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#15

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD*
CHARLES T. KAPPLER
JOHN H. DOYLE*
RICHARD N. BAGENSTOS
JAMES C. MARTIN, JR.*

* ALSO ADMITTED IN NEW YORK
* ALSO ADMITTED IN MARYLAND

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RECORDATION NO. 16024-N FILED 1423

OCT 27 1989 - 12 35 PM

October 27, 1989 INTERSTATE COMMERCE COMMISSION

Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
Washington, DC 20423

Dear Ms. McGee:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two fully executed original copies of a Seventh Supplemental Indenture dated as of October 20, 1989, a secondary document as defined in the Commission's Rules for the Recordation of Documents, 49 C.F.R. Section 1177.

The enclosed document relates to the Trust Indenture dated September 15, 1988, which was filed and recorded with the Commission on November 14, 1988 and assigned Recordation Number 16024.

The names and addresses of the parties to the enclosed document are:

Trustee: The Royal Trust Company
P.O. Box 7500
Station A
Toronto, Ontario M5W 1P9
Canada

Company: SLX Canada Inc.
1500 Bow Valley Square IV
250 6th Avenue S.W.
Calgary, Alberta T2P 3H7
Canada

Also enclosed is a check in the amount of \$15 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

C. T. Kappler

FILED
OCT 27 1989

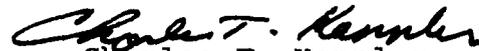
Ms. Noreta R. McGee
October 27, 1989
Page 2

Kindly return a stamped copy of the enclosed document to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, NW, Washington, DC 20006.

A short summary of the enclosed primary document to appear in the Commission's Index is:

Seventh Supplemental Indenture dated as of October 20, 1989 providing for the issues of Series 89-5 Class A Debentures.

Very truly yours,


Charles T. Kappler

CTK/skh
Enclosure

Interstate Commerce Commission
Washington, D.C. 20423

10/27/89

OFFICE OF THE SECRETARY

Charles T. Kappler
Alvord & Alvord
918 16th St. N.W.
Washington, D.C. 20423

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/27/89 at 12:35pm and assigned recordation number(s). 16024-N

Sincerely yours,



Noreta R. McGee
Secretary

Enclosure(s)

OCT 27 1989 -12 35 PM

INTERSTATE COMMERCE COMMISSION

MADE AS OF OCTOBER 20, 1989

SLX CANADA INC.

- and -

THE ROYAL TRUST COMPANY

Trustee

SEVENTH SUPPLEMENTAL INDENTURE

Supplemental to

TRUST INDENTURE DATED SEPTEMBER 15, 1988

and providing for the issue of

SERIES 89-5 CLASS A DEBENTURES

THIS SEVENTH SUPPLEMENTAL INDENTURE made as of October
20, 1989

BETWEEN :

SLX CANADA INC., a corporation formed under
the Canada Business Corporations Act
(the "Company")

OF THE FIRST PART,

-and-

THE ROYAL TRUST COMPANY, a trust company
incorporated under the laws of Quebec
(the "Trustee")

OF THE SECOND PART,

WHEREAS by a Trust Indenture (herein referred to as
the "Principal Indenture") made the 15th day of September, 1988
between the Company and the Trustee provision was made for the
issue in series of Class A Debentures, Class B Debentures and
Class C Subordinated Debentures;

AND WHEREAS pursuant to the Principal Indenture and a
supplemental indenture made as of November 1, 1988 between the
Company and the Trustee (the "First Supplemental Indenture"),
the Company issued \$15,000,000 principal amount of Series 88-1
Class A Debentures, \$15,000,000 principal amount of Series 88-1
Class C Subordinated Debentures and \$4,370,000 principal amount
of Series 88-2 Class A Debentures;

AND WHEREAS pursuant to a supplemental indenture made
as of December 23, 1988 between the Company and the Trustee
(the "Second Supplemental Indenture"), the Company issued
\$3,656,643.51 principal amount of Series 88-1 Class B
Debentures;

AND WHEREAS pursuant to a supplemental indenture made
as of March 1, 1989 between the Company and the Trustee (the
"Third Supplemental Indenture"), the Company issued \$9,000,000
principal amount of Series 89-1 Class A Debentures;

AND WHEREAS pursuant to a supplemental indenture made
as of March 27, 1989 between the Company and the Trustee (the
"Fourth Supplemental Indenture"), the Company issued

\$8,026,184.45 principal amount of Series 89-1 Class B Debentures;

AND WHEREAS pursuant to a supplemental indenture made as of July 17, 1989 between the Company and the Trustee (the "Fifth Supplemental Indenture"), the Company issued \$15,000,000 principal amount of Series 89-2 Class A Debentures, \$4,200,000 principal amount of Series 89-3 Class A Debentures and \$9,350,000 principal amount of Series 89-4 Class A Debentures;

AND WHEREAS pursuant to a supplemental indenture made as of October 2, 1989 between the Company and the Trustee (the "Sixth Supplemental Indenture"), the Company issued \$15,000,000 principal amount of Series 89-1 Class C Subordinated Debentures;

AND WHEREAS the board of directors of the Company by resolution authorized the creation and issue of an additional series of Class A Debentures upon the terms set forth in this Seventh Supplemental Indenture and authorized amendments to the Principal Indenture as provided for in this Seventh Supplemental Indenture and the Company has requested the Trustee to execute this Seventh Supplemental Indenture for the purposes hereinafter appearing;

AND WHEREAS all things necessary have been done and performed to authorize the execution of this Seventh Supplemental Indenture and to make the same effective and binding upon the Company and to make the additional Class A Debentures when certified by the Trustee and issued as in this Seventh Supplemental Indenture provided, valid, binding and legal obligations of the Company with the benefit and subject to the terms of the Principal Indenture as supplemented by the First Supplemental Indenture, Second Supplemental Indenture, Third Supplemental Indenture, Fourth Supplemental Indenture, Fifth Supplemental Indenture, Sixth Supplemental Indenture and this Seventh Supplemental Indenture;

AND WHEREAS the foregoing recitals are made as representations and statements of facts by the Company and not by the Trustee;

AND WHEREAS these presents are to be executed and delivered by the parties hereto by way of supplement to the Principal Indenture in order to provide for the issue of the Series 89-5 Class A Debentures to be issued as herein provided and to make amendments to the Principal Indenture as herein provided.

NOW THEREFORE THIS SEVENTH SUPPLEMENTAL INDENTURE WITNESSETH and it is hereby agreed and declared as follows:

ARTICLE ONE

INTERPRETATION

Section 1.01 To be read with Principal Indenture. This Seventh Supplemental Indenture is supplemental to the Indenture, the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture and this Seventh Supplemental Indenture and shall hereafter be read together and shall have effect as if all the provisions thereof and hereof were contained in one instrument.

Section 1.02 Definitions. In this Seventh Supplemental Indenture, unless there is something in the context inconsistent therewith:

- (a) "Indenture" (when not qualified by the word "Principal" or the word "Supplemental"), "herein", "hereby", "hereof", "hereunder" and similar expressions mean or refer to the Principal Indenture and all indentures, deeds or other instruments supplemental or ancillary thereto, including this Seventh Supplemental Indenture;
- (b) "New Debentures" means Series 89-5 Class A Debentures of the Company the issue of which is provided for herein;
- (c) the expressions "Article" and "Section" followed by a number mean and refer to the specified Article or Section of this Seventh Supplemental Indenture unless otherwise expressly stated; and
- (d) other expressions defined in the Indenture shall have the same meanings when used in this Seventh Supplemental Indenture.

ARTICLE TWO

AMENDMENTS TO PRINCIPAL INDENTURE

Section 2.01 Section 1.01 of the Principal Indenture is amended in accordance with the following:

- (a) the definition of "Crystallization Date" is deleted;
- (b) the definition of "Eligible Investments" is amended by:
 - (i) adding the following subsection immediately before subsection "(iii)" of the definition:

"(iii) commercial paper or finance company paper rated Prime-1, A-1, or R-1 middle (or the then equivalent grade) as applicable, or higher, by a Rating Service and having a maturity not in excess of one year from the date of purchase; provided, however, that the Company shall not have an aggregate amount greater than \$5,000,000 invested in such commercial paper or finance company paper at any one time;"
 - (ii) renumbering subsection "(iii)" as subsection "(iv)" and subsection "(iv)" as subsection "(v)";
- (c) adding the following definition after the definition of "extraordinary resolution":

"Fee Restriction Date" has the meaning set forth in Section 8.02(10).";
- (d) the definition of "Permitted Liens" is amended by:
 - (i) adding the following subsections immediately before subsection "(v)" of the definition:

"(v) any Lien in respect of a Capital Lease whereby the Company, as lessee, has leased Eligible Equipment for sublease to a Lessee pursuant to Section 8.02(6)(v);

(vi) any Lien on Eligible Equipment purchased by the Company pursuant to a conditional sale agreement to secure the purchase price thereof, provided that upon entering into the conditional sale agreement the Company concurrently satisfies all payment obligations under such conditional sale agreement with the exception of:

(x) a nominal payment at the termination of such conditional sale (such nominal payment not to exceed 1.0% of the total amount payable under the conditional sale agreement); and

(y) contingent payments under the terms of the conditional sale agreement for which the Company has been fully indemnified by a Lessee where such contingent payments (to the extent that and only including those contingent payments for which the conditional sale agreement provides specific numerical monetary values) do not exceed 15% of the fair market value of the Eligible Equipment,

provided that upon payment of the nominal amount under (x) and, if required, the contingent payments under (y), the vendor under such conditional sale agreement is required to transfer title to the Eligible Equipment to the Company free and clear of all encumbrances and the Company has received a legal opinion from qualified counsel to such effect;" and

(ii) renumbering subsection "(v)" as subsection "(vii)" and subsection "(vi)" as subsection "(viii)"; and

(e) the definition of "Related Lease" is amended by adding the following to the end of the last sentence of such definition:

"or any Lease Agreement thereafter substituted for any such Related Lease with the prior written consent of the holders of the relevant Class A Debentures ".

Section 2.02 Section 4.02 of the Principal Indenture is amended by deleting the words "series of" from:

- (a) the 3rd line of Section 4.02(2); and
- (b) the 4th, 6th and 12th lines of Section 4.02(3).

Section 2.03 Section 7.02(1) of the Principal Indenture is amended by adding, immediately after the last sentence thereof, the following sentence:

"Notwithstanding the foregoing, or any other provision contained in this indenture, the Company may agree to terminate a Lease Agreement where the purchase of the Eligible Equipment subject to such Lease Agreement has been funded by the Company on an interim basis as permitted under Section 8.02(4) and such termination is in connection with the sale of the Eligible Equipment and the repayment of the interim funding; provided, however, that the sale of the Eligible Equipment is at an aggregate price at least equal to the costs incurred by the Company to purchase such Eligible Equipment, excluding any expense in relation to the interim funding."

Section 2.04 Section 8.01(12)(i) of the Principal Indenture is amended by replacing the word "directors" on the 13th line thereof with the words "treasurer of the Company".

Section 2.05 Section 8.02(7)(iv)(c) of the Principal Indenture is deleted and replaced with the following:

- "(c) for subleases entered into under Section 8.02(6)(v), as calculated within 30 days before entering into the sublease, the aggregate present value of all payments to the Company (up to and including the purchase option amount payable if such purchase option is exercised) under the sublease with CN or a Canadian "A" corporate exceeds the aggregate present value of all payments by the Company (up to and including the purchase option amount payable if the purchase option is exercised) under the lease pursuant to which the Company, as lessee, has leased the Eligible Equipment, where in each case the present value is determined by

discounting each payment to the date of calculation at a discount rate equal to the Canada Bond Rate (as calculated in respect of the payments under the sublease)."

Section 2.06 Section 8.02(7)(vi) of the Principal Indenture is deleted and replaced with the following:

" (vi) Notwithstanding Section 8.02(7)(v), the Company may enter into Lease Agreements which terminate or are terminable at the option of the Lessee prior to March 31, 1996 if under such Lease Agreements:

(a) the discount rate, being that rate which would, at the date of such Lease Agreement, cause the aggregate present value of all contractually obligated payments (excluding any payments which are contingent on the exercise of a purchase option under, the renewal of, or the extension of such Lease Agreement except where the Lessee is obligated to pay to the Company any difference between such payment and the proceeds to the Company of the sale of the Eligible Equipment subject to the Lease Agreement following the non-exercise of such purchase option, renewal, or extension, as applicable) owing to the Company under such Lease Agreement to be equal to the cost, to the Company, of the Eligible Equipment subject to such Lease Agreement,

exceeds

(b) the rate of interest applicable to any Class A Debentures issued to fund the purchase of such Eligible Equipment, or

(c) if no Class A Debentures are issued to fund the purchase of such Eligible Equipment, the Canada Bond Rate plus 1.00% (where for the purpose of determining the Canada Bond Rate, the Weighted Average Maturity is equal to the term of the Lease Agreement) determined within 30 days prior to the date of entering into such Lease Agreement."

Section 2.07 A new Section 8.02(7)(viii) is added to the Principal Indenture as follows:

"(viii) Following the first date on which the Portfolio Amount exceeds:

(a) \$150,000,000, unless the Company has issued an aggregate principal amount of Class C Subordinated Debentures equal to or more than \$30,000,000; or

(b) \$300,000,000, unless the Company has issued an aggregate principal amount of Class C Subordinated Debentures equal to or more than \$45,000,000; or

(c) \$525,000,000, unless the Company has issued an aggregate principal amount of Class C Subordinated Debentures equal to or more than \$60,000,000; or

(d) \$750,000,000,

the Company shall not enter into any Lease Agreements or purchase any Eligible Equipment except where a Lessee gives an irrevocable commitment to exercise a purchase option under a pre-existing Lease Agreement; provided, however, that the Company may only enter into new Lease Agreements and purchase Eligible Equipment to the extent that such commitment has increased the capacity of the Company (as demonstrated by the satisfaction of the New Issue Tests) to enter into new Lease Agreements."

Section 2.08 Section 8.02(8) of the Principal Indenture is amended by replacing the words,

"pay any fees to Management after the Crystallization Date (where such fees were earned and unpaid prior to the Crystallization Date), dispose of any Lease Agreement",

with the words,

"pay any fees to SLX Management Inc. after the Fee Restriction Date (where such fees were earned and unpaid prior to the Fee Restriction Date), pay any fees to SLX Management Inc. (other than fees referred to in sections 5.02, 5.08 and 5.09 of the Management Agreement) in excess of \$200,000 per financial year after the Fee Restriction Date, dispose of any Lease

Agreement (except in conjunction with the sale of the Eligible Equipment subject to such Lease Agreement where such Eligible Equipment has not been paid for by the Company prior to such sale and the disposal of such Lease Agreement does not result in any net cash outlay from the Company), issue any new series of preferred shares of the Company, enter into any sublease pursuant to Section 8.02(6)(v)".

Section 2.09 Section 8.02(10) of the Principal Indenture is deleted and replaced with the following:

"(10) Fees to Management. Prior to the earlier of:

- (i) the third anniversary of the date on which the Company issues its second series of preferred shares for an aggregate consideration of not less than \$4,500,000 as permitted under Section 9.01(2); or
- (ii) the first date on which the Portfolio Amount exceeds \$300,000,000,

(herein referred to as the "Fee Restriction Date"), the Company shall not pay to SLX Management Inc. any fees under the Management Agreement except for the fees referred to under sections 5.01, 5.02, 5.08 and 5.09 of that agreement (subject to any adjustments to those fees pursuant to section 5.12 of that agreement)."

Section 2.10 Section 9.01(2) is deleted and the following substituted therefor:

" (2) if either the articles of incorporation of the Company or the Shareholders Agreement are amended without the prior written consent of the Trustee (which shall not be refused if the Trustee acting in good faith considers that such amendment will not materially adversely affect the rights of any Debenture holder) provided, however, that, subject to the Canada Business Corporations Act, the Company shall be permitted, and consent is hereby given, to amend its articles of incorporation to provide for the issuance of additional series of the existing class of preferred shares of the Company subject to the following limitations:

- (i) any new series of preferred shares may carry a maximum preferential dividend rate of \$22.00 per share per annum payable in a manner similar to the Series 88-1 Cumulative Preferred Shares of the Company;

- (ii) the terms of any new series of preferred shares may provide for a maximum further dividend rate of \$0.04931507 per day per \$100 of unpaid preferential and further dividends payable in a similar manner as the Series 88-1 Cumulative Preferred Shares of the Company; and
- (iii) any new series of preferred shares shall be issued for an issue price of \$100 per share and a total aggregate consideration of not less than \$4,500,000; "

Section 2.11 Section 9.01(12) of the Principal Indenture is amended in accordance with the following:

- (a) by adding, following the word "any" in the second line thereof, the words "direct or indirect"; and
- (b) by deleting the word "and" at the beginning of the seventh line thereof and adding the following words in the last line thereof immediately after the word "Agreement;":

" (iii) as long as there are no preferred shares of the Company outstanding, any transfer of up to 50% of the common shares of the Company, which are not subject to an option in favour of a holder of Class C Subordinated Debentures, to Douglas L. Gorveatt or DLG Consulting Limited (provided that it is wholly owned by Douglas L. Gorveatt) as consideration for acting as a consultant to SLX Management Inc. pursuant to an agreement substantially in the form of the Consulting and Participation Agreement (as defined in the Management Agreement) provided, however, that the right to vote such shares is retained by SLX Management Inc.; and (iv) any transfer to or pledge in favour of SLX Management Inc. of shares or an interest therein originally transferred under (iii)".

Section 2.12 Section 12.01 (ii) of the Principal Indenture is amended by adding, immediately after the word "Debenture" in the last line thereof, the following

"and, until such time, the holders of Class C Subordinated Debentures shall not be entitled to any vote as a debenture holder unless expressly provided by the terms of this indenture".

Section 2.13 Section 12.03 of the Principal Indenture is amended by deleting the word "the" where such word precedes the word "place" in the sixth line of such Section.

Section 2.14 The second paragraph of Schedule D to the Principal Indenture is amended by replacing the words,

"dispose of any Lease Agreement, pay any fees to SLX Management Inc. after the Crystallization Date where such fees were earned and unpaid prior to the Crystallization Date",

with the words,

"pay any fees to SLX Management Inc. after the Fee Restriction Date (where such fees were earned and unpaid prior to the Fee Restriction Date), pay any fees to SLX Management Inc. (other than fees referred to in Sections 5.02, 5.08 and 5.09 of the Management Agreement) in excess of \$200,000 per financial year after the Fee Restriction Date, dispose of any Lease Agreement (except in conjunction with the sale of the Eligible Equipment subject to such Lease Agreement where such Eligible Equipment has not been paid for by the Company prior to such sale and the disposal of such Lease Agreement does not result in any net cash outlay from the Company), issue any new series of preferred shares of the Company, enter into any sublease pursuant to Section 8.02(6)(v) of the Indenture".

Section 2.15 The second paragraph of Schedule E to the Principal Indenture is amended by replacing the words,

"dispose of any Lease Agreement, pay any fees to SLX Management Inc. after the Crystallization Date where such fees were earned and unpaid prior to the Crystallization Date",

with the words,

"pay any fees to SLX Management Inc. after the Fee Restriction Date (where such fees were earned and unpaid prior to the Fee Restriction Date), pay any fees to SLX Management Inc. (other than fees referred to in Sections 5.02, 5.08 and 5.09 of the Management Agreement) in excess of \$200,000 per financial year after the Fee Restriction Date, dispose of any Lease Agreement (except in conjunction with the sale of the Eligible Equipment subject to such Lease Agreement where such Eligible Equipment has not been paid for by the Company prior to such sale and the disposal of such Lease Agreement does not result in any net cash outlay from the Company), issue any new series of preferred shares of the Company, enter into any sublease pursuant to Section 8.02(6)(v) of the Indenture".

ARTICLE THREE

ISSUE AND DELIVERY OF NEW DEBENTURES

Section 3.01 Terms of Series 89-5 Class A Debentures

(1) The first series of Class A Debentures to be issued hereunder shall consist of and be limited to Debentures in the aggregate principal amount of \$17,000,000 and shall be designated "Series 89-5 Class A Debentures". Such Debentures shall be issuable only as fully registered Debentures in denominations of a minimum of \$10,000 and with no set multiples thereafter, shall be substantially in the form set out in Schedule A and shall bear such distinguishing letters and numbers as the Trustee may approve.

(2) The Series 89-5 Class A Debentures shall be dated as of October 20, 1989, shall mature on October 1, 1999 and shall bear interest from October 20, 1989 at the rate of 11.15% per annum (both before and after demand, default and judgment with interest on overdue interest at the same rate), accruing from day to day and compounded on April 1, 1990 and October 1, 1990 and thereafter compounded half-yearly on April 1 and October 1 in each year, on the principal amount remaining unpaid from time to time, and payable, without adjustment for advance payment of interest, on April 1, 1990 (the payment on such date to be composed of interest accrued from the date of issue to April 1, 1990), October 1, 1990 (the payment on such date to be composed of one-half year's interest) and thereafter half-yearly on April 1 and October 1 of each year.

(3) Subject to the provisions of Section 2.13 of the Principal Indenture, the Series 89-5 Class A Debenture may be assigned in whole or in part by the holder or holders thereof at any time in its or their sole discretion.

ARTICLE FOUR

REDEMPTION

Section 4.01 Series 89-5 Class A Debentures

The Series 89-5 Class A Debentures are subject to redemption in accordance with Article Four of the Principal Indenture. In addition, the Series 89-5 Class A Debentures shall

be redeemed on the dates and in the amounts set out in the following schedule (where there is more than one holder of such Debentures the redemptions shall be on a pro rata basis):

<u>Date</u>	<u>Amount</u>
April 1, 1997	\$233,000
October 1, 1997	\$1,942,000
April 1, 1998	\$2,108,000
October 1, 1998	\$2,428,000
April 1, 1999	\$2,331,000
October 1, 1999	\$7,958,000

To the extent that there have been any partial redemptions under Section 4.02(1) of the Principal Indenture, the amounts in the above schedule shall be adjusted by decreasing the last scheduled amounts by the principal amount of such partial redemptions. To the extent that there has been any partial redemptions under Section 4.02(3) of the Principal Indenture, the amounts then remaining in the above schedule shall be adjusted by applying the principal amount paid in respect of such partial redemptions to reduce such above amounts thereafter falling due pro rata in proportion to the amount of each such above amount thereafter falling due.

ARTICLE FIVE

COVENANTS OF THE COMPANY

Section 5.01 The Company hereby covenants, represents and warrants to the Trustee, for the benefit of the Trustee and the Debenture holders, that:

(1) this Seventh Supplemental Indenture has been duly authorized, executed and delivered by the Company and constitutes a valid and legally binding obligation of the Company;

(2) the New Debentures have been duly authorized by the Company and, when duly executed, authenticated, issued, certified and delivered in accordance with the Principal Indenture and this Seventh Supplemental Indenture, will constitute valid and legally binding obligations of the Company, entitled to the benefit provided by the Indenture; and

(3) the Company is not in default (as that term is defined in the Principal Indenture) under the Indenture.

ARTICLE SIX

CONFIRMATION OF SECURITY

Section 6.01 As security for the due payment of the principal of and interest (including interest on amounts in default) on the Debentures issued and certified hereunder, but subject to the exception specified in Section 6.03 of the Principal Indenture and subject to Permitted Liens, the Company hereby mortgages, hypothecates, pledges, assigns and charges, as and by way of a floating charge, to and in favour of the Trustee, the Mortgaged Property mortgaged, hypothecated, pledged, assigned and charged under the Principal Indenture; and, for greater certainty, the Company confirms the security constituted by the Principal Indenture and that such security is and continues to be held under the Principal Indenture as supplemented and amended by this Seventh Supplemental Indenture as security for the payment of the principal of and interest (including interest on amounts in default) on the Debentures from time to time issued and certified under the Indenture and all other moneys for the time being and from time to time owing on the security thereby constituted and the due performance of the obligations of the Company contained in the Indenture, but subject to the exceptions specified in Section 6.03 of the Principal Indenture and subject to Permitted Liens.

ARTICLE SEVEN

MISCELLANEOUS

Section 7.01 **Acceptance of Trust** The Trustee hereby accepts the trusts in this Seventh Supplemental Indenture declared and provided for and agrees to perform the same upon the terms and conditions and subject to the provisions set forth in the Principal Indenture.

Section 7.02 **Counterparts and Formal Date** This Seventh Supplemental Indenture may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution shall be deemed to bear date as of October 20, 1989.

IN WITNESS WHEREOF the parties hereto have executed these presents under their respective corporate seals and the hands of their proper officers in that behalf.

SLX CANADA INC.

By: B. Barker
Name: Bruce C. Barker
Title: Director
c/s

and by: P. J. Miller
Name: Paul J.D. Miller
Title: Director

THE ROYAL TRUST COMPANY

By: C. J. Freeman
Authorized Signatory
C. J. Freeman, Manager, C.T. Services c/s

By: M. K. Watson
Authorized Signatory
MICHAEL K. WATSON
Senior Account Manager
Corporate Trust Services

SCHEDULE A - FORM OF SERIES 89-5 CLASS A DEBENTURE

SCHEDULE A

FORM OF SERIES 89-5 CLASS A DEBENTURES

SLX CANADA INC.

(Incorporated under the laws of Canada)

Series 89-5 Class A Debenture

Due on October 1, 1999

NO.

\$

SLX CANADA INC. (hereinafter referred to as the "Company") for value received acknowledges itself indebted and hereby promises to pay to the registered holder hereof on the dates set out herein or on such earlier dates as the principal amount hereof may become due in accordance with the provisions of the trust indenture hereinafter mentioned, the principal sum of \$ ■ in lawful money of Canada, and to pay interest on the principal amount hereof from the date of issue of this Debenture at the rate of 11.15% per annum (both before and after demand, default and judgment with interest on overdue interest at the same rate), accruing from day to day and compounded on April 1, 1990 and October 1, 1990 and thereafter compounded half-yearly on April 1 and October 1 in each year, on the principal amount remaining unpaid from time to time, and payable, without adjustment for advance payment of interest, on April 1, 1990 (the payment on such date to be composed of interest accrued from the date of issue to April 1, 1990), on October 1, 1990 (the payment on such date to be composed of one-half year's interest) and thereafter half-yearly on April 1 and October 1 of each year.

As interest and principal on this Debenture becomes due (except interest and principal payable at maturity or on redemption which shall be paid on presentation and surrender of this Debenture), the Company shall, prior to the day on which such amounts become due, forward or cause to be forwarded by prepaid post, to the registered holder for the time being hereof, or, in the case of joint holders to such joint holder whose name appears first in the register, at his registered address, a cheque on the Company's bank for such interest (less any tax required to be withheld under any applicable law), payable to the order of such registered holder or in the case of joint holders to the order of all such holders (failing written instructions from them to the contrary) and negotiable at par.

Notwithstanding the foregoing, if the Company, as permitted by the trust indenture hereinafter mentioned, shall have entered into an agreement with the holder of this Debenture with respect to the place and manner of payment of principal and interest on this Debenture, then such payment shall be made as provided in the said agreement.

This Debenture is one of a series, designated as Series 89-5 Class A Debentures of the Company, issued under the provisions of a trust indenture (herein called the "Trust Indenture") dated September 15, 1988 and a supplemental trust indenture (herein called the "Seventh Supplemental Indenture") formally dated October 20, 1989, both made between the Company and The Royal Trust Company (hereinafter called the "Trustee") as trustee. By the Trust Indenture the Company has created a security interest in and mortgaged, pledged, assigned and charged, as and by way of a first floating charge, to and in favour of the Trustee, its successors and assigns, all its undertaking, property, rights and assets now owned or hereafter acquired by the Company, of whatsoever nature, kind or description and wherever situate. Reference is hereby made to the Trust Indenture, the Seventh Supplemental Indenture and all other indentures supplemental to the Trust Indenture for a description of the security created thereby, the terms and conditions upon which the Series 89-5 Class A Debentures are issued or may be issued, secured, and held, the nature and extent of the security, and the rights of the holders of such Debentures and of the Company and of the Trustee, all to the same effect as if the provisions of the Trust Indenture, the Seventh Supplemental Indenture and all other indentures supplemental to the Trust Indenture were herein set forth, to all of which provisions the holder of this Debenture, by acceptance hereof, assents. Without limiting the generality of the foregoing, the holder of this Debenture, by acceptance hereof, acknowledges and assents to Section 9.19 of the Trust Indenture which limits the holder's recourse against any incorporator, shareholder, officer or director, past, present or future, of the Company and Section 16.06 of the Trust Indenture pursuant to which the holder agrees to certain non-disclosure restrictions.

The Series 89-5 Class A Debentures, of which this is one, are limited to an aggregate principal amount of \$17,000,000 in lawful money of Canada and mature on October 1, 1999, are issuable only as fully registered debentures in denominations of a minimum of \$10,000 with no set integrals thereafter, and are issued only upon the terms and subject to the restrictions set out in the Trust Indenture and the Seventh Supplemental Indenture.

This Debenture ranks pari passu without discrimination, preference or priority with all Class A Debentures and Class B Debentures issued in accordance with the Trust Indenture irrespective of their actual dates or terms of issue.

The Series 89-5 Class A Debentures are subject to mandatory redemption on a pro rata basis under the terms of the Trust Indenture and the Seventh Supplemental Indenture in accordance with the following schedule:

<u>Date</u>	<u>Amount</u>
April 1, 1997	\$233,000
October 1, 1997	\$1,942,000
April 1, 1998	\$2,108,000
October 1, 1998	\$2,428,000
April 1, 1999	\$2,331,000
October 1, 1999	\$7,958,000

Such amounts may be adjusted in accordance with the terms of the Seventh Supplemental Indenture and the Trust Indenture upon any partial redemption pursuant to the terms thereof.

Subject to the terms and conditions of the Trust Indenture, this Debenture is redeemable at the option of the Company in whole or in part, at a price which is the greater of:

- a) 103% of the unpaid principal amount of this Debenture plus any accrued and unpaid interest thereon to the date fixed for redemption; or
- (b) an amount equal to the present value of all future interest and principal payments on this Debenture, such present value to be determined in accordance with the provisions of the Trust Indenture.

This Debenture is also subject to mandatory redemption in part upon the occurrence of certain events and notation of such partial redemption may be made on the reverse hereof, all as more fully provided in the Trust Indenture.

If this Debenture is called for redemption and payment hereof duly provided for, interest shall cease to accrue hereon from the date specified for redemption as provided in the Trust Indenture.

The principal amount hereof may also become or be declared due before the stated maturity in the events, and the manner, on the conditions and with the effect and at the times set forth in the Trust Indenture.

The Trust Indenture contains provisions for meetings of the holders of debentures issued by the Company in accordance with the Trust Indenture and for making binding upon all such holders resolutions passed at such meetings and instruments in writing signed by the holders of a specified percentage of specified classes of debentures, which resolutions and instruments may, among other things, sanction any change in the Trust Indenture or in the rights of any holders of debentures issued by the Company, all in accordance with the provisions of the Trust Indenture.

No transfer of this Debenture shall be valid unless made on one of the registers to be kept for that purpose at the principal office of the Trustee in the City of Toronto, Canada, and at such other place or places and/or by such other registrar or registrars (if any) as the Company may from time to time designate, by the registered holder hereof or his executors, administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and execution satisfactory to the Trustee and upon compliance with the conditions prescribed in the Trust Indenture and with such reasonable requirements as the Trustee and/or other registrar may prescribe, nor in the case where a new debenture is or debentures are issued upon such transfer, unless such transfer has been duly noted hereon by the Trustee or other registrar.

This Debenture shall not become obligatory for any purpose until it shall have been certified by or on behalf of the Trustee.

IN WITNESS WHEREOF this Debenture has been duly executed and the corporate seal of the Company affixed hereto.

Dated October 20, 1989

SLX CANADA INC.

Name: Bruce C. Barker
Title: Director

c/s

Name: Paul J.D. Miller
Title: Director

(Form of Registration)

(No writing hereon except by the Trustee or other Registrar)

Date of Registry	In Whose Name Registered	Place of Registration	Signature of Registrar

TRUSTEE'S CERTIFICATE

This Debenture is one of the Series 89-5 Class A Debentures, due October 1, 1999, issued under the Seventh Supplemental Indenture within mentioned.

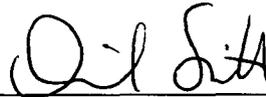
THE ROYAL TRUST COMPANY, TRUSTEE

By: _____
Authorized Signatory

* * *

PROVINCE OF ONTARIO) IN THE MATTER OF a seventh
CITY OF TORONTO) supplemental trust indenture
TO WIT:) dated October 20, 1989 between
SLX Canada Inc. and The Royal
Trust Company

On this ^{24th} day of October, 1989, before me personally appeared Bruce C. Barker to me personally known, who, being by me duly sworn, says that he is the Chairman and Secretary of SLX Canada Inc., that one of the seals affixed to the foregoing instrument is the seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, that he executed and delivered the said instrument on October 20, 1989 on behalf of said Corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.



Notary Public in and for the
Province of Ontario

(Notarial Seal)

PROVINCE OF ONTARIO) IN THE MATTER OF a seventh
CITY OF TORONTO) supplemental trust indenture
TO WIT:) dated October 20, 1989 between
SLX Canada Inc. and The Royal
Trust Company

On this 19th day of October, 1989, before me personally appeared Chris J. Freeman to me personally known, who, being by me duly sworn, says that he is the Manager, Corporate Trust Services of The Royal Trust Company, that one of the seals affixed to the foregoing instrument is the seal of said Company, that said instrument was signed and sealed on behalf of said Company by authority of its Board of Directors, that he signed the said instrument on October 19, 1989 on behalf of said Company, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Company.



Notary Public in and for the
Province of Ontario

(Notarial Seal)

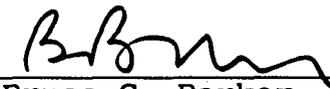
C A N A D A	)	IN THE MATTER OF a seventh
	)	supplemental trust indenture
PROVINCE OF ONTARIO	)	dated as of October 20, 1989
	)	between SLX Canada Inc. and
	)	The Royal Trust Company
TO WIT:)	

I, Bruce C. Barker, of the City of Toronto, in the Municipality of Metropolitan Toronto, in the Province of Ontario, MAKE OATH AND SAY THAT:

1. I am the Secretary and a director of SLX Canada Inc. (the "Company"), the mortgagor or assignor named in the foregoing seventh supplemental trust indenture (the "Seventh Supplemental Trust Indenture") and I am aware of all the circumstances connected with the Seventh Supplemental Trust Indenture and have a personal knowledge of the facts herein deposed to.

2. The Seventh Supplemental Trust Indenture was executed by the Company on the 20th day of October, 1989.

SWORN BEFORE ME at the)
)
 City of Toronto in the)
)
 Province of Ontario this)
)
 24th day of October, 1989)



 Bruce C. Barker



 A Notary Public in and for
 the Province of Ontario

C A N A D A	)	IN THE MATTER OF a seventh
	)	supplemental trust indenture
PROVINCE OF ONTARIO	)	dated as of October 20, 1989
	)	between SLX Canada Inc. and
	)	The Royal Trust Company
TO WIT:)	

I, Chris J. Freeman, of the City of Oakville, in the Province of Ontario, MAKE OATH AND SAY:

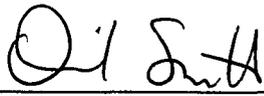
1. That I am the Manager, Corporate Trust Services, of The Royal Trust Company (hereinafter called the "Trustee"), the Trustee named in the foregoing Seventh Supplemental Trust Indenture and I am aware of the circumstances connected with the transaction therein and have a personal knowledge of the facts hereinafter deposed to and have authority to make this affidavit on behalf of the Trustee.

2. That the said Seventh Supplemental Trust Indenture was executed in good faith and for the purpose of securing the payment of the Debentures referred to therein, and not for the mere purpose of protecting the chattels or book debts therein mentioned against the creditors of the mortgagor or assignor or preventing such creditors from obtaining payment of any claim against the mortgagor or assignor.

SWORN BEFORE ME at the)
 City of Toronto in the)
 Province of Ontario this)
 19th day of October, 1989)



 Chris J. Freeman



 A Notary Public in and for
 the Province of Ontario

IN TESTIMONY WHEREOF, I, the said Notary Public, have hereunto set my hand and affixed my Notarial Seal, the day and year first above written.



 A NOTARY PUBLIC IN AND FOR THE
 PROVINCE OF ONTARIO