The purpose of this document (this "Indicative Termsheet") is to confirm the terms and conditions of the Credit Derivative Transaction entered into between us on the Trade Date specified below (the "Transaction").

This Indicative Termsheet does NOT constitute a "Confirmation".

The definitions and provisions contained in the 1999 ISDA Credit Derivatives Definitions, as supplemented by the Supplement Relating to Convertible, Exchangeable or Accreting Obligations dated the 9th November 2001, and as supplemented by the Supplement Relating to Successor and Credit Events dated the 28th November 2001 and as supplemented by the ISDA Restructuring Supplement dated the 11th May 2001 (the “Credit Derivatives Definitions”), as published by the International Swaps and Derivatives Association, Inc., are incorporated into this Indicative Termsheet.

The terms of the Transaction to which this Indicative Termsheet relates are as follows:
1. General Terms

Trade Date: 03 December 2002
Effective Date: 04 December 2002
Scheduled Termination Date: 06 September 2007
Floating Rate Payer: XYZ Bank (Seller)
Fixed Rate Payer: ABC Bank (Buyer)
Calculation Agent: Seller
Calculation Agent City: New York
Business Day Convention: Modified Following (which shall apply to any date referred to in this Confirmation, other than the Effective Date, that falls on a day that is not a Business Day).

Reference Entity: Agrium, Inc - OECD US Corporate

Reference Obligation
Primary Obligor: Reference Entity
Guarantor: None
Coupon: 7.7%
Maturity Date: 01 February 2017
ISIN/Cusip Number: 008916AB4
Original Issue Amount: USD 1,000,000,000
Reference Price: 100%

2. Fixed Payments

Fixed Rate Payer Calculation Amount: USD 5,000,000
Fixed Rate Payer Payment Dates: 06 March 2003 and thereafter each 06 March, 06 June, 06 September and 06 December
Fixed Rate: 1 % per annum
Fixed Rate Day Count Fraction: Actual/360

3. Floating Payment
Floating Rate Payer Calculation
Amount: USD 5,000,000

Conditions to Payment:
Credit Event Notice
Notifying Party: Buyer or Seller
Notice of Intended Physical Settlement
Notice of Publicly Available Information: Applicable
Public Sources: Standard Public Sources
Specified Number: Two

4. Credit Events
The following Credit Events shall apply to this Transaction:

Bankruptcy

Failure To Pay

Grace Period Extension: Not Applicable
Payment Requirement: USD 1,000,000 (or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Failure to Pay).

Restructuring
Default Requirement: USD 10,000,000 (or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event).
Obligations: Borrowed Money

Obligation Category: Obligation Characteristics:

Obligation Category: Obligation Characteristics:

5. Settlement Terms

Settlement Method: Physical Settlement

Physical Settlement Terms

Physical Settlement Period: Section 8.5 of the Credit Derivatives Definitions capped at 30 Business Days

Portfolio: Exclude Accrued Interest

Deliverable Obligations: Bond or Loan

Deliverable Obligation Category: Deliverable Obligation Characteristics:

Pari Passu Ranking
Specified Currency (Standard Specified Currencies)
Consent Required Loan
Assignable Loan
Not Bearer
Not Contingent
Transferable
Maximum Maturity 30 Years

Restructuring Maturity Limitation: Applicable

Excluded Deliverable Obligations: Not Applicable
Partial Cash Settlement of Loans: Not Applicable

Escrow: Applicable

6. Dispute Resolution
Section 10.2 of the Credit Derivatives Definitions shall apply

7. Offices
Floating Rate Payer: (Seller) London
Fixed Rate Payer: (Buyer) London