

Court file no. CV-19-632106-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

B E T W E E N:

ECN FINANCIAL INC.

Plaintiff

-and-

2345760 ONTARIO INC., RANDO DRUGS LTD., 2275518 ONTARIO INC., FAMILY  
HEALTH PHARMACY WEST INC. formerly known as M. BLACHER DRUGS LTD.,  
2501380 ONTARIO INC., 2527218 ONTARIO INC., DUMOPHARM INC., 2527475  
ONTARIO INC. and GRACE DIENA

Defendants

**RESPONDING MOTION RECORD**  
**Returnable November 9, 2020**

October 16, 2020

**Jerome H. Stanleigh**  
Barrister and Solicitor  
5255 Yonge Street, Suite 800  
Toronto, ON M2N 6P4

Tel: 416-924-0151  
Fax: 416-924-2887  
Email: [jerome@stanleigh.com](mailto:jerome@stanleigh.com)  
LSUC 27116F

Solicitor for the Defendants

**TO:**

**MILLER THOMSON LLP**  
Scotia Plaza, 40 King St. W. Suite 5800  
P.O. Box 1011 Toronto, ON M5H 3S1  
Fax: 416.595.8695

**Craig Mills** (LSO#: 40947B)  
Tel: 416.595.8596  
Email: [cmills@millertomson.com](mailto:cmills@millertomson.com)

Lawyers for the Applicant

**AND TO:****NORTON ROSE FULBRIGHT CANADA LLP**

222 Bay Street, Suite 3000, P.O. Box 53

Toronto, ON M5K 1E7

**Jennifer Stam** LSO#: 46735J

Email: [jennifer.stam@nortonrosefulbright.com](mailto:jennifer.stam@nortonrosefulbright.com)

Tel: +1 416.202.6707

**Gianni Bianchi**

Email: [gianni.bianchi@nortonrosefulbright.com](mailto:gianni.bianchi@nortonrosefulbright.com)

Tel: +1 416.216.2988 Fax: +1 416.216.3930

Lawyers for the Receiver, KSV Kofman Inc.

**AND TO:****KSV KOFMAN INC.**

150 King Street West, Suite 2308 Box 42

Toronto, ON M5H 1J9

**Bobby Kofman**

Tel: 416.932.6228

Email: [bkofman@ksvadvisory.com](mailto:bkofman@ksvadvisory.com)

**Mitch Vininsky**

Tel: 416.932.6013

Email: [mvininsky@ksvadvisory.com](mailto:mvininsky@ksvadvisory.com)

Receiver

**AND TO:****ATTORNEY GENERAL OF CANADA**

**Department of Justice Canada**

**Ontario Regional Office, Tax Law Section**

120 Adelaide Street West, Suite 400

Toronto, ON

**Diane Winters**

Tel: 647.256.7459

Email: [diane.winters@justice.gc.ca](mailto:diane.winters@justice.gc.ca)

**Rakhee Bhandari**

Tel: 416.952.8563

Email: [rakhee.bhandari@justice.gc.ca](mailto:rakhee.bhandari@justice.gc.ca)

**AND TO:****MINISTRY OF FINANCE (ONTARIO)**

Legal Services Branch  
777 Bay Street, 11th Floor  
Toronto, ON M5G 2C8

**Kevin O'Hara**

Tel: 416.327.8463

Email: [kevin.ohara@ontario.ca](mailto:kevin.ohara@ontario.ca)

**AND TO:****AIRD & BERLIS LLP**

Barristers and Solicitors  
Brookfield Place  
181 Bay Street, Suite 1800  
Toronto, ON M5J 2T9  
Tel: 416.863.1500  
Fax: 416.863.1515

**Kyle B. Plunkett**

Email: [kplunkett@airdberlis.com](mailto:kplunkett@airdberlis.com)

**Shakaira John**

Email: [sjohn@airdberlis.com](mailto:sjohn@airdberlis.com)

Lawyers for Toronto-Dominion Bank

**AND TO:****SAAD LAW PROFESSIONAL CORPORATION**

4 Robert Speck Parkway, Suite 1210  
Mississauga, ON L4Z 1S1

**Peter A. Saad**

Email: [peter.saad@saadlaw.com](mailto:peter.saad@saadlaw.com)

Lawyers for the 2258156 Ontario Inc.

**AND TO:****KIRWIN PARTNERS LLP**

423 Pelissier Street  
Windsor, ON N9A 4L2

**Paul Layfield**

Email: [playfield@kirwinpartners.com](mailto:playfield@kirwinpartners.com)

Lawyers for the E/W Purchasers

**AND TO:**

**MCTAGUE LAW FIRM LLP**  
455 Pelissier Street  
Windsor, ON N9A 6Z9

**David Sundin**  
Email: [dsundin@mctaguelaw.com](mailto:dsundin@mctaguelaw.com)

Lawyers for the E/W Landlord

**AND TO:**

**PHARMACHOICE**

**Calvin LeRoux**  
Email: [c.leroux@pchcanada.ca](mailto:c.leroux@pchcanada.ca)

**AND TO:**

**SPERGEL**  
505 Consumers Road, Suite 200  
Toronto, ON M2J 4V8

**Philip H. Gennis**  
Email: [pgennis@spergel.ca](mailto:pgennis@spergel.ca)

**Table of Contents**

| <b><u>Tab</u></b>       | <b><u>Document</u></b>  |
|-------------------------|---|
| 1                       | Affidavit of Dani Diena, Affirmed October 16, 2020  |
| <b><u>Exhibits</u></b>  | <b><u>Document</u></b>  |
| A                       | Professional Valuation of Rando Drugs by John Ford, September 25, 2013  |
| B                       | Trust Agreement/Indenture of Grace Family Trust, September 15, 2013   |
| C                       | Reorganization of 2345760 Ontario Inc. by Marciano Beckenstein LLP, September 27, 2013                                  |
| D                       | Share Certificate of Rando Drugs, February 28, 2013   |
| E                       | Share Certificate of 2345760 Ontario Inc., September 27, 2013   |
| F                       | Letter of Steinman & Lerner, May 1, 2013<br>General Security Agreement, April 2013<br>PPSA Registration, April 16, 2013 |
| <b><u>Schedules</u></b> |   |
| A                       |   |

Court file no. CV-19-632106-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

BETWEEN:

ECN FINANCIAL INC.

Plaintiff

-and-

2345760 ONTARIO INC., RANDO DRUGS LTD., 2275518 ONTARIO INC., FAMILY  
HEALTH PHARMACY WEST INC. formerly known as M. BLACHER DRUGS LTD.,  
2501380 ONTARIO INC., 2527218 ONTARIO INC., DUMOPHARM INC., 2527475  
ONTARIO INC. and GRACE DIENA

Defendants

**AFFIDAVIT OF DANIEL DIENA**  
**Affirmed October 16, 2020**

I, Daniel Diena, of the City of Toronto, Ontario, AFFIRM AND SAY:

1. I am the general manager of the Defendants 2345760 Ontario Inc. and Rando Drugs Ltd., the husband of the Defendant Grace Diena, and the former general manager of the other named defending corporations, and as such have knowledge of the facts and matters herein after referred to.
2. This affidavit is in response to the Applicant's Motion returnable November 9 which is being opposed by Grace Diena and the Grace Family Trust, which owns 95% of the fully issued and paid for shares in 2345760 Ontario Inc. and Rando Drugs Ltd. Look to **Schedule "A"**.

3. On behalf of Grace Diena and the Grace Family Trust, the deponent had previously on numerous occasions informed counsel for the Receiver and the Receiver, Mr. Bobby Koffman, of the Grace Family Trust shareholdings in Rando Drugs Ltd.
4. For reasons which are quite obvious, under the proposed Sponsorship Agreement, which the applicant would like this honourable court to accept and enforce within the framework of the Receivership, all of Grace Family Trust right, title, and interest in the shares of Rando Drugs would be extinguished.
5. Counsel for the Receiver as well as the Receiver have seen fit not to have included Rando Drugs in any of the negotiations concerning the Sponsorship Agreement as they believe that the Grace Family Trust has no right, title, or interest in Rando Drugs. From their perspective there has been some misfeasance in this claim of ownership by the Grace Family Trust.
6. The Receiver and its counsel have previously indicated in affidavit evidence before the court, they received voluminous materials from the deponent to try and persuade them about this fact that the GFT has a significant shareholdings in Rando Drugs, but the applicant has refused to accept the documentation. The Applicant basically has rejected the documentation presented which has resulted in their bringing to the court this motion for a court order that the Sponsorship Agreement dated September 16, 2020 be endorsed by the court and extinguish all lien holders and stakeholders in Rando Drugs Ltd..
7. Grace Family Trust, whose trustee is the Defendant Grace Diena, has a general security agreement over the corporate assets of Rando Drugs subject to PPSA and other lien

registrations. Unfortunately for the Grace Family Trust, its PPSA registration, which was filed on April 16, 2013 was not renewed in 2019.

8. In order to substantiate the deponent's position taken on behalf of the Grace Family Trust and Grace Diena, he attaches hereto the following documentation
  - a. Professional Valuation of Rando Drugs Limited Operating as Family Health Pharmacy by John Ford dated September 25, 2013 (**Exhibit "A"**)
  - b. Trust Agreement/Indenture of Grace Family Trust dated September 15, 2013 (**Exhibit "B"**)
  - c. The Reorganization of the Defendant 2345760 Ontario Inc. by Marciano Beckenstein LLP, dated September 27, 2013 (**Exhibit "C"**)
  - d. Share Certificate of Rando Drugs Ltd. owned by 2345760 Ontario Inc. dated February 28, 2013 (100 Common Shares) (**Exhibit "D"**)
  - e. Share Certificate of 2345760 Ontario Inc. to Grace Family Trust (100 Common Shares) dated September 27, 2013 (**Exhibit "E"**)
  - f. Letter of Steinman & Lerner dated May 1, 2013 to 2275518 Ontario Inc. confirming PPSA registration against Rando Drugs Ltd. in favour of 1135578 Ontario Inc. (Grace



Family Trust) together with attached General Security Agreement dated April 2013, and PPSA Registration dated April 16, 2013 (**Exhibit “F”**)

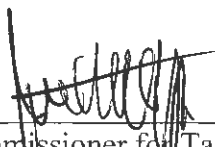
9. The brief history that these documents signify are as follows:

- a. February 2013, 2345760 Ontario Inc. acquired shares of Rando Drugs, which at that time owned the Hawthorne Pharmacy known as Family Health Farmacy East.
- b. In September of 2013 the Grace Family Trust purchased 95% of the shares in 2345760 Ontario Inc. This is when there was an estate freeze leaving 2345760 Ontario Inc. owning 5% of the shares in Rando Drugs Ltd. The share valuations were based on the appraisal previously referred to by John Ford, dated September 25, 2013.
- c. It was in September 2015 that Rando Drugs opened the pharmacy which later became known as Family Health Pharmacy Walpole. The entire financing of the Walpole Pharmacy project was undertaken by the Grace Family Trust, which built and completed all of the leasehold improvements and cost of inventory for the Walpole pharmacy.
- d. In March of 2016, Rando Drugs purchased what was to be known as Family Health Pharmacy West.
- e. It was in September 2016 that Rando Drugs purchased Novacare Pharmacy which was to be named the Family Health Pharmacy Novacare.

10. The concept of forming the Grace Family Trust was initiated in November, 2012 and only finalized in September, 2013. It's the Deponent's respectful opinion that there is no link between the creation of the Grace Family Trust to any suggestion that there was an impropriety in its creation.

11. From the records known to me and to Grace Diena, the Grace Family Trust is owed by Rando Drugs approximately \$1,400,000 for all of the advanced payments made by the Grace Family Trust for purchasing of the Rando Drugs pharmacies and in helping to improve their leasehold improvements and purchase inventory and financing the opening accounts receivables.

12. I affirm this affidavit in support of the Grace Family Trust as 95% shareholders in Rando Drugs not allowing the Sponsorship Agreement to be certified by Cost Order if not made subject to the debt owed to the Grace Family Trust as well as subject to the ownership of those shares owned by the Grace Family Trust. Any benefits or any rights that may flow from the Sponsorship Agreement to the benefits of Grace Family trust should not be extinguished. In other words, the Grace Family Trust has an interest in the shares of Rando Drugs Ltd., which should not be extinguished by the transaction proposed by the Applicant.

Affirmed before me at the City )  
of Toronto, Province of Ontario )  
This 16<sup>th</sup> day of October, 2020 )  
 )  
Commissioner for Taking Affidavits )  
(Jerome H. Stanleigh) )

  
\_\_\_\_\_  
Daniel Diena

This is Exhibit "A"

To the Affidavit of Daniel Diena

Affirmed this 16<sup>th</sup> day of October, 2020

A handwritten signature in black ink, appearing to read 'Jerome H. Stanleigh', written over a horizontal line.

Jerome H. Stanleigh  
A Commissioner, etc



**JOHN FORD**  
MANAGEMENT SERVICES

**Consultants**  
to Independent Pharmacy



**September 25, 2013**

**Re: THE VALUATION OF**

**Rando Drugs Limited  
Operating as  
Family Health Pharmacy  
6720 Hawthorn Drive  
Windsor, Ontario**

**Attention:  
Mr. Dani Diena  
2275518 Ontario Inc.  
Abira Healthcare  
4256 Bathurst St. #200  
Toronto, Ontario**

**As a management consultant, specializing in retail pharmacy, and with over 45 years experience in the retail pharmacy industry, both as a former multiple pharmacy owner and senior executive of a National Retail Pharmacy Chain, I have been asked to give a fair and unbiased valuation of the business known as Rando Drugs Limited operating as Family Health Pharmacy located at 6720 Hawthorn Drive in Windsor Ontario, Ontario.**

**The pharmacy is located in a medical building and has been in business for approximately 10 years. The building is exclusively occupied by family doctors which accounts for the majority share of the prescription component of the business. The space occupied by the pharmacy is leased from the doctors who own the building. It is a clean well kept pharmacy with lots of customer parking.**

**I have made a site visitation and reviewed the supplied general information and documentation as it relates to the current financial position as of the last statement date which is 2012, and have formulated a fair market value for the business.**

**The store is part of McKesson Canada and Pharma Choice Banner Group which makes it easier and more convenient to deal with one distribution partner and allows the owner to concentrate on what is really important and that is his business strategy which is long term customer commitment and of course a healthy bottom line.**

**It is not the fact that better deals in the back shop portion of the business could not be negotiated with other vendors but it is more convenient and easier to deal with one strong entity so that the principles can spend their time growing the business. It also cuts the cost of operation tremendously and those savings reflect favourably on the bottom line. McKesson Canada provides such tools to accomplish the long term goals which are customer service and increasing the profitability of the business.**

**The income for the pharmacy was \$2,398,000 in 2011 and \$2,357,000 in 2012. The EBITDA in 2012 was approximately \$260,000 dollars which has remained quite stable.**

**As far as the determining factors at arriving at a price for the business, they are many and varied.**

**I look at the current trends and benchmark the pharmacy against surveys and data extracted from reports such as AC Nielson, NACDS, Pharmacy Post Trends and Insights 2011, and approximately 25 to 30 stores that have sold over the past 12 to 18 months across Canada that are similar in size and nature to Family Health Pharmacy. There are no two alike so there will always be differences. This includes stores that have been purchased by corporate and independents alike.**

**I look at RX counts and the composition of that count, how many are long term care and nursing home if any, location, longevity in the community, the legacy value of the store and goodwill, inventory, expenses, generated cash flow, staff productivity, program compliances, customer service, operational controls employed, up to date technology, whether the store needs new fixtures paint etc...if the community is expanding and growing, new housing developments, major industries and employers on the horizon or closing, to name only some of the research components that are an influence on the value.**

**Needless to say valuing a business is not an exact science and several methods are commonly used to arrive at a price. Each method has some value and from each method a range can be determined to set a price.**

**The pharmacy was sold as a share purchase and had one unique component and that is the fact that it has a 1954 charter as part of the assets. The 1954 charter is a very special asset as it allows a non pharmacist in the Province of Ontario to own more than 51% of a pharmacy. They have a high value and as such have a great importance to the business.**

**Based on the above criteria I would estimate the pharmacy portion of the company is valued at \$1,300,000 and the 1954 Pharmacy Charter valued at \$450,000 totaling the company at \$1,750,000.**

**The Pharmacy Charter value is based on three charters that have sold in Ontario in the last year, one for \$435,000, one for \$475,000, and the last one which I sold for \$450,000 dollars in August of 2013.**

**I would like to make it clear that in the current environment today and the competition to buy independent pharmacies being as fierce as it is, the price by no means is stable and could vary by thousands either way.**

**I hope that my commentary has shed some light on the value of the business and given you more food for thought as to your strategy for the future.**

Regards

A handwritten signature in black ink, appearing to be 'JF', written over a horizontal line.

**John Ford  
President**

**John Ford Management Services Inc.  
4-784 Gordon Street  
Guelph, Ontario  
N1G 5C8**

September 25, 2013

---

John Ford Management  
Services Inc.

4-784 Gordon Street  
Guelph Ontario  
N1G 5C8

“Consultants to Independent  
Pharmacy”

Cell Phone 647 308 4481

Office/Fax 519 822 9997

jfordmanagement@rogers.com

---

**Rando Drugs Inc.  
Operating As  
Family Health Pharmacy  
6720 Hawthorn Drive  
Windsor Ontario**

**Re: Professional Services and Consultation Fees**

|                         |                         |
|-------------------------|-------------------------|
| <b>Professional Fee</b> | <b>\$ 1,000.00</b>      |
| <b>HST</b>              | <b>\$ <u>130.00</u></b> |
| <b>Total</b>            | <b>\$ 1,130.00</b>      |

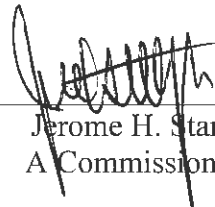
*John Ford  
President  
John Ford Management Services Inc.*

**HST # 127296671**

This is Exhibit "B"

To the Affidavit of Daniel Diena

Affirmed this 16<sup>th</sup> day of October, 2020

A handwritten signature in black ink, appearing to read "Jerome H. Stanleigh", is written over a horizontal line.

Jerome H. Stanleigh  
A Commissioner, etc



**THIS TRUST AGREEMENT/INDENTURE**  
made as of this 15 day of September, 2013.

BETWEEN:

**MOSHE ZOMBECK**  
of Toronto, Ontario

(hereinafter called the “**Settlor**”)

OF THE FIRST PART

-and-

**GRACE DIENA**  
of Toronto, Ontario

(hereinafter called the “**Original Trustee**”)

OF THE SECOND PART

**WHEREAS** the Settlor desires to establish a trust as set out herein for the benefit of the persons hereinafter described.

**ARTICLE I**  
**NAME OF TRUST**

1.01 The trust shall be known as the “**GRACE FAMILY TRUST**”.

**ARTICLE II**  
**DEFINITIONS**

2.01 Except as otherwise provided or the context otherwise requires, the following definitions shall apply throughout this Agreement and in any instrument, supplemental, or ancillary hereto:

- (a) “**this Agreement**” means this Agreement made between the Settlor and the Original Trustees and includes any agreement, appointment or instrument supplemental or ancillary to this Agreement;
- (b) “**assets**” includes cash, securities, estates, property (real and personal) of every kind and nature whatsoever, and any interest therein;

- (c) **“beneficiaries”** means (i) GRACE DIENA (the Original Trustee hereunder), (ii) the children of the marriage between GRACE DIENA and DANI DIENA, (iii) 2384996 ONTARIO INC., (iv) a trust, the beneficiaries of which are any one or more of the persons listed in subparagraphs 2.01(c)(i) or 2.01(c)(ii) of this Agreement regardless of whether such trust is in existence as of the date of this Agreement, and (v) a corporation, the shares of which are wholly owned by one or more of the persons listed in subparagraphs 2.01(c)(i) or 2.01(c)(ii) of this Agreement regardless of whether such corporation was incorporated as of the date of this Agreement; and **“beneficiary”** means one of the beneficiaries;
- (d) **“net income”** means all of the income derived from the trust fund less the aggregate of:
- (i) any and all expenses incurred or payable in respect of or to protect the trust fund or incurred or payable in connection with the management and administration of the Trust, as determined by the Trustees to be chargeable to income;
  - (ii) such further and other sums in each year as the Trustees in their sole discretion consider to be proper allowances, reserves, deductions, disbursements and/or outgoings in accordance with generally accepted accounting principles; and
  - (iii) without limiting the generality of the foregoing, such sum in each year as the Trustees shall in their absolute discretion consider necessary and advisable from time to time as being on account of depletion, deterioration or obsolescence of any of the assets of the trust fund;
- (e) **“person”** includes a corporation;
- (f) **“related”**, as used in this Agreement, has the meaning set out in the Income Tax Act (Canada), as amended from time to time;
- (g) **“time of division”** means the earliest of the following dates:
- (i) the day immediately preceding that date beyond which the rule commonly known as the “rule against perpetuities” in the Province of Ontario is violated (the “Perpetuity Date”);
  - (ii) the “Contingent Division Date” (as hereinafter defined in section 4.03 hereof); and
  - (iii) such earlier date as the Trustees may in their absolute discretion determine by instrument in writing signed under seal by the Trustees and delivered in counterpart to each and every adult beneficiary living at the same time of the signing of such instrument;
- (h) **“Trust”** means the trust created by this Agreement;

- (i) “Trustees” means the person or persons acting as trustee or trustees hereunder from time to time whether singular or plural, male, female or corporate and whether original or substituted and includes the Original Trustee; and “Trustee” means one of the Trustees; and
- (j) “trust fund” means the property referred to in Section 3.01 hereof and all other assets which now or which at any time during the continuance of the trusts hereof may be assigned, transferred, appointed, loaned, delivered or conveyed to the Trustees to be held upon the trusts hereof and which the Trustees may be willing to accept and hold upon the trusts hereof, together with all income therefrom and all accretions thereto and substitutions therefor.

### **ARTICLE III** **CREATION OF THE TRUST**

- 3.01 The Settlor has settled upon the Trustees, and the Trustees acknowledge that the Settlor has settled upon them, the sum of TWENTY-ONE DOLLARS (\$21.00), which is to be held upon and subject to the trusts herein.
- 3.02 The Trustees by joining in the execution of this Agreement signify their acceptance of the Trust and the duties and obligations contained herein.
- 3.03 Notwithstanding anything herein expressed or implied, no part of the trust fund shall revert, or be paid or lent, or applied to or for the benefit of the Settlor, in any manner or under any circumstance whatsoever.
- 3.04 Subject to Section 3.05 hereof, each and every section or paragraph of this Agreement may be amended or varied at any time and from time to time by agreement under seal between the Trustees and a majority in number of the beneficiaries who have attained the age of majority as at the date of such agreement, and any such amendment or variation shall be final and binding upon all persons who may, at any time, be concerned with or have an interest in the trust fund. (For the purposes of this Agreement, all corporate beneficiaries (if any), shall be deemed to be “beneficiaries who have attained the age of majority as at the date of such agreement” (regardless of incorporation date).)
- 3.05 Notwithstanding Section 3.04 hereof or anything hereinbefore or hereinafter contained, this Agreement may not be amended or varied so as to:
  - (a) permit any part of the capital or income of the trust fund received directly or indirectly from any person, or property substituted therefore, to:
    - (i) revert to, be paid or lent to, or applied to or for the benefit of (A) the Settlor or (B) a person from whom such property is received, in any manner or under any circumstances whatsoever; or

- (ii) pass to persons to be determined by (A) the Settlor or (B) a person from whom such property is received subsequent to the creation of the Trust; or
- (b) prohibit the disposition of any property received directly or indirectly from any person, or any property substituted therefor, without the consent or direction of such person.

#### **ARTICLE IV** **DISTRIBUTION OF TRUST FUND**

- 4.01 The Trustees shall hold the trust fund in trust and administer it for the following purposes:
- (a) Until the time of division, the Trustees shall invest and keep invested the trust fund and may, in their absolute discretion, pay any amount or amounts of the net income derived from the trust fund and any amount or amounts of the capital thereof to or for the benefit of any one or more of the beneficiaries at such time or times, in such proportion or proportions, and in such manner as the Trustees, in their absolute discretion, shall determine. In making any such payments the Trustees may, in their absolute discretion, completely exclude any one or more of the beneficiaries. Any net income not so paid in any year shall be accumulated and added to the capital of the trust fund and dealt with as a part thereof.
  - (b) At the time of division the Trustees shall pay or transfer the whole of the trust fund, or the amount thereof then remaining, to such of the beneficiaries who are then alive or any one or more of them, exclusive of the other or others, and in such proportions as the Trustees in their absolute discretion determine; provided that if the Trustees fail to exercise their discretionary power to divide, pay and transfer all of the trust fund prior to the earlier of (i) the "Perpetuity Date", and (ii) the "Contingent Division Date", or if the exercise of discretion by the Trustees shall otherwise be void, then the whole of the trust fund then remaining shall, on such date, be divided, paid and transferred in the manner provided for in section 4.03 of this Agreement.
  - (c) Notwithstanding anything herein contained, the Trustees may, if they see fit, appoint the whole of the trust fund to another trust provided that the Trustees are satisfied that the persons beneficially interested in such other trust are the same persons as the beneficiaries of this Trust and have similar interests in such other trust as the beneficiaries have in this Trust, and that the terms of such other trust (other than the time of division) are substantially similar to the terms upon which the Trustees are to hold the trust fund. The appointment of the whole of the trust fund as aforesaid shall be in satisfaction of all of the capital and income interests of all beneficiaries of the trust fund.

- (d) For greater certainty, the Trustees shall not be required to maintain an even hand as amongst any of the beneficiaries and/or any class of beneficiaries.

4.02 If any minor (i.e. a person who has not attained the age of majority) should become entitled to a share of the trust fund, the Trustees are hereby authorized to do any one or more of the following, at any time or times before such minor attains the age of majority:

- (a) hold such share for whatever period of time the Trustees consider necessary or advisable and keep it invested and, use or apply such part or all of the net income therefrom and such part or all of the capital thereof as the Trustees in their absolute discretion consider necessary or advisable for the benefit of such minor; any net income not so used or applied in any year shall be accumulated and added to the capital of such share and dealt with as a part thereof;
- (b) make any payment of income or capital to the parent of such minor, the guardian of the person or property of such minor, the person or persons having lawful custody of such minor, or anyone to whom the Trustees deem it advisable to make such payment, whose receipt shall be sufficient discharge to the Trustees therefor; and
- (c) pay such share into court to the credit of such minor.

4.03

- (a) Subject to section 4.03.1 hereof, but notwithstanding any other provision herein contained, if this Trust and/or the division/distribution of the trust fund hereunder would (except for this provision) otherwise fail for any reason whatsoever, then the date on which such event occurs shall be referred to as a "Contingent Division Date", and (A) the whole of the trust fund then remaining in the hands of the Trustees shall be paid and transferred to GRACE DIENA for her own use absolutely; provided that if GRACE DIENA is not alive at that time, (B) the whole of the trust fund then remaining in the hands of the Trustees shall be divided, paid and transferred among and to the issue of the marriage between GRACE DIENA and DANI DIENA in equal shares *per stirpes*; provided further that if, at that time, there shall be no such living issue, (C) the whole of the trust fund then remaining in the hands of the Trustees shall be divided, paid and transferred in the manner in which such trust fund would be distributed under the *Succession Law Reform Act* (Ontario) (or successor legislation thereto) as if such trust fund formed part of the estate of GRACE DIENA and GRACE DIENA died intestate, and without any debts.
- (b) Subject to section 4.03.1 hereof, but notwithstanding any other provision herein contained, if GRACE DIENA is no longer a Trustee hereunder, or is no longer qualified to act as Trustee hereunder due to death, incapacity, disqualification, or other involuntary event, unless one of the following circumstances applies:
  - (A) GRACE DIENA waives, in writing, the application of this provision, within six (6) months of ceasing to be a Trustee hereunder, or

- (B) DANI DIENA is willing and able to act as a Trustee hereunder in place of GRACE DIENA, and he confirms, in writing, his agreement to act as a Trustee hereunder in place of GRACE DIENA within six (6) months of GRACE DIENA ceasing to be a Trustee hereunder,

then the date which is six (6) months following the date on which GRACE DIENA ceases to be a Trustee hereunder, as aforesaid, shall be a "Contingent Division Date", and the whole of the trust fund then remaining in the hands of the Trustees shall be divided, paid and transferred in the manner provided for in section 4.03(a). For greater certainty, any waiver of the application of this provision must be in writing and signed (personally) by GRACE DIENA, as specified/contemplated above. No personal representative of GRACE DIENA, acting pursuant to a Power of Attorney or otherwise, may waive the application of this provision on behalf of GRACE DIENA.

- (c) Notwithstanding any other provision herein contained, if 4.03(b)(B) ever applies to the Trust, and if, thereafter, DANI DIENA is no longer a Trustee hereunder or is no longer qualified to act as Trustee hereunder, due to death, incapacity, disqualification, or other involuntary event, unless DANI DIENA waives, in writing, the application of this provision, within six (6) months of ceasing to be a Trustee hereunder, then the date which is six (6) months following the date on which DANI DIENA ceases to be a Trustee hereunder, as aforesaid, shall be a "Contingent Division Date", and the whole of the trust fund then remaining in the hands of the Trustees shall be divided, paid and transferred in the manner provided for in section 4.03(a). For greater certainty, any waiver of the application of this provision must be in writing and signed (personally) by DANI DIENA, as specified/contemplated above. No personal representative of DANI DIENA, acting pursuant to a Power of Attorney or otherwise, may waive the application of this provision on behalf of DANI DIENA.

4.03.1 Notwithstanding section 4.03 hereof, no person referenced in sections 3.03 or 5.06(a) hereof shall, at any time, be entitled to receive any part of the trust fund.

4.04 Notwithstanding the provisions of section 4.03 of this Agreement, where, at any time, the beneficial interest in the trust fund or any portion thereof becomes payable and/or transferable to any person (hereinafter, in this section 4.04, the "Subject Person") pursuant to the provisions of section 4.03 and/or 4.03.1 of this Agreement, the same shall be paid and/or transferred to him or her personally or for his or her benefit unless, at that time, he or she (i) has made a proposal in bankruptcy or an assignment for the benefit of creditors or is adjudged a bankrupt by a court of competent jurisdiction, or (ii) shall have otherwise committed or suffered, or otherwise does or attempts to do or suffers to be done, any act or thing, whereby if the said trust fund or portion thereof were payable and/or transferable to him or her absolutely, he or she would or might be deprived of the right to receive or retain the same or any part thereof, in which case the Trustees may, in their absolute discretion, pay and/or transfer the trust fund or portion thereof payable to the Subject Person to or for the benefit of all or any one or more exclusively of the others of the following persons: namely, the Subject Person, his or her spouse, his or her children or remoter issue or, if deemed by the Trustees or, if

applicable, such other persons then holding the trust fund in trust for the Subject Person (if not the Trustees hereunder) to be in the best interests of the Subject Person, any other person or persons entitled to receive the trust fund or portion thereof pursuant to the provisions of section 4.03 and/or 4.03.1 of this Agreement in the absolute discretion of the Trustees or, if applicable, such other persons then holding the trust fund in trust for the Subject Person (if not the Trustees hereunder); provided however, that the Subject Person may, him or herself (personally and not through any representative other than a representative acting on his behalf because of his mental or physical incapacity), in his or her absolute and unfettered discretion, elect, in writing, to have the provisions of this section 4.04 of this Agreement not apply to him or her.

- 4.05 Notwithstanding any other provision herein contained, (i) any beneficiary may, at any time, permanently disclaim his or her beneficial interest in and to the trust fund or any part thereof, and (ii) any parent (or person acting in loco parentis) of a minor beneficiary may, at any time, permanently disclaim the beneficial interest of such minor beneficiary in and to the trust fund or any part thereof, upon giving at least thirty days' notice in writing and under seal to the Trustees or Trustee, as the case may be, or failing a Trustee, to the remaining beneficiaries who, at that time, have attained the age of majority or such shorter notice as the recipient or recipients may accept as sufficient; and from the effective date of such disclaimer, such beneficiary shall no longer be considered a beneficiary hereunder. (For the purposes of this provision, all corporate beneficiaries (if any) shall be deemed to be "beneficiaries who, at that time, have attained the age of majority" (regardless of incorporation date).)

#### **ARTICLE V** **TRUSTEES' POWERS**

- 5.01 The Trustees may adopt any rules and regulations which they from time to time deem proper to govern their own procedure. Unless any provision herein specifically requires unanimous Trustee approval or consent, all questions requiring action by the Trustees shall be determined by majority approval or consent of the Trustees at the time being in office. The Trustees may act either by resolution passed at a meeting of the Trustees or by instrument in writing signed by the Trustees.
- 5.02 In addition to all other powers conferred upon them by the other provisions of this Agreement or by any statute or general rule of the law, the Trustees shall have and are hereby given the power and authority in their absolute discretion at any time and from time to time to administer the trust fund in whatever manner they may determine and shall have the right to take any action in connection with the trust fund and to exercise any rights, powers and privileges which may exist or arise in connection therewith to the same extent and as fully as an individual could if he were the sole owner of the trust fund. Without in any way limiting the generality of the foregoing, the Trustees have the power and authority:
- (a) to retain any asset or assets belonging to or forming part of the trust fund from time to time in the actual state or condition in which the same shall be received by the Trustees for so long as the Trustees shall think proper;

- (b) to invest and reinvest any and all of the trust fund in their hands from time to time without limitation to investments in which trustees are for the time being authorized to invest trust funds and whether or not there is a liability attaching to any such investment with the intent that the Trustees shall have the same full and unrestricted powers of investing and reinvesting as a beneficial owner; and without limiting the generality of the foregoing, the Trustees may:
- (i) invest in and hold property, real or personal, which is of a speculative or reversionary nature or is not revenue producing; and
  - (ii) invest in and hold shares, bonds, debentures, or other securities, issued by any corporation or company, public or private, established or newly incorporated, operating or holding, producing income or not producing income, and whether or not the Settlor, or the beneficiaries, or the Trustees, or the spouses or issue of any of them have any financial interest therein; and
  - (iii) purchase as an investment and hold as part of the trust fund, notwithstanding any other provisions of this Agreement, or any statute or rule of law to the contrary, any property (real or personal) owned by the Settlor, a Trustee, or a beneficiary, during his, her or their lifetime or forming part or all of his, her or their estate upon or after his, her or their death at such price and upon such terms as the Trustees deem expedient or desirable and any purchase so made, and the price paid or terms agreed upon in reference thereto shall not be subject to questions by any person who may be entitled hereunder or by any court or tribunal whatsoever; provided only that any such purchase from the Settlor, a Trustee, or a beneficiary be approved (in writing) by all of the Trustees, acting unanimously;
- (c) to sell (either at public or private sale), assign, appoint, transfer, exchange, convey, mortgage, lease, grant options on, build upon, improve, repair or otherwise deal with and exercise any and all rights pertaining to any of the assets for the time being held in connection with or forming part of the trust fund; and without limiting the generality of the foregoing, the Trustees may:
- (i) sell for cash or credit, or partly the other, and at such price and on such terms and conditions as they may deem advisable, and with or without security; and
  - (ii) sell, assign or transfer at fair market value, to the Settlor, or to a Trustee, or to any beneficiary hereof, any property, securities or investments belonging to or forming part of the trust fund which the Trustees may desire to dispose of; and in so doing, the Trustees shall not be required to secure the consent or approval of any person, official, authority, tribunal or court whomever or whatsoever; provided only that any such sale to the Settlor, a Trustee, or a beneficiary be approved (in writing) by all of the Trustees, acting unanimously.



The Trustees are empowered to execute and deliver all deeds or other instruments as may be necessary or desirable to make good and sufficient title to any of the assets and they shall not be required to secure the consent or approval of any person, official, authority, tribunal or court whomever or whatsoever;

- (d) to borrow from time to time from the Settlor or the Trustees or any of them or any other person, such sum or sums of money, upon such terms and subject to such conditions, for such length of time and for such purposes connected with the trust fund or the administration thereof as the Trustees in their absolute discretion deem advisable. In order to secure the repayment of any sum or sums so borrowed, the Trustees may make, execute and deliver, under seal or otherwise, such notes, bonds or other obligations as may be required including mortgages, pledges, hypothecations and charges upon any or all of the assets of the trust fund. No person or bank from whom any sum or sums is borrowed shall be obligated in any way to see to the application thereof;
- (e) to advance moneys out of the trust fund by way of loan to any individual or corporation, such loans to be made with or without interest, upon such terms as to payment and with or without security all as the Trustees deem advisable;
- (f) to guarantee, with or without security, the performance of contracts and the performance of undertakings and obligations of any person, corporation, partnership, firm or association, including the payment of interest, principal and premium, if any, or on bonds, debentures or other securities, mortgages or liabilities of any such person, corporation, partnership, firm or association;
- (g) to make any payment, provision, division or distribution which may be required under the terms hereof, in whole or in part, in money, securities, or other property and on every division or distribution the judgment and apportionment of the Trustees and the valuation made by the Trustees shall be binding and conclusive on all persons;
- (h) to place on deposit with any chartered bank, trust company or investment dealer any cash balance from time to time in the hands of the Trustees or any securities, title deeds, or other documents belonging or relating to the Trust;
- (i) to determine whether any payment made or received by the Trustees in the due administration of the trust fund shall be credited to or charged against the capital of the trust fund or the income therefrom, or partly to or against the capital, and partly to or against the income, and such determinations shall be final and binding upon all persons concerned;
- (j) to vote, in person or by proxy, all stocks and shares and to exercise all rights incidental to the ownership of stocks, shares, bonds and other securities held as part of the trust fund; to sell or exercise any subscription rights and in connection with the exercise of subscription rights to use all or any part of the trust fund for that purpose; to consent to, and join in, any plan of

reorganization, or readjustment, amalgamation, consolidation, or merger with respect to any corporation whose stocks, shares, bonds or other securities at any time form part of the trust fund, and to authorize the sale of the undertaking or assets or a substantial portion of the assets or undertaking of any such corporation, and to vote for the election of themselves or any one or more of them from time to time to any executive office or to membership on any board of directors, or executive, or other committee of any such corporation or association, and to serve in any such office or on any such board or committee and accept and receive remuneration for such services without diminution of their or his compensation as Trustees hereunder;

- (k) to retain all voting rights and powers and connection with any securities at any time held in connection with or forming part of the trust fund, notwithstanding that such securities or any of them may from time to time be set aside as a part of any share or interest, and if at any time the Trustees shall decide to sell any such securities or any other assets, they shall have absolute power and discretion, notwithstanding that any such securities or other assets shall for the time being be set aside as part of any share or interest, to sell such securities or other assets, or any part or parts thereof, at such time or times, upon such terms and conditions, and either for cash or credit, or for part cash or part credit, and upon such conditions as to credit and security, and as to voting rights and transfer to a trustee, as the Trustees may think advisable;
- (l) to reorganize or join in the reorganization of any corporation or other entity (or part thereof) forming part of the trust fund, and to attend to all matters ancillary thereto;
- (m) to wind up, amalgamate or otherwise merge any corporation or other entity (or part thereof) forming part of the trust fund, and to attend to all matters ancillary thereto;
- (n) to reorganize/manage the manner in which any assets forming part of the trust fund are held, and to attend to all matters ancillary thereto, as the Trustees see fit;
- (o) to incorporate any corporation or corporations under the laws of the Province of Ontario, or any other jurisdiction in Canada or elsewhere, at the expense of the trust fund or otherwise, having such objects (including the conduct of farming operations and leasing of land owned by the corporation), powers and capital as the Trustees may consider expedient; and without limiting the generality of the foregoing, the Trustees shall have power:
  - (i) to cause any such corporation to purchase any real or personal property for such consideration and on such terms as the Trustees may consider advisable;
  - (ii) to purchase and hold, as authorized investments under this Agreement, for the trust fund for such length of time as the Trustees may see fit,

- any shares, stocks, bonds, debentures, notes or other securities issued by any such corporation;
- (iii) to lend money to any such corporation; and
  - (iv) to manage or join in the management of any such corporation, and to cause any such corporation to be wound up or surrender its charter if and when the Trustees consider it advisable to do so; provided, nevertheless, that in relation to any corporation or corporations incorporated as aforesaid, all of the shares of the capital stock thereof shall be held by the Trustees hereof as part of the trust fund;
- (p) to retain any life insurance policy entrusted to them or from time to time held by them hereunder; to purchase insurance on the life of any beneficiary or on the life of anyone in whom any beneficiary has an insurable interest and to select such type of policy and mode of premium payment as the Trustees may deem advisable; to exercise all rights with regard to such retained or purchased insurance as the policy contracts grant to the owner thereof; to pay premiums on such policies, either out of capital, or out of income, or partly out of capital and partly out of income, as they shall deem proper, to name as beneficiary on any new policy either the trust or such beneficiary; to purchase annuities for any beneficiary and to select such type of annuity and mode of payment therefor as they may deem advisable and to purchase and pay the premiums on policies of insurance against fire, other casualty or public liability or other insurance of a similar character, but they shall not be liable for any omission to purchase any insurance or to purchase a particular amount of any type of insurance;
- (q) to make any election, whether discretionary or otherwise, prescribed by any taxing statute of any jurisdiction, even where making such election would result in conferring a benefit on one beneficiary at the expense of another, and to attend to all matters ancillary thereto;
- (r) if the Trustees deem it advisable, to do all acts and things, either alone or together with any person receiving a benefit from this Trust, required by the Income Tax Act (Canada), or any other applicable statute with respect to any accumulating income under this Agreement, to ensure that such accumulating income is included in computing the income of the beneficiaries or some one or more of them for the particular taxation year. The Trustees are authorized, subject or pursuant to any specific provisions of any statute or regulation, to join with any beneficiary, or a parent or guardian of the person or property of any minor beneficiary, or another person whom the Trustees consider competent to act on behalf of any minor beneficiary under any taxing statute, with power to the Trustees to do such act on behalf of any minor beneficiary, failing a parent, guardian of the person or property, or other person as aforesaid;
- (s) to pay out, make payable, or otherwise allocate to any one or more of the beneficiaries any amounts (in whole or in part) that are "deemed" by any taxing

statute to be income or capital of the Trust, even if such amount is “deemed” to have been received by the Trust only for tax purposes (but not actually substantively realized by the Trust), whether such amount is a “deemed” capital gain or other form of “deemed” income. Any “deemed” income shall, for the purposes of this Trust Indenture, be considered to form part of the net income of the Trust, and the Trustees shall have the power and authority, in their sole discretion, to distribute and/or allocate and/or make payable said “deemed” income, or any part thereof, to the beneficiaries or any one or more of them, and shall have the power and authority to encroach on the capital of the trust fund in order to distribute and/or allocate and/or make payable such amounts to such beneficiaries;

- (r) to pay out of the income or capital of the trust fund, as they may from time to time in their absolute discretion determine, any tax or other impost payable in connection with the trust fund or payable by any beneficiary in respect of the trust fund or any part thereof;
- (u) to determine whether receipts by the trust are to be considered income or capital of the Trust, and to deem such receipts by the Trust as either income or capital, as the Trustees shall see fit;
- (v) to designate, in their absolute discretion, any payment, provision, apportionment or distribution made pursuant to this Agreement to be out of either income or capital, and to have been made in satisfaction of any income or capital interest hereby created, and such designation shall be final, conclusive and binding upon all persons who are or may become interested hereunder;
- (w) to take, institute, maintain, defend or defer any action or other proceeding which may be necessary or advisable in the opinion of the Trustees for, the preservation or protection of, or realization upon any property forming part of the trust fund, and to compromise or settle the same;
- (x) to engage in any trade or venture in the nature of trade whether solely or jointly with any other person and whether or not by way of partnership under the jurisdiction of the Province of Ontario or elsewhere and make such arrangements in connection therewith as they see fit; and the Trustees may delegate any exercise of this power to a company or partnership formed for this purpose, provided that the persons carrying on any trade or venture in the nature of trade authorized by this Agreement shall have power to determine what are the distributable profits thereof and so much of the distributable profits as accrue to the Trustees (and no more) shall be income of the Trust for the purposes of this Agreement. Any power vested in the Trustees under this Agreement shall (where applicable) extend to any arrangements in connection with any such power or partnership as aforesaid, and in particular but without limiting the generality of the foregoing, the Trustees’ powers of borrowing and charging shall extend to any borrowing arrangements made in connection with such venture or partnership as aforesaid and whether made severally or jointly with others or with unequal liability; and

- (y) to do any other act, action, or thing whatsoever which the Trustees, in their sole discretion, deem fit or advisable and in the best interests of the beneficiaries.
- 5.03 The Trustees may take legal or other advice, and instead of acting personally, may employ professional or other assistance as they may deem necessary for the proper discharge of their duties, and may pay proper and reasonable compensation for such advice and assistance, and may, in relation to this Agreement, act on the opinion or advice of or information obtained from any solicitor, valuator, broker, auctioneer or other expert, but will not be bound to act upon such information or advice, and shall not be responsible for any loss occasioned by so acting, or by not acting, as the case may be. In making any such arrangement as aforesaid, the Trustees are authorized to place any part or all of the investments comprising the trust fund in the custody of such person or any trust company authorized to carry on business in the Province of Ontario, and to transfer such investments or any of them into the name of any such person or trust company, or nominee thereof.
- 5.04 The Trustees may, if they see fit, prior to the exercise of the powers herein granted to them, seek the direction or consent of any adult beneficiary or the parent or guardian of the person or the property of any minor beneficiary as to any proposed action to be taken, and action taken in accordance with such consent or direction shall be conclusive and binding upon each adult beneficiary who gave such consent or direction, and upon each minor beneficiary whose parent or guardian gave such consent or direction.
- 5.05 The Trustees may, from time to time, appoint one or more agents to manage the trust fund and may, from time to time, in their discretion terminate any such appointment. While any such agent is so employed, the Trustees may delegate to such agent any discretion with respect to investments given to the Trustees herein. The Trustees may fix the remuneration to be paid to any such agent and such remuneration is to be a charge upon the trust fund and payable out of the capital or income thereof in such proportions as the Trustees from time to time consider reasonable, but the amount of any such remuneration is to be taken into account and deducted from the compensation to which the Trustees would from time to time be otherwise entitled. In making any such arrangements as aforesaid, the Trustees may place any or all of the investments comprising the trust fund in the custody of such agent and may transfer any or all of such investments into the name of any such agent or any nominee thereof.
- 5.06 Notwithstanding any other provision contained in this Trust Indenture, with respect to each contribution of property to the Trust (a "Contribution"), the Trustees shall do that which is necessary (and only to the extent necessary) with respect to such Contribution, including, without limitation, adding and including additional Trustee(s) with respect to decisions relating to such property and/or property substituted therefore (the "Subject Property"), disqualifying Trustees with respect to decisions relating to the Subject Property, disqualifying beneficiaries with respect to entitlements relating to the Subject Property, and/or, if and only to the extent necessary, rejecting the contribution of the Subject Property, in order to ensure that no property contributed to the Trust and no property substituted for property contributed to the Trust (the "Property"):

- (a) shall be held on condition that the Property may revert to the person (the "Contributor") from whom the Property was directly or indirectly received;
- (b) shall be held on condition that the Property may pass to persons to be determined by the Contributor at a time subsequent to the creation of the Trust;
- (c) shall be held on condition that the Property shall not be disposed of except with the Contributor's consent or in accordance with the Contributor's direction; or
- (d) shall be held in a manner that otherwise triggers the attribution rules under subsection 75(2) of the *Income Tax Act* (Canada), as same may be amended from time to time.

Any such action taken by the Trustees for the purposes of this provision shall be deemed, for the purposes of this Trust, to have been made *ab initio* such that subsection 75(2) of the *Income Tax Act* (Canada), as same may be amended from time to time, never applies to the Trust.

#### **ARTICLE VI TRUSTEES' DUTIES**

- 6.01 The Trustees shall hold all assets from time to time constituting the trust fund and shall keep them registered in the name of the Trustees or in the name of their nominee or nominees or otherwise as the Trustees may deem expedient.
- 6.02 The Trustees shall keep accurate accounts relating to the Trust which shall be available at all reasonable times for inspection by each adult beneficiary, or by his or her duly authorized representative, and by the guardian of the property of any minor beneficiary (or, if there is no such guardian, by the person or persons having lawful custody of such minor beneficiary). The approval in writing of the Trustees' accounts for a particular accounting period by a majority of the persons entitled to inspect the same from time to time shall, with respect to the matters dealt with in the accounts so approved, be binding upon all persons interested in the trust fund at any time.

#### **ARTICLE VII PROTECTION, INDEMNIFICATION AND COMPENSATION TO TRUSTEES**

- 7.01 Every discretion or power hereby or by law conferred on the Trustees shall be an absolute discretion or power, and no Trustee shall be held liable for any loss or damage occurring as a result of a Trustee concurring or refusing or failing to concur in an exercise of any such discretion or power.
- 7.02 The Trustees shall not be required to give a bond or other security for the due and faithful administration of the trust fund or for the discharge of the trusts hereby created, and shall be entitled to be indemnified from the trust fund for any claims, losses, death duties, taxes and impositions arising in connection therewith.

- 7.03 The Trustees shall not be responsible for the form, genuineness, validity, sufficiency or effect of any policy of insurance at any time included in the trust fund or for the act of any person which may render any such policy null and void or for the failure of the insurance company or issuing body to make payment under such policy when due and payable or for any delay occasioned by reason of any restriction or provision contained in any such policy or if, for any reason (other than failure to pay premiums as provided for in this Agreement), any policy shall lapse or otherwise become uncollectible; and provided always that the Trustees shall only be liable for the payment of premiums to the extent of the assets of the trust available from time to time for the payment thereof.
- 7.04 No Trustees shall be liable for any error of judgment, or mistake of law, or other mistake, or for anything save the willful misconduct, or willful breach of this Trust, or fraud by such Trustee, and each Trustee shall be held harmless against any claim, losses, death duties, taxes and impositions arising in connection with the trust fund or any part thereof.
- 7.05 The Trustees or such of them who may be accountants, solicitors or investment dealers may transact any business or perform any professional service required to be done or performed in connection with the administration of the Trust and they shall be entitled to charge and be paid proper professional and other charges for any such business transacted or professional service performed in addition to any compensation to which they may be entitled as Trustees hereunder.
- 7.06 The Trustees may pay to themselves quarterly (or at such less frequent intervals as they consider appropriate) from the capital and income of the trust fund such reasonable amount or amounts for compensation, subject to the subsequent approval of such amount or amounts by:
- (a) a majority in number of the beneficiaries (excluding from that number any beneficiary who may be a Trustee) who have attained the age of majority as of the date of payment, in which case the amount such compensation shall be final and binding upon all persons concerned with or having an interest in the administration of the trust fund; or
  - (b) a Judge or authorized officer of the Court on any passing of accounts of the Trust.
- (For the purposes of this provision, all corporate beneficiaries (if any) shall be deemed to be "beneficiaries who have attained the age of majority as of the date of payment" (regardless of incorporation date); provided that such corporate beneficiaries are not controlled by the Trustee or Trustees to whom payment is to be made pursuant to this provision (in which case such corporate beneficiaries shall not form part of the group of beneficiaries entitled to vote/consider the approval of such payment.)
- 7.07 Notwithstanding anything hereinbefore contained, no compensation shall be payable or paid to the Settlor or to a Trustee who has also contributed property to this Trust.

**ARTICLE VIII**  
**NUMBER, RESIGNATION, REMOVAL AND REPLACEMENT OF TRUSTEES**

- 8.01 Subject to Section 5.06, the Trust shall have, at all times, at least one Trustee and not more than five Trustees.
- 8.02 At any time and from time to time, a majority of the Trustees may, in their absolute discretion, remove a Trustee from office by giving to such Trustee written notice of such removal signed under seal. Upon such notice having been given, such Trustee shall be removed as a Trustee of the Trust and shall be discharged from all of his duties and power hereunder.
- 8.03 Notwithstanding Section 8.01 hereof, any Trustee may, at any time, resign his or her office upon giving at least thirty (30) days' notice in writing and under seal to the remaining Trustees or Trustee, as the case may be, or failing a Trustee, to the beneficiaries who, at that time, have attained the age of majority or such shorter notice as the recipient or recipients may accept as sufficient. (For the purposes of this provision, all corporate beneficiaries (if any) shall be deemed to be "beneficiaries who, at that time, have attained the age of majority" (regardless of incorporation date).)
- 8.04 Notwithstanding Section 8.01 hereof, the office of the Trustee shall be automatically terminated and vacated if:
- (a) in the case of a Trustee who is an individual:
    - (i) such Trustee dies;
    - (ii) such Trustee is found by a Court of competent jurisdiction or by a licensed medical doctor to be a mental incompetent or incapable of managing his affairs;
    - (iii) the Public Trustee or any other person becomes the statutory committee of the person and/or estate of such Trustee; or
    - (iv) such Trustee makes a proposal in bankruptcy or an assignment for the benefit of creditors or is adjudged a bankrupt by a court of competent jurisdiction; and
  - (b) in the case of a Trustee which is a corporation, such Trustee dissolves, or enters into liquidation, whether compulsory or voluntary, other than voluntary liquidation for the purpose of amalgamation or reconstruction.
- 8.05 If at any time the Trustees wish to increase the number of Trustees, or replace a Trustee who has died, or resigned, or have been removed from office, the Trustees may, by notice in writing and under seal, appoint a new Trustee or Trustees hereof.
- 8.06 If at any time there are no Trustees of the Trust, GRACE DIENA shall be appointed as Trustee of the Trust; provided that if GRACE DIENA is unwilling or unable to act as



Trustee of the Trust, then DANI DIENA (the husband of GRACE DIENA) shall be appointed as Trustee of the Trust; provided further that if DANI DIENA is unwilling or unable to act as Trustee of the Trust, then, subject to section 4.03 hereof, the living beneficiaries, who have at that time attained the age of majority, shall have the right to appoint a new Trustee or Trustees of the Trust, by agreement in writing and under seal made among a majority in number of the beneficiaries who have attained the age of majority at the time of such agreement. For the purposes of this provision, all corporate beneficiaries (if any) shall be deemed to be "beneficiaries, who have at that time attained the age of majority" (regardless of incorporation date.)

- 8.07 Upon acceptance of such appointment as a new Trustee or Trustees hereof, such new Trustee or Trustees shall thereafter hold the trust fund together with the other Trustee or Trustees (if any), subject to all the provisions and conditions of this Agreement.
- 8.08 Notice of all changes of the Trustees shall be endorsed on or attached to this Agreement, and signed under seal by the surviving or continuing Trustees (if any), and by the new Trustee or Trustees and every such notice shall be sufficient evidence to any person dealing with Trustees under this Agreement as to the facts to which it relates.
- 8.09 Every person who accepts an appointment as a Trustee of the Trust shall, as soon as the trust fund becomes vested in him or her by law or by this Agreement, have the same powers, authorities and discretion, and may in all respects act, as if originally appointed as a Trustee by this Agreement.

#### **ARTICLE IX** **BANKING ARRANGEMENTS**

- 9.01 Notwithstanding the other provisions of this Agreement, the following provisions shall govern the banking arrangements of the Trust hereby constituted:
- (a) the Trustees may appoint one or more banks or trust companies or investment dealers to be their banker or bankers for the purposes of the Trust;
  - (b) where there is more than one Trustee of the Trust, any two Trustees are authorized on behalf of the Trust to sign, endorse, make, draw, and/or accept any cheques, promissory notes, bills of exchange or other negotiable instruments, any orders for the payment of money, contracts for letters of credit or forward exchange and generally all instruments or documents for the purpose of binding or obligating the Trustees in any way in connection with the accounts and transactions of the trust with the banker or bankers, whether or not an overdraft is thereby created, and all instruments and documents so signed shall be binding upon the Trustees;
  - (c) where there is only one Trustee of the Trust, that Trustee is authorized on behalf of the Trust to sign, endorse, make, draw, and/or accept any cheques, promissory notes, bills of exchange or other negotiable instruments, any orders for the payment of money, contracts for letters of credit or forward exchange

and generally all instruments or documents for the purpose of binding or obligating the Trustee in any way in connection with the accounts and transactions of the trust with the banker or bankers, whether or not an overdraft is thereby created, and all instruments and documents so signed shall be binding upon the Trustee;

- (d) notwithstanding the provisions of section 9.01(b) and 9.01(c) hereof, the Trustee or Trustees may from time to time by unanimous resolution of the Trustees appoint any Trustee or Trustees or any other person or persons on behalf of the Trust either to sign instruments in writing generally or to sign specific instruments in writing; and
- (e) any one of the Trustees is authorized on behalf of the Trust:
  - (i) to receive from the banker or bankers and, where applicable, give receipts for, all statements of account, cheques, and other debit vouchers, unpaid and unaccepted bills of exchange and other negotiable instruments, and to delegate such authority to one or more other persons by memorandum in writing to be filed with the banker or bankers; and
  - (ii) to negotiate with, deposit with or transfer to the banker or bankers, (but for the credit of the Trust's account only) all or any cheques, promissory notes, bills of exchange or other negotiable instruments, and orders for the payment of money, and for the said purpose to draw, make, sign, endorse all or any of the foregoing, and every such signature shall be binding upon the Trustees.

#### **ARTICLE X** **GENERAL PROVISIONS**

- 10.01 Any reference in this Agreement to any person in terms of a relationship to another person by blood or marriage shall not include a person born outside marriage nor a person who comes within a description traced through another person who was born outside marriage, provided that any person who was born outside marriage but whose parents subsequently married one another shall not be regarded as a person being born outside marriage but shall be regarded as having been born in lawful wedlock to his or her parents, provided further that any person who has been legally adopted shall be regarded as having been born in lawful wedlock to the adopting parent.
- 10.02 All property transferable or amounts payable hereunder to any beneficiary shall be considered a gift to such beneficiary at the time of transfer/payment (and not at any previous time), and all such property and amounts, and all income derived therefrom, together with any property into which such property can be traced, and all income from such property or properties into which such property can be traced, including income on such income, shall be excluded from such person's net family property for the purposes of Part I of the *Family Law Act* (Ontario) (hereinafter referred to as the

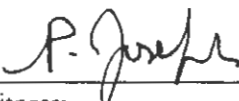
“Family Act”) and for the purposes of any provisions in any successor legislation or other similar legislation in any jurisdiction whatsoever. The term “net family property” includes any property available for division between spouses upon separation, divorce, annulment or death of one of the spouses, and shall include the meaning ascribed pursuant to subsection 4(1) of the Family Act. This declaration shall be an express statement within the meaning of paragraph 4(2)2 of the Family Act and shall have effect to the extent permitted by the Family Act or any other legislation. Any such property received by a beneficiary shall at all times be and remain the sole and separate property of such beneficiary, shall not be liable to marital control or for spousal debts, but shall be received, held, owned and enjoyed solely by such beneficiary as fully and freely as if he or she had at all times remained single. For greater certainty, but subject to section 4.03 hereof, it is the intention of the Settlor and the other parties hereto that no part of the trust fund shall become vested, either directly or indirectly, in any person other than a beneficiary hereunder.

- 10.03 Notwithstanding any other provision hereunder, if a court of competent jurisdiction, within the context of an application or proceeding under the Family Act that relates to the “net family property” of a beneficiary hereunder, or within the context of a beneficiary’s bankruptcy, (i) concludes that the value of a beneficiary’s discretionary interest hereunder is specifically calculable, and (ii) proceeds to determine and attribute a value to such interest, such that all or part of such value would benefit such beneficiary’s spouse, ex-spouse, or creditors, then, unless the Trustees unanimously decide otherwise (in writing) prior to such determination, such beneficiary’s interest in this trust shall, to the extent of any income or property not yet distributed from this Trust, automatically cease.
- 10.04 Each notice, instrument, accounting or other document authorized or required by this Agreement to be given or delivered to any person shall be conclusively deemed to have been properly given or delivered if the same is made in writing and:
- (a) served by personal service, in which case it shall be conclusively deemed to have been given or delivered on the date of such service; or
  - (b) sent by prepaid registered or certified mail addressed to the party for whom it is intended at the address last known to the addressor in which case it shall be conclusively deemed to have been given or delivered on the fourth day after the date of mailing.
- 10.05 No person or corporation dealing with the Trustees shall be obligated to see to the application of money paid or lent to the Trustees or property delivered to the Trustees, to enquire into the necessity or propriety of the Trustees exercising any of the powers herein conferred upon them, or to determine the existence of any fact upon which the Trustees’ powers to perform any act hereunder may be conditioned.
- 10.06 Any person dealing with this Agreement may rely upon a copy hereof and of the notices endorsed hereon or attached hereto to the same extent as he might reply upon the original, provided that such a copy has been certified by a Notary Public to be a true copy of the original.

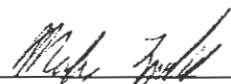
- 10.07 If any section of this Agreement or any portion thereof is found by a court of competent jurisdiction to be unenforceable or invalid for any reason whatsoever, that unenforceability or invalidity shall not affect the remaining sections of this Agreement or portions thereof and such unenforceability or invalid section or portion thereof shall be severed from the remainder of this Agreement.
- 10.08 Section headings are included solely for convenience and are not intended to be full and accurate descriptions of the contents of the sections to which such headings relate.
- 10.09 This Agreement shall be read and construed with such changes as to number and gender as the context may require.
- 10.10 This Agreement shall be governed by the laws of the Province of Ontario, Canada.


**IN WITNESS WHEREOF** the parties hereto have hereunto respectively set their hands and seals as of the date hereof.



**SIGNED, SEALED and DELIVERED**  
in the presence of:

  
\_\_\_\_\_  
Witness:

  
\_\_\_\_\_  
Witness:

  
\_\_\_\_\_  
**MOSHE ZOMBECK,**  
as Settlor

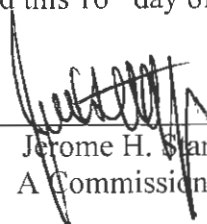
  
\_\_\_\_\_  
**GRACE DIENA,**  
as Trustee

This is Exhibit "C"

To the Affidavit of Daniel Diena

Affirmed this 16<sup>th</sup> day of October, 2020

  
\_\_\_\_\_  
Jerome H. Stanleigh  
A Commissioner, etc

---

**RECORD BOOK**

---

**2345760 ONTARIO INC.**

**2013 REORGANIZATION**

**DATE: SEPTEMBER 27, 2013**

---



**MARCIANO BECKENSTEIN LLP**  
BARRISTERS & SOLICITORS

7625 Keele Street  
Concord, Ontario  
L4K 1Y4

**2345760 ONTARIO INC.****2013 REORGANIZATION****INDEX OF DOCUMENTS**

1. Articles of Amendment – filed September 27, 2013
2. Section 86 Exchange Agreement - Shares
3. Authorizing Resolutions of 2345760 Ontario Inc.
4. Director's Determination of Class A1 Redemption Price
5. Share Certificate No. A1-1, representing 1,000 Class A1 Fixed Value Special Shares (Voting) in the capital of 2345760 Ontario Inc., issued to Grace Diena
6. Accountant Memorandum
7. Subscription for Class A Common Shares by the Grace Family Trust
8. Authorizing Resolutions of Grace Family Trust
9. Resolutions of 2345760 Ontario Inc. authorizing the issuance of 100 Class A Common Shares to the Grace Family Trust
10. Share Certificate No. COMA-2, representing 100 Class A Common Shares in the capital of 2345760 Ontario Inc., issued to the Grace Family Trust
11. Receipt of the Grace Family Trust re: Class A Common Share Certificate
12. Corporate Diagram





- (A) Paragraph number 7(a) of the articles of incorporation of the Corporation dated October 12, 2012, regarding the declaration of dividends on the Class A Common, Class B Common, and Class C Common Shares is removed and replaced by the following:

“7(a) The holders of the Class A Common, Class B Common, and Class C Common shall be entitled to receive and the Corporation shall pay thereon as and when declared by the Board of Directors out of monies of the Corporation properly applicable to the payment of dividends in the amount per share determined by the Board of Directors of the Corporation and subject to the *Business Corporations Act* or any successor statute, payable on such date or dates in each fiscal year of the Corporation as may be determined by the Board of Directors; provided that no dividend will be declared on the issued and outstanding Class A Common, Class B Common, or Class C Common Shares if such dividend would result in the Corporation having insufficient net assets to redeem any issued and outstanding “Fixed Value Special Shares” and/or “Subordinate Fixed Value Special Shares”. The Class A Common, Class B Common, and Class C Common Shares need not rank equally as to dividends.”;

- (B) To create unlimited numbers of Class X Voting Special Shares, Class A1, A2, A3, A4 and A5 Fixed Value Special Shares (Voting), Class B1, B2, B3, B4 and B5 Fixed Value Special Shares (Non-Voting), Class C1, C2, C3, C4, and C5 Fixed Value Special Shares (Voting), Class D1, D2, D3, D4 and D5 Fixed Value Special Shares (Non-Voting), Class E1, E2, E3, E4 and E5 Subordinate Fixed Value Special Shares (Voting), Class F1, F2, F3, F4 and F5 Subordinate Fixed Value Special Shares (Non-Voting), Class G1, G2, G3, G4 and G5 Subordinate Fixed Value Special Shares (Voting), and Class H1, H2, H3, H4 and H5 Subordinate Fixed Value Special Shares (Non-Voting);
- (C) To provide that the rights, privileges, restrictions and conditions attaching to the new Class X Voting Special Shares, Class A1, A2, A3, A4 and A5 Fixed Value Special Shares (Voting), Class B1, B2, B3, B4 and B5 Fixed Value Special Shares (Non-Voting), Class C1, C2, C3, C4, and C5 Fixed Value Special Shares (Voting), Class D1, D2, D3, D4 and D5 Fixed Value Special Shares (Non-Voting), Class E1, E2, E3, E4 and E5 Subordinate Fixed Value Special Shares (Voting), Class F1, F2, F3, F4 and F5 Subordinate Fixed Value Special Shares (Non-Voting), Class G1, G2, G3, G4 and G5 Subordinate Fixed Value Special Shares (Voting), and Class H1, H2, H3, H4 and H5 Subordinate Fixed Value Special Shares (Non-Voting) are as follows:

#### Class X Voting Special Shares

The rights, privileges, restrictions and conditions attaching to the Class X Voting Special Shares of the Corporation are as follows:

- (1) **Voting Rights:** Each holder of Class X Voting Special Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation, except meetings at which only holders of other classes or series of shares are entitled to attend, and at all such meetings shall be entitled to one hundred (100) votes in respect of each Class X Voting Special Share held by such holder.
- (2) **Dividends:** The holders of Class X Voting Special Shares shall not be entitled to receive and the Corporation shall not pay to them any dividends from the Corporation.
- (3) **Dissolution:** In the event of any liquidation, dissolution or winding-up of the Corporation or other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of Class X Voting Special Shares shall not be entitled to receive any property or assets of the Corporation.

**(4) Redemption:**

**(a) Right to Redeem:** Subject to applicable law, the Corporation may upon giving notice as hereinafter provided redeem the whole or any part of the then outstanding Class X Voting Special Shares on payment for each share to be redeemed of an amount of one cent (\$0.01) (the whole amount constituting and hereinafter being referred to as the "Class X Redemption Price").

**(b) Partial Redemption:** If less than all the Class X Voting Special Shares are at any time to be redeemed, the shares shall be redeemed on a pro rata basis, disregarding fractions, according to the number of Class X Voting Special Shares held by each of the holders of Class X Voting Special Shares. If a part only of the Class X Voting Special Shares represented by any certificate are to be redeemed, a new certificate representing the balance of such shares shall be issued to the holder thereof at the expense of the Corporation upon presentation and surrender of the first mentioned certificate.

**(c) Method of Redemption:** In any case of redemption of the Class X Voting Special Shares pursuant to the provisions herein, the Corporation shall, not more than thirty days and not less than two days before the date specified for redemption, send by prepaid first class mail or deliver to each person who at a date not more than seven days prior to the date of mailing or delivery is a holder of the Class X Voting Special Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem the Class X Voting Special Shares registered in the name of such holder. Accidental failure or omission to give such notice to one or more holders shall not affect the validity of such redemption, but upon such failure or omission being discovered notice shall be given forthwith to such holder or holders and such notice shall have the same force and effect as if given in due time. Such notice given pursuant to this Section shall set out the number of Class X Voting Special Shares which are to be redeemed, the number of Class X Voting Special Shares held by the person to whom it is addressed, the Class X Redemption Price, the date specified for redemption and the office or offices of the Corporation and any other place or places within Canada at which holders of the Class X Voting Special Shares may present and surrender certificates representing such shares for redemption. On and after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the holders of the Class X Voting Special Shares to be redeemed, the Class X Redemption Price of such shares on presentation and surrender at the office of the Corporation designated in the aforesaid notice of redemption and at any other place or places within Canada specified in such notice of redemption, of the certificate or certificates representing the Class X Voting Special Shares called for redemption.

**(d) Waiver of Notice:** Such notice required to be given in this Section may be waived when and if the registered holders of Class X Voting Special Shares to be redeemed signify their consent to such waiver and execute a waiver in favour of the Corporation relieving the Corporation from the obligation of giving notice to such registered holders.

**(e) Method of Payment:** Payment in respect of the Class X Voting Special Shares being redeemed shall be made by cheque in the amount of the Class X Redemption Price payable to the holder thereof at par at any branch in Canada of any Canadian chartered bank in an amount equal to the Class X Redemption Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class X Redemption Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. From and after the date specified for redemption in any such notice of redemption, the Class X Voting Special Shares called for redemption shall cease to be entitled to dividends or any other participation in the assets of the Corporation and the holders thereof shall not be entitled to exercise any of their other rights as shareholders in respect thereof unless payment of the Class X Redemption Price shall not be made upon presentation and surrender of the certificates in accordance with the foregoing

provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right, at any time after the mailing or delivery of notice of its intention to redeem Class X Voting Special Shares, to deposit the Class X Redemption Price of the Class X Voting Special Shares so called for redemption, or of such of the Class X Voting Special Shares which are represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account maintained by the Corporation with a branch of a Canadian chartered bank designated by the Corporation in the notice of redemption (the "Depository") to be paid without interest to or to the order of the respective holders of Class X Voting Special Shares whose shares have been called for redemption, upon presentation and surrender to the Depository of the certificates representing such shares. Upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class X Voting Special Shares in respect of which such deposit shall have been made shall be deemed to have been redeemed and the rights of the holders thereof shall be limited to receiving their proportion of the amount so deposited without interest, upon presentation and surrender to the Depository of the certificate or certificates representing the Class X Voting Special Shares being redeemed. Any interest allowed on any such deposit shall belong to the Corporation. Notwithstanding the foregoing, the Class X Redemption Price, to the extent that it is represented by a cheque which has not been presented for payment or moneys on deposit with the Depository which have not been claimed by the sixth anniversary of the relevant redemption date, shall, subject to applicable legislation, be forfeited to the Corporation.

(5) Purchase for Cancellation:

(a) Subject to applicable law, the Corporation may at any time or times purchase (if obtainable by contractual right or otherwise) for cancellation all or any part of the Class X Voting Special Shares outstanding from time to time at the lowest price or prices at which in the opinion of the directors such shares are obtainable but not exceeding an amount for each particular share to be purchased of one cent (\$0.01); and, for greater certainty, the Corporation may from time to time purchase for cancellation all or any part of the Class X Voting Special Shares outstanding to the exclusion of any other class of shares in the Corporation.

(b) If upon any invitation for tenders the Corporation shall receive tenders of Class X Voting Special Shares at the same lowest price which the Corporation may be willing to pay in an aggregate number greater than the number for which the Corporation is prepared to accept, the Class X Voting Special Shares so tendered shall be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Class X Voting Special Shares so tendered by each of the holders of Class X Voting Special Shares who submitted tenders at the said same lowest price.

**Class A1 Fixed Value Special Shares (Voting)**

The rights, privileges, restrictions and conditions attaching to the Class A1 Fixed Value Special Shares (Voting) of the Corporation are as follows:

(1) **Voting Rights:** Each holder of Class A1 Fixed Value Special Shares (Voting) shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation and at all such meetings shall be entitled to ONE (1) vote in respect of each Class A1 Fixed Value Special Share (Voting) held by such holder.

(2) **Dividends:** The holders of Class A1 Fixed Value Special Shares (Voting) shall be entitled to receive and the Corporation shall pay to them, as and when declared by the board of directors of the Corporation, such dividends as the board of directors of the Corporation may, in their complete and unfettered discretion, from time to time declare on the Class A1 Fixed

Value Special Shares (Voting) and, for greater certainty, subject to the provisos that follow in this paragraph, the board of directors of the Corporation may from time to time declare dividends to be payable on the Class A1 Fixed Value Special Shares (Voting) to the exclusion of any other class of shares in the Corporation; provided that no dividend will be declared on the issued and outstanding Class A1 Fixed Value Special Shares (Voting) if such dividend would result in the Corporation having insufficient net assets to redeem any other issued and outstanding "Fixed Value Special Shares" and/or "Subordinate Fixed Value Special Shares"; and provided further that, unless the shareholders of all of the issued and outstanding shares of the Corporation agree, in writing, to waive this restriction with respect to any given dividend, no dividend or dividends will be declared on the issued and outstanding Class A1 Fixed Value Special Shares (Voting) in any given calendar year if the aggregate amount of the dividends declared on the Class A1 Fixed Value Special Shares (Voting) for that calendar year exceed eight percent (8%) of the Class A1 Redemption Price (as defined below).

(3) Participation upon Liquidation, Dissolution or Winding-Up: In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Class A1 Fixed Value Special Shares (Voting) shall be entitled to receive an amount equal to (but not greater than) the amount that would be required to redeem the Class A1 Fixed Value Special Shares (Voting) then outstanding *pari passu* with the holders of other "Fixed Value Special Shares", but before and in priority to any amount paid to the holders of any other class of shares in the capital of the Corporation.

(4) Redemption:

(a) Right to Redeem: Subject to applicable law, the Corporation may upon giving notice as hereinafter provided redeem the whole or any part of the then outstanding Class A1 Fixed Value Special Shares (Voting) on payment for each share to be redeemed of an amount equal to (i) the aggregate of (A) an amount equal to all declared and unpaid dividends thereon, and (B) the fair market value (less liabilities assumed) of the consideration received by the Corporation as a result of the issuance of Class A1 Fixed Value Special Shares (Voting), as of the date of such issue, all divided by (ii) the total number of Class A1 Fixed Value Special Shares (Voting) so issued (the whole amount constituting and hereinafter being referred to as the "Class A1 Redemption Price"). The aggregate fair market value of the consideration received by the Corporation as a result of the said issuance of Class A1 Fixed Value Special Shares (Voting) shall be that determined by valuation in writing by the board of directors for the Corporation and such fair market value as so determined shall be final and binding provided that, if the Canada Revenue Agency (the "CRA") should determine that the aggregate fair market value of the consideration received be more or less than the aggregate fair market value established by the said directors, then that value which the CRA should maintain to be the proper aggregate fair market value of the consideration (or, in the event the board of directors objects to or appeals said valuation, that valuation determined on objection or appeal (whether by way of reassessment, settlement, effluxion of time, or otherwise)) shall be substituted for the purpose of determining the redemption amount, provided that where the board of directors by resolution determines that there is a valid objection to the said valuation of the CRA, the substitution of such valuation for the value established by the directors for the Corporation shall not be made until all objections or appeals relating to the valuation of the CRA have been finally determined by reassessment, settlement, effluxion of time or otherwise, unless before such time the board of directors of the Corporation by resolution accepts the said valuation of the CRA or another valuation accepted by the CRA. Where the valuation of the consideration received has been so substituted, any and all requisite steps to settle any resulting increase or decrease in the redemption amount shall be taken by the Corporation. Any adjustment in the aggregate redemption amount shall result in an adjustment to the redemption amount of each Class A1 Fixed Value Special Share (Voting).

(b) **Partial Redemption:** If less than all the Class A1 Fixed Value Special Shares (Voting) are at any time to be redeemed, the shares shall be redeemed on a pro rata basis, disregarding fractions, according to the number of Class A1 Fixed Value Special Shares (Voting) held by each of the holders of Class A1 Fixed Value Special Shares (Voting). If a part only of the Class A1 Fixed Value Special Shares (Voting) represented by any certificate is to be redeemed, a new certificate representing the balance of such shares shall be issued to the holder thereof at the expense of the Corporation upon presentation and surrender of the first mentioned certificate.

(c) **Method of Redemption:** In any case of redemption of the Class A1 Fixed Value Special Shares (Voting) pursuant hereto, the Corporation shall, not more than sixty days and not less than thirty days before the date specified for redemption, send by prepaid first class mail or deliver to each person who at a date not more than seven days prior to the date of mailing or delivery is a holder of the Class A1 Fixed Value Special Shares (Voting) to be redeemed, a notice in writing of the intention of the Corporation to redeem the Class A1 Fixed Value Special Shares (Voting) registered in the name of such holder. Accidental failure or omission to give such notice to one or more holders shall not affect the validity of such redemption, but upon such failure or omission being discovered notice shall be given forthwith to such holder or holders and such notice shall have the same force and effect as if given in due time. Such notice given pursuant to this Section shall set out the number of Class A1 Fixed Value Special Shares (Voting) which are to be redeemed, the number of Class A1 Fixed Value Special Shares (Voting) held by the person to whom it is addressed, the Class A1 Redemption Price, the date specified for redemption and the office or offices of the Corporation and any other place or places within Canada at which holders of the Class A1 Fixed Value Special Shares (Voting) may present and surrender certificates representing such shares for redemption. On and after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the holders of the Class A1 Fixed Value Special Shares (Voting) to be redeemed, the Class A1 Redemption Price of such shares on presentation and surrender at the office of the Corporation designated in the aforesaid notice of redemption and at any other place or places within Canada specified in such notice of redemption, of the certificate or certificates representing the Class A1 Fixed Value Special Shares (Voting) called for redemption.

(d) **Waiver of Notice:** Such notice required to be given in this Section may be waived when and if the registered holders of Class A1 Fixed Value Special Shares (Voting) to be redeemed signify their consent to such waiver and execute a waiver in favour of the Corporation relieving the Corporation from the obligation of giving notice to such registered holders.

(e) **Method of Payment:** Payment in respect of the Class A1 Fixed Value Special Shares (Voting) being redeemed shall be made by cheque in the amount of the Class A1 Redemption Price payable to the holder thereof at any branch in Canada of any Canadian chartered bank in an amount equal to the Class A1 Redemption Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class A1 Redemption Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. From and after the date specified for redemption in any such notice of redemption, the Class A1 Fixed Value Special Shares (Voting) called for redemption shall cease to be entitled to dividends or any other participation in the assets of the Corporation and the holders thereof shall not be entitled to exercise any of their other rights as shareholders in respect thereof unless payment of the Class A1 Redemption Price shall not be made upon presentation and surrender of the certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right, at any time after the mailing or delivery of notice of its intention to redeem Class A1 Fixed Value Special Shares (Voting), to deposit the Class A1 Redemption Price of the Class A1 Fixed Value Special Shares (Voting)

so called for redemption, or of such of the Class A1 Fixed Value Special Shares (Voting) which are represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account maintained by the Corporation with a branch of a Canadian chartered bank designated by the Corporation in the notice of redemption (the "Depository") to be paid without interest to or to the order of the respective holders of Class A1 Fixed Value Special Shares (Voting) whose shares have been called for redemption, upon presentation and surrender to the Depository of the certificates representing such shares. Upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class A1 Fixed Value Special Shares (Voting) in respect of which such deposit shall have been made shall be deemed to have been redeemed and the rights of the holders thereof shall be limited to receiving their proportion of the amount so deposited without interest, upon presentation and surrender to the Depository of the certificate or certificates representing the Class A1 Fixed Value Special Shares (Voting) being redeemed. Any interest allowed on any such deposit shall belong to the Corporation. Notwithstanding the foregoing, the Class A1 Redemption Price, to the extent that it is represented by a cheque which has not been presented for payment or moneys on deposit with the Depository which have not been claimed by the sixth anniversary of the relevant redemption date, shall, subject to applicable legislation, be forfeited to the Corporation.

(5) Retraction:

(a) Right to Retract: Subject to applicable law, each holder of Class A1 Fixed Value Special Shares (Voting) shall be entitled at any time and from time to time to require the Corporation to redeem all or any part of the Class A1 Fixed Value Special Shares (Voting) registered in the name of such holder by payment for each share to be redeemed of an amount equal to (but not greater than) the amount that would be required to redeem the Class A1 Fixed Value Special Shares (Voting) then outstanding (the whole amount constituting and hereinafter being referred to as the "Class A1 Retraction Price").

(b) Method of Retraction: Each holder of Class A1 Fixed Value Special Shares (Voting) who elects to have the Corporation redeem all or any part of the Class A1 Fixed Value Special Shares (Voting) registered in the name of that holder shall deposit at the registered office of the Corporation the certificate or certificates representing the Class A1 Fixed Value Special Shares (Voting) which that holder desires to have redeemed by the Corporation. The holder of the Class A1 Fixed Value Special Shares (Voting) shall, at the time of depositing such certificates, also file with the Corporation a notice of election to redeem which notice shall set out the number of Class A1 Fixed Value Special Shares (Voting) which such holder desires to have redeemed, the Class A1 Retraction Price and the retraction date (which shall be not less than five business days and not more than thirty business days after the deposit of such certificate or certificates and filing of such notice of election). The Corporation shall, on the retraction date, redeem the Class A1 Fixed Value Special Shares (Voting) with respect to which the holders of Class A1 Fixed Value Special Shares (Voting) have signified their election as aforesaid by paying the Class A1 Retraction Price to the holder of Class A1 Fixed Value Special Shares (Voting) entitled thereto.

(c) Method of Payment: Payment of the Class A1 Retraction Price made in accordance with the foregoing provisions shall be made by cheque in the amount of the Class A1 Retraction Price payable to or to the order of the holder of Class A1 Fixed Value Special Shares (Voting) entitled thereto at par at any branch in Canada of a Canadian chartered bank in an amount equal to the Class A1 Retraction Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class A1 Retraction Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. The Class A1 Fixed Value Special Shares (Voting) in respect of which payment is made in accordance with the foregoing provisions shall be deemed to have been redeemed on the date on which such payment is made

and the holders thereof shall cease to be entitled to dividends or to exercise any of the rights of holders thereof from such date, unless payment of the Class A1 Retraction Price is not made as aforesaid in which event the rights of the holders of such Class A1 Fixed Value Special Shares (Voting) shall remain unimpaired. Notwithstanding the foregoing, the Class A1 Retraction Price, to the extent that it is represented by a cheque which has not been presented for payment by the sixth anniversary of the relevant Retraction Date, shall, subject to applicable laws, be forfeited to the Corporation.

**(6) Purchase for Cancellation:**

(a) Subject to applicable law, the Corporation may at any time or times purchase (if obtainable by contractual right or otherwise) for cancellation all or any part of the Class A1 Fixed Value Special Shares (Voting) outstanding from time to time on payment for each share to be purchased of an amount equal to (but not greater than) the amount that would be required to redeem the Class A1 Fixed Value Special Shares (Voting) then outstanding; and, for greater certainty, the Corporation may from time to time purchase for cancellation all or any part of the Class A1 Fixed Value Special Shares (Voting) outstanding to the exclusion of any other class of shares in the Corporation.

(b) If upon any invitation for tenders the Corporation shall receive tenders of Class A1 Fixed Value Special Shares (Voting) in an aggregate number greater than the number for which the Corporation is prepared to accept, the Class A1 Fixed Value Special Shares (Voting) so tendered shall be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Class A1 Fixed Value Special Shares (Voting) so tendered by each of the holders of Class A1 Fixed Value Special Shares (Voting) who submitted tenders.

(7) One Issuance: The Corporation is authorized to make only one issuance of Class A1 Fixed Value Special Shares (Voting).

**Class A2, Class A3, Class A4, and Class A5 Fixed Value Special Shares (Voting)**

The Class A2, Class A3, Class A4, and Class A5 Fixed Value Special Shares (Voting) shall have the same share attributes as the Class A1 Fixed Value Special Shares (Voting). The share attributes set out herein for the Class A1 Fixed Value Special Shares (Voting) shall be the share attributes for each of the Class A2, Class A3, Class A4, and Class A5 Fixed Value Special Shares (Voting), except that:

(a) for the purposes of the Class A2 Fixed Value Special Shares (Voting), reference therein to "Class A1", shall read "Class A2";

(b) for the purposes of the Class A3 Fixed Value Special Shares (Voting), reference therein to "Class A1", shall read "Class A3";

(c) for the purposes of the Class A4 Fixed Value Special Shares (Voting), reference therein to "Class A1", shall read "Class A4"; and

(d) for the purposes of the Class A5 Fixed Value Special Shares (Voting), reference therein to "Class A1", shall read "Class A5".

**Class B1 Fixed Value Special Shares (Non-Voting)**

The rights, privileges, restrictions and conditions attaching to the Class B1 Fixed Value Special Shares (Non-Voting) of the Corporation are as follows:

(1) **Voting Rights:** Except as provided by law, and as hereinafter specifically provided, the holders of the Class B1 Fixed Value Special Shares (Non-Voting) shall not be entitled to receive notice of or to vote at any meetings of shareholders but shall be entitled to receive notice of any meeting of shareholders called for the purpose of authorizing the dissolution of the Corporation or the sale, lease or exchange of all or substantially all the property of the Corporation other than in the ordinary course of business of the Corporation; provided, however, that the holders of the Class B1 Fixed Value Special Shares (Non-Voting) shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation called for the purpose of changing the preference, rights, conditions, or limitations attaching to the Class B1 Fixed Value Special Shares (Non-Voting) or any other class of shares of the Corporation which would otherwise affect the preference, rights, conditions, or limitations attaching to the Class B1 Fixed Value Special Shares (Non-Voting), and at all such meetings shall be entitled to one (1) vote in respect of each Class B1 Fixed Value Special Share (Non-Voting) held by such holder.

(2) **Dividends:** The holders of Class B1 Fixed Value Special Shares (Non-Voting) shall be entitled to receive and the Corporation shall pay to them, as and when declared by the board of directors of the Corporation, such dividends as the board of directors of the Corporation may, in their complete and unfettered discretion, from time to time declare on the Class B1 Fixed Value Special Shares (Non-Voting) and, for greater certainty, subject to the provisos that follow in this paragraph, the board of directors of the Corporation may from time to time declare dividends to be payable on the Class B1 Fixed Value Special Shares (Non-Voting) to the exclusion of any other class of shares in the Corporation; provided that no dividend will be declared on the issued and outstanding Class B1 Fixed Value Special Shares (Non-Voting) if such dividend would result in the Corporation having insufficient net assets to redeem any other issued and outstanding "Fixed Value Special Shares" and/or "Subordinate Fixed Value Special Shares"; and provided further that, unless the shareholders of all of the issued and outstanding shares of the Corporation agree, in writing, to waive this restriction with respect to any given dividend, no dividend or dividends will be declared on the issued and outstanding Class B1 Fixed Value Special Shares (Non-Voting) in any given calendar year if the aggregate amount of the dividends declared on the Class B1 Fixed Value Special Shares (Non-Voting) for that calendar year exceed eight percent (8%) of the Class B1 Redemption Price (as defined below).

(3) **Participation upon Liquidation, Dissolution or Winding-Up:** In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Class B1 Fixed Value Special Shares (Non-Voting) shall be entitled to receive an amount equal to (but not greater than) the amount that would be required to redeem the Class B1 Fixed Value Special Shares (Non-Voting) then outstanding (herein referred to as the "Class B1 Dissolution Amount") pari passu with the holders of other "Fixed Value Special Shares", but before and in priority to any amount paid to the holders of any other class of shares in the capital of the Corporation.

(4) **Redemption:**

(a) **Right to Redeem:** Subject to applicable law, the Corporation may upon giving notice as hereinafter provided redeem the whole or any part of the then outstanding Class B1 Fixed Value Special Shares (Non-Voting) on payment for each share to be redeemed of an amount equal to (i) the aggregate of (A) an amount equal to all declared and unpaid dividends thereon, and (B) the fair market value (less liabilities assumed) of the consideration received by the Corporation as a result of the issuance of Class B1 Fixed Value Special Shares (Non-Voting), as of the date of such issue, all divided by (ii) the total number of Class B1 Fixed Value Special Shares (Non-Voting) so issued (the whole amount constituting and hereinafter being referred to as the "Class B1 Redemption Price"). The aggregate fair market value of the



consideration received by the Corporation as a result of the said issuance of Class B1 Fixed Value Special Shares (Non-Voting) shall be that determined by valuation in writing by the board of directors for the Corporation and such fair market value as so determined shall be final and binding provided that, if the Canada Revenue Agency (the "CRA") should determine that the aggregate fair market value of the consideration received be more or less than the aggregate fair market value established by the said directors, then that value which the CRA should maintain to be the proper aggregate fair market value of the consideration (or, in the event the board of directors objects to or appeals said valuation, that valuation determined on objection or appeal (whether by way of reassessment, settlement, effluxion of time, or otherwise)) shall be substituted for the purpose of determining the redemption amount, provided that where the board of directors by resolution determines that there is a valid objection to the said valuation of the CRA, the substitution of such valuation for the value established by the directors for the Corporation shall not be made until all objections or appeals relating to the valuation of the CRA have been finally determined by reassessment, settlement, effluxion of time or otherwise, unless before such time the board of directors of the Corporation by resolution accepts the said valuation of the CRA or another valuation accepted by the CRA. Where the valuation of the consideration received has been so substituted, any and all requisite steps to settle any resulting increase or decrease in the redemption amount shall be taken by the Corporation. Any adjustment in the aggregate redemption amount shall result in an adjustment to the redemption amount of each Class B1 Fixed Value Special Share (Non-Voting).

(b) Partial Redemption: If less than all the Class B1 Fixed Value Special Shares (Non-Voting) are at any time to be redeemed, the shares shall be redeemed on a pro rata basis, disregarding fractions, according to the number of Class B1 Fixed Value Special Shares (Non-Voting) held by each of the holders of Class B1 Fixed Value Special Shares (Non-Voting). If a part only of the Class B1 Fixed Value Special Shares (Non-Voting) represented by any certificate is to be redeemed, a new certificate representing the balance of such shares shall be issued to the holder thereof at the expense of the Corporation upon presentation and surrender of the first mentioned certificate.

(c) Method of Redemption: In any case of redemption of the Class B1 Fixed Value Special Shares (Non-Voting) pursuant hereto, the Corporation shall, not more than sixty days and not less than thirty days before the date specified for redemption, send by prepaid first class mail or deliver to each person who at a date not more than seven days prior to the date of mailing or delivery is a holder of the Class B1 Fixed Value Special Shares (Non-Voting) to be redeemed, a notice in writing of the intention of the Corporation to redeem the Class B1 Fixed Value Special Shares (Non-Voting) registered in the name of such holder. Accidental failure or omission to give such notice to one or more holders shall not affect the validity of such redemption, but upon such failure or omission being discovered notice shall be given forthwith to such holder or holders and such notice shall have the same force and effect as if given in due time. Such notice given pursuant to this Section shall set out the number of Class B1 Fixed Value Special Shares (Non-Voting) which are to be redeemed, the number of Class B1 Fixed Value Special Shares (Non-Voting) held by the person to whom it is addressed, the Class B1 Redemption Price, the date specified for redemption and the office or offices of the Corporation and any other place or places within Canada at which holders of the Class B1 Fixed Value Special Shares (Non-Voting) may present and surrender certificates representing such shares for redemption. On and after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the holders of the Class B1 Fixed Value Special Shares (Non-Voting) to be redeemed, the Class B1 Redemption Price of such shares on presentation and surrender at the office of the Corporation designated in the aforesaid notice of redemption and at any other place or places within Canada specified in such notice of redemption, of the certificate or certificates representing the Class B1 Fixed Value Special Shares (Non-Voting) called for redemption.

(d) Waiver of Notice: Such notice required to be given in this Section may be waived when and if the registered holders of Class B1 Fixed Value Special Shares (Non-Voting) to be redeemed signify their consent to such waiver and execute a waiver in favour of the Corporation relieving the Corporation from the obligation of giving notice to such registered holders.

(e) Method of Payment: Payment in respect of the Class B1 Fixed Value Special Shares (Non-Voting) being redeemed shall be made by cheque in the amount of the Class B1 Redemption Price payable to the holder thereof at any branch in Canada of any Canadian chartered bank in an amount equal to the Class B1 Redemption Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class B1 Redemption Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. From and after the date specified for redemption in any such notice of redemption, the Class B1 Fixed Value Special Shares (Non-Voting) called for redemption shall cease to be entitled to dividends or any other participation in the assets of the Corporation and the holders thereof shall not be entitled to exercise any of their other rights as shareholders in respect thereof unless payment of the Class B1 Redemption Price shall not be made upon presentation and surrender of the certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right, at any time after the mailing or delivery of notice of its intention to redeem Class B1 Fixed Value Special Shares (Non-Voting), to deposit the Class B1 Redemption Price of the Class B1 Fixed Value Special Shares (Non-Voting) so called for redemption, or of such of the Class B1 Fixed Value Special Shares (Non-Voting) which are represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account maintained by the Corporation with a branch of a Canadian chartered bank designated by the Corporation in the notice of redemption (the "Depository") to be paid without interest to or to the order of the respective holders of Class B1 Fixed Value Special Shares (Non-Voting) whose shares have been called for redemption, upon presentation and surrender to the Depository of the certificates representing such shares. Upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class B1 Fixed Value Special Shares (Non-Voting) in respect of which such deposit shall have been made shall be deemed to have been redeemed and the rights of the holders thereof shall be limited to receiving their proportion of the amount so deposited without interest, upon presentation and surrender to the Depository of the certificate or certificates representing the Class B1 Fixed Value Special Shares (Non-Voting) being redeemed. Any interest allowed on any such deposit shall belong to the Corporation. Notwithstanding the foregoing, the Class B1 Redemption Price, to the extent that it is represented by a cheque which has not been presented for payment or moneys on deposit with the Depository which have not been claimed by the sixth anniversary of the relevant redemption date, shall, subject to applicable legislation, be forfeited to the Corporation.

(5) Retraction:

(a) Right to Retract: Subject to applicable law, each holder of Class B1 Fixed Value Special Shares (Non-Voting) shall be entitled at any time and from time to time to require the Corporation to redeem all or any part of the Class B1 Fixed Value Special Shares (Non-Voting) registered in the name of such holder by payment for each share to be redeemed of an amount equal to (but not greater than) the amount that would be required to redeem the Class B1 Fixed Value Special Shares (Non-Voting) then outstanding (the whole amount constituting and hereinafter being referred to as the "Class B1 Retraction Price").

(b) **Method of Retraction:** Each holder of Class B1 Fixed Value Special Shares (Non-Voting) who elects to have the Corporation redeem all or any part of the Class B1 Fixed Value Special Shares (Non-Voting) registered in the name of that holder shall deposit at the registered office of the Corporation the certificate or certificates representing the Class B1 Fixed Value Special Shares (Non-Voting) which that holder desires to have redeemed by the Corporation. The holder of the Class B1 Fixed Value Special Shares (Non-Voting) shall, at the time of depositing such certificates, also file with the Corporation a notice of election to redeem which notice shall set out the number of Class B1 Fixed Value Special Shares (Non-Voting) which such holder desires to have redeemed, the Class B1 Retraction Price and the retraction date (which shall be not less than five business days and not more than thirty business days after the deposit of such certificate or certificates and filing of such notice of election). The Corporation shall, on the retraction date, redeem the Class B1 Fixed Value Special Shares (Non-Voting) with respect to which the holders of Class B1 Fixed Value Special Shares (Non-Voting) have signified their election as aforesaid by paying the Class B1 Retraction Price to the holder of Class B1 Fixed Value Special Shares (Non-Voting) entitled thereto.

(c) **Method of Payment:** Payment of the Class B1 Retraction Price made in accordance with the foregoing provisions shall be made by cheque in the amount of the Class B1 Retraction Price payable to or to the order of the holder of Class B1 Fixed Value Special Shares (Non-Voting) entitled thereto at par at any branch in Canada of a Canadian chartered bank in an amount equal to the Class B1 Retraction Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class B1 Retraction Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. The Class B1 Fixed Value Special Shares (Non-Voting) in respect of which payment is made in accordance with the foregoing provisions shall be deemed to have been redeemed on the date on which such payment is made and the holders thereof shall cease to be entitled to dividends or to exercise any of the rights of holders thereof from such date, unless payment of the Class B1 Retraction Price is not made as aforesaid in which event the rights of the holders of such Class B1 Fixed Value Special Shares (Non-Voting) shall remain unimpaired. Notwithstanding the foregoing, the Class B1 Retraction Price, to the extent that it is represented by a cheque which has not been presented for payment by the sixth anniversary of the relevant Retraction Date, shall, subject to applicable laws, be forfeited to the Corporation.

(6) **Purchase for Cancellation:**

(a) Subject to applicable law, the Corporation may at any time or times purchase (if obtainable by contractual right or otherwise) for cancellation all or any part of the Class B1 Fixed Value Special Shares (Non-Voting) outstanding from time to time on payment for each share to be purchased of an amount equal to (but not greater than) the amount that would be required to redeem the Class B1 Fixed Value Special Shares (Non-Voting) then outstanding; and, for greater certainty, the Corporation may from time to time purchase for cancellation all or any part of the Class B1 Fixed Value Special Shares (Non-Voting) outstanding to the exclusion of any other class of shares in the Corporation.

(b) If upon any invitation for tenders the Corporation shall receive tenders of Class B1 Fixed Value Special Shares (Non-Voting) in an aggregate number greater than the number for which the Corporation is prepared to accept, the Class B1 Fixed Value Special Shares (Non-Voting) so tendered shall be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Class B1 Fixed Value Special Shares (Non-Voting) so tendered by each of the holders of Class B1 Fixed Value Special Shares (Non-Voting) who submitted tenders.

(7) **One Issuance:** The Corporation is authorized to make only one issuance of Class B1 Fixed Value Special Shares (Non-Voting).

**Class B2, Class B3, Class B4, and Class B5 Fixed Value Special Shares (Non-Voting)**

The Class B2, Class B3, Class B4, and Class B5 Fixed Value Special Shares (Non-Voting) shall have the same share attributes as the Class B1 Fixed Value Special Shares (Non-Voting). The share attributes set out herein for the Class B1 Fixed Value Special Shares (Non-Voting) shall be the share attributes for each of the Class B2, Class B3, Class B4, and Class B5 Fixed Value Special Shares (Non-Voting), except that:

- (a) for the purposes of the Class B2 Fixed Value Special Shares (Non-Voting), reference therein to "Class B1", shall read "Class B2";
- (b) for the purposes of the Class B3 Fixed Value Special Shares (Non-Voting), reference therein to "Class B1", shall read "Class B3";
- (c) for the purposes of the Class B4 Fixed Value Special Shares (Non-Voting), reference therein to "Class B1", shall read "Class B4"; and
- (d) for the purposes of the Class B5 Fixed Value Special Shares (Non-Voting), reference therein to "Class B1", shall read "Class B5".

**Class C1 Fixed Value Special Shares (Voting)**

The rights, privileges, restrictions and conditions attaching to the Class C1 Fixed Value Special Shares (Voting) of the Corporation are as follows:

- (1) **Voting Rights:** Each holder of Class C1 Fixed Value Special Shares (Voting) shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation and at all such meetings shall be entitled to ONE (1) vote in respect of each Class C1 Fixed Value Special Share (Voting) held by such holder.
- (2) **Dividends:** The holders of Class C1 Fixed Value Special Shares (Voting) shall be entitled to receive and the Corporation shall pay to them, as and when declared by the board of directors of the Corporation, such dividends as the board of directors of the Corporation may, in their complete and unfettered discretion, from time to time declare on the Class C1 Fixed Value Special Shares (Voting) and, for greater certainty, subject to the provisos that follow in this paragraph, the board of directors of the Corporation may from time to time declare dividends to be payable on the Class C1 Fixed Value Special Shares (Voting) to the exclusion of any other class of shares in the Corporation; provided that no dividend will be declared on the issued and outstanding Class C1 Fixed Value Special Shares (Voting) if such dividend would result in the Corporation having insufficient net assets to redeem any other issued and outstanding "Fixed Value Special Shares" and/or "Subordinate Fixed Value Special Shares"; and provided further that, unless the shareholders of all of the issued and outstanding shares of the Corporation agree, in writing, to waive this restriction with respect to any given dividend, no dividend or dividends will be declared on the issued and outstanding Class C1 Fixed Value Special Shares (Voting) in any given calendar year if the aggregate amount of the dividends declared on the Class C1 Fixed Value Special Shares (Voting) for that calendar year exceed eight percent (8%) of the Class C1 Redemption Price (as defined below).
- (3) **Participation upon Liquidation, Dissolution or Winding-Up:** In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Class C1 Fixed Value Special Shares (Voting) shall be entitled to receive an amount equal to (but not greater than) the amount that would be required to redeem the Class C1 Fixed Value Special Shares (Voting) then outstanding pari

passu with the holders of other "Fixed Value Special Shares", but before and in priority to any amount paid to the holders of any other class of shares in the capital of the Corporation.

**(4) Redemption:**

**(a) Right to Redeem:** Subject to applicable law, the Corporation may upon giving notice as hereinafter provided redeem the whole or any part of the then outstanding Class C1 Fixed Value Special Shares (Voting) on payment for each share to be redeemed of an amount of one dollar (\$1.00) together with an amount equal to all declared and unpaid dividends thereon (the whole amount constituting and hereinafter being referred to as the "Class C1 Redemption Price").

**(b) Partial Redemption:** If less than all the Class C1 Fixed Value Special Shares (Voting) are at any time to be redeemed, the shares shall be redeemed on a pro rata basis, disregarding fractions, according to the number of Class C1 Fixed Value Special Shares (Voting) held by each of the holders of Class C1 Fixed Value Special Shares (Voting). If a part only of the Class C1 Fixed Value Special Shares (Voting) represented by any certificate is to be redeemed, a new certificate representing the balance of such shares shall be issued to the holder thereof at the expense of the Corporation upon presentation and surrender of the first mentioned certificate.

**(c) Method of Redemption:** In any case of redemption of the Class C1 Fixed Value Special Shares (Voting) pursuant hereto, the Corporation shall, not more than sixty days and not less than thirty days before the date specified for redemption, send by prepaid first class mail or deliver to each person who at a date not more than seven days prior to the date of mailing or delivery is a holder of the Class C1 Fixed Value Special Shares (Voting) to be redeemed, a notice in writing of the intention of the Corporation to redeem the Class C1 Fixed Value Special Shares (Voting) registered in the name of such holder. Accidental failure or omission to give such notice to one or more holders shall not affect the validity of such redemption, but upon such failure or omission being discovered notice shall be given forthwith to such holder or holders and such notice shall have the same force and effect as if given in due time. Such notice given pursuant to this Section shall set out the number of Class C1 Fixed Value Special Shares (Voting) which are to be redeemed, the number of Class C1 Fixed Value Special Shares (Voting) held by the person to whom it is addressed, the Class C1 Redemption Price, the date specified for redemption and the office or offices of the Corporation and any other place or places within Canada at which holders of the Class C1 Fixed Value Special Shares (Voting) may present and surrender certificates representing such shares for redemption. On and after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the holders of the Class C1 Fixed Value Special Shares (Voting) to be redeemed, the Class C1 Redemption Price of such shares on presentation and surrender at the office of the Corporation designated in the aforesaid notice of redemption and at any other place or places within Canada specified in such notice of redemption, of the certificate or certificates representing the Class C1 Fixed Value Special Shares (Voting) called for redemption.

**(d) Waiver of Notice:** Such notice required to be given in this Section may be waived when and if the registered holders of Class C1 Fixed Value Special Shares (Voting) to be redeemed signify their consent to such waiver and execute a waiver in favour of the Corporation relieving the Corporation from the obligation of giving notice to such registered holders.

**(e) Method of Payment:** Payment in respect of the Class C1 Fixed Value Special Shares (Voting) being redeemed shall be made by cheque in the amount of the Class C1 Redemption Price payable to the holder thereof at any branch in Canada of any Canadian chartered bank in an amount equal to the Class C1 Redemption Price. Such cheque shall satisfy and discharge all

liability of the Corporation for the Class C1 Redemption Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. From and after the date specified for redemption in any such notice of redemption, the Class C1 Fixed Value Special Shares (Voting) called for redemption shall cease to be entitled to dividends or any other participation in the assets of the Corporation and the holders thereof shall not be entitled to exercise any of their other rights as shareholders in respect thereof unless payment of the Class C1 Redemption Price shall not be made upon presentation and surrender of the certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right, at any time after the mailing or delivery of notice of its intention to redeem Class C1 Fixed Value Special Shares (Voting), to deposit the Class C1 Redemption Price of the Class C1 Fixed Value Special Shares (Voting) so called for redemption, or of such of the Class C1 Fixed Value Special Shares (Voting) which are represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account maintained by the Corporation with a branch of a Canadian chartered bank designated by the Corporation in the notice of redemption (the "Depository") to be paid without interest to or to the order of the respective holders of Class C1 Fixed Value Special Shares (Voting) whose shares have been called for redemption, upon presentation and surrender to the Depository of the certificates representing such shares. Upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class C1 Fixed Value Special Shares (Voting) in respect of which such deposit shall have been made shall be deemed to have been redeemed and the rights of the holders thereof shall be limited to receiving their proportion of the amount so deposited without interest, upon presentation and surrender to the Depository of the certificate or certificates representing the Class C1 Fixed Value Special Shares (Voting) being redeemed. Any interest allowed on any such deposit shall belong to the Corporation. Notwithstanding the foregoing, the Class C1 Redemption Price, to the extent that it is represented by a cheque which has not been presented for payment or moneys on deposit with the Depository which have not been claimed by the sixth anniversary of the relevant redemption date, shall, subject to applicable legislation, be forfeited to the Corporation.

(5) Retraction:

(a) Right to Retract: Subject to applicable law, each holder of Class C1 Fixed Value Special Shares (Voting) shall be entitled at any time and from time to time to require the Corporation to redeem all or any part of the Class C1 Fixed Value Special Shares (Voting) registered in the name of such holder by payment for each share to be redeemed of an amount of one dollar (\$1.00) together with an amount equal to all declared and unpaid dividends thereon calculated to but excluding the retraction date (the whole amount constituting and hereinafter being referred to as the "Class C1 Retraction Price").

(b) Method of Retraction: Each holder of Class C1 Fixed Value Special Shares (Voting) who elects to have the Corporation redeem all or any part of the Class C1 Fixed Value Special Shares (Voting) registered in the name of that holder shall deposit at the registered office of the Corporation the certificate or certificates representing the Class C1 Fixed Value Special Shares (Voting) which that holder desires to have redeemed by the Corporation. The holder of the Class C1 Fixed Value Special Shares (Voting) shall, at the time of depositing such certificates, also file with the Corporation a notice of election to redeem which notice shall set out the number of Class C1 Fixed Value Special Shares (Voting) which such holder desires to have redeemed, the Class C1 Retraction Price and the retraction date (which shall be not less than five business days and not more than thirty business days after the deposit of such certificate or certificates and filing of such notice of election). The Corporation shall, on the retraction date, redeem the Class C1 Fixed Value Special Shares (Voting) with respect to which the holders of Class C1 Fixed Value Special Shares have signified their election as aforesaid by paying the Class C1 Retraction Price to the holder of Class C1 Fixed Value

Special Shares (Voting) entitled thereto.

(c) **Method of Payment:** Payment of the Class C1 Retraction Price made in accordance with the foregoing provisions shall be made by cheque in the amount of the Class C1 Retraction Price payable to or to the order of the holder of Class C1 Fixed Value Special Shares (Voting) entitled thereto at par at any branch in Canada of a Canadian chartered bank in an amount equal to the Class C1 Retraction Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class C1 Retraction Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. The Class C1 Fixed Value Special Shares (Voting) in respect of which payment is made in accordance with the foregoing provisions shall be deemed to have been redeemed on the date on which such payment is made and the holders thereof shall cease to be entitled to dividends or to exercise any of the rights of holders thereof from such date, unless payment of the Class C1 Retraction Price is not made as aforesaid in which event the rights of the holders of such Class C1 Fixed Value Special Shares (Voting) shall remain unimpaired. Notwithstanding the foregoing, the Class C1 Retraction Price, to the extent that it is represented by a cheque which has not been presented for payment by the sixth anniversary of the relevant Retraction Date, shall, subject to applicable laws, be forfeited to the Corporation.

(6) **Purchase for Cancellation:**

(a) Subject to applicable law, the Corporation may at any time or times purchase (if obtainable by contractual right or otherwise) for cancellation all or any part of the Class C1 Fixed Value Special Shares (Voting) outstanding from time to time on payment for each share to be purchased of an amount of one dollar (\$1.00) together with an amount equal to all declared and unpaid dividends thereon; and, for greater certainty, the Corporation may from time to time purchase for cancellation all or any part of the Class C1 Fixed Value Special Shares (Voting) outstanding to the exclusion of any other class of shares in the Corporation.

(b) If upon any invitation for tenders the Corporation shall receive tenders of Class C1 Fixed Value Special Shares (Voting) in an aggregate number greater than the number for which the Corporation is prepared to accept, the Class C1 Fixed Value Special Shares (Voting) so tendered shall be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Class C1 Fixed Value Special Shares (Voting) so tendered by each of the holders of Class C1 Fixed Value Special Shares (Voting) who submitted tenders.

**Class C2, Class C3, Class C4, and Class C5 Fixed Value Special Shares (Voting)**

The Class C2, Class C3, Class C4, and Class C5 Fixed Value Special Shares (Voting) shall have the same share attributes as the Class C1 Fixed Value Special Shares (Voting). The share attributes set out herein for the Class C1 Fixed Value Special Shares (Voting) shall be the share attributes for each of the Class C2, Class C3, Class C4, and Class C5 Fixed Value Special Shares (Voting), except that:

(a) for the purposes of the Class C2 Fixed Value Special Shares (Voting), reference therein to "Class C1", shall read "Class C2";

(b) for the purposes of the Class C3 Fixed Value Special Shares (Voting), reference therein to "Class C1", shall read "Class C3";

(c) for the purposes of the Class C4 Fixed Value Special Shares (Voting), reference therein to "Class C1", shall read "Class C4"; and

(d) for the purposes of the Class C5 Fixed Value Special Shares (Voting), reference therein to "Class C1", shall read "Class C5".

**Class D1 Fixed Value Special Shares (Non-Voting)**

The rights, privileges, restrictions and conditions attaching to the Class D1 Fixed Value Special Shares (Non-Voting) of the Corporation are as follows:

(1) **Voting Rights:** Except as provided by law, and as hereinafter specifically provided, the holders of the Class D1 Fixed Value Special Shares (Non-Voting) shall not be entitled to receive notice of or to vote at any meetings of shareholders but shall be entitled to receive notice of any meeting of shareholders called for the purpose of authorizing the dissolution of the Corporation or the sale, lease or exchange of all or substantially all the property of the Corporation other than in the ordinary course of business of the Corporation; provided, however, that the holders of the Class D1 Fixed Value Special Shares (Non-Voting) shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation called for the purpose of changing the preference, rights, conditions, or limitations attaching to the Class D1 Fixed Value Special Shares (Non-Voting) or any other class of shares of the Corporation which would otherwise affect the preference, rights, conditions, or limitations attaching to the Class D1 Fixed Value Special Shares (Non-Voting), and at all such meetings shall be entitled to one (1) vote in respect of each Class D1 Fixed Value Special Share (Non-Voting) held by such holder.

(2) **Dividends:** The holders of Class D1 Fixed Value Special Shares (Non-Voting) shall be entitled to receive and the Corporation shall pay to them, as and when declared by the board of directors of the Corporation, such dividends as the board of directors of the Corporation may, in their complete and unfettered discretion, from time to time declare on the Class D1 Fixed Value Special Shares (Non-Voting) and, for greater certainty, subject to the provisos that follow in this paragraph, the board of directors of the Corporation may from time to time declare dividends to be payable on the Class D1 Fixed Value Special Shares (Non-Voting) to the exclusion of any other class of shares in the Corporation; provided that no dividend will be declared on the issued and outstanding Class D1 Fixed Value Special Shares (Non-Voting) if such dividend would result in the Corporation having insufficient net assets to redeem any other issued and outstanding "Fixed Value Special Shares" and/or "Subordinate Fixed Value Special Shares"; and provided further that, unless the shareholders of all of the issued and outstanding shares of the Corporation agree, in writing, to waive this restriction with respect to any given dividend, no dividend or dividends will be declared on the issued and outstanding Class D1 Fixed Value Special Shares (Non-Voting) in any given calendar year if the aggregate amount of the dividends declared on the Class D1 Fixed Value Special Shares (Non-Voting) for that calendar year exceed eight percent (8%) of the Class D1 Redemption Price (as defined below).

(3) **Participation upon Liquidation, Dissolution or Winding-Up:** In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Class D1 Fixed Value Special Shares (Non-Voting) shall be entitled to receive an amount equal to (but not greater than) the amount that would be required to redeem the Class D1 Fixed Value Special Shares (Non-Voting) then outstanding pari passu with the holders of other "Fixed Value Special Shares", but before and in priority to any amount paid to the holders of any other class of shares in the capital of the Corporation.

(4) **Redemption:**



(a) **Right to Redeem:** Subject to applicable law, the Corporation may upon giving notice as hereinafter provided redeem the whole or any part of the then outstanding Class D1 Fixed Value Special Shares (Non-Voting) on payment for each share to be redeemed of an amount of one dollar (\$1.00) together with an amount equal to all declared and unpaid dividends thereon (the whole amount constituting and hereinafter being referred to as the "Class D1 Redemption Price").

(b) **Partial Redemption:** If less than all the Class D1 Fixed Value Special Shares (Non-Voting) are at any time to be redeemed, the shares shall be redeemed on a pro rata basis, disregarding fractions, according to the number of Class D1 Fixed Value Special Shares (Non-Voting) held by each of the holders of Class D1 Fixed Value Special Shares (Non-Voting). If a part only of the Class D1 Fixed Value Special Shares (Non-Voting) represented by any certificate is to be redeemed, a new certificate representing the balance of such shares shall be issued to the holder thereof at the expense of the Corporation upon presentation and surrender of the first mentioned certificate.

(c) **Method of Redemption:** In any case of redemption of the Class D1 Fixed Value Special Shares (Non-Voting) pursuant hereto, the Corporation shall, not more than sixty days and not less than thirty days before the date specified for redemption, send by prepaid first class mail or deliver to each person who at a date not more than seven days prior to the date of mailing or delivery is a holder of the Class D1 Fixed Value Special Shares (Non-Voting) to be redeemed, a notice in writing of the intention of the Corporation to redeem the Class D1 Fixed Value Special Shares (Non-Voting) registered in the name of such holder. Accidental failure or omission to give such notice to one or more holders shall not affect the validity of such redemption, but upon such failure or omission being discovered notice shall be given forthwith to such holder or holders and such notice shall have the same force and effect as if given in due time. Such notice given pursuant to this Section shall set out the number of Class D1 Fixed Value Special Shares (Non-Voting) which are to be redeemed, the number of Class D1 Fixed Value Special Shares (Non-Voting) held by the person to whom it is addressed, the Class D1 Redemption Price, the date specified for redemption and the office or offices of the Corporation and any other place or places within Canada at which holders of the Class D1 Fixed Value Special Shares (Non-Voting) may present and surrender certificates representing such shares for redemption. On and after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the holders of the Class D1 Fixed Value Special Shares (Non-Voting) to be redeemed, the Class D1 Redemption Price of such shares on presentation and surrender at the office of the Corporation designated in the aforesaid notice of redemption and at any other place or places within Canada specified in such notice of redemption, of the certificate or certificates representing the Class D1 Fixed Value Special Shares (Non-Voting) called for redemption.

(d) **Waiver of Notice:** Such notice required to be given in this Section may be waived when and if the registered holders of Class D1 Fixed Value Special Shares (Non-Voting) to be redeemed signify their consent to such waiver and execute a waiver in favour of the Corporation relieving the Corporation from the obligation of giving notice to such registered holders.

(e) **Method of Payment:** Payment in respect of the Class D1 Fixed Value Special Shares (Non-Voting) being redeemed shall be made by cheque in the amount of the Class D1 Redemption Price payable to the holder thereof at any branch in Canada of any Canadian chartered bank in an amount equal to the Class D1 Redemption Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class D1 Redemption Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. From and after the date specified for redemption in any such notice of redemption, the Class D1 Fixed Value Special Shares (Non-Voting) called for redemption shall cease to be entitled

to dividends or any other participation in the assets of the Corporation and the holders thereof shall not be entitled to exercise any of their other rights as shareholders in respect thereof unless payment of the Class D1 Redemption Price shall not be made upon presentation and surrender of the certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right, at any time after the mailing or delivery of notice of its intention to redeem Class D1 Fixed Value Special Shares (Non-Voting), to deposit the Class D1 Redemption Price of the Class D1 Fixed Value Special Shares (Non-Voting) so called for redemption, or of such of the Class D1 Fixed Value Special Shares (Non-Voting) which are represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account maintained by the Corporation with a branch of a Canadian chartered bank designated by the Corporation in the notice of redemption (the "Depository") to be paid without interest to or to the order of the respective holders of Class D1 Fixed Value Special Shares (Non-Voting) whose shares have been called for redemption, upon presentation and surrender to the Depository of the certificates representing such shares. Upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class D1 Fixed Value Special Shares (Non-Voting) in respect of which such deposit shall have been made shall be deemed to have been redeemed and the rights of the holders thereof shall be limited to receiving their proportion of the amount so deposited without interest, upon presentation and surrender to the Depository of the certificate or certificates representing the Class D1 Fixed Value Special Shares (Non-Voting) being redeemed. Any interest allowed on any such deposit shall belong to the Corporation. Notwithstanding the foregoing, the Class D1 Redemption Price, to the extent that it is represented by a cheque which has not been presented for payment or moneys on deposit with the Depository which have not been claimed by the sixth anniversary of the relevant redemption date, shall, subject to applicable legislation, be forfeited to the Corporation.

(5) Retraction:

(a) Right to Retract: Subject to applicable law, each holder of Class D1 Fixed Value Special Shares (Non-Voting) shall be entitled at any time and from time to time to require the Corporation to redeem all or any part of the Class D1 Fixed Value Special Shares (Non-Voting) registered in the name of such holder by payment for each share to be redeemed of an amount of one dollar (\$1.00) together with an amount equal to all declared and unpaid dividends thereon calculated to but excluding the retraction date (the whole amount constituting and hereinafter being referred to as the "Class D1 Retraction Price").

(b) Method of Retraction: Each holder of Class D1 Fixed Value Special Shares (Non-Voting) who elects to have the Corporation redeem all or any part of the Class D1 Fixed Value Special Shares (Non-Voting) registered in the name of that holder shall deposit at the registered office of the Corporation the certificate or certificates representing the Class D1 Fixed Value Special Shares (Non-Voting) which that holder desires to have redeemed by the Corporation. The holder of the Class D1 Fixed Value Special Shares (Non-Voting) shall, at the time of depositing such certificates, also file with the Corporation a notice of election to redeem which notice shall set out the number of Class D1 Fixed Value Special Shares (Non-Voting) which such holder desires to have redeemed, the Class D1 Retraction Price and the retraction date (which shall be not less than five business days and not more than thirty business days after the deposit of such certificate or certificates and filing of such notice of election). The Corporation shall, on the retraction date, redeem the Class D1 Fixed Value Special Shares (Non-Voting) with respect to which the holders of Class D1 Fixed Value Special Shares (Non-Voting) have signified their election as aforesaid by paying the Class D1 Retraction Price to the holder of Class D1 Fixed Value Special Shares (Non-Voting) entitled thereto.

(c) Method of Payment: Payment of the Class D1 Retraction Price made in accordance with the foregoing provisions shall be made by cheque in the amount of the Class D1 Retraction Price payable to or to the order of the holder of Class D1 Fixed Value Special Shares (Non-Voting) entitled thereto at par at any branch in Canada of a Canadian chartered bank in an amount equal to the Class D1 Retraction Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class D1 Retraction Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. The Class D1 Fixed Value Special Shares (Non-Voting) in respect of which payment is made in accordance with the foregoing provisions shall be deemed to have been redeemed on the date on which such payment is made and the holders thereof shall cease to be entitled to dividends or to exercise any of the rights of holders thereof from such date, unless payment of the Class D1 Retraction Price is not made as aforesaid in which event the rights of the holders of such Class D1 Fixed Value Special Shares (Non-Voting) shall remain unimpaired. Notwithstanding the foregoing, the Class D1 Retraction Price, to the extent that it is represented by a cheque which has not been presented for payment by the sixth anniversary of the relevant Retraction Date, shall, subject to applicable laws, be forfeited to the Corporation.

(6) Purchase for Cancellation:

(a) Subject to applicable law, the Corporation may at any time or times purchase (if obtainable by contractual right or otherwise) for cancellation all or any part of the Class D1 Fixed Value Special Shares (Non-Voting) outstanding from time to time on payment for each share to be purchased of an amount of one dollar (\$1.00) together with an amount equal to all declared and unpaid dividends thereon; and, for greater certainty, the Corporation may from time to time purchase for cancellation all or any part of the Class D1 Fixed Value Special Shares (Non-Voting) outstanding to the exclusion of any other class of shares in the Corporation.

(b) If upon any invitation for tenders the Corporation shall receive tenders of Class D1 Fixed Value Special Shares (Non-Voting) in an aggregate number greater than the number for which the Corporation is prepared to accept, the Class D1 Fixed Value Special Shares (Non-Voting) so tendered shall be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Class D1 Fixed Value Special Shares (Non-Voting) so tendered by each of the holders of Class D1 Fixed Value Special Shares (Non-Voting) who submitted tenders.

**Class D2, Class D3, Class D4, and Class D5 Fixed Value Special Shares (Non-Voting)**

The Class D2, Class D3, Class D4, and Class D5 Fixed Value Special Shares (Non-Voting) shall have the same share attributes as the Class D1 Fixed Value Special Shares (Non-Voting). The share attributes set out herein for the Class D1 Fixed Value Special Shares (Non-Voting) shall be the share attributes for each of the Class D2, Class D3, Class D4, and Class D5 Fixed Value Special Shares (Non-Voting), except that:

(a) for the purposes of the Class D2 Fixed Value Special Shares (Non-Voting), reference therein to "Class D1", shall read "Class D2";

(b) for the purposes of the Class D3 Fixed Value Special Shares (Non-Voting), reference therein to "Class D1", shall read "Class D3";

(c) for the purposes of the Class D4 Fixed Value Special Shares (Non-Voting), reference therein to "Class D1", shall read "Class D4"; and

(d) for the purposes of the Class D5 Fixed Value Special Shares (Non-Voting), reference therein to "Class D1", shall read "Class D5".

**Class E1 Subordinate Fixed Value Special Shares (Voting)**

The rights, privileges, restrictions and conditions attaching to the Class E1 Subordinate Fixed Value Special Shares (Voting) of the Corporation are as follows:

- (1) **Voting Rights:** Each holder of Class E1 Subordinate Fixed Value Special Shares (Voting) shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation and at all such meetings shall be entitled to ONE (1) vote in respect of each Class E1 Subordinate Fixed Value Special Share (Voting) held by such holder.
- (2) **Dividends:** The holders of Class E1 Subordinate Fixed Value Special Shares (Voting) shall be entitled to receive and the Corporation shall pay to them, as and when declared by the board of directors of the Corporation, such dividends as the board of directors of the Corporation may, in their complete and unfettered discretion, from time to time declare on the Class E1 Subordinate Fixed Value Special Shares (Voting) and, for greater certainty, subject to the provisos that follow in this paragraph, the board of directors of the Corporation may from time to time declare dividends to be payable on the Class E1 Subordinate Fixed Value Special Shares (Voting) to the exclusion of any other class of shares in the Corporation; provided that no dividend will be declared on the issued and outstanding Class E1 Subordinate Fixed Value Special Shares (Voting) if such dividend would result in the Corporation having insufficient net assets to redeem any other issued and outstanding "Fixed Value Special Shares" and/or "Subordinate Fixed Value Special Shares"; and provided further that, unless the shareholders of all of the issued and outstanding shares of the Corporation agree, in writing, to waive this restriction with respect to any given dividend, no dividend or dividends will be declared on the issued and outstanding Class E1 Subordinate Fixed Value Special Shares (Voting) in any given calendar year if the aggregate amount of the dividends declared on the Class E1 Subordinate Fixed Value Special Shares (Voting) for that calendar year exceed eight percent (8%) of the Class E1 Redemption Price (as defined below).
- (3) **Participation upon Liquidation, Dissolution or Winding-Up:** In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Class E1 Subordinate Fixed Value Special Shares (Voting) shall be entitled to receive an amount equal to (but not greater than) the amount that would be required to redeem the Class E1 Subordinate Fixed Value Special Shares (Voting) then outstanding, subordinate to the "Fixed Value Special Shares", *pari passu* with the holders of other "Subordinate Fixed Value Special Shares", but before and in priority to any amount paid to the holders of any other class of shares in the capital of the Corporation.
- (4) **Redemption:**
  - (a) **Right to Redeem:** Subject to applicable law, the Corporation may upon giving notice as hereinafter provided redeem the whole or any part of the then outstanding Class E1 Subordinate Fixed Value Special Shares (Voting) on payment for each share to be redeemed of an amount equal to (i) the aggregate of (A) an amount equal to all declared and unpaid dividends thereon, and (B) the fair market value (less liabilities assumed) of the consideration received by the Corporation as a result of the issuance of Class E1 Subordinate Fixed Value Special Shares (Voting), as of the date of such issue, all divided by (ii) the total number of Class E1 Subordinate Fixed Value Special Shares (Voting) so issued (the whole amount constituting and hereinafter being referred to as the "Class E1 Redemption Price"). The aggregate fair market value of the consideration received by the Corporation as a result of the said issuance of Class E1 Subordinate Fixed Value Special Shares (Voting) shall be that determined by valuation in writing by the board of directors for the Corporation and such fair market value as so determined shall be final and binding provided that, if the Canada Revenue

Agency (the "CRA") should determine that the aggregate fair market value of the consideration received be more or less than the aggregate fair market value established by the said directors, then that value which the CRA should maintain to be the proper aggregate fair market value of the consideration (or, in the event the board of directors objects to or appeals said valuation, that valuation determined on objection or appeal (whether by way of reassessment, settlement, effluxion of time, or otherwise)) shall be substituted for the purpose of determining the redemption amount, provided that where the board of directors by resolution determines that there is a valid objection to the said valuation of the CRA, the substitution of such valuation for the value established by the directors for the Corporation shall not be made until all objections or appeals relating to the valuation of the CRA have been finally determined by reassessment, settlement, effluxion of time or otherwise, unless before such time the board of directors of the Corporation by resolution accepts the said valuation of the CRA or another valuation accepted by the CRA. Where the valuation of the consideration received has been so substituted, any and all requisite steps to settle any resulting increase or decrease in the redemption amount shall be taken by the Corporation. Any adjustment in the aggregate redemption amount shall result in an adjustment to the redemption amount of each Class E1 Subordinate Fixed Value Special Share (Voting).

(b) Partial Redemption: If less than all the Class E1 Subordinate Fixed Value Special Shares (Voting) are at any time to be redeemed, the shares shall be redeemed on a pro rata basis, disregarding fractions, according to the number of Class E1 Subordinate Fixed Value Special Shares (Voting) held by each of the holders of Class E1 Subordinate Fixed Value Special Shares (Voting). If a part only of the Class E1 Subordinate Fixed Value Special Shares (Voting) represented by any certificate is to be redeemed, a new certificate representing the balance of such shares shall be issued to the holder thereof at the expense of the Corporation upon presentation and surrender of the first mentioned certificate.

(c) Method of Redemption: In any case of redemption of the Class E1 Subordinate Fixed Value Special Shares (Voting) pursuant hereto, the Corporation shall, not more than sixty days and not less than thirty days before the date specified for redemption, send by prepaid first class mail or deliver to each person who at a date not more than seven days prior to the date of mailing or delivery is a holder of the Class E1 Subordinate Fixed Value Special Shares (Voting) to be redeemed, a notice in writing of the intention of the Corporation to redeem the Class E1 Subordinate Fixed Value Special Shares (Voting) registered in the name of such holder. Accidental failure or omission to give such notice to one or more holders shall not affect the validity of such redemption, but upon such failure or omission being discovered notice shall be given forthwith to such holder or holders and such notice shall have the same force and effect as if given in due time. Such notice given pursuant to this Section shall set out the number of Class E1 Subordinate Fixed Value Special Shares (Voting) which are to be redeemed, the number of Class E1 Subordinate Fixed Value Special Shares (Voting) held by the person to whom it is addressed, the Class E1 Redemption Price, the date specified for redemption and the office or offices of the Corporation and any other place or places within Canada at which holders of the Class E1 Subordinate Fixed Value Special Shares (Voting) may present and surrender certificates representing such shares for redemption. On and after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the holders of the Class E1 Subordinate Fixed Value Special Shares (Voting) to be redeemed, the Class E1 Redemption Price of such shares on presentation and surrender at the office of the Corporation designated in the aforesaid notice of redemption and at any other place or places within Canada specified in such notice of redemption, of the certificate or certificates representing the Class E1 Subordinate Fixed Value Special Shares (Voting) called for redemption.

(d) Waiver of Notice: Such notice required to be given in this Section may be waived when and if the registered holders of Class E1 Subordinate Fixed Value Special Shares (Voting) to be redeemed signify their consent to such waiver and execute a waiver in favour of the Corporation relieving the Corporation from the obligation of giving notice to such registered holders.

(e) Method of Payment: Payment in respect of the Class E1 Subordinate Fixed Value Special Shares (Voting) being redeemed shall be made by cheque in the amount of the Class E1 Redemption Price payable to the holder thereof at any branch in Canada of any Canadian chartered bank in an amount equal to the Class E1 Redemption Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class E1 Redemption Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. From and after the date specified for redemption in any such notice of redemption, the Class E1 Subordinate Fixed Value Special Shares (Voting) called for redemption shall cease to be entitled to dividends or any other participation in the assets of the Corporation and the holders thereof shall not be entitled to exercise any of their other rights as shareholders in respect thereof unless payment of the Class E1 Redemption Price shall not be made upon presentation and surrender of the certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right, at any time after the mailing or delivery of notice of its intention to redeem Class E1 Subordinate Fixed Value Special Shares (Voting), to deposit the Class E1 Redemption Price of the Class E1 Subordinate Fixed Value Special Shares (Voting) so called for redemption, or of such of the Class E1 Subordinate Fixed Value Special Shares (Voting) which are represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account maintained by the Corporation with a branch of a Canadian chartered bank designated by the Corporation in the notice of redemption (the "Depository") to be paid without interest to or to the order of the respective holders of Class E1 Subordinate Fixed Value Special Shares (Voting) whose shares have been called for redemption, upon presentation and surrender to the Depository of the certificates representing such shares. Upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class E1 Subordinate Fixed Value Special Shares (Voting) in respect of which such deposit shall have been made shall be deemed to have been redeemed and the rights of the holders thereof shall be limited to receiving their proportion of the amount so deposited without interest, upon presentation and surrender to the Depository of the certificate or certificates representing the Class E1 Subordinate Fixed Value Special Shares (Voting) being redeemed. Any interest allowed on any such deposit shall belong to the Corporation. Notwithstanding the foregoing, the Class E1 Redemption Price, to the extent that it is represented by a cheque which has not been presented for payment or moneys on deposit with the Depository which have not been claimed by the sixth anniversary of the relevant redemption date, shall, subject to applicable legislation, be forfeited to the Corporation.

(5) Retraction:

(a) Right to Retract: Subject to applicable law, each holder of Class E1 Subordinate Fixed Value Special Shares (Voting) shall be entitled at any time and from time to time to require the Corporation to redeem all or any part of the Class E1 Subordinate Fixed Value Special Shares (Voting) registered in the name of such holder by payment for each share to be redeemed of an amount equal to (but not greater than) the amount that would be required to redeem the Class E1 Subordinate Fixed Value Special Shares (Voting) then outstanding (the whole amount constituting and hereinafter being referred to as the "Class E1 Retraction Price").

(b) Method of Retraction: Each holder of Class E1 Subordinate Fixed Value Special Shares (Voting) who elects to have the Corporation redeem all or any part of the Class E1 Subordinate Fixed Value Special Shares (Voting) registered in the name of that holder shall deposit at the registered office of the Corporation the certificate or certificates representing the Class E1 Subordinate Fixed Value Special Shares (Voting) which that holder desires to have redeemed by the Corporation. The holder of the Class E1 Subordinate Fixed Value Special Shares (Voting) shall, at the time of depositing such certificates, also file with the Corporation a notice of election to redeem which notice shall set out the number of Class E1 Subordinate Fixed Value Special Shares (Voting) which such holder desires to have redeemed, the Class E1 Retraction Price and the retraction date (which shall be not less than five business days and not more than thirty business days after the deposit of such certificate or certificates and filing of such notice of election). The Corporation shall, on the retraction date, redeem the Class E1 Subordinate Fixed Value Special Shares (Voting) with respect to which the holders of Class E1 Subordinate Fixed Value Special Shares (Voting) have signified their election as aforesaid by paying the Class E1 Retraction Price to the holder of Class E1 Subordinate Fixed Value Special Shares (Voting) entitled thereto.

(c) Method of Payment: Payment of the Class E1 Retraction Price made in accordance with the foregoing provisions shall be made by cheque in the amount of the Class E1 Retraction Price payable to or to the order of the holder of Class E1 Subordinate Fixed Value Special Shares (Voting) entitled thereto at par at any branch in Canada of a Canadian chartered bank in an amount equal to the Class E1 Retraction Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class E1 Retraction Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. The Class E1 Subordinate Fixed Value Special Shares (Voting) in respect of which payment is made in accordance with the foregoing provisions shall be deemed to have been redeemed on the date on which such payment is made and the holders thereof shall cease to be entitled to dividends or to exercise any of the rights of holders thereof from such date, unless payment of the Class E1 Retraction Price is not made as aforesaid in which event the rights of the holders of such Class E1 Subordinate Fixed Value Special Shares (Voting) shall remain unimpaired. Notwithstanding the foregoing, the Class E1 Retraction Price, to the extent that it is represented by a cheque which has not been presented for payment by the sixth anniversary of the relevant Retraction Date, shall, subject to applicable laws, be forfeited to the Corporation.

(6) Purchase for Cancellation:

(a) Subject to applicable law, the Corporation may at any time or times purchase (if obtainable by contractual right or otherwise) for cancellation all or any part of the Class E1 Subordinate Fixed Value Special Shares (Voting) outstanding from time to time on payment for each share to be purchased of an amount equal to (but not greater than) the amount that would be required to redeem the Class E1 Subordinate Fixed Value Special Shares (Voting) then outstanding; and, for greater certainty, the Corporation may from time to time purchase for cancellation all or any part of the Class E1 Subordinate Fixed Value Special Shares (Voting) outstanding to the exclusion of any other class of shares in the Corporation.

(b) If upon any invitation for tenders the Corporation shall receive tenders of Class E1 Subordinate Fixed Value Special Shares (Voting) in an aggregate number greater than the number for which the Corporation is prepared to accept, the Class E1 Subordinate Fixed Value Special Shares (Voting) so tendered shall be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Class E1 Subordinate Fixed Value Special Shares (Voting) so tendered by each of the holders of Class E1 Subordinate Fixed Value Special Shares (Voting) who submitted tenders.

## (7) Other Restrictions:

Notwithstanding the foregoing, the Corporation shall not redeem, retract and/or purchase for cancellation any Class E1 Subordinate Fixed Value Special Shares (Voting) without the express consent of all shareholders of the Corporation holding any class of "Fixed Value Special Shares" of the Corporation.

(8) One Issuance: The Corporation is authorized to make only one issuance of Class E1 Subordinate Fixed Value Special Shares (Voting).

**Class E2, Class E3, Class E4, and Class E5 Subordinate Fixed Value Special Shares (Voting)**

The Class E2, Class E3, Class E4, and Class E5 Subordinate Fixed Value Special Shares (Voting) shall have the same share attributes as the Class E1 Subordinate Fixed Value Special Shares (Voting). The share attributes set out herein for the Class E1 Subordinate Fixed Value Special Shares (Voting) shall be the share attributes for each of the Class E2, Class E3, Class E4, and Class E5 Subordinate Fixed Value Special Shares (Voting), except that:

(a) for the purposes of the Class E2 Subordinate Fixed Value Special Shares (Voting), reference therein to "Class E1", shall read "Class E2";

(b) for the purposes of the Class E3 Subordinate Fixed Value Special Shares (Voting), reference therein to "Class E1", shall read "Class E3";

(c) for the purposes of the Class E4 Subordinate Fixed Value Special Shares (Voting), reference therein to "Class E1", shall read "Class E4"; and

(d) for the purposes of the Class E5 Subordinate Fixed Value Special Shares (Voting), reference therein to "Class E1", shall read "Class E5".

**Class F1 Subordinate Fixed Value Special Shares (Non-Voting)**

The rights, privileges, restrictions and conditions attaching to the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) of the Corporation are as follows:

(1) Voting Rights: Except as provided by law, and as hereinafter specifically provided, the holders of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) shall not be entitled to receive notice of or to vote at any meetings of shareholders but shall be entitled to receive notice of any meeting of shareholders called for the purpose of authorizing the dissolution of the Corporation or the sale, lease or exchange of all or substantially all the property of the Corporation other than in the ordinary course of business of the Corporation; provided, however, that the holders of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation called for the purpose of changing the preference, rights, conditions, or limitations attaching to the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) or any other class of shares of the Corporation which would otherwise affect the preference, rights, conditions, or limitations attaching to the Class F1 Subordinate Fixed Value Special Shares (Non-Voting), and at all such meetings shall be entitled to one (1) vote in respect of each Class F1 Subordinate Fixed Value Special Share (Non-Voting) held by such holder.

(2) Dividends: The holders of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) shall be entitled to receive and the Corporation shall pay to them, as and when declared by the board of directors of the Corporation, such dividends as the board of directors of the



Corporation may, in their complete and unfettered discretion, from time to time declare on the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) and, for greater certainty, subject to the provisos that follow in this paragraph, the board of directors of the Corporation may from time to time declare dividends to be payable on the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) to the exclusion of any other class of shares in the Corporation; provided that no dividend will be declared on the issued and outstanding Class F1 Subordinate Fixed Value Special Shares (Non-Voting) if such dividend would result in the Corporation having insufficient net assets to redeem any other issued and outstanding "Fixed Value Special Shares" and/or "Subordinate Fixed Value Special Shares"; and provided further that, unless the shareholders of all of the issued and outstanding shares of the Corporation agree, in writing, to waive this restriction with respect to any given dividend, no dividend or dividends will be declared on the issued and outstanding Class F1 Subordinate Fixed Value Special Shares (Non-Voting) in any given calendar year if the aggregate amount of the dividends declared on the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) for that calendar year exceed eight percent (8%) of the Class F1 Redemption Price (as defined below).

(3) Participation upon Liquidation, Dissolution or Winding-Up: In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) shall be entitled to receive an amount equal to (but not greater than) the amount that would be required to redeem the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) then outstanding, subordinate to the "Fixed Value Special Shares", *pari passu* with the holders of other "Subordinate Fixed Value Special Shares", but before and in priority to any amount paid to the holders of any other class of shares in the capital of the Corporation.

(4) Redemption:

(a) Right to Redeem: Subject to applicable law, the Corporation may upon giving notice as hereinafter provided redeem the whole or any part of the then outstanding Class F1 Subordinate Fixed Value Special Shares (Non-Voting) on payment for each share to be redeemed of an amount equal to (i) the aggregate of (A) an amount equal to all declared and unpaid dividends thereon, and (B) the fair market value (less liabilities assumed) of the consideration received by the Corporation as a result of the issuance of Class F1 Subordinate Fixed Value Special Shares (Non-Voting), as of the date of such issue, all divided by (ii) the total number of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) so issued (the whole amount constituting and hereinafter being referred to as the "Class F1 Redemption Price"). The aggregate fair market value of the consideration received by the Corporation as a result of the said issuance of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) shall be that determined by valuation in writing by the board of directors for the Corporation and such fair market value as so determined shall be final and binding provided that, if the Canada Revenue Agency (the "CRA") should determine that the aggregate fair market value of the consideration received be more or less than the aggregate fair market value established by the said directors, then that value which the CRA should maintain to be the proper aggregate fair market value of the consideration (or, in the event the board of directors objects to or appeals said valuation, that valuation determined on objection or appeal (whether by way of reassessment, settlement, effluxion of time, or otherwise)) shall be substituted for the purpose of determining the redemption amount, provided that where the board of directors by resolution determines that there is a valid objection to the said valuation of the CRA, the substitution of such valuation for the value established by the directors for the Corporation shall not be made until all objections or appeals relating to the valuation of the CRA have been finally determined by reassessment, settlement, effluxion of time or otherwise, unless before such time the board of directors of the Corporation by resolution accepts the said valuation of

the CRA or another valuation accepted by the CRA. Where the valuation of the consideration received has been so substituted, any and all requisite steps to settle any resulting increase or decrease in the redemption amount shall be taken by the Corporation. Any adjustment in the aggregate redemption amount shall result in an adjustment to the redemption amount of each Class F1 Subordinate Fixed Value Special Share (Non-Voting).

(b) Partial Redemption: If less than all the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) are at any time to be redeemed, the shares shall be redeemed on a pro rata basis, disregarding fractions, according to the number of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) held by each of the holders of Class F1 Subordinate Fixed Value Special Shares (Non-Voting). If a part only of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) represented by any certificate is to be redeemed, a new certificate representing the balance of such shares shall be issued to the holder thereof at the expense of the Corporation upon presentation and surrender of the first mentioned certificate.

(c) Method of Redemption: In any case of redemption of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) pursuant hereto, the Corporation shall, not more than sixty days and not less than thirty days before the date specified for redemption, send by prepaid first class mail or deliver to each person who at a date not more than seven days prior to the date of mailing or delivery is a holder of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) to be redeemed, a notice in writing of the intention of the Corporation to redeem the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) registered in the name of such holder. Accidental failure or omission to give such notice to one or more holders shall not affect the validity of such redemption, but upon such failure or omission being discovered notice shall be given forthwith to such holder or holders and such notice shall have the same force and effect as if given in due time. Such notice given pursuant to this Section shall set out the number of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) which are to be redeemed, the number of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) held by the person to whom it is addressed, the Class F1 Redemption Price, the date specified for redemption and the office or offices of the Corporation and any other place or places within Canada at which holders of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) may present and surrender certificates representing such shares for redemption. On and after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the holders of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) to be redeemed, the Class F1 Redemption Price of such shares on presentation and surrender at the office of the Corporation designated in the aforesaid notice of redemption and at any other place or places within Canada specified in such notice of redemption, of the certificate or certificates representing the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) called for redemption.

(d) Waiver of Notice: Such notice required to be given in this Section may be waived when and if the registered holders of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) to be redeemed signify their consent to such waiver and execute a waiver in favour of the Corporation relieving the Corporation from the obligation of giving notice to such registered holders.

(e) Method of Payment: Payment in respect of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) being redeemed shall be made by cheque in the amount of the Class F1 Redemption Price payable to the holder thereof at any branch in Canada of any Canadian chartered bank in an amount equal to the Class F1 Redemption Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class F1 Redemption Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. From and after the date specified for redemption in any such notice of redemption, the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) called for redemption shall cease to

be entitled to dividends or any other participation in the assets of the Corporation and the holders thereof shall not be entitled to exercise any of their other rights as shareholders in respect thereof unless payment of the Class F1 Redemption Price shall not be made upon presentation and surrender of the certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right, at any time after the mailing or delivery of notice of its intention to redeem Class F1 Subordinate Fixed Value Special Shares (Non-Voting), to deposit the Class F1 Redemption Price of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) so called for redemption, or of such of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) which are represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account maintained by the Corporation with a branch of a Canadian chartered bank designated by the Corporation in the notice of redemption (the "Depository") to be paid without interest to or to the order of the respective holders of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) whose shares have been called for redemption, upon presentation and surrender to the Depository of the certificates representing such shares. Upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) in respect of which such deposit shall have been made shall be deemed to have been redeemed and the rights of the holders thereof shall be limited to receiving their proportion of the amount so deposited without interest, upon presentation and surrender to the Depository of the certificate or certificates representing the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) being redeemed. Any interest allowed on any such deposit shall belong to the Corporation. Notwithstanding the foregoing, the Class F1 Redemption Price, to the extent that it is represented by a cheque which has not been presented for payment or moneys on deposit with the Depository which have not been claimed by the sixth anniversary of the relevant redemption date, shall, subject to applicable legislation, be forfeited to the Corporation.

(5) Retraction:

(a) Right to Retract: Subject to applicable law, each holder of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) shall be entitled at any time and from time to time to require the Corporation to redeem all or any part of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) registered in the name of such holder by payment for each share to be redeemed of an amount equal to (but not greater than) the amount that would be required to redeem the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) then outstanding (the whole amount constituting and hereinafter being referred to as the "Class F1 Retraction Price").

(b) Method of Retraction: Each holder of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) who elects to have the Corporation redeem all or any part of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) registered in the name of that holder shall deposit at the registered office of the Corporation the certificate or certificates representing the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) which that holder desires to have redeemed by the Corporation. The holder of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) shall, at the time of depositing such certificates, also file with the Corporation a notice of election to redeem which notice shall set out the number of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) which such holder desires to have redeemed, the Class F1 Retraction Price and the retraction date (which shall be not less than five business days and not more than thirty business days after the deposit of such certificate or certificates and filing of such notice of election). The Corporation shall, on the retraction date, redeem the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) with respect to which the holders of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) have signified their election as aforesaid by paying the Class F1 Retraction Price to

the holder of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) entitled thereto.

(c) Method of Payment: Payment of the Class F1 Retraction Price made in accordance with the foregoing provisions shall be made by cheque in the amount of the Class F1 Retraction Price payable to or to the order of the holder of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) entitled thereto at par at any branch in Canada of a Canadian chartered bank in an amount equal to the Class F1 Retraction Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class F1 Retraction Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. The Class F1 Subordinate Fixed Value Special Shares (Non-Voting) in respect of which payment is made in accordance with the foregoing provisions shall be deemed to have been redeemed on the date on which such payment is made and the holders thereof shall cease to be entitled to dividends or to exercise any of the rights of holders thereof from such date, unless payment of the Class F1 Retraction Price is not made as aforesaid in which event the rights of the holders of such Class F1 Subordinate Fixed Value Special Shares (Non-Voting) shall remain unimpaired. Notwithstanding the foregoing, the Class F1 Retraction Price, to the extent that it is represented by a cheque which has not been presented for payment by the sixth anniversary of the relevant Retraction Date, shall, subject to applicable laws, be forfeited to the Corporation.

(6) Purchase for Cancellation:

(a) Subject to applicable law, the Corporation may at any time or times purchase (if obtainable by contractual right or otherwise) for cancellation all or any part of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) outstanding from time to time on payment for each share to be purchased of an amount equal to (but not greater than) the amount that would be required to redeem the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) then outstanding; and, for greater certainty, the Corporation may from time to time purchase for cancellation all or any part of the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) outstanding to the exclusion of any other class of shares in the Corporation.

(b) If upon any invitation for tenders the Corporation shall receive tenders of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) in an aggregate number greater than the number for which the Corporation is prepared to accept, the Class F1 Subordinate Fixed Value Special Shares (Non-Voting) so tendered shall be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) so tendered by each of the holders of Class F1 Subordinate Fixed Value Special Shares (Non-Voting) who submitted tenders.

(7) Other Restrictions:

Notwithstanding the foregoing, the Corporation shall not redeem, retract and/or purchase for cancellation any Class F1 Subordinate Fixed Value Special Shares (Non-Voting) without the express consent of all shareholders of the Corporation holding any class of "Fixed Value Special Shares" of the Corporation.

(8) One Issuance: The Corporation is authorized to make only one issuance of Class F1 Subordinate Fixed Value Special Shares (Non-Voting).

**Class F2, Class F3, Class F4, and Class F5 Subordinate Fixed Value Special Shares (Non-Voting)**

The Class F2, Class F3, Class F4, and Class F5 Subordinate Fixed Value Special Shares (Non-Voting) shall have the same share attributes as the Class F1 Subordinate Fixed Value Special Shares (Non-Voting). The share attributes set out herein for the Class F1 Subordinate Fixed

Value Special Shares (Non-Voting) shall be the share attributes for each of the Class F2, Class F3, Class F4, and Class F5 Subordinate Fixed Value Special Shares (Non-Voting), except that:

- (a) for the purposes of the Class F2 Subordinate Fixed Value Special Shares (Non-Voting), reference therein to "Class F1", shall read "Class F2";
- (b) for the purposes of the Class F3 Subordinate Fixed Value Special Shares (Non-Voting), reference therein to "Class F1", shall read "Class F3";
- (c) for the purposes of the Class F4 Subordinate Fixed Value Special Shares (Non-Voting), reference therein to "Class F1", shall read "Class F4"; and
- (d) for the purposes of the Class F5 Subordinate Fixed Value Special Shares (Non-Voting), reference therein to "Class F1", shall read "Class F5".

**Class G1 Subordinate Fixed Value Special Shares (Voting)**

The rights, privileges, restrictions and conditions attaching to the Class G1 Subordinate Fixed Value Special Shares (Voting) of the Corporation are as follows:

- (1) **Voting Rights:** Each holder of Class G1 Subordinate Fixed Value Special Shares (Voting) shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation and at all such meetings shall be entitled to ONE (1) vote in respect of each Class G1 Subordinate Fixed Value Special Share (Voting) held by such holder.
- (2) **Dividends:** The holders of Class G1 Subordinate Fixed Value Special Shares (Voting) shall be entitled to receive and the Corporation shall pay to them, as and when declared by the board of directors of the Corporation, such dividends as the board of directors of the Corporation may, in their complete and unfettered discretion, from time to time declare on the Class G1 Subordinate Fixed Value Special Shares (Voting) and, for greater certainty, subject to the provisos that follow in this paragraph, the board of directors of the Corporation may from time to time declare dividends to be payable on the Class G1 Subordinate Fixed Value Special Shares (Voting) to the exclusion of any other class of shares in the Corporation; provided that no dividend will be declared on the issued and outstanding Class G1 Subordinate Fixed Value Special Shares (Voting) if such dividend would result in the Corporation having insufficient net assets to redeem any other issued and outstanding "Fixed Value Special Shares" and/or "Subordinate Fixed Value Special Shares"; and provided further that, unless the shareholders of all of the issued and outstanding shares of the Corporation agree, in writing, to waive this restriction with respect to any given dividend, no dividend or dividends will be declared on the issued and outstanding Class G1 Subordinate Fixed Value Special Shares (Voting) in any given calendar year if the aggregate amount of the dividends declared on the Class G1 Subordinate Fixed Value Special Shares (Voting) for that calendar year exceed eight percent (8%) of the Class G1 Redemption Price (as defined below).
- (3) **Participation upon Liquidation, Dissolution or Winding-Up:** In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Class G1 Subordinate Fixed Value Special Shares (Voting) shall be entitled to receive an amount equal to (but not greater than) the amount that would be required to redeem the Class G1 Subordinate Fixed Value Special Shares (Voting) then outstanding, subordinate to the "Fixed Value Special Shares", pari passu with the holders of other "Subordinate Fixed Value Special Shares", but before and in priority to any amount paid to the holders of any other class of shares in the capital of the Corporation.

(4) Redemption:

(a) Right to Redeem: Subject to applicable law, the Corporation may upon giving notice as hereinafter provided redeem the whole or any part of the then outstanding Class G1 Subordinate Fixed Value Special Shares (Voting) on payment for each share to be redeemed of an amount of one dollar (\$1.00) together with an amount equal to all declared and unpaid dividends thereon (the whole amount constituting and hereinafter being referred to as the "Class G1 Redemption Price").

(b) Partial Redemption: If less than all the Class G1 Subordinate Fixed Value Special Shares (Voting) are at any time to be redeemed, the shares shall be redeemed on a pro rata basis, disregarding fractions, according to the number of Class G1 Subordinate Fixed Value Special Shares (Voting) held by each of the holders of Class G1 Subordinate Fixed Value Special Shares (Voting). If a part only of the Class G1 Subordinate Fixed Value Special Shares (Voting) represented by any certificate is to be redeemed, a new certificate representing the balance of such shares shall be issued to the holder thereof at the expense of the Corporation upon presentation and surrender of the first mentioned certificate.

(c) Method of Redemption: In any case of redemption of the Class G1 Subordinate Fixed Value Special Shares (Voting) pursuant hereto, the Corporation shall, not more than sixty days and not less than thirty days before the date specified for redemption, send by prepaid first class mail or deliver to each person who at a date not more than seven days prior to the date of mailing or delivery is a holder of the Class G1 Subordinate Fixed Value Special Shares (Voting) to be redeemed, a notice in writing of the intention of the Corporation to redeem the Class G1 Subordinate Fixed Value Special Shares (Voting) registered in the name of such holder. Accidental failure or omission to give such notice to one or more holders shall not affect the validity of such redemption, but upon such failure or omission being discovered notice shall be given forthwith to such holder or holders and such notice shall have the same force and effect as if given in due time. Such notice given pursuant to this Section shall set out the number of Class G1 Subordinate Fixed Value Special Shares (Voting) which are to be redeemed, the number of Class G1 Subordinate Fixed Value Special Shares (Voting) held by the person to whom it is addressed, the Class G1 Redemption Price, the date specified for redemption and the office or offices of the Corporation and any other place or places within Canada at which holders of the Class G1 Subordinate Fixed Value Special Shares (Voting) may present and surrender certificates representing such shares for redemption. On and after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the holders of the Class G1 Subordinate Fixed Value Special Shares (Voting) to be redeemed, the Class G1 Redemption Price of such shares on presentation and surrender at the office of the Corporation designated in the aforesaid notice of redemption and at any other place or places within Canada specified in such notice of redemption, of the certificate or certificates representing the Class G1 Subordinate Fixed Value Special Shares (Voting) called for redemption.

(d) Waiver of Notice: Such notice required to be given in this Section may be waived when and if the registered holders of Class G1 Subordinate Fixed Value Special Shares (Voting) to be redeemed signify their consent to such waiver and execute a waiver in favour of the Corporation relieving the Corporation from the obligation of giving notice to such registered holders.

(e) Method of Payment: Payment in respect of the Class G1 Subordinate Fixed Value Special Shares (Voting) being redeemed shall be made by cheque in the amount of the Class G1 Redemption Price payable to the holder thereof at any branch in Canada of any Canadian chartered bank in an amount equal to the Class G1 Redemption Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class G1 Redemption Price, to the

extent of the amount represented thereby, unless such cheque is not paid on due presentation. From and after the date specified for redemption in any such notice of redemption, the Class G1 Subordinate Fixed Value Special Shares (Voting) called for redemption shall cease to be entitled to dividends or any other participation in the assets of the Corporation and the holders thereof shall not be entitled to exercise any of their other rights as shareholders in respect thereof unless payment of the Class G1 Redemption Price shall not be made upon presentation and surrender of the certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right, at any time after the mailing or delivery of notice of its intention to redeem Class G1 Subordinate Fixed Value Special Shares (Voting), to deposit the Class G1 Redemption Price of the Class G1 Subordinate Fixed Value Special Shares (Voting) so called for redemption, or of such of the Class G1 Subordinate Fixed Value Special Shares (Voting) which are represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account maintained by the Corporation with a branch of a Canadian chartered bank designated by the Corporation in the notice of redemption (the "Depository") to be paid without interest to or to the order of the respective holders of Class G1 Subordinate Fixed Value Special Shares (Voting) whose shares have been called for redemption, upon presentation and surrender to the Depository of the certificates representing such shares. Upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class G1 Subordinate Fixed Value Special Shares (Voting) in respect of which such deposit shall have been made shall be deemed to have been redeemed and the rights of the holders thereof shall be limited to receiving their proportion of the amount so deposited without interest, upon presentation and surrender to the Depository of the certificate or certificates representing the Class G1 Subordinate Fixed Value Special Shares (Voting) being redeemed. Any interest allowed on any such deposit shall belong to the Corporation. Notwithstanding the foregoing, the Class G1 Redemption Price, to the extent that it is represented by a cheque which has not been presented for payment or moneys on deposit with the Depository which have not been claimed by the sixth anniversary of the relevant redemption date, shall, subject to applicable legislation, be forfeited to the Corporation.

(5) Retraction:

(a) Right to Retract: Subject to applicable law, each holder of Class G1 Subordinate Fixed Value Special Shares (Voting) shall be entitled at any time and from time to time to require the Corporation to redeem all or any part of the Class G1 Subordinate Fixed Value Special Shares (Voting) registered in the name of such holder by payment for each share to be redeemed of an amount of one dollar (\$1.00) together with an amount equal to all declared and unpaid dividends thereon calculated to but excluding the retraction date (the whole amount constituting and hereinafter being referred to as the "Class G1 Retraction Price").

(b) Method of Retraction: Each holder of Class G1 Subordinate Fixed Value Special Shares (Voting) who elects to have the Corporation redeem all or any part of the Class G1 Subordinate Fixed Value Special Shares (Voting) registered in the name of that holder shall deposit at the registered office of the Corporation the certificate or certificates representing the Class G1 Subordinate Fixed Value Special Shares (Voting) which that holder desires to have redeemed by the Corporation. The holder of the Class G1 Subordinate Fixed Value Special Shares (Voting) shall, at the time of depositing such certificates, also file with the Corporation a notice of election to redeem which notice shall set out the number of Class G1 Subordinate Fixed Value Special Shares (Voting) which such holder desires to have redeemed, the Class G1 Retraction Price and the retraction date (which shall be not less than five business days and not more than thirty business days after the deposit of such certificate or certificates and filing of such notice of election). The Corporation shall, on the retraction date, redeem the Class G1 Subordinate Fixed Value Special Shares (Voting) with respect to which the holders of Class

G1 Subordinate Fixed Value Special Shares have signified their election as aforesaid by paying the Class G1 Retraction Price to the holder of Class G1 Subordinate Fixed Value Special Shares (Voting) entitled thereto.

(c) Method of Payment: Payment of the Class G1 Retraction Price made in accordance with the foregoing provisions shall be made by cheque in the amount of the Class G1 Retraction Price payable to or to the order of the holder of Class G1 Subordinate Fixed Value Special Shares (Voting) entitled thereto at par at any branch in Canada of a Canadian chartered bank in an amount equal to the Class G1 Retraction Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class G1 Retraction Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. The Class G1 Subordinate Fixed Value Special Shares (Voting) in respect of which payment is made in accordance with the foregoing provisions shall be deemed to have been redeemed on the date on which such payment is made and the holders thereof shall cease to be entitled to dividends or to exercise any of the rights of holders thereof from such date, unless payment of the Class G1 Retraction Price is not made as aforesaid in which event the rights of the holders of such Class G1 Subordinate Fixed Value Special Shares (Voting) shall remain unimpaired. Notwithstanding the foregoing, the Class G1 Retraction Price, to the extent that it is represented by a cheque which has not been presented for payment by the sixth anniversary of the relevant Retraction Date, shall, subject to applicable laws, be forfeited to the Corporation.

(6) Purchase for Cancellation:

(a) Subject to applicable law, the Corporation may at any time or times purchase (if obtainable by contractual right or otherwise) for cancellation all or any part of the Class G1 Subordinate Fixed Value Special Shares (Voting) outstanding from time to time on payment for each share to be purchased of an amount of one dollar (\$1.00) together with an amount equal to all declared and unpaid dividends thereon; and, for greater certainty, the Corporation may from time to time purchase for cancellation all or any part of the Class G1 Subordinate Fixed Value Special Shares (Voting) outstanding to the exclusion of any other class of shares in the Corporation.

(b) If upon any invitation for tenders the Corporation shall receive tenders of Class G1 Subordinate Fixed Value Special Shares (Voting) in an aggregate number greater than the number for which the Corporation is prepared to accept, the Class G1 Subordinate Fixed Value Special Shares (Voting) so tendered shall be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Class G1 Subordinate Fixed Value Special Shares (Voting) so tendered by each of the holders of Class G1 Subordinate Fixed Value Special Shares (Voting) who submitted tenders.

(7) Other Restrictions:

Notwithstanding the foregoing, the Corporation shall not redeem, retract and/or purchase for cancellation any Class G1 Subordinate Fixed Value Special Shares (Voting) without the express consent of all shareholders of the Corporation holding any class of "Fixed Value Special Shares" of the Corporation.

**Class G2, Class G3, Class G4, and Class G5 Subordinate Fixed Value Special Shares (Voting)**

The Class G2, Class G3, Class G4, and Class G5 Subordinate Fixed Value Special Shares (Voting) shall have the same share attributes as the Class G1 Subordinate Fixed Value Special Shares (Voting). The share attributes set out herein for the Class G1 Subordinate Fixed Value Special Shares (Voting) shall be the share attributes for each of the Class G2, Class G3, Class



G4, and Class G5 Subordinate Fixed Value Special Shares (Voting), except that:

- (a) for the purposes of the Class G2 Subordinate Fixed Value Special Shares (Voting), reference therein to "Class G1", shall read "Class G2";
- (b) for the purposes of the Class G3 Subordinate Fixed Value Special Shares (Voting), reference therein to "Class G1", shall read "Class G3";
- (c) for the purposes of the Class G4 Subordinate Fixed Value Special Shares (Voting), reference therein to "Class G1", shall read "Class G4"; and
- (d) for the purposes of the Class G5 Subordinate Fixed Value Special Shares (Voting), reference therein to "Class G1", shall read "Class G5".

**Class H1 Subordinate Fixed Value Special Shares (Non-Voting)**

The rights, privileges, restrictions and conditions attaching to the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) of the Corporation are as follows:

(1) **Voting Rights:** Except as provided by law, and as hereinafter specifically provided, the holders of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) shall not be entitled to receive notice of or to vote at any meetings of shareholders but shall be entitled to receive notice of any meeting of shareholders called for the purpose of authorizing the dissolution of the Corporation or the sale, lease or exchange of all or substantially all the property of the Corporation other than in the ordinary course of business of the Corporation; provided, however, that the holders of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation called for the purpose of changing the preference, rights, conditions, or limitations attaching to the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) or any other class of shares of the Corporation which would otherwise affect the preference, rights, conditions, or limitations attaching to the Class H1 Subordinate Fixed Value Special Shares (Non-Voting), and at all such meetings shall be entitled to one (1) vote in respect of each Class H1 Subordinate Fixed Value Special Share (Non-Voting) held by such holder.

(2) **Dividends:** The holders of Class H1 Subordinate Fixed Value Special Shares (Non-Voting) shall be entitled to receive and the Corporation shall pay to them, as and when declared by the board of directors of the Corporation, such dividends as the board of directors of the Corporation may, in their complete and unfettered discretion, from time to time declare on the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) and, for greater certainty, subject to the provisos that follow in this paragraph, the board of directors of the Corporation may from time to time declare dividends to be payable on the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) to the exclusion of any other class of shares in the Corporation; provided that no dividend will be declared on the issued and outstanding Class H1 Subordinate Fixed Value Special Shares (Non-Voting) if such dividend would result in the Corporation having insufficient net assets to redeem any other issued and outstanding "Fixed Value Special Shares" and/or "Subordinate Fixed Value Special Shares"; and provided further that, unless the shareholders of all of the issued and outstanding shares of the Corporation agree, in writing, to waive this restriction with respect to any given dividend, no dividend or dividends will be declared on the issued and outstanding Class H1 Subordinate Fixed Value Special Shares (Non-Voting) in any given calendar year if the aggregate amount of the dividends declared on the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) for that calendar year exceed eight percent (8%) of the Class H1 Redemption Price (as defined below).

(3) Participation upon Liquidation, Dissolution or Winding-Up: In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) shall be entitled to receive an amount equal to (but not greater than) the amount that would be required to redeem the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) then outstanding, subordinate to the "Fixed Value Special Shares", pari passu with the holders of other "Subordinate Fixed Value Special Shares", but before and in priority to any amount paid to the holders of any other class of shares in the capital of the Corporation.

(4) Redemption:

(a) Right to Redeem: Subject to applicable law, the Corporation may upon giving notice as hereinafter provided redeem the whole or any part of the then outstanding Class H1 Subordinate Fixed Value Special Shares (Non-Voting) on payment for each share to be redeemed of an amount of one dollar (\$1.00) together with an amount equal to all declared and unpaid dividends thereon (the whole amount constituting and hereinafter being referred to as the "Class H1 Redemption Price").

(b) Partial Redemption: If less than all the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) are at any time to be redeemed, the shares shall be redeemed on a pro rata basis, disregarding fractions, according to the number of Class H1 Subordinate Fixed Value Special Shares (Non-Voting) held by each of the holders of Class H1 Subordinate Fixed Value Special Shares (Non-Voting). If a part only of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) represented by any certificate is to be redeemed, a new certificate representing the balance of such shares shall be issued to the holder thereof at the expense of the Corporation upon presentation and surrender of the first mentioned certificate.

(c) Method of Redemption: In any case of redemption of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) pursuant hereto, the Corporation shall, not more than sixty days and not less than thirty days before the date specified for redemption, send by prepaid first class mail or deliver to each person who at a date not more than seven days prior to the date of mailing or delivery is a holder of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) to be redeemed, a notice in writing of the intention of the Corporation to redeem the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) registered in the name of such holder. Accidental failure or omission to give such notice to one or more holders shall not affect the validity of such redemption, but upon such failure or omission being discovered notice shall be given forthwith to such holder or holders and such notice shall have the same force and effect as if given in due time. Such notice given pursuant to this Section shall set out the number of Class H1 Subordinate Fixed Value Special Shares (Non-Voting) which are to be redeemed, the number of Class H1 Subordinate Fixed Value Special Shares (Non-Voting) held by the person to whom it is addressed, the Class H1 Redemption Price, the date specified for redemption and the office or offices of the Corporation and any other place or places within Canada at which holders of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) may present and surrender certificates representing such shares for redemption. On and after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the holders of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) to be redeemed, the Class H1 Redemption Price of such shares on presentation and surrender at the office of the Corporation designated in the aforesaid notice of redemption and at any other place or places within Canada specified in such notice of redemption, of the certificate or certificates representing the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) called for redemption.

(d) Waiver of Notice: Such notice required to be given in this Section may be waived when and if the registered holders of Class H1 Subordinate Fixed Value Special Shares (Non-Voting) to be redeemed signify their consent to such waiver and execute a waiver in favour of the Corporation relieving the Corporation from the obligation of giving notice to such registered holders.

(e) Method of Payment: Payment in respect of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) being redeemed shall be made by cheque in the amount of the Class H1 Redemption Price payable to the holder thereof at any branch in Canada of any Canadian chartered bank in an amount equal to the Class H1 Redemption Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class H1 Redemption Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. From and after the date specified for redemption in any such notice of redemption, the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) called for redemption shall cease to be entitled to dividends or any other participation in the assets of the Corporation and the holders thereof shall not be entitled to exercise any of their other rights as shareholders in respect thereof unless payment of the Class H1 Redemption Price shall not be made upon presentation and surrender of the certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right, at any time after the mailing or delivery of notice of its intention to redeem Class H1 Subordinate Fixed Value Special Shares (Non-Voting), to deposit the Class H1 Redemption Price of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) so called for redemption, or of such of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) which are represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account maintained by the Corporation with a branch of a Canadian chartered bank designated by the Corporation in the notice of redemption (the "Depository") to be paid without interest to or to the order of the respective holders of Class H1 Subordinate Fixed Value Special Shares (Non-Voting) whose shares have been called for redemption, upon presentation and surrender to the Depository of the certificates representing such shares. Upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) in respect of which such deposit shall have been made shall be deemed to have been redeemed and the rights of the holders thereof shall be limited to receiving their proportion of the amount so deposited without interest, upon presentation and surrender to the Depository of the certificate or certificates representing the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) being redeemed. Any interest allowed on any such deposit shall belong to the Corporation. Notwithstanding the foregoing, the Class H1 Redemption Price, to the extent that it is represented by a cheque which has not been presented for payment or moneys on deposit with the Depository which have not been claimed by the sixth anniversary of the relevant redemption date, shall, subject to applicable legislation, be forfeited to the Corporation.

(5) Retraction:

(a) Right to Retract: Subject to applicable law, each holder of Class H1 Subordinate Fixed Value Special Shares (Non-Voting) shall be entitled at any time and from time to time to require the Corporation to redeem all or any part of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) registered in the name of such holder by payment for each share to be redeemed of an amount of one dollar (\$1.00) together with an amount equal to all declared and unpaid dividends thereon calculated to but excluding the retraction date (the whole amount constituting and hereinafter being referred to as the "Class H1 Retraction Price").

(b) Method of Retraction: Each holder of Class H1 Subordinate Fixed Value Special Shares (Non-Voting) who elects to have the Corporation redeem all or any part of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) registered in the name of that holder shall deposit at the registered office of the Corporation the certificate or certificates representing the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) which that holder desires to have redeemed by the Corporation. The holder of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) shall, at the time of depositing such certificates, also file with the Corporation a notice of election to redeem which notice shall set out the number of Class H1 Subordinate Fixed Value Special Shares (Non-Voting) which such holder desires to have redeemed, the Class H1 Retraction Price and the retraction date (which shall be not less than five business days and not more than thirty business days after the deposit of such certificate or certificates and filing of such notice of election). The Corporation shall, on the retraction date, redeem the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) with respect to which the holders of Class H1 Subordinate Fixed Value Special Shares (Non-Voting) have signified their election as aforesaid by paying the Class H1 Retraction Price to the holder of Class H1 Subordinate Fixed Value Special Shares (Non-Voting) entitled thereto.

(c) Method of Payment: Payment of the Class H1 Retraction Price made in accordance with the foregoing provisions shall be made by cheque in the amount of the Class H1 Retraction Price payable to or to the order of the holder of Class H1 Subordinate Fixed Value Special Shares (Non-Voting) entitled thereto at par at any branch in Canada of a Canadian chartered bank in an amount equal to the Class H1 Retraction Price. Such cheque shall satisfy and discharge all liability of the Corporation for the Class H1 Retraction Price, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. The Class H1 Subordinate Fixed Value Special Shares (Non-Voting) in respect of which payment is made in accordance with the foregoing provisions shall be deemed to have been redeemed on the date on which such payment is made and the holders thereof shall cease to be entitled to dividends or to exercise any of the rights of holders thereof from such date, unless payment of the Class H1 Retraction Price is not made as aforesaid in which event the rights of the holders of such Class H1 Subordinate Fixed Value Special Shares (Non-Voting) shall remain unimpaired. Notwithstanding the foregoing, the Class H1 Retraction Price, to the extent that it is represented by a cheque which has not been presented for payment by the sixth anniversary of the relevant Retraction Date, shall, subject to applicable laws, be forfeited to the Corporation.

(6) Purchase for Cancellation:

(a) Subject to applicable law, the Corporation may at any time or times purchase (if obtainable by contractual right or otherwise) for cancellation all or any part of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) outstanding from time to time on payment for each share to be purchased of an amount of one dollar (\$1.00) together with an amount equal to all declared and unpaid dividends thereon; and, for greater certainty, the Corporation may from time to time purchase for cancellation all or any part of the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) outstanding to the exclusion of any other class of shares in the Corporation.

(b) If upon any invitation for tenders the Corporation shall receive tenders of Class H1 Subordinate Fixed Value Special Shares (Non-Voting) in an aggregate number greater than the number for which the Corporation is prepared to accept, the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) so tendered shall be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Class H1 Subordinate Fixed Value Special Shares (Non-Voting) so tendered by each of the holders of Class H1 Subordinate Fixed Value Special Shares (Non-Voting) who submitted tenders.

(7) Other Restrictions:

Notwithstanding the foregoing, the Corporation shall not redeem, retract and/or purchase for cancellation any Class H1 Subordinate Fixed Value Special Shares (Non-Voting) without the express consent of all shareholders of the Corporation holding any class of "Fixed Value Special Shares" of the Corporation.

**Class H2, Class H3, Class H4, and Class H5 Subordinate Fixed Value Special Shares (Non-Voting)**

The Class H2, Class H3, Class H4, and Class H5 Subordinate Fixed Value Special Shares (Non-Voting) shall have the same share attributes as the Class H1 Subordinate Fixed Value Special Shares (Non-Voting). The share attributes set out herein for the Class H1 Subordinate Fixed Value Special Shares (Non-Voting) shall be the share attributes for each of the Class H2, Class H3, Class H4, and Class H5 Subordinate Fixed Value Special Shares (Non-Voting), except that:

(a) for the purposes of the Class H2 Subordinate Fixed Value Special Shares (Non-Voting), reference therein to "Class H1", shall read "Class H2";

(b) for the purposes of the Class H3 Subordinate Fixed Value Special Shares (Non-Voting), reference therein to "Class H1", shall read "Class H3";

(c) for the purposes of the Class H4 Subordinate Fixed Value Special Shares (Non-Voting), reference therein to "Class H1", shall read "Class H4"; and

(d) for the purposes of the Class H5 Subordinate Fixed Value Special Shares (Non-Voting), reference therein to "Class H1", shall read "Class H5".

For greater certainty, reference herein to "Fixed Value Special Shares", without anything further, shall mean:

- (i) the Class A1, A2, A3, A4 and A5 Fixed Value Special Shares (Voting);
- (ii) the Class B1, B2, B3, B4 and B5 Fixed Value Special Shares (Non-Voting);
- (iii) the Class C1, C2, C3, C4 and C5 Fixed Value Special Shares (Voting); and
- (iv) the Class D1, D2, D3, D4 and D5 Fixed Value Special Shares (Non-Voting).

(D) After giving effect to the foregoing, the authorized capital of the Corporation will be:

- (i) an unlimited number of Class A, B, and C Common Shares;
- (ii) an unlimited number of Class X Voting Special Shares;
- (iii) an unlimited number of Class A1, A2, A3, A4 and A5 Fixed Value Special Shares (Voting);
- (iv) an unlimited number of Class B1, B2, B3, B4 and B5 Fixed Value Special Shares (Non-Voting);
- (v) an unlimited number of Class C1, C2, C3, C4, and C5 Fixed Value Special Shares (Voting);
- (vi) an unlimited number of Class D1, D2, D3, D4 and D5 Fixed Value Special Shares (Non-Voting);
- (vii) an unlimited number of Class E1, E2, E3, E4 and E5 Subordinate Fixed Value Special Shares (Voting);
- (viii) an unlimited number of Class F1, F2, F3, F4 and F5 Subordinate Fixed Value Special Shares (Non-Voting);

- (ix) an unlimited number of Class G1, G2, G3, G4 and G5 Subordinate Fixed Value Special Shares (Voting); and
- (x) an unlimited number of Class H1, H2, H3, H4 and H5 Subordinate Fixed Value Special Shares (Non-Voting).

6. The amendment has been duly authorized as required by sections 168 and 170 (as applicable) of the *Business Corporations Act*.

*La modification a été dûment autorisée conformément aux articles 168 et 170 (selon le cas) de la loi sur les sociétés par actions.*

7. The resolution authorizing the amendment was approved by the shareholders/directors (as applicable) of the corporation on

*Les actionnaires ou les administrateurs (selon le cas) de la société ont approuvé la résolution autorisant la modification le*

**2013/09/23**

(Year, Month, day)  
(année, mois, jour)

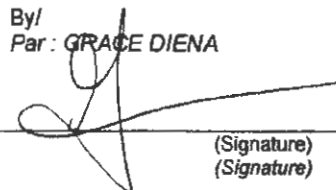
These articles are signed in duplicate.

*Les présents statuts sont signés en double exemplaire.*

**2345760 ONTARIO INC.**

(Print name of corporation from Article 1 on page 1)  
(Veuillez écrire le nom de la société de l'article un à la page une).

By/  
Par : GRACE DIENA



(Signature)  
(Signature)

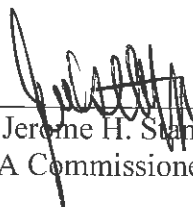
**PRESIDENT & SECRETARY**

(Description of Office)  
(Fonction)

This is Exhibit "D"

To the Affidavit of Daniel Diena

Affirmed this 16<sup>th</sup> day of October, 2020

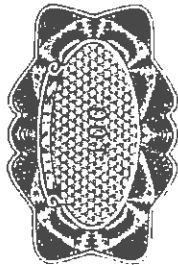
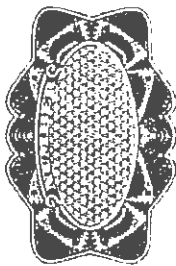
A handwritten signature in black ink, appearing to read "Jerome H. Stanleigh", is written over a horizontal line.

Jerome H. Stanleigh  
A Commissioner, etc



INCORPORATED UNDER THE LAW OF THE PROVINCE OF  
ONTARIO

# Common

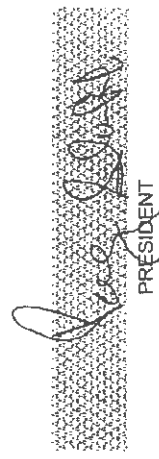


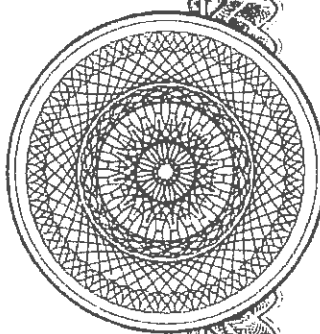
This is to Certify that 2345760 ONTARIO INC. is the owner  
of One Hundred (100) fully paid  
and non-assessable Common shares of RANDO DRUGS LTD.

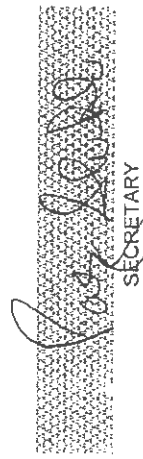
The shares represented by this Certificate have rights, privileges, restrictions or conditions attached thereto and the Corporation will furnish to a shareholder, on demand and without charge, a full copy of the text of such rights, privileges, restrictions or conditions attached to the share and to each class of shares authorized to be issued by the Corporation and the Authority of the Directors to fix the rights, privileges, restrictions and conditions of subsequent series, if applicable.

The shares represented by this certificate are subject to the restrictions on their transfer as prescribed by the Articles of the Corporation. A copy of the full text thereof is obtainable by a shareholder on demand and without charge from the Corporation.

IN WITNESS WHEREOF the Corporation has caused this Certificate to be signed by its duly authorized officers and to be sealed with the seal of the Corporation this 28th day of February, 2013.

  
PRESIDENT

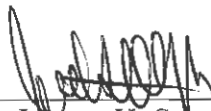


  
SECRETARY

This is Exhibit "E"

To the Affidavit of Daniel Diena

Affirmed this 16<sup>th</sup> day of October, 2020



---

Jerome H. Stanleigh  
A Commissioner, etc

|                    |                      |                           |     |
|--------------------|----------------------|---------------------------|-----|
| CERT. NO.          | COMA-2               | FROM WHOM TRANSFERRED     |     |
| FOR                | 100 SHARES           | TREASURY                  |     |
| ISSUED TO          |                      | Dated                     |     |
| GRACE FAMILY TRUST |                      | No. Original Cert.        |     |
|                    |                      | No. Original Shares       |     |
| DATED              | September 27th, 2013 | No. of Shares Transferred | 100 |

NO. COMA-2

INCORPORATED UNDER THE LAWS OF THE PROVINCE OF ONTARIO  
Subject to the Business Corporations Act (Ontario)

100 SHARES

**2345760 ONTARIO INC.**

This is to Certify that

is the registered holder of one hundred  
Class A Common Shares in the capital of  
**2345760 ONTARIO INC.**

The class or series of shares represented by this Certificate has rights, privileges, restrictions or conditions attached thereto and the Corporation will furnish to a shareholder, on demand and without charge, a full copy of the text of:

- (i) the rights, privileges, restrictions and conditions attached to the shares represented by this certificate and to each class authorized to be issued and to each series insofar as the same have been fixed by the directors; and
- (ii) the authority of the directors to fix the rights, privileges, restrictions and conditions of subsequent series, if applicable.

The Corporation has a lien on the shares represented by this Certificate for the indebtedness of the shareholder to the Corporation.  
The right of the shareholder to transfer the shares represented by this Certificate is subject to restrictions.

IN WITNESS WHEREOF the Corporation has caused this Certificate to be signed by its duly authorized officers.  
DATED this 27th day of September, 2013

President ( Grace Diena )

Secretary ( Grace Diena )

CERTIFICATE FOR  
one hundred  
Class A Common Shares of

**2345760 ONTARIO INC.**

Issued to: GRACE FAMILY TRUST  
Date: September 27th, 2013  
Certificate: COMA-2

\*\*\*\*\*

For Value I received, I hereby assign and transfer unto

\_\_\_\_\_ Class A Common Shares

represented by the within Certificate

DATED \_\_\_\_\_

In the presence of

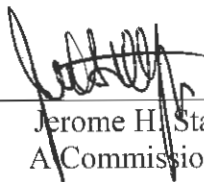
\_\_\_\_\_



This is Exhibit "F"

To the Affidavit of Daniel Diena

Affirmed this 16<sup>th</sup> day of October, 2020

A handwritten signature in black ink, appearing to read "Jerome H. Stanleigh", written over a horizontal line.

Jerome H. Stanleigh  
A Commissioner, etc

TELEPHONE (416) 512-7191  
FAX (416) 512-0264  
E - MAIL: blemer@steinmanlerner.com

**STEINMAN & LERNER**  
BARRISTERS & SOLICITORS  
52 FINCH AVENUE WEST  
NORTH YORK, ONTARIO, CANADA  
M2N 2H2

STAN STEINMAN  
BARRY J. LERNER

FILE NO. 12/13493

May 1, 2013

2275518 Ontario Inc.  
Abira Healthcare  
4256 Bathurst Street  
Suite 200  
Toronto, Ontario  
M3H 5Y8

**Attention: Dani Diena**

Dear Mr. Diena:

**Re: General Matters**

Further to our various emails, we confirm registration of a Financing Statement against Rando Drugs Ltd. in favour of 1135578 Ontario Inc. and enclose a copy of the same for your records.

We confirm that we do not have the minute book for 1135578 Ontario Inc. Please retain and insert the resolutions that we previously forwarded to you into the minute book, if you have it. We further confirm that you have the original General Security Agreement, as well.

Enclosed please find our statement of account for various services rendered as outlined therein, which we trust you find to be in order.

Yours very truly

**STEINMAN & LERNER**

per *BJL*  
Barry J. Lerner  
BJL\*fe  
Encl.

*for*

## GENERAL SECURITY AGREEMENT

To: **1135578 ONTARIO INC.** (hereinafter called the "Creditor")

From: **RANDO DRUGS LTD.** 6720 Hawthorne Dr., Windsor, Ontario N8T 1J9  
(hereinafter called the "Debtor")

## 1. DEFINITIONS

In this Agreement,

- (a) "Collateral" means all personal property of any nature whatsoever, both tangible and intangible including, among other things, Inventory, Equipment, Receivables, Accounting Books of Record, Chattel Paper, Goods, Documents of Title, Instruments, Intangibles, Money, Securities and any Accessions thereto now owned or hereafter acquired by or on behalf of the Debtor or in respect of which the Debtor now or hereafter has any right, title or interest, except Consumer Goods, and any reference to "Collateral" shall be deemed to be a reference to "Collateral or any part thereof" except where otherwise specifically provided;
- (b) "Obligations" means all of the obligations, liabilities and indebtedness of the Debtor to the Creditor from time to time, whether present or future, absolute or contingent, liquidated or unliquidated, of whatsoever nature or kind, in any currency or otherwise, including all Obligations, liabilities and indebtedness hereunder,
- (c) "PPSA" means the *Personal Property Security Act*, R.S.O. 1990 c. P.10, and any Act that may be substituted therefor, as from time to time amended;
- (d) "Proceeds" means identifiable or traceable personal property in any form derived directly or indirectly from any dealing with property or proceeds therefrom, and includes any payment representing indemnity or compensation for loss of or damage to the property or proceeds therefrom.
- (e) "Accessions", "Account", "Chattel Paper", "Document of Title", "Equipment", "Goods", "Instrument", "Intangible", "Inventory", "Securities", "Money" have the respective meanings given to them in the PPSA.

## 2. SECURITY INTEREST

As security for the payment, performance and satisfaction of the Obligations to the Creditor, the Debtor hereby grants to the Creditor by way of security interest, mortgage, pledge, charge, assignment and hypothec a continuing security interest of the Debtor in the Collateral (including all renewals, accretions and substitutions therefor) and all Proceeds of the foregoing.

## 3. REPRESENTATIONS AND WARRANTIES

The Debtor hereby represents and warrants to the Creditor that:

- (a) it has the power and capacity to own its properties and assets and to carry on its business as presently carried on by it;
- (b) it has taken all necessary corporate action to authorize the execution, delivery and performance of this Agreement;
- (c) except for the security interest granted hereby, the Debtor or any one or more of them is (and as to Collateral to be acquired after the date hereof, shall be) the owner of the Collateral free and clear of all liens, charges, claims, encumbrances, taxes or assessments.

## 4. COVENANTS

- (a) The Debtor will not sell, offer to sell, transfer, pledge or mortgage the Collateral, nor will the Debtor suffer to exist any other security interest in the Collateral in favour of any person other than the Creditor, without the prior written consent of the Creditor. All proceeds of sales shall be received as trustee for the Creditor and shall be forthwith be paid over to the Creditor.
- (b) The Debtor shall, during the currency of this Agreement, insure and keep insured the Collateral to its full insurable value for fire, theft and such other risks as the Creditor may reasonably require, and will, at the request of the Creditor, pay such further premium as is necessary to obtain an endorsement that the security interest of the Creditor will not be invalidated by any breach of statutory condition. The proceeds in any insurance held pursuant to this paragraph shall be payable to the Creditor and any proceeds of such insurance shall, at the option of the Creditor, be applied to the replacement of the Collateral or towards repayment of any indebtedness of the Debtor or any one or more of them to the Creditor. Should the Debtor neglect to maintain such insurance, the Creditor may insure, and any premiums paid by the Debtor together with interest thereon shall be payable by the Debtor to the Creditor upon demand. The Debtor will deposit a certified copy of such insurance with the Creditor on request, or obtain an insurance endorsement in favour of the Creditor.
- (c) The Debtor shall provide from time to time upon request from the Creditor, written information relating to the Collateral or any part thereof, and the Creditor shall be entitled from time to time to inspect the tangible Collateral including, without limitation, the books and records of the Debtor wherever located. For such purpose the Creditor shall be access to all places where the Collateral or any part thereof is located and to all premises occupied by the Debtor.

- (d) The Debtor shall carry on and conduct its business in a proper and efficient manner and so as to protect and preserve the Collateral and shall keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for its business and accurate and complete records concerning Collateral, and shall mark any and all such records and Collateral at the Creditor's request so as to indicate the existence of the security interest.
- (e) The Debtor shall pay all taxes, rates, levies, assessments and other charges of every kind which may be lawfully levied, assessed or imposed against or in respect of it or Collateral as and when the same become due and payable.
- (f) The Debtor shall notify the Creditor promptly of:
  - (i) any change in the information contained in this Agreement relating to it, its business or the Collateral;
  - (ii) the details of any significant acquisition of Collateral;
  - (iii) the details of any claims or litigation affecting it or the Collateral;
  - (iv) any loss of or damage to the Collateral.
- (g) The Debtor shall not change its name without giving prior written notice to the Creditor of the new name and the date upon which such change of name is to take effect
- (h) The Debtor shall do, execute, acknowledge and deliver such financing statements and further assignments, transfers, documents, acts, matters and things as may be reasonably requested by the Creditor or with respect to Collateral in order to give effect to this Agreement
- (i) The Debtor may at any time, without the consent of the Creditor:
  - (i) sell, assign, transfer, exchange, lease, consign or otherwise dispose of inventory in the ordinary course of its business;
  - (ii) sell or otherwise dispose of such part of its equipment which is no longer necessary or useful in connection with its business or which has become worn out or obsolete or unsuitable for the purpose for which it was intended; and
  - (iii) collect accounts in the ordinary course of its business.

#### 5. EVENTS OF DEFAULT

Any or all of the Obligations to the Creditor shall, at the option of the Creditor and notwithstanding any time or credit allowed by any instrument evidencing a liability, be immediately due and payable without notice or demand upon the occurrence of any of the following events (hereinafter referred to as "Events of Default"):

- (a) Default in the payment or performance when due or payable of all or any of the Obligations, or of any endorser, guarantor or surety for any liability of the Debtor or any one or more of them to the Creditor;
- (b) Default by the Debtor in the performance of any of its agreements in this Agreement;
- (c) Proof that any warranty, representation or statement made by the Debtor or furnished to the Creditor herein, or in the application for any loan, was false in any material respect when made or furnished;
- (d) Any loss, theft, damage or destruction of Collateral or of any part of it or the making of any levy, seizure or attachment thereto or the appointment of a receiver of any part thereof;
- (e) If the Creditor should at any time deem itself insecure, bearing in mind the extent of the Obligations secured hereby, the value of the Collateral and any other relevant considerations;
- (f) The death, dissolution, termination of existence, insolvency, business failure, or commencement of any proceedings under any law relating to bankruptcy, insolvency, reorganization or compromise of debts affecting the Debtor or any one or more of them.

#### 6. REMEDIES

Upon any Event of Default and at any time thereafter the Creditor, at its option, may declare that all indebtedness and Obligations secured by this agreement shall immediately become due and payable, and:

- (a) The Creditor shall then have all rights and remedies of a secured party under the PPSA.
- (b) The Creditor shall then be constituted to appoint in writing any person to be a receiver (which term shall include a receiver and manager) of the Collateral, including any rents and profits



thereof, and may remove any receiver and appoint another in his stead. Such receiver so appointed shall have power to take possession of the Collateral and to carry on or concur in carrying on the business of the Debtor, and to sell or concur in selling the Collateral or any part thereof. Any such receiver shall for all purposes be deemed to be the agent of the Debtor. The Creditor may from time to time fix the remuneration of such receiver. All moneys from time to time received by such a receiver shall be paid by him first in discharge of all rents, taxes, rates, insurance premiums and outgoings affecting the Collateral, secondly in payment of his remuneration as receiver, thirdly in keeping in good standing any liens and charges on the Collateral prior to the security constituted by this Agreement, and fourthly in or toward payment of such parts of the indebtedness and liability of the Debtor to the Creditor as to the Creditor seems best, and any residue of such moneys so received shall be paid to the Debtor. The Creditor in appointing or refraining from appointing such receiver shall not incur any liability to the receiver, the Debtor or otherwise.

- (c) The Creditor may then collect, realize, sell or otherwise deal with the Collateral or any part thereof in such manner, upon such terms and conditions at such time or times, and without notice to the Debtor, as may seem to it advisable. The Creditor shall not be liable or accountable for any failure to collect, realize, sell or obtain payment of the Collateral or any part thereof, and shall not be bound to institute proceedings for the purpose of collecting, realizing or obtaining payment of the same or for the purpose of preserving any rights of the Creditor, the Debtor or any other person, firm or corporation in respect of the same. All moneys collected or received by the Debtor in respect of the Collateral shall be received as trustee for the Creditor and shall be forthwith paid over to the Creditor. All moneys collected or received by the Debtor in respect of the Collateral may be applied on account of such parts of the indebtedness and liability of the Debtor as to the Creditor seems best or, in the discretion of the Creditor, may be released to the Debtor, all without prejudice to the liability of the Debtor or the Creditor's right to bold and realize this security.
- (d) The Debtor shall remain liable to the Creditor for any deficiency after the proceeds of any sale, lease or disposition of Collateral are received by the Creditor.
- (e) All rights, powers and remedies of the Creditor under this Agreement may be exercised separately or in combination and shall be in addition to, and not in substitution for, any other security now or hereafter held by the Creditor.

#### 7. CHARGES AND EXPENSES

The Creditor may charge on its own behalf and pay to others reasonable sums for expenses incurred and for services rendered (expressly including legal advice and services) in or in connection with realizing, disposing of, retaining or collecting the Collateral or any part thereof. Such sums shall be a first charge on the proceeds of realization, disposition or collection. The Creditor may at its option pay taxes, discharge any encumbrance or charge claimed (whether validly or not) against the Collateral and pay any amount which, in the Creditor's sole discretion, it may consider requisite to secure possession of the Collateral with or without litigation or compromise. The Creditor may settle any litigation in respect of the Collateral or the possession thereof, and may pay for insurance, repair and maintenance to the Collateral, and any sum so paid by the Creditor shall constitute indebtedness of the Debtor secured hereunder which the Debtor shall repay on demand.

#### 8. POSSESSION OF COLLATERAL

Until default, the Debtor may have possession of the Collateral and enjoy the same subject to the terms hereof. However, whether or not default has occurred, the Creditor may at any time request that debtors on any accounts receivable be notified of the Creditor's security interest. Until such notification is made, the Debtor shall continue to collect any accounts receivable but shall hold the proceeds received from collection in trust for the Creditor without commingling the same with other funds, and shall turn the same over to the Creditor immediately upon receipt in the identical form received.

#### 9. LOCATION OF COLLATERAL

The Collateral, insofar as it consists of tangible property, is now and will hereafter be kept at 6720 Hawthorne Road, Windsor, Ontario.

#### 10. GENERAL


- (a) This Agreement shall be a continuing agreement in every respect.
- (b) This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.
- (c) The Debtor may terminate this Agreement by delivering written notice to the Creditor at any time when the Debtor, or each of them, is not indebted or liable to the Creditor. No remedy for the enforcement of the rights of the Creditor hereunder shall be exclusive of or dependent on any other such remedy and any one or more of such remedies may from time to time be exercised independently or in combination. The security interest created or provided for by this Agreement is intended to attach when this Agreement is signed by the Debtor and delivered to

the Creditor. For greater certainty it is declared that any and all future loans, advances or other value which the Creditor may in its discretion make or extend to or for the account of the Debtor or of any one or more of them shall be secured by this Agreement. If more than one person executes this Agreement their Obligations hereunder shall be joint and several.

- (d) In construing the Agreement, the word "Debtor" and the personal pronouns as "he" or "his" and any verb relating thereto shall be read and construed as the number and gender of the parties signing this Agreement may require.
- (e) The Creditor may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Debtor, debtors of the Debtor, sureties and others, and with the Collateral and other securities, as the Creditor may see fit and without prejudice to the liability of the Debtor or the Creditor's right to hold and realize this security.

SIGNED, SEALED and DELIVERED this \_\_\_\_\_ day of April, 2013 at  
Toronto Ontario.

**RANDO DRUGS LTD.**

Per:   
\_\_\_\_\_  
Grace Diena, Secretary

Per:   
\_\_\_\_\_  
Dani Diena, President

**Financing Change Statement/Change Statement**  
**État de modification du financement/État de modification**

2013/04/16 106 02293  
 1862A20130416A

Registration No. (for office use only) / N° d'enregistrement (usage interne)

YYYY/AAAA MM/MM DD/JJ Time/Heure Branch/Bureau Sequence/Séquence



Form **3C** 10553(03/95)

01

Registered Under (office use only) / Enregistré aux termes de (usage interne) **PPSA**

31 Reference File Number / N° de dossier de référence **686095722** Renewal (B) OR Discharge (C) / Renouvellement (B) OU Mainlevée(C)  Enter Number of Additional Years if Renewal (see reverse) / Indiquer le nombre d'années supplémentaires s'il s'agit d'un renouvellement (voir au verso)

32 Individual Debtor (as recorded) / Débiteur particulier (tel qu'inscrit) First Given Name / Premier prénom Initial / Initiale Surname / Nom de famille

33 Business Debtor (as recorded) / Débiteur commercial (tel qu'inscrit) **RANDO DRUGS LTD** Ontario Corporation No. / N° matricule de la personne morale en Ontario **000065016**

09/16 Secured Party/Lien Claimant/ Registering Agent / Créancier garanti/ Créancier privilégié/ Agent d'enregistrement

09/17 Address/Adresse City, etc / Ville, etc. Prov./Prov. Postal Code / Code postal

**STEINMAN & LERNER, BARRISTERS & SOLICITORS**  
**52 FINCH AVENUE WEST**  
**TORONTO ON M2N 2H2**

**Authorized Signature / Signature autorisée**  
 Name and Signature of Secured Party/Lien Claimant OR Name of Secured Party/Lien Claimant AND Name and Signature of Agent of Secured Party/Lien Claimant. / Nom et signature du créancier garanti/créancier privilégié OU Nom du créancier garanti/créancier privilégié ET nom et signature de l'agent du créancier garanti/créancier privilégié.

This form must not be reproduced for registration purposes. / Cette formule ne doit pas être reproduite aux fins d'enregistrement.

(Cut along dotted line / Détachez à la ligne pointillée)

This is not a Certificate issued under the PPSA. It is provided as a courtesy to assist you! / Le présent n'est pas un certificat délivré en vertu de PPSA. Il est délivré à titre gracieux pour vous aider.

**Verification Statement / État de vérification**

| Form Type / Type de formule | Page / Page | Line / Ligne | *The expiry date calculated by the system may exceed the date on which the registration ceases to be effective<br>* La date d'expiration établie en vertu du système peut être postérieure à la date à laquelle l'enregistrement cesse d'être en vigueur. | Page / Page | OF / DE | Total Pages / Nombre de pages | *Expiry Date / *Date d'expiration<br>YYYY/AAAA MM/MM DD/JJ |
|-----------------------------|-------------|--------------|---|-------------|---------|-------------------------------|--|
|                             |             |              |   | 1           |         | 1                             | 2018/04/16   |

|    |   |    |   |  |  |  |           |
|----|---|----|---|--|--|--|-----------|
| 1C | 1 | 00 | 686095722   |  |  |  |           |
| 1C | 1 | 01 | CAUTION FILING/AVERTIS: PAGE: 1 OF/DE: 1 MV SCHEDULE            |  |  |  |           |
| 1C | 1 | 01 | ATTACHED/LISTE VA: REG NUM/NO ENREGIST: 20130416 1028 1862 3285 |  |  |  |           |
| 1C | 1 | 01 | REG UNDER/T. ENREG: P REG PERIOD/PERIODE: 5                     |  |  |  |           |
| 1C | 1 | 03 | RANDO DRUGS LTD   |  |  |  | 000065016 |
| 1C | 1 | 04 | 6270 HAWTHORNE ROAD   |  |  |  |           |
| 1C | 1 | 04 | WINDSOR ON N8T 1J9  |  |  |  |           |
| 1C | 1 | 08 | 1135578 ONTARIO INC.  |  |  |  |           |
| 1C | 1 | 09 | 4256 BATHURST STREET, SUITE 200                                 |  |  |  |           |
| 1C | 1 | 09 | TORONTO ON M3H 5Y8  |  |  |  |           |
| 1C | 1 | 10 | CONS GOODS/BIENS CONS: INVTRY/STOCK: X EQUIP/MATER: X           |  |  |  |           |
| 1C | 1 | 10 | ACCTS/COMPT: X OTHER/AUTRE: X MV INCL/VA INCLUS:                |  |  |  |           |
| 1C | 1 | 10 | AMOUNT/MONTANT: 500000 DATE OF MATURITY/DATE ECHEANCE:          |  |  |  |           |
| 1C | 1 | 10 | NO FIXED MAT DATE/D ECHE PAS DET: X                             |  |  |  |           |
| 1C | 1 | 13 | GENERAL SECURITY AGREEMENT                                      |  |  |  |           |
| 1C | 1 | 16 | STEINMAN & LERNER, BARRISTERS & SOLICITORS                      |  |  |  |           |
| 1C | 1 | 17 | 52 FINCH AVENUE WEST  |  |  |  |           |
| 1C | 1 | 17 | TORONTO ON M2N 2H2  |  |  |  |           |

\*\*\* VERIFY IMMEDIATELY UPON RECEIPT / VERIFIEZ IMMEDIATEMENT VOTRE AVIS \*\*\*

| Principal           | interest           | Principal              | Interest             |
|---------------------|--------------------|------------------------|----------------------|
| \$ 45,000.00        | \$ 2,025.00        |                        |                      |
| \$ 165,450.00       | \$ 7,445.25        |                        |                      |
| <u>\$ 28,250.00</u> | <u>\$ 1,271.25</u> |                        |                      |
| \$ 238,700.00       | \$ 10,741.50       | \$ 249,441.50          | \$ 89,798.94         |
|                     |                    |                        |                      |
| \$ 210,000.00       | \$ 13,392.00       | \$ 310,992.00          | \$ 74,638.08         |
| \$ 65,000.00        |                    |                        |                      |
| <u>\$ 22,600.00</u> |                    |                        |                      |
| \$ 297,600.00       |                    |                        |                      |
|                     |                    |                        |                      |
| \$ -                | \$ -               | \$ 632,866.48          | \$ 113,915.97        |
| \$ 134,675.00       | \$ 5,387.00        |                        |                      |
| \$ 22,600.00        | \$ 904.00          |                        |                      |
| \$ 300,000.00       | \$ 4,500.00        |                        |                      |
| \$ 139,765.00       | \$ 2,096.48        |                        |                      |
| <u>\$ 22,600.00</u> | <u>\$ 339.00</u>   |                        |                      |
| \$ 619,640.00       | \$ 13,226.48       | <u>\$ 1,193,299.98</u> | <u>\$ 278,352.99</u> |
|                     |                    |                        |                      |
| totald owed         | \$ 1,471,652.96    |                        |                      |

## **SCHEDULE "A"**

Schedule "A"



ECN FINANCIAL INC.

and

2345760 ONTARIO INC. et al.

95

**Plaintiff**

**Defendants**

Court File No CV-19-632106-00CL

---

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

---

**AFFIDAVIT**

---

**Jerome H. Stanleigh**

Barrister and Solicitor

5255 Yonge Street, Ste. 800

Toronto, ON

M2N 6P4

Tel: 416-924-0151

Fax: 416-924-2887

LSUC 27116F

Solicitor for the Defendants

**ECN FINANCIAL INC.**

and

**2345760 ONTARIO INC. et al.**

**Plaintiff**

**Defendants**

Court File No CV-19-632106-00CL

---

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

---

**RESPONDING MOTION RECORD**

---

**Jerome H. Stanleigh**  
Barrister and Solicitor  
5255 Yonge Street, Ste. 800  
Toronto, ON  
M2N 6P4

Tel: 416-924-0151  
Fax: 416-924-2887  
LSUC 27116F

Solicitor for the Defendants