

ABC Trust Company
Disclosure Report - IFRS 2
For the Fiscal Year Ending December 31, 2008

Report Assumptions: Client Financial Statements meet IFRS 2 requirements
Client Financial Statements are not prepared under the requirements of Canadian GAAP or US GAAP
This report provides the Client with information that is useful in the preparation of Financial Statements under IFRS 2
This report assumes that a number of inputs (including fair value) will be supplied by the Client
No settlement and modification during the period
No liability awards were granted during the period. RSUs are assumed to be equity settled
No awards were issued to non-employees during the period
For current year only (not comparative years)

Client: Sample Company
Plan(s): Employee Share Option Plan, RSU
Fiscal Year: 2008
Reporting Period: January 1, 2008 to December 31, 2008

1) **IFRS 2 - Paragraph 2.45 (a):**

- a) General terms of awards:** *Sample Company has stock option plans for certain key employees. Under the employee stock option plan, options are periodically granted to purchase common shares. The exercise price of each grant is determined as the volume-weighted average of the trading prices per board lot (100) shares of Sample Company common shares on the Toronto Stock Exchange on the day preceding the day of grant. Stock options are normally granted at the end of the year, with the exercise price determined shortly after the release of year-end financial results.*
- b) Vesting requirements:** *The options vest over a 4 year period for employees and are exercisable for a period of up to 10 years from grant date.*
- c) Maximum term of options granted:** *Options are exercisable for a period of up to 10 years from grant date.*
- d) Method of measuring compensation cost:** *The method of measuring compensation cost from share based payment arrangements can be provided by client and inserted into this report.*

2) **IFRS 2 - Paragraph 2.45 (b):**

a) **All stock option plans:**

Summary of stock option activity

	Number of options (000s)	Weighted average exercise price
Outstanding at the beginning of the year	10,499	\$ 27.90
Granted	1,378	45.92
Exercised	(2,458)	21.45
Cancelled	(500)	43.98
Forfeited	(980)	42.67
Expired	(100)	21.12
Outstanding at the end of the year	7,839	\$ 31.67
Exercisable at end of the year	5,845	\$ 24.98

b) Stock option plan 1:

Summary of stock option activity

	Number of options (000s)	Weighted average exercise price
Outstanding at the beginning of the year	5,499	\$ 25.34
Granted	978	42.78
Exercised	(1,398)	23.67
Cancelled	(213)	41.89
Forfeited	(670)	40.98
Expired	(60)	20.25
Outstanding at the end of the year	4,136	\$ 29.98
Exercisable at end of the year	5,845	\$ 22.78

3) IFRS 2 - Paragraph 2.47 (a):

a) *Weighted average grant date fair value of options granted during the period*

Plan	Grant date	Number of options	Fair value
Stock option plan 1	1-Jan-08	1,000	\$ 10.45
	1-Apr-08	2,000	11.78
	01-Jul-08	1,500	12.07
	01-Oct-08	5,000	12.21
	Total Options:		9,500
Stock option plan 2	1-Jan-08	900	\$ 10.23
	1-Apr-08	500	11.24
	01-Jul-08	200	12.01
	01-Oct-08	3,000	12.12
	Total Options:		4,600
Weighted average of all grants issued during 2008			\$ 11.83

4) IFRS 2 - Paragraph 2.47 (b):

Summary of other non-option equity instruments activity

	Number (000s)	Weighted average grant date fair value
Non-vested at the beginning of the year	5,600	\$ 42.56
Granted during the year	1,237	46.89
Vested during the year	(1,009)	41.23
Forfeited during the year	(345)	41.78
Non-vested at the end of the year	5,483	\$ 43.76

5) IFRS 2 - Paragraph 2.45 (d):

Options outstanding and options exercisable as at December 31, 2008 by range of exercise price

	Options outstanding			Options exercisable		
	Number outstanding	Weighted average	Weighted average	Number exercisable	Weighted average	Weighted average
	(000s)	exercise price	remaining contractual life	(000s)	exercise price	remaining contractual life
\$10.70 - \$11.25	110	\$ 11.89	1.2	110	\$ 11.89	1.2
\$14.00 - \$18.51	256	16.72	1.3	256	16.72	1.3
\$20.38 - \$24.00	273	23.52	2.5	273	23.52	2.5
\$27.00 - \$31.23	3,490	29.54	4.7	2,567	29.03	3.5
\$42.90 - \$55.00	4,789	49.87	7.9	1,247	45.49	6.2
Total	8,918	\$ 131.54	6.2	4,453	\$ 32.17	4.0

6) IFRS 2 - Paragraph 2.45 (c):

For options exercised during the period

	Plan 1	Plan 2	Plan 3	Total
Total options exercised during period	200	500	600	1,300
Weighted average underlying share price at the date of each option exercise	\$ 45.67	\$ 44.34	\$ 46.03	\$ 45.32