

FORM J

Specific Bond

[Clause 20(a)]

[FACE OF BOND]

* COMMUNITY BOND CORPORATION

COMMUNITY BOND

DUE *, 199*

EXTENDABLE TO *, 200*

ISSUED UNDER THE AUTHORITY OF
THE COMMUNITY BONDS ACT (THE "ACT")

(All references in this Bond to "Act" include references to the regulations under the Act)

THIS BOND IS UNCONDITIONALLY GUARANTEED BY THE GOVERNMENT OF SASKATCHEWAN AS TO THE PRINCIPAL AMOUNT OF THE BOND AND NOT AS TO ANY INTEREST OR OTHER AMOUNTS OWING ON THE BOND. THE GUARANTEE OF THE GOVERNMENT OF SASKATCHEWAN MAY BE REALIZED BY THE BONDHOLDER ONLY ON OR AFTER MATURITY DATE OF THE BOND UNLESS OTHERWISE AUTHORIZED BY THE ACT OR REGULATIONS UNDER THAT ACT.

No.

* COMMUNITY BOND CORPORATION (herein referred to as the "Corporation") for value received promises to pay:

- (a) to _____ (herein referred to as "the registered holder") at the holder's option, on the * day of *, 199* (herein referred to as the "early term maturity date") as described in Condition 5 on the reverse of this Bond;
- (b) if the term of the Bond is extended, to the registered holder on the * day of *, 200* (herein referred to as the "full term maturity date") as described in Condition 5 on the reverse of this Bond;
- (c) to the personal representative of a deceased registered holder in the circumstances described in Condition 6 on the reverse of this Bond;

the principal sum of

_____ * DOLLARS

in lawful money of Canada (subject to the following paragraph, herein referred to as the “Principal Amount”) on presentation and surrender of this Bond to the Registrar and to pay a return on this Bond, if any, in the amount and manner as determined in accordance with the Act and with Condition 7 on the reverse of this Bond.

The Principal Amount payable under this Bond may be less than the principal sum stated on this Bond if there has been a repayment of part of the principal sum. The outstanding Principal Amount may be determined by contacting the Registrar.

This Bond cannot be transferred by the original owner for at least two years from the date of issue of the Bond unless otherwise permitted pursuant to the Act. See Condition 3 on the reverse of this Bond.

This Bond is issued pursuant to the Act and the articles of the Corporation. This Bond is subject to and has the benefit of the Act, the articles and the Conditions endorsed on this Bond.

Exchange Right

This Bond is exchangeable at the option of the holder for common shares of * Corporation (the “Eligible Business”). The exchange may take place effective on the early term maturity date or the full term maturity date of the Bond or, on election by the holders of a majority in dollar amount of the Bonds and on approval of the review committee under the Act, at any time after two years from the date of issuance of the Bonds. Bonds exchanged at any time after the date which is two years from the date of issuance and on or before the early term maturity date will be exchangeable for * common shares of the Eligible Business per \$100 principal amount of Bonds, and Bonds exchanged at any time thereafter will be exchangeable for * common shares of the Eligible Business per \$100 principal amount of Bonds, in both cases subject to adjustment in certain circumstances.

Guarantee Fee

If the term of this Bond is extended to the full term maturity date, the registered holder agrees to pay to The Corporation, on the early term maturity date, the amount required to reimburse the Corporation for the fee payable to the minister for the guarantee of the Government of Saskatchewan on the extension of the term to the full term maturity date.

Participation and Voting Rights

In addition to the guarantee of principal and other special features of the Bonds described in this Bond, in the Act and the articles of the Corporation, the Bonds carry features which entitle the holders to participate in the affairs of the Corporation, including having voting rights, in a manner similar to owners of common shares. If the Bonds are held to the full term maturity date and are not redeemed or exchanged for common shares of the Eligible Business at that time, the Bonds will automatically convert into common shares of the Corporation and will no longer be subject to any guarantee of repayment of principal.

IN WITNESS WHEREOF this Bond has been executed on behalf of * Community Bond Corporation as of the * day of *, 199*.

* Community Bond Corporation

Countersigned by the Registrar _____

Per: _____

Secretary

Authorized Signing Officer

COPY OF GUARANTEE BY THE GOVERNMENT OF SASKATCHEWAN

Pursuant to and in accordance with *The Community Bonds Act*, the Government of Saskatchewan hereby guarantees to the registered holders for the time being of each Bond issued by * Community Bond Corporation comprising part of its Community Bonds due *, 199* and extendable to *, 200* payment of the principal of the Bonds according to the actual wording of the Bonds.

Minister of Finance

[BACK OF BOND]

THE CONDITIONS REFERRED TO WITHIN

1. DENOMINATIONS

The Bonds are issuable only as fully registered bonds without coupons in any denomination in an integral multiple of \$100.

2. REGISTRATION

The Corporation will keep in *, Saskatchewan by any Registrar that may be appointed by the Corporation for the purpose, a register in which shall be entered the names and addresses of the holders of the Bonds and particulars of the Bonds. The Registrar shall be *, *, Saskatchewan, unless and until the Corporation appoints a different Registrar. In the event of any such change, the Corporation shall give notice of the change to the registered holders of the Bonds.

3. TRANSFERABILITY

Prior to *, 199*, the Bonds will be transferable only to the spouse, children or parents of the registered holder, by disposition on death of the registered holder or to a creditor of the registered holder where the Bonds were used as collateral by the holder. After *, 199*, the Bonds will be transferable to eligible purchasers as defined in the Act.

All transfers are to be effected through the Registrar by written request and are subject to the requirements of the Registrar respecting reasonable documentation.

4. ELIGIBLE PURCHASERS

The Bonds may be acquired only by individuals resident in Saskatchewan; estates or trusts where the executor, trustee or beneficiaries is or are Saskatchewan residents; corporations, including cooperatives and non-profit corporations, having their head office in Saskatchewan and Saskatchewan municipalities. Eligible purchasers do not include labour-sponsored venture capital corporations, venture capital corporations, small business incentive corporations or any other person designated by regulations under the Act. A person who acquires Bonds and who is not an eligible purchaser is not entitled to payment of the Province's guarantee of the Bonds or to exercise any voting rights attached to the Bonds.

5. REDEMPTION ON EARLY OR FULL TERM MATURITY DATES

The Bonds are, subject to notice given at least 90 days prior to the maturity date, redeemable for the Principal Amount at the early term maturity date and, if the term is extended, at the full term maturity date. In either case, to redeem this Bond the registered holder or the agent or attorney of the registered holder must complete the Demand for Redemption form endorsed hereon and present this Bond to the Registrar. The Government of Saskatchewan unconditionally guarantees payment of the Principal Amount of this Bond in the circumstances described in this Condition 5.

6. REDEMPTION ON DEATH OF HOLDER

This Bond may be redeemed prior to any date of maturity on the death of the registered holder. To redeem this Bond in those circumstances, the personal representative of the deceased holder must complete the Demand for Redemption form endorsed on this Bond and present the Bond to the Registrar. The Government of Saskatchewan unconditionally guarantees payment of the Principal Amount of this Bond in the circumstances described in this Condition 6.

7. RETURN

For each fiscal year, the Corporation shall pay to holders of the Bonds a return in an amount equal to its net earnings for the fiscal year, as determined under the Act, unless it elects, with the approval of and in accordance with any directions made by the minister, to retain all or some of its net earnings. Subject to the provisions of the Act, the Corporation may also be permitted to pay other amounts to the holders of the Bonds. No interest or other rate of return is guaranteed by the Corporation or the Government of Saskatchewan.

8. TERM

The Bonds mature on *, 199* but are extendable to *, 200*. Holders of the Bonds who have not elected at least 90 days prior to the early term maturity date on *, 199*, either to redeem their Bonds or exchange them for common shares of the Eligible Business will be deemed to have elected to extend the term of the Bonds to *, 200*. Bonds held to the full term maturity date and which are not redeemed or exchanged for common shares of the Eligible Business at that time will be deemed to be converted into common shares of the Corporation and will no longer be subject to any guarantee of repayment of principal.

NOTICE OF EXCHANGE OF BONDS
FOR COMMON SHARES OF THE ELIGIBLE BUSINESS

The holder of this Bond hereby irrevocably exercises the right to exchange this Bond for common shares of the Eligible Business.

Dated: _____
(Signature of Registered Holder)

Signature guaranteed by: _____

DEMAND FOR REDEMPTION

Redemption of this Bond is hereby demanded.

Dated: (Except in the case of death, must be dated at least 90 days before early or full term maturity date) _____

Effective Date of Redemption: _____

Signature of Registered Holder or personal representative: _____

Signature guaranteed by: _____

Stamp of Redemption Agent: _____

TRANSFER

FOR VALUE RECEIVED _____

hereby sells, assigns and transfers to

(Name)

(Address)

the Principal Amount of the within Bond and hereby irrevocably constitutes and appoints the Registrar as attorney to transfer this Bond on the register kept by the Registrar for such purposes, with full power of substitution in the premises.

Dated: _____
(Signature of Registered Holder)

Signature guaranteed by: _____

The transferee represents and warrants that the transferee is an eligible purchaser as described in Condition 4 of the Conditions of this Bond.

Dated: _____
(Signature of transferee)

Signature guaranteed by: _____