

**IN THE MATTER OF THE *SECURITIES ACT*,
R.S.O. 1990. c. S. 5, as amended;**

**IN THE MATTER OF THE *STATUTORY POWERS PROCEDURE ACT*,
R.S.O. 1990, c. S. 22, as amended; and**

IN THE MATTER OF THOMAS VINCENT HINKE

**SETTLEMENT AGREEMENT BETWEEN STAFF
OF THE ONTARIO SECURITIES COMMISSION
AND THOMAS VINCENT HINKE**

I. INTRODUCTION

1. Pursuant to section 5(1) of the “Practice Guidelines - Settlement Procedures in Matters Before the Ontario Securities Commission” of the Ontario Securities Commission Rules of Practice, Staff of the Ontario Securities Commission and Thomas Vincent Hinke propose to settle the matters described further below.

II. STATEMENT OF FACTS

Acknowledgement

2. Hinke acknowledges that the facts set out in paragraphs 3 through 12 of this Settlement Agreement are correct.

Facts

3. Hinke is an individual residing in Ontario. During the period between December, 1996 and December, 2000 (the “Material Period”), Hinke was the President and Chief Executive Officer of Thermal Energy International Inc. (“TEI”).
4. TEI was incorporated pursuant to the laws of Ontario and is a reporting issuer, as that term is defined in the *Securities Act* (the “Act”).
5. During the Material Period, Hinke was an insider of a reporting issuer by virtue of his position as an officer and director of TEI and by virtue his ownership or beneficial control of more than 10% of the issued and outstanding voting shares of TEI.
6. During the Material Period, Hinke held over 20% of TEI’s issued and outstanding common shares.

7. Hinke filed a notice of intent to sell 100,000 shares of TEI, pursuant to section 72(7) of the Act, dated October 15, 1997.
8. During the Material Period, Hinke carried out transactions in TEI shares, as listed in Schedule "A" to this Settlement Agreement, and failed to file insider reports reflecting these transactions, as required by section 107 of the Act.
9. During the Material Period, Hinke carried out transactions in TEI shares, as listed in Schedule "B" to this Settlement Agreement, and such transactions constituted a distribution of the securities of TEI. These distributions were not conducted pursuant to a prospectus, as required by section 53(1) of the Act.
10. Hinke made voluntary disclosure of all of the facts described above to Staff.
11. Hinke co-operated with Staff in its investigation of this matter.
12. Since December of 2000, Hinke has made all required regulatory filings regarding his transactions in TEI shares.

Hinke's Conduct

13. Hinke's conduct, as described above, contravened Ontario securities law and was contrary to the public interest.

III. TERMS OF SETTLEMENT

14. Hinke agrees to the following terms of settlement:
 - (a) he undertakes to make all future required regulatory filings regarding his transactions in TEI shares in a timely manner; and
 - (b) he will make a voluntary contribution in the amount of \$8,000.00 to the Ontario Securities Commission's Investor Education Fund on or before April 8, 2002.
15. Hinke agrees that he will not, in any proceeding, refer to or rely upon this Settlement Agreement, the settlement discussions/negotiations or the process of obtaining the Executive Director's consent to this Settlement Agreement as the basis for any attack on the Commission's jurisdiction, alleged bias or appearance of bias, alleged unfairness or any other remedies or challenges that may otherwise be available.

IV. STAFF COMMITMENT

16. If this settlement receives the consent of the Executive Director, Staff will not initiate any other proceeding under the Act against Hinke in relation to the facts set out in Part II of this Settlement Agreement.
17. If this settlement receives the consent of the Executive Director, and at any subsequent time Hinke fails to honour the undertaking contained in paragraph 14(a) of this Settlement Agreement, Staff reserves the right to refer to this Settlement Agreement in any future proceeding.

V. APPROVAL OF SETTLEMENT

18. If, for any reason whatsoever, the Executive Director does not consent to this settlement:
 - (a) this Settlement Agreement and its terms, including all discussions and negotiations between Staff and Hinke leading up to the execution of this Settlement Agreement, shall be without prejudice to Staff and Hinke;
 - (b) Staff and Hinke shall be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of these matters before the Commission, unaffected by this Settlement Agreement or the settlement discussions/negotiations; and
 - (c) the terms of this Settlement Agreement will not be referred to in any subsequent proceeding, or disclosed to any person, except with the written consent of Staff and Hinke or as may be required by law.

VI. DISCLOSURE OF SETTLEMENT AGREEMENT

19. This Settlement Agreement and its terms will be treated as confidential by Staff and Hinke until consented to by the Executive Director, and forever, if for any reason whatsoever this settlement is not consented to by the Executive Director, except with the consent of Staff and Hinke, or as may be required by law.
20. Any obligation of confidentiality shall terminate upon receiving the Executive Director's consent to this settlement.
21. Staff and Hinke agree that if the Executive Director does consent to this settlement, they will not make any public statement inconsistent with this Settlement Agreement.

VII. EXECUTION OF SETTLEMENT AGREEMENT

22. This Settlement Agreement may be signed in one or more counterparts which together shall constitute binding agreement.
23. A facsimile signature of any signature shall be effective as an original signature.

DATED this 1st day of April, 2002

Witness

THOMAS VINCENT HINKE

DATED this 9th day of April, 2002

**STAFF OF THE ONTARIO
SECURITIES COMMISSION**

(Per) _____
MICHAEL WATSON
Director, Enforcement Branch

I hereby consent to the settlement of this matter on the terms contained in this Settlement Agreement.

DATED this 9th day of April, 2002

CHARLES MACFARLANE
Executive Director

SCHEDULE "A"
TRANSACTIONS CONSTITUTING A DISTRIBUTION

Date	Nature	Number Acquired	Number Disposed of	Unit Price	Description of Transactions
December 5, 1996	10		6,000	\$0.14	Sale (Nesbitt Burns)
December 6, 1996	10		10,000	\$0.14	Sale (Nesbitt Burns)
December 6, 1996	10		15,000	\$0.15	Sale (Nesbitt Burns)
December 6, 1996	10		15,000	\$0.17	Sale (Nesbitt Burns)
December 6, 1996	10		10,000	\$0.17	Sale (Nesbitt Burns)
December 9, 1996	10		10,000	\$0.18	Sale (Nesbitt Burns)
December 9, 1996	10		10,000	\$0.19	Sale (Nesbitt Burns)
December 9, 1996	10		9,000	\$0.19	Sale (Nesbitt Burns)
December 10, 1996	10		3,000	\$0.15	Sale (Nesbitt Burns)
December 10, 1996	10		10,000	\$0.17	Sale (Nesbitt Burns)
December 10, 1996	10		2,000	\$0.20	Sale (Nesbitt Burns)
December 11, 1996	20		10,000	\$0.30	Transfer to TEI Creditor (Margaret Lavictoire)
December 13, 1996	10		1,000	\$0.16	Sale (Nesbitt Burns)
December 13, 1996	10		2,000	\$0.17	Sale (Nesbitt Burns)
December 16, 1996	10		10,000	\$0.17	Sale (Nesbitt Burns)
December 19, 1996	10		3,000	\$0.125	Sale (Nesbitt Burns)
December 19, 1996	10		1,000	\$0.15	Sale (Nesbitt Burns)
December 19, 1996	10		6,000	\$0.16	Sale (Nesbitt Burns)
December 20, 1996	96	250,000		\$0.20	Grant of Options
December 20, 1996	96	50,000		\$0.25	Grant of Options
December 27, 1996	10		2,000	\$0.16	Sale (Nesbitt Burns)
January 6, 1997	10		20,000	\$0.14	Sale (Nesbitt Burns)
January 6, 1997	10		10,000	\$0.15	Sale (Nesbitt Burns)

January 7, 1997	10		15,000	\$0.14	Sale (Nesbitt Burns)
January 7, 1997	10		5,000	\$0.15	Sale (Nesbitt Burns)
January 8, 1997	10		10,000	\$0.14	Sale (Nesbitt Burns)
January 8, 1997	10		2,500	\$0.15	Sale (Nesbitt Burns)
January 10, 1997	10		10,000	\$0.15	Sale (Nesbitt Burns)
January 10, 1997	10		10,000	\$0.16	Sale (Nesbitt Burns)
January 10, 1997	10		4,000	\$0.17	Sale (Nesbitt Burns)
January 10, 1997	10		10,000	\$0.18	Sale (Nesbitt Burns)
January 13, 1997	10		10,000	\$0.15	Sale (Nesbitt Burns)
January 13, 1997	10		10,000	\$0.18	Sale (Nesbitt Burns)
January 15, 1997	10		26,500	\$0.15	Sale (Nesbitt Burns)
January 16, 1997	10		14,000	\$0.15	Sale (Nesbitt Burns)
January 16, 1997	10		6,000	\$0.155	Sale (Nesbitt Burns)
January 16, 1997	10		10,000	\$0.17	Sale (Nesbitt Burns)
January 20, 1997	10		16,000	\$0.19	Sale (Nesbitt Burns)
January 20, 1997	10		4,500	\$0.19	Sale (Nesbitt Burns)
January 20, 1997	10		5,500	\$0.20	Sale (Nesbitt Burns)
January 30, 1997	10		5,000	\$0.24	Sale (Nesbitt Burns)
February 4, 1997	10		7,000	\$0.22	Sale (Nesbitt Burns)
February 4, 1997	10		2,000	\$0.23	Sale (Nesbitt Burns)
February 4, 1997	10		1,000	\$0.24	Sale (Nesbitt Burns)
February 4, 1997	10		3,000	\$0.23	Sale (Nesbitt Burns)
February 4, 1997	10		7,000	\$0.24	Sale (Nesbitt Burns)
February 10, 1997	10		2,500	\$0.23	Sale (Nesbitt Burns)
February 10, 1997	10		7,500	\$0.24	Sale (Nesbitt Burns)
February 13, 1997	20		5,000	\$0.20	Transfer to TEI Creditor (Landlord)

February 14, 1997	10		1,500	\$0.24	Sale (Nesbitt Burns)
February 18, 1997	10		1,500	\$0.25	Sale (Nesbitt Burns)
February 18, 1997	10		2,500	\$0.26	Sale (Nesbitt Burns)
February 20, 1997	10		1,000	\$0.25	Sale (Nesbitt Burns)
February 21, 1997	10		3,500	\$0.25	Sale (Nesbitt Burns)
February 24, 1997	10		5,000	\$0.23	Sale (Nesbitt Burns)
February 25, 1997	10		5,000	\$0.23	Sale (Nesbitt Burns)
February 26, 1997	10		4,000	\$0.23	Sale (Nesbitt Burns)
February 26, 1997	76	250,000		\$0.20	Exercise Option
February 26, 1997	76	50,000		\$0.25	Exercise Option
February 26, 1997	20		30,000	\$0.20	Transfer to TEI Creditor (Mike Francoeur)
February 26, 1997	20		30,000	\$0.20	Transfer to TEI Creditor (Vittorio Ierullo)
February 26, 1997	20		50,000	\$0.25	Transfer to TEI Creditor (Gustav Pliva)
February 26, 1997	20		30,000	\$0.20	Transfer to TEI Creditor (Greg Tesch)
February 27, 1997	10		30,000	\$0.22	Sale (Nesbitt Burns)
February 28, 1997	20		9,000	\$0.20	Transfer to TEI Creditor (Rob Triebe)
February 28, 1997	20		12,500	\$0.10	Transfer to TEI Creditor (Steve Belan)
March 1, 1997	20		50,000	\$0.25	Transfer to TEI Creditor (Quality Plumbing)
March 11, 1997	10		5,000	\$0.245	Sale (Nesbitt Burns)
March 12, 1997	10		5,000	\$0.23	Sale (Nesbitt Burns)
March 13, 1997	20		6,000	\$0.25	Sale (Nesbitt Burns)
March 13, 1997	20		6,000	\$0.25	Transfer to TEI Creditor (Barry Hanson)
March 17, 1997	20		20,000	\$0.25	Sale (Nesbitt Burns)
March 17, 1997	10		3,000	\$0.23	Sale (Nesbitt Burns)

March 17, 1997	20		20,000	\$0.25	Transfer to TEI Creditor (R.F. Tech)
March 18, 1997	10		5,000	\$0.23	Sale (Nesbitt Burns)
March 19, 1997	10		10,000	\$0.23	Sale (Nesbitt Burns)
April 1, 1997	20		50,000	\$0.25	Transfer to TEI Creditor (Quality Plumbing)
April 17, 1997	20		5,000	\$0.25	Transfer to TEI Creditor (Barry Henson)
May 1, 1997	20		50,000	\$0.25	Transfer to TEI Creditor (Quality Plumbing)
May 10, 1997	20		156,522	\$0.23	Transfer to TEI Creditor (George Thompson) Through Nesbitt Burns
May 23, 1997	20		10,000	\$0.25	Transfer to TEI Creditor (Barry Henson)
June 1, 1997	20		50,000	\$0.25	Transfer to TEI Creditor (Quality Plumbing)
June 13, 1997	96	250,000		\$0.25	Grant of Options
June 16, 1997	20		50,000	\$0.25	Transfer to TEI Creditor (R.F. Tech)
June 17, 1997	20		50,000	\$0.25	Transfer to TEI Creditor (Margaret Lavictoire)
June 24, 1997	20		75,000	\$0.25	Transfer to TEI Creditor (_____ International)
July 1, 1997	20		50,000	\$0.25	Transfer to TEI Creditor (Quality Plumbing)
August 8, 1997	10	3,000		\$0.20	Buy (TD Green Line)
August 8, 1997	10	500		\$0.20	Buy (TD Green Line)
August 12, 1997	10	2,000		\$0.20	Buy (TD Green Line)
August 15, 1997	10	1,500		\$0.19	Buy (TD Green Line)
August 20, 1997	10	1,500		\$0.19	Buy (TD Green Line)
August 27, 1997	10	1,000		\$0.17	Buy (TD Green Line)
August 27, 1997	10	1,500		\$0.16	Buy (TD Green Line)
September 9, 1997	Private Placement	2,245,007		\$0.215	Private Placement
October 15, 1997	20		60,000	\$0.25	Transfer to TEI Creditor (Mike Francoeur)

October 15, 1997	20		60,000	\$0.25	Transfer to TEI Creditor (Greg Tesch)
October 21, 1997	10	1,000		\$0.23	Buy (TD Green Line)
October 21, 1997	10		50,000	\$0.175	Sale (Wood Gundy)
October 24, 1997	10	1,000		\$0.20	Buy (TD Green Line)
November 7, 1997	20		15,000	\$0.245	Transfer to TEI Creditor (Barry Henson)
November 21, 1997	20		50,000	\$0.20	Transfer to TEI Creditor (Landlord)
November 21, 1997	20		30,000	\$0.25	Transfer to TEI Creditor (Ottawa Travel)
November 21, 1997	20		20,000	\$0.25	Transfer to TEI Creditor (Francois Proulx)
November 27, 1997	10	5,500		\$0.18	Buy (TD Green Line)
November 27, 1997	10	3,500		\$0.195	Buy (TD Green Line)
December 1, 1997	10	1,500		\$0.18	Buy (TD Green Line)
December 1, 1997	10	1,500		\$0.17	Buy (TD Green Line)
December 2, 1997	10	2,000		\$0.18	Buy (TD Green Line)
December 2, 1997	10	5,500		\$0.17	Buy (TD Green Line)
December 3, 1997	10	2,000		\$0.17	Buy (TD Green Line)
December 5, 1997	10	13,500		\$0.17	Buy (TD Green Line)
December 16, 1997	10	1,000		\$0.17	Buy (TD Green Line)
December 22, 1997	10	11,000		\$0.19	Buy (TD Green Line)
December 22, 1997	10	10,000		\$0.20	Buy (TD Green Line)
December 22, 1997	10	4,000		\$0.17	Buy (TD Green Line)
December 24, 1997	10	4,000		\$02.05	Buy (TD Green Line)
December 24, 1997	10	10,000		\$0.180	Buy (TD Green Line)
December 24, 1997	10	3,000		\$0.210	Buy (TD Green Line)
December 30, 1997	10	8,000		\$0.240	Buy (TD Green Line)
January 7, 1998	10	4,000		\$0.245	Buy (TD Green Line)
January 7, 1998	76		\$250,000	\$0.25	Exercise Options

January 7, 1998	10	1,000		\$0.210	Buy (TD Green Line)
January 7, 1998	96	150,000		\$0.25	Grant of Options
January 14, 1998	20		50,000	\$0.25	Transfer to TEI Creditor (George Thompson)
January 14, 1998	20		100,000	\$0.25	Transfer to TEI Creditor (Gustav Pliva)
January 16, 1998	20		50,000	\$0.25	Transfer to TEI Creditor (Oliver Toffoli)
February 3, 1998	20		50,000	\$0.25	Transfer to TEI Creditor (John Kehoe)
February 12, 1998	20		10,000	\$0.25	Transfer to TEI Creditor (Barry Henson)
May 7, 1998	20		6,000	\$0.25	Transfer to TEI Creditor (Zippy Print)
June 6, 1998	46		40,000		Options Expire
June 10, 1998	20		41,000	\$0.182	Transfer to TEI Creditor (Landlord)
June 19, 1998	20		50,000	\$0.15	Transfer to TEI Creditor (Therese Lelievre)
July 19, 1998	10	2,000		\$0.200	Buy (TD Green Line)
August 12, 1998	10		1,500	\$0.17	Sell (TD Green Line)
August 12, 1998	10		5,000	\$0.17	Sell (TD Green Line)
August 12, 1998	10		9,000	\$0.18	Sell (TD Green Line)
August 12, 1998	10		6,000	\$0.17	Sell (TD Green Line)
August 17, 1998	10		75,000	\$0.17	Sell (TD Green Line)
August 17, 1998	10		10,000	\$0.17	Sell (TD Green Line)
August 18, 1998	10		1,000	\$0.18	Sell (TD Green Line)
August 19, 1998	10		10,000	\$0.17	Sell (TD Green Line)
August 20, 1998	10		5,000	\$0.17	Sell (TD Green Line)
August 28, 1998	10		10,000	\$0.16	Sell (TD Green Line)
September 4, 1998	10		5,000	\$0.12	Sell (TD Green Line)
September 4, 1998	10		5,000	\$0.12	Sell (TD Green Line)
September 9, 1998	10		8,000	\$0.13	Sell (TD Green Line)
September 10, 1998	10		2,500	\$0.13	Sell (TD Green Line)

September 10, 1998	10		10,000	\$0.11	Sell (TD Green Line)
September 10, 1998	10		16,000	\$0.12	Sell (TD Green Line)
September 16, 1998	10		20,000	\$0.12	Sell (TD Green Line)
September 17, 1998	10	500		\$0.16	Buy (TD Green Line)
September 25, 1998	10		1,500	\$0.14	Sell (TD Green Line)
September 29, 1998	10		3,000	\$0.10	Sell (TD Green Line)
September 29, 1998	10		45,000	\$0.10	Sell (TD Green Line)
September 29, 1998	10	1,000		\$0.15	Buy (TD Green Line)
October 6, 1998	10		15,000	\$0.11	Sell (TD Green Line)
October 16, 1998	20		250,000	\$0.10	Transfer to Robert Ledger
November 25, 1998	10		20,000	\$0.105	Sell (TD Green Line)
November 26, 1998	10		25,500	\$0.103	Sell (Wood Gundy)
November 30, 1998	10		28,000	\$0.10	Sell (Wood Gundy)
December 3, 1998	96	170,000		\$0.10	Grant of Option
December 4, 1998	85		150,000	\$0.25	Options Cancelled
December 11, 1998	10		55,000	\$0.082	Sell (Wood Gundy)
December 15, 1998	10		76,000	\$0.10	Sell (Wood Gundy)
December 16, 1998	76		170,000	\$0.10	Options Exercised
December 23, 1998	10		148,000	\$0.10	Sell (Wood Gundy)
December 29, 1998	10		60,000	\$0.148	Sell (Wood Gundy)
December 30, 1998	10		14,000	\$0.20	Sell (Wood Gundy)
December 30, 1998	10		16,000	\$0.17	Sell (Wood Gundy)
December 30, 1998	10		55,000	\$0.152	Sell (Wood Gundy)
January 5, 1999	20		100,000	\$0.15	Transfer to TEI Creditor (Robert Ledger)
January 12, 1999	10		49,500	\$0.181	Sell (Wood Gundy)
January 20, 1999	96	400,000		\$0.18	Options Granted
February 2, 1999	10		35,000	\$0.19	Sell (Wood Gundy)

February 9, 1999	10		18,000	\$0.18	Sell (Wood Gundy)
February 12, 1999	10		9,500	\$0.19	Sell (Wood Gundy)
February 15, 1999	10		9,000	\$0.19	Sell (Wood Gundy)
February 17, 1999	10		3,000	\$0.19	Sell (Wood Gundy)
February 18, 1999	10		1,500	\$0.19	Sell (Wood Gundy)
February 22, 1999	10		10,000	\$0.19	Sell (Wood Gundy)
February 24, 1999	10		2,500	\$0.19	Sell (Wood Gundy)
March 9, 1999	10		1,500	\$0.19	Sell (Wood Gundy)
March 10, 1999	20		100,000	\$0.18	Transfer to Robert Ledger
March 10, 1999	10		5,000	\$0.19	Sell (Wood Gundy)
March 11, 1999	10		2,000	\$0.19	Sell (Wood Gundy)
March 16, 1999	10		14,000	\$0.19	Sell (Wood Gundy)
March 25, 1999	20		20,000	\$0.15	Transfer to John Kehoe, in trust
March 25, 1999	20		20,000	\$0.15	Transfer to John Kehoe, in trust
March 25, 1999	20		20,000	\$0.15	Transfer to John Kehoe, in trust
April 15, 1999	10		41,500	\$0.26	Sell (Wood Gundy)
April 16, 1999	20		40,000	\$0.25	Transfer to Richard Bower
April 26, 1999	10		10,500	\$0.249	Sell (Wood Gundy)
April 27, 1999	76		400,000	\$0.18	Options Exercised
April 29, 1999	10		10,500	\$0.28	Sell (Wood Gundy)
April 30, 1999	10		17,000	\$0.27	Sell (Wood Gundy)
May 4, 1999	10		5,500	\$0.28	Sell (Wood Gundy)
May 4, 1999	10		3,000	\$0.28	Sell (Wood Gundy)
May 4, 1999	10		3,000	\$0.28	Sell (Wood Gundy)
May 7, 1999	20		75,000	\$0.18	Transfer to TEI Credit (Margaret Lavictoire)
May 7, 1999	20		75,000	\$0.18	Transfer to TEI Creditor (Barry Henson)

May 11, 1999	20		10,000	\$0.25	Transfer to Tom Hinke – creditor
May 18, 1999	10		67,500	\$0.184	Sell (Wood Gundy)
May 18, 1999	20		50,000	\$0.18	Transfer to TEI Creditor (Daley Ferraro Associates)
June 1, 1999	10		30,000	\$0.177	Sell (Wood Gundy)
June 9, 1999	Private Placement	3,553,077		\$0.13	Private Placement
June 11, 1999	10		40,000	\$0.25	Sell (Wood Gundy)
June 28, 1999	10		82,000	\$0.25	Sell (Wood Gundy)
July 8, 1999	20		7,000	\$0.25	Transfer to TEI Creditor (William Ralph)
July 20, 1999	20		174,000	\$0.25	Transfer to Tom Hinke creditor
July 21, 1999	20		13,600	\$0.25	Transfer to TEI Creditor (Applied Recycling Technologies)
July 26, 1999	Private Placement	883,265		\$0.20	Private Placement
July 30, 1999	10		34,000	\$0.24	Sell (Wood Gundy)
August 5, 1999	10		30,000	\$0.25	Sell (Wood Gundy)
August 6, 1999	20		22,000	\$0.24	Transfer to Michel Blaine, in trust
August 8, 1999	20		30,000	\$0.35	Transfer to Armand Bussiere
August 8, 1999	20		80,428	\$0.35	Transfer to Armand Bussiere
August 8, 1999	20		92,880	\$0.25	Transfer to Armand Bussiere
August 11, 1999	10		19,316	\$0.27	Sell (Wood Gundy)
August 11, 1999	10		684	\$0.27	Sell (Wood Gundy)
August 22, 1999	10		25,000	\$0.27	Sell
August 24, 1999	10		48,316	\$0.25	Sell (Wood Gundy)
August 24, 1999	10		28,684	\$0.25	Sell (Wood Gundy)
September 1, 1999	10		12,500	\$0.35	Sell (Wood Gundy)
September 2, 1999	10		15,000	\$0.37	Sell (Wood Gundy)
September 6, 1999	20		200,000	\$0.33	Transfer to Barry Lafin
September 7, 1999	10		53,816	\$0.33	Sell (Wood Gundy)

September 7, 1999	10		146,184	\$0.33	Sell (Wood Gundy)
September 8, 1999	20		42,857	\$0.35	Transfer to Richard Bower
September 8, 1999	20		20,571	\$0.35	Transfer to Michel Francoeur, in trust
September 8, 1999	20		42,857	\$0.35	Transfer to Peter Grabner
September 8, 1999	20		13,125	\$0.40	Transfer to Michel Blaine, in trust
September 8, 1999	20		1,000	\$0.40	Transfer to TEI Creditor (Robert Wooton)
September 11, 1999	20		8,000	\$0.15	Transfer to TEI Creditor (Landlord)
September 13, 1999	20		50,000	\$0.30	Transfer to Fernando Rodrigues
September 27, 1999	10		25,000	\$0.752	Sell (Wood Gundy)
October 4, 1999	10		21,816	\$0.70	Sell (Wood Gundy)
October 4, 1999	10		46,684	\$0.70	Sell (Wood Gundy)
October 8, 1999	10		20,000	\$0.70	Sell (Wood Gundy)
November 4, 1999	10		116,000	\$0.43	Transfer to Tom Hinke Creditor
November 22, 1999	20		300,000	\$0.247	Transfer to Tom Hinke Creditor
November 23, 1999	20		75,000	\$0.20	Transfer to TEI Creditor (Rhodes and Williams Ltd.)
December 8, 1999	20		35,000	\$0.65	Transfer to Mark Guerrera
December 8, 1999	10		59,000	\$0.65	Sell (Wood Gundy)
January 5, 2000	10		32,316	\$0.412	Sell (Wood Gundy)
January 5, 2000	10		88,184	\$0.412	Sell (Wood Gundy)
January 12, 2000	20		25,000	\$0.56	Transfer to TEI Creditor (Landlord)
January 14, 2000	20		20,000	\$0.456	Transfer To Francois Proulx
January 18, 2000	20		33,000	\$0.45	Transfer to TEI Creditor (RF Technologies Enterprises)
January 18, 2000	10		10,000	\$0.465	Sell (Wood Gundy)
January 31, 2000	Private Placement	1,257,597		\$0.30	Private Placement
February 12, 2000	96	250,000		\$0.50	Options Granted
May 2, 2000	10		15,200	\$1.382	Sell (Wood Gundy)

May 2, 2000	10		15,200	\$1.382	Sell (Wood Gundy)
May 11, 2000	Private Placement	1,650,000		\$0.30	Private Placement
May 19, 2000	10		2,300	\$1.50	Sell (Wood Gundy)
May 23, 2000	Private Placement	483.257		\$0.37	Private Placemet
May 26, 2000	10		18,600	\$1.687	Sell (Wood Gundy)
July 6, 200	20		5,684	\$1.80	Transfer to Tom Hinke Creditor (Frank Tierney)
October 30, 2000	20		11,000	\$1.818	Transfer to Tom Hinke Creditor (Ian Stauffer)
November 3, 2000	96	200,000		\$1.65	Options Granted
November 6, 2000			100,000	Gift	Transfer to Elena Shulkov (spouse)

**SCHEDULE “B”
TRANSACTIONS CONSTITUTING A DISTRIBUTION**

Date	Number Disposed of	Unit Price	Description of Transactions
December 5, 1996	6,000	\$0.14	Sale (Nesbitt Burns)
December 6, 1996	10,000	\$0.14	Sale (Nesbitt Burns)
December 6, 1996	15,000	\$0.15	Sale (Nesbitt Burns)
December 6, 1996	15,000	\$0.17	Sale (Nesbitt Burns)
December 6, 1996	10,000	\$0.17	Sale (Nesbitt Burns)
December 9, 1996	10,000	\$0.18	Sale (Nesbitt Burns)
December 9, 1996	10,000	\$0.19	Sale (Nesbitt Burns)
December 9, 1996	9,000	\$0.19	Sale (Nesbitt Burns)
December 10, 1996	3,000	\$0.15	Sale (Nesbitt Burns)
December 10, 1996	10,000	\$0.17	Sale (Nesbitt Burns)
December 10, 1996	2,000	\$0.20	Sale (Nesbitt Burns)
December 11, 1996	10,000	\$0.30	Transfer to TEI Creditor (Margaret Lavictoire)
December 13, 1996	1,000	\$0.16	Sale (Nesbitt Burns)
December 13, 1996	2,000	\$0.17	Sale (Nesbitt Burns)
December 16, 1996	10,000	\$0.17	Sale (Nesbitt Burns)
December 19, 1996	3,000	\$0.125	Sale (Nesbitt Burns)
December 19, 1996	1,000	\$0.15	Sale (Nesbitt Burns)
December 19, 1996	6,000	\$0.16	Sale (Nesbitt Burns)
December 27, 1996	2,000	\$0.16	Sale (Nesbitt Burns)
January 6, 1997	20,000	\$0.14	Sale (Nesbitt Burns)
January 6, 1997	10,000	\$0.15	Sale (Nesbitt Burns)
January 7, 1997	15,000	\$0.14	Sale (Nesbitt Burns)
January 7, 1997	5,000	\$0.15	Sale (Nesbitt Burns)
January 8, 1997	10,000	\$0.14	Sale (Nesbitt Burns)
January 8, 1997	2,500	\$0.15	Sale (Nesbitt Burns)
January 10, 1997	10,000	\$0.15	Sale (Nesbitt Burns)

January 10, 1997	10,000	\$0.16	Sale (Nesbitt Burns)
January 10, 1997	4,000	\$0.17	Sale (Nesbitt Burns)
January 10, 1997	10,000	\$0.18	Sale (Nesbitt Burns)
January 13, 1997	10,000	\$0.15	Sale (Nesbitt Burns)
January 13, 1997	10,000	\$0.18	Sale (Nesbitt Burns)
January 15, 1997	26,500	\$0.15	Sale (Nesbitt Burns)
January 16, 1997	14,000	\$0.15	Sale (Nesbitt Burns)
January 16, 1997	6,000	\$0.155	Sale (Nesbitt Burns)
January 16, 1997	10,000	\$0.17	Sale (Nesbitt Burns)
January 20, 1997	16,000	\$0.19	Sale (Nesbitt Burns)
January 20, 1997	4,500	\$0.19	Sale (Nesbitt Burns)
January 20, 1997	5,500	\$0.20	Sale (Nesbitt Burns)
January 30, 1997	5,000	\$0.24	Sale (Nesbitt Burns)
February 4, 1997	7,000	\$0.22	Sale (Nesbitt Burns)
February 4, 1997	2,000	\$0.23	Sale (Nesbitt Burns)
February 4, 1997	1,000	\$0.24	Sale (Nesbitt Burns)
February 4, 1997	3,000	\$0.23	Sale (Nesbitt Burns)
February 4, 1997	7,000	\$0.24	Sale (Nesbitt Burns)
February 10, 1997	2,500	\$0.23	Sale (Nesbitt Burns)
February 10, 1997	7,500	\$0.24	Sale (Nesbitt Burns)
February 13, 1997	5,000	\$0.20	Transfer to TEI Creditor (Landlord)
February 14, 1997	1,500	\$0.24	Sale (Nesbitt Burns)
February 18, 1997	1,500	\$0.25	Sale (Nesbitt Burns)
February 18, 1997	2,500	\$0.26	Sale (Nesbitt Burns)
February 20, 1997	1,000	\$0.25	Sale (Nesbitt Burns)
February 21, 1997	3,500	\$0.25	Sale (Nesbitt Burns)
February 24, 1997	5,000	\$0.23	Sale (Nesbitt Burns)
February 25, 1997	5,000	\$0.23	Sale (Nesbitt Burns)
February 26, 1997	4,000	\$0.23	Sale (Nesbitt Burns)
February 26, 1997	30,000	\$0.20	Transfer to TEI Creditor (Mike Francoeur)
February 26, 1997	30,000	\$0.20	Transfer to TEI Creditor (Vittorio Ierullo)
February 26, 1997	50,000	\$0.25	Transfer to TEI Creditor (Gustav Pliva)

February 26, 1997	30,000	\$0.20	Transfer to TEI Creditor (Greg Tesch)
February 27, 1997	30,000	\$0.22	Sale (Nesbitt Burns)
February 28, 1997	9,000	\$0.20	Transfer to TEI Creditor (Rob Triebe)
February 28, 1997	12,500	\$0.10	Transfer to TEI Creditor (Steve Belan)
March 1, 1997	50,000	\$0.25	Transfer to TEI Creditor (Quality Plumbing)
March 11, 1997	5,000	\$0.245	Sale (Nesbitt Burns)
March 12, 1997	5,000	\$0.23	Sale (Nesbitt Burns)
March 13, 1997	6,000	\$0.25	Sale (Nesbitt Burns)
March 13, 1997	6,000	\$0.25	Transfer to TEI Creditor (Barry Hanson)
March 17, 1997	20,000	\$0.25	Sale (Nesbitt Burns)
March 17, 1997	3,000	\$0.23	Sale (Nesbitt Burns)
March 17, 1997	20,000	\$0.25	Transfer to TEI Creditor (R.F. Tech)
March 18, 1997	5,000	\$0.23	Sale (Nesbitt Burns)
March 19, 1997	10,000	\$0.23	Sale (Nesbitt Burns)
April 1, 1997	50,000	\$0.25	Transfer to TEI Creditor (Quality Plumbing)
April 17, 1997	5,000	\$0.25	Transfer to TEI Creditor (Barry Henson)
May 1, 1997	50,000	\$0.25	Transfer to TEI Creditor (Quality Plumbing)
May 10, 1997	156,522	\$0.23	Transfer to TEI Creditor (George Thompson) Through Nesbitt Burns
May 23, 1997	10,000	\$0.25	Transfer to TEI Creditor (Barry Henson)
June 1, 1997	50,000	\$0.25	Transfer to TEI Creditor (Quality Plumbing)
June 16, 1997	50,000	\$0.25	Transfer to TEI Creditor (R.F. Tech)
June 17, 1997	50,000	\$0.25	Transfer to TEI Creditor (Margaret Lavictoire)
June 24, 1997	75,000	\$0.25	Transfer to TEI Creditor (_____ International)
July 1, 1997	50,000	\$0.25	Transfer to TEI Creditor (Quality Plumbing)
October 15, 1997	60,000	\$0.25	Transfer to TEI Creditor (Mike Francoeur)
October 15, 1997	60,000	\$0.25	Transfer to TEI Creditor (Greg Tesch)
October 21, 1997	50,000	\$0.175	Sale (Wood Gundy)
November 7, 1997	15,000	\$0.245	Transfer to TEI Creditor (Barry Henson)
November 21, 1997	50,000	\$0.20	Transfer to TEI Creditor (Landlord)
November 21, 1997	30,000	\$0.25	Transfer to TEI Creditor (Ottawa Travel)
November 21, 1997	20,000	\$0.25	Transfer to TEI Creditor (Francois Proulx)

January 7, 1998		\$0.210	Buy (TD Green Line)
January 14, 1998	50,000	\$0.25	Transfer to TEI Creditor (George Thompson)
January 14, 1998	100,000	\$0.25	Transfer to TEI Creditor (Gustav Pliva)
January 16, 1998	50,000	\$0.25	Transfer to TEI Creditor (Oliver Toffoli)
February 3, 1998	50,000	\$0.25	Transfer to TEI Creditor (John Kehoe)
February 12, 1998	10,000	\$0.25	Transfer to TEI Creditor (Barry Henson)
May 7, 1998	6,000	\$0.25	Transfer to TEI Creditor (Zippy Print)
June 10, 1998	41,000	\$0.182	Transfer to TEI Creditor (Landlord)
June 19, 1998	50,000	\$0.15	Transfer to TEI Creditor (Therese Lelievre)
August 12, 1998	1,500	\$0.17	Sell (TD Green Line)
August 12, 1998	5,000	\$0.17	Sell (TD Green Line)
August 12, 1998	9,000	\$0.18	Sell (TD Green Line)
August 12, 1998	6,000	\$0.17	Sell (TD Green Line)
August 17, 1998	75,000	\$0.17	Sell (TD Green Line)
August 17, 1998	10,000	\$0.17	Sell (TD Green Line)
August 18, 1998	1,000	\$0.18	Sell (TD Green Line)
August 19, 1998	10,000	\$0.17	Sell (TD Green Line)
August 20, 1998	5,000	\$0.17	Sell (TD Green Line)
August 28, 1998	10,000	\$0.16	Sell (TD Green Line)
September 4, 1998	5,000	\$0.12	Sell (TD Green Line)
September 4, 1998	5,000	\$0.12	Sell (TD Green Line)
September 9, 1998	8,000	\$0.13	Sell (TD Green Line)
September 10, 1998	2,500	\$0.13	Sell (TD Green Line)
September 10, 1998	10,000	\$0.11	Sell (TD Green Line)
September 10, 1998	16,000	\$0.12	Sell (TD Green Line)
September 16, 1998	20,000	\$0.12	Sell (TD Green Line)
September 25, 1998	1,500	\$0.14	Sell (TD Green Line)
September 29, 1998	3,000	\$0.10	Sell (TD Green Line)
September 29, 1998	45,000	\$0.10	Sell (TD Green Line)
October 6, 1998	15,000	\$0.11	Sell (TD Green Line)
October 16, 1998	250,000	\$0.10	Transfer to Robert Ledger
November 25, 1998	20,000	\$0.105	Sell (TD Green Line)

November 26, 1998	25,500	\$0.103	Sell (Wood Gundy)
November 30, 1998	28,000	\$0.10	Sell (Wood Gundy)
December 11, 1998	55,000	\$0.082	Sell (Wood Gundy)
December 15, 1998	76,000	\$0.10	Sell (Wood Gundy)
December 23, 1998	148,000	\$0.10	Sell (Wood Gundy)
December 29, 1998	60,000	\$0.148	Sell (Wood Gundy)
December 30, 1998	14,000	\$0.20	Sell (Wood Gundy)
December 30, 1998	16,000	\$0.17	Sell (Wood Gundy)
December 30, 1998	55,000	\$0.152	Sell (Wood Gundy)
January 5, 1999	100,000	\$0.15	Transfer to TEI Creditor (Robert Ledger)
January 12, 1999	49,500	\$0.181	Sell (Wood Gundy)
February 2, 1999	35,000	\$0.19	Sell (Wood Gundy)
February 9, 1999	18,000	\$0.18	Sell (Wood Gundy)
February 12, 1999	9,500	\$0.19	Sell (Wood Gundy)
February 15, 1999	9,000	\$0.19	Sell (Wood Gundy)
February 17, 1999	3,000	\$0.19	Sell (Wood Gundy)
February 18, 1999	1,500	\$0.19	Sell (Wood Gundy)
February 22, 1999	10,000	\$0.19	Sell (Wood Gundy)
February 24, 1999	2,500	\$0.19	Sell (Wood Gundy)
March 9, 1999	1,500	\$0.19	Sell (Wood Gundy)
March 10, 1999	100,000	\$0.18	Transfer to Robert Ledger
March 10, 1999	5,000	\$0.19	Sell (Wood Gundy)
March 11, 1999	2,000	\$0.19	Sell (Wood Gundy)
March 16, 1999	14,000	\$0.19	Sell (Wood Gundy)
March 25, 1999	20,000	\$0.15	Transfer to John Kehoe, in trust
March 25, 1999	20,000	\$0.15	Transfer to John Kehoe, in trust
March 25, 1999	20,000	\$0.15	Transfer to John Kehoe, in trust
April 15, 1999	41,500	\$0.26	Sell (Wood Gundy)
April 16, 1999	40,000	\$0.25	Transfer to Richard Bower
April 26, 1999	10,500	\$0.249	Sell (Wood Gundy)
April 29, 1999	10,500	\$0.28	Sell (Wood Gundy)
April 30, 1999	17,000	\$0.27	Sell (Wood Gundy)

May 4, 1999	5,500	\$0.28	Sell (Wood Gundy)
May 4, 1999	3,000	\$0.28	Sell (Wood Gundy)
May 4, 1999	3,000	\$0.28	Sell (Wood Gundy)
May 7, 1999	75,000	\$0.18	Transfer to TEI Credit (Margaret Lavictoire)
May 7, 1999	75,000	\$0.18	Transfer to TEI Creditor (Barry Henson)
May 11, 1999	10,000	\$0.25	Transfer to Tom Hinke – creditor
May 18, 1999	67,500	\$0.184	Sell (Wood Gundy)
May 18, 1999	50,000	\$0.18	Transfer to TEI Creditor (Daley Ferraro Associates)
June 1, 1999	30,000	\$0.177	Sell (Wood Gundy)
June 11, 1999	40,000	\$0.25	Sell (Wood Gundy)
June 28, 1999	82,000	\$0.25	Sell (Wood Gundy)
July 8, 1999	7,000	\$0.25	Transfer to TEI Creditor (William Ralph)
July 20, 1999	174,000	\$0.25	Transfer to Tom Hinke creditor
July 21, 1999	13,600	\$0.25	Transfer to TEI Creditor (Applied Recycling Technologies)
July 30, 1999	34,000	\$0.24	Sell (Wood Gundy)
August 5, 1999	30,000	\$0.25	Sell (Wood Gundy)
August 6, 1999	22,000	\$0.24	Transfer to Michel Blaine, in trust
August 8, 1999	30,000	\$0.35	Transfer to Armand Bussiere
August 8, 1999	80,428	\$0.35	Transfer to Armand Bussiere
August 8, 1999	92,880	\$0.25	Transfer to Armand Bussiere
August 11, 1999	19,316	\$0.27	Sell (Wood Gundy)
August 11, 1999	684	\$0.27	Sell (Wood Gundy)
August 22, 1999	25,000	\$0.27	Sell
August 24, 1999	48,316	\$0.25	Sell (Wood Gundy)
August 24, 1999	28,684	\$0.25	Sell (Wood Gundy)
September 1, 1999	12,500	\$0.35	Sell (Wood Gundy)
September 2, 1999	15,000	\$0.37	Sell (Wood Gundy)
September 6, 1999	200,000	\$0.33	Transfer to Barry Lafin
September 7, 1999	53,816	\$0.33	Sell (Wood Gundy)
September 7, 1999	146,184	\$0.33	Sell (Wood Gundy)
September 8, 1999	42,857	\$0.35	Transfer to Richard Bower
September 8, 1999	20,571	\$0.35	Transfer to Michel Francoeur, in trust

September 8, 1999	42,857	\$0.35	Transfer to Peter Grabner
September 8, 1999	13,125	\$0.40	Transfer to Michel Blaine, in trust
September 8, 1999	1,000	\$0.40	Transfer to TEI Creditor (Robert Wooton)
September 11, 1999	8,000	\$0.15	Transfer to TEI Creditor (Landlord)
September 13, 1999	50,000	\$0.30	Transfer to Fernando Rodrigues
September 27, 1999	25,000	\$0.752	Sell (Wood Gundy)
October 4, 1999	21,816	\$0.70	Sell (Wood Gundy)
October 4, 1999	46,684	\$0.70	Sell (Wood Gundy)
October 8, 1999	20,000	\$0.70	Sell (Wood Gundy)
November 4, 1999	116,000	\$0.43	Transfer to Tom Hinke Creditor
November 22, 1999	300,000	\$0.247	Transfer to Tom Hinke Creditor
November 23, 1999	75,000	\$0.20	Transfer to TEI Creditor (Rhodes and Williams Ltd.)
December 8, 1999	35,000	\$0.65	Transfer to Mark Guerrero
December 8, 1999	59,000	\$0.65	Sell (Wood Gundy)
January 5, 2000	32,316	\$0.412	Sell (Wood Gundy)
January 5, 2000	88,184	\$0.412	Sell (Wood Gundy)
January 12, 2000	25,000	\$0.56	Transfer to TEI Creditor (Landlord)
January 14, 2000	20,000	\$0.456	Transfer To Francois Proulx
January 18, 2000	33,000	\$0.45	Transfer to TEI Creditor (RF Technologies Enterprises)
January 18, 2000	10,000	\$0.465	Sell (Wood Gundy)
May 2, 2000	15,200	\$1.382	Sell (Wood Gundy)
May 2, 2000	15,200	\$1.382	Sell (Wood Gundy)
May 19, 2000	2,300	\$1.50	Sell (Wood Gundy)
May 26, 2000	18,600	\$1.687	Sell (Wood Gundy)
July 6, 200	5,684	\$1.80	Transfer to Tom Hinke Creditor (Frank Tierney)
October 30, 2000	11,000	\$1.818	Transfer to Tom Hinke Creditor (Ian Stauffer)