									
Address										Postal code									
121 King Street West, Standard Life Centre, Suite 2600, Toronto, ON										M5H 3T9									
Taxation year of corporation		Year		Month		Day		to		Year		Month		Day		Tax services office			
from		2 0 0 7								2 0 0 7		1 2		3 1		Sudbury			
Name of person to contact for more information										Area code		Telephone number							

Penalty for late-filed and amended elections

An election that is filed after its due date is subject to a late-filing penalty. Form T2058 can be filed within 3 years after its due date if an estimate of the penalty is paid at the time of filing. Form T2058 can be amended or filed after the 3-year period, but in these situations, attach both an estimate of the penalty and a written submission for consideration by the Minister, explaining the reason why the election is amended or late.

Calculation of late-filing penalty:

Fair market value of property transferred	_____	
Less: agreed amount	_____	
Difference	_____	A
Amount A x 1/4 x 1% x N* (N*=) ... =	_____	B
\$100 x N*	_____	C

Do not use this area

*N represents the sum of each month or each part of a month in the period from the due date to the actual filing date. Amount C cannot exceed \$8,000.

Late-filing penalty is the lesser of B and C above

Make cheque or money order payable to the Receiver General. Specify "T2058" on the remittance and, to ensure proper credit, indicate the name and social insurance number of the taxpayer, or Business Number if a corporation.

Amount enclosed _____

Unpaid amounts, including late-filing penalties, are subject to daily compound interest at a prescribed rate.

Information required

On the opposite page, list, describe, and state the fair market value of properties transferred. The description and fair market value of the consideration received has to be shown opposite the related property transferred. Where the transferred property is a partnership interest, attach a schedule of the calculation of the adjusted cost base. If space on the form is insufficient, attach schedules giving similar details. You have to designate the order of disposition of each depreciable property. With this election, you do not have to file the following materials: schedules supporting this designation; documentation relating to the responses to the questions below; and a brief summary of the method of evaluating the fair market value of each property transferred. However, you have to keep them as Canada Revenue Agency may ask to see them at a later date.

1. Is there a written agreement relating to this transfer? yes no
2. Does a price adjustment clause apply to any of the properties? (See Interpretation Bulletin IT-169 for details.) yes no
3. Do any persons other than the members of the partnership own or control, directly or indirectly, any shares of any class of the transferee? yes no
4. Does a non-arm's length rollover exists between the partnership(s), and the transferee corporation. yes no
 - a) have all or substantially all (90% or more) of the properties of any partner been transferred to the corporation? yes no
5. Are any partners non-residents of Canada? yes no
6. Are any of the properties transferred capital properties? yes no

If "yes,"

 - a) have they been owned continuously since Valuation Day (V-Day)? yes no
 - b) have they been acquired after V-Day in a transaction considered not to be at arm's length? yes no
 - c) since V-Day, has the partnership or any person from whom shares were acquired in a non-arm's length transaction received any subsection 83(1) dividends for transferred shares? (If "yes", provide details of amounts and dates received, and attach a schedule.) yes no
7. Is the agreed amount of any of the transferred properties based on an estimate of fair market value on V-Day? yes no
 - a) If "yes," does a formal documented V-Day value report exist? yes no
8. Has an election under subsection 26(7) of the *Income Tax Application Rules* (Form T2076) been filed by or on behalf of the transferor? yes no

Where shares of the capital stock of a private corporation are included in the property disposed of, provide the following:

Name of corporation	Business Number	Paid-up capital of shares transferred

Description of shares received

Number of shares transferor received	Class of shares	Redemption value per share	Paid-up capital	Voting or non-voting	Are shares retractable?*
	Class A Shares of S Split Corp.	see attached Note	not yet determined	non-voting	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no
					<input type="checkbox"/> yes <input type="checkbox"/> no
					<input type="checkbox"/> yes <input type="checkbox"/> no
					<input type="checkbox"/> yes <input type="checkbox"/> no
					<input type="checkbox"/> yes <input type="checkbox"/> no

*Retractable means redeemable at the option of the holder.

Informative notes

- The rules for section 85 elections are complex. Essential information is contained in Information Circular 76-19 and Interpretation Bulletins IT-169, IT-291, and IT-378.
- Complete all the information areas and answer all questions. If this form is incomplete, the Canada Revenue Agency may consider the election invalid, and subsequent submissions may be subject to a late-filing penalty.
- If the agreed amount exceeds the adjusted cost base of the property in the election, you must report the difference as a capital gain, as income or a combination of both, whichever applies.

Particulars of property disposed of and consideration received

Date of sale or transfer of all properties listed below:		Year 2007	Month 05	Day	Note: For properties sold or transferred on different dates, use separate Form T2058.			
Description	Property disposed of		Agreed amount B	Amount to be reported B-A (if greater than 0 see note 4)	Consideration received			
	Fair market value	Elected amount limits* A			Non-share Description	Share Number and class	Fair market value	
Capital property excluding depreciable property	(Brief legal) common shares of The Bank of Nova Scotia		(see note 1)				Class A Shares	
Depreciable property	(Description and prescribed class)		(see note 2)					
Eligible capital property	(Kind)		(see note 3)					
Inventory excluding real property	(Kind)		(cost amount)					
Resource property	(Brief legal)		nil					
Security or debt obligation property	(Description)		(cost amount)					

- Adjusted cost base (subject to adjustment per section 53.)
 - The lesser of undepreciated capital cost of all property of the class and the cost of the property.
 - The lesser of 4/3 x cumulative eligible capital and the cost of the property. (New rules will apply on subsequent dispositions of eligible capital property occurring after December 20, 2002).
 - Report this amount either as a capital gain or as income, whichever applies. Also, in the case of depreciable property and eligible capital property, you may have to report a portion of the amount as a capital gain and another portion of as income.
- * See Interpretation Bulletin IT-291 for an explanation of the limits.

Election and certification

The corporation and all members of the partnership hereby jointly elect under subsection 85(2) in respect of the property specified, and certify that the information given in this election, and in any documents attached, is true, correct and complete to the best of their knowledge.

	Date	Signature of authorized officer of corporation	Position or office
1	Social insurance number or Business Number	Name of partner, authorized person or authorized officer	Partner's tax services office
	Signature of partner, authorized person or authorized officer	Position of office of authorized person or authorized officer	Date
2	Social insurance number or Business Number	Name of partner (print)	Partner's tax services office
	Signature of partner or authorized officer		Date
3	Social insurance number or Business Number	Name of partner (print)	Partner's tax services office
	Signature of partner or authorized officer		Date

The election form must be signed by all partners, or by a person authorized in writing by all partners to sign for them, and by an authorized officer of the transferee. A person who is authorized to sign for all the partners should complete area 1 above, and attach a copy of the authorizing agreement. If space is insufficient, attach "Election and Certification" giving similar details. Attach a list containing the name, Social insurance number, or Business Number of each partner. If a member of the partnership is in itself a partnership, attach a list showing the name, Social insurance number, or Business Number of each member of that partnership. Also, indicate the fiscal period of the partnership.

NOTE

The redemption value per Class A Share of S Split Corp. (referred to in this note as the “Company”) is as follows, as excerpted from the preliminary prospectus of the Company dated March 30, 2007:

Redemptions

All Class A Shares outstanding on the Termination Date will be redeemed by the Company on that date. The redemption price payable by the Company for each Class A Share outstanding on that date will be equal to the greater of (i) the NAV per Unit on that date minus the sum of \$10.00 plus any accrued and unpaid dividends on a Preferred Share and (ii) nil. “NAV per Unit” for this purpose means the NAV of the Company divided by one half of the aggregate number of Class A Shares and Preferred Shares then outstanding. See “Risk Factors”.

Notice of redemption will be given to CDS Participants holding Class A Shares on behalf of the beneficial owners thereof at least 30 days prior to the Termination Date.

Retraction Privileges

Class A Shares may be surrendered at any time for retraction to Computershare Investor Services Inc. (“Computershare”), the Company’s registrar and transfer agent, but will be retracted only on a monthly Valuation Date (as defined below). Class A Shares surrendered for retraction by a holder of Class A Shares at least 10 business days prior to the last day of a month (a “Valuation Date”) will be retracted on such Valuation Date and the shareholder will be paid on or before the fifteenth business day of the following month (the “Retraction Payment Date”). Such retractions are subject to a Retraction Fee as described under “Retraction Fee” below.

Except as noted below, holders of Class A Shares whose shares are surrendered for retraction will be entitled to receive a retraction price per Class A Share (the “Class A Share Retraction Price”) equal to 95% of the difference between (i) the NAV per Unit determined as of the relevant Valuation Date, and (ii) the cost to the Company of the purchase of a Preferred Share in the market for cancellation. The cost of the purchase of a Preferred Share will include the purchase price of the Preferred Share, commission and such other costs, if any, related to the liquidation of any portion of the Company’s portfolio required to fund such purchase. If the NAV per Unit is less than \$10.00, the Class A Share Retraction Price will be nil. Any declared and unpaid distributions payable on or before a Valuation Date in respect of the Class A Shares tendered for retraction on such Valuation Date will also be paid on the Retraction Payment Date.

Holders of Class A Shares also have an annual retraction right under which they may concurrently retract an equal number of Class A Shares and Preferred Shares on the June Valuation Date of each year (the “Annual Valuation Date”). The price paid by the Company for such a concurrent retraction will be equal to the NAV per Unit on that date, less any costs associated with the retraction, including commissions and other such costs, if any, related to the liquidation of any portion of the Company’s portfolio required to fund such retraction. Such retractions are subject to a Retraction Fee as described under “Retraction Fee” below.

As disclosed below under “Resale of Class A Shares Tendered for Retraction”, where the holder of Class A Shares tendered for retraction has not withheld the holder’s consent thereto in

the manner provided in the retraction notice delivered to CDS through a participant in the CDS book-based system (a “CDS Participant”), the Company may but is not obligated to require the Recirculation Agent (as defined below) to use commercially reasonable efforts to find purchasers for any Class A Shares tendered for retraction prior to the relevant Retraction Payment Date pursuant to the Recirculation Agreement (as defined below). In such event, the amount to be paid to the holder of Class A Shares on the Retraction Payment Date will be an amount equal to the proceeds of the sale of the Class A Shares less any applicable commission. Such amount will not be less than the Class A Share Retraction Price described above. Holders of Class A Shares are free to withhold their consent to such treatment and to require the Company to retract their Class A Shares in accordance with their terms.

The retraction right must be exercised by causing written notice to be given within the notice periods prescribed herein and in the manner described under “Book-Entry Only System” below. Such surrender will be irrevocable upon the delivery of notice to CDS through a CDS Participant, except with respect to those Class A Shares that are not paid for by the Company on the relevant Retraction Payment Date.

If any Class A Shares are tendered for retraction and are not resold in the manner described below under “Resale of Class A Shares Tendered for Retraction”, the Company has directed the Recirculation Agent to purchase for cancellation on behalf of the Company that number of Preferred Shares that equals the number of Class A Shares so retracted. Any Preferred Shares so purchased for cancellation will be purchased in the market.

Resale of Class A Shares Tendered for Retraction

The Company will enter into an agreement (the “Recirculation Agreement”) with RBC Dominion Securities Inc. (the “Recirculation Agent”) to be dated as of the Closing Date whereby the Recirculation Agent will use commercially reasonable efforts to find purchasers for any Class A Shares tendered for retraction prior to the relevant Valuation Date, provided that the holder of Class A Shares so tendered has not withheld consent thereto. The Company may, but is not obligated to, require the Recirculation Agent to seek such purchasers and, in such event, the amount to be paid to the holder of Class A Shares on the applicable Retraction Payment Date will be an amount equal to the proceeds of the sale of the Class A Shares less any applicable commission, provided that such amount will not be less than the retraction price that would otherwise be payable to a holder.

Subject to the Company’s right to require the Recirculation Agent to use commercially reasonable efforts to find purchasers for any Class A Shares tendered for retraction prior to the relevant Valuation Date, any and all Class A Shares that have been surrendered to the Company for retraction are deemed to be outstanding until (but not after) the close of business on the relevant Valuation Date, unless not retracted thereon, in which event such Class A Shares will remain outstanding.