PURCHASE AND SALE AGREEMENT

THIS AGREEMENT made as of November 22, 2005.

AMONG:

UBIQUITY BANK OF CANADA., a bank constituted and existing under the *Bank Act* (Canada)

("**UBOC**")

AND:

FOREST & MARINE INVESTMENT TRUST, a unit trust organized and existing under the laws of the Province of British Columbia

(the "**Unit Trust**")

AND:

FOREST & MARINE FINANCIAL CORPORATION a corporation constituted and existing under the laws of the Province of British Columbia

(the "**Manager**")

WHEREAS:

A. UBOC wishes to acquire, directly or indirectly, all of the issued and outstanding Class A Units and Class B Units of Forest & Marine Financial Limited Partnership (the "**Partnership**") and all of the issued and outstanding shares of Forest & Marine Financial Corporation, the general partner of the Partnership (the "**Acquisition**"), pursuant to an agreement (the "**Merger Agreement**") a copy of which is attached hereto as Schedule C;

B. The Unit Trust is the beneficial owner of Class A Units in the capital of the Partnership (the "**Class A Partnership Units**") as set out in Section 1 hereof;

C. The Unit Trust wishes to sell to UBOC, and UBOC wishes to purchase from the Unit Trust, all of the Unit Trust's right, title and interest in and to the Class A Partnership Units owned by the Unit Trust on the terms and conditions contained herein; and

D. All capitalized terms used but not defined in this Agreement have the meaning given to such terms in the Merger Agreement;

NOW, THEREFORE, THIS AGREEMENT WITNESSES THAT, in consideration of the mutual covenants and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

1. Purchase of Class A Partnership Units. At the Effective Time, and subject to the terms and conditions contained herein, the Unit Trust will sell to UBOC and UBOC will purchase from the Unit Trust all of the Class A Partnership Units owned by the Unit Trust (the "**Purchased Units**") for a purchase price of $1.00 per Purchased Unit (the "**Unit Purchase Price**") to be fully paid and satisfied as follows (the "**Aggregate Purchase Price**"):

(a) UBOC shall issue to the Unit Trust UBOC Debentures in an aggregate principal amount equal to the number of Purchased Units multiplied by the Unit Purchase Price, less the amount payable by UBOC in cash pursuant to Subsection 1(b); and

(b) UBOC shall issue to the Unit Trust a cheque made payable to the Unit Trust in such amount as the Manager advises is necessary to pay and satisfy that portion of the Aggregate Purchase Price to be utilized by the Trustee to redeem those Units held by Unitholders who are individual pension plans and have provided the Manager prior to the Effective Date a certificate in the form attached hereto as Schedule A (or such other form as is satisfactory to UBOC, acting reasonably) certifying that the holding of UBOC Debentures would be in violation of applicable pension legislation, such amount not to exceed $3,000,000 in the aggregate.

2. Approval of Unitholders. The purchase and sale of the Class A Partnership Units provided for in Section 1 is subject to, among other conditions set forth in Section 9, the requisite approval by the Unitholders of the Unit Trust Resolutions substantially in the form attached hereto as Schedule B at the Unit Trust Meeting being called to consider the same. The requisite approval for the Unit Trust Resolutions shall be two-thirds of the votes cast on the Unit Trust Resolutions by Unitholders present in person or by proxy at the Unit Trust Meeting (each holder of Units in the Unit Trust being entitled to one vote for each Unit held).

3. Unit Trust Circular. Forthwith after the execution and delivery of this Agreement, the Manager shall cause the Unit Trust Circular, in the form previously approved by UBOC and the Manager, together with any other documents required by the BCSA or other applicable law in connection with the Unit Trust Meeting and the Unit Trust Resolutions to be mailed to Unitholders. Each of the Manager and UBOC confirm that the information relating to it which is contained in the Unit Trust Circular does not contain any Misrepresentation and is compliant with all applicable Law and provides the Unitholders with information in sufficient detail to permit them to form a reasoned judgment considering the matters to be placed before them at the Unit Trust Meeting. Each of the Manager and UBOC shall promptly notify the other of them if, at any time during the Pre-Effective Date Period, it becomes aware that the Unit Trust Circular contains a Misrepresentation. In any such event, the Manager and UBOC shall co-operate in the preparation of a supplement or amendment to the Unit Trust Circular, as the case may be, that corrects that Misrepresentation, and will cause the same to be distributed to the Unitholders and filed with each applicable Governmental Entity under applicable Securities Legislation.

4. Completion of Purchase. On the Business Day immediately preceding the Effective Date, the Unit Trust shall deliver the following documents to the solicitors for UBOC in escrow to be released to UBOC at the Effective Time upon payment of the Aggregate Purchase Price:

(a) certificates representing all of the Class A Partnership Units held by the Unit Trust duly endorsed for transfer to UBOC;

(b) a certified copy of the Unit Trust Resolutions;

(c) a certificate dated as of the Effective Date of the Trustee of the Unit Trust, in such form as UBOC may reasonably require, certifying that the representations and warranties of the Unit Trust contained in this Agreement are true and correct as of such date; and

(d) a written confirmation from the Unit Trust that the conditions specified in Section 9 hereof have been satisfied or waived by the Unit Trust.

5. Delivery of Aggregate Purchase Price. At the Effective Time, UBOC shall deliver the Aggregate Purchase Price to the Unit Trust against delivery to UBOC of the documentation specified in Section 4. The UBOC Debentures to which the Unit Trust is entitled pursuant to this Agreement shall be registered in the name of the Unit Trust provided that no fractional UBOC Debenture shall be issued and, to the extent the Unit Trust is entitled to a fractional UBOC Debenture interest, such fractional entitlement shall be satisfied by a cash payment to the Unit Trust on the basis of $100 for each whole UBOC Debenture. In addition, in order to permit the Unit Trust to distribute the UBOC Debentures to the Unitholders in connection with the wind-up of the Unit Trust, UBOC shall also issue to the Unit Trust at the Effective Time a cash payment on the basis of $100 for each whole UBOC Debenture sufficient to satisfy any entitlements of Unitholders to a fractional UBOC Debenture interest, subject to receipt of and in accordance with a direction from the Unit Trust given to UBOC not less than two Business Days prior to the Effective Date, which direction shall set out the aggregate amount of any cash payment required to satisfy such entitlements.

6. Securities Law Matters. The Unit Trust acknowledges that the UBOC Debentures are being issued to it pursuant to exemptions from the prospectus and registration requirements of applicable Securities Laws as follows:

(a) The UBOC Debentures will be subject to resale restrictions under Securities Legislation including a hold period of four months and one day following the later of the Effective Time and the date UBOC becomes a reporting issuer under the Securities Legislation;

(b) The certificates representing the UBOC Debentures to be delivered to the Unit Trust will be legended in the manner specified in National Instrument 45-102 – *Resale Restrictions* of the Canadian Securities Administrators;

(c) The Unit Trust is not relying upon any representation, warranty, covenant or agreement of UBOC in connection with the transactions contemplated by this Agreement other than as expressly set forth in this Agreement; and

(d) The Unit Trust will co-operate with UBOC in making any and all filings required under Securities Legislation in connection with the transactions contemplated in this Agreement and will execute and deliver any and all documentation required in connection with its acquisition of the UBOC Debentures including, without limitation, such documentation, if any, as may be required by the TSX Venture Exchange.

7. Representations and Warranties.

(a) The Unit Trust hereby represents and warrants to UBOC, and acknowledges that UBOC is relying upon such representations and warranties in entering into this Agreement and purchasing the Purchased Units, as follows:

(i) the Unit Trust is (A) a trust created and existing under the laws of the Province of British Columbia pursuant to a Declaration of Trust dated September 25, 1992 (the "**Declaration of Trust**"); (B) duly registered, licensed or qualified to carry on business, and is in good standing, in each jurisdiction in which the character of its properties, owned or leased, or the nature of its activities makes a registration, license or qualification necessary; and (C) a reporting issuer for purposes of the Securities Legislation in the Province of British Columbia;

(ii) pursuant to the Declaration of Trust, Computershare Trust Company of Canada (the "Trustee") has been appointed as the sole trustee of the Trust, has been authorized to hold title to the property of the Trust, and has the corporate power and capacity to enter into and perform its obligations under this Agreement;

(iii) the Trustee is the registered owner of the Purchased Units and such Purchased Units are held for the benefit of the Unitholders in accordance with the provisions of the Declaration of Trust and the Unit Trust has not granted any Lien against the Purchased Units;

(iv) the Unit Trust has not granted to any person, firm or corporation any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, to purchase or otherwise acquire any of the Purchased Units or any interest in any of the Purchased Units (other than as provided by this Agreement); and

(v) this Agreement has been duly executed and delivered by the Trustee acting in its capacity as trustee of the Trust and is a legal, valid and binding obligation of the Trustee in its capacity as Trustee of the Trust and is enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium and other similar laws relating to or affecting creditors' rights generally and to general principles of equity.

(b) The Manager hereby represents and warrants to UBOC, and acknowledges that UBOC is relying upon such representations and warranties in entering into this Agreement and purchasing the Purchased Units, as follows:

(i) The execution and delivery of this Agreement by the Manager and the consummation by it of the transactions contemplated by this Agreement have been duly authorized by its board of directors or other competent authority and no other corporate proceedings on the part of the Manager is necessary to authorize this Agreement and the transactions contemplated hereby other than the approval of the Unit Trust Resolutions by the Unitholders. This Agreement has been duly executed and delivered by the Manager and constitutes a valid and binding obligation of the Manager, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium and other similar laws relating to or affecting creditors' rights generally and to general principles of equity.

(ii) The Manager has (A) received an opinion from Salman Partners that, as of the date of this Agreement, the consideration to be paid for the Class A Partnership Units held by the Unit Trust is fair, from a financial point of view, to the Unitholders; and (B) determined, as of the date of this Agreement, to recommend that the Unitholders vote in favour of the Unit Trust Resolutions.

(iii) (A) each of the Unit Trust's Public Disclosure Documents was, as of the date of filing, in compliance in all material respects with all applicable requirements under Securities Legislation and none of the Public Disclosure Documents, as of their respective filing dates, contained any Misrepresentation; (B) except as disclosed in the UBOC Disclosure Letter the Unit Trust has filed all documents required to be filed by it pursuant to applicable Securities Legislation; and (C) except as disclosed in the UBOC Disclosure Letter the Unit Trust has no knowledge of any material information (as such term is defined in National Policy No. *51-201)* which has not been generally disclosed in accordance with its obligation to do so under the provisions of applicable Securities Legislation, other than disclosure relating to this Agreement.

(c) UBOC hereby represents and warrants to and covenants and agrees with the Unit Trust, and acknowledges that the Unit Trust is relying upon such representations and warranties in entering into this Agreement and selling the Purchased Units, as follows:

(i) UBOC has the requisite corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder and this Agreement has been duly authorized, executed and delivered by UBOC and constitutes a legal, valid and binding obligation of UBOC enforceable against UBOC in accordance with its terms, subject to bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium and other similar laws relating to or affecting creditors' rights generally and to general principles of equity;

(ii) the execution, delivery and performance of this Agreement by UBOC and the completion of the transactions contemplated by this Agreement do not and will not result in or constitute a default, breach or violation or an event that, with notice or lapse of time or both, would be a default, breach or violation of any of the terms, conditions or provisions of (A) any Material Agreement to which UBOC is bound, (B) any statute, or judgement, decree, order, rule, policy or regulation of any court or governmental or other authority applicable to UBOC, subject to obtaining the Appropriate Regulatory Approvals or (C) the charter or bylaws of UBOC; and

(iii) the UBOC Debentures, when issued, will be validly authorized, created and issued, and the certificate(s) representing the Debentures will be executed, certified and delivered by UBOC and will constitute legal, valid and binding obligations of UBOC, enforceable against UBOC in accordance with the terms thereof.

(d) The representations and warranties of each of the parties hereto contained herein will survive the execution and delivery of this Agreement and shall continue for a period of two (2) years following the Effective Time, other than the representations and warranties of UBOC set out in Section 7(c)(iii), which shall continue indefinitely.

(e) The Manager acknowledges and agrees with each of the Unit Trust and UBOC that the representations, warranties and covenants of the Manager set out in this Agreement are made by the Manager in its corporate capacity and not:

(i) in its capacity as manager of the Unit Trust pursuant to the terms of the Management Agreement between the Manager and the Trustee of the Unit Trust dated September 25, 1992;

(ii) pursuant to the terms of any authority delegated to the Manager by the Trustee of the Unit Trust pursuant to the Declaration of Trust; or

(iii) otherwise on behalf of the Trustee or the Unit Trust.

(f) Each of UBOC and the Manager acknowledges and agrees with the Unit Trust and the Trustee that the representations, warranties and covenants of the Trustee set out in this Agreement are made by the Trustee in its capacity as trustee appointed under the Declaration of Trust and not in any other capacity, and only the Unit Trust and the property held by the Unit Trust pursuant to the Declaration of Trust shall be bound by and subject to the obligations and any liabilities arising out of this agreement, and no recourse shall be had against the assets of the Trustee other than the property of the Unit Trust held pursuant to the Declaration of Trust.

8. Conditions Precedent to Completion of Purchase and Sale.

(a) The obligation of UBOC to complete the transactions contemplated by this Agreement shall be subject to the satisfaction, on or before the Effective Date, of each of the following conditions precedent (each of which is for the exclusive benefit of UBOC and may be waived by UBOC and any one or more of which, if not satisfied or waived, will relieve UBOC of any obligation under this Agreement):

(i) all conditions specified in Section 2 of this Agreement and Sections 7.1 & 7.2 of the Merger Agreement shall have been satisfied or waived by the applicable party thereto;

(ii) all covenants of the Unit Trust under this Agreement to be performed by the Unit Trust on or before the Effective Date shall have been duly performed by the Unit Trust in all material respects;

(iii) all representations and warranties of the Unit Trust under this Agreement shall be true and correct in all material respects as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct in all material respects as of such earlier date, or except as affected by transactions contemplated or permitted by this Agreement)

(iv) the Manager shall deliver certified copies of any resolutions of the board of directors of the Manager or the partners of the Partnership required under the constating documents of the Partnership to approve the transfer of the Class A Partnership Units to UBOC and to authorize UBOC to be entered into the register of limited partners as the registered owner of such Class A Partnership Units; and

(v) the Trustee shall not have, as and from the date of execution of this Agreement until the earlier of the Effective Time and the termination of the Agreement in accordance with Section 11, amend or waive any provision of the Declaration of Trust without the prior written consent of UBOC, such consent not to be unreasonably withheld.

(b) The obligation of the Unit Trust to complete the transactions contemplated by this Agreement shall be subject to the satisfaction, on or before the Effective Date, of each of the following conditions precedent (each of which is for the exclusive benefit of the Unit Trust and may be waived by the Unit Trust and any one or more of which, if not satisfied or waived, will relieve the Unit Trust of any obligation under this Agreement):

(i) all conditions specified in Section 2 of this Agreement and Sections 7.1 and 7.3 of the Merger Agreement shall have been satisfied or waived by the applicable party thereto;

(ii) on or before the Effective Date, the Exchange shall have conditionally approved the listing of the UBOC Debentures on the Exchange subject to satisfaction of applicable distribution requirements and the filing of required documentation;

(iii) all covenants of UBOC under this Agreement and the Merger Agreement to be performed by UBOC on or before the Effective Date shall have been duly performed by UBOC in all material respects; and

(iv) all representations and warranties of UBOC under this Agreement and the Merger Agreement shall be true and correct in all material respects as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct in all material respects as of such earlier date, or except as affected by transactions contemplated or permitted by this Agreement).

9. Covenants Regarding Non-Solicitation

(a) Subject to Section 10, the Unit Trust shall not, directly or indirectly, through any officer, director, employee, representative, agent or otherwise, (i) solicit, initiate, invite or knowingly encourage (including by way of furnishing information or entering into any form of agreement, arrangement or understanding) the initiation of any inquiries or proposals regarding an Alternate Acquisition Proposal, (ii) participate in any discussions or negotiations regarding any Alternate Acquisition Proposal, (iii) subject to the exercise by the Trustee of its fiduciary duties, withdraw or modify in a manner adverse to UBOC the approval of the Trustee contemplated hereby, (iv) approve or recommend any Alternate Acquisition Proposal or (v) enter into any agreement, arrangement or understanding related to any Alternate Acquisition Proposal. Notwithstanding the preceding part of this Section 9(a) and any other provision of this Agreement, nothing shall prevent the Trustee, prior to the adoption of the Unit Trust Resolutions, from participating in any discussions or negotiations regarding an unsolicited *bona fide* written Alternate Acquisition Proposal that did not otherwise result from a breach of this Section 9 and that the Trustee determines in good faith, after consultation with financial advisors and outside counsel, is reasonably likely to result in a Superior Proposal; provided, however, that prior to taking such action, the Trustee must receive written advice of outside counsel that it is appropriate that the Trustee take such action in order to discharge properly its fiduciary duties. The Unit Trust shall not consider, negotiate, accept, approve or recommend an Alternate Acquisition Proposal after the date of the adoption of the Unit Trust Resolutions. The Unit Trust shall, and shall cause its officers, directors, employees, representatives and agents to cease immediately all discussions and negotiations with any party making or proposing an Alternative Acquisition Proposal regarding any proposal that constitutes, or may reasonably be expected to lead to, an Alternate Acquisition Proposal.

(b) The Unit Trust shall immediately notify UBOC, at first orally and then in writing, of any Alternate Acquisition Proposal and any inquiry that could lead to an Alternate Acquisition Proposal, or any amendments to the foregoing, or any request for non-public information relating to the Unit Trust in connection with an Alternate Acquisition Proposal or for access to the properties, books or records of the Unit Trust by any Person in connection with an Alternate Acquisition Proposal. Such notice shall include a description of the material terms and conditions of any proposal, the identity of the Person making such proposal, inquiry or contact and provide such other details of the proposal, inquiry or contact as UBOC may reasonably request. The Unit Trust shall (i) keep UBOC fully informed of the status including any change to the material terms of any such Alternate Acquisition Proposal or inquiry and (ii) provide to UBOC as soon as practicable after receipt or delivery thereof copies of all correspondence and other written material sent or provided to the Unit Trust by any Person in connection with any Alternate Acquisition Proposal or sent or provided by the Unit Trust to any Person in connection with any Alternate Acquisition Proposal.

(c) The Unit Trust shall ensure that its officers, directors and employees and its Subsidiaries and their officers, directors and employees and any financial advisors or other advisors or representatives retained by it are aware of the provisions of this Section 9, and it shall be responsible for any breach of this Section 10, by its officers, directors, employees, financial advisors or other advisors or representatives.

10. Notice of Superior Proposal Determination

Notwithstanding Section 9, the Unit Trust may accept, approve, recommend or enter into any agreement, understanding or arrangement in respect of a Superior Proposal if, and only if, (i) it has provided UBOC with a copy of the Superior Proposal document, and (ii) five Business Days shall have elapsed from the later of the date UBOC received written notice advising UBOC that the Trustee of the Unit Trust has resolved, subject only to compliance with this Section 10 and termination of this Agreement, to accept, approve, recommend or enter into an agreement in respect of such Superior Proposal, specifying the terms and conditions of such Superior Proposal and identifying the Person making such Superior Proposal, and the date UBOC received a copy of such Superior Proposal.

During such five Business Day period, if applicable, the Unit Trust agrees that UBOC shall have the right, but not the obligation, to offer to amend the terms of this Agreement. The Trustee will review any offer by UBOC to amend the terms of this Agreement in good faith in order to determine, in its discretion in the exercise of its fiduciary duties, whether UBOC's offer upon acceptance by the Unit Trust would result in such Superior Proposal ceasing to be a Superior Proposal. If the Trustee so determines, it will enter into an amended agreement with UBOC reflecting UBOC's amended proposal. If the Trustee continues to believe, in good faith and after consultation with financial advisors and outside counsel, that such Superior Proposal remains a Superior Proposal and therefore rejects UBOC's amended proposal, the Unit Trust may terminate this Agreement pursuant to Section11(a)(ii).

The Unit Trust also acknowledges and agrees that each successive modification of any Alternate Acquisition Proposal shall constitute a new Alternate Acquisition Proposal for purposes of the requirement under clause (ii) of this Section 10 and initiate an additional five Business Day notice period.

11. Termination.

(a) This Agreement may be terminated:

(i) by mutual agreement of the parties confirmed in writing;

(ii) by the Unit Trust in order to enter into a definitive written agreement with respect to a Superior Proposal, subject to compliance with Section 10; or

(iii) if the Merger Agreement terminates.

(b) If this Agreement is terminated in accordance with the foregoing paragraph, neither party shall have any further liability to perform its obligations provided that the termination of this Agreement shall not relieve either party from any liability for any breach by it of this Agreement, including from any inaccuracy in its representations and warranties and any non-performance by it of its covenants made herein.

12. Dissolution of the Unit Trust. At the Unit Trust Meeting, Unitholder approval will be sought to wind-up the Unit Trust and to distribute to Unitholders the property of the Unit Trust. UBOC understands that the Unit Trust is the holder of FMI Common Shares and, as a result, will receive on the Effective Date the consideration specified in the Plan of Arrangement, which includes future cash payments totaling $0.40 per FMI Common Share. UBOC agrees that it will, upon the request of the Unit Trust, make such payments directly to Unitholders in order to facilitate the winding-up of the Unit Trust. The Unit Trust will advise UBOC as to the name, address and respective entitlement of each such Unitholder.

13. Continuation of Manager. UBOC agrees that following the completion of the Acquisition it shall cause the corporate existence of the Manager to continue and for the Manager to perform its obligations under and for the remuneration contemplated by, and not terminate, the Management Agreement made the 25th day of September 1992 between the Manager and the Trustee until such time as the Unit Trust has been terminated and the assets of the Unit Trust distributed to the Unitholders of the Unit Trust in accordance with the terms of the Declaration of Trust and applicable law, provided that the foregoing shall not prevent the amalgamation of the Manager with another affiliate of UBOC or prevent the winding up of the Manager or any company into which the Manager has been amalgamated if UBOC makes arrangements satisfactory to the Trustee, acting reasonably, for UBOC or an affiliate of UBOC to continue to perform such functions.

14. General.

(a) If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the reminder of the terms, provisions, covenants and restrictions of this Agreement will remain in full force and effect and will in no way be affected, impaired or invalidated and the parties hereto will negotiate in good faith to modify the Agreement to preserve each party's anticipated benefits under the Agreement.

(b) UBOC may assign all or any part of its rights under this Merger Agreement to a direct or indirect wholly owned Subsidiary of UBOC, provided that UBOC shall remain liable for the fulfillment of its obligations hereunder. Except as aforesaid, neither party hereto may assign this Agreement without the prior written consent of the other party, which consent may be withheld without reason.

(c) This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and shall be treated in all respects as a British Columbia contract. Each party hereby irrevocably attorns to the jurisdiction of the courts of the Province of British Columbia in respect of all matters arising under or in relation to this Agreement.

(d) This Agreement will be binding upon and will enure to the benefit of each of the parties hereto and their respective successors and permitted assigns.

(e) The parties agree that all out-of-pocket expenses of the parties relating to this Agreement and the transactions contemplated hereby, including legal fees, accounting fees, financial advisory fees, regulatory filing fees, all disbursements of advisors and printing and mailing costs, shall be paid by the party incurring such expenses.

(f) This Agreement may not be modified, amended, altered or supplemented except in the manner contemplated herein and upon the execution and delivery of a written agreement executed by all of the parties hereto. No waiver of any nature, in any one or more instances, will be deemed or construed as a further or continued waiver of any condition or breach of any other term, representation or warranty in this Agreement.

(g) Notwithstanding the fact that any part of this Agreement has been drafted or prepared by or on behalf of one of the parties hereto, all of the parties confirm that they and their respective counsel have reviewed and negotiated this Agreement and that the parties hereto have adopted this Agreement as the joint agreement and understanding of the parties hereto, and the language used in this Agreement will be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of construction providing that a provision is to be interpreted in favour of the Person who contracted the obligation and against the Person who stipulated it will be applied against any party hereto.

(h) Each of the parties hereby agree that each will promptly furnish to the other parties any further documents and take or cause to be taken any further action as may reasonably be required in order to give effect to this Agreement. The parties hereto agree to execute and deliver any instruments and documents as any other party hereto may reasonably require in order to carry out the intent of this Agreement.

(i) Time is of the essence of this Agreement.

(j) This Agreement may be executed in any number of counterparts with the same effect as if each party hereto had signed the same document. Each counterpart so executed will constitute an original and all counterparts will be construed together and will constitute one and the same agreement.

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

UBIQUITY BANK OF CANADA

By: *"Keith Puiu"*
Authorized Signatory

By: *"Peter J. Wright"*
Authorized Signatory

FOREST & MARINE INVESTMENT TRUST

By: *"Computershare Trust Company of Canada, as Trustee"*
By: *"Nicole Clement"*
"Judith Conyette"
Authorized Signatory

FOREST & MARINE FINANCIAL CORPORATION

By: *"David Hitchcock"*
Authorized Signatory

SCHEDULE A

FORM OF CERTIFICATE

[Instructions: This certificate must be completed and returned to Forest & Marine Financial Corporation at the address prior to the Effective Date of the Acquisition.]

[NAME OF] PENSION PLAN

TO: Forest & Marine Financial Corporation, as manager of
the Forest & Marine Investment Trust ("FMIT")
510 Burrard Street, 3rd Floor
Vancouver, BC V6C 3B9

RE: Termination of FMIT

I, ___________________, of [address] British Columbia, HEREBY CERTIFY THAT:

1. I am [option: the administrator] [option: one of the administrators] [option: a director of [name of corporation] that is the administrator] of the [name of] Pension Plan ("Plan") and as such have personal knowledge of the matters hereinafter stated.

2. Immediately before the proposed termination of FMIT, the Plan owns [insert number] units of FMIT.

3. If FMIT is terminated and if as a result thereof, the Plan were to acquire exclusively debentures of Ubiquity Bank of Canada ("UBOC"), as described in that information circular attached to that notice of special general meeting of the unitholders of FMIT, dated November 22, 2005, the Plan would acquire property the total book value of which represents more than 10 % of the total book value of all assets or properties of the Plan in any one person, two or more associated persons or two or more affiliated corporations, as described in section 9 of Schedule III to the *Pension Benefits Standards Regulations, 1985* (Canada) ("Schedule III").

4. To the best of my knowledge, neither subsection 9(2) nor subsection 9(3) of Schedule III would apply to permit the Plan to acquire exclusively debentures of UBOC upon the termination of FMIT.

5. To the best of my knowledge, the Plan is permitted to acquire cash from FMIT upon the termination of FMIT.

6. I am aware that the trustee of FMIT in deciding whether or not to distribute exclusively debentures of UBOC to the Plan upon the termination of FMIT is entitled to rely upon the accuracy of the information contained in this Certificate.

IN WITNESS WHEREOF, [name of individual providing certificate] has hereunto set his hand this ______ day of ________________, 2005.

____
[Name of Individual]

SCHEDULE B

UNIT TRUST RESOLUTIONS

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the Forest & Marine Investment Trust (the “Unit Trust”) sell to Ubiquity Bank of Canada (“Ubiquity Bank”) all of the Class A Partnership Units of the Forest & Marine Financial Limited Partnership (the “Purchased Units”) owned by the Unit Trust for the purchase price of $1.00 per Purchased Unit (the “Unit Purchase Price”) to be fully paid and satisfied by:

   (a) the payment to the Unit Trust by Ubiquity Bank of cash in such amount as Forest & Marine Financial Corporation in its capacity as manager of the Unit Trust (the “Manager”) advises is necessary to pay and satisfy that portion of the purchase price to be utilized by Computershare Trust Company of Canada as trustee of the Unit Trust (the “Trustee”) to redeem those Units held by Unitholders who are individual pension plans and who have delivered to the Manager a certificate in the form appended as Appendix F (the "Declaration") to the information circular of the Unit Trust dated November 22, 2005 (the “Circular”), within the time frame set out in the Declaration, where the holding of 4.50% unsecured convertible subordinate debentures, Series 1 of Ubiquity Bank (the “UBOC Debentures”) would be in violation of applicable pension legislation, such amount not to exceed $3,000,000 in the aggregate; and

   (b) the issue to the Unit Trust by Ubiquity Bank of UBOC Debentures in an aggregate principal amount equal to the number of Purchased Units multiplied by the Unit Purchase Price, less the amount payable in cash pursuant to (a) above;

2. the declaration of trust between Forest & Marine Financial Corporation (“FMFC”) and the Trustee dated September 25, 1992, as amended, (the “Declaration of Trust”), be and is hereby amended, as follows

   (a) section 5.1 of the Declaration of Trust is deleted and replaced with the following:

   “Subject to the provisions of Section 3.1, all money received or held by the Trust through the sale of Units, or otherwise, shall, as soon as practicably possible, be invested by the Trustee in limited partnership units of the Partnership, provided, however, that with respect to the period of time subsequent to the sale of limited partnership units of the Partnership to Ubiquity Bank of Canada in accordance with the terms of that certain purchase and sale agreement dated November 22, 2005 among Ubiquity Bank of Canada, the Trust and Forest & Marine Financial Corporation (the "Purchase and Sale Agreement") and the winding up of the affairs of the Trust, the Trust may also invest in (a) 4.50% unsecured convertible subordinate debentures, Series 1 of Ubiquity Bank of Canada (b) common shares of Ubiquity Bank of Canada, Pending any such investment, such money shall be held by the Trustee as cash or deposits with any bank, trust company (including the Trustee) or other corporation any of whose deposits are insured by Canada Deposit Insurance Corporation."

(b) section 6.2 of the Declaration of Trust is deleted and replaced with the following:

"The Trustee shall require any Unitholder who holds or who, following a redemption pursuant to section 6.1 hereof, would hold Units in aggregate less than 500 in number (the "Floor Amount") to redeem the remaining Units held by the Unitholder by giving such Unitholder 30 days' prior written notice to that effect. If such Unitholder increases the aggregate number of Units held by such Unitholder to the Floor Amount or more within such 30 day period, the Trustee shall not be entitled to redeem the Units of such Unitholder unless such Unitholder holds at a later date Units been in number a number lower than the Floor Amount after the giving of the notice and otherwise complying with this section and so forth from time to time.

In the event that the Trust enters into an agreement to sell all the limited partnership units of the Partnership owned by the Unit Trust for cash or otherwise to Ubiquity Bank of Canada the Trustee may redeem from any Unitholder who provides the Manager with a certificate that sets out the number of Units such Unitholder holds in individual pension plans where the holdings of 4.5% unsecured convertible subordinate debentures, Series 1 of Ubiquity Bank of Canada would be in violation of applicable pension legislation, that number of Units specified in the certificate. Payment to such Unitholders of the sum of $1.00 per Unit shall be made by the Trustee out of the cash portion of the proceeds of the disposition to Ubiquity Bank of Canada of such number of limited partnership units necessary to satisfy such payment to such Unitholders."

(c) section 13.2 of the Declaration of Trust is deleted and replaced with the following:

"(a) The Trustee shall distribute in specie or sell all investments then remaining in its hands as part of the property of the Trust and such distribution or sale shall be carried out and completed in such manner and within such period after the termination of the Trust as the Trustee thinks advisable.

(b) The Trustee shall from time to time distribute to the Unitholders pro rata to the number of Units held by them respectively, as set out on the register of Unitholders maintained under section 4.9 hereof, all net assets of the Trust available for the purpose of such distribution provided that the Trustee shall be entitled to retain out of any moneys in its hands under the provisions of this section full provision for all costs, charges, expenses, claims and demands incurred, made or apprehended by the Trustee in connection with or arising out of the liquidation of the Trust and out of the moneys so retained to be indemnified and saved harmless against any such costs, charges, expenses, claims and demands. Any such final distribution shall only be made against delivery to the

Trustee of such form of release as the Trustee shall in its absolute discretion require."

3. the Trustee is authorized to cause all of the common shares of Forest & Marine Investments Ltd. held by the Unit Trust to be voted in favour of the resolution of such shareholders approving that certain plan of arrangement whereby all such common shares will be exchanged for common shares of Ubiquity Bank such that 1 common share of Forest & Marine Investments Ltd. ("FMI Share") will be exchanged for 1.578 common shares of Ubiquity Bank and the obligation of Ubiquity Bank to make additional cash payments totaling $0.40 per FMI Share, as more particularly described in the information circular of Forest & Marine Investments Ltd. dated November 22, 2005 (the "FMI Arrangement");

4. the dissolution and winding-up of the affairs of the Unit Trust:

   (a) in the manner and on the terms set out in the Circular,

   (b) by the in specie distribution of UBOC Debentures to Unitholders, and if the distribution results in any Unitholder being entitled to a UBOC Debenture that is not a round multiple of $100 (such portion of the denomination being a "fractional part"), the Trustee may pay such Unitholder, in place of such fractional part the cash equivalent thereof, as determined by the Trustee;

   (c) by the in specie distribution of UBOC Shares received by the Unit Trust pursuant to the FMI Arrangement; and

   (d) by the disposition into the market or otherwise, of a sufficient number of UBOC Shares to receive funds for payment of:

      (i) the cash equivalents to be paid to Unitholders in lieu of fractional UBOC Debentures; and

      (ii) the fees and expenses of the Trustee and its agents and advisors in connection with its administration of the winding up of the Unit Trust as permitted by section 13.2(b) of the Declaration of Trust,

      (iii) be and is hereby authorized, which dissolution is to occur seven (7) days after the Trustee has completed its distribution to Unitholders of the net assets of the Unit Trust available for distribution; and

5. any one director or officer of the Trustee, is hereby authorized and directed to do all such acts and things and sign all such documents and instruments as he or she may consider necessary or desirable to give effect to the purpose and intent of this resolution including, without limitation, all conveyances and other instruments necessary to reflect the dissolution of the Unit Trust.

SCHEDULE C

MERGER AGREEMENT