

## TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1  
Stylesheet Version v1.2

ETAS ID: TM477733

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	MERGER AND CHANGE OF NAME
<b>EFFECTIVE DATE:</b>	05/01/2018

## CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
1177216 Ontario Ltd.		05/01/2018	limited company: CANADA

## NEWLY MERGED ENTITY DATA

Name	Execution Date	Entity Type
CLT Logistics, Inc.	05/01/2018	Corporation: CANADA

## MERGED ENTITY'S NEW NAME (RECEIVING PARTY)

<b>Name:</b>	CLT Logistics, Inc.
<b>Street Address:</b>	5900 Finch Avenue East
<b>Internal Address:</b>	Suite #2
<b>City:</b>	Toronto, Ontario
<b>State/Country:</b>	CANADA
<b>Postal Code:</b>	M1B 5P8
<b>Entity Type:</b>	Corporation: CANADA

## PROPERTY NUMBERS Total: 6

Property Type	Number	Word Mark
<b>Registration Number:</b>	4350507	SALON SELECTIVES
<b>Registration Number:</b>	1523097	SALON SELECTIVES
<b>Registration Number:</b>	1479244	SALON SELECTIVES
<b>Registration Number:</b>	1479236	SALON SELECTIVES
<b>Registration Number:</b>	3531607	LIKE YOU JUST STEPPED OUT OF A SALON
<b>Registration Number:</b>	2226528	DAILY DEFENSE

## CORRESPONDENCE DATA

Fax Number: 6123329081

*Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.*

Phone: 6123364677

Email: pcoleman@merchantgould.com

Correspondent Name: William D. Schultz

Address Line 1: PO Box 2910

TRADEMARK

**Address Line 4:** Minneapolis, MINNESOTA 55402-0910

**ATTORNEY DOCKET NUMBER:** 04937.0023USAA

**NAME OF SUBMITTER:** William D. Schultz

**SIGNATURE:** /William D. Schultz/

**DATE SIGNED:** 06/12/2018

**Total Attachments: 33**

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CERTIFICATE  
This is to certify that these  
articles are effective on

CERTIFICAT  
Ceci certifie que les présents  
statuts entrent en vigueur le

MAY 01 MAI, 2018

*Walter Radtke*

17

Director / Directrice  
Business Corporations Act / Loi sur les sociétés par actions

Form 4  
Business  
Corporations  
Act

Formule 4  
Loi sur les  
sociétés par  
actions

ARTICLES OF AMALGAMATION  
STATUTS DE FUSION

1. The name of the amalgamated corporation is: (Set out in BLOCK CAPITAL LETTERS)  
Dénomination sociale de la société issue de la fusion: (Écrire en LETTRES MAJUSCULES SEULEMENT):

C	L	T		L	O	G	I	S	T	I	C	S	,		I	N	C	.																																			

2. The address of the registered office is:  
Adresse du siège social :

5900 Finch Avenue East, Suite 2

Street & Number or R.R. Number & if Multi-Office Building give Room No. /  
Rue et numéro ou numéro de la R.R. et, s'il s'agit d'un édifice à bureaux, numéro du bureau

Toronto

ONTARIO

M 1 B 5 P 8

Name of Municipality or Post Office /  
Nom de la municipalité ou du bureau de poste

Postal Code/Code postal

3. Number of directors is: Fixed number [ ] OR minimum and maximum [ 1 ] [ 10 ]  
Nombre d'administrateurs : Nombre fixe [ ] OU minimum et maximum [ 1 ] [ 10 ]

4. The director(s) is/are: / Administrateur(s) :

First name, middle names and surname Prénom, autres prénoms et nom de famille	Address for service, giving Street & No. or R.R. No., Municipality, Province, Country and Postal Code Domicile élu, y compris la rue et le numéro ou le numéro de la R.R., le nom de la municipalité, la province, le pays et le code postal	Resident Canadian State 'Yes' or 'No' Résident canadien Oui/Non
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Jack Wilkinson

5900 Finch Avenue East, Suite 2  
Toronto, Ontario, CANADA M1B 5P8

Yes

5. Method of amalgamation, check A or B  
 Méthode choisie pour la fusion – Cocher A ou B :

**A - Amalgamation Agreement / Convention de fusion :**



The amalgamation agreement has been duly adopted by the shareholders of each of the amalgamating corporations as required by subsection 176 (4) of the *Business Corporations Act* on the date set out below.

Les actionnaires de chaque société qui fusionne ont dûment adopté la convention de fusion conformément au paragraphe 176(4) de la *Loi sur les sociétés par actions* à la date mentionnée ci-dessous.

or  
ou

**B - Amalgamation of a holding corporation and one or more of its subsidiaries or amalgamation of subsidiaries / Fusion d'une société mère avec une ou plusieurs de ses filiales ou fusion de filiales :**



The amalgamation has been approved by the directors of each amalgamating corporation by a resolution as required by section 177 of the *Business Corporations Act* on the date set out below.

Les administrateurs de chaque société qui fusionne ont approuvé la fusion par voie de résolution conformément à l'article 177 de la *Loi sur les sociétés par actions* à la date mentionnée ci-dessous.

The articles of amalgamation in substance contain the provisions of the articles of incorporation of  
 Les statuts de fusion reprennent essentiellement les dispositions des statuts constitutifs de

and are more particularly set out in these articles.  
 et sont énoncés textuellement aux présents statuts.

Names of amalgamating corporations Dénomination sociale des sociétés qui fusionnent	Ontario Corporation Number Numéro de la société en Ontario	Date of Adoption/Approval Date d'adoption ou d'approbation		
		Year année	Month mois	Day jour
<b>CLT LOGISTICS, INC.</b>	<b>1933142</b>	<b>2018</b>	<b>05</b>	<b>01</b>
<b>1177216 ONTARIO LTD.</b>	<b>1177216</b>	<b>2018</b>	<b>05</b>	<b>01</b>

6. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise.  
Limites, s'il y a lieu, imposées aux activités commerciales ou aux pouvoirs de la société.

**There are no such restrictions on the business the Corporation may carry on or on the powers the Corporation may exercise.**

7. The classes and any maximum number of shares that the corporation is authorized to issue:  
Catégories et nombre maximal, s'il y a lieu, d'actions que la société est autorisée à émettre :

- 1. An unlimited number of Class A shares;**
- 2. An unlimited number of Class B shares;**
- 3. An unlimited number of Class A common shares; and**
- 4. An unlimited number of Class B common shares.**

8. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series:

Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions qui peut être émise en série :

See pages ~~1A to 1H~~ 4A to 4I

**DEFINITIONS**

All initially capitalized words and phrases set out in these articles shall, unless specifically stated otherwise, have the meanings attributed thereto, respectively, as follows:

**“Class A Share Redemption Amount”** means an amount equal to the Class A Share Redemption Price together with all dividends declared on each Class A share which remain unpaid.

**“Class A Share Redemption Price”** means, subject to any adjustments provided for herein, an amount per share equal to:

- (a) the sum of:
  - (i) the fair market value of any property or assets transferred to the Corporation, or other consideration received by the Corporation (including shares of the Corporation transferred to, or exchanged with, the Corporation) in consideration for the first issuance of the Class A shares (including for greater certainty on an amalgamation); minus
  - (ii) any liabilities assumed by the Corporation, any other non-share consideration given by the Corporation and share consideration issued or paid by the Corporation other than Class A shares in the course of any such transfer (including for greater certainty on an amalgamation);

divided by

- (b) the number of Class A shares issued in consideration for such property or assets.

**“Class B Share Redemption Amount”** means an amount equal to the Class B Share Redemption Price together with all dividends declared on each Class B share which remain unpaid.

**“Class B Share Redemption Price”** means, subject to any adjustments provided for herein, an amount per share equal to:

- (a) the sum of:
  - (i) the fair market value of any property or assets transferred to the Corporation, or other consideration received by the Corporation (including shares of the Corporation transferred to, or exchanged with, the Corporation) in consideration for the first issuance of the Class B shares (including for greater certainty on an amalgamation); minus
  - (ii) any liabilities assumed by the Corporation, any other non-share consideration given by the Corporation and share consideration issued or paid by the Corporation other than Class B shares in the course of any such transfer (including for greater certainty on an amalgamation);

divided by

(b) the number of Class B shares issued in consideration for such property or assets.

“**Common Shares**” shall mean, collectively, the Class A common shares and Class B common shares of the Corporation and “**Common Share**” shall mean any individual share of any of the foregoing classes of shares.

### **CLASS A SHARES**

The Class A shares shall have attached thereto the following rights, privileges, restrictions and conditions:

1. **Payment of Dividends:** Each Class A share shall entitle the holder thereof to receive, in each financial year of the Corporation when, as and if declared by the board of directors of the Corporation out of the monies or property of the Corporation properly applicable to the payment of dividends, a variable non-cumulative dividend or dividends in an amount to be determined from time to time by the board of directors of the Corporation, provided that the aggregate amount of dividends declared in respect of each Class A share for each financial year shall not be more than 8% of the Class A Share Redemption Price. Any dividend may be paid in one or more instalments in the discretion of the board of directors of the Corporation. The board of directors may declare and pay dividends on the Class A shares without declaring or paying any dividends on any other class or classes of shares.
2. **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 other distribution of its assets or property among shareholders for the purpose of winding-up its affairs, the holder of each Class A share shall be entitled to receive, on a *pari passu* basis with the holder of each Class B share, prior to any payment or distribution of any part of the property or assets of the Corporation among the holders of the Common Shares, payment of an amount equal to the Class A Share Redemption Amount and no more; provided, however, that if the aggregate amount available for distribution to the holders of Class A shares and Class B shares is less than the amount otherwise payable to them pursuant to the provisions hereof, then each Class A share and Class B share shall entitle the holder thereof to participate in the amount so available for distribution, pro rata based on the aggregate amount otherwise payable to them pursuant to the provisions hereof. 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 the property or assets of the Corporation.
3. **Redemption by Corporation:** The Corporation may, upon giving notice as hereinafter provided, redeem the whole or any part of the Class A shares upon payment for each share to be redeemed of the Class A Share Redemption Amount. Unless all the holders of the Class A shares to be redeemed have waived notice of such redemption, the Corporation shall give not less than 14 days' notice in writing of the redemption, specifying the date and place of redemption. If this notice is given or waived, and the Class A Share Redemption Amount is paid to such holders, or is deposited with any chartered bank or trust company in Canada, as specified in the notice, on or before the date fixed for redemption, the holders of such shares shall from then on have no rights



against the Corporation in respect of those shares except to receive payment therefor out of the monies so deposited.

4. **Partial Redemption:** In case a part only of the Class A shares is at any time to be redeemed, the shares so to be redeemed shall either be selected by lot in such manner as the board of directors in its sole discretion shall determine or, if the board of directors so determines, shall be redeemed proportionately, disregarding fractions, and the board of directors may provide for such adjustments as may be necessary to avoid the redemption of fractions of shares.
5. **Redemption at Option of Holder:** A holder of Class A shares shall be entitled to require the Corporation to redeem at any time or times all or any of the Class A shares registered in the name of such holder on the books of the Corporation by tendering to the Corporation at its registered office the share certificate(s) (if a share certificate(s) has been issued for such shares) representing the Class A shares which the registered holder desires to have the Corporation redeem together with a request in writing specifying (i) the number of Class A shares that the registered holder desires to have redeemed by the Corporation and (ii) the business day (in this paragraph referred to as the "Class A Share Redemption Date") on which the holder desires to have the Corporation redeem such Class A shares, which Class A Share Redemption Date shall not be less than 14 days after the day on which the request in writing is given to the Corporation. Upon receipt of a share certificate(s) representing the Class A shares (if a share certificate(s) has been issued for such shares) which the registered holder desires to have the Corporation redeem together with such a request, the Corporation shall on the Class A Share Redemption Date redeem such Class A shares by paying to such registered holder, for each such share to be redeemed, the Class A Share Redemption Amount in accordance with the foregoing provisions relating to the redemption of Class A shares.
6. **Price Adjustment:** The Class A Share Redemption Price shall be determined by the board of directors of the Corporation, acting reasonably and in good faith. In the event that the Corporation and the parties to the transaction (or their successors) in respect of which the Class A shares are issued agree or in the event that at any time any taxing authority having jurisdiction or a court or tribunal having jurisdiction in the matter alleges that the fair market value of the property or assets transferred to the Corporation, or other consideration received (including shares of the Corporation converted into or exchanged) in consideration for the first issuance of the Class A Shares, minus any liabilities assumed by the Corporation, any other non-share consideration given by the Corporation and share consideration issued or paid by the Corporation other than Class A shares in the course of any such transfer (such net fair market value being referred to herein as the "**Net Class A Share Consideration**") was not equal to the fair market value of the Class A shares issued in consideration therefor, or makes or proposes to make any assessment on the basis that any advantage or benefit was conferred by reason of the Net Class A Share Consideration not being equal to the fair market value of such Class A shares, then the Class A Share Redemption Price of each Class A share issued in consideration of such aforementioned transfer to the Corporation shall be re-determined by resolution of the board of directors of the Corporation to be such amount as is finally determined by the Corporation and the parties to the transaction (or their successors) or as may be agreed to by such parties and the taxing authority (including the court or

tribunal), or by the taxing authority, court or tribunal from which there is no further right to dispute, object or appeal such that the aggregate Class A Share Redemption Price of the Class A shares issued by the Corporation in consideration of such aforementioned transfer equals the Net Class A Share Consideration as so finally determined, and the Class A Share Redemption Price shall be deemed to have been made retroactively *nunc pro tunc*; if articles of amendment are necessary to effect such re-determination, the Corporation shall forthwith file such articles of amendment as are so necessary. Furthermore, if the Class A Share Redemption Price is adjusted in the manner hereinbefore described and if, prior to that time, any dividend has been declared and paid on the said Class A shares and/or any of the said Class A shares have been redeemed, then the Class A share shareholder who received such dividend and/or redemption amount, as the case may be, or the Corporation, shall forthwith make any payment necessary to rectify the overpayment or underpayment with interest at the prescribed rate as defined in Regulation 4301(c) to the *Income Tax Act* (Canada) on such overpayment or underpayment computed from the date of payment of such dividend and/or redemption amount up to and including the date of such payment by the Class A share shareholder or the Corporation, as the case may be. Upon any such adjustment to Class A Share Redemption Price, Net Class A Share Consideration and/or any other adjustments made in accordance with the provisions herein, the Corporation and Class A shareholders shall do all things and execute all documents as may be required or necessary to give effect thereto, including, without limitation, the passing of corporate resolutions, filing of articles of amendment and the execution and filing of revised tax returns, elections or such other documents under the *Income Tax Act* (Canada) and the applicable provisions of any similar legislation. All necessary adjustments made hereunder shall be made by the parties *nunc pro tunc*.

7. **Reduction of Stated Capital:** In addition to any adjustments to the Class A Share Redemption Price provided for herein, in the event that there is a payment made on a Class A share on a reduction of stated capital of the Class A shares, the Class A Share Redemption Price of each Class A share, issued and outstanding at the time of the payment, shall be reduced by such amount paid on each Class A share.
8. **Voting Rights:** Subject to the provisions of the *Business Corporations Act* (Ontario), 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.
9. **Waiver:** The Corporation or the holder of any Class A share may waive, in writing, any of the requirements herein, in its favour.
10. **Non-Impairment:** The Corporation shall not declare or pay any dividends on the Class A shares or Class B shares of the Corporation nor redeem any of the Class A shares or Class B shares, nor make any other distribution to the holders of the Class A shares or Class B shares if, in the opinion of the board of directors of the Corporation, such dividends, redemption, as the case may be, would reduce the realizable value of the assets minus all of the liabilities of the Corporation (determined in accordance with what the board of directors of the Corporation considers to be generally accepted accounting and valuation principles) to an amount which is less than the aggregate Class A Share

Redemption Amount and Class B Share Redemption Amount of all Class A shares and Class B shares issued and outstanding immediately before the time of such dividends, redemption, purchase or distribution.

### **CLASS B SHARES**

The Class B shares shall have attached thereto the following rights, privileges, restrictions and conditions:

1. **Payment of Dividends:** Each Class B share shall entitle the holder thereof to receive, in each financial year of the Corporation when, as and if declared by the board of directors of the Corporation out of the monies or property of the Corporation properly applicable to the payment of dividends, a variable non-cumulative dividend or dividends in an amount to be determined from time to time by the board of directors of the Corporation, provided that the aggregate amount of dividends declared in respect of each Class B share for each financial year shall not be more than 8.5% of the Class B Share Redemption Price. Any dividend may be paid in one or more instalments in the discretion of the board of directors of the Corporation. The board of directors may declare and pay dividends on the Class B shares without declaring or paying any dividends on any other class or classes of shares.
2. **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 other distribution of its assets or property among shareholders for the purpose of winding-up its affairs, the holder of each Class B share shall be entitled to receive, on a *pari passu* basis with the holder of each Class A share, prior to any payment or distribution of any part of the property or assets of the Corporation among the holders of the Common Shares, payment of an amount equal to the Class B Share Redemption Amount and no more; provided, however, that if the aggregate amount available for distribution to the holders of Class B shares and Class A shares is less than the amount otherwise payable to them pursuant to the provisions hereof, then each Class B share and Class A share shall entitle the holder thereof to participate in the amount so available for distribution, pro rata based on the aggregate amount otherwise payable to them pursuant to the provisions hereof. 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 the property or assets of the Corporation.
3. **Redemption by Corporation:** The Corporation may, upon giving notice as hereinafter provided, redeem the whole or any part of the Class B shares upon payment for each share to be redeemed of the Class B Share Redemption Amount. Unless all the holders of the Class B shares to be redeemed have waived notice of such redemption, the Corporation shall give not less than 14 days' notice in writing of the redemption, specifying the date and place of redemption. If this notice is given or waived, and the Class B Share Redemption Amount is paid to such holders, or is deposited with any chartered bank or trust company in Canada, as specified in the notice, on or before the date fixed for redemption, the holders of such shares shall from then on have no rights against the Corporation in respect of those shares except to receive payment therefor out of the monies so deposited.

4. **Partial Redemption:** In case a part only of the Class B shares is at any time to be redeemed, the shares so to be redeemed shall either be selected by lot in such manner as the board of directors in its sole discretion shall determine or, if the board of directors so determines, shall be redeemed proportionately, disregarding fractions, and the board of directors may provide for such adjustments as may be necessary to avoid the redemption of fractions of shares.
5. **Redemption at Option of Holder:** A holder of Class B shares shall be entitled to require the Corporation to redeem at any time or times all or any of the Class B shares registered in the name of such holder on the books of the Corporation by tendering to the Corporation at its registered office the share certificate(s) (if a share certificate(s) has been issued for such shares) representing the Class B shares which the registered holder desires to have the Corporation redeem together with a request in writing specifying (i) the number of Class B shares that the registered holder desires to have redeemed by the Corporation and (ii) the business day (in this paragraph referred to as the "Class B Share Redemption Date") on which the holder desires to have the Corporation redeem such Class B shares, which Class B Share Redemption Date shall not be less than 14 days after the day on which the request in writing is given to the Corporation. Upon receipt of a share certificate(s) representing the Class B shares (if a share certificate(s) has been issued for such shares) which the registered holder desires to have the Corporation redeem together with such a request, the Corporation shall on the Class B Share Redemption Date redeem such Class B shares by paying to such registered holder, for each such share to be redeemed, the Class B Share Redemption Amount in accordance with the foregoing provisions relating to the redemption of Class B shares.
6. **Price Adjustment:** The Class B Share Redemption Price shall be determined by the board of directors of the Corporation, acting reasonably and in good faith. In the event that the Corporation and the parties to the transaction (or their successors) in respect of which the Class B shares are issued agree or in the event that at any time any taxing authority having jurisdiction or a court or tribunal having jurisdiction in the matter alleges that the fair market value of the property or assets transferred to the Corporation, or other consideration received (including shares of the Corporation converted into or exchanged) in consideration for the first issuance of the Class B Shares, minus any liabilities assumed by the Corporation, any other non-share consideration given by the Corporation and share consideration issued or paid by the Corporation other than Class B shares in the course of any such transfer (such net fair market value being referred to herein as the "**Net Class B Share Consideration**") was not equal to the fair market value of the Class B shares issued in consideration therefor, or makes or proposes to make any assessment on the basis that any advantage or benefit was conferred by reason of the Net Class B Share Consideration not being equal to the fair market value of such Class B shares, then the Class B Share Redemption Price of each Class B share issued in consideration of such aforementioned transfer to the Corporation shall be re-determined by resolution of the board of directors of the Corporation to be such amount as is finally determined by the Corporation and the parties to the transaction (or their successors) or as may be agreed to by such parties and the taxing authority (including the court or tribunal), or by the taxing authority, court or tribunal from which there is no further right to dispute, object or appeal such that the aggregate Class B Share Redemption Price of the Class B shares issued by the Corporation in consideration of such aforementioned

transfer equals the Net Class B Share Consideration as so finally determined, and the Class B Share Redemption Price shall be deemed to have been made retroactively *nunc pro tunc*; if articles of amendment are necessary to effect such re-determination, the Corporation shall forthwith file such articles of amendment as are so necessary. Furthermore, if the Class B Share Redemption Price is adjusted in the manner hereinbefore described and if, prior to that time, any dividend has been declared and paid on the said Class B shares and/or any of the said Class B shares have been redeemed, then the Class B share shareholder who received such dividend and/or redemption amount, as the case may be, or the Corporation, shall forthwith make any payment necessary to rectify the overpayment or underpayment with interest at the prescribed rate as defined in Regulation 4301(c) to the *Income Tax Act* (Canada) on such overpayment or underpayment computed from the date of payment of such dividend and/or redemption amount up to and including the date of such payment by the Class B share shareholder or the Corporation, as the case may be. Upon any such adjustment to Class B Share Redemption Price, Net Class B Share Consideration and/or any other adjustments made in accordance with the provisions herein, the Corporation and Class B shareholders shall do all things and execute all documents as may be required or necessary to give effect thereto, including, without limitation, the passing of corporate resolutions, filing of articles of amendment and the execution and filing of revised tax returns, elections or such other documents under the *Income Tax Act* (Canada) and the applicable provisions of any similar legislation. All necessary adjustments made hereunder shall be made by the parties *nunc pro tunc*.

7. **Reduction of Stated Capital:** In addition to any adjustments to the Class B Share Redemption Price provided for herein, in the event that there is a payment made on a Class B share on a reduction of stated capital of the Class B shares, the Class B Share Redemption Price of each Class B share, issued and outstanding at the time of the payment, shall be reduced by such amount paid on each Class B share.
8. **Voting Rights:** Subject to the provisions of the *Business Corporations Act* (Ontario), 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 not be entitled to vote at any such meeting.
9. **Waiver:** The Corporation or the holder of any Class B share may waive, in writing, any of the requirements herein, in its favour.
10. **Non-Impairment:** The Corporation shall not declare or pay any dividends on the Class A shares or Class B shares of the Corporation nor redeem any of the Class A shares or Class B shares, nor make any other distribution to the holders of the Class A shares or Class B shares if, in the opinion of the board of directors of the Corporation, such dividends, redemption, as the case may be, would reduce the realizable value of the assets minus all of the liabilities of the Corporation (determined in accordance with what the board of directors of the Corporation considers to be generally accepted accounting and valuation principles) to an amount which is less than the aggregate Class A Redemption Amount and Class B Share Redemption Amount of all Class A shares and Class B shares issued and outstanding immediately before the time of such dividends, redemption, purchase or distribution.

**CLASS A COMMON SHARES**

The Class A common shares shall have attached thereto the following rights, privileges, restrictions and conditions:

1. **Payment of Dividends:** The holders of the Class A common shares shall be entitled to receive in each financial year of the Corporation, when, as and if declared by the board of directors of the Corporation out of the monies or property of the Corporation properly applicable to the payment of dividends, a variable non-cumulative dividend or dividends in such amount as may be determined by the board of directors from time to time in their discretion. Any dividend may be paid in one or more instalments in the discretion of the board of directors of the Corporation. The board of directors may declare and pay dividends on the Class A common shares without declaring or paying any dividends on any other class or classes of shares.
2. **Participation upon Liquidation, Dissolution or Winding-Up:** Subject to the prior rights of the holders of the Class A shares and Class B shares, in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or other distribution of its assets or property among shareholders for the purpose of winding-up its affairs, the holders of the Class A common shares shall be entitled to receive, in equal amounts per share with the holders of the Class B common shares, without preference or distinction, all of the remaining property and assets of the Corporation.
3. **Voting Rights:** The holders of the Class A common shares shall be entitled to receive notice of and to attend any meeting of the shareholders of the Corporation and shall be entitled to one (1) vote in respect of each Class A common share held at all meetings of the shareholders of the Corporation.
4. **Waiver:** The Corporation or the holder of any Class A common share may waive, in writing, any of the requirements herein, in its favour.
5. **Quorum:** A quorum for a meeting of the shareholders of the Class A common shares shall consist of Class A common shareholders who in the aggregate own more than 5% of the Class A common shares being present in person or by proxy.

**CLASS B COMMON SHARES**

The common shares shall have attached thereto the following rights, privileges, restrictions and conditions:

1. **Payment of Dividends:** The holders of the Class B common shares shall be entitled to receive in each financial year of the Corporation, when, as and if declared by the board of directors of the Corporation out of the monies or property of the Corporation properly applicable to the payment of dividends, a variable non-cumulative dividend or dividends in such amount as may be determined by the board of directors from time to time in their discretion. Any dividend may be paid in one or more instalments in the discretion of the board of directors of the Corporation. The board of directors may declare and pay dividends on the Class B common shares without declaring or paying any dividends on any other class or classes of shares.

2. **Participation upon Liquidation, Dissolution or Winding-Up:** Subject to the prior rights of the holders of the Class A shares and Class B shares, in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or other distribution of its assets or property among shareholders for the purpose of winding-up its affairs, the holders of the Class B common shares shall be entitled to receive, in equal amounts per share with the holders of the Class A common shares, without preference or distinction, all of the remaining property and assets of the Corporation.
3. **Voting Rights:** The holders of the Class B common shares shall be entitled to receive notice of and to attend any meeting of the shareholders of the Corporation and shall be entitled to one (1) vote in respect of each common share held at all meetings of the shareholders of the Corporation.
4. **Waiver:** The Corporation or the holder of any common share may waive, in writing, any of the requirements herein, in its favour.
5. **Quorum:** A quorum for a meeting of the shareholders of the common shares shall consist of common shareholders who in the aggregate own more than 6% of the Class B common shares being present in person or by proxy.

#### **NON-IMPAIRMENT - GENERAL**

1. The Corporation shall not declare or pay any dividends on the Common Shares of the Corporation nor redeem or purchase any of the Common Shares, nor make any other distribution to the holders of the Common Shares if, in the opinion of the board of directors of the Corporation, such dividend, redemption, purchase or distribution, as the case may be, would reduce the realizable value of the assets minus all of the liabilities of the Corporation (determined in accordance with what the board of directors of the Corporation considers to be generally accepted accounting and valuation principles) to an amount which is less than the aggregate Class A Share Redemption Price and Class B Share Redemption Price of all Class A shares and Class B shares issued and outstanding immediately before the time of such dividends, redemption, purchase or distribution.

9. The issue, transfer or ownership of shares is/is not restricted and the restrictions (if any) are as follows:  
L'émission, le transfert ou la propriété d'actions est/n'est pas restreint. Les restrictions, s'il y a lieu, sont les suivantes :

**No shares shall be transferred without the consent of the board of directors of the Corporation expressed by a resolution passed by the board of directors or by an instrument or instruments in writing signed by all of the directors.**

10. Other provisions, (if any):  
Autres dispositions, s'il y a lieu :

**None.**

11. The statements required by subsection 178(2) of the *Business Corporations Act* are attached as Schedule "A".  
Les déclarations exigées aux termes du paragraphe 178(2) de la *Loi sur les sociétés par actions* constituent l'annexe A.
12. A copy of the amalgamation agreement or directors' resolutions (as the case may be) is/are attached as Schedule "B".  
Une copie de la convention de fusion ou les résolutions des administrateurs (selon le cas) constitue(nt) l'annexe B.



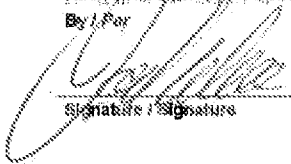
These articles are signed in duplicate.  
Les présents statuts sont signés en double exemplaire.

Name and original signature of a director or authorized signing officer of each of the amalgamating corporations. Include the name of each corporation, the signatory's name and description of office (e.g. president, secretary). Only a director or authorized signing officer can sign on behalf of the corporation. / Nom et signature originale d'un administrateur ou d'un signataire autorisé de chaque société qui fusionne. Indiquer la dénomination sociale de chaque société, le nom du signataire et sa fonction (p. ex. : président, secrétaire). Seul un administrateur ou un dirigeant habilité peut signer au nom de la société.

**CLT LOGISTICS, INC.**

Names of Corporations / Dénomination sociale des sociétés

By / Par



Signature / Signature

**Jack Wilkinson**

Print name of signatory /  
Nom du signataire en lettres moulées

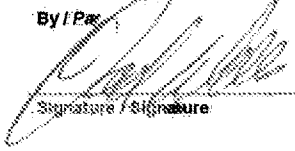
**Director**

Description of Office / Fonction

**1177216 ONTARIO LTD.**

Names of Corporations / Dénomination sociale des sociétés

By / Par



Signature / Signature

**Jack Wilkinson**

Print name of signatory /  
Nom du signataire en lettres moulées

**Director**

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /  
Nom du signataire en lettres moulées

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /  
Nom du signataire en lettres moulées

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /  
Nom du signataire en lettres moulées

Description of Office / Fonction

SCHEDULE A

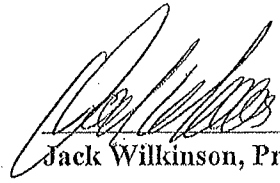
**STATEMENT OF DIRECTOR OR OFFICER  
PURSUANT TO SUBSECTION 178(2) OF  
THE BUSINESS CORPORATIONS ACT (ONTARIO)**

The undersigned, Jack Wilkinson, of the Regional Municipality of York, Province of Ontario, hereby certifies and states as follows::

1. This statement is made pursuant to subsection 178(2) of the *Business Corporations Act* (Ontario).
2. I am the President of each of 1177216 Ontario Ltd. and CLT Logistics, Inc., (hereinafter collectively called the "**Amalgamating Corporations**"), and as such have knowledge of their affairs.
3. I have conducted such examination of the books and records of the Amalgamating Corporations as are necessary to enable me to make the statements hereinafter set forth.
4. There are reasonable grounds for believing that:
  - (a) each of the Amalgamating Corporations is and the amalgamated corporation will be able to pay its liabilities as they become due; and
  - (b) the realizable value of the amalgamated corporation's assets will not be less than the aggregate of its liabilities and stated capital of all classes.
5. There are reasonable grounds for believing that no creditor will be prejudiced by the amalgamation.

**DATED** as of the 1<sup>st</sup> day of May, 2018

*[Signature page follows]*



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Jack Wilkinson, President

## SCHEDULE B

**THIS AMALGAMATION AGREEMENT** is made the 1<sup>st</sup> day of May, 2018. **AMONG:**

**1177216 ONTARIO LTD.**, a corporation governed by the *Business Corporations Act* (Ontario),

("1177216")

- and -

**CLT LOGISTICS, INC.**, a corporation governed by the *Business Corporations Act* (Ontario),

("CLT Logistics")

### **RECITALS:**

A. 1177216 was incorporated pursuant to the provisions of the *Business Corporations Act* (Ontario) by Articles of Incorporation dated April 29, 1996 and its authorized capital consists of an unlimited number of Common shares, of which 100 Common shares have been issued and are currently outstanding.

B. CLT Logistics was amalgamated pursuant to the provisions of the *Business Corporations Act* (Ontario) by Articles of Amalgamation dated April 1, 2015, and its authorized capital consists of an unlimited number of Common shares and Class A Preference shares, of which 100 Common shares have been issued and are currently outstanding.

C. The Parties to this Agreement, having made full disclosure each to the others of all their respective assets and liabilities, have determined that it is desirable that their amalgamation should be effected and, acting under the authority contained in the *Business Corporations Act* (Ontario), have agreed to amalgamate and continue as one corporation upon the terms and conditions set out in this Agreement.

**THEREFORE**, the Parties agree as follows:

### **ARTICLE 1** **INTERPRETATION**

#### **1.1 Definitions**

Whenever used in this Agreement, the following terms shall have the respective meanings ascribed to them as follows:

- (a) "**Act**" means the *Business Corporations Act* (Ontario) as amended from time to time and includes any regulations made pursuant to such Act and any term defined in the Act and not otherwise defined herein is used in this Agreement with the same meaning;

- (b) **"Board"** means the board of directors of the Corporation, it being understood that references herein to matters to be decided by the Board shall not be in derogation of the rights of the Board pursuant to the provisions of Section 127 of the Act;
- (c) **"Corporation"** means the corporation continuing from the amalgamation of the Parties hereto;
- (d) **"Parties"** means 1177216 and CLT Logistics collectively, and **"Party"** means any one of them.

## **ARTICLE 2**

### **IMPLEMENTATION**

#### **2.1 Effective Date**

1177216 and CLT Logistics shall amalgamate under the provisions of the Act effective May 1, 2018 and shall continue as one corporation upon the terms and conditions set out in this Agreement. Subject to Section 2.3, articles of amalgamation in prescribed form shall be sent to the Director under the Act, together with all other documents necessary to bring the amalgamation into effect.

#### **2.2 Effect**

Upon the amalgamation of 1177216 and CLT Logistics and their continuance as one corporation becoming effective:

- (a) the Corporation shall possess all the property, rights, privileges and franchises and shall be subject to all liabilities; including civil, criminal and quasi-criminal and all contracts, liabilities and debts of each of 1177216 and CLT Logistics;
- (b) a conviction against, or ruling, order or judgment in favour or against any of 1177216 and CLT Logistics may be enforced by or against the Corporation;
- (c) the Corporation shall be deemed to be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against 1177216 and CLT Logistics before the amalgamation has become effective; and
- (d) except for the purposes specified in the Act, the Corporation's articles of amalgamation shall be deemed to be its articles of incorporation and the Corporation's certificate of amalgamation shall be deemed to be its certificate of incorporation.

### **2.3 Termination**

Notwithstanding the approval of this Agreement by their shareholders, the board of directors of any of 1177216 and CLT Logistics, without further shareholder approval, may terminate the amalgamation and this Agreement at any time before the issuance of a certificate of amalgamation.

## **ARTICLE 3 ORGANIZATION**

### **3.1 Name**

The name of the Corporation shall be **CLT LOGISTICS, INC.**

### **3.2 Authorized Capital**

The Corporation is authorized to issue the following shares:

- an unlimited number of Class A shares
- an unlimited number of Class B shares
- an unlimited number of Class A common shares
- an unlimited number of Class B common shares

The holders of the Class A shares, Class B shares, Class A common shares and Class B common shares shall have the rights, privileges, and are subject to the restrictions and conditions set out in Schedule A to this Agreement.

### **3.3 Restriction on Transfer of Shares**

The right to transfer shares of the Corporation shall be restricted in that no shares shall be transferred without the consent of the board of directors of the Corporation expressed by a resolution passed by the board of directors or by an instrument or instruments in writing signed by all of the directors.

### **3.4 Rights for Two or More Classes of Shares**

Two or more classes of shares or two or more series within a class of shares may have the same rights, privileges, restrictions and conditions.

### **3.5 Business**

There shall be no restrictions on the business the Corporation may carry on nor on the powers the Corporation may exercise.

**3.6 Registered Office**

Until changed in accordance with the Act, the place in Ontario where the registered office of the Corporation is to be situated is the City of Toronto, in the Province of Ontario, and the address of the registered office of the Corporation shall be 5900 Finch Avenue East, Suite 2, Toronto, Ontario M1B 5P8.

**3.7 By-laws**

Until repealed, amended, altered or added to, so far as applicable, the by-laws of CLT Logistics at the time the amalgamation becomes effective shall be the by-laws of the Corporation. A copy of the by-laws may be examined at the registered office of the Corporation.

**3.8 Share Certificate**

The forms of share certificates for the Class A shares, Class B shares, Class A common shares and Class B common shares of the Corporation shall be in such forms as approved by resolution of the Board.

**ARTICLE 4**  
**DIRECTORS AND OFFICERS**

**4.1 Directors**

Until changed in accordance with the Act, the Board shall consist of such number of directors not more than ten (10) and not less than one (1). Initially, the number of directors of the Corporation shall be one (1) and the first directors shall be the persons named below, whose addresses are set out opposite their respective names:

<u>Full Name</u>	<u>Address</u>	<u>Citizenship</u>
Jack Wilkinson	5900 Finch Avenue East, Suite 2 Toronto, Ontario M1B 5P8	Canadian

Each director shall hold office until the first meeting of shareholders of the Corporation, or until his successor is elected or appointed. The election of subsequent directors shall take place thereafter in accordance with the provisions of the by-laws of the Corporation and the Act. Subject to the provisions of the Act and any unanimous shareholder agreement, the Board shall manage or supervise the management of the business and affairs of the Corporation.

**4.2 Officers**

Initially, the persons named below shall hold the office or offices in the Corporation set out opposite their respective names until their successors are duly elected or appointed:

<u>Name</u>	<u>Title</u>
Jack Wilkinson	President, Secretary and Treasurer

**ARTICLE 5**  
**ISSUED CAPITAL**

**5.1 Transition**

At the time the amalgamation of 1177216 and CLT Logistics becomes effective, their shares become issued and fully paid shares of the Corporation, or are cancelled, as the case may be, as follows:

- (a) Class A shares – 100 issued and outstanding Common shares in the capital of 1177216 become 10,000 Class A shares in the capital of the Corporation;
- (b) Class B shares – 100 issued and outstanding Common shares in the capital of CLT Logistics become 1,000 Class B shares in the capital of the Corporation;
- (c) Cancelled Shares - the following shares are cancelled:
  - (i) all authorized but unissued shares in the capital of 1177216 and CLT Logistics;

with the result that, immediately after the amalgamation becomes effective, there shall be outstanding as fully paid and non-assessable 10,000 Class A shares and 1,000 Class B shares.

**5.2 Share Certificates**

After the amalgamation becomes effective, the shareholders of 1177126 and CLT Logistics when requested by the Corporation shall, surrender for cancellation the certificates representing shares held by them in 1177126 and CLT Logistics, respectively, and shall be entitled to receive, upon request, certificates for shares of the Corporation on the basis aforesaid.

**ARTICLE 6**  
**GENERAL**

**6.1 Further Assurances**

The Parties shall with reasonable diligence do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party shall provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions.

**6.2 Execution and Delivery**

This Agreement may be executed by the Parties in counterparts and may be executed and delivered by facsimile and all such counterparts and facsimiles shall together constitute one and the same agreement.



**6.3 Miscellaneous**

- (a) Time is of the essence in the performance of the Parties' respective obligations.
- (b) This Agreement is a contract made under and shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in the Province of Ontario.
- (c) This Agreement enures to the benefit of and is binding upon the Parties and their successors and assigns.

**DATED** as of the 1<sup>st</sup> day of May, 2018.

*[Signature page follows]*

IN WITNESS OF WHICH the Parties have duly executed this Agreement.

1177216 ONTARIO LTD.

Per: 

\_\_\_\_\_  
Jack Wilkinson, President

*I have authority to bind the Corporation.*

CLT LOGISTICS, INC.

Per: 

\_\_\_\_\_  
Jack Wilkinson, President

*I have authority to bind the Corporation.*

**DEFINITIONS**

All initially capitalized words and phrases set out in these articles shall, unless specifically stated otherwise, have the meanings attributed thereto, respectively, as follows:

**“Class A Share Redemption Amount”** means an amount equal to the Class A Share Redemption Price together with all dividends declared on each Class A share which remain unpaid.

**“Class A Share Redemption Price”** means, subject to any adjustments provided for herein, an amount per share equal to:

- (a) the sum of:
  - (i) the fair market value of any property or assets transferred to the Corporation, or other consideration received by the Corporation (including shares of the Corporation transferred to, or exchanged with, the Corporation) in consideration for the first issuance of the Class A shares (including for greater certainty on an amalgamation); minus
  - (ii) any liabilities assumed by the Corporation, any other non-share consideration given by the Corporation and share consideration issued or paid by the Corporation other than Class A shares in the course of any such transfer (including for greater certainty on an amalgamation);

divided by

- (b) the number of Class A shares issued in consideration for such property or assets.

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**“Class B Share Redemption Amount”** means an amount equal to the Class B Share Redemption Price together with all dividends declared on each Class B share which remain unpaid.

**“Class B Share Redemption Price”** means, subject to any adjustments provided for herein, an amount per share equal to:

- (a) the sum of:
  - (i) the fair market value of any property or assets transferred to the Corporation, or other consideration received by the Corporation (including shares of the Corporation transferred to, or exchanged with, the Corporation) in consideration for the first issuance of the Class B shares (including for greater certainty on an amalgamation); minus
  - (ii) any liabilities assumed by the Corporation, any other non-share consideration given by the Corporation and share consideration issued or paid by the Corporation other than Class B shares in the course of any such transfer (including for greater certainty on an amalgamation);

divided by

(b) the number of Class B shares issued in consideration for such property or assets.

“**Common Shares**” shall mean, collectively, the Class A common shares and Class B common shares of the Corporation and “**Common Share**” shall mean any individual share of any of the foregoing classes of shares.

### **CLASS A SHARES**

The Class A shares shall have attached thereto the following rights, privileges, restrictions and conditions:

1. **Payment of Dividends:** Each Class A share shall entitle the holder thereof to receive, in each financial year of the Corporation when, as and if declared by the board of directors of the Corporation out of the monies or property of the Corporation properly applicable to the payment of dividends, a variable non-cumulative dividend or dividends in an amount to be determined from time to time by the board of directors of the Corporation, provided that the aggregate amount of dividends declared in respect of each Class A share for each financial year shall not be more than 8% of the Class A Share Redemption Price. Any dividend may be paid in one or more instalments in the discretion of the board of directors of the Corporation. The board of directors may declare and pay dividends on the Class A shares without declaring or paying any dividends on any other class or classes of shares.
2. **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 other distribution of its assets or property among shareholders for the purpose of winding-up its affairs, the holder of each Class A share shall be entitled to receive, on a *pari passu* basis with the holder of each Class B share, prior to any payment or distribution of any part of the property or assets of the Corporation among the holders of the Common Shares, payment of an amount equal to the Class A Share Redemption Amount and no more; provided, however, that if the aggregate amount available for distribution to the holders of Class A shares and Class B shares is less than the amount otherwise payable to them pursuant to the provisions hereof, then each Class A share and Class B share shall entitle the holder thereof to participate in the amount so available for distribution, pro rata based on the aggregate amount otherwise payable to them pursuant to the provisions hereof. 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 the property or assets of the Corporation.
3. **Redemption by Corporation:** The Corporation may, upon giving notice as hereinafter provided, redeem the whole or any part of the Class A shares upon payment for each share to be redeemed of the Class A Share Redemption Amount. Unless all the holders of the Class A shares to be redeemed have waived notice of such redemption, the Corporation shall give not less than 14 days' notice in writing of the redemption, specifying the date and place of redemption. If this notice is given or waived, and the Class A Share Redemption Amount is paid to such holders, or is deposited with any chartered bank or trust company in Canada, as specified in the notice, on or before the date fixed for redemption, the holders of such shares shall from then on have no rights

against the Corporation in respect of those shares except to receive payment therefor out of the monies so deposited.

4. **Partial Redemption:** In case a part only of the Class A shares is at any time to be redeemed, the shares so to be redeemed shall either be selected by lot in such manner as the board of directors in its sole discretion shall determine or, if the board of directors so determines, shall be redeemed proportionately, disregarding fractions, and the board of directors may provide for such adjustments as may be necessary to avoid the redemption of fractions of shares.
5. **Redemption at Option of Holder:** A holder of Class A shares shall be entitled to require the Corporation to redeem at any time or times all or any of the Class A shares registered in the name of such holder on the books of the Corporation by tendering to the Corporation at its registered office the share certificate(s) (if a share certificate(s) has been issued for such shares) representing the Class A shares which the registered holder desires to have the Corporation redeem together with a request in writing specifying (i) the number of Class A shares that the registered holder desires to have redeemed by the Corporation and (ii) the business day (in this paragraph referred to as the "Class A Share Redemption Date") on which the holder desires to have the Corporation redeem such Class A shares, which Class A Share Redemption Date shall not be less than 14 days after the day on which the request in writing is given to the Corporation. Upon receipt of a share certificate(s) representing the Class A shares (if a share certificate(s) has been issued for such shares) which the registered holder desires to have the Corporation redeem together with such a request, the Corporation shall on the Class A Share Redemption Date redeem such Class A shares by paying to such registered holder, for each such share to be redeemed, the Class A Share Redemption Amount in accordance with the foregoing provisions relating to the redemption of Class A shares.
6. **Price Adjustment:** The Class A Share Redemption Price shall be determined by the board of directors of the Corporation, acting reasonably and in good faith. In the event that the Corporation and the parties to the transaction (or their successors) in respect of which the Class A shares are issued agree or in the event that at any time any taxing authority having jurisdiction or a court or tribunal having jurisdiction in the matter alleges that the fair market value of the property or assets transferred to the Corporation, or other consideration received (including shares of the Corporation converted into or exchanged) in consideration for the first issuance of the Class A Shares, minus any liabilities assumed by the Corporation, any other non-share consideration given by the Corporation and share consideration issued or paid by the Corporation other than Class A shares in the course of any such transfer (such net fair market value being referred to herein as the "**Net Class A Share Consideration**") was not equal to the fair market value of the Class A shares issued in consideration therefor, or makes or proposes to make any assessment on the basis that any advantage or benefit was conferred by reason of the Net Class A Share Consideration not being equal to the fair market value of such Class A shares, then the Class A Share Redemption Price of each Class A share issued in consideration of such aforementioned transfer to the Corporation shall be re-determined by resolution of the board of directors of the Corporation to be such amount as is finally determined by the Corporation and the parties to the transaction (or their successors) or as may be agreed to by such parties and the taxing authority (including the court or

tribunal), or by the taxing authority, court or tribunal from which there is no further right to dispute, object or appeal such that the aggregate Class A Share Redemption Price of the Class A shares issued by the Corporation in consideration of such aforementioned transfer equals the Net Class A Share Consideration as so finally determined, and the Class A Share Redemption Price shall be deemed to have been made retroactively *nunc pro tunc*; if articles of amendment are necessary to effect such re-determination, the Corporation shall forthwith file such articles of amendment as are so necessary. Furthermore, if the Class A Share Redemption Price is adjusted in the manner hereinbefore described and if, prior to that time, any dividend has been declared and paid on the said Class A shares and/or any of the said Class A shares have been redeemed, then the Class A share shareholder who received such dividend and/or redemption amount, as the case may be, or the Corporation, shall forthwith make any payment necessary to rectify the overpayment or underpayment with interest at the prescribed rate as defined in Regulation 4301(c) to the *Income Tax Act* (Canada) on such overpayment or underpayment computed from the date of payment of such dividend and/or redemption amount up to and including the date of such payment by the Class A share shareholder or the Corporation, as the case may be. Upon any such adjustment to Class A Share Redemption Price, Net Class A Share Consideration and/or any other adjustments made in accordance with the provisions herein, the Corporation and Class A shareholders shall do all things and execute all documents as may be required or necessary to give effect thereto, including, without limitation, the passing of corporate resolutions, filing of articles of amendment and the execution and filing of revised tax returns, elections or such other documents under the *Income Tax Act* (Canada) and the applicable provisions of any similar legislation. All necessary adjustments made hereunder shall be made by the parties *nunc pro tunc*.

7. **Reduction of Stated Capital:** In addition to any adjustments to the Class A Share Redemption Price provided for herein, in the event that there is a payment made on a Class A share on a reduction of stated capital of the Class A shares, the Class A Share Redemption Price of each Class A share, issued and outstanding at the time of the payment, shall be reduced by such amount paid on each Class A share.
8. **Voting Rights:** Subject to the provisions of the *Business Corporations Act* (Ontario), 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.
9. **Waiver:** The Corporation or the holder of any Class A share may waive, in writing, any of the requirements herein, in its favour.
10. **Non-Impairment:** The Corporation shall not declare or pay any dividends on the Class A shares or Class B shares of the Corporation nor redeem any of the Class A shares or Class B shares, nor make any other distribution to the holders of the Class A shares or Class B shares if, in the opinion of the board of directors of the Corporation, such dividends, redemption, as the case may be, would reduce the realizable value of the assets minus all of the liabilities of the Corporation (determined in accordance with what the board of directors of the Corporation considers to be generally accepted accounting and valuation principles) to an amount which is less than the aggregate Class A Share

Redemption Amount and Class B Share Redemption Amount of all Class A shares and Class B shares issued and outstanding immediately before the time of such dividends, redemption, purchase or distribution.

### **CLASS B SHARES**

The Class B shares shall have attached thereto the following rights, privileges, restrictions and conditions:

1. **Payment of Dividends:** Each Class B share shall entitle the holder thereof to receive, in each financial year of the Corporation when, as and if declared by the board of directors of the Corporation out of the monies or property of the Corporation properly applicable to the payment of dividends, a variable non-cumulative dividend or dividends in an amount to be determined from time to time by the board of directors of the Corporation, provided that the aggregate amount of dividends declared in respect of each Class B share for each financial year shall not be more than 8.5% of the Class B Share Redemption Price. Any dividend may be paid in one or more instalments in the discretion of the board of directors of the Corporation. The board of directors may declare and pay dividends on the Class B shares without declaring or paying any dividends on any other class or classes of shares.
2. **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 other distribution of its assets or property among shareholders for the purpose of winding-up its affairs, the holder of each Class B share shall be entitled to receive, on a *pari passu* basis with the holder of each Class A share, prior to any payment or distribution of any part of the property or assets of the Corporation among the holders of the Common Shares, payment of an amount equal to the Class B Share Redemption Amount and no more; provided, however, that if the aggregate amount available for distribution to the holders of Class B shares and Class A shares is less than the amount otherwise payable to them pursuant to the provisions hereof, then each Class B share and Class A share shall entitle the holder thereof to participate in the amount so available for distribution, pro rata based on the aggregate amount otherwise payable to them pursuant to the provisions hereof. 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 the property or assets of the Corporation.
3. **Redemption by Corporation:** The Corporation may, upon giving notice as hereinafter provided, redeem the whole or any part of the Class B shares upon payment for each share to be redeemed of the Class B Share Redemption Amount. Unless all the holders of the Class B shares to be redeemed have waived notice of such redemption, the Corporation shall give not less than 14 days' notice in writing of the redemption, specifying the date and place of redemption. If this notice is given or waived, and the Class B Share Redemption Amount is paid to such holders, or is deposited with any chartered bank or trust company in Canada, as specified in the notice, on or before the date fixed for redemption, the holders of such shares shall from then on have no rights against the Corporation in respect of those shares except to receive payment therefor out of the monies so deposited.

4. **Partial Redemption:** In case a part only of the Class B shares is at any time to be redeemed, the shares so to be redeemed shall either be selected by lot in such manner as the board of directors in its sole discretion shall determine or, if the board of directors so determines, shall be redeemed proportionately, disregarding fractions, and the board of directors may provide for such adjustments as may be necessary to avoid the redemption of fractions of shares.
5. **Redemption at Option of Holder:** A holder of Class B shares shall be entitled to require the Corporation to redeem at any time or times all or any of the Class B shares registered in the name of such holder on the books of the Corporation by tendering to the Corporation at its registered office the share certificate(s) (if a share certificate(s) has been issued for such shares) representing the Class B shares which the registered holder desires to have the Corporation redeem together with a request in writing specifying (i) the number of Class B shares that the registered holder desires to have redeemed by the Corporation and (ii) the business day (in this paragraph referred to as the "Class B Share Redemption Date") on which the holder desires to have the Corporation redeem such Class B shares, which Class B Share Redemption Date shall not be less than 14 days after the day on which the request in writing is given to the Corporation. Upon receipt of a share certificate(s) representing the Class B shares (if a share certificate(s) has been issued for such shares) which the registered holder desires to have the Corporation redeem together with such a request, the Corporation shall on the Class B Share Redemption Date redeem such Class B shares by paying to such registered holder, for each such share to be redeemed, the Class B Share Redemption Amount in accordance with the foregoing provisions relating to the redemption of Class B shares.
6. **Price Adjustment:** The Class B Share Redemption Price shall be determined by the board of directors of the Corporation, acting reasonably and in good faith. In the event that the Corporation and the parties to the transaction (or their successors) in respect of which the Class B shares are issued agree or in the event that at any time any taxing authority having jurisdiction or a court or tribunal having jurisdiction in the matter alleges that the fair market value of the property or assets transferred to the Corporation, or other consideration received (including shares of the Corporation converted into or exchanged) in consideration for the first issuance of the Class B Shares, minus any liabilities assumed by the Corporation, any other non-share consideration given by the Corporation and share consideration issued or paid by the Corporation other than Class B shares in the course of any such transfer (such net fair market value being referred to herein as the "**Net Class B Share Consideration**") was not equal to the fair market value of the Class B shares issued in consideration therefor, or makes or proposes to make any assessment on the basis that any advantage or benefit was conferred by reason of the Net Class B Share Consideration not being equal to the fair market value of such Class B shares, then the Class B Share Redemption Price of each Class B share issued in consideration of such aforementioned transfer to the Corporation shall be re-determined by resolution of the board of directors of the Corporation to be such amount as is finally determined by the Corporation and the parties to the transaction (or their successors) or as may be agreed to by such parties and the taxing authority (including the court or tribunal), or by the taxing authority, court or tribunal from which there is no further right to dispute, object or appeal such that the aggregate Class B Share Redemption Price of the Class B shares issued by the Corporation in consideration of such aforementioned



transfer equals the Net Class B Share Consideration as so finally determined, and the Class B Share Redemption Price shall be deemed to have been made retroactively *nunc pro tunc*; if articles of amendment are necessary to effect such re-determination, the Corporation shall forthwith file such articles of amendment as are so necessary. Furthermore, if the Class B Share Redemption Price is adjusted in the manner hereinbefore described and if, prior to that time, any dividend has been declared and paid on the said Class B shares and/or any of the said Class B shares have been redeemed, then the Class B share shareholder who received such dividend and/or redemption amount, as the case may be, or the Corporation, shall forthwith make any payment necessary to rectify the overpayment or underpayment with interest at the prescribed rate as defined in Regulation 4301(c) to the *Income Tax Act* (Canada) on such overpayment or underpayment computed from the date of payment of such dividend and/or redemption amount up to and including the date of such payment by the Class B share shareholder or the Corporation, as the case may be. Upon any such adjustment to Class B Share Redemption Price, Net Class B Share Consideration and/or any other adjustments made in accordance with the provisions herein, the Corporation and Class B shareholders shall do all things and execute all documents as may be required or necessary to give effect thereto, including, without limitation, the passing of corporate resolutions, filing of articles of amendment and the execution and filing of revised tax returns, elections or such other documents under the *Income Tax Act* (Canada) and the applicable provisions of any similar legislation. All necessary adjustments made hereunder shall be made by the parties *nunc pro tunc*.

7. **Reduction of Stated Capital:** In addition to any adjustments to the Class B Share Redemption Price provided for herein, in the event that there is a payment made on a Class B share on a reduction of stated capital of the Class B shares, the Class B Share Redemption Price of each Class B share, issued and outstanding at the time of the payment, shall be reduced by such amount paid on each Class B share.
8. **Voting Rights:** Subject to the provisions of the *Business Corporations Act* (Ontario), 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 not be entitled to vote at any such meeting.
9. **Waiver:** The Corporation or the holder of any Class B share may waive, in writing, any of the requirements herein, in its favour.
10. **Non-Impairment:** The Corporation shall not declare or pay any dividends on the Class A shares or Class B shares of the Corporation nor redeem any of the Class A shares or Class B shares, nor make any other distribution to the holders of the Class A shares or Class B shares if, in the opinion of the board of directors of the Corporation, such dividends, redemption, as the case may be, would reduce the realizable value of the assets minus all of the liabilities of the Corporation (determined in accordance with what the board of directors of the Corporation considers to be generally accepted accounting and valuation principles) to an amount which is less than the aggregate Class A Redemption Amount and Class B Share Redemption Amount of all Class A shares and Class B shares issued and outstanding immediately before the time of such dividends, redemption, purchase or distribution.

### **CLASS A COMMON SHARES**

The Class A common shares shall have attached thereto the following rights, privileges, restrictions and conditions:

1. **Payment of Dividends:** The holders of the Class A common shares shall be entitled to receive in each financial year of the Corporation, when, as and if declared by the board of directors of the Corporation out of the monies or property of the Corporation properly applicable to the payment of dividends, a variable non-cumulative dividend or dividends in such amount as may be determined by the board of directors from time to time in their discretion. Any dividend may be paid in one or more instalments in the discretion of the board of directors of the Corporation. The board of directors may declare and pay dividends on the Class A common shares without declaring or paying any dividends on any other class or classes of shares.
2. **Participation upon Liquidation, Dissolution or Winding-Up:** Subject to the prior rights of the holders of the Class A shares and Class B shares, in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or other distribution of its assets or property among shareholders for the purpose of winding-up its affairs, the holders of the Class A common shares shall be entitled to receive, in equal amounts per share with the holders of the Class B common shares, without preference or distinction, all of the remaining property and assets of the Corporation.
3. **Voting Rights:** The holders of the Class A common shares shall be entitled to receive notice of and to attend any meeting of the shareholders of the Corporation and shall be entitled to one (1) vote in respect of each Class A common share held at all meetings of the shareholders of the Corporation.
4. **Waiver:** The Corporation or the holder of any Class A common share may waive, in writing, any of the requirements herein, in its favour.
5. **Quorum:** A quorum for a meeting of the shareholders of the Class A common shares shall consist of Class A common shareholders who in the aggregate own more than 5% of the Class A common shares being present in person or by proxy.

### **CLASS B COMMON SHARES**

The common shares shall have attached thereto the following rights, privileges, restrictions and conditions:

1. **Payment of Dividends:** The holders of the Class B common shares shall be entitled to receive in each financial year of the Corporation, when, as and if declared by the board of directors of the Corporation out of the monies or property of the Corporation properly applicable to the payment of dividends, a variable non-cumulative dividend or dividends in such amount as may be determined by the board of directors from time to time in their discretion. Any dividend may be paid in one or more instalments in the discretion of the board of directors of the Corporation. The board of directors may declare and pay dividends on the Class B common shares without declaring or paying any dividends on any other class or classes of shares.

2. **Participation upon Liquidation, Dissolution or Winding-Up:** Subject to the prior rights of the holders of the Class A shares and Class B shares, in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or other distribution of its assets or property among shareholders for the purpose of winding-up its affairs, the holders of the Class B common shares shall be entitled to receive, in equal amounts per share with the holders of the Class A common shares, without preference or distinction, all of the remaining property and assets of the Corporation.
3. **Voting Rights:** The holders of the Class B common shares shall be entitled to receive notice of and to attend any meeting of the shareholders of the Corporation and shall be entitled to one (1) vote in respect of each common share held at all meetings of the shareholders of the Corporation.
4. **Waiver:** The Corporation or the holder of any common share may waive, in writing, any of the requirements herein, in its favour.
5. **Quorum:** A quorum for a meeting of the shareholders of the common shares shall consist of common shareholders who in the aggregate own more than 6% of the Class B common shares being present in person or by proxy.

#### **NON-IMPAIRMENT - GENERAL**

1. The Corporation shall not declare or pay any dividends on the Common Shares of the Corporation nor redeem or purchase any of the Common Shares, nor make any other distribution to the holders of the Common Shares if, in the opinion of the board of directors of the Corporation, such dividend, redemption, purchase or distribution, as the case may be, would reduce the realizable value of the assets minus all of the liabilities of the Corporation (determined in accordance with what the board of directors of the Corporation considers to be generally accepted accounting and valuation principles) to an amount which is less than the aggregate Class A Share Redemption Price and Class B Share Redemption Price of all Class A shares and Class B shares issued and outstanding immediately before the time of such dividends, redemption, purchase or distribution.