

Schedule "C"

Date

The Investment Dealers Association of Canada
121 King Street West
Suite 1600
Toronto, Ontario
M5H 3T9

Attention: Chris Dimitropoulos

Dear Mr. Dimitropoulos:

Re: Apology

I write as a result of a letter addressed to you by my American counsel, Mr. Andrew Levander, which was dated August 1, 2000. In that letter, Mr. Levander was responding to questions raised by your 1999 Sales Compliance Review of your member firm Watt Carmichael Inc. ("WCI"). Specifically, you had asked WCI for the identity of the beneficial owners of trading accounts held at WCI in the name of Congor Investments Ltd. and Conset Investments Ltd.

Mr. Levander wrote in response to your request that I was not a beneficiary of the trusts associated with those accounts. His letter did not contain the following additional facts: I had previously been listed as a beneficiary in the deeds of settlement for those trusts, the other beneficiaries of the trusts included members of my immediate family, and I had revocably (rather than irrevocably) disclaimed my interest in those trusts on July 24, 2000. I could, therefore, have reacquired my interest in those trusts at any time.

It was not my intention that the IDA be misled by Mr. Levander's letter. In the circumstances of your inquiries, however, my response, as reflected in my counsel's letter, was incomplete and misleading. I apologize for having authorized this letter.

Yours sincerely,

Eugene N. Melnyk