

Form PTO-1594
(Rev. 03/01)
OMB No. 0651-0027 (exp. 5/31/2002)

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

UDV Canada Inc.

- Individual(s)
- General Partnership
- Corporation-State
- Other Canada
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other Amalgamation
- Merger
- Change of Name

Execution Date: 06/27/2001

2. Name and address of receiving party(ies)

Name: Guinness UDV Canada Inc.

Internal Address: Suite 800

Street Address: 401 The West Mall

City: Etobicoke State: ON Zip: CANADA

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State CANADA
- Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No. (s) _____

B. Trademark Registration No. (s) 653,883

and 847,985

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Cindy D. Carey

Internal Address: _____

Diageo North America, Inc.

Street Address: Six Landmark Square

City: Stamford State: CT Zip: 06912

6. Total number of applications and registrations involved: 2

7. Total fee (37 CFR 3.41).....\$ 65

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

083120

DO NOT USE THIS SPACE

9. Signature.

Cindy D. Carey
Name of Person Signing

Cindy D. Carey
Signature

Feb 5, 2002
Date

Total number of pages including cover sheet, attachments, and document: 17

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231



Industry Canada Industrie Canada
Canada Business Loi canadienne sur
Corporations Act les sociétés par actions

I HEREBY CERTIFY THAT THE
ATTACHED IS A TRUE COPY OF THE
DOCUMENT MAINTAINED IN THE
RECORDS OF THE DIRECTOR.

JE CERTIFIE, PAR LES PRÉSENTES, QUE LE
DOCUMENT CI-JOINT EST UNE COPIE
EXACTE D'UN DOCUMENT CONTENU
DANS LES LIVRES TENUS PAR LE
DIRECTEUR.



Deputy Director - Directeur adjoint

Date



Canada



Industry Canada

Industrie Canada

**Certificate
of Amalgamation**

**Certificat
de fusion**

**Canada Business
Corporations Act**

**Loi canadienne sur
les sociétés par actions**

Guinness UDV Canada Inc.

391579-4

Name of corporation-Dénomination de la société

Corporation number-Numéro de la société

I hereby certify that the above-named corporation resulted from an amalgamation, under section 185 of the *Canada Business Corporations Act*, of the corporations set out in the attached articles of amalgamation.

Je certifie que la société susmentionnée est issue d'une fusion, en vertu de l'article 185 de la *Loi canadienne sur les sociétés par actions*, des sociétés dont les dénominations apparaissent dans les statuts de fusion ci-joints.

Director - Directeur

July 1, 2001 / le 1 juillet 2001

Date of Amalgamation - Date de fusion

Canada

Industry Canada

Industrie Canada

Canada Business

Loi canadienne sur les sociétés par actions

**FORM 9
ARTICLES OF AMALGAMATION
(SECTION 185)**

**FORMULE 9
STATUTS DE FUSION
(ARTICLE 185)**

1 - Name of amalgamated corporation / Dénomination de la société issue de la
Guinness UDV Canada Inc.

2 - The place in Canada where the registered office is to be situated / Lieu au Canada où doit être situé le siège social
City of Toronto, Province of Ontario

3 - The classes and any maximum number of shares that the corporation is authorized to issue / Catégories et tout nombre maximal d'actions que la société est autorisée à émettre
An unlimited number of common shares, 1,000 Class A shares, 1,000 Class B shares and an unlimited number of Class C shares, the rights, privileges, restrictions and conditions of which are set out in Schedule 1 which is incorporated in this form.

4 - Restrictions, if any, on share transfers / Restrictions sur le transfert des actions, s'il y a lieu
No share in the capital of the Corporation shall be transferred without the consent of the directors expressed by the votes of a majority of the directors at a meeting of the directors or by an instrument or instruments in writing signed by a majority of the directors.

5 - Number (or minimum and maximum number) of directors / Nombre (ou nombre minimal et maximal) d'administrateurs
A minimum of 3 and a maximum of 15.

6 - Restrictions, if any, on business the corporation may carry on / Limites imposées à l'activité commerciale de la société, s'il y a lieu
There are no restrictions.

7 - Other provisions, if any / Autres dispositions, s'il y a lieu
The annexed Schedule 2 is incorporated in this form.

8 - The amalgamation has been approved pursuant to that section or subsection of the Act which is indicated as follows: / 8 - La fusion a été approuvée en accord avec l'article ou le paragraphe de la Loi indiqué ci-après
 183
 184(1)
 184(2)

9 - Name of the amalgamating corporations / Dénomination des sociétés fusionnantes	Corporation No. / N° de la société	Signature	Date	Title / Titre
UDV Canada Inc.	329994-5	<i>[Signature]</i>	21/06/01	PRESIDENT
GUINNESS IMPORT COMPANY (CANADA) LIMITED IMPORTATIONS GUINNESS (CANADA) LIMITÉE	391578-6	<i>[Signature]</i>	21/06/01	VICE PRESIDENT

FOR DEPARTMENTAL USE ONLY - À L'USAGE DU MINISTÈRE SEULEMENT
Corporation No. - N° de la société

391579-4

Filed - Déposé

JUN 25 2001

SCHEDULE 1

ARTICLES OF AMALGAMATION

- (1) The rights, privileges, restrictions and conditions attaching to the common shares are as follows:
- (a) **Payment of Dividends:** The holders of the common shares shall be entitled to receive dividends if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amounts and payable in such manner as the board of directors may from time to time determine. Subject to the rights of the holders of any other class of shares of the Corporation entitled to receive dividends in priority to or rateably with the holders of the common shares, the board of directors may in their sole discretion declare dividends on the common shares to the exclusion of any other class of shares of the Corporation.
 - (b) **Participation upon Liquidation, Dissolution or Winding-up:** In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of the common shares shall, subject to the rights of the holders of any other class of shares of the Corporation entitled to receive the assets of the Corporation upon such a distribution in priority to or rateably with the holders of the common shares, be entitled to participate rateably in any distribution of the assets of the Corporation.
 - (c) **Voting Rights:** The holders of the common shares shall be entitled to receive notice of and to attend all annual and special meetings of the shareholders of the Corporation and to 1 vote in respect of each common share held at all such meetings.
- (2) The rights, privileges, restrictions and conditions attaching to the Class A shares are as follows:
- (a) **Payment of Dividends:** The holders of the Class A shares shall be entitled to receive dividends if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amounts and payable in such manner as the board of directors may from time to time determine. However, the holders of the Class A shares shall not be entitled in any financial year of the Corporation to receive dividends in excess of, and the board of directors shall not declare any dividends on the Class A shares in excess of, an amount per share equal to 6% of the Redemption Price (as hereinafter defined) per share. Subject to the rights of the holders of any other class of shares of the Corporation entitled to receive dividends in priority to or concurrently with the holders of the Class A shares, the board of directors may in its sole discretion declare dividends on the Class A shares to the exclusion of any other class of shares.

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- (b) **Participation upon Liquidation, Dissolution or Winding Up:** In the event of the liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Class A shares shall be entitled to receive from the assets of the Corporation a sum equivalent to the aggregate Redemption Amount (as hereinafter defined) of all Class A shares held by them respectively before any amount shall be paid or any assets of the Corporation distributed to the holders of any common shares or shares of any other class ranking junior to the Class A shares. After payment to the holders of the Class A shares of the amount so payable to them as above provided they shall not be entitled to share in any further distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs.
- (c) **Redemption at Option of Holder:** A holder of Class A shares shall be entitled to require the Corporation to redeem, subject to the requirements of the Canada Business Corporations Act as now enacted or as the same may from time to time be amended, re-enacted or replaced, at any time or times all or any of the Class A shares held by such holder by tendering to the Corporation at its registered office a share certificate or certificates representing the Class A shares which the holder desires to have the Corporation redeem together with a request in writing specifying (i) that the holder desires to have the Class A shares represented by such certificate or certificates redeemed by the Corporation and, if part only of the shares represented by such certificate or certificates is to be redeemed, the number thereof so to be redeemed and (ii) the business day (herein referred to as the "Redemption Date") on which the holder desires to have the Corporation redeem such Class A shares. The Redemption Date shall be not less than 30 days (or such shorter period to which the Corporation may consent) after the day on which the request in writing is given to the Corporation. Upon receipt of a share certificate or certificates representing the Class A shares which the holder desires to have the Corporation redeem together with such a request the Corporation shall on the Redemption Date redeem such Class A shares by paying to such holder the Redemption Amount (as hereinafter defined) for each such Class A share being redeemed. Such payment shall be made by cheque payable at par at any branch of the Corporation's bankers for the time being in Canada (or, with the consent of the holder, by the issuance to the holder of a promissory note of the Corporation payable upon demand without interest). If a part only of the shares represented by any certificate are redeemed a new certificate for the balance shall be issued at the expense of the Corporation. The said Class A shares shall be redeemed on the Redemption Date and from and after the Redemption Date the holder of such shares shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of a holder of Class A shares in respect thereof unless payment of the Redemption Amount is not made on the Redemption Date, in which event the rights of the holder of the said Class A shares shall remain unaffected.
- (d) **Redemption by Corporation:** The Corporation may, upon giving notice as hereinafter provided, redeem at any time the whole or from time to time any part of the then outstanding Class A shares from any one or more of the holders

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thereof as the board of directors of the Corporation may in its sole discretion determine on payment of an amount for each share to be redeemed equal to the quotient of the fair market value of such consideration, including any transfer of assets to the Corporation, as is received by the Corporation for the issuance of the Class A shares divided by 4,000, such quotient being herein referred to as the "Redemption Price", plus all declared and unpaid dividends thereon, the whole constituting and being herein referred to as the "Redemption Amount". Such fair market value shall be determined by the board of directors of the Corporation by resolution in accordance with generally accepted valuation principles.

- (e) **Idem:** In the case of redemption of Class A shares under the provisions of clause (d) hereof, the Corporation shall at least 21 days (or, if all of the holders of the Class A shares to be redeemed consent, such shorter period to which they may consent) before the date specified for redemption mail (or, with the consent of any particular holder, otherwise deliver) a notice in writing of the intention of the Corporation to redeem such Class A shares to each person who at the record date for the determination of shareholders entitled to receive notice is a holder of Class A shares to be redeemed. Such notice shall (subject to the consent of any particular holder referred to above) be mailed by letter, postage prepaid, addressed to each such holder at the holder's address as it appears on the records of the Corporation or in the event of the address of any such holder not so appearing then to the last known address of such holder; provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Amount and the date on which redemption is to take place and if part only of the shares held by the person to whom it is addressed is to be redeemed the number thereof so to be redeemed. On or 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 A shares to be redeemed the Redemption Amount thereof on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates representing the Class A shares called for redemption. Such payment shall be made by cheque payable at par at any branch of the Corporation's bankers in Canada (or, with the consent of any particular holder, by the issuance to such holder of a promissory note of the Corporation payable upon demand without interest). If a part only of the shares represented by any certificate are redeemed a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified for redemption in any such notice the holders of the Class A shares called for redemption shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders of Class A shares in respect thereof unless payment of the Redemption Amount is not made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders of the said Class A shares shall remain unaffected. The Corporation shall have the right at any time after the mailing (or delivery, as the case may be) of notice of its intention to redeem any Class A shares to deposit the Redemption Amount of the shares so called for redemption or of such of the said shares represented by certificates as have not at the date of such deposit been

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surrendered by the holders thereof in connection with such redemption to a special account in any chartered bank or in any trust company in Canada, named in such notice, to be paid without interest to or to the order of the respective holders of such Class A shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same, and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Class A shares in respect whereof such deposit shall have been made shall be redeemed and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving, subject as hereinafter provided, without interest their proportionate part of the total Redemption Amount so deposited against presentation and surrender of the said certificates held by them respectively and any interest allowed on such deposit shall belong to the Corporation.

- (f) **Idem:** If any taxing authority having jurisdiction makes or proposes to make an assessment or reassessment of tax on the basis that:
- (i) the fair market value of the consideration received by the Corporation for the issuance of the Class A shares differs from the aggregate fair market value of all such Class A shares as at the date of such issuance, or
 - (ii) any gift, benefit or advantage is or has been conferred on any person by reason of the issuance of or of the redemption or purchase for cancellation or otherwise of any Class A share,

then the Redemption Price per Class A share shall be increased or decreased, as the case may be, to an amount such that the aggregate Redemption Price for all Class A shares equals the fair market value of the consideration that was received that:

- (iii) is agreed upon by such taxing authority and either the Corporation or all the holders of Class A shares in settlement of such assessment or reassessment or proposed assessment or reassessment,
- (iv) serves as the basis for such assessment or reassessment against which no appeal is taken, or
- (v) is finally established by a court or tribunal of competent jurisdiction on appeal from such assessment or reassessment.

Such increase or decrease shall forthwith following the applicable event or circumstance be confirmed by the board of directors of the Corporation by resolution, and thereafter the Redemption Price per Class A share shall be deemed to be and always to have been the amount so confirmed.

- (g) **Idem:** If on or before July 1, 1999 the board of directors of the Corporation determines, based on information, including, without limitation, financial accounting information, not available to it at the date of the issuance of the Class

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A shares that the fair market value of the consideration received by the Corporation for the issuance of the Class A shares differs from the aggregate fair market value for all such Class A shares as at the date of such issuance, then the Redemption Price per Class A share shall be increased or decreased, as the case may be, to an amount such that the aggregate Redemption Price for all Class A shares equals the fair market value of the consideration that was received, that is at that time determined by the board of directors of the Corporation by resolution, and thereafter the Redemption Price per Class A share shall be deemed to be and always to have been the amount so determined.

- (h) **Idem:** In the event that the Redemption Price per Class A share is increased pursuant to clause (f) or (g) hereof following a redemption or purchase for cancellation or otherwise of a Class A share, the Corporation shall pay to each holder of Class A shares whose shares were redeemed or purchased for cancellation or otherwise, by way of an increase in the Redemption Price of such Class A shares, an amount equal to the product of the increase per Class A share determined pursuant to clause (f) or (g) hereof multiplied by the number of shares of such holder so redeemed or purchased for cancellation or otherwise and an amount equal to 6% per annum of such increase, compounded annually, computed from the date of the redemption or purchase for cancellation or otherwise up to and including the date of such payment by the Corporation.
- (i) **Idem:** In the event that the Redemption Price per Class A share is decreased pursuant to clause (f) or (g) hereof following a redemption or purchase for cancellation or otherwise of a Class A share, each person whose Class A share was redeemed or purchased for cancellation or otherwise shall be liable to pay to the Corporation, by way of a decrease in the Redemption Price of such Class A shares, an amount equal to the product of the decrease per Class A share determined pursuant to clause (f) or (g) hereof multiplied by the number of shares of such holder so redeemed or purchased for cancellation or otherwise and an amount equal to 6% per annum of such decrease, compounded annually, computed from the date of the redemption or purchase for cancellation or otherwise up to and including the date of such payment by each such person.
- (j) **Voting Rights:** The holders of the Class A shares shall not be entitled to receive notice of or to attend any meeting of the shareholders of the Corporation and shall not be entitled to vote at any such meeting. The holders of the Class A shares shall, however, be entitled to notice of meetings of the 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.

(3) The rights, privileges, restrictions and conditions attaching to the Class B shares are as follows:

- (a) **Payment of Dividends:** The holders of the Class B shares shall be entitled to receive dividends if, as and when declared by the board of directors of the

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Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amounts and payable in such manner as the board of directors may from time to time determine. However, the holders of the Class B shares shall not be entitled in any financial year of the Corporation to receive dividends in excess of, and the board of directors shall not declare any dividends on the Class B shares in excess of, an amount per share equal to 6% of the Redemption Price (as hereinafter defined) per share. Subject to the rights of the holders of any other class of shares of the Corporation entitled to receive dividends in priority to or concurrently with the holders of the Class B shares, the board of directors may in its sole discretion declare dividends on the Class B shares to the exclusion of any other class of shares.

- (b) **Participation upon Liquidation, Dissolution or Winding Up:** In the event of the liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Class B shares shall be entitled to receive from the assets of the Corporation a sum equivalent to the aggregate Redemption Amount (as hereinafter defined) of all Class B shares held by them respectively before any amount shall be paid or any assets of the Corporation distributed to the holders of any common shares or shares of any other class ranking junior to the Class B shares. After payment to the holders of the Class B shares of the amount so payable to them as above provided they shall not be entitled to share in any further distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs.
- (c) **Redemption at Option of Holder:** A holder of Class B shares shall be entitled to require the Corporation to redeem, subject to the requirements of the Canada Business Corporations Act as now enacted or as the same may from time to time be amended, re-enacted or replaced, at any time or times all or any of the Class B shares held by such holder by tendering to the Corporation at its registered office a share certificate or certificates representing the Class B shares which the holder desires to have the Corporation redeem together with a request in writing specifying (i) that the holder desires to have the Class B shares represented by such certificate or certificates redeemed by the Corporation and, if part only of the shares represented by such certificate or certificates is to be redeemed, the number thereof so to be redeemed and (ii) the business day (herein referred to as the "Redemption Date") on which the holder desires to have the Corporation redeem such Class B shares. The Redemption Date shall be not less than 30 days (or such shorter period to which the Corporation may consent) after the day on which the request in writing is given to the Corporation. Upon receipt of a share certificate or certificates representing the Class B shares which the holder desires to have the Corporation redeem together with such a request the Corporation shall on the Redemption Date redeem such Class B shares by paying to such holder the Redemption Amount (as hereinafter defined) for each such Class B share being redeemed. Such payment shall be made by cheque payable at par at any branch of the Corporation's bankers for the time being in Canada (or, with the consent of the holder, by the issuance to the holder of a promissory note of the Corporation

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payable upon demand without interest). If a part only of the shares represented by any certificate are redeemed a new certificate for the balance shall be issued at the expense of the Corporation. The said Class B shares shall be redeemed on the Redemption Date and from and after the Redemption Date the holder of such shares shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of a holder of Class B shares in respect thereof unless payment of the Redemption Amount is not made on the Redemption Date, in which event the rights of the holder of the said Class B shares shall remain unaffected.

- (d) **Redemption by Corporation:** The Corporation may, upon giving notice as hereinafter provided, redeem at any time the whole or from time to time any part of the then outstanding Class B shares from any one or more of the holders thereof as the board of directors of the Corporation may in its sole discretion determine on payment of an amount for each share to be redeemed equal to the quotient of the fair market value of such consideration, including any transfer of assets to the Corporation, as is received by the Corporation for the issuance of the Class B shares divided by 1,000, such quotient being herein referred to as the "Redemption Price", plus all declared and unpaid dividends thereon, the whole constituting and being herein referred to as the "Redemption Amount". Such fair market value shall be determined by the board of directors of the Corporation by resolution in accordance with generally accepted valuation principles.
- (e) **Idem:** In the case of redemption of Class B shares under the provisions of clause (d) hereof, the Corporation shall at least 21 days (or, if all of the holders of the Class B shares to be redeemed consent, such shorter period to which they may consent) before the date specified for redemption mail (or, with the consent of any particular holder, otherwise deliver) a notice in writing of the intention of the Corporation to redeem such Class B shares to each person who at the record date for the determination of shareholders entitled to receive notice is a holder of Class B shares to be redeemed. Such notice shall (subject to the consent of any particular holder referred to above) be mailed by letter, postage prepaid, addressed to each such holder at the holder's address as it appears on the records of the Corporation or in the event of the address of any such holder not so appearing then to the last known address of such holder; provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Amount and the date on which redemption is to take place and if part only of the shares held by the person to whom it is addressed is to be redeemed the number thereof so to be redeemed. On or 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 B shares to be redeemed the Redemption Amount thereof on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates representing the Class B shares called for redemption. Such payment shall be made by cheque payable at par at any branch of the Corporation's bankers in Canada (or, with the consent of any particular holder, by the issuance to such holder of a promissory note of the Corporation payable upon demand without interest). If a part only of the shares

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represented by any certificate are redeemed a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified for redemption in any such notice the holders of the Class B shares called for redemption shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders of Class B shares in respect thereof unless payment of the Redemption Amount is not made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders of the said Class B shares shall remain unaffected. The Corporation shall have the right at any time after the mailing (or delivery, as the case may be) of notice of its intention to redeem any Class B shares to deposit the Redemption Amount of the shares so called for redemption or of such of the said shares represented by certificates as have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption to a special account in any chartered bank or in any trust company in Canada, named in such notice, to be paid without interest to or to the order of the respective holders of such Class B shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same, and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Class B shares in respect whereof such deposit shall have been made shall be redeemed and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving, subject as hereinafter provided, without interest their proportionate part of the total Redemption Amount so deposited against presentation and surrender of the said certificates held by them respectively and any interest allowed on such deposit shall belong to the Corporation.

- (f) **Idem:** If any taxing authority having jurisdiction makes or proposes to make an assessment or reassessment of tax on the basis that:
- (i) the fair market value of the consideration received by the Corporation for the issuance of the Class B shares differs from the aggregate fair market value of all such Class B shares as at the date of such issuance, or
 - (ii) any gift, benefit or advantage is or has been conferred on any person by reason of the issuance of or of the redemption or purchase for cancellation or otherwise of any Class B share, then the Redemption Price per Class B share shall be increased or decreased, as the case may be, to an amount such that the aggregate Redemption Price for all Class B shares equals the fair market value of the consideration that was received that:
 - (iii) is agreed upon by such taxing authority and either the Corporation or all the holders of Class B shares in settlement of such assessment or reassessment or proposed assessment or reassessment,
 - (iv) serves as the basis for such assessment or reassessment against which no appeal is taken, or

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- (v) is finally established by a court or tribunal of competent jurisdiction on appeal from such assessment or reassessment.

Such increase or decrease shall forthwith following the applicable event or circumstance be confirmed by the board of directors of the Corporation by resolution, and thereafter the Redemption Price per Class B share shall be deemed to be and always to have been the amount so confirmed.

- (g) **Idem:** If on or before July 1, 1999 the board of directors of the Corporation determines, based on information, including, without limitation, financial accounting information, not available to it at the date of the issuance of the Class B shares that the fair market value of the consideration received by the Corporation for the issuance of the Class B shares differs from the aggregate fair market value for all such Class B shares as at the date of such issuance, then the Redemption Price per Class B share shall be increased or decreased, as the case may be, to an amount such that the aggregate Redemption Price for all Class B shares equals the fair market value of the consideration that was received, that is at that time determined by the board of directors of the Corporation by resolution, and thereafter the Redemption Price per Class B share shall be deemed to be and always to have been the amount so determined.
- (h) **Idem:** In the event that the Redemption Price per Class B share is increased pursuant to clause (t) or (g) hereof following a redemption or purchase for cancellation or otherwise of a Class B share, the Corporation shall pay to each holder of Class B shares whose shares were redeemed or purchased for cancellation or otherwise, by way of an increase in the Redemption Price of such Class B shares, an amount equal to the product of the increase per Class B share determined pursuant to clause (t) or (g) hereof multiplied by the number of shares of such holder so redeemed or purchased for cancellation or otherwise and an amount equal to 6% per annum of such increase, compounded annually, computed from the date of the redemption or purchase for cancellation or otherwise up to and including the date of such payment by the Corporation.
- (i) **Idem:** In the event that the Redemption Price per Class B share is decreased pursuant to clause (t) or (g) hereof following a redemption or purchase for cancellation or otherwise of a Class B share, each person whose Class B share was redeemed or purchased for cancellation or otherwise shall be liable to pay to the Corporation, by way of a decrease in the Redemption Price of such Class B shares, an amount equal to the product of the decrease per Class B share determined pursuant to clause (t) or (g) hereof multiplied by the number of shares of such holder so redeemed or purchased for cancellation or otherwise and an amount equal to 6% per annum of such decrease, compounded annually, computed from the date of the redemption or purchase for cancellation or otherwise up to and including the date of such payment by each such person.
- (j) **Voting Rights:** The holders of the Class B shares shall not be entitled to receive notice of or to attend any meeting of the shareholders of the Corporation and shall

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not be entitled to vote at any such meeting. The holders of the Class B shares shall, however, be entitled to notice of meetings of the 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.

- (4) The rights, privileges, restrictions and conditions attaching to the Class C shares are as follows:
- (a) **Payment of Dividends:** The holders of the Class C shares shall be entitled to receive dividends if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amounts and payable in such manner as the board of directors may from time to time determine. However, the holders of the Class C shall not be entitled in any financial year of the Corporation to receive dividends in excess of, and the board of directors shall not declare any dividends on the Class C shares in excess of, an amount per share equal to 5% of the Redemption Price (as defined herein) per share. Subject to the rights of holders of any other class of shares of the Corporation entitled to receive dividends in priority to or concurrently with the holders of the Class C shares, the board of directors may at its sole discretion declare dividends on the Class C shares to the exclusion of any other class of shares.
 - (b) **Participation upon Liquidation, Dissolution or Winding Up:** In the event of the liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, subject to the holders of the Class A and Class B shares of the Corporation having received from the assets of the Corporation the full redemption amount of all such Class A and Class B shares, the holders of the Class C shares shall be entitled to receive from the assets of the Corporation a sum equivalent to the aggregate Redemption Amount (as hereinafter defined) of all Class C shares held by them. After payment to the holders of the Class C shares of the amount so payable to them as above provided they shall not be entitled to share in any further distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs.
 - (c) **Redemption at Option of Holder:** A holder of Class C shares shall be entitled to require the Corporation to redeem, subject to the requirements of the Canada Business Corporations Act as now enacted or as the same may from time to time be amended, re-enacted or replaced, at any time the whole or from time to time any part of the Class C shares held by such holder by tendering to the Corporation at its registered office a share certificate or certificates representing the Class C shares which the holder desires to have the Corporation redeem together with a request in writing specifying (i) that the holder desires to have the Class C shares represented by such certificate or certificates redeemed by the Corporation and, if part only of the shares represented by such certificate or certificates is to be redeemed, the number thereof so to be redeemed and (ii) the business day (herein

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referred to as the "Redemption Date") on which the holder desires to have the Corporation redeem such Class C shares. The Redemption Date shall be not less than 30 days (or such shorter period to which the Corporation may consent) after the day on which the request in writing is given to the Corporation. Upon receipt of a share certificate or certificates representing the Class C shares which the holder desires to have the Corporation redeem together with such a request the Corporation shall on the Redemption Date redeem such Class C shares by paying to such holder the Redemption Amount (as hereinafter defined) for each such Class C share being redeemed. Such payment shall be made by cheque payable at par at any branch of the Corporation's bankers for the time being in Canada or, if all of the holders of the Class C shares consent, by the distribution of assets of the Corporation or by any other means. If a part only of the shares represented by any certificate are redeemed a new certificate for the balance shall be issued at the expense of the Corporation. The said Class C shares shall be redeemed on the Redemption Date and from and after the Redemption Date the holder of such shares shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of a holder of Class C shares in respect thereof unless payment of the Redemption Amount is not made on the Redemption Date, in which event the rights of the holder of the said Class C shares shall remain unaffected.

- (d) **Redemption by Corporation:** The Corporation may, upon giving notice as hereinafter provided, redeem at any time the whole or from time to time any part of the then outstanding Class C shares from any one or more of the holders thereof as the board of directors of the Corporation may in its sole discretion determine on payment of \$1000 for each share to be redeemed, such amount being herein referred to as the "Redemption Price", plus all declared and unpaid dividends thereon, the whole constituting and being herein referred to as the "Redemption Amount".
- (e) **Idem:** In the case of redemption of Class C shares under the provisions of clause (1)(d) hereof, the Corporation shall at least 21 days (or, if all of the holders of the Class C shares to be redeemed consent, such shorter period to which they may consent) before the date specified for redemption mail (or, with the consent of any particular holder, otherwise deliver) a notice in writing of the intention of the Corporation to redeem such Class C shares to each person who at the record date for the determination of shareholders entitled to receive notice is a holder of Class C shares to be redeemed. Such notice shall (subject to the consent of any particular holder referred to above) be mailed by letter, postage prepaid, addressed to each such holder at the holder's address as it appears on the records of the Corporation or in the event of the address of any such holder not so appearing then to the last known address of such holder; provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Amount and the date on which redemption is to take place and if part only of the shares held by the person to whom it is addressed is to be redeemed the number thereof so to be redeemed. On or 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

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Class C shares to be redeemed the Redemption Amount thereof on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates representing the Class C shares called for redemption. Such payment shall be made by cheque payable at par at any branch of the Corporation's bankers in Canada or, if all of the holders of the Class C shares consent, by the distribution of assets of the Corporation or by any other means). If a part only of the shares represented by any certificate are redeemed a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified for redemption in any such notice the holders of the Class C shares called for redemption shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders of Class C shares in respect thereof unless payment of the Redemption Amount is not made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders of the said Class C shares shall remain unaffected. The Corporation shall have the right at any time after the mailing (or delivery, as the case may be) of notice of its intention to redeem any Class C shares to deposit the Redemption Amount of the shares so called for redemption or of such of the said shares represented by certificates as have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption to a special account in any chartered bank or in any trust company in Canada, named in such notice, to be paid without interest to or to the order of the respective holders of such Class C shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same, and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Class C shares in respect whereof such deposit shall have been made shall be redeemed and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Amount so deposited against presentation and surrender of the said certificates held by them respectively and any interest allowed on such deposit shall belong to the Corporation.

- (f) **Voting Rights:** The holders of the Class C shares shall not be entitled to receive notice of or to attend any meeting of the shareholders of the Corporation and shall not be entitled to vote at any such meeting. The holders of the Class C shares shall, however, be entitled to notice of meetings of the 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.

SCHEDULE 2

ARTICLES OF AMALGAMATION

(1) The number of shareholders of the Corporation, exclusive of persons who are in its employment and exclusive of persons who, having been formerly in the employment of the Corporation, were, while in that employment and have continued after the termination of that employment to be, shareholders of the Corporation, is limited to not more than 50, 2 or more persons who are the joint registered owners of 1 or more shares being counted as 1 shareholder.

(2) Any invitation to the public to subscribe for securities of the Corporation is prohibited.

(3) No shares of any shareholder of the Corporation shall be voted contrary to any agreement of such shareholder with any other shareholder or shareholders if notice of such agreement has been previously delivered to the Corporation.

(4) The by-laws of Gilbey Canada Inc. shall, *mutatis mutandis*, be the by-laws of the Corporation, such by-laws from and after the effective date hereof to be supplemented, amended or repealed in accordance with the provisions of the *Canada Business Corporations Act* relating to the making, amending and repealing of by-laws.