

EXPLANATORY NOTES FOR PAGE 123, FOLLOWING:

Synergy Group of Canada statements:

Synergy's experience with respect to its efforts to comply with NHPD requirements during the transition period has been an extremely difficult and confusing exercise.

First, the Minister of Health accepted and signed the recommendations of the Transition Team

Second, the Minister announced during the last federal election at a televised Town Hall meeting that this NHP regulation was now law. Synergy and researchers at the University of Calgary understood from the Minister's statements that the new NHPD was responsible for such products as EMPower+. Synergy understood, up to May 29, 2001, that the Interim Management Policy as outlined in a letter from the Transition Team to Minister Alan Rock was in force. At no time prior to that was Synergy advised by any of the representatives that it dealt with at Health Canada that this was not the case.