

This Information Memorandum is not, and under no circumstances is to be construed as, an offering of the Short-Term Promissory Notes referred to herein for sale in the United States of America, its territories, its possessions and other areas subject to its jurisdiction or to any U.S. Person (as defined herein) or any person purchasing for resale to, or for the account or benefit of, any U.S. Person. The Short-Term Promissory Notes will not be sold outside Canada or to any person who is not resident in Canada or to any person purchasing for resale to, or for the account or benefit of, any person who is not resident in Canada. See "Selling Restrictions".

CDP FINANCIAL INC.

Short-Term Promissory Notes

Up to Cdn. \$3,000,000,000

Unconditionally and Irrevocably Solidarily Guaranteed by

CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC

INFORMATION MEMORANDUM

CDP Financial Inc. and the Caisse de dépôt et placement du Québec are not member institutions of the Canada Deposit Insurance Corporation and are not regulated as financial institutions in Canada. An investment in the Short-Term Promissory Notes is not a deposit.

This Information Memorandum does not in any way obligate CDP Financial Inc. to accept an offer to purchase the Short-Term Promissory Notes described herein.

December 22, 2003

In this Information Memorandum, unless otherwise specified herein, all references to “\$” or to “Canadian dollars” are to the lawful currency of Canada, and all references to “United States dollars” are to the lawful currency of the United States of America.

CDP FINANCIAL INC.

CDP Financial Inc. (the “**Issuer**”) is a legal person constituted as a company under Part 1A of the *Companies Act* (Québec) and is a direct wholly-owned subsidiary of the Caisse de dépôt et placement du Québec (“**Caisse**” or the “**Guarantor**”). The Issuer’s head office is located at 1000 place Jean-Paul-Riopelle in the City of Montreal, Province of Québec.

The Issuer is not a reporting issuer under applicable Canadian securities legislation and therefore is not required to file continuous disclosure documents, reports and other information with the securities commission or similar regulatory authority in any province of Canada. There is limited publicly available information regarding the Issuer.

Caisse has agreed in favour of the Issuer to irrevocably and unconditionally solidarily guarantee the repayment of any Notes (as defined below), including principal, interest and accessories, issued from time to time by the Issuer, up to a principal amount not exceeding \$3,000,000,000 or the equivalent thereof in United States dollars (calculated for such purpose by using the noon spot exchange rate published by the Bank of Canada for the conversion of one Canadian dollar into one United States dollar on the business day immediately preceding the date of issue of such Notes).

The Notes have received the highest short term commercial paper credit ratings available from three major credit agencies, which ratings are as follows:

Dominion Bond Rating Service Limited	R-1 (high);
Moody’s Investors Service	Prime-1 (Aaa); and
Standard & Poor’s Corporation	A-1 (high) Canadian CP Scale.

The above ratings are only accurate as at the date of this Information Memorandum and may be changed, superseded or withdrawn at any time. A prospective purchaser should check the current rating before purchasing a Note.

CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC

Caisse is a legal person governed by *An Act respecting the Caisse de dépôt et placement du Québec* and its main business office is located at 1000 place Jean-Paul-Riopelle in the City of Montreal, Province of Québec.

The Guarantor is not a reporting issuer under applicable Canadian securities legislation and therefore is not required to file continuous disclosure documents, reports and other information with the securities commission or similar regulatory authority in any province of Canada. There is limited publicly available information regarding the Guarantor.

DESCRIPTION OF THE SHORT-TERM PROMISSORY NOTES

Issuer: CDP Financial Inc. The Issuer may from time to time offer Notes hereunder.

Guarantor: Caisse de dépôt et placement du Québec.

Guarantee: Each Note is unconditionally and irrevocably solidarily guaranteed as to payment of principal, interest and accessories (if any) by the Guarantor (the "**Guarantee**").

The Guarantee will rank *pari passu* with all unsecured and unsubordinated obligations and liabilities of the Guarantor, including the demand and term deposits of the Guarantor's depositors, subject to such exceptions as may from time to time exist under applicable law. Pursuant to section 22 of *An Act respecting the Caisse de dépôt et placement du Québec*, the Guarantor may receive participation, demand and term deposits from its depositors. Participation deposits constitute a participation in the net equity of the Guarantor. The holders of participation deposits share the net revenues of the fund or portfolio in which they are made, calculated after deduction of the reserves, charges and fees which the Guarantor considers appropriate. Demand and term deposits bear interest and constitute indebtedness of the Guarantor to its depositors.

Aggregate Principal Amount: The aggregate principal amount of the short-term promissory notes (collectively, "**Notes**" and, individually, "**Note**") outstanding at any one time at the date of issue shall not exceed \$3,000,000,000 principal amount or the equivalent thereof in United States dollars (calculated for such purpose by using the noon spot exchange rate published by the Bank of Canada for the conversion of one Canadian dollar into one United States dollar on the business day immediately preceding the date of issue of such Notes).

Ranking of Notes: The Notes are unsecured and rank *pari passu* with the other unsubordinated and unsecured indebtedness of the Issuer, subject to such exceptions as may from time to time exist under applicable law. As at the date of this Information Memorandum, all indebtedness of the Issuer is unsubordinated and unsecured.

Form of Notes: The Notes will be issued in Canadian dollars or in United States dollars, in negotiable form, payable to bearer or to the order of a purchaser thereof.

Alternatively, at the option of the Issuer, the Notes payable in Canadian dollars will be issued in "book entry only" form ("**Book Entry Notes**"), in which case such Notes must be purchased or transferred through participants ("**Participants**") in the debt clearing service of The Canadian Depository for Securities Limited ("**CDS**"), which Participants include securities brokers and dealers, and banks and trust companies. Indirect

access to the CDS book entry system is also available to other institutions (“**Indirect Participants**”) that maintain custodial relationships with a Participant, either directly or indirectly.

The Issuer will cause the Book Entry Notes to be delivered to, and registered in the name of, CDS or its nominee. Each purchaser of a Book Entry Note will receive a customer confirmation of purchase from the Participant or Indirect Participant from whom such Note is purchased in accordance with the practices and procedures of that person. Practices and procedures of Participants and Indirect Participants may vary, but generally customer confirmations are issued promptly after execution of a customer order.

No person having an interest in any Book Entry Notes (“**holder**”) will be entitled to a certificate or other instrument from the Issuer or CDS evidencing that person’s interest in such Notes, or will be shown on the records maintained by CDS, except through an agent of the holder who is a Participant of CDS or indirectly through an Indirect Participant of CDS. Registration of interests in and transfer of Book Entry Notes will only be made through the debt clearing service of CDS. All payments on Book Entry Notes by the Issuer will be made to CDS or to any paying agent appointed by the Issuer, which will then make payments to CDS, and such payments will be forwarded by CDS to Participants, by Participants to holders of Book Entry Notes or, where applicable, by Participants to Indirect Participants and thereafter to holders, in accordance with the practices and procedures of such persons.

None of the Issuer, the Participants or the Indirect Participants will assume any liability for: (a) any aspect of the records relating to the ownership of, or to any economic interest in, the Book Entry Notes held by CDS or the payments relating thereto; (b) maintaining, supervising or reviewing any records relating to the Book Entry Notes; or (c) any advice, representation or disclosure made by or with respect to CDS, including those contained in this Information Memorandum, the rules governing CDS, the practices and procedures of CDS, or any action to be taken or taken by CDS, including any action taken by CDS at the direction of Participants. The rules governing CDS provide that it acts as the agent and depository for Participants, and CDS has a statutory duty to enforce payment of the Notes on behalf of Participants. In addition, the Issuer will have no liability for any advice, representation or disclosure made by or with respect to a Participant or an Indirect Participant, the rules governing such Participant or Indirect Participant and the practices and procedures of a Participant or an Indirect Participant, or any action to be taken or taken by a Participant or an Indirect Participant, including any action taken by a Participant or an Indirect Participant at the direction of a holder. As a result, Participants must look solely to CDS and holders must look solely to Participants and Indirect Participants for payment of principal and interest on the Book Entry Notes once such payment is made by or on behalf of the Issuer to CDS.

The ability of a holder to hypothecate or pledge Book Entry Notes or take action with respect thereto may be limited due to the lack of physical

certificates.

The Book Entry Notes will be designated as subject to the *Depository Bills and Notes Act (Canada)*.

The Issuer will have the option to terminate the book entry system through CDS, in which case Notes in certificated form payable to bearer or to the order of a holder thereof will be issued to holders of Book Entry Notes or their nominees.

The Notes will be payable in Canadian dollars or in United States dollars, whichever is the currency of issue.

A specimen form of the Notes in certificated form and in book only entry form, in the French language versions only (and of the English translations thereof which are being provided to purchasers for information purposes only), and to which is attached the form of the Guarantee, are included in this Information Memorandum.

Denominations: The Notes will be issued in multiples of \$100,000 subject to a minimum of \$1,000,000 or the equivalent thereof, at the date of issue, in United States dollars (calculated for such purpose by using the noon spot exchange rate published by the Bank of Canada for the conversion of one Canadian dollar into one United States dollar on the business day immediately preceding the date of issue of such Notes).

Maturities: The Notes will mature up to but not exceeding one year from their respective date of issue.

Rates of Interest: The Notes will be interest-bearing or issued at a discount to mature at their principal amount. The rates of interest on the Notes are available on request.

The interest rate shall be calculated on the basis of a year of 365 days for a Note denominated in Canadian dollars and the yearly rate of interest on a Note denominated in United States dollars shall be calculated on the basis of the rate stated on such Note multiplied by the number of days in the year and divided by 360.

Delivery and Payment: Delivery of Notes in certificated form will be made against payment by wire transfer, certified cheque or bank draft payable to the Issuer at the main branch of its paying agent, National Bank Trust Inc., in the City of Montreal, Province of Québec, and in the City of Toronto, Province of Ontario (each, a “**delivery point**”). Delivery of Book Entry Notes and all payments on Book Entry Notes will be made in accordance with the rules established from time to time by CDS. At maturity of the Notes, payment will be made on behalf of the Issuer in the currency of issue: (a) on certificated Notes, upon surrender of the Note(s) at any of the delivery points; and (b) on Book Entry Notes, through the debt clearing system operated by CDS.

Redemption: Not redeemable prior to maturity.

Use of Proceeds: It is envisaged that the net proceeds from the sale of the Notes will be used by the Issuer for extending credit to Caisse and its direct and indirect subsidiaries and other members of its group (the “**Caisse Group**”) as part of mounting asset securitization operations and/or private placements (by way of loan or otherwise) involving members of the Caisse Group.

In connection with such operations or private placements, each member of the Caisse Group (the “**Borrower**”) that will, from time to time, borrow moneys from the Issuer will be called upon to execute such legal documentation as may be required by the Issuer, including, a promissory note, to evidence such borrowings and indebtedness, and the Borrower's obligations and liabilities in respect thereof.

Selling Restrictions: The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons (as defined below). The Notes will not be sold outside Canada or to any person who is not resident in Canada or to any person purchasing for resale to, or for the account or benefit of, any person who is not resident in Canada.

A “**U.S. Person**” is: (a) any natural person resident in the United States; (b) any partnership or corporation organized or incorporated under United States law or formed by one or more U.S. Persons principally for the purpose of investing in securities not registered under the U.S. Securities Act; (c) any estate or trust of which any executor, administrator, trustee or similar person is a U.S. Person unless the beneficiaries are not U.S. Persons and a non-U.S. Person who is also an executor, administrator, trustee or similar person has or shares investment discretion; (d) any U.S. agency or branch of a foreign entity; (e) any non-discretionary account for the benefit of a U.S. Person; or (f) any discretionary account held by a dealer or other fiduciary organized, incorporated or resident in the United States.

Purchasers' Representations: By accepting a Note and the payment of amounts due thereunder, a holder (including any person having an interest in a Book Entry Note) is representing and warranting in favour of both the Issuer and the Guarantor that: (a) it is not a U.S. Person; and (b) it is not purchasing for resale to, or for the account or benefit of, any person who is a U.S. Person.

Eligibility for Investment: As outlined and qualified in the opinion of Davies Ward Phillips & Vineberg LLP (counsel to the Issuer and the Guarantor):

- (a) on the basis of a certificate of a senior officer of the Issuer as to certain factual matters, the Notes, if issued on the date of this Information Memorandum, would not constitute “foreign property” for the purposes of Part XI of the *Income Tax Act* (Canada); and
- (b) as at the date of this Information Memorandum, the Notes are not

precluded as investments under:

Cooperative Credit Associations Act (Canada);

Insurance Companies Act (Canada);

Pension Benefits Standards Act, 1985 (Canada);

Trust and Loan Companies Act (Canada);

Financial Institutions Act (British Columbia);

Pensions Benefits Standards Act (British Columbia);

Alberta Heritage Savings Trust Fund Act,

Employment Pension Plans Act (Alberta);

Financial Administration Act (Alberta);

Insurance Act (Alberta);

Loan and Trust Corporations Act (Alberta);

The Insurance Act (Manitoba);

The Pension Benefits Act (Manitoba);

The Trustee Act (Manitoba);

Insurance Act (Ontario), for an insurer as such term is defined for the purposes of section 433 thereof;

Loan and Trust Corporations Act (Ontario);

Pension Benefits Act (Ontario);

Trustee Act (Ontario);

An Act respecting insurance (Québec), for an insurer, as defined therein, constituted under an Act of the Province of Québec, other than a guarantee fund;

An Act respecting trust companies and savings companies (Québec), for a trust company, as defined therein, investing its own funds and deposits it receives, and a savings company, as defined therein, investing its funds;

Supplemental Pension Plans Act (Québec), for a plan governed thereby;

Pension Benefits Act (New Brunswick);

Trustees Act (New Brunswick);

Pension Benefits Act (Nova Scotia);

Trustee Act (Nova Scotia); and

Pension Benefits Act, 1997 (Newfoundland and Labrador).

The Issuer will provide, without charge, to each purchaser of Notes, upon oral or written request, a copy of the opinion of counsel to the Issuer and the Guarantor, Davies Ward Phillips & Vineberg LLP, dated December 22, 2003 and referred to above regarding eligibility for investment, the enforceability and the translation of the Notes and the Guarantee. Requests to the Issuer for a copy of the opinion of Davies Ward Phillips & Vineberg LLP should be directed to the Secretary of the Issuer, 1000 place Jean-Paul-Riopelle, Montreal, Québec, H2Z 2B3, telephone number (514) 847-5901.

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