CUSTODIAN AGREEMENT

CUSTODIAN AGREEMENT made on the 22nd day of October, 2007.

BETWEEN:

TRINORTH CAPITAL INC. an investment fund corporation incorporated under the laws of Canada (the "**Company**)

\- and -

RBC DEXIA INVESTOR SERVICES TRUST, a trust company incorporated under the laws of Canada (the "**Custodian**")

AND WHEREAS any property (including all assets, cash, currencies and all rights to any property or cash) of the Company paid or delivered by the Company to, and accepted by, the Custodian from time to time together with any additions, substitutions, proceeds and earnings and profits less any authorized payments therefrom is hereinafter referred to as the "**Property**";

AND WHEREAS the Company wishes to appoint the Custodian to act as custodian of the Property and to provide safekeeping and custodial services in respect of the Property pursuant to the terms of this Agreement;

AND WHEREAS the Custodian has agreed to act as custodian for the Property and to provide safekeeping and custodial services in respect of the Property pursuant to the terms of this Agreement;

NOW THEREFORE, in consideration of the premises and of the mutual agreements set forth in this Agreement, and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the parties), it is agreed between the parties as follows:

SECTION 1
CUSTODIAL SERVICES

Section 1.1 Definitions

In this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the meanings ascribed to them below:

(a) "**Business Day**" means any day on which The Toronto Stock Exchange is open for business.

(b) **"Contractual Settlement Date"** has the meaning given in Section 1.10.

(c) **"Corporate Actions"** means any conversion privileges, subscription rights, warrants or other rights or options available in connection with any Property, including those relating to the reorganization, recapitalization, takeover, consolidation, amalgamation, merger, liquidation, filing for or declaration of bankruptcy, plans of arrangement of any corporation or association.

(d) **"Depository"** means any authorized domestic or foreign depository or clearing or settlement agency or system, including a transnational book-based system, and shall include CDS Clearing and Depository Services Inc. and the Depository Trust Company.

(e) **"Directions"** shall mean all directions, notices, requests, instructions and any other communications given to the Custodian by the Company or the Investment Manager on behalf of the Company in accordance with Section 2.

(f) **"Investment Manager"** shall mean any investment manager or any successor thereto appointed by the Company pursuant to Section 1.12.

(g) **"Property"** at any time, means any property (including all assets, cash, currencies and all rights to any property or cash) of the Company paid or delivered by the Company to, and accepted by, the Custodian from time to time, including any funds realized from the distribution of shares and warrants of the Company, and any additions thereto, substitutions, proceeds, earnings and profits, less any authorized payments therefrom.

(h) **"Voting Materials"** means all proxies, proxy solicitation materials and other communications received by the Custodian relating to the Property that call for voting.

Section 1.2 Appointment

The Company hereby appoints the Custodian, and the Custodian hereby accepts such appointment, as the custodian of the Property with responsibility for the safekeeping of the Property, subject to the terms of this Agreement.

Section 1.3 Subcustodians

(a) The Custodian may appoint subcustodians (who may be affiliated with or otherwise related to the Custodian) and enter into subcustodianship agreements on terms consistent with this Agreement, provided, however, that written consent to such appointment has been provided by the Company. For the purposes of this Agreement, such consent is deemed to have been obtained in respect of the appointment of those subcustodians which are part of the Custodian's international network of subcustodians upon the Custodian providing the Company with the Custodian's terms and conditions of global custody services. Further, upon notice to the Company, of the appointment of any additional subcustodians or any change in the Custodian's international network, the Company will be deemed to have consented to such appointment.

(b) A subcustodian appointed by the Custodian shall be permitted to appoint a sub-subcustodian only upon the prior written consent of the Custodian and the Company, and if such consent has been given shall enter into sub subcustody agreements on terms consistent with this Agreement.

(c) Adequate provision must be made in the subcustody agreements or sub-subcustody agreements for the Company, acting directly or through the Custodian or subcustodian as the case may be, to enforce its rights in respect of the Property of the Company which are held by the appointed subcustodian or sub-subcustodian.

(d) Any subcustodian appointed by or under the authority of the Custodian shall meet any guidelines for acting as a subcustodian prescribed by securities regulatory authorities in Canada from time to time (the "guidelines") and shall execute an agreement in a form that complies with the guidelines. The Custodian shall annually review this Agreement and all subcustodian agreements to determine if those agreements are in compliance with the guidelines, and shall also make reasonable enquiries as to whether each subcustodian satisfies the applicable requirements of the guidelines. The Custodian shall make or cause to be made, any changes as may be necessary to ensure that this Agreement and the subcustodian agreements are in compliance with the guidelines, and that all subcustodians of the Company satisfy such applicable requirements.

(e) Where required under applicable law, the Custodian shall, within 60 days following the end of each financial year of the Company, advise the Company in writing of the names and addresses of all subcustodians of the Company, whether this Agreement and the subcustodian agreements are in compliance with the guidelines, and whether, to the best of the knowledge and belief of the Custodian, each subcustodian satisfies the applicable requirements of the guidelines. The Company shall, to the extent required by applicable law, deliver a copy of this report to the applicable securities regulatory authorities within 30 days after the filing of the annual financial statements of the Company.

<u>Section 1.4</u> Holding of Property

Except as otherwise provided herein, all Property shall be held in Canada by the Custodian or a duly appointed subcustodian or outside Canada by the Custodian or a duly appointed subcustodian if appropriate to facilitate portfolio transactions of the Company outside Canada. Property may also be held in accordance with Directions where permitted by applicable law.

<u>Depositories</u>

The Custodian is also empowered to hold securities forming part of the Property through a Depository on the terms of business of the operators of such Depositories, and may effect settlement in accordance with the customary or established trading and processing practices and procedures in the jurisdiction or market in which any transaction in respect of the Property occurs. The Custodian shall be fully protected and absolved from any liability howsoever arising from effecting transactions in the foregoing manner except to the extent that such liability arises out of the Custodian's breach of its standard of care in carrying out Directions in connection with any Depository.

Depository Rules

Where Property is so held through a Depository, the Company confirms that it will not assert any claim in respect of such Property which would be contrary to the rules and procedures of that Depository, and will not knowingly act in any way which could result in the Custodian being in breach of any rule or procedure of that Depository.

Section 1.5 Recording of Property

All Property shall at all times and in all circumstances be clearly recorded in the books and records of the Custodian so as to show that the beneficial ownership of the Property is vested in the Company.

If Property is held by a subcustodian, such Property:

(a) shall be identified in the books and records of the Custodian as being held on behalf of, or registered in the name of, the Company by that subcustodian; and

(b) shall be maintained and clearly recorded by the subcustodian in an account holding only property for customers of the Custodian, and shall be transferred or dealt with by the subcustodian only on the instructions of the Custodian.

In the event that a Depository is used to hold Property, such Property shall be identified by that Depository in its books as being held for the account of the Custodian on behalf of its clients. In the event that a subcustodian uses a Depository to hold Property, such Property shall be identified by that Depository in its books as being held for the account of the subcustodian on behalf of its clients.

The Custodian may commingle Property held in a Depository with property of other clients of the Custodian (but not with property held for the Custodian's own account), in which case the Company shall be entitled, in common with those other clients to its proportionate share of such Property so held and/or the rights thereto.

Section 1.6 Registration of Property

Property may be registered in the Custodian's own name, in the name of a subcustodian appointed under this Agreement, in the name of a Depository, or any of their respective nominees, or in bearer form.

Section 1.7 Accounting

The Custodian shall account for all Property received by it, shall disburse or retain any income received thereon and/or capital pursuant to Directions and provide monthly statements of account in such format as may be agreed to by the parties. Additional statements as required to satisfy the requirements of any regulatory or administrative agencies will also be provided as requested by, and at the expense of, the Company.

Section 1.8 Withdrawal of Property

All Property held by the Custodian shall be surrendered only in accordance with Directions except as otherwise provided in this Agreement. The Custodian shall have no duty or responsibility in respect of the application of the Property so withdrawn, or withdrawn on termination of this Agreement.

Section 1.9 Services to be Performed by the Custodian

A. Services Performed pursuant to Directions

The Custodian shall, on Direction by the Company:

(a) settle on behalf of the Company the purchase and sale of Property;

(b) complete and process such Voting Materials and process Corporate Actions, provided that the Company or the Investment Manager has provided Directions to the Custodian within the time frames specified by the Custodian in any such Voting Materials or Corporate Action notice applicable thereto. Where Directions have not been provided by the Company or the Investment Manager within such time frames, the Custodian will take no action except only in the case of Corporate Actions and where a default option exists, the Company will receive such default option as outlined in the notice. In the event that Directions are provided by the Company or the Investment Manager after such time frames, the Custodian shall use reasonable efforts to process such Corporate Actions or Voting Materials but the Custodian shall have no liability for failure to process such Voting Materials or Corporate Actions;

(c) borrow money against the Property, provided that the principal and interest charged on such borrowing shall be paid out of the Property;

(d) settle the purchase, sale and exchange of derivative products, contracts and transactions, including without limitation:

(i) rate swap transaction, swap option, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, credit protection transaction, credit swap, credit default swap, credit default option, total return swap, credit spread transaction (including an option with respect to any of these transactions and any combination of these transactions);

(ii) repurchase transaction, reverse repurchase transaction or buy/sell back transaction;

(iii) forward contracts;

(iv) financial and/or stock index futures contracts;

(v) contracts under which the rights and/or liabilities of the parties are determined by reference to a financial and/or stock index or securities or commodities;

(vi) contracts or other instruments or strategies the value of which is based upon the market price, value or level of an index or the market price or value of a security, commodity, economic indicator or financial instrument or bench mark, or the value of a specified account in which securities, commodities and/or derivative transactions or any combination of such transactions may be carried out; and

(vii) put and call options on securities, contracts, instruments, or derivative products; and

(viii) any transaction similar to any of those enumerated above that is currently or in the future becomes regularly entered into in the financial markets and that is a forward, swap, future or option on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or debt instruments, or economic indices or measures of economic risk or value;

whether or not such derivative products, contracts or transactions or any underlying interest are traded over-the-counter or on an exchange; all provided that the Property to be held by the Custodian as a result of the settlement of any such derivative products, contracts or transactions would, in the Custodian's reasonable opinion, be sufficient to continue to indemnify the Custodian in accordance with this Agreement; and

(e) participate on behalf of the Company in a securities lending program, in any jurisdiction in which securities are held hereunder, administered by RBC Dexia Investor Services Trust or its affiliate in its separate capacity as service provider (the "Program").

B. Services to be performed without Directions

The Custodian will, without Direction from the Company:

(a) enter into and settle foreign exchange transactions on behalf of the Company for purposes of facilitating settlement of trades of Property, and any such transactions may be entered into with such counterparties as the Custodian may choose in its sole discretion including its affiliates;

(b) take all reasonable steps to collect and receive all income, principal, dividends and other payments and distributions when due in respect of any Property in its custody and promptly credit all cash receipts received by it to the account of the Company;

(c) with respect to Voting Materials, promptly forward, or arrange to have promptly forwarded, to the Company (or the Investment Manager which the Company has designated as having responsibility for a security which forms part of the Property) all Voting Materials which the Custodian receives;

(d) with respect to Corporate Actions, promptly forward to the Company or on Direction from the Company, to the Investment Manager, a Corporate Action notice that contains a summary of information which is actually received by the Custodian from third party sources believed by the Custodian to be reliable, and request Directions with respect to such Corporate Action where required. For greater certainty, other than as described in this paragraph and in paragraph 1.9 B. (c) above and except where required by applicable law, the Custodian shall not be obligated to forward or summarize any other shareholder communications, including shareholder mailings, notices or reports, and the Custodian shall have no responsibility or liability for ensuring the accuracy or adequacy of such third party information so received and contained in any such Voting Materials or Corporate Action notice;

(e) in its sole discretion, advance monies by overdraft to the Company for the purposes of settlement of portfolio transactions, on such terms and conditions as the Custodian may in its sole discretion determine, provided that, in order to secure the obligations of the Company to repay such borrowings, the principal of and interest charged on such borrowing shall be paid out of the Property and shall constitute a charge against the Property until paid; and

(f) do all such acts, take all such proceedings and exercise all such rights and privileges, although not specifically mentioned in this Agreement, as the Custodian may deem necessary to carry out its rights and obligations under this Agreement.

Section 1.10 Settlement

The Custodian shall, in jurisdictions where settlement practices permit, credit the Property of the Company, in connection with the receipt of interest or dividends or the sale or redemption of any security held hereunder, and debit the Property of the Company, in connection with the purchase of any security, on the Contractual Settlement Date with respect thereto, whether or not such monies have been received, or payment made, by the Contractual Settlement Date. However, if after a reasonable time (as determined by the Custodian) following the Contractual Settlement Date any such payment or receipt shall fail to take place for any reason other than the failure of the Custodian to make payment against delivery or delivery against payments, all related credits and debits shall be reversed and adjusted to reflect the failure of the transaction to take place.

"Contractual Settlement Date" means:

(a) with respect to the purchase or sale of any bond or stock, the date the parties have contracted to settle the trade, provided the Custodian has received reasonable notice;

(b) with respect to the purchase or sale of any short term money market investments, the date specified by the Company at the time at which it gave instructions to the Custodian;

(c) with respect to the maturity of a security, the maturity date; and

(d) with respect to interest and dividend payments, the due date established by the payor.

Section 1.11 Cash Balances

The Custodian may retain uninvested cash balances on hand and forming part of the Property from time to time and may, in its sole discretion:

(a) hold the same on a pooled basis and pay interest thereon at the rate from time to time established by the Custodian and paid with respect to cash balances so held for similar accounts; or

(b) hold such cash balances on deposit with a bank or such other deposit taking institution, including the Custodian or its affiliates, in any jurisdiction in such interest bearing account as the Custodian in its sole discretion may determine.

Section 1.12 Management of the Company

The Company shall be responsible for the investment management of the Property and all investment decisions. For greater certainty, it is hereby confirmed that the Custodian shall have no responsibility for any trading in securities forming part of the Property, the investment management of the Property or for any investment decisions except for carrying out Directions.

The Company may appoint an Investment Manager or such other successor thereto, to manage the affairs of the Company including the investment of some or all of the Property and to provide Directions to the Custodian with regard to the Property. Such designation must be made to the Custodian by the Company by way of Directions. The Custodian may assume that the appointment of such Investment Manager continues in force until it receives written notice to the contrary from the Company by way of Directions. Any Direction from such Investment Manager shall be deemed to be a Direction from the Company for all purposes of this Agreement.

SECTION 2
DIRECTIONS AND COMMUNICATIONS

2.1 Directions

All Directions shall be given in one of the methods authorized by Section 2.3 below and shall be given by an authorized officer, person or other representative of the Company or the Investment Manager , as the case may be.

The Company and the Investment Manager shall, from time to time, provide to the Custodian a certificate, substantially in the form set out in Schedule "A" hereto, signed by the President, a Vice-President or the Secretary of the Company and the Investment Manager, stating the name(s)and title(s) of the authorized officer(s), person(s) or representative(s) authorized to act on behalf of the Company and the Investment Manager or their respective agents, as the case may be, together with specimen signatures of all such authorized officers, persons or representatives. The Company and the Investment Manager shall keep the Custodian informed as to any changes in its authorized signatories, and the Custodian shall be entitled to rely upon the identification of such persons as specified in each such certificate as the persons entitled to act on behalf of the Company or the Investment Manager for the purposes of this Agreement until a later certificate respecting the same is delivered to the Custodian.

Without limiting the foregoing, in the case of Directions sent through one of the Custodian's secured access channels, including ViewFinder, or sent directly between electromechanical or electronic terminals (including, subject to Section 2.7, the internet or unsecured lines of communication), the parties acknowledge that it may not be possible for such Directions to be executed, however the Custodian shall nevertheless be protected in relying on such Directions as if they were written Directions from the Company or the Investment Manager, as the case may be, executed by an authorized signatory of the Company or the Investment Manager , as the case may be. The Custodian shall be entitled, without further inquiry or investigation, to assume that such Directions have been duly and properly issued by the Company or the Investment Manager, as the case may be, and that the sender(s) is/are duly authorized to act, and to provide Directions, on behalf of the Company and the Investment Manager, as case the may be.

Without limitation, the Custodian shall:

(a) be fully protected in acting upon any Direction believed by it to be genuine and presented by the proper person(s); and

(b) be under no duty to make any investigation or inquiry as to any statement contained in any such Direction but may accept such statement as conclusive evidence of the truth and accuracy of such statement.

2.2 Limitations in respect of Directions

The Custodian shall act in accordance with Directions, and shall be fully protected and absolved from any liability arising therefrom. Further, notwithstanding anything else in this Agreement, the Custodian shall not be required to comply with Directions by the Company or the Investment Managert to settle the purchase of any securities on behalf of the Company unless there is sufficient cash forming part of the Property at the time, nor shall the Custodian be required to comply with Directions by the Company or the Investment Manager to settle the sale of any securities on behalf of the Company unless such securities forming part of the Property are in deliverable form. If the Custodian is not provided with Directions when required hereunder, then the Custodian shall be fully protected and absolved from any liability arising from the failure to act in the absence of Directions.

2.3 Methods of Communication

All communications hereunder (including, for greater certainty, Directions) must be given by one of the following methods of communication:

- personal or courier delivery;
- prepaid ordinary mail;
- authenticated telex;
- facsimile;
- S.W.I.F.T.;
- one of the Custodian's secured client access channels, including ViewFinder;
- directly between electromechanical or electronic terminals (including, subject to Section 2.7, the internet or unsecured lines of communication); or
- telephone (subject to Section 2.5).

Communications should be addressed, as applicable, as follows:

(a) in the case of the Custodian:

RBC Dexia Investor Services Trust
Royal Trust Tower, 12th Floor
77 King Street West
P.O. Box 7500, Station "A"
Toronto, Ontario
M5W 1P9

Attention: Head, North America Service Delivery –Fund Services

Telephone: (416) 955-6507
Facsimile: (416) 955-2174

(b) in the case of the Company:

Lawrence Asset Management Inc.
Suite 1500
220 Bay Street,
Toronto, ON
Canada M5J 2W4

Attention: K. Matthew Hoang

Telephone (416) 362-8599

or at such other address and number as the party to whom such communication is to be given shall have last notified to the party giving the same in the manner provided in this Section.

2.4 Deemed Delivery

Any communication delivered personally shall be deemed to have been given and received on the day it is so delivered (or if that day is not a Business Day, on the next succeeding Business Day). Subject to disruptions in the postal service, any communication sent by prepaid ordinary mail shall be deemed to have been given and received on the fifth Business Day following the date of mailing. Any communication given by authenticated telex, facsimile, S.W.I.F.T., one of the Custodian's secured client access channels or directly between electromechanical or electronic terminals (including, subject to Section 2.7, the internet or unsecured lines of communication) shall be deemed to have been given and received on the Business Day it is transmitted provided that it was received before 4:00 p.m. (Toronto time), and, if received after 4:00 p.m. (Toronto time), it shall be deemed to have been given and received on the Business Day following the day of transmission provided in each case that confirmation of transmission is available from the party giving the communication.

Nothing in this Agreement shall create an obligation for the Custodian to constantly monitor its electronic communication equipment, provided that reasonable monitoring is performed within business hours of the Custodian where communications are sent and the Custodian will not be held liable for an omission to act from not receiving electronically transmitted communications (including, without limitation, Directions). In the event of any disagreement as to whether electronic communications (including, without limitation, Directions) have been received by the Custodian, the sender will have the onus of proving that such electronic communications have been so received.

2.5 Telephone Directions

With respect to telephone Directions, the Company or the Investment Manager, as the case may be, shall endeavor to forward written Directions confirming such telephone Directions on the same day that such verbal Directions are given to the Custodian. The fact that such confirming written Directions are not received or that contrary Directions are received by the Custodian shall in no way affect the validity of any transactions effected by the Custodian on the basis of the telephone Directions.

2.6 Recording of Telephone Communications

The Company acknowledges and agrees that some or all telephone communications between the parties, including, without limitation, Directions, may be recorded by the Custodian. In the event of any disagreement as to the content of any communication given by telephone, the Custodian's recording will be conclusive and determinative of the contents of such communication.

2.7 Internet

The Company agrees that communications (including, without limitation, Directions) given through the internet, or any other electronic means of communication which is not secure, may only be validly given hereunder if the Company has first provided the Custodian with a letter of acknowledgement satisfactory to the Custodian.

SECTION 3
FEES AND CHARGES

Section 3.1 Fees

In consideration of the services provided by the Custodian hereunder, the Custodian shall be paid such compensation as may from time to time be agreed upon in writing between the Company and the Custodian. In addition, the Custodian shall be reimbursed for any disbursements and expenses incurred in the performance of its duties hereunder.

Section 3.2 Statements

The Custodian shall send to the Company itemized statements setting out the amount of all compensation, disbursements and expenses provided for in Section 3.1, and such amounts shall be due and payable within thirty days after the date on which such invoice was issued by the Custodian hereunder.

Section 3.3 Claim Against Property for Amounts Owing

Notwithstanding any other provision of this Agreement, the Custodian, acting reasonably, shall not be obliged to act upon Directions (including the delivery of any Property to any person) until all the amounts due and owing to the Custodian under this Agreement have been paid in full. The Custodian shall give the Company and/or the Investment Manager notice of its decision not to act as soon as practicable thereafter.

Without prejudice to any power or right that the Custodian may otherwise have under any applicable law, the Custodian may, in its discretion (upon reasonable notice in the circumstances to the Company), unless prior payment has been made by the Company:

(a) deduct from the Property (which, for the purposes of this Section shall include any account with any third party with whom cash has been deposited by the Custodian on behalf of the Company) any amounts due and owing to the Custodian under this Agreement; and/or

(b) sell any Property on such terms as it thinks fit in its discretion, credit any proceeds of such sale to the Company, and deduct from such proceeds any amounts due and owing under this Agreement.

SECTION 4
STANDARD OF CARE

Section 4.1 Standard of Care

The Custodian, in carrying out its duties in respect of the safekeeping of, and dealing with, the Property, shall exercise:

(a) the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances; or

(b) at least the same degree of care as it exercises with respect to its own property of a similar kind, if this is a higher degree of care than the degree of care referred to in paragraph (a).

Section 4.2 Liability of the Custodian

Except to the extent that the Custodian that has not complied with Section 4.1, the Custodian shall not be liable for any act or omission in the course of, or connected to, rendering services hereunder or for loss to, or diminution of, the Property. In no event shall the Custodian be liable for any consequential or special damages, including but not limited to loss of reputation, goodwill or business.

Section 4.3 Limitation of Responsibility

For greater certainty, and except to the extent that the Custodian has breached the standard of care set out in Section 4.1 of this Agreement, the Custodian shall not be responsible or liable for:

(a) the authenticity or validity of title to any Property which the Custodian did not arrange itself to have appropriately registered;

(b) any act or omission required or demanded by any governmental, taxing, regulatory or other competent authority in any country in which all or part of the Property is held or which has jurisdiction over the Custodian or the Company;

(c) any loss resulting from official action (including nationalisation and expropriation), currency restrictions or devaluations, acts or threat of war or terrorism, insurrection, revolution or civil disturbance, acts of God, strikes or work stoppages, inability of any Depository or other settlement system to settle transactions, interruptions in postal, telephone, telex and/or other communication systems or in power supply, or any other event or factor beyond the reasonable control of the Custodian;

(d) any failure to act on Directions, if the Custodian reasonably believed that to do so might result in breach of any applicable law or regulation or the terms of this Agreement;

(e) any Property which it does not hold or which is not directly controlled by it, its affiliates or its appointed agents (including sub-custodians);

(f) any loss or diminution in the value of the Property or the adequacy of the Company to meet any and all of its obligations as set out in its offering memorandum; or

(g) any ongoing monitoring of the investment objectives or investment restrictions of the Company or any risk factors whatsoever related thereto.

Section 4.4 Indemnification of the Custodian

The Custodian, its directors, officers, and employees (collectively, the "Indemnified Parties"), shall at all times be indemnified and saved harmless by the Company from and against all taxes, duties, charges, costs, expenses, damages, claims, actions, demands and any other liability whatsoever to which the Indemnified Parties, or any of them, may be come subject, including legal fees and expenses in respect of anything done or omitted to be done in connection with this Agreement (collectively, the "Claims"), except to the extent occasioned by the negligence, wilful misconduct or lack of good faith of any Indemnified Party. For greater certainty, the foregoing does not make the commencement of formal legal proceedings a precondition for indemnification hereunder. If, at the Company's request, any Indemnified Party should agree to appear in, prosecute, defend or otherwise act in relation to any process or proceeding, either in its own name or in the name of its nominee, that Indemnified Party shall first be indemnified to its satisfaction.

SECTION 5
AGENTS AND THIRD PARTIES

Section 5.1 Agents.

The Custodian may appoint agents (which may be affiliated with or otherwise connected to the Custodian or any subcustodian) to conduct any of the services to be performed by the Custodian as required under the Agreement.

<u>Section 5.2</u> Selection and Monitoring for Agents, Subcustodians and Nominees

The Custodian shall act in accordance with its standard of care set out in Section 4.1 of this Agreement in the selection and monitoring of such agents and subcustodians.

<u>Section 5.3</u> Liability for Subcustodians, Nominees, Agents and Depositories

Subject to Section 5.5 and Section 5.6 below, if the Company suffers a loss as a result of any act or omission of a sub-custodian or its nominee, or of any other agent appointed by the Custodian (rather than appointed by the Company) and if such loss is directly attributable to the failure of such sub-custodian or its nominee or such other agent appointed by the Custodian to use reasonable care (whether by reason of negligence, wilful misconduct or lack of good faith) in the provision of any service to be provided by it under this Agreement, then the Custodian shall assume liability for such loss directly, and shall reimburse the Company accordingly. Other than as stated above, the Custodian shall be fully protected and absolved from liability howsoever arising from any acts or omissions of sub-custodians or their nominees, or other agents appointed by the Custodian or appointed by the Company.

<u>Section 5.4</u> Rights of Agents, Subcustodians and Nominees

For greater certainty, any rights, powers, authorities, benefits, and limitations on liability or responsibility whatsoever granted to the Custodian under this Agreement or conferred upon the Custodian otherwise at law shall be deemed to have been granted to any and all nominees, agents and subcustodians duly appointed by the Custodian, and in furtherance thereof, any references to "the Custodian" herein shall be construed as references to such nominees, agents or subcustodians, as the context requires.

<u>Section 5.5</u> Loss from Agent/Subcustodian Insolvency

For greater certainty, the Custodian shall not be responsible for any loss or diminution in respect of any or all Property resulting from the bankruptcy or insolvency of any such agent of the Custodian, except to the extent that the Custodian fails to meet its standard of care set out in Section 4.1 with respect to the selection and monitoring of such agent.

<u>Section 5.6</u> Designated Markets

In order to provide services to the Company on behalf of the Company pursuant to this Agreement, the Custodian may be required to engage subcustodians in certain markets, which have been identified as being high risk and designated as "Designated Markets" in Schedule "B" to this Agreement. A Designated Market is a market where the risks of engaging a subcustodian or agent are significantly greater than they would be in more established markets. Accordingly, notwithstanding any other provision of this Agreement, where the Custodian is providing custodial services in Designated Markets (whether directly or through a subcustodian) in respect of the Company, the Custodian may not be able to accept some of the liabilities for the acts of its subcustodians and agents which are otherwise contemplated by this Agreement.

Where the Custodian engages a subcustodian or agent in a Designated Market, the Company acknowledges and agrees that any negligence, wilful misconduct, or lack of good faith of a subcustodian or agent will not constitute a breach of the standard of care or negligence of the Custodian for purposes of this Agreement. However, for greater certainty, nothing is intended to limit the responsibility of the Custodian under this Agreement for the selection and ongoing monitoring of its agents and subcustodians.

As necessary from time to time, the Custodian will advise the Company through written notice of any additions or deletions to Schedule "B" and any such additional market shall be deemed to be a Designated Market for all purposes of this Agreement sixty days following such notification.

The Company also acknowledges that the Company and/or other advisors to the Company have responsibility for apprising themselves of the specific risks to the Company involved in the investment and reinvestment of its Property in all markets in which the Property is located from time to time.

Section 5.7 Experts

The Custodian may rely and act upon any statement, report or opinion prepared by or any advice received from the auditor of the Company as appointed by the Company from time to time, or from solicitors or other professional advisors of the Company and shall not be responsible nor held liable for any loss or damage resulting from so relying or acting if the advice was within the area of professional competence of the person from whom it was received, the Custodian acted in good faith in relying thereon and the professional advisor was aware that the Custodian was receiving the advice in its capacity as custodian of the Company and the Custodian acted in good faith in relying thereon.

SECTION 6
REPRESENTATIONS AND WARRANTIES

Section 6.1 Company Representations

The Company hereby represents and warrants that it has full power and authority to enter into this Agreement, and to perform all of its obligations hereunder, and more specifically and without limitation:

(a) to grant to the Custodian the powers and authorities granted to it pursuant to this Agreement, including all powers and authorities in respect of the Company and any Property;

(b) to authorize the Custodian to establish bank accounts in the name of the Company with the Custodian; and

(c) to give Directions in relation to the safekeeping and custody of the Property, and to authorize others to do so where applicable, all in accordance with Section 2; and

SECTION 7
AMENDMENT AND TERMINATION OF AGREEMENT

Section 7.1 Amendments

This Agreement may be amended at any time and from time to time, in whole or in part, by written agreement of the Company and the Custodian.

Section 7.2 Termination

Either party may at any time terminate this Agreement without any penalty by giving at least 60 days' prior written notice to the other parties of such termination. Such prior notice is not required and termination will be immediate upon the giving of notice in accordance with Section 2 in the event that;

(a) either party is declared bankrupt or shall be insolvent; or

(b) the assets or the business of either party shall become liable to seizure or confiscation by any public or governmental authority.

Section 7.3 Delivery of Property on Termination

Except as otherwise provided herein, the Custodian hereby agrees upon termination of this Agreement to deliver to or to the order of the Company all Property. The Company hereby agrees to accept delivery of any securities of the same class and denomination in place of those delivered to or acquired by the Company.

SECTION 8
MISCELLANEOUS

Section 8.1 Payment out of Property

The Custodian shall pay out of the Property all taxes and other assessments levied or assessed under applicable laws in connection with the Property, and shall withhold from payments out of the Property, all taxes and other assessments required to be so withheld.

Section 8.2 Access

The Custodian shall, on reasonable notice and during normal business hours, make available to and permit the authorized officers, employees and agents of the Company, the auditors of the Company (so long as they are retained by the Company in that capacity) and such regulatory authorities as may have lawful jurisdiction over the Company to inspect and make copies of all accounts, books and records maintained by the Custodian in connection with its duties under this Agreement, provided such persons comply with the Custodian's reasonable requirements as to confidentiality.

Section 8.3 Self-Dealing

The Custodian's services to the Company are not exclusive and, subject to the limitations otherwise provided in this Agreement on the power and authorities of the Custodian, the Custodian may for any purpose, and is hereby expressly authorized from time to time in its discretion to, appoint, employ, invest in, contract or deal with any individual, firm, partnership, association, trust or body corporate, including without limitation, itself and any partnership, trust or body corporate with which it may directly or indirectly be affiliated or in which it may be directly or indirectly interested, whether on its own account or for the account of another (in a fiduciary capacity or otherwise), without being liable to account therefor and without being in breach of this Agreement.

Without limiting the generality of the foregoing, the Company on behalf of the Company hereby authorizes the Custodian to act hereunder notwithstanding that the Custodian or any of its divisions, branches or affiliates may:

(a) have a material interest in the transaction or that circumstances are such that the Custodian may have a potential conflict of duty or interest including the fact that the Custodian or any of its affiliates may:

(i) purchase, hold, sell, invest in or otherwise deal with securities or other property of the same class and nature as the Property held by the Company, whether on its own account or for the account of another (in a fiduciary capacity or otherwise);

(ii) act as a market maker in the securities that form part of the Property to which Directions relate;

(iii) provide brokerage services to other clients;

(iv) act as financial adviser to the issuer of such securities;

(v) act in the same transaction as agent for more than one client;

(vi) have a material interest in the issue of securities that form part of the Property;

(vii) use in other capacities knowledge gained in its capacity as custodian hereunder;

and

(b) earn profits from any of the activities listed herein,

without being liable to account therefor and without being in breach of this Agreement.

Section 8.4 Assignment

Subject to Section 8.5, neither this Agreement nor any of the rights or obligations of either party hereunder may be assigned to any other person without the prior written consent of the other parties hereto.

Section 8.5 Successors

Any trust company resulting from the merger or amalgamation of the Custodian with one or more trust companies and any trust company which succeeds to substantially all of the custody business of the Custodian shall thereupon become the successor to the Custodian hereunder without further act or formality.

Section 8.6 Confidentiality

Subject to 8.3(a)(vii), each party shall hold in confidence all information relating to the Property and this Agreement and may only release such information to others where required by law or pursuant to Directions, if applicable, or as otherwise agreed between the parties.

Section 8.7 Governing Laws

This Agreement shall be governed by and interpreted in accordance with the laws of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day and year first written above.

TRINORTH CAPITAL INC.

By: K.M. Hoang

K. M. Hoang
Chief Financial Officer

By:________________________

RBC DEXIA INVESTOR SERVICES TRUST

By:____________ Valerie Barriault
Client Service Manager

By:____________ Rosemary DeMichele
Senior Manager, Client Service
RBC Dexia Investor Services Trust