

This Second Amended and Restated Information Memorandum (the “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 “Eligible/Ineligible Purchasers”. The Short-Term Promissory Notes described in this Information Memorandum are being offered only in each of the Provinces of Canada.

PSP CAPITAL INC.

Short-Term Promissory Notes

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

Unconditionally and Irrevocably Guaranteed by

PUBLIC SECTOR PENSION INVESTMENT BOARD

SECOND AMENDED AND RESTATED INFORMATION MEMORANDUM

PSP Capital Inc. and the Public Sector Pension Investment Board 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 PSP Capital Inc. to accept an offer to purchase the Short-Term Promissory Notes described herein.

July 31, 2008

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

PSP CAPITAL INC.

PSP Capital Inc. (the “**Issuer**”) is a legal person constituted as a corporation under the *Canada Business Corporations Act* and is a direct wholly-owned subsidiary of the Public Sector Pension Investment Board (“**PSP**” or the “**Guarantor**”). The Issuer’s head office is located at 1250 René-Lévesque Blvd. West, Suite 900 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.

PSP has agreed to unconditionally and irrevocably guarantee the payment of the principal of and interest, if any, on the Notes (as defined below) issued from time to time by the Issuer, up to an aggregate principal amount not exceeding \$3,000,000,000.

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

DBRS Limited	R-1 (high)
Standard & Poor’s Ratings Services	A-1+

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 ratings before purchasing a Note.

PUBLIC SECTOR PENSION INVESTMENT BOARD

PSP is a legal person governed by the *Public Sector Pension Investment Board Act* (the “**PSP Act**”) and its principal business office is located at 1250 René-Lévesque Blvd West, Suite 900, in the City of Montreal, Province of Québec.

PSP is established to invest in capital markets the net contributions received after April 1, 2000 from the pension plans of the federal Public Service, Canadian Forces, Royal Canadian Mounted Police and net contributions received after March 1, 2007 from the pension plan of the Reserve Force (collectively, the “**Plans**”). Its statutory objectives are to manage the funds entrusted to it as well as other funds received under the PSP Act in the best interests of the contributors and beneficiaries of the Plans and to maximize investment returns without undue risk of loss.

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:** PSP Capital Inc. (the “**Issuer**”), a legal person constituted as a corporation under the *Canada Business Corporations Act*. The Issuer may from time to time offer Notes (as defined below).
- Guarantee:** The Public Sector Pension Investment Board (“**PSP**” or the “**Guarantor**”) unconditionally and irrevocably guarantees the payment of the principal of, and interest, if any, on the Notes, provided that any such payment may not be made in the United States of America (the “**Guarantee**”).
- Aggregate Principal Amount:** The aggregate principal amount of the short-term promissory notes (collectively, “**Notes**” and, individually, a “**Note**”) outstanding at any one time at the date of issue will not exceed \$3,000,000,000 principal amount.
- Purpose of Issue:** The net proceeds from the sale of the Notes will be used in the course of the investment activities of PSP.
- Ranking of Notes:** The Notes will be 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.
- Eligible/Ineligible Purchasers:** The Notes are being offered in all provinces of Canada (together the “**Jurisdictions**”). The Notes have not been registered under the United States of America *Securities Act of 1933* and will not be offered for sale outside of the Jurisdictions including without limitation, in the United States of America or the territories or possessions thereof (the “**United States**”) or to any citizen, national or resident of the United States or a corporation, partnership, trust or other entity under the laws of the United States or other political subdivision thereof, or to any person purchasing for resale to, for the account of, or for the benefit of any such persons.
- Form of Notes:** The Notes will be issued in “book entry only” form (“**Book Entry Notes**”), and must be purchased or transferred through participants (“**Participants**”) in the debt clearing service of CDS Clearing and Depository Services Inc. (“**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. 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 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 an interest in Book Entry Notes or, where applicable, by Participants to Indirect Participants and thereafter to holders of an interest in Book Entry Notes, in accordance with the practices and procedures of such persons.

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 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.

Principal Amount: \$1,000 per Note.

Minimum Subscription: \$100,000 (one hundred Notes).

Maturities: The Notes will mature up to, but not exceeding, 364 days 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 will be available on request.

Ratings: As at July 21, 2008, the Notes are rated R-1 (high) by DBRS Limited (“**DBRS**”) and as at July 11, 2008, the Notes are rated A-1+ by Standard & Poor’s Ratings Services, a Division of The McGraw-Hill Companies (Canada) Corporation (“**S&P**”). The following ratings should not be construed as a recommendation to buy, sell or hold the Notes. The credit ratings of the Notes may be revised or withdrawn at any time by DBRS or S&P, as the case may be. The Issuer is under no obligation to amend or supplement this Information Memorandum if one or both of the credit ratings of the Notes are so revised or withdrawn.

Delivery and Settlement: All payments on Notes will be made by the Issuer to CDS for payment to its Participants, by Participants to holders of an interest in Notes or by Participants to Indirect Participants and thereafter to holders of an interest

in Notes. Delivery of the Notes and all payments on the Notes will be made in accordance with the rules established from time to time by CDS.

Redemption:

Notes will not be redeemable prior to maturity.

Eligibility for Investment:

In the opinion of Fasken Martineau DuMoulin LLP, counsel to the Issuer and the Guarantor, the Notes would, if issued on the date hereof, be eligible investments, based on and subject to the general investment limitations and restrictions as set forth in the statutes referred to below (and, where applicable, the regulations, guidelines or prescribed criteria thereunder) as to the amount of funds which may be invested in any one investment or in any one type or class of investment and applicable general investment provisions and quantitative and other restrictions found in such legislation, and, subject to the satisfaction of prudent investment standards and, in certain cases, additional requirements relating to investment or lending policies, standards, criteria, procedures or goals and, in certain cases, subject to the filing of such policies, standards, criteria, procedures or goals, and, where applicable, without resort to any so-called “basket provisions”:

Insurance Companies Act (Canada);

Trust and Loan Companies Act (Canada)

Pension Benefits Standards Act, 1985 (Canada);

Pension Benefits Act (Ontario);

The Pension Benefits Act (Manitoba);

Insurance Act (Alberta);

Loan and Trust Corporations Act (Alberta);

Financial Institutions Act (British Columbia);

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; and

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

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, Fasken Martineau DuMoulin LLP, dated July 31, 2008 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 Fasken Martineau DuMoulin LLP should be directed to the Secretary of the Issuer, 1250 René-Lévesque Blvd West, Suite 900, Montreal, Québec, H3B 4W8, telephone number (514) 937-2772.

RIGHTS OF RESCISSION OR DAMAGES FOR PURCHASERS IN NOVA SCOTIA

Where this Information Memorandum or any amendment hereto or any advertising or sales literature (as defined in the *Securities Act* (Nova Scotia)) contains a misrepresentation (defined below), a purchaser to whom this Information Memorandum has been sent or delivered and who purchases a security referred to therein shall be deemed to have relied upon such misrepresentation if it was a misrepresentation at the time of purchase and the purchaser has, subject as hereinafter provided, a right of action for damages against the seller (including the Issuer), against every director of the seller at the date of this Information Memorandum and against every person who signed the Information Memorandum (and the liability of such persons or companies is joint and several with respect to the same cause of action), or the purchaser, may elect to exercise a right of rescission against the seller, in which case he shall have no right of action for damages against the seller or any director of the seller, provided that:

- a. in an action for rescission or damages, the defendant will not be liable if it proves that the purchaser purchased the security with knowledge of the misrepresentation;
- b. in an action for damages, the defendant is not liable for all or any portion of the damages that it proves do not represent the depreciation in value of the security resulting from the misrepresentation;
- c. in no case shall the amount recoverable under the right of action described herein exceed the price at which the security was offered.

In addition no person or company other than the Issuer is liable if the person or company proves that:

- a. this Information Memorandum or the amendment to this Information Memorandum was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent;
- b. after delivery of this Information Memorandum or the amendment to this Information Memorandum and before the purchase of the securities by the purchaser, on becoming aware of any misrepresentation in this Information Memorandum, or amendment to this Information Memorandum, the person or company withdrew the person's or company's consent to this Information Memorandum, or amendment to this Information Memorandum, and gave reasonable general notice of the withdrawal and the reason for it; or

- c. with respect to any part of this Information Memorandum or amendment to this Information Memorandum purporting (i) to be made on the authority of an expert, or (ii) to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that (iii) there had been a misrepresentation, or (iv) the relevant part of this Information Memorandum or amendment to this Information Memorandum (A) did not fairly represent the report, opinion or statement of the expert, or (B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Furthermore no person or company other than the Issuer is liable with respect to any part of this Information Memorandum or amendment to this Information Memorandum not purporting (a) to be made on the authority of an expert; or (b) to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company (c) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation; or (d) believed that there had been a misrepresentation.

If a misrepresentation is contained in a record incorporated by reference in, or deemed incorporated into, this Information Memorandum or amendment to this Information Memorandum, the misrepresentation is deemed to be contained in this Information Memorandum or amendment to the Information Memorandum.

Pursuant to section 146 of the *Securities Act* (Nova Scotia), no action shall be commenced to enforce the right of action for rescission or damages conferred by section 138 thereof, as described above, unless such action is commenced to enforce that right not later than 120 days after the date on which payment was made for the security or after the date on which the initial payment for the security was made where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment.

The right of action for rescission or damages described herein is conferred by section 138 of the *Securities Act* (Nova Scotia) and is in addition to and not in derogation from any other right the purchaser may have.

For the purposes hereof, “misrepresentation” means an untrue statement of material fact, or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.