



Certificate of Continuance

Canada Business
Corporations Act

Certificat de prorogation

Loi sur les sociétés
commerciales canadiennes

**FINNING TRACTOR & EQUIPMENT
COMPANY LIMITED**

210248-0

Name of Corporation — Dénomination de la société

Number — Numéro

I hereby certify that the above-mentioned Corporation was continued under Section 181 of the Canada Business Corporations Act as set out in the attached articles of Continuance.

Je certifie par les présentes que la société mentionnée ci-haut a été prorogée en vertu de l'article 181 de la Loi sur les sociétés commerciales canadiennes, tel qu'indiqué dans les clauses de prorogation ci-jointes.

Director — Directeur

October 8, 1986
le 8 octobre 1986

Date of Continuance — Date de la prorogation.

1 - Name of Corporation	Dénomination de la société
FINNING TRACTOR & EQUIPMENT COMPANY LIMITED	
2 - The place in Canada where the registered office is to be situated	Lieu au Canada où doit être situé le siège social
Vancouver, British Columbia	
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
5,000,000 Preferred Shares 40,000,000 class A voting shares 40,000,000 class B non-voting shares The rights, privileges, restrictions and conditions attached to each of the classes of shares are set out in the annexed Schedule 1 which is incorporated herein.	
4 - Restrictions if any on share transfers	Restrictions sur le transfert des actions s'il y a lieu
N/A	
5 - Number (or minimum and maximum number) of directors	Nombre (ou nombre minimum et maximum) d'administrateurs
Minimum of three and a maximum of twelve	
6 - Restrictions if any on businesses the corporation may carry on	Limites imposées quant aux activités que la société peut exploiter, s'il y a lieu
N/A	
(1) If change of name effected, previous name (1) Si changement de dénomination, dénomination antérieure	(2) Details of incorporation (2) Détails de la constitution
N/A	January 4, 1933 (B.C.)
7 - Other provisions if any	Autres dispositions s'il y a lieu

Date Sept 30/86	Signature <i>[Signature]</i>	Description of Office - Description du poste Secretary
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CANADA BUSINESS CORPORATIONS ACT
ARTICLES OF CONTINUANCE
FINNING TRACTOR & EQUIPMENT COMPANY LIMITED

FORM II
SCHEDULE 1

ARTICLE ONE

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE PREFERRED SHARES AS A CLASS

The Preferred Shares shall confer on the holders thereof and shall be subject to the following rights, privileges, restrictions and conditions:

1.1 Issuable in Series

Subject to the limitations set out in the Articles of the Corporation, the Preferred Shares may be issued at any time or times in one or more series, and the directors may by resolution alter the Articles to fix the number of Preferred Shares in, and to determine the designation of the Preferred Shares of, each series and alter the Articles to create, define and attach rights, privileges, restrictions and conditions to the Preferred Shares of each series subject to the rights, privileges, restrictions and conditions attaching to the Preferred Shares by this Article One. A resolution under this section 1.1 may only be passed prior to the issue of Preferred Shares of the series to which the resolution relates.

1.2 Preference over Junior Shares

The Preferred Shares shall be entitled to preference over the class A voting shares and class B non-voting shares, and any other shares ranking junior to the Preferred Shares, with respect to the payment of dividends and the distribution of assets of the Corporation in the event of liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or in the event of any other distribution of assets of the Corporation among its members for the purpose of winding up its affairs; and the Preferred Shares of each series may be given such other preferences not inconsistent with this Article One over the class A voting shares and class B non-voting shares and any other shares ranking junior to the Preferred Shares as may be determined in the case of each series authorized to be issued.

1.3 Parity among Series

1.3.1 Participation in Respect of Accumulated Dividends

Where cumulative dividends with respect to a series of Preferred Shares are not paid in full, the shares of all series of Preferred Shares shall participate rateably in respect of accumulated dividends in accordance with the amounts that would be payable on those shares if all the accumulated dividends were paid in full.

1.3.2 Participation in Respect of Return of Capital

Where amounts payable on a winding up, or on the occurrence of any other event as a result of which the holders of the shares of all series of Preferred Shares are then entitled to a return of capital, are not paid in full, the shares of all series of Preferred Shares shall participate rateably in a return of capital in respect of the Preferred Shares as a class in accordance with the amounts that would be payable on the return of capital if all amounts so payable were paid in full.

1.4 No Pre-emptive Right

The registered holders of the Preferred Shares shall not be entitled as such to subscribe for, purchase or receive any part of any issue of shares, bonds, debentures or other securities of the Corporation now or hereafter authorized, or any rights to acquire the same, otherwise than in accordance with the rights, privileges, restrictions and conditions which may from time to time be attached to any series of the Preferred Shares.

1.5 Restriction on Creating New Shares

1.5.1 Creation of Shares Ranking Prior to the Preferred Shares

So long as any Preferred Shares are outstanding, the Corporation shall not at any time without, in addition to any approval that may then be prescribed by applicable law, the approval of the registered holders of the Preferred Shares given in writing by the registered holders of two-thirds of the Preferred Shares or given by a resolution passed at a meeting called and conducted in accordance with the second sentence of section 1.8 and carried by the affirmative vote of not less than two-thirds of the votes cast at such meeting, create or issue any shares ranking prior to the Preferred Shares with respect to the payment of dividends or the distribution of assets in the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or in the event of any other distribution of assets of the Corporation among its members for the purpose of winding up its affairs.

1.5.2 Increase in Number of Authorized Preferred Shares

The Corporation may at any time or from time to time without the approval of the registered holders of the Preferred Shares increase the number of authorized Preferred Shares.

1.6 Voting

Except as otherwise provided in sections 1.5 and 1.7 or with respect to any particular series of Preferred Shares and except as otherwise required by law, the registered holders of the Preferred Shares shall not be entitled as a class to receive notice of or to attend or to vote at any meetings of the Corporation unless and until the Corporation shall have failed to pay in the aggregate eight quarterly cumulative dividends on any series of the Preferred Shares on the dates on which the same are to be paid in accordance with the provisions thereof, whether or not such dividends are consecutive and whether or not there are any moneys of the Corporation properly applicable to their payment. In the event of any such failure, the registered holders of the Preferred Shares shall have the right to receive notice of and to attend each meeting of members of the Corporation at which directors are to be elected and which takes place more than 60 days after the date of which the failure first occurs (other than a separate meeting of the holders of another class or series of shares), and such registered holders shall have the right to elect at each such meeting, voting separately as a class, two directors out of whatever number of directors are to be elected at such meeting in accordance with these Articles and the By-laws of the Corporation, provided that such rights of notice, attendance and election shall not apply at any such meeting which takes place on or after the first day following the day as of which such dividends are no longer in arrears.

Nothing contained herein shall be deemed to limit the right of the Corporation from time to time to increase or decrease the size of its board of directors or the ability of the directors to create, define and attach, by resolution pursuant to section 1.1, special voting rights and restrictions applicable to the series of Preferred Shares authorized thereby in addition to, or at variance with, the voting rights and restrictions contained in this section 1.6.

1.7 Amendments

The rights, privileges, restrictions and conditions attached to the Preferred Shares as a class may be varied or abrogated at any time or from time to time with, in addition to any approval that may then be prescribed by applicable law, the approval of the registered holders of the Preferred Shares given in writing by the registered holders of two-thirds of the Preferred Shares or given by a resolution passed at a meeting called and conducted in accordance with the second sentence of section 1.8 and carried by the affirmative vote of not less than two-thirds of the votes cast at such meeting.

1.8 Meetings of Registered Holders of Preferred Shares

Except as otherwise provided in sections 1.5 and 1.7 or with respect to any particular series of Preferred Shares and except as otherwise required by law, on any poll taken at any meeting of the registered holders of the Preferred Shares as a class, or at any meeting of the registered holders of any one or more series of the Preferred Shares, each registered holder of Preferred Shares entitled to vote, shall be entitled, with respect to his shares of each series, to one vote in respect of each dollar, excluding any fraction of a dollar, of the product resulting from multiplying

- (a) the number of shares of such series held by such registered holder, by
- (b) the issue price per share of such series

provided that, in determining such issue price, any issue price expressed in a foreign currency shall be translated into lawful money of Canada at the rate of exchange applied by the Corporation in respect thereof in its audited financial statements for the fiscal year of issuance. The formalities to be observed with respect to the giving of notice of and

voting at any such meeting (including without in any way limiting the generality of the foregoing, the record dates for the giving of notice and the entitlement to vote), the quorum therefor and the conduct thereof shall, with the necessary changes and so far as applicable, be those from time to time prescribed by the By-laws of the Corporation with respect to meetings of members.

ARTICLE TWO

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE SERIES A PREFERRED SHARES

The first series of preferred shares created pursuant to Article One of the Articles of the Corporation are designated as Cumulative Redeemable Convertible Preferred Shares, Series A (the "Series A preferred shares") and in addition to the rights, privileges, restrictions and conditions attached thereto as a class by Article One, shall have attached thereto the following:

2.1 Dividends

The holders of the Series A Preferred Shares shall be entitled to receive cumulative preferential cash dividends at a rate calculated daily equal to 50% of the prime commercial rate of the Toronto-Dominion Bank plus ½% per annum (the "Dividend Rate"), payable quarterly on the last days of March, June, September and December in each year on the amount paid up thereon. The prime commercial rate of the Toronto-Dominion Bank shall mean that rate of interest payable from time to time on Canadian fund loans made by the Toronto-Dominion Bank, Main Branch at Vancouver, British Columbia. No dividends shall be paid or set apart for payment upon the Equity Shares unless all cumulative preferential dividends on the Series A Preferred Shares have been declared and paid or set aside for the current quarterly period and for all previous quarterly periods.

2.2 Redemption

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 Series A Preferred Shares on payment for each share to be redeemed of an amount (the "Redemption Price") equal to 100% of the amount paid up on such share, together with an amount equal to all accrued and unpaid dividends, whether declared or not, which dividends shall be calculated as if such dividends were accruing from day to day. In case a part only of the then outstanding Series A Preferred Shares is at any time to be redeemed pursuant to this section 2.2, the shares so to be redeemed shall be selected by the directors and need not be pro rata or selected by lot. The directors may redeem all or a portion of the Series A Preferred Shares held by one or more persons to the entire or partial exclusion of any other person or persons.

2.3 Notice of Redemption and Waiver

2.3.1 Notice of Redemption

In case of any redemption of any Series A Preferred Shares, the Corporation shall at least 16 days before the date specified for redemption mail or deliver to each registered holder of Series A Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series A Preferred Shares. However, except as provided in the next following sentence, no notice of redemption of any Series A Preferred Shares given after two years after the Date of Issue of such Preferred Shares shall have the effect of reducing the time within which a holder of Series A Preferred Shares may exercise his right to convert Series A Preferred Shares as herein provided. Notwithstanding any other provision hereof, the Corporation may at any time redeem all, but not less than all, the outstanding Series A Preferred Shares by not less than 90 days prior notice to each registered holder thereof, such notice to be given in the manner herein provided. Any notice of redemption shall be mailed in a prepaid envelope or delivered to each such holder at his address as it appears on the books 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 such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and if part only of the Series A Preferred Shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. Unless the holder shall have exercised the conversion privilege set forth in section 2.4 on or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of each registered holder of the Series A Preferred Shares to be redeemed, the Redemption Price on presentation and surrender, at the registered office of the Corporation or any other place designated in such notice, of the certificate for the Series A Preferred

Shares called for redemption. Such payment may be made by cheques payable at par at any branch in Canada of any Canadian chartered bank. Such Series A Preferred Shares shall thereupon be and be deemed to be redeemed and shall be cancelled. If a part only of the shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any such notice, the Series A Preferred Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of holders in respect thereof (except as herein otherwise specifically provided) unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right at any time after the mailing or delivery of notice of its intention to redeem any Series A Preferred Shares to deposit the Redemption Price for such shares, other than shares represented by certificates theretofore surrendered by holders in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in such notice. The Redemption Price so deposited shall be paid without interest to or to the order of the respective holders of such Series A Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such deposit of the Redemption Price or upon the date specified for redemption in such notice, whichever is the later, the Series A Preferred Shares in respect of which such deposit shall have been made, shall be deemed to be redeemed, and shall be cancelled and the rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. If the Corporation deposits the Redemption Price as contemplated hereby and if any holder of any Series A Preferred Shares shall fail to claim his portion on the Redemption Price prior to the expiration of three years following the date on which redemption was to take place, then the unclaimed portion of the Redemption Price shall be returned to the Corporation and the claim of any such holder for such portion of the Redemption Price shall thereupon be extinguished.

2.3.2 Waiver of Notice of Redemption

Notwithstanding the provisions of section 2.3.1 the holders of the Series A Preferred Shares may waive notice of any redemption by instrument or instruments in writing.

2.4 Conversion Privilege

2.4.1 For the purposes of this Article Two:

"Class A Shares" shall mean the class A voting shares without par value of the Corporation as those shares were constituted on the Date on which the special resolution creating such shares shall have become effective or shares of any other class or any other security resulting from any common share reorganization as defined in section 2.4.4 below.

"Close of Business" shall mean the normal closing hour of the Corporation or such other office at which certificates for Series A preferred shares are surrendered for conversion.

"Common Shares" shall mean the Common Shares without par value of the Corporation as those shares were constituted on December 19, 1980 or shares of any other class or any other security resulting from any common share reorganization as defined in section 2.4.4.

"Conversion Factor" for any Series A preferred shares shall mean the figure which results when the issue price for such Series A preferred shares is divided by the Conversion Price applicable thereto, all as adjusted from time to time in accordance with section 2.4.4.

"Conversion Price" for any Series A Preferred Shares shall mean 115% of the Current Market Price applicable to such Series A Preferred Shares.

"Current Market Price" of the Common Shares as at any Issue Date or the Class A Shares as at any Issue Date shall mean the average of the prices per share at which the last board lot of the Common Shares or the Class A Shares, as the case may be, traded on The Toronto Stock Exchange (or, if the Common Shares or the Class A Shares are not listed on The Toronto Stock Exchange, on such stock exchange on which such shares are listed as may be selected for that purpose by the Board of Directors) on each of the last five trading days on which board lots traded before such Issue Date.

"Equity Shares" shall mean collectively the Common Shares, the Class A Shares and the Class B non-voting shares without par value of the Corporation.

"Issue Date" or "Date of Issue" shall mean with respect to any Series A Preferred Shares, the date of issue as specified by the Executive Committee of the Board of Directors.

2.4.2 Right of Conversion

A holder of Series A Preferred Shares shall have the right, exercisable at any time after, but not before the date two years after the Date of Issue of such Series A Preferred Shares and up to the Close of Business on the date ten years after the Date of Issue of such Series A Preferred Shares, to convert such Series A Preferred Shares into Class A Shares on the basis set forth in section 2.4.3.

2.4.3 Number of Class A Shares Issuable on Conversion

The number of Class A Shares issuable on conversion of Series A preferred shares shall be equal to the number of Series A Preferred Shares to be converted multiplied by the Conversion Factor.

2.4.4 Adjustment of Conversion Factor

The Conversion Factor shall be subject to adjustment from time to time as follows:

- (a) if the Corporation shall subdivide any or all of the Equity Shares into a greater number of shares; or if the Corporation shall issue in exchange for any or all of the Equity Shares a greater number of Equity Shares; or if the Corporation shall reduce the number of any or all of the Equity Shares by combination or consolidation of shares; or if the Corporation shall issue in exchange for the outstanding Equity Shares a smaller number of Equity Shares (any of which together with any reclassification, change or other fact referred to in section 2.4.4(b) is hereinafter called a "common share reorganization") then in each case from and after the effective date for such common share reorganization the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction the numerator of which is the number of Equity Shares resulting from such common share reorganization and the denominator of which is the number of Equity Shares outstanding just prior to such common share reorganization; and
- (b) if any reclassification or any change shall be made in the outstanding Equity Shares other than a common share reorganization referred to in section 2.4.4(a) or if the Corporation shall issue any additional Equity Shares or securities convertible into or exchangeable for additional Equity Shares or if any other fact occurs which, in the opinion of the Board of Directors of the Corporation, would not fairly protect the conversion rights of the holders of the Series A preferred shares in accordance with the intent hereof, then the Board of Directors of the Corporation shall make an adjustment in the Conversion Factor which in their opinion will protect fairly the conversion rights attached to the Series A Preferred Shares.

2.4.5 Conversion Procedure

The conversion privilege herein provided for may be exercised by notice in writing given to the Corporation through its Secretary at the address provided for in the By-Laws of the Corporation accompanied by the certificate or certificates representing Series A Preferred Shares in respect of which the holder thereof desires to exercise such right of conversion. Such notice shall be signed by such holder or his duly authorized representative and shall specify the number of Series A Preferred Shares which the holder desires to have converted. The transfer form on the reverse of the certificate in question shall be endorsed by the registered holder of the Series A Preferred Shares or his duly authorized representative, with signature guaranteed in a manner satisfactory to the Corporation. If less than all of the Series A Preferred Shares represented by a certificate or certificates accompanying such notice are to be converted the holder shall be entitled to receive at the expense of the Corporation, a new certificate representing the Series A Preferred Shares comprised in the certificate or certificates surrendered as aforesaid which are not to be converted.

2.4.6 Termination of Conversion Right in Certain Events

If any of the events described in this section 2.4.6 shall occur, the right of the holder of Series A Preferred Shares who has resigned or died or been dismissed, retired, or been given notice of redemption, in the case of any of the events described in sections 2.4.6(a) to 2.4.6(d), and the rights of all holders of Series A Preferred Shares in the case of the event described in section 2.4.6(e) to convert his or their Series A Preferred Shares as described in section 2.4.2, shall thereupon terminate with respect to any Series A Preferred Shares the Date of Issue of which occurred

within two years of such event and shall terminate at the expiration of the following periods of time with respect to any other Series A Preferred Shares. The events and periods of time described in this section 2.4.6 are as follows:

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|---|--|
| (a) the resignation or dismissal of the holder from employment with the Corporation other than due to retirement, | 15 days from notice of resignation or dismissal |
| (b) the retirement of the holder from employment with the Corporation in accordance with the retirement policy of the Corporation from time to time in force, | 180 days from date of retirement |
| (c) the death of the holder, | 365 days from date of death |
| (d) the giving by the Corporation of a notice of redemption of all or any portion of the Series A preferred shares, | 90 days from notice of redemption |
| (e) termination of the Corporation's Employee Share Purchase Plan pursuant to which the Series A preferred shares have been issued. | 90 days from date of notice of termination of plan |

2.4.7 Certificates Resulting from Conversion

On any conversion of Series A Preferred Shares, share certificates for Class A shares resulting therefrom shall be issued in the name of the registered holder of the Series A Preferred Shares converted or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer or other applicable taxes. Except as hereinafter provided, the right of a holder of Series A Preferred Shares to convert Series A Preferred Share into Class A Shares shall be deemed to have been exercised, and the registered holder of the Series A Preferred Shares to be converted (or any person or persons in whose name or names any such registered holder of Series A Preferred Shares shall have directed certificates representing Class A Shares to be issued) shall be deemed to have become a holder of Class A Shares of record of the Corporation for all purposes on the respective dates of surrender of certificates representing the Series A Preferred Shares to be converted accompanied by notice in writing as herein provided, notwithstanding any delay in the delivery of certificates representing the Class A Shares into which such Series A Preferred Shares have been converted.

2.4.8 Avoidance of Fractional Shares

In any case where a fraction of a Class A Share would otherwise be issuable on conversion of one or more Series A Preferred Shares, the Corporation shall adjust such fractional interest by the payment by cheque of an amount equal to such fraction multiplied by the Conversion Price applicable to the Series A Preferred Shares converted.

2.4.9 Postponement of Conversion

In any case where the application of section 2.4.4 results in an adjustment of the Conversion Factor taking effect immediately after the record date for the holders of Equity Shares for the event giving rise to the adjustment, if any Series A Preferred Shares are converted after that record date and prior to completion of the common share reorganization, the Corporation may postpone the issuance to the holder of the shares to which he is entitled by reason of the adjustment in the Conversion Factor but such shares shall be issued and delivered to that holder upon completion of the common shares reorganization and the Corporation shall deliver to the holder an appropriate instrument evidencing his right to receive such shares.

2.4.10 Reservation of Class A Shares

The Corporation shall, so long as any of the Series A Preferred Shares are outstanding and entitled to the right of conversion herein provided, reserve and at all times hold out of its unissued Class A Shares a sufficient number of unissued Class A Shares to enable all of the Series A Preferred Shares outstanding to be converted upon the basis and the terms and conditions herein provided.

2.5 Creation and Issuance of Class A Shares

Nothing herein contained shall affect or restrict the right of the Corporation to increase the number of its Equity Shares in accordance with applicable legislation and to issue such Equity Shares from time to time.

2.6 Notice of Certain Events

If the Corporation intends to fix a record date of any common share reorganization or for any rights offering or special distribution, the Corporation shall not less than 21 days prior to such record date notify each registered holder of Series A Preferred Shares of such intention by written notice, which notice shall set forth the particulars of the proposed event to the extent that such particulars have been determined at the time of giving them notice.

2.7 Transferability

The rights granted to the holders of Series A Preferred Shares are personal in nature and the Series A Preferred Shares may not be sold, transferred, assigned or dealt with in any way whatsoever except as may be permitted under the Corporation's Employee Share Purchase Plan and the Board of Directors of the Corporation may decline to register any transfer of any Series A Preferred Shares without providing any reasons in that regard.

2.8 Appointment of Trustee

The Corporation may, at its option, appoint a trustee, licensed to do business in British Columbia, to act on behalf of the Corporation or to assist the Corporation in performing its obligations under this Article Two.

2.9 Issue Price

All Series A Preferred Shares shall be issued by the Corporation for the issue price of \$10 per share.

ARTICLE THREE

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE SERIES B PREFERRED SHARES

The second series of Preferred Shares created pursuant to Article One of the Articles of the Corporation are designated as Cumulative Redeemable Convertible Preferred Shares, Series B (the "Series B Preferred Shares") and in addition to the rights, privileges, restrictions and conditions attached thereto as a class by Article One, shall have attached thereto the following rights, privileges, restrictions and conditions:

3.1 Dividends

The holders of the Series B Preferred Shares shall be entitled to receive cumulative preferential cash dividends at a rate calculated daily equal to 50% of the prime commercial rate of The Toronto-Dominion Bank plus $\frac{1}{2}\%$ per annum (the "Dividend Rate"), payable quarterly on the last days of March, June, September and December in each year on the amount paid up thereon. The prime commercial rate of The Toronto-Dominion Bank shall mean that rate of interest payable from time to time on Canadian fund loans made by The Toronto-Dominion Bank to corporate borrowers of the highest credit rating designated as such from time to time by The Toronto-Dominion Bank, Main Branch at Vancouver, British Columbia. No dividends shall be paid or set apart for payment upon the class A voting shares without par value or the class B non-voting shares without par value (collectively the "Common Shares") unless all cumulative preferential dividends on the Series B Preferred Shares have been declared and paid or set aside for the current quarterly period and for all previous quarterly periods.

3.2 Redemption

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 Series B Preferred Shares on payment for each share to be redeemed of an amount (the "Redemption Price") equal to 100% of the amount paid up on such share, together with an amount equal to all accrued and unpaid dividends, whether declared or not, which dividends shall be calculated as if such dividends were accruing from day to day. In case a part only of the then outstanding Series B Preferred Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by the directors and need not be pro rata or selected by lot. The directors may redeem all or a portion of the Series B Preferred Shares held by one or more persons to the entire or partial exclusion of any other person or persons.

3.3 Notice of Redemption and Waiver

3.3.1 Notice of Redemption

In case of any redemption of any Series B Preferred Shares, the Corporation shall at least 16 days before the date specified for redemption mail or deliver to each registered holder of Series B Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series B Preferred Shares. However, except as

provided in the following sentence, no notice of redemption of any Series B Preferred Shares given after two years after the Date of Issue of such Preferred Shares shall have the effect of reducing the time within which a holder of Series B Preferred Shares may exercise his right to convert his Series B Preferred Shares as herein provided. Notwithstanding any other provision hereto, the Corporation may at any time redeem all, but not less than all, the outstanding Series B Preferred Shares by not less than 90 days prior notice to each registered holder thereof, such notice to be given in the manner herein provided. Any notice of redemption shall be mailed in a prepaid envelope or delivered to each such holder at his address as it appears on the books of the Corporation or in the event of the address of any such shareholder not so appearing, then to the last known address of such shareholder, provided however, that accidental failure to give any such notice to one or more such shareholders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and if part only of the Series B Preferred Shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. Unless the holder shall have exercised the conversion privilege set forth in section 3.4 on or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of each registered holder of the Series B Preferred Shares to be redeemed, the Redemption Price on presentation and surrender, at the registered office of the Series B Preferred Shares called for redemption. Such payment may be made by cheques payable at par at any branch in Canada of any Canadian chartered bank. Such Series B Preferred Shares shall thereupon be and be deemed to be redeemed and shall be cancelled. If a part only of the shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any such notice, the Series B Preferred Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof (except as herein otherwise specifically provided) unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right at any time after the mailing or delivery of notice of its intention to redeem any Series B Preferred Shares to deposit the Redemption Price for such shares, other than shares represented by certificates theretofore surrendered by holders in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in such notice. The Redemption Price so deposited shall be paid without interest to or to the order of the respective holders of such Series B Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such deposit of the Redemption Price or upon the date specified for redemption in such notice, whichever is the later, the Series B Preferred Shares in respect of which such deposit shall have been made, shall be deemed to be redeemed, and shall be cancelled and the rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. If the Corporation deposits the Redemption Price as contemplated hereby and if any holder of any Series B Preferred Shares shall fail to claim his portion of the Redemption Price prior to the expiration of three years following the date on which redemption was to take place, then the unclaimed portion of the Redemption Price shall be returned to the Corporation and the claim of any such holder for such portion of the Redemption Price shall thereupon be extinguished.

3.3.2 Waiver of Notice of Redemption

Notwithstanding the provisions of section 3.3.1, the holders of the Series B Preferred Shares may waive notice of any redemption by instrument or instruments in writing.

3.4 Conversion Privilege

3.4.1 For the purpose of this Article Three:

“Close of Business” shall mean the normal closing hour of the Corporation or such other office at which certificates for Series B Preferred Shares are surrendered for conversion.

“Class B shares” shall mean the class B non-voting shares without par value of the company as those shares were constituted on May 15, 1981 or shares of any other class or any other security resulting from any share reorganization as defined in section 3.4.4 below.

“Conversion Factor” for any Series B Preferred Shares shall mean the figure which results when the issue price for such Series B Preferred Shares is divided by the Conversion Price applicable thereto, all as adjusted from time to time in accordance with section 3.4.4.

“Conversion Price” for any Series B Preferred Shares shall mean 115% of the Current Market Price applicable to such Series B Preferred Shares.

"Current Market Price" of the Class B shares as at any Issue Date shall mean the average of the prices per share at which the last board lot of the Class B shares traded on the Toronto Stock Exchange (or if the Class B shares not listed on the Toronto Stock Exchange, on such stock exchange on which such shares are listed as may be selected for that purpose by the Board of Directors) on each of the last five trading days on which board lots traded before such Issue Date.

"Issue Date" or "Date of Issue" shall mean with respect to any Series B Preferred Shares, the date of issue as specified by the Executive Committee of the Board of Directors.

3.4.2 Right of Conversion

A holder of Series B Preferred Shares shall have the right, exercisable at any time after, but not before the date two years after the Date of Issue of such Series B Preferred Shares and up to the Close of Business on the date ten years after the Date of Issue of such Series B Preferred Shares, to convert such Series B Preferred Shares into Class B shares on the basis set forth in section 3.4.3.

3.4.3 Number of Class B Shares Issuable on Conversion

The number of Class B shares issuable on conversion of Series B Preferred Shares shall be equal to the number of Series B Preferred Shares to be converted or multiplied by the Conversion Factor.

3.4.4 Adjustment of Conversion Factor

The Conversion Factor shall be subject to adjustment from time to time as follows:

- (a) if the Corporation shall subdivide the Class B shares into a greater number of shares; or if the Corporation shall issue in exchange for the Class B shares a greater number of Class B shares; or if the Corporation shall reduce the number of Class B shares by combination or consolidation of shares; or if the Corporation shall issue in exchange for the outstanding Class B shares a smaller number of Class B shares or if the Corporation shall issue to the holders of Class B shares a greater, lesser or equal number of shares in substitution for the Class B shares (any of which together with any reclassification, change or other fact referred to in section 3.4.4(b) is hereinafter called a "share reorganization") then in each case from and after the effective date for such share reorganization the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction, the numerator of which is the number of Class B shares resulting from such share reorganization and the denominator of which is the number of Class B shares outstanding just prior to such share reorganization; and
- (b) if any reclassification or any change shall be made in the outstanding Class B shares other than a share reorganization referred to in section 3.4.4(a) or if the Corporation shall issue any additional Class B shares or securities convertible into or exchangeable for additional Class B shares or if any other fact occurs which, in the opinion of the Board of Directors of the Corporation, would not fairly protect the conversion rights of the holders of the Series B Preferred Shares in accordance with the intent hereof, then the Board of Directors of the Corporation shall make an adjustment in the Conversion Factor which in their opinion will protect fairly the conversion rights attached to the Series B Preferred Shares.

3.4.5 Conversion Procedure

The conversion privilege herein provided for may be exercised by notice in writing given to the Corporation through its Secretary at the address provided for in the By-laws of the Corporation, accompanied by the certificate or certificates representing Series B Preferred Shares in respect of which the holder thereof desires to exercise such right of conversion. Such notice shall be signed by such holder or his duly authorized representative and shall specify the number of Series B Preferred Shares which the holder desires to have converted. The transfer form on the reverse of the certificate in question shall be endorsed by the registered holder of the Series B Preferred Shares or his duly authorized representative, with signature guaranteed in a manner satisfactory to the Corporation. If less than all of the Series B Preferred Shares represented by a certificate or certificates accompanying such notice are to be converted the holder shall be entitled to receive at the expense of the Corporation a new certificate representing the Series B Preferred Shares comprised in the certificate or certificates surrendered as aforesaid which are not to be converted.

3.4.6 Termination of Conversion Right in Certain Events

If any of the events described in this section 3.4.6 shall occur, the right of the holder of Series B Preferred Shares who has resigned or died or been dismissed, retired, or been given notice of redemption, in the case of any of

the events described in sections 3.4.6(a) to 3.4.6(d), and the rights of all holders of Series B Preferred Shares in the case of the event described in section 3.4.6(e), to convert his or their Series B Preferred Shares as described in section 3.4.2, shall thereupon terminate with respect to any Series B Preferred Shares the Date of Issue of which occurred within two years of such event and shall terminate at the expiration of the following periods of time with respect to any other Series B Preferred Shares. The events and periods of time described in this section 3.4.6 are as follows:

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|---|---|
| (a) the resignation or dismissal of the holder from employment with the Corporation other than due to retirement, | 15 days from notice of resignation or dismissal |
| (b) the retirement of the holder from employment with the Corporation in accordance with the retirement policy of the Corporation from time to time in force, | 180 days from date of retirement |
| (c) the death of the holder, | 365 days from date of death |
| (d) the giving by the Corporation of a notice of redemption of all or any portion of the Series B Preferred Shares, | 90 days from notice of redemption |
| (e) termination of the Corporation's Employee Share Purchase Plan pursuant to which the Series B Preferred Shares have been issued. | 90 days from date of notice of termination |

3.4.7 Certificates Resulting from Conversion

On any conversion of Series B Preferred Shares, share certificates for Class B shares resulting therefrom shall be issued in the name of the registered holder of the Series B Preferred Shares converted or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer or other applicable taxes. Except as hereinafter provided, the right of a holder of Series B Preferred Shares to convert Series B Preferred Shares into Class B shares shall be deemed to have been exercised, and the registered holder of the Series B Preferred Shares to be converted (or any person or persons in whose name or names any such registered holder of Series B Preferred Shares shall have directed certificates representing Class B shares to be issued) shall be deemed to have become a holder of Class B shares of record in the Corporation for all purposes on the respective dates of surrender of certificates representing the Series B Preferred Shares to be converted accompanied by notice in writing as herein provided, notwithstanding any delay in the delivery of certificates representing the Class B shares into which such Series B Preferred Shares have been converted.

3.4.8 Avoidance of Fractional Shares

In any case where a fraction of a Class B share would otherwise be issuable on conversion of one or more Series B Preferred Shares, the Corporation shall adjust such fractional interest by the payment by cheque of an amount equal to such fraction multiplied by the Conversion Price applicable to the Series B Preferred Shares converted.

3.4.9 Postponement of Conversion

In any case where the application of section 3.4.4 above results in an adjustment to the Conversion Factor taking effect immediately after the record date for the event giving rise to the adjustment, if any Series B Preferred Shares are converted after that record date and prior to the completion of the share reorganization, the Corporation may postpone the issuance to the holder of the shares to which he is entitled by reason of the adjustment in the Conversion Factor but such shares shall be issued and delivered to that holder upon completion of the share reorganization and the Corporation shall deliver to the holder an appropriate instrument evidencing his right to receive such shares.

3.4.10 Reservation of Class B Shares

The Corporation shall, so long as any of the Series B Preferred Shares are outstanding and entitled to the right of conversion herein provided, reserve and at all times hold out of its unissued Class B shares a sufficient number of unissued Class B shares to enable all of the Series B Preferred Shares outstanding to be converted upon the basis and the terms and conditions herein provided.

3.5 Creation and Issuance of Class B Shares

Nothing herein contained shall affect or restrict the right of the Corporation to increase the number of its Class B shares in accordance with applicable legislation and to issue such Class B shares from time to time.

3.6 Notice of Events

If the Corporation intends to fix a record date for any share reorganization or for any rights offering or special distribution, the Corporation shall not less than 21 days prior to such record date notify each registered holder of Series B Preferred Shares of such intention by written notice, which notice shall set forth the particulars of the proposed event to the extent that such particulars have been determined at the time of giving them notice.

3.7 Transferability

The rights granted to the holders of Series B Preferred Shares are personal in nature and the Series B Preferred Shares may not be sold, transferred, assigned or dealt with in any way whatsoever except as may be permitted under the Corporation's Employee Share Purchase Plan and the Board of Directors of the Corporation may decline to register any transfer of any Series B Preferred Shares without providing any reasons in that regard.

3.8 Appointment of Trustee

The Corporation may, at its option, appoint a trustee, licensed to do business in British Columbia, to act on behalf of the Corporation or to assist the Corporation in performing its obligations under this Article Three.

3.9 Issue Price

All Series B Preferred Shares shall be issued by the Corporation for the issue price of \$10 per share.

ARTICLE FOUR

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE SERIES C PREFERRED SHARES

The third series of Preferred Shares created pursuant to Article One of the Articles of the Corporation are designated as Cumulative Redeemable Convertible Preferred Shares, Series C (the "Series C Preferred Shares") and in addition to the rights, privileges, restrictions and conditions attached thereto as a class by Article One, shall have attached thereto the following rights, privileges, restrictions and conditions:

4.1 Dividends

The holders of the Series C Preferred Shares shall be entitled to receive cumulative preferential cash dividends at a rate calculated daily equal to 50% of the prime commercial rate of The Toronto-Dominion Bank plus ½% per annum (the "Dividend Rate"), payable quarterly on the last days of March, June, September and December in each year on the amount paid up thereon. The prime commercial rate of The Toronto-Dominion Bank shall mean that rate of interest payable from time to time on Canadian fund loans made by The Toronto-Dominion Bank to corporate borrowers of the highest credit rating designated as such from time to time by The Toronto-Dominion Bank, Main Branch at Vancouver, British Columbia. No dividends shall be paid or set apart for payment upon the class A voting shares or the class B non-voting shares (collectively the "Common Shares") unless all cumulative preferential dividends on the Series C Preferred Shares have been declared and paid or set aside for the current quarterly period and for all previous quarterly periods.

4.2 Redemption

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 Series C Preferred Shares on payment for each share to be redeemed of an amount (the "Redemption Price") equal to 100% of the amount paid up on such share, together with an amount equal to all accrued and unpaid dividends, whether declared or not, which dividends shall be calculated as if such dividends were accruing from day to day. In case a part only of the then outstanding Series C Preferred Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by the directors and need not be pro rata or selected by lot. The directors may redeem all or a portion of the Series C Preferred Shares held by one or more persons to the entire or partial exclusion of any other person or persons.

4.3 Notice of Redemption and Waiver

4.3.1 Notice of Redemption

In case of any redemption of any Series C Preferred Shares, the Corporation shall at least 16 days before the date specified for redemption mail or deliver to each registered holder of Series C Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series C Preferred Shares. However, except as provided in the following sentence, no notice of redemption of any Series C Preferred Shares given after two years after the Date of Issue of such Preferred Shares shall have the effect of reducing the time within which a holder of Series C Preferred Shares may exercise his right to convert his Series C Preferred Shares as herein provided.

Notwithstanding any other provision hereof, the Corporation may at any time redeem all, but not less than all, the outstanding Series C Preferred Shares, by not less than 90 days prior notice to each registered holder thereof, such notice to be given in the manner herein provided. Any notice of redemption shall be mailed in a prepaid envelope or delivered to each such holder at his address as it appears on the books of the Corporation or in the event of the address of any such shareholder not so appearing, then to the last known address of such shareholder, provided however, that accidental failure to give any such notice to one or more such shareholders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and if part only of the Series C Preferred Shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. Unless the holder shall have exercised the conversion privilege set forth in section 4.4 on or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of each registered holder of the Series C Preferred Shares to be redeemed, the Redemption Price on presentation and surrender, at the registered office of the Corporation or any other place designated in such notice, of the certificate for the Series C Preferred Shares called for redemption. Such payment may be made by cheques payable at par at any branch in Canada of any Canadian chartered bank. Such Series C Preferred Shares shall thereupon be and be deemed to be redeemed and shall be cancelled. If a part only of the shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any such notice, the Series C Preferred Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof (except as herein otherwise specifically provided) unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right at any time after the mailing or delivery of notice of its intention to redeem any Series C Preferred Shares to deposit the Redemption Price for such shares, other than shares represented by certificates theretofore surrendered by holders in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in such notice. The Redemption Price so deposited shall be paid without interest to or to the order of the respective holders of such Series C Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such deposit of the Redemption Price or upon the date specified for redemption in such notice, whichever is the later, the Series C Preferred Shares in respect of which such deposit shall have been made, shall be deemed to be redeemed, and shall be cancelled and the rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. If the Corporation deposits the Redemption Price as contemplated hereby and if any holder of any Series C Preferred Shares shall fail to claim his portion of the Redemption Price prior to the expiration of three years following the date on which redemption was to take place, then the unclaimed portion of the Redemption Price shall be returned to the Corporation and the claim of any such holder for such portion of the Redemption Price shall thereupon be extinguished.

4.3.2 Waiver of Notice of Redemption

Notwithstanding the provisions of section 4.3.1 the holders of the Series C Preferred Shares may waive notice of any redemption by instrument or instruments in writing.

4.4 Conversion Privilege

4.4.1 For the purpose of this Article Four:

"Close of Business" shall mean the normal closing hour of the Corporation or such other office at which certificates for Series C Preferred Shares are surrendered for conversion.

"Class B shares" shall mean the class B non-voting shares without par value of the Corporation as those shares were constituted on May 15, 1981 or shares of any other class or any other security resulting from any share organization as defined in section 4.4.4 below.

"Conversion Factor" for any Series C Preferred Shares shall mean the figure which results when the issue price for such Series C Preferred Shares is divided by the Conversion Price applicable thereto, all as adjusted from time to time in accordance with section 4.4.4.

"Conversion Price" for any Series C Preferred Shares shall mean 115% of the Current Market Price applicable to such Series C Preferred Shares.

"Current Market Price" of the Class B shares as at any Issue Date shall mean the average of the prices per share at which the last board lot of the Class B shares traded on the Toronto Stock Exchange (or if the Class B shares are not listed on the Toronto Stock Exchange, on such stock exchange on which such shares are listed as may be selected for that purpose by the Board of Directors) on each of the last five trading days on which board lots traded before such Issue Date.

"Issue Date" or "Date of Issue" shall mean with respect to any Series C Preferred Shares, the date of issue as specified by the Executive Committee of the Board of Directors.

4.4.2 Right of Conversion

A holder of Series C Preferred Shares shall have the right, exercisable at any time after but not before the date two years after the Date of Issue of such Series C Preferred Shares and up to the Close of Business on the date ten years after the Date of Issue of such Series C Preferred Shares, to convert such Series C Preferred Shares into Class B shares on the basis set forth in section 4.4.3 below.

4.4.3 Number of Common Shares Issuable on Conversion

The number of Class B shares issuable on conversion of Series C Preferred Shares shall be equal to the number of Series C Preferred Shares to be converted multiplied by the Conversion Factor.

4.4.4 Adjustment of Conversion Factor

The Conversion Factor shall be subject to adjustment from time to time as follows:

- (a) if the Corporation shall subdivide the Class B shares into a greater number of shares; or if the Corporation shall issue in exchange for the Class B shares a greater number of Class B shares; or if the Corporation shall reduce the number of Class B shares by combination or consolidation of shares, or if the Corporation shall issue in exchange for the outstanding Class B shares a smaller number of Class B shares or if the Corporation shall issue to the holders of Class B shares a greater, lesser or equal number of shares in substitution for the Class B shares (any of which together with any reclassification, change or other fact referred to in section 4.4.4(b) is hereinafter called a "share reorganization") then in each case from and after the effective date for such share reorganization the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction the numerator of which is the number of Class B shares resulting from such share reorganization and the denominator of which is the number of Class B shares outstanding just prior to such share reorganization; and
- (b) if any reclassification or any change shall be made in the outstanding Class B shares other than a share reorganization referred to in section 4.4.4(a) or if the Corporation shall issue any additional Class B shares or securities convertible into or exchangeable for additional Class B shares or if any other fact occurs which, in the opinion of the Board of Directors of the Corporation, would not fairly protect the conversion rights of the holders of the Series C Preferred Shares in accordance with the intent hereof, then the Board of Directors of the Corporation shall make an adjustment in the Conversion Factor which in their opinion will protect fairly the conversion rights attached to the Series C Preferred Shares.

4.4.5 Conversion Procedure

The conversion privilege herein provided for may be exercised by notice in writing given to the Corporation through its Secretary at the address provided for in the By-laws of the Corporation accompanied by the certificate or certificates representing Series C Preferred Shares in respect of which the holder thereof desires to exercise such right of conversion. Such notice shall be signed by such holder or his duly authorized representative and shall specify the number of Series C Preferred Shares which the holder desires to have converted. The transfer form on the reverse of

the certificate in question shall be endorsed by the registered holder of the Series C Preferred Shares or his duly authorized representative, with signature guaranteed in a manner satisfactory to the Corporation. If less than all of Series C Preferred Shares represented by the certificate or certificates accompanying such notice are to be converted the holder shall be entitled to receive at the expense of the Corporation a new certificate representing the Series C Preferred Shares comprised in the certificate or certificates surrendered as aforesaid which are not to be converted.

4.4.6 Termination of Conversion Right in Certain Events

If any of the events described in this section 4.4.6 shall occur, the right of the holder of Series C Preferred Shares who has resigned or died or been dismissed, retired, or been given notice of redemption, in the case of any of the events described in sections 4.4.6(a) to 4.4.6(d), and the rights of all holders of Series C Preferred Shares in the case of the event described in section 4.4.6(e), to convert his or their Series C Preferred Shares as described in section 4.4.2, shall thereupon terminate with respect to any Series C Preferred Shares the Date of Issue of which occurred within two years of such event and shall terminate at the expiration of the following periods of time with respect to any other Series C Preferred Shares. The events and periods of time described in this section 4.4.6 are as follows:

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|---|---|
| (a) the resignation or dismissal of the holder from employment with the Corporation other than due to retirement, | 15 days from notice of resignation or dismissal |
| (b) the retirement of the holder from employment with the Corporation in accordance with the retirement policy of the Corporation from time to time in force, | 180 days from date of retirement |
| (c) the death of the holder, | 365 days from date of death |
| (d) the giving by the Corporation of a notice of redemption of all or any portion of the Series C Preferred Shares, | 90 days from notice of redemption |
| (e) termination of the Corporation's Employee Share Purchase Plan pursuant to which the Series C Preferred Shares have been issued. | 90 days from date of notice of termination |

4.4.7 Certificates Resulting from Conversion

On any conversion of Series C Preferred Shares, share certificates for Class B shares resulting therefrom shall be issued in the name of the registered holder of the Series C Preferred Shares converted or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer or other applicable taxes. Except as hereinafter provided, the right of a holder of Series C Preferred Shares to convert Series C Preferred Shares into Class B shares shall be deemed to have been exercised, and the registered holder of the Series C Preferred Shares to be converted (or any person or persons in whose name or names any such registered holder of Series C Preferred Shares shall have directed certificates representing Class B shares to be issued) shall be deemed to have become a holder of Class B shares of record in the Corporation for all purposes on the respective dates of surrender of certificates representing the Series C Preferred Shares to be converted accompanied by notice in writing as herein provided, notwithstanding any delay in the delivery of certificates representing the Class B shares into which such Series C Preferred Shares have been converted.

4.4.8 Avoidance of Fractional Shares

In any case where a fraction of a Class B share would otherwise be issuable on conversion of one or more Series C Preferred Shares, the Corporation shall adjust such fractional interest by the payment by cheque of an amount equal to such fraction multiplied by the Conversion Price applicable to the Series C Preferred Shares converted.

4.4.9 Postponement of Conversion

In any case where the application of section 4.4.4 above results in an adjustment to the Conversion Factor taking effect immediately after the record date for the event giving rise to the adjustment, if any Series C Preferred Shares are converted after that record date and prior to the completion of the share reorganization, the Corporation

may postpone the issuance to the holder of the shares to which he is entitled by reason of the adjustment in the Conversion Factor but such shares shall be issued and delivered to that holder upon completion of the share reorganization and the Corporation shall deliver to the holder an appropriate instrument evidencing his right to receive such shares.

4.4.10 Reservation of Class B Shares

The Corporation shall, so long as any of the Series C Preferred Shares are outstanding and entitled to the right of conversion herein provided, reserve and at all times hold out of its unissued Class B Shares a sufficient number of unissued Class B shares to enable all of the Series C Preferred Shares outstanding to be converted upon the basis and the terms and conditions herein provided.

4.5 Creation and Issuance of Class B Shares

Nothing herein contained shall affect or restrict the right of the Corporation to increase the number of its Class B shares in accordance with applicable legislation and to issue such Class B shares from time to time.

4.6 Notice of Events

If the Corporation intends to fix a record date for any share reorganization or for any rights offering or special distribution, the Corporation shall not less than 21 days prior to such record date notify each registered holder of Series C Preferred Shares of such intention by written notice, which notice shall set forth the particulars of the proposed event to the extent that such particulars have been determined at the time of giving them notice.

4.7 Transferability

The rights granted to the holders of Series C Preferred Shares are personal in nature and the Series C Preferred Shares may not be sold, transferred, assigned or dealt with in any way whatsoever except as may be permitted under the Corporation's Employee Share Purchase Plan and the Board of Directors of the Corporation may decline to register any transfer of any Series C Preferred Shares without providing any reasons in that regard.

4.8 Appointment of Trustee

The Corporation may, at its option, appoint a trustee, licensed to do business in British Columbia, to act on behalf of the Corporation or to assist the Corporation in performing its obligations under this Article Four.

4.9 Issue Price

All Series C Preferred Shares shall be issued by the Corporation for the issue price of \$10 per share.

ARTICLE FIVE

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE SERIES D PREFERRED SHARES

The fourth series of Preferred Shares created pursuant to Article One of the Articles of the Corporation are designated as Cumulative Redeemable Convertible Preferred Shares, Series D (the "Series D Preferred Shares") and in addition to the rights, privileges, restrictions and conditions attached thereto as a class by Article One, shall have attached thereto the following rights, privileges, restrictions and conditions:

5.1 Dividends

The holders of the Series D Preferred Shares shall be entitled to receive cumulative preferential cash dividends at an annual rate (the "Dividend Rate") equal to 66⅔% (the "percentage of prime") of the annual rate of interest announced from time to time by The Toronto-Dominion Bank as its prime rate of interest, calculated daily and payable quarterly on the last days of March, June, September and December in each year on the amount paid up thereon, provided that the Board of Directors by resolution may, at any time, in its sole discretion increase the percentage of prime, and if the percentage of prime is so increased at any time or times, the Board of Directors may thereafter by resolution at any time decrease the percentage of prime to not less than 66⅔%. The prime rate of The Toronto-Dominion Bank shall mean that rate of interest payable from time to time on Canadian fund loans made by The Toronto-Dominion Bank to corporate borrowers of the highest credit rating designated as such from time to time by The Toronto-Dominion Bank, Main Branch at Vancouver, British Columbia. No dividends shall be paid or set apart for payment upon the class A voting shares without par value or the class B non-voting shares without par value (collectively the "Common Shares") unless all cumulative preferential dividends on the Series D Preferred Shares have been declared and paid or set aside for the current quarterly period and for all previous quarterly periods.

5.2 Redemption

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 Series D Preferred Shares on payment for each share to be redeemed of an amount (the "Redemption Price") equal to 100% of the amount paid up on such share, together with an amount equal to all accrued and unpaid dividends, whether declared or not, which dividends shall be calculated as if such dividends were accruing from day to day. In case a part only of the then outstanding Series D Preferred Shares is at any time to be redeemed, the shares to be redeemed shall be selected by the directors and need not be selected pro rata or selected by lot. The directors may redeem all or a portion of the Series D Preferred Shares held by one or more persons to the entire or partial exclusion of any other person or persons.

5.3 Notice of Redemption and Waiver

5.3.1 - Notice of Redemption

In case of any redemption of any Series D Preferred Shares, the Corporation shall at least 16 days before the date specified for redemption mail or deliver to each registered holder of Series D Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series D Preferred Shares. However, except as provided in the following sentence, no notice of redemption of any Series D Preferred Shares given after two years after the Date of Issue of such Preferred Shares shall have the effect of reducing the time within which a holder of Series D Preferred Shares may exercise his right to convert his Series D Preferred Shares as herein provided.

Notwithstanding any other provision hereof, the Corporation may at any time redeem all, but not less than all, the outstanding Series D Preferred Shares, by not less than 90 days prior notice to each registered holder thereof, such notice to be given in the manner herein provided. Any notice of redemption shall be mailed in a prepaid envelope or delivered to each such holder at his address as it appears on the books of the Corporation or in the event of the address of any such shareholder not so appearing, then to the last known address of such shareholder, provided however, that accidental failure to give any such notice to one or more such shareholders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and if part only of the Series D Preferred Shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. Unless the holder shall have exercised the conversion privilege set forth in section 5.4 on or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of each registered holder of the Series D Preferred Shares to be redeemed, the Redemption Price on presentation and surrender, at the registered office of the Corporation or any other place designated in such notice, of the certificate for the Series D Preferred Shares called for redemption. Such payment may be made by cheques payable at par at any branch in Canada of any Canadian chartered bank. Such Series D Preferred Shares shall thereupon be and be deemed to be redeemed and shall be cancelled. If a part only of the shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any such notice, the Series D Preferred Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof (except as herein otherwise specifically provided) unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right at any time after the mailing or delivery of notice of its intention to redeem any Series D Preferred Shares to deposit the Redemption Price for such shares, other than shares represented by certificates theretofore surrendered by holders in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in such notice. The Redemption Price so deposited shall be paid without interest to or to the order of the respective holders of such Series D Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such deposit of Redemption Price or upon the date specified for redemption in such notice, whichever is the later, the Series D Preferred Shares in respect of which such deposit shall have been made, shall be deemed to be redeemed, and shall be cancelled and the rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. If the Corporation deposits the Redemption Price as contemplated hereby and if any holder of any Series D Preferred Shares shall fail to claim his portion of the Redemption Price prior to the expiration of three years following the date on which redemption was to take place, then the unclaimed portion of the Redemption Price shall be returned to the Corporation and the claim of any such holder for such portion of the Redemption Price shall thereupon be extinguished.

5.3.2 Waiver of Notice of Redemption.

Notwithstanding the provisions of section 5.3.1, the holders of the Series D Preferred Shares may waive in whole or in part any right of any redemption by instrument or instruments in writing.

5.4 Conversion Privilege

5.4.1 For the purpose of this Article Five:

"Close of Business" shall mean the normal closing hour of the Corporation or such other office at which certificates for Series D Preferred Shares are surrendered for conversion.

"Class B shares" shall mean the class B non-voting shares without par value of the company as those shares were constituted on May 15, 1981 or shares of any other class or any other security resulting from any share reorganization as defined in section 5.4.4 below.

"Conversion Factor" for any Series D Preferred Shares shall mean the figure which results when the issue price for such Series D Preferred Shares is divided by the Conversion Price applicable thereto, all as adjusted from time to time in accordance with section 5.4.4.

"Conversion Price" for any Series D Preferred Shares shall mean 115% of the Current Market Price applicable to such Series D Preferred Shares.

"Current Market Price" of the Class B shares as at any Issue Date shall mean the average of the prices per share at which the last board lot of the Class B shares traded on the Toronto Stock Exchange (or if the Class B shares are not listed on the Toronto Stock Exchange, on such stock exchange on which such shares are listed as may be selected for that purpose by the Board of Directors) on each of the last five trading days on which board lots traded before such Issue Date.

"Issue Date" or "Date of Issue" shall mean with respect to any Series D Preferred Shares, the date of issue as specified by the Executive Committee of the Board of Directors.

5.4.2 Right of Conversion

A holder of Series D Preferred Shares shall have the right, exercisable at any time after, but not before the date two years after the Date of Issue of such Series D Preferred Shares and up to the Close of Business on the date ten years after the Date of Issue of such Series D Preferred Shares, to convert such Series D Preferred Shares into Class B shares on the basis set forth in section 5.4.3 below.

5.4.3 Number of Class B Shares Issuable on Conversion

The number of Class B shares issuable on conversion of Series D Preferred Shares shall be equal to the number of Series D Preferred Shares to be converted or multiplied by the Conversion Factor.

5.4.4 Adjustment of Conversion Factor

The Conversion Factor shall be subject to adjustment from time to time as follows:

- (a) if the Corporation shall subdivide the Class B shares into a greater number of shares; or if the Corporation shall issue in exchange for the Class B shares a greater number of Class B shares; or if the Corporation shall reduce the number of Class B shares by combination or consolidation of shares; or if the Corporation shall issue in exchange for the outstanding Class B shares a smaller number of Class B shares or if the Corporation shall issue to the holders of Class B shares a greater, lesser or equal number of shares in substitution for the Class B shares (any of which together with any reclassification, change or other fact referred to in section 5.4.4(b) is hereinafter called a "share reorganization") then in each case from and after the effective date for such share reorganization the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction, the numerator of which is the number of Class B shares resulting from such share reorganization and the denominator of which is the number of Class B shares outstanding just prior to such share reorganization; and
- (b) if any reclassification or any change shall be made in the outstanding Class B shares other than a share reorganization referred to in section 5.4.4(a) or if the Corporation shall issue any additional Class B shares or securities convertible into or exchangeable for additional Class B shares or if any other fact occurs which, in the opinion of the Board of Directors of the Corporation, would not fairly protect the conversion rights of the holders of the Series D Preferred Shares in accordance with the intent hereof,

then the Board of Directors of the Corporation shall make an adjustment in the Conversion Factor which in their opinion will protect fairly the conversion rights attached to the Series D Preferred Shares.

5 Conversion Procedure

The conversion privilege herein provided for may be exercised by notice in writing given to the Corporation through its Secretary at the address provided for in the By-laws of the Corporation, accompanied by the certificate or certificates representing Series D Preferred Shares in respect of which the holder thereof desires to exercise such right of conversion. Such notice shall be signed by such holder or his duly authorized representative and shall specify the number of Series D Preferred Shares which the holder desires to have converted. The transfer form on the reverse of the certificate in question shall be endorsed by the registered holder of the Series D Preferred Shares or his duly authorized representative, with signature guaranteed in a manner satisfactory to the Corporation. If less than all of the Series D Preferred Shares represented by a certificate or certificates accompanying such notice are to be converted the holder shall be entitled to receive at the expense of the Corporation, a new certificate representing the Series D Preferred Shares comprised in the certificate or certificates surrendered as aforesaid which are not to be converted.

5.4.6 Termination of Conversion Right in Certain Events

If any of the events described in this section 5.4.6 shall occur, the right of the holder of Series D Preferred Shares who has resigned or died or been dismissed, retired, or been given notice of redemption, in the case of any of the events described in sections 5.4.6(a) to 5.4.6(d), and the rights of all holders of Series D Preferred Shares in the case of the event described in section 5.4.6(e), to convert his or their Series D Preferred Shares as described in section 5.4.2, shall thereupon terminate with respect to any Series D Preferred Shares the Date of Issue of which occurred within two years of such event and shall terminate at the expiration of the following periods of time with respect to any other Series D Preferred Shares. The events and periods of time described in this section 5.4.6 are as follows:

- | | |
|---|---|
| (a) the resignation or dismissal of the holder from employment with the Corporation other than due to retirement, | 15 days from notice of resignation or dismissal |
| (b) the retirement of the holder from employment with the Corporation in accordance with the retirement policy of the Corporation from time to time in force, | 180 days from date of retirement |
| (c) the death of the holder, | 365 days from date of death |
| (d) the giving by the Corporation of a notice of redemption of all or any portion of the Series D Preferred Shares, | 90 days from notice of redemption |
| (e) termination of the Corporation's Employee Share Purchase Plan pursuant to which the Series D Preferred Shares have been issued. | 90 days from date of notice of termination |

5.4.7 Certificates Resulting from Conversion

On any conversion of Series D Preferred Shares, share certificates for Class B shares resulting therefrom shall be issued in the name of the registered holder of the Series D Preferred Shares converted or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer or other applicable taxes. Except as hereinafter provided, the right of a holder of Series D Preferred Shares to convert Series D Preferred Shares into Class B shares shall be deemed to have been exercised, and the registered holder of the Series D Preferred Shares to be converted (or any person or persons in whose name or names any such registered holder of Series D Preferred Shares shall have directed certificates representing Class B shares to be issued) shall be deemed to have become a holder of Class B shares of record in the Corporation for all purposes on the respective dates of surrender of certificates representing the Series D Preferred Shares to be converted accompanied by notice in writing as herein provided, notwithstanding any delay in the delivery of certificates representing the Class B shares into which such Series D Preferred Shares have been converted.

5.4.8 Avoidance of Fractional Shares

In any case where a fraction of a Class B Share would otherwise be issuable on conversion of one or more Series D Preferred Shares, the Corporation shall adjust such fractional interest by the payment by cheque of an amount equal to such fraction multiplied by the Conversion Price applicable to the Series D Preferred Shares converted.

5.4.9 Postponement of Conversion

In any case where the application of section 5.4.4 above results in an adjustment to the Conversion Factor taking effect immediately after the record date for the event giving rise to the adjustment, if any Series D Preferred Shares are converted after that record date and prior to the completion of the share reorganization, the Corporation may postpone the issuance to the holder of the shares to which he is entitled by reason of the adjustment in the Conversion Factor but such shares shall be issued and delivered to that holder upon completion of the share reorganization and the Corporation shall deliver to the holder an appropriate instrument evidencing his right to receive such shares.

5.4.10 Reservation of Class B Shares

The Corporation shall, so long as any of the Series D Preferred Shares are outstanding and entitled to the right of conversion herein provided, reserve and at all times hold out of its unissued Class B shares a sufficient number of unissued Class B shares to enable all of the Series D Preferred Shares outstanding to be converted upon the basis and the terms and conditions herein provided.

5.5 Creation and Issuance of Class B Shares

Nothing herein contained shall affect or restrict the right of the Corporation to increase the number of its Class B shares in accordance with applicable legislation and to issue such Class B shares from time to time.

5.6 Notice of Certain Events

If the Corporation intends to fix a record date for any share reorganization or for any rights offering or special distribution, the Corporation shall not less than 21 days prior to such record date notify each registered holder of Series D Preferred Shares of such intention by written notice, which notice shall set forth the particulars of the proposed event to the extent that such particulars have been determined at the time of giving them notice.

5.7 Transferability

The rights granted to the holders of Series D Preferred Shares are personal in nature and the Series D Preferred Shares may not be sold, transferred, assigned or dealt with in any way whatsoever except as may be permitted under the Corporation's Employee Share Purchase Plan and the Board of Directors of the Corporation may decline to register any transfer of any Series D Preferred Shares without providing any reasons in that regard.

5.8 Appointment of Trustee

The Corporation may, at its option, appoint a trustee, licensed to do business in British Columbia, to act on behalf of the Corporation or to assist the Corporation in performing its obligations under this Article Five.

5.9 Issue Price

All Series D Preferred Shares shall be issued by the Corporation for the issue price of \$10 per share.

ARTICLE SIX

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE CLASS A VOTING SHARES AND THE CLASS B NON-VOTING SHARES

The class A voting shares and the class B non-voting shares shall confer on the holders thereof and shall be subject to the following rights, privileges, restrictions and conditions:

6.1 Voting

6.1.1 Except as otherwise provided in this section 6.1.1 or in section 6.1.2 the registered holders of the class B non-voting shares shall not, as such, be entitled to receive notice of or to attend or to vote at any meetings of members of the Corporation. If the Corporation proposes to (i) sell, lease or transfer or otherwise dispose of its properties and

assets substantially as an entirety other than to one or more wholly owned subsidiaries of the Corporation, or (ii) voluntarily liquidate, dissolve or wind-up or distribute its assets among its members for the purpose of winding-up its affairs, the registered holders of class B non-voting shares shall be entitled to receive notice of any meeting of members of the Corporation at which such action is to be considered, and shall be entitled to attend such meeting and vote thereat on any resolution adopting such action on the basis of one vote for each class B non-voting share.

6.1.2 The holders of the class B non-voting shares shall also be entitled to receive notice of a meeting called to consider, and to vote in respect of, a resolution of shareholders of the Corporation to approve the purchase of any of its own shares on the basis of one vote for each class B non-voting share.

6.1.3 The holders of class A voting shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation, other than separate meetings of the holders of another class or series of shares, and to vote at any such meeting on the basis of one vote for each class A voting share held.

6.2 Dividends

6.2.1 Subject to the prior rights of the holders of the Preferred Shares, the holders of class A voting and class B non-voting shares shall be entitled to receive, out of moneys of the Corporation properly applicable to the payment of dividends, such dividends as may from time to time be declared in the discretion of the directors.

6.2.2 The class A voting and the class B non-voting shares shall participate equally as to dividends, and all dividends which the Board of Directors may determine to declare and pay in any fiscal year of the Corporation shall be declared and paid in equal amounts per share and at the same time on all the class A voting and the class B non-voting shares at the time outstanding without preference or distinction.

6.3 Dissolution

6.3.1 Subject to the prior rights of the holders of the Preferred Shares, the holders of the class A voting and class B non-voting shares shall have the right on the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or other distribution of its assets among its shareholders for the purpose of winding-up its affairs, to receive the remaining assets of the Corporation.

6.3.2 In the event of the liquidation, dissolution or winding-up of the Corporation or any other distribution of assets of the Corporation among its members for the purpose of winding-up its affairs, all the property and assets of the Corporation available for distribution to the holders of the class A voting and the class B non-voting shares shall be paid or distributed equally, share for share, to holders of the class A voting and the class B non-voting shares respectively, without preference or distinction.

6.4 Conversion

6.4.1 Each holder of class A voting shares shall be entitled at his option at any time and from time to time (subject as hereinafter provided) to have all or any part of the class A voting shares held by him converted into class B non-voting shares as the same shall be constituted at the time of such conversion upon the basis of one class B non-voting share for each class A voting share in respect of which the conversion right is exercised.

The conversion right provided for in this section 6.4.1 may be exercised by notice in writing given to the transfer agent for the class B non-voting shares of the Corporation accompanied by the certificate or certificates representing class A voting shares in respect of which the holder thereof desires to exercise such right of conversion and such notice shall be executed by the person registered upon the books of the Corporation as the holder of the class A voting shares in respect of which such right is being exercised or by his duly authorized attorney and shall specify the number of class A voting shares which the holder desires to have converted. Upon receipt of such notice the Corporation shall issue certificates representing class B non-voting shares upon the basis above prescribed and in accordance with the provisions hereof to the registered holder of the class A voting shares represented by the certificate accompanying such notice. If less than all the class A voting shares represented by any certificate are to be converted, the holder shall be entitled to receive a new certificate for the class A voting shares representing the shares comprised in the original certificate which are not to be converted.

6.4.2 If an Offer is made, then subject to section 6.4.3, each holder of class B non-voting shares shall be entitled at any time and from time to time thereafter to have all or any part of the class B non-voting shares held by him converted into class A voting shares as the same shall be constituted at the time of such conversion on the basis of one class A voting share for each class B non-voting share in respect of which the conversion is exercised.

The right provided for in this section 6.4.2 may be exercised by delivery to the transfer agent for the class A voting shares of the certificate or certificates representing the class B non-voting shares which the registered holder thereof desires to have converted, with the direction to convert on the reverse of such share certificate or a form to like effect, duly completed and executed by the registered holder or his duly authorized attorney. If less than all the class B non-voting shares are to be converted, the registered holder shall be entitled to receive a new certificate for the class B non-voting shares representing the shares comprised in the original certificate and not converted.

6.4.3 The right provided for in section 6.4.2 shall not come into effect if:

- (a) there shall be delivered to the transfer agent for the class A voting shares and to the Secretary of the Corporation not later than seven days prior to the Expiry Date, a certificate signed by or on behalf of one or more members of the Majority Group to the effect that a member or members of the Majority Group hold in the aggregate not less than 60% of the class A voting shares and that such member or members will not accept the Offer or will accept it only to the extent that he or they will continue to hold 60% or more of the class A voting shares; or
- (b) the Secretary of the Corporation shall deliver to the transfer agent for the class A voting shares not later than seven days prior to the Expiry Date, a certified copy of a resolution of the Board of Directors determining that the Offer is not bona fide but is made primarily for the purpose of causing the conversion right provided for in section 6.4.2 to come into effect and not for the purpose of acquiring class A voting shares and stating the basis for such determination; or
- (c) at the time the Offer is made, an offer on the same terms and conditions is made to the holders of class B non-voting shares; or
- (d) the Offer is not completed in accordance with its terms as they may be modified in compliance with any applicable legislation.

6.4.4 If the right provided for in section 6.4.2 becomes effective, the Corporation shall, forthwith after the seventh day preceding the Expiry Date, forward to each registered holder of class B non-voting shares, a notice advising each holder of class B non-voting shares of his rights hereunder.

6.4.5 If there shall be an Offer, the Corporation shall make all necessary arrangements with the transfer agent for the class A voting shares (in this section 6.4.5 called the "Transfer Agent") for the tender of a certificate representing class A voting shares into which class B non-voting shares shall be convertible, and for the payment or transfer to the persons entitled thereto of all consideration payable by the offeror pursuant to the Offer and of share certificates representing class A voting shares to the extent that they have not been taken up and paid for pursuant to a completed Offer. If the Offer is not completed in accordance with its terms as modified in compliance with any applicable legislation, the right provided in section 6.4.2 shall not be effective and the Transfer Agent shall deliver to the persons entitled thereto new certificates representing the number of class B non-voting shares delivered to the Transfer Agent pursuant to section 6.4.2.

6.4.6 In this Article Six, the following terms shall have the following meanings:

- (a) "Offer" shall mean an offer to purchase class A voting shares which is made to all or substantially all holders of class A voting shares;
- (b) "Offer Date" shall mean the date on which the Offer is made;
- (c) "Expiry Date" shall mean the last date upon which holders of class A voting shares may accept the Offer;
- (d) "Majority Group" shall mean:
 - (i) William Maurice Young, Mary Margaret Young, William Thorvald Barker, Joanne Earlene Barker, their children, grandchildren and other descendants (including children, grandchildren and other descendants who are adopted);
 - (ii) corporations of which a majority of the shares then having voting rights are owned, directly or indirectly by or for the benefit of, persons described in subclause (i);
 - (iii) trusts under which the only persons having a capital interest in the class A voting shares are persons described in subclause (i).

6.5 Subdivision or Consolidation

Neither the class A voting shares nor the class B non-voting shares shall be subdivided or consolidated unless contemporaneously therewith the other class of shares is subdivided or consolidated in the same proportion.

6.6 Shares Equal in Other Respects

Save as aforesaid, each class A voting share and each class B non-voting share shall have the same rights, privileges, restrictions and conditions and be the same in all respects.



Certificate of Amendment

Certificat de modification

**Canada Business
Corporations Act**

**Loi sur les sociétés
commerciales canadiennes**

**FINNING TRACTOR & EQUIPMENT
COMPANY LIMITED**

210248-0

Name of Corporation — Dénomination de la société

Number — Numéro

I hereby certify that the Articles of the above-mentioned Corporation were amended

Je certifie par les présentes que les statuts de la société mentionnée ci-haut ont été modifiés

(a) under section 13 of the Canada Business Corporations Act in accordance with the attached notice;

(a) en vertu de l'article 13 de la Loi sur les sociétés commerciales canadiennes conformément à l'avis ci-joint;

(b) under Section 27 of the Canada Business Corporations Act as set out in the attached Articles of Amendment designating a series of shares;

(b) en vertu de l'article 27 de la Loi sur les sociétés commerciales canadiennes tel qu'indiqué dans les clauses modificatrices ci-jointes désignant une série d'actions;

(c) under Section 171 of the Canada Business Corporations Act as set out in the attached Articles of Amendment;

(c) en vertu de l'article 171 de la Loi sur les sociétés commerciales canadiennes tel qu'indiqué dans les clauses modificatrices ci-jointes;

(d) under Section 185 of the Canada Business Corporations Act as set out in the attached Articles of Reorganization;

(d) en vertu de l'article 185 de la Loi sur les sociétés commerciales canadiennes tel qu'indiqué dans les clauses de réorganisation ci-jointes;

(e) under Section 185.1 of the Canada Business Corporations Act as set out in the attached Articles of Arrangement.

(e) en vertu de l'article 185.1 de la Loi sur les sociétés commerciales canadiennes tel qu'indiqué dans les clauses d'arrangement ci-jointes.

Le Directeur

Director

November 10, 1986
le 10 novembre 1986

Date of Amendment — Date de la modification



FORM 4

FORMULE 4

ARTICLES OF AMENDMENT
(SECTION 27 OR 171)

STATUTS DE MODIFICATION
(ARTICLE 27 OU 171)

1 - Name of Corporation - Nom de la corporation

FINNING TRACTOR & EQUIPMENT COMPANY
LIMITED

2 - Corporation No. - No de la corporation

210248-0

The articles of the above-named corporations are amended as follows:

Les statuts de la corporation ci-haut mentionnée sont modifiés de la façon suivante:

1. by redesignating the class A voting shares and the class B non-voting shares as Common Shares;
2. by changing the rights, privileges, restrictions and conditions attaching to the class A voting shares and the class B non-voting shares as redesignated by deleting Article Six of Schedule 1 attached to the Articles of Continuance of the Corporation in its entirety and by substituting therefor the rights, privileges, restrictions and conditions as set out in Article Six of Schedule A attached hereto;
3. by increasing the maximum number of Common Shares that the Corporation is authorized to issue to an unlimited number; and
4. by changing the rights, privileges, restrictions and conditions attaching to the Preferred Shares as a class and the Cumulative Redeemable Convertible Preferred Shares, Series A, Cumulative Redeemable Convertible Preferred Shares, Series B, Cumulative Redeemable Convertible Preferred Shares, Series C, and Cumulative Redeemable Convertible Preferred Shares, Series D as Series to result in the rights, privileges, restrictions and conditions as set out in Articles One through Five of Schedule A attached hereto.

<p>November 5, 1986</p>	<p>Signature <i>[Handwritten Signature]</i></p>	<p>Description of Office - Description du poste <i>[Handwritten Signature]</i></p>
<p>DEPARTMENTAL USE ONLY</p>		<p>À L'USAGE DU MINISTÈRE SEULEMENT Filed - Déposée NOV 10 1986</p>

CANADA BUSINESS CORPORATIONS ACT

ARTICLES OF AMENDMENT

FINNING TRACTOR & EQUIPMENT COMPANY LIMITED

FORM 4

SCHEDULE A

ARTICLE ONE

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE
PREFERRED SHARES AS A CLASS

The Preferred Shares shall confer on the holders thereof and shall be subject to the following rights, privileges, restrictions and conditions:

1.1 Issuable in Series

Subject to the limitations set out in the Articles of the Corporation, the Preferred Shares may be issued at any time or times in one or more series, and the directors may by resolution alter the Articles to fix the number of Preferred Shares in, and to determine the designation of the Preferred Shares of, each series and alter the Articles to create, define and attach rights, privileges, restrictions and conditions to the Preferred Shares of each series subject to the rights, privileges, restrictions and conditions attaching to the Preferred Shares by this Article One. A resolution under this section 1.1 may only be passed prior to the issue of Preferred Shares of the series to which the resolution relates.

1.2 Preference over Junior Shares

The Preferred Shares shall be entitled to preference over the Common Shares and any other shares ranking junior to the Preferred Shares, with respect to the payment of dividends and the distribution of assets of the Corporation in the event of liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or in the event of any other distribution of assets of the Corporation among its members for the purpose of winding up its affairs; and the Preferred Shares of each series may be given such other preferences not inconsistent with this Article One over the Common Shares and any other shares ranking junior to the Preferred Shares as may be determined in the case of each series authorized to be issued.

1.3 Parity among Series

1.3.1 Participation in Respect of Accumulated Dividends

Where cumulative dividends with respect to a series of Preferred Shares are not paid in full, the shares of all series of Preferred Shares shall participate rateably in respect of accumulated dividends in accordance with the amounts that would be payable on those shares if all the accumulated dividends were paid in full.

1.3.2 Participation in Respect of Return of Capital

Where amounts payable on a winding up, or on the occurrence of any other event as a result of which the holders of the shares of all series of Preferred Shares are then entitled to a return of capital, are not paid in full, the shares of all series of Preferred Shares shall participate rateably in a return of capital in respect of the Preferred Shares as a class in accordance with the amounts that would be payable on the return of capital if all amounts so payable were paid in full.

1.4 No Pre-emptive Right

The registered holders of the Preferred Shares shall not be entitled as such to subscribe for, purchase or receive any part of any issue of shares, bonds, debentures or other securities of the Corporation now or hereafter authorized, or any rights to acquire the same, otherwise than in accordance with the rights, privileges, restrictions and conditions which may from time to time be attached to any series of the Preferred Shares.

1.5 Restriction on Creating New Shares

1.5.1 Creation of Shares Ranking Prior to the Preferred Shares

So long as any Preferred Shares are outstanding, the Corporation shall not at any time without, in addition to any approval that may then be prescribed by applicable law, the approval of the registered holders of the Preferred Shares given in writing by the registered holders of two-thirds of the Preferred Shares or given by a resolution passed at a meeting called and conducted in accordance with the second sentence of section 1.8 and carried by the affirmative vote of not less than two-thirds of the votes cast at such meeting, create or issue any shares ranking prior to the Preferred Shares with respect to the payment of dividends or the distribution of assets in the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or in the event of any other distribution of assets of the Corporation among its members for the purpose of winding up its affairs.

1.5.2 Increase in Number of Authorized Preferred Shares

The Corporation may at any time or from time to time without the approval of the registered holders of the Preferred Shares increase the number of authorized Preferred Shares.

1.6 Voting

Except as otherwise provided in sections 1.5 and 1.7 or with respect to any particular series of Preferred Shares and except as otherwise required by law, the registered holders of the Preferred Shares shall not be entitled as a class to receive notice of or to attend or to vote at any meetings of the Corporation unless and until the Corporation shall have failed to pay in the aggregate eight quarterly cumulative dividends on any series of the Preferred Shares on the dates on which the same are to be paid in accordance with the provisions thereof, whether or not such dividends are consecutive and whether or not there are any moneys of the Corporation properly applicable to their payment. In the event of any such failure, the registered holders of the Preferred Shares shall have the right to receive notice of and to attend each meeting of members of the Corporation at which directors are to be elected and which takes place more than 60 days after the date of which the failure first occurs (other than a separate meeting of the holders of another class or series of shares), and such registered holders shall have the right to elect at each such meeting, voting separately as a class, two directors out of whatever number of directors are to be elected at such meeting in accordance with these Articles and the By-laws of the Corporation, provided that such rights of notice, attendance and election shall not apply at any such meeting which takes place on or after the first day following the day as of which such dividends are no longer in arrears.

Nothing contained herein shall be deemed to limit the right of the Corporation from time to time to increase or decrease the size of its board of directors or the ability of the directors to create, define and attach, by resolution pursuant to section 1.1, special voting rights and restrictions applicable to the series of Preferred Shares authorized thereby in addition to, or at variance with, the voting rights and restrictions contained in this section 1.6.

1.7 Amendments

The rights, privileges, restrictions and conditions attached to the Preferred Shares as a class may be varied or abrogated at any time or from time to time with, in addition to any approval that may then be prescribed by applicable law, the approval of the registered holders of the Preferred Shares given in writing by the registered holders of two-thirds of the Preferred Shares or

given by a resolution passed at a meeting called and conducted in accordance with the second sentence of section 1.8 and carried by the affirmative vote of not less than two-thirds of the votes cast at such meeting.

1.8 Meetings of Registered Holders of Preferred Shares

Except as otherwise provided in sections 1.5 and 1.7 or with respect to any particular series of Preferred Shares and except as otherwise required by law, on any poll taken at any meeting of the registered holders of the Preferred Shares as a class, or at any meeting of the registered holders of any one or more series of the Preferred Shares, each registered holder of Preferred Shares entitled to vote, shall be entitled, with respect to his shares of each series, to one vote in respect of each dollar, excluding any fraction of a dollar, of the product resulting from multiplying

- (a) the number of shares of such series held by such registered holder, by
- (b) the issue price per share of such series

provided that, in determining such issue price, any issue price expressed in a foreign currency shall be translated into lawful money of Canada at the rate of exchange applied by the Corporation in respect thereof in its audited financial statements for the fiscal year of issuance. The formalities to be observed with respect to the giving of notice of and voting at any such meeting (including without in any way limiting the generality of the foregoing, the record dates for the giving of notice and the entitlement to vote), the quorum therefor and the conduct thereof shall, with the necessary changes and so far as applicable, be those from time to time prescribed by the By-laws of the Corporation with respect to meetings of members.

ARTICLE TWO

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE SERIES A PREFERRED SHARES

The first series of Preferred Shares created pursuant to Article One of the Articles of the Corporation are designated as Cumulative Redeemable Convertible Preferred Shares, Series A (the "Series A Preferred Shares") and in addition to the rights, privileges, restrictions and conditions attached thereto as a class by Article One, shall have attached thereto the following:

2.1 Dividends

The holders of the Series A Preferred Shares shall be entitled to receive cumulative preferential cash dividends at a rate

calculated daily equal to 50% of the prime commercial rate of the Toronto-Dominion Bank plus 1/2% per annum (the "Dividend Rate"), payable quarterly on the last days of March, June, September and December in each year on the amount paid up thereon. The prime commercial rate of the Toronto-Dominion Bank shall mean that rate of interest payable from time to time on Canadian fund loans made by the Toronto-Dominion Bank to corporate borrowers of the highest credit rating designated as such from time to time by the Toronto-Dominion Bank, Main Branch at Vancouver, British Columbia. No dividends shall be paid or set apart for payment upon the Equity Shares unless all cumulative preferential dividends on the Series A Preferred Shares have been declared and paid or set aside for the current quarterly period and for all previous quarterly periods.

2.2 Redemption

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 Series A Preferred Shares on payment for each share to be redeemed of an amount (the "Redemption Price") equal to 100% of the amount paid up on such share, together with an amount equal to all accrued and unpaid dividends, whether declared or not, which dividends shall be calculated as if such dividends were accruing from day to day. In case a part only of the then outstanding Series A Preferred Shares is at any time to be redeemed pursuant to this section 2.2, the shares so to be redeemed shall be selected by the directors and need not be pro rata or selected by lot. The directors may redeem all or a portion of the Series A Preferred Shares held by one or more persons to the entire or partial exclusion of any other person or persons.

2.3 Notice of Redemption and Waiver

2.3.1 Notice of Redemption

In case of any redemption of any Series A Preferred Shares, the Corporation shall at least 16 days before the date specified for redemption mail or deliver to each registered holder of Series A Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series A Preferred Shares. However, except as provided in the next following sentence, no notice of redemption of any Series A Preferred Shares given after two years after the Date of Issue of such Preferred Shares shall have the effect of reducing the time within which a holder of Series A Preferred Shares may exercise his right to convert Series A Preferred Shares as herein provided. Notwithstanding any other provision hereof, the Corporation may at any time redeem all, but not less than all, the outstanding Series A Preferred Shares by not less than 90 days prior notice to each registered holder thereof, such notice to be given in the manner herein provided. Any notice of redemption shall be mailed in a prepaid envelope or delivered to

each such holder at his address as it appears on the books 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 such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and if part only of the Series A Preferred Shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. Unless the holder shall have exercised the conversion privilege set forth in section 2.4 on or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of each registered holder of the Series A Preferred Shares to be redeemed, the Redemption Price on presentation and surrender, at the registered office of the Corporation or any other place designated in such notice, of the certificate for the Series A Preferred Shares called for redemption. Such payment may be made by cheques payable at par at any branch in Canada of any Canadian chartered bank. Such Series A Preferred Shares shall thereupon be and be deemed to be redeemed and shall be cancelled. If a part only of the shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any such notice, the Series A Preferred Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of holders in respect thereof (except as herein otherwise specifically provided) unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right at any time after the mailing or delivery of notice of its intention to redeem any Series A Preferred Shares to deposit the Redemption Price for such shares, other than shares represented by certificates theretofore surrendered by holders in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in such notice. The Redemption Price so deposited shall be paid without interest to or to the order of the respective holders of such Series A Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such deposit of the Redemption Price or upon the date specified for redemption in such notice, whichever is the later, the Series A Preferred Shares in respect of which such deposit shall have been made, shall be deemed to be redeemed, and shall be cancelled and the rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. If the Corporation deposits the Redemption Price as contemplated hereby and if any holder of any Series A Preferred Shares shall fail to claim his portion on the Redemption Price prior to the expiration of three years following the date on which redemption was to take place, then

the unclaimed portion of the Redemption Price shall be returned to the Corporation and the claim of any such holder for such portion of the Redemption Price shall thereupon be extinguished.

2.3.2 Waiver of Notice of Redemption

Notwithstanding the provisions of section 2.3.1 the holders of the Series A Preferred Shares may waive notice of any redemption by instrument or instruments in writing.

2.4 Conversion Privilege

2.4.1 For the purposes of this Article Two:

"Close of Business" shall mean the normal closing hour of the Corporation or such other office at which certificates for Series A Preferred Shares are surrendered for conversion.

"Conversion Factor" for any Series A Preferred Shares shall mean the figure which results when the issue price for such Series A Preferred Shares is divided by the Conversion Price applicable thereto, all as adjusted from time to time in accordance with section 2.4.4.

"Conversion Price" for any Series A Preferred Shares shall mean 115% of the Current Market Price applicable to such Series A Preferred Shares.

"Current Market Price" of the Old Common Shares as at Issue Date or the New Common Shares as at any Issue Date, shall mean the average of the prices per share at which the last board lot of the Old Common Shares or the New Common Shares, as the case may be, traded on The Toronto Stock Exchange (or, if the Old Common Shares or the New Common Shares are not listed on The Toronto Stock Exchange, on such stock exchange on which such shares are listed as may be selected for that purpose by the Board of Directors) on each of the last five trading days on which board lots traded before such Issue Date.

"Equity Shares" shall mean collectively the Old Common Shares and the New Common Shares of the Corporation.

"Issue Date" or "Date of Issue" shall mean with respect to any Series A Preferred Shares, the date of issue as specified by Executive Committee of the Board of Directors.

"New Common Shares" shall mean the Common Shares of the Corporation as those shares were constituted on the Date on which the special resolution dated October 8, 1986 creating such shares shall have become effective or shares of any other class or any other security resulting from any common share reorganization as defined in section 2.4.4 below.

"Old Common Shares" shall mean the common shares without par value in the Corporation as those shares were constituted on December 19, 1980, or shares of any other class or any other security resulting from any common share reorganization as defined in section 2.4.4.

2.4.2 Right of Conversion

A holder of Series A Preferred Shares shall have the right, exercisable at any time after, but not before the date two years after the Date of Issue of such Series A Preferred Shares and up to the close of business on the date ten years after the Date of Issuance of such Series A Preferred Shares, to convert such Series A Preferred Shares into New Common Shares on the basis set forth in section 2.4.3.

2.4.3 Number of New Common Shares Issuable on Conversion

The number of New Common Shares issuable on conversion of Series A Preferred Shares shall be equal to the number of Series A Preferred Shares to be converted multiplied by the Conversion Factor.

2.4.4 Adjustment of Conversion Factor

The Conversion Factor shall be subject to adjustment from time to time as follows:

- (a) if the Corporation shall subdivide any or all of the Equity Shares into a greater number of shares; or if the Corporation shall issue in exchange for any or all of the Equity Shares a greater number of Equity Shares; or if the Corporation shall reduce the number of any or all of the Equity Shares by combination or consolidation of shares; or if the Corporation shall issue in exchange for the outstanding Equity Shares a smaller number of Equity Shares (any of which together with any reclassification, change or other fact referred to in section 2.4.4(b); is hereinafter called a "common share reorganization") then in each case from and after the effective date for such common share reorganization the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction of the numerator of which is the number of Equity Shares resulting from such common share reorganization and the denominator of which is the number of Equity Shares outstanding just prior to such common share reorganization; and
- (b) if any reclassification or any change shall be made in the outstanding Equity Shares other than a common share reorganization referred to in section 2.4.4(a) or if the Corporation shall issue any additional Equity Shares or securities convertible into or exchangeable for additional Equity Shares or if any other fact occurs which, in the opinion of the Board of Directors of the Corporation, would

not fairly protect the conversion rights of the holders of the Series A Preferred Shares in accordance with the intent hereof, then the Board of Directors of the Corporation shall make an adjustment in the Conversion Factor which in their opinion will protect fairly the conversion rights attached to the Series A Preferred Shares.

2.4.5 Conversion Procedure

The conversion privilege herein provided for may be exercised by notice in writing given to the Corporation through its Secretary at the address provided for in the By-laws of the Corporation accompanied by the certificate or certificates representing Series A Preferred Shares in respect of which the holder thereof desires to exercise such right of conversion. Such notice shall be signed by such holder or his duly authorized representative and shall specify the number of Series A Preferred Shares which the holder desires to have converted. The transfer form on the reverse of the certificate in question shall be endorsed by the registered holder of the Series A Preferred Shares or his duly authorized representative, with signature guaranteed in a manner satisfactory to the Corporation. If less than all of the Series A Preferred Shares represented by a certificate or certificates accompanying such notice are to be converted the holder shall be entitled to receive at the expense of the Corporation, a new certificate representing the Series A Preferred Shares comprised in the certificate or certificates surrendered as aforesaid which are not to be converted.

2.4.6 Termination of Conversion Right in Certain Events

If any of the events described in this section 2.4.6 shall occur, the right of the holder of Series A Preferred Shares who has resigned or died or been dismissed, retired, or been given notice of redemption, in the case of any of the events described in sections 2.4.6(a) to 2.4.6(d), and the rights of all holders of Series A Preferred Shares in the case of the event described in section 2.4.6(e) to convert his or their Series A Preferred Shares as described in section 2.4.2, shall thereupon terminate with respect to any Series A Preferred Shares the date of issue of which occurred within two years of such event and shall terminate at the expiration of the following periods of time with respect to any other Series A Preferred Shares. The events and periods of time described in this section 2.4.6 are as follows:

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|---|--|
| (a) the resignation or dismissal of the holder from employment with the Corporation other than due to retirement, | 15 days notice of resignation or dismissal |
| (b) the retirement of the holder from employment with the Corporation in accordance with the retirement policy of the Corporation from time to time in force, | 180 days from date of retirement |

- | | |
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| (c) the death of the holder, | 365 days from date of death |
| (d) the giving by the Corporation of a notice of redemption of all or any portion of the Series A Preferred Shares, | 90 days from notice of redemption |
| (e) termination of the Corporation's Employee Share Purchase Plan pursuant to which the Series A Preferred Shares have been issued. | 90 days from date of notice of termination of plan |

2.4.7 Certificates Resulting from Conversion

On any conversion Series A Preferred Shares, share certificates for New Common Shares resulting therefrom shall be issued in the name of the registered holder of the Series A Preferred Shares converted or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer or other applicable taxes. Except as hereinafter provided, the right of a holder of Series A Preferred Shares to convert Series A Preferred Share into New Common Shares shall be deemed to have been exercised, and the registered holder of the Series A Preferred Shares to be converted (or any person or persons in whose name or names any such registered holder of Series A Preferred Shares shall have directed certificates representing New Common Shares to be Issued) shall be deemed to have become a holder of New Common Shares of record of the Corporation for all purposes on the respective dates of surrender of certificates representing the Series A Preferred Shares to be converted accompanied by notice in writing as herein provided notwithstanding any delay in the delivery of certificates representing the New Common Shares into which such Series A Preferred Shares have been converted.

2.4.8 Avoidance of Fraction Shares

In any case where a fraction of a New Common Share would otherwise be issuable on conversion of one or more Series A Preferred Shares, the Corporation shall adjust such fractional interest by the payment by cheque of an amount equal to such fraction multiplied by the Conversion Price applicable to the Series A Preferred Shares converted.

2.4.9 Postponement of Conversion

In any case where the application of section 2.4.4 results in an adjustment of the Conversion Factor taking effect immediately after the record date for the holders of Equity Shares for the event giving rise to the adjustment, if any Series A Preferred Shares are

converted after that record date and prior to completion of the common share reorganization, the Corporation may postpone the issuance to the holder of the shares to which he is entitled by reason of the adjustment in the Conversion Factor but such shares shall be issued and delivered to that holder upon completion of the common shares reorganization and the Corporation shall deliver to the holder an appropriate instrument evidencing his right to receive such shares.

2.4.10 Reservation of New Common Shares

The Corporation shall, so long as any of the Series A Preferred Shares are outstanding and entitled to the right of conversion herein provided, reserve and at all times hold out of its unissued New Common Shares a sufficient number of unissued New Common Shares to enable all of the Series A Preferred Shares outstanding to be converted upon the basis and the terms and conditions herein provided.

2.5 Creation and Issuance of New Common Shares

Nothing herein contained shall affect or restrict the right of the Corporation to increase the number of its Equity Shares in accordance with applicable legislation and to issue such Equity Shares from time to time.

2.6 Notice of Certain Events

If the Corporation intends to fix a record date of any common share reorganization or for any rights offering or special distribution, the Corporation shall not less than 21 days prior to such record date notify each registered holder of Series A Preferred Shares of such intention by written notice, which notice shall set forth the particulars of the proposed event to the extent that such particulars have been determined at the time of giving them notice.

2.7 Transferability

The rights granted to the holders of Series A Preferred Shares are personal in nature and the Series A Preferred Shares may not be sold, transferred, assigned or dealt with in any way whatsoever except as may be permitted under the Corporation's Employee Purchase Plan and the Board of Directors of the Corporation may decline to register any transfer of any Series A Preferred Shares without providing any reasons in that regard.

2.8 Appointment of Trustee

The Corporation may, at its option, appoint a trustee, licensed to do business in British Columbia, to act on behalf of the Corporation or to assist the Corporation in performing its obligations under this Article Two.

2.9 Issue Price

All Series A Preferred Shares shall be issued by the Corporation for the issue price of \$10 per share.

ARTICLE THREE

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE SERIES B PREFERRED SHARES

The second series of Preferred Shares created pursuant to Article One of the Articles of the Corporation are designated as Cumulative Redeemable Convertible Preferred Shares, Series B (the "Series B Preferred Shares") and in addition to the rights, privileges, restrictions and conditions attached thereto as a class by Article One, shall have attached thereto the following rights, privileges, restrictions and conditions:

3.1 Dividends

The holders of the Series B Preferred Shares shall be entitled to receive cumulative preferential cash dividends at a rate calculated daily equal to 50% of the prime commercial rate of The Toronto-Dominion Bank plus 1/2% per annum (the "Dividend Rate"), payable quarterly on the last days of March, June, September and December in each year on the amount paid up thereon. The prime commercial rate of The Toronto-Dominion Bank shall mean that rate of interest payable from time to time on Canadian fund loans made by The Toronto-Dominion Bank to corporate borrowers of the highest credit rating designated as such from time to time by The Toronto-Dominion Bank, Main Branch at Vancouver, British Columbia. No dividends shall be paid or set apart for payment upon the Common Shares unless all cumulative preferential dividends on the Series B Preferred Shares have been declared and paid or set aside for the current quarterly period and for all previous quarterly periods.

3.2 Redemption

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 Series B Preferred Shares on payment for each share to be redeemed of an amount (the "Redemption Price") equal to 100% of the amount paid up on such share, together with an amount equal to all accrued and unpaid dividends, whether declared or not, which dividends shall be calculated as if such dividends were accruing from day to day. In case a part only of the then outstanding Series B Preferred Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by the directors and

need not be pro rata or selected by lot. The directors may redeem all or a portion of the Series B Preferred Shares held by one or more persons to the entire or partial exclusion of any other person or persons.

3.3 Notice of Redemption and Waiver

3.3.1 Notice of Redemption

In case of any redemption of any Series B Preferred Shares, the Corporation shall at least 16 days before the date specified for redemption mail or deliver to each registered holder of Series B Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series B Preferred Shares. However, except as provided in the following sentence, no notice of redemption of any Series B Preferred Shares given after two years after the Date of Issue of such Preferred Shares shall have the effect of reducing the time within which a holder of Series B Preferred Shares may exercise his right to convert his Series B Preferred Shares as herein provided. Notwithstanding any other provision hereto, the Corporation may at any time redeem all, but not less than all, the outstanding Series B Preferred Shares by not less than 90 days prior notice to each registered holder thereof, such notice to be given in the manner herein provided. Any notice of redemption shall be mailed in a prepaid envelope or delivered to each such holder at his address as it appears on the books of the Corporation or in the event of the address of any such shareholder not so appearing, then to the last known address of such shareholder, provided however, that accidental failure to give any such notice to one or more such shareholders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and if part only of the Series B Preferred Shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. Unless the holder shall have exercised the conversion privilege set forth in section 3.4 on or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of each registered holder of the Series B Preferred Shares to be redeemed, the Redemption Price on presentation and surrender, at the registered office of the Series B Preferred Shares called for redemption. Such payment may be made by cheques payable at par at any branch in Canada of any Canadian chartered bank. Such Series B Preferred Shares shall thereupon be and be deemed to be redeemed and shall be cancelled. If a part only of the shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any such notice, the Series B Preferred Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof (except as herein otherwise specifically provided) unless payment of the

Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right at any time after the mailing or delivery of notice of its intention to redeem any Series B Preferred Shares to deposit the Redemption Price for such shares, other than shares represented by certificates theretofore surrendered by holders in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in such notice. The Redemption Price so deposited shall be paid without interest to or to the order of the respective holders of such Series B Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such deposit of the Redemption Price or upon the date specified for redemption in such notice, whichever is the later, the Series B Preferred Shares in respect of which such deposit shall have been made, shall be deemed to be redeemed, and shall be cancelled and the rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. If the Corporation deposits the Redemption Price as contemplated hereby and if any holder of any Series B Preferred Shares shall fail to claim his portion of the Redemption Price prior to the expiration of three years following the date on which redemption was to take place, then the unclaimed portion of the Redemption Price shall be returned to the Corporation and the claim of any such holder for such portion of the Redemption Price shall thereupon be extinguished.

3.3.2 Waiver of Notice of Redemption

Notwithstanding the provisions of section 3.3.1, the holders of the Series B Preferred Shares may waive notice of any redemption by instrument or instruments in writing.

3.4 Conversion Privilege

3.4.1 For the purpose of this Article Three:

"Close of Business" shall mean the normal closing hour of the Corporation or such other office at which certificates for Series B Preferred Shares are surrendered for conversion.

"Common Shares" shall mean the Common Shares of the company as those shares were constituted on November 10, 1986 or shares of any other class or any other security resulting from any share reorganization as defined in section 3.4.4 below.

"Conversion Factor" for any Series B Preferred Shares shall mean the figure which results when the issue price for such Series B

Preferred Shares is divided by the Conversion Price applicable thereto, all as adjusted from time to time in accordance with section 3.4.4.

"Conversion Price" for any Series B Preferred Shares shall mean 115% of the Current Market Price applicable to such Series B Preferred Shares.

"Current Market Price" of the Common Shares as at any Issue Date shall mean the average of the prices per share at which the last board lot of the Common Shares traded on the Toronto Stock Exchange (or if the Common Shares are not listed on the Toronto Stock Exchange, on such stock exchange on which such shares are listed as may be selected for that purpose by the Board of Directors) on each of the last five trading days on which board lots traded before such Issue Date.

"Issue Date" or "Date of Issue" shall mean with respect to any Series B Preferred Shares, the date of issue as specified by the Executive Committee of the Board of Directors.

3.4.2 Right of Conversion

A holder of Series B Preferred Shares shall have the right, exercisable at any time after, but not before the date two years after the Date of Issue of such Series B Preferred Shares and up to the Close of Business on the date ten years after the Date of Issue of such Series B Preferred Shares, to convert such Series B Preferred Shares into Common Shares on the basis set forth in section 3.4.3.

3.4.3 Number of Common Shares Issuable on Conversion

The number of Common Shares issuable on conversion of Series B Preferred Shares shall be equal to the number of Series B Preferred Shares to be converted or multiplied by the Conversion Factor.

3.4.4 Adjustment of Conversion Factor

The Conversion Factor shall be subject to adjustment from time to time as follows:

- (a) if the Corporation shall subdivide the Common Shares into a greater number of shares; or if the Corporation shall issue in exchange for the Common Shares a greater number of Common Shares; or if the Corporation shall reduce the number of Common Shares by combination or consolidation of shares; or if the Corporation shall issue in exchange for the outstanding Common Shares a smaller number of Common Shares or if the Corporation shall issue to the holders of

Common Shares a greater, lesser or equal number of shares in substitution for the Common Shares (any of which together with any reclassification, change or other fact referred to in section 3.4.4(b) is hereinafter called a "share reorganization") then in each case from and after the effective date for such share reorganization the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction, the numerator of which is the number of Common Shares resulting from such share reorganization and the denominator of which is the number of Common Shares outstanding just prior to such share reorganization; and

- (b) if any reclassification or any change shall be made in the outstanding Common Shares other than a share reorganization referred to in section 3.4.4(a) or if the Corporation shall issue any additional Common Shares or securities convertible into or exchangeable for additional Common Shares or if any other fact occurs which, in the opinion of the Board of Directors of the Corporation, would not fairly protect the conversion rights of the holders of the Series B Preferred Shares in accordance with the intent hereof, then the Board of Directors of the Corporation shall make an adjustment in the Conversion Factor which in their opinion will protect fairly the conversion rights attached to the Series B Preferred Shares.

3.4.5 Conversion Procedure

The conversion privilege herein provided for may be exercised by notice in writing given to the Corporation through its Secretary at the address provided for in the By-laws of the Corporation, accompanied by the certificate or certificates representing Series B Preferred Shares in respect of which the holder thereof desires to exercise such right of conversion. Such notice shall be signed by such holder or his duly authorized representative and shall specify the number of Series B Preferred Shares which the holder desires to have converted. The transfer form on the reverse of the certificate in question shall be endorsed by the registered holder of the Series B Preferred Shares or his duly authorized representative, with signature guaranteed in a manner satisfactory to the Corporation. If less than all of the Series B Preferred Shares represented by a certificate or certificates accompanying such notice are to be converted the holder shall be entitled to receive at the expense of the Corporation a new certificate representing the Series B Preferred Shares comprised in the certificate or certificates surrendered as aforesaid which are not to be converted.

3.4.6 Termination of Conversion Right in Certain Events

If any of the events described in this section 3.4.6 shall occur, the right of the holder of Series B Preferred Shares who has resigned or died or been dismissed, retired, or been given notice of redemption, in the case of any of the events described in sections 3.4.6(a) to 3.4.6(d), and the rights of all holders of Series B Preferred Shares in the case of the event described in section 3.4.6(e), to convert his or their Series B Preferred Shares as described in section 3.4.2, shall thereupon terminate with respect to any Series B Preferred Shares the Date of Issue of which occurred within two years of such event and shall terminate at the expiration of the following periods of time with respect to any other Series B Preferred Shares. The events and periods of time described in this section 3.4.6 are as follows:

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|---|---|
| (a) the resignation or dismissal of the holder from employment with the Corporation other than due to retirement, | 15 days from notice of resignation or dismissal |
| (b) the retirement of the holder from employment with the Corporation in accordance with the retirement policy of the Corporation from time to time in force, | 180 days from date of retirement |
| (c) the death of the holder, | 365 days from date of death |
| (d) the giving by the Corporation of a notice of redemption of all or any portion of the Series B Preferred Shares, | 90 days from notice of redemption |
| (e) termination of the Corporation's Employee Share Purchase Plan pursuant to which the Series B Preferred Shares have been issued. | 90 days from date of notice of termination |

3.4.7 Certificates Resulting from Conversion

On any conversion of Series B Preferred Shares, share certificates for Common Shares resulting therefrom shall be issued in the name of the registered holder of the Series B Preferred Shares converted or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer or other applicable taxes. Except as hereinafter provided, the right of a holder of Series B

Preferred Shares to convert Series B Preferred Shares into Common Shares shall be deemed to have been exercised, and the registered holder of the Series B Preferred Shares to be converted (or any person or persons in whose name or names any such registered holder of Series B Preferred Shares shall have directed certificates representing Common Shares to be issued) shall be deemed to have become a holder of Common Shares of record in the Corporation for all purposes on the respective dates of surrender of certificates representing the Series B Preferred Shares to be converted, accompanied by notice in writing as herein provided, notwithstanding any delay in the delivery of certificates representing the Common Shares into which such Series B Preferred Shares have been converted.

3.4.8 Avoidance of Fractional Shares

In any case where a fraction of a Common Share would otherwise be issuable on conversion of one or more Series B Preferred Shares, the Corporation shall adjust such fractional interest by the payment by cheque of an amount equal to such fraction multiplied by the Conversion Price applicable to the Series B Preferred Shares converted.

3.4.9 Postponement of Conversion

In any case where the application of section 3.4.4 above results in an adjustment to the Conversion Factor taking effect immediately after the record date for the event giving rise to the adjustment, if any Series B Preferred Shares are converted after that record date and prior to the completion of the share reorganization, the Corporation may postpone the issuance to the holder of the shares to which he is entitled by reason of the adjustment in the Conversion Factor but such shares shall be issued and delivered to that holder upon completion of the share reorganization and the Corporation shall deliver to the holder an appropriate instrument evidencing his right to receive such shares.

3.4.10 Reservation of Common Shares

The Corporation shall, so long as any of the Series B Preferred Shares are outstanding and entitled to the right of conversion herein provided, reserve and at all times hold out of its unissued Common Shares a sufficient number of unissued Common Shares to enable all of the Series B Preferred Shares outstanding to be converted upon the basis and the terms and conditions herein provided.

3.5 Creation and Issuance of Common Shares

Nothing herein contained shall affect or restrict the right of the Corporation to increase the number of its Common Shares in accordance with applicable legislation and to issue such Common Shares from time to time.

3.6 Notice of Events

If the Corporation intends to fix a record date for any share reorganization or for any rights offering or special distribution, the Corporation shall not less than 21 days prior to such record date notify each registered holder of Series B Preferred Shares of such intention by written notice, which notice shall set forth the particulars of the proposed event to the extent that such particulars have been determined at the time of giving them notice.

3.7 Transferability

The rights granted to the holders of Series B Preferred Shares are personal in nature and the Series B Preferred Shares may not be sold, transferred, assigned or dealt with in any way whatsoever except as may be permitted under the Corporation's Employee Share Purchase Plan and the Board of Directors of the Corporation may decline to register any transfer of any Series B Preferred Shares without providing any reasons in that regard.

3.8 Appointment of Trustee

The Corporation may, at its option, appoint a trustee, licensed to do business in British Columbia, to act on behalf of the Corporation or to assist the Corporation in performing its obligations under this Article Three.

3.9 Issue Price

All Series B Preferred Shares shall be issued by the Corporation for the issue price of \$10 per share.

ARTICLE FOUR

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE SERIES C PREFERRED SHARES

The third series of Preferred Shares created pursuant to Article One of the Articles of the Corporation are designated as Cumulative Redeemable Convertible Preferred Shares, Series C (the "Series C Preferred Shares") and in addition to the rights, privileges, restrictions and conditions attached thereto as a class by Article One, shall have attached thereto the following rights, privileges, restrictions and conditions:

4.1 Dividends

The holders of the Series C Preferred Shares shall be

entitled to receive cumulative preferential cash dividends at a rate calculated daily equal to 50% of the prime commercial rate of The Toronto-Dominion Bank plus 1/2% per annum (the "Dividend Rate"), payable quarterly on the last days of March, June, September and December in each year on the amount paid up thereon. The prime commercial rate of The Toronto-Dominion Bank shall mean that rate of interest payable from time to time on Canadian fund loans made by The Toronto-Dominion Bank to corporate borrowers of the highest credit rating designated as such from time to time by The Toronto-Dominion Bank, Main Branch at Vancouver, British Columbia. No dividends shall be paid or set apart for payment upon the Common Shares unless all cumulative preferential dividends on the Series C Preferred Shares have been declared and paid or set aside for the current quarterly period and for all previous quarterly periods.

4.2 Redemption

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 Series C Preferred Shares on payment for each share to be redeemed of an amount (the "Redemption Price") equal to 100% of the amount paid up on such share, together with an amount equal to all accrued and unpaid dividends, whether declared or not, which dividends shall be calculated as if such dividends were accruing from day to day. In case a part only of the then outstanding Series C Preferred Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by the directors and need not be pro rata or selected by lot. The directors may redeem all or a portion of the Series C Preferred Shares held by one or more persons to the entire or partial exclusion of any other person or persons.

4.3 Notice of Redemption and Waiver

4.3.1 Notice of Redemption

In case of any redemption of any Series C Preferred Shares, the Corporation shall at least 16 days before the date specified for redemption mail or deliver to each registered holder of Series C Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series C Preferred Shares. However, except as provided in the following sentence, no notice of redemption of any Series C Preferred Shares given after two years after the Date of Issue of such Preferred Shares shall have the effect of reducing the time within which a holder of Series C Preferred Shares may exercise his right to convert his Series C Preferred Shares as herein provided.

Notwithstanding any other provision hereof, the Corporation may at any time redeem all, but not less than all, the outstanding Series C Preferred Shares, by not less than 90 days prior notice to

each registered holder thereof, such notice to be given in the manner herein provided. Any notice of redemption shall be mailed in a prepaid envelope or delivered to each such holder at his address as it appears on the books of the Corporation or in the event of the address of any such shareholders not so appearing, then to the last known address of such shareholder, provided however, that accidental failure to give any such notice to one or more such shareholders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and if part only of the Series C Preferred Shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. Unless the holder shall have exercised the conversion privilege set forth in section 4.4 on or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of each registered holder of the Series C Preferred Shares to be redeemed, the Redemption Price on presentation and surrender, at the registered office of the Corporation or any other place designated in such notice, of the certificate for the Series C Preferred Shares called for redemption. Such payment may be made by cheques payable at par at any branch in Canada of any Canadian chartered bank. Such Series C Preferred Shares shall thereupon be and be deemed to be redeemed and shall be cancelled. If a part only of the shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any such notice, the Series C Preferred Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof (except as herein otherwise specifically provided) unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right at any time after the mailing or delivery of notice of its intention to redeem any Series C Preferred Shares to deposit the Redemption Price for such shares, other than shares represented by certificates theretofore surrendered by holders in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in such notice. The Redemption Price so deposited shall be paid without interest to or to the order of the respective holders of such Series C Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such deposit of the Redemption Price or upon the date specified for redemption in such notice, whichever is the later, the Series C Preferred Shares in respect of which such deposit shall have been made, shall be deemed to be redeemed, and shall be cancelled and the rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the certificates held by them respectively. Any interest allowed on

any such deposit shall belong to the Corporation. If the Corporation deposits the Redemption Price as contemplated hereby and if any holder of any Series C Preferred Shares shall fail to claim his portion of the Redemption Price prior to the expiration of three years following the date on which redemption was to take place, then the unclaimed portion of the Redemption Price shall be returned to the Corporation and the claim of any such holder for such portion of the Redemption Price shall thereupon be extinguished.

4.3.2 Waiver of Notice of Redemption

Notwithstanding the provisions of section 4.3.1 the holders of the Series C Preferred Shares may waive notice of any redemption by instrument or instruments in writing.

4.4 Conversion Privilege

4.4.1 For the purpose of this Article Four:

"Close of Business" shall mean the normal closing hour of the Corporation or such other office at which certificates for Series C Preferred Shares are surrendered for conversion.

"Common Shares" shall mean the Common Shares of the Corporation as those shares were constituted on November 10, 1986 or shares of any other class or any other security resulting from any share reorganization as defined in section 4.4.4 below.

"Conversion Factor" for any Series C Preferred Shares shall mean the figure which results when the issue price for such Series C Preferred Shares is divided by the Conversion Price applicable thereto, all as adjusted from time to time in accordance with section 4.4.4.

"Conversion Price" for any Series C Preferred Shares shall mean 115% of the Current Market Price applicable to such Series C Preferred Shares.

"Current Market Price" of the Common Shares as at any Issue Date shall mean the average of the prices per share at which the last board lot of the Common Shares traded on The Toronto Stock Exchange (or if the Common Shares are not listed on The Toronto Stock Exchange, on such stock exchange on which such shares are listed as may be selected for that purpose by the Board of Directors) on each of the last five trading days on which board lots traded before such Issue Date.

"Issue Date" or "Date of Issue" shall mean with respect to any Series C Preferred Shares, the date of issue as specified by the Executive Committee of the Board of Directors.

4.4.2 Right of Conversion

A holder of Series C Preferred Shares shall have the right, exercisable at any time after but not before the date two years after the Date of Issue of such Series C Preferred Shares and up to the Close of Business on the date ten years after the Date of Issue of such Series C Preferred Shares, to convert such Series C Preferred Shares into Common Shares on the basis set forth in section 4.4.3 below.

4.4.3 Number of Common Shares Issuable on Conversion

The number of Common Shares issuable on conversion of Series C Preferred Shares shall be equal to the number of Series C Preferred Shares to be converted multiplied by the Conversion Factor.

4.4.4 Adjustment of Conversion Factor

The Conversion Factor shall be subject to adjustment from time to time as follows:

- (a) if the Corporation shall subdivide the Common Shares into a greater number of shares; or if the Corporation shall issue in exchange for the Common Shares a greater number of Common Shares; or if the Corporation shall reduce the number of Common Shares by combination or consolidation of shares, or if the Corporation shall issue in exchange for the outstanding Common Shares a smaller number of Common Shares or if the Corporation shall issue to the holders of Common Shares a greater, lesser or equal number of shares in substitution for the Common Shares (any of which together with any reclassification, change or other fact referred to in section 4.4.4(b) is hereinafter called a "share reorganization") then in each case from and after the effective date for such share reorganization the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction the numerator of which is the number of Common Shares resulting from such share reorganization and the denominator of which is the number of Common Shares outstanding just prior to such share reorganization; and
- (b) if any reclassification or any change shall be made in the outstanding Common Shares other than a share reorganization referred to in section 4.4.4(a) or if the Corporation shall issue any additional Common Shares or securities convertible into or exchangeable for additional Common Shares or if any other fact occurs which, in the opinion of the Board of Directors of the Corporation, would not fairly protect the conversion rights of the holders of the Series C Preferred Shares in accordance with the intent

hereof, then the Board of Directors of the Corporation shall make an adjustment in the Conversion Factor which in their opinion will protect fairly the conversion rights attached to the Series C Preferred Shares.

4.4.5 Conversion Procedure

The conversion privilege herein provided for may be exercised by notice in writing given to the Corporation through its Secretary at the address provided for in the By-laws of the Corporation accompanied by the certificate or certificates representing Series C Preferred Shares in respect of which the holder thereof desires to exercise such right of conversion. Such notice shall be signed by such holder or his duly authorized representative and shall specify the number of Series C Preferred Shares which the holder desires to have converted. The transfer form on the reverse of the certificate in question shall be endorsed by the registered holder of the Series C Preferred Shares or his duly authorized representative, with signature guaranteed in a manner satisfactory to the Corporation. If less than all of the Series C Preferred Shares represented by the certificate or certificates accompanying such notice are to be converted the holder shall be entitled to receive at the expense of the Corporation a new certificate representing the Series C Preferred Shares comprised in the certificate or certificates surrendered as aforesaid which are not to be converted.

4.4.6 Termination of Conversion Right in Certain Events

If any of the events described in this section 4.4.6 shall occur, the right of the holder of Series C Preferred Shares who has resigned or died or been dismissed, retired, or been given notice of redemption, in the case of any of the events described in sections 4.4.6(a) to 4.4.6(d), and the rights of all holders of Series C Preferred Shares in the case of the event described in section 4.4.6(e), to convert his or their Series C Preferred Shares as described in section 4.4.2, shall thereupon terminate with respect to any Series C Preferred Shares the Date of Issue of which occurred within two years of such event and shall terminate at the expiration of the following periods of time with respect to any other Series C Preferred Shares. The events and periods of time described in this section 4.4.6 are as follows:

- | | |
|---|---|
| (a) the resignation or dismissal of the holder from employment with the Corporation other than due to retirement, | 15 days from notice of resignation or dismissal |
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- | | | |
|-----|---|--|
| (b) | the retirement of the holder from employment with the Corporation in accordance with the retirement policy of the Corporation from time to time in force, | 180 days from date of retirement |
| (c) | the death of the holder, | 365 days from date of death |
| (d) | the giving by the Corporation of a notice of redemption of all or any portion of the Series C Preferred Shares, | 90 days from notice of redemption |
| (e) | termination of the Corporation's Employee Share Purchase Plan pursuant to which the Series C Preferred Shares have been issued. | 90 days from date of notice of termination |

4.4.7 Certificates Resulting from Conversion

On any conversion of Series C Preferred Shares, share certificates for Common Shares resulting therefrom shall be issued in the name of the registered holder of the Series C Preferred Shares converted or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer or other applicable taxes. Except as hereinafter provided, the right of a holder of Series C Preferred Shares to convert Series C Preferred Shares into Common Shares shall be deemed to have been exercised, and the registered holder of the Series C Preferred Shares to be converted (or any person or persons in whose name or names any such registered holder of Series C Preferred Shares shall have directed certificates representing Common Shares to be issued) shall be deemed to have become a holder of Common Shares of record in the Corporation for all purposes on the respective dates of surrender of certificates representing the Series C Preferred Shares to be converted accompanied by notice in writing as herein provided, notwithstanding any delay in the delivery of certificates representing the Common Shares into which such Series C Preferred Shares have been converted.

4.4.8 Avoidance of Fractional Shares

In any case where a fraction of a Common Share would otherwise be issuable on conversion of one or more Series C Preferred Shares, the Corporation shall adjust such fractional interest by the payment by cheque of an amount equal to such fraction multiplied by the Conversion Price applicable to the Series C Preferred Shares converted.

4.4.9 Postponement of Conversion

In any case where the application of section 4.4.4 above results in an adjustment to the Conversion Factor taking effect immediately after the record date for the event giving rise to the adjustment, if any Series C Preferred Shares are converted after that record date and prior to the completion of the share reorganization, the Corporation may postpone the issuance to the holder of the shares to which he is entitled by reason of the adjustment in the Conversion Factor but such shares shall be issued and delivered to that holder upon completion of the share reorganization and the Corporation shall deliver to the holder an appropriate instrument evidencing his right to receive such shares.

4.4.10 Reservation of Common Shares

The Corporation shall, so long as any of the Series C Preferred Shares are outstanding and entitled to the right of conversion herein provided, reserve and at all times hold out of its unissued Common Shares a sufficient number of unissued Common Shares to enable all of the Series C Preferred Shares outstanding to be converted upon the basis and the terms and conditions herein provided.

4.5 Creation and Issuance of Common Shares

Nothing herein contained shall affect or restrict the right of the Corporation to increase the number of its Common Shares in accordance with applicable legislation and to issue such Common Shares from time to time.

4.6 Notice of Events

If the Corporation intends to fix a record date for any share reorganization or for any rights offering or special distribution, the Corporation shall not less than 21 days prior to such record date notify each registered holder of Series C Preferred Shares of such intention by written notice, which notice shall set forth the particulars of the proposed event to the extent that such particulars have been determined at the time of giving them notice.

4.7 Transferability

The rights granted to the holders of Series C Preferred Shares are personal in nature and the Series C Preferred Shares may not be sold, transferred, assigned or dealt with in any way whatsoever except as may be permitted under the Corporation's Employee Share Purchase Plan and the Board of Directors of the Corporation may decline to register any transfer of any Series C Preferred Shares without providing any reasons in that regard.

4.8 Appointment of Trustee

The Corporation may, at its option, appoint a trustee, licensed to do business in British Columbia, to act on behalf of the Corporation or to assist the Corporation in performing its obligations under this Article Four.

4.9 Issue Price

All Series C Preferred Shares shall be issued by the Corporation for the issue price of \$10 per share.

ARTICLE FIVE

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE SERIES D PREFERRED SHARES

The fourth series of Preferred Shares created pursuant to Article One of the Articles of the Corporation are designated as Cumulative Redeemable Convertible Preferred Shares, Series D (the "Series D Preferred Shares") and in addition to the rights, privileges, restrictions and conditions attached thereto as a class by Article One, shall have attached thereto the following rights, privileges, restrictions and conditions:

5.1 Dividends

The holders of the Series D Preferred Shares shall be entitled to receive cumulative preferential cash dividends at an annual rate (the "Dividend Rate") equal to 66-2/3% (the "percentage of prime") of the annual rate of interest announced from time to time by The Toronto-Dominion Bank as its prime rate of interest, calculated daily and payable quarterly on the last days of March, June, September and December in each year on the amount paid up thereon, provided that the Board of Directors by resolution may, at any time, in its sole discretion increase the percentage of prime, and if the percentage of prime is so increased at any time or times, the Board of Directors may thereafter by resolution at any time decrease the percentage of prime to not less than 66-2/3%. The prime rate of The Toronto-Dominion Bank shall mean that rate of interest payable from time to time on Canadian fund loans made by The Toronto-Dominion Bank to corporate borrowers of the highest credit rating designated as such from time to time by The Toronto-Dominion Bank, Main Branch at Vancouver, British Columbia. No dividends shall be paid or set apart for payment upon the Common Shares unless all cumulative preferential dividends on the Series D Preferred Shares have been declared and paid or set aside for the current quarterly period and for all previous quarterly periods.

5.2 Redemption

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 Series D Preferred Shares on payment for each share to be redeemed of an amount (the "Redemption Price") equal to 100% of the amount paid up on such share, together with an amount equal to all accrued and unpaid dividends, whether declared or not, which dividends shall be calculated as if such dividends were accruing from day to day. In case a part only of the then outstanding Series D Preferred Shares is at any time to be redeemed, the shares to be redeemed shall be selected by the directors and need not be selected pro rata or selected by lot. The directors may redeem all or a portion of the Series D Preferred Shares held by one or more persons to the entire or partial exclusion of any other person or persons.

5.3 Notice of Redemption and Waiver

5.3.1 Notice of Redemption

In case of any redemption of any Series D Preferred Shares, the Corporation shall at least 16 days before the date specified for redemption mail or deliver to each registered holder of Series D Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series D Preferred Shares. However, except as provided in the following sentence, no notice of redemption of any Series D Preferred Shares given after two years after the Date of Issue of such Preferred Shares shall have the effect of reducing the time within which a holder of Series D Preferred Shares may exercise his right to convert his Series D Preferred Shares as herein provided.

Notwithstanding any other provision hereof, the Corporation may at any time redeem all, but not less than all, the outstanding Series D Preferred Shares, by not less than 90 days prior notice to each registered holder thereof, such notice to be given in the manner herein provided. Any notice of redemption shall be mailed in a prepaid envelope or delivered to each such holder at his address as it appears on the books of the Corporation or in the event of the address of any such shareholder not so appearing, then to the last known address of such shareholder, provided however, that accidental failure to give any such notice to one or more such shareholders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and if part only of the Series D Preferred Shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. Unless the holder shall have exercised the conversion privilege set forth in section 5.4 on or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of each registered holder of the

Series D Preferred Shares to be redeemed, the Redemption Price on presentation and surrender, at the registered office of the Corporation or any other place designated in such notice, of the certificate for the Series D Preferred Shares called for redemption. Such payment may be made by cheques payable at par at any branch in Canada of any Canadian chartered bank. Such Series D Preferred Shares shall thereupon be and be deemed to be redeemed and shall be cancelled. If a part only of the shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any such notice, the Series D Preferred Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof (except as herein otherwise specifically provided) unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right at any time after the mailing or delivery of notice of its intention to redeem any Series D Preferred Shares to deposit the Redemption Price for such shares, other than shares represented by certificates theretofore surrendered by holders in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in such notice. The Redemption Price so deposited shall be paid without interest to or to the order of the respective holders of such Series D Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such deposit of Redemption Price or upon the date specified for redemption in such notice, whichever is the later, the Series D Preferred Shares in respect of which such deposit shall have been made, shall be deemed to be redeemed, and shall be cancelled and the rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. If the Corporation deposits the Redemption Price as contemplated hereby and if any holder of any Series D Preferred Shares shall fail to claim his portion of the Redemption Price prior to the expiration of three years following the date on which redemption was to take place, then the unclaimed portion of the Redemption Price shall be returned to the Corporation and the claim of any such holder for such portion of the Redemption Price shall thereupon be extinguished.

5.3.2 Waiver of Notice of Redemption

Notwithstanding the provisions of section 5.3.1, the holders of the Series D Preferred Shares may waive notice of any redemption by instrument or instruments in writing.

5.4 Conversion Privilege

5.4.1 For the purpose of this Article Five:

"Close of Business" shall mean the normal closing hour of the Corporation or such other office at which certificates for Series D Preferred Shares are surrendered for conversion.

"Common Shares" shall mean the Common Shares of the company as those shares were constituted on November 10, 1986 or shares of any other class or any other security resulting from any share reorganization as defined in section 5.4.4 below.

"Conversion Factor" for any Series D Preferred Shares shall mean the figure which results when the issue price for such Series D Preferred Shares is divided by the Conversion Price applicable thereto, all as adjusted from time to time in accordance with section 5.4.4.

"Conversion Price" for any Series D Preferred Shares shall mean 115% of the Current Market Price applicable to such Series D Preferred Shares.

"Current Market Price" of the Class B shares as at any Issue Date shall mean the average of the prices per share at which the last board lot of the Common Shares traded on The Toronto Stock Exchange (or if the Common Shares are not listed on The Toronto Stock Exchange, on such stock exchange on which such shares are listed as may be selected for that purpose by the Board of Directors) on each of the last five trading days on which board lots traded before such Issue Date.

"Issue Date" or "Date of Issue" shall mean with respect to any Series D Preferred Shares, the date of issue as specified by the Executive Committee of the Board of Directors.

5.4.2 Right of Conversion

A holder of Series D Preferred Shares shall have the right, exercisable at any time after, but not before the date two years after the Date of Issue of such Series D Preferred Shares and up to the Close of Business on the date ten years after the Date of Issue of such Series D Preferred Shares, to convert such Series D Preferred Shares into Common Shares on the basis set forth in section 5.4.3 below.

5.4.3 Number of Common Shares Issuable on Conversion

The number of Common Shares issuable on conversion of Series D Preferred Shares shall be equal to the number of Series D Preferred Shares to be converted or multiplied by the Conversion Factor.

5.4.4 Adjustment of Conversion Factor

The Conversion Factor shall be subject to adjustment from time to time as follows:

- (a) if the Corporation shall subdivide the Common Shares into a greater number of shares; or if the Corporation shall issue in exchange for the Common Shares a greater number of Common Shares; or if the Corporation shall reduce the number of Common Shares by combination or consolidation of shares; or if the Corporation shall issue in exchange for the outstanding Common Shares a smaller number of Common Shares or if the Corporation shall issue to the holders of Common Shares a greater, lesser or equal number of shares in substitution for the Common Shares (any of which together with any reclassification, change or other fact referred to in section 5.4.4(b) is hereinafter called a "share reorganization") then in each case from and after the effective date for such share reorganization the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction, the numerator of which is the number of Common Shares resulting from such share reorganization and the denominator of which is the number of Common Shares outstanding just prior to such share reorganization; and
- (b) if any reclassification or any change shall be made in the outstanding Common Shares other than a share reorganization referred to in section 5.4.4(a) or if the Corporation shall issue any additional Common Shares or securities convertible into or exchangeable for additional Common Shares or if any other fact occurs which, in the opinion of the Board of Directors of the Corporation, would not fairly protect the conversion rights of the holders of the Series D Preferred Shares in accordance with the intent hereof, then the Board of Directors of the Corporation shall make an adjustment in the Conversion Factor which in their opinion will protect fairly the conversion rights attached to the Series D Preferred Shares.

5.4.5 Conversion Procedure

The conversion privilege herein provided for may be exercised by notice in writing given to the Corporation through its Secretary at the address provided for in the By-laws of the Corporation, accompanied by the certificate or certificates representing Series D Preferred Shares in respect of which the holder thereof desires to exercise such right of conversion. Such notice shall be signed by such holder or his duly authorized representative and shall specify the number of Series D Preferred Shares which the holder desires to have converted. The transfer

form on the reverse of the certificate in question shall be endorsed by the registered holder of the Series D Preferred Shares or his duly authorized representative, with signature guaranteed in a manner satisfactory to the Corporation. If less than all of the Series D Preferred Shares represented by a certificate or certificates accompanying such notice are to be converted the holder shall be entitled to receive at the expense of the Corporation, a new certificate representing the Series D Preferred Shares comprised in the certificate or certificates surrendered as aforesaid which are not to be converted.

5.4.6 Termination of Conversion Right in Certain Events

If any of the events described in this section 5.4.6 shall occur, the right of the holder of Series D Preferred Shares who has resigned or died or been dismissed, retired, or been given notice of redemption, in the case of any of the events described in sections 5.4.6(a) to 5.4.6(d), and the rights of all holders of Series D Preferred Shares in the case of the event described in section 5.4.6(e), to convert his or their Series D Preferred Shares as described in section 5.4.2, shall thereupon terminate with respect to any Series D Preferred Shares the Date of Issue of which occurred within two years of such event and shall terminate at the expiration of the following periods of time with respect to any other Series D Preferred Shares. The events and periods of time described in this section 5.4.6 are as follows:

- | | |
|---|---|
| (a) the resignation or dismissal of the holder from employment with the Corporation other than due to retirement, | 15 days from notice of resignation or dismissal |
| (b) the retirement of the holder from employment with the Corporation in accordance with the retirement policy of the Corporation from time to time in force, | 180 days from date of retirement |
| (c) the death of the holder, | 365 days from date of death |
| (d) the giving by the Corporation of a notice of redemption of all or any portion of the Series D Preferred Shares, | 90 days from notice of redemption |

- (e) termination of the Corporation's Employee Share Purchase Plan pursuant to which the Series D Preferred Shares have been issued. 90 days from date of notice of termination

5.4.7 Certificates Resulting from Conversion

On any conversion of Series D Preferred Shares, share certificates for Common Shares resulting therefrom shall be issued in the name of the registered holder of the Series D Preferred Shares converted or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer or other applicable taxes. Except as hereinafter provided, the right of a holder of Series D Preferred Shares to convert Series D Preferred Shares into Common Shares shall be deemed to have been exercised, and the registered holder of the Series D Preferred Shares to be converted (or any person or persons in whose name or names any such registered holder of Series D Preferred Shares shall have directed certificates representing Common Shares to be issued) shall be deemed to have become a holder of Common Shares of record in the Corporation for all purposes on the respective dates of surrender of certificates representing the Series D Preferred Shares to be converted accompanied by notice in writing as herein provided, notwithstanding any delay in the delivery of certificates representing the Common Shares into which such Series D Preferred Shares have been converted.

5.4.8 Avoidance of Fractional Shares

In any case where a fraction of a Common Share would otherwise be issuable on conversion of one or more Series D Preferred Shares, the Corporation shall adjust such fractional interest by the payment by cheque of an amount equal to such fraction multiplied by the Conversion Price applicable to the Series D Preferred Shares converted.

5.4.9 Postponement of Conversion

In any case where the application of section 5.4.4 above results in an adjustment to the Conversion Factor taking effect immediately after the record date for the event giving rise to the adjustment, if any Series D Preferred Shares are converted after that record date and prior to the completion of the share reorganization, the Corporation may postpone the issuance to the holder of the shares to which he is entitled by reason of the adjustment in the Conversion Factor but such shares shall be issued and delivered to that holder upon completion of the share reorganization and the Corporation shall deliver to the holder an appropriate instrument evidencing his right to receive such shares.

5.4.10 Reservation of Common Shares

The Corporation shall, so long as any of the Series D Preferred Shares are outstanding and entitled to the right of conversion herein provided, reserve and at all times hold out of its unissued Common Shares a sufficient number of unissued Common Shares to enable all of the Series D Preferred Shares outstanding to be converted upon the basis and the terms and conditions herein provided.

5.5 Creation and Issuance of Common Shares

Nothing herein contained shall affect or restrict the right of the Corporation to increase the number of its Common Shares in accordance with applicable legislation and to issue such Common Shares from time to time.

5.6 Notice of Certain Events

If the Corporation intends to fix a record date for any share reorganization or for any rights offering or special distribution, the Corporation shall not less than 21 days prior to such record date notify each registered holder of Series D Preferred Shares of such intention by written notice, which notice shall set forth the particulars of the proposed event to the extent that such particulars have been determined at the time of giving them notice.

5.7 Transferability

The rights granted to the holders of Series D Preferred Shares are personal in nature and the Series D Preferred Shares may not be sold, transferred, assigned or dealt with in any way whatsoever except as may be permitted under the Corporation's Employee Share Purchase Plan and the Board of Directors of the Corporation may decline to register any transfer of any Series D Preferred Shares without providing any reasons in that regard.

5.8 Appointment of Trustee

The Corporation may, at its option, appoint a trustee, licensed to do business in British Columbia, to act on behalf of the Corporation or to assist the Corporation in performing its obligations under this Article Five.

5.9 Issue Price

All Series D Preferred Shares shall be issued by the Corporation for the issue price of \$10 per share.

ARTICLE SIX

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE COMMON SHARES

The Common Shares shall confer on the holders thereof and shall be subject to the following rights, privileges, restrictions and conditions:

6.1 Dividends

Subject to the prior rights of the holders of the Preferred Shares, the holders of Common Shares shall be entitled to receive out of moneys of the Corporation properly applicable to the payment of dividends, such dividends as may from time to time be declared in the discretion of the directors.

6.2 Dissolution

Subject to the prior rights of the holders of the Preferred Shares, the holders of the Common Shares shall have the right on the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or other distribution of its assets among its shareholders for the purpose of winding-up its affairs, to receive the remaining assets of the Corporation.

6.3 Voting Rights

The holders of Common Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation, other than separate meetings of the holders of another class or series of shares, and to vote at any such meeting on the basis of one vote for each Common Share held.

Certificate of Amendment

**Canada Business
Corporations Act**

Certificat de modification

**Loi sur les sociétés
commerciales canadiennes**

FINNING LTD.

210248-0

Name of Corporation — Dénomination de la société

Number — Numéro

I hereby certify that the Articles of the above-mentioned Corporation were amended

Je certifie par les présentes que les statuts de la société mentionnée ci-haut ont été modifiés

(a) under section 13 of the Canada Business Corporations Act in accordance with the attached notice;

(a) en vertu de l'article 13 de la Loi sur les sociétés commerciales canadiennes conformément à l'avis ci-joint;

(b) under Section 27 of the Canada Business Corporations Act as set out in the attached Articles of Amendment designating a series of shares;

(b) en vertu de l'article 27 de la Loi sur les sociétés commerciales canadiennes tel qu'indiqué dans les clauses modificatrices ci-jointes désignant une série d'actions;

(c) under Section 171 of the Canada Business Corporations Act as set out in the attached Articles of Amendment;

(c) en vertu de l'article 171 de la Loi sur les sociétés commerciales canadiennes tel qu'indiqué dans les clauses modificatrices ci-jointes;

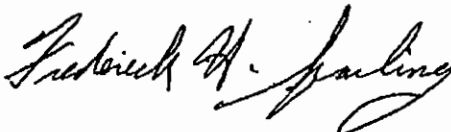
(d) under Section 185 of the Canada Business Corporations Act as set out in the attached Articles of Reorganization;

(d) en vertu de l'article 185 de la Loi sur les sociétés commerciales canadiennes tel qu'indiqué dans les clauses de réorganisation ci-jointes;

(e) under Section 185.1 of the Canada Business Corporations Act as set out in the attached Articles of Arrangement.

(e) en vertu de l'article 185.1 de la Loi sur les sociétés commerciales canadiennes tel qu'indiqué dans les clauses d'arrangement ci-jointes.

Le Directeur



Director

April 23, 1987
le 23 avril 1987

Date of Amendment — Date de la modification



FORM 4

FORMULE 4

ARTICLES OF AMENDMENT
(SECTION 27 OR 171)

STATUTS DE MODIFICATION
(ARTICLE 27 OU 171)

1 - Name of Corporation - Nom de la corporation

2 - Corporation No. - N° de la corporation

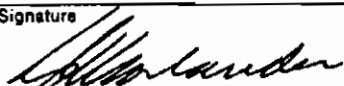
FINNING TRACTOR & EQUIPMENT COMPANY LIMITED

210248-0

3 - The articles of the above-named corporations are amended as follows:

Les statuts de la corporation ci-haut mentionnée sont modifiés de la façon suivante:

1. by changing the name of the Corporation to "FINNING LTD.";
2. by fixing the number of Preferred Shares designated as Cumulative Redeemable Convertible Preferred Shares, Series A at 600,000;
3. by fixing the number of Preferred Shares designated as Cumulative Redeemable Convertible Preferred Shares, Series B at 600,000;
4. by fixing the number of Preferred Shares designated as Cumulative Redeemable Convertible Preferred Shares, Series C at 400,000;
5. by fixing the number of Preferred Shares designated as Cumulative Redeemable Convertible Preferred Shares, Series D at 500,000;
6. by increasing the maximum number of directors to fourteen; and
7. by restating the Articles.

Date 11 22, 1987	Signature 	Description of Office - Description du poste Secretary
FOR DEPARTMENTAL USE ONLY		À L'USAGE DU MINISTÈRE SEULEMENT
		Filed - Déposée APR 24 1987



CANADA

**Restated Certificate
of Incorporation**

**Canada Business
Corporations Act**

**Certificat de constitution
à jour**

**Loi sur les sociétés
commerciales canadiennes**

FINNING LTD.

210248-0

Name of corporation - Dénomination de la société

Number - Numéro

I hereby certify that the Articles of Incorporation of the above-mentioned Corporation were restated under Section 174 of the Canada Business Corporations Act as set out in the attached Restated Articles of incorporation.

Je certifie par les présentes que les statuts constitutifs de la société mentionnée ci-haut ont été mis à jour en vertu de l'article 174 de la Loi sur les sociétés commerciales canadiennes, tel qu'indiqué dans les statuts de mise à jour ci-joints.

Director - Directeur

April 23, 1987
le 23 avril 1987

Effective Date of Restatement
Date d'entrée en vigueur de la mise à jour

FORM 7

FORMULE 7

RESTATED ARTICLES
OF INCORPORATION
(SECTION 174)REFORMULATION DES
STATUTS D'INCORPORATION
(ARTICLE 174)

Corporation - Nom de la corporation

NING LTD.

Corporation No. - No de la corporation

211048-0

Place in Canada where the registered office is situated

Vancouver, British Columbia

Lieu au Canada où est situé le siège social.

Number and any maximum number of shares that the corporation
is authorized to issueCategories et tout nombre maximal d'actions que la corporation
est autorisée à émettre

SEE SCHEDULE ONE ATTACHED

4 - Restrictions if any on share transfers

Restrictions sur le transfert des actions s'il y a lieu

N/A

5 - Number (or minimum and maximum number) of directors

Nombre (ou nombre minimum et maximum) d'administrateurs

Minimum of three and a maximum of fourteen

6 - Restrictions if any on business the corporation may carry on

Restrictions imposées quant aux entreprises que la corporation
peut exploiter, s'il y a lieu

7 - Other provisions if any

Autres dispositions s'il y a lieu

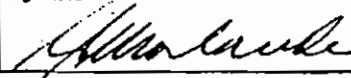
N/A

The foregoing restated articles of incorporation correctly set out,
without substantive change, the corresponding provisions of the
articles of incorporation as amended and supersede the original
articles of incorporation.

Cette reformulation des statuts d'incorporation démontre exactement
sans changement substantiel les dispositions correspondantes des statuts
d'incorporation telles que modifiées et remplacent les statuts d'incorporation
originaux tels que modifiés.

Date
April 14, 1987

Signature



Description of Office - Description du poste

Secretary

CORPORATIONS ACT - DEPARTMENTAL USE ONLY

À L'USAGE DU MINISTÈRE SEULEMENT

Filed - Déposée

APR 24 1987

CANADA BUSINESS CORPORATIONS ACT

FORM 7

RESTATED ARTICLES OF INCORPORATION

SCHEDULE ONE

3. The classes and any maximum number of shares that the corporation is authorized to issue:

unlimited number of Common Shares

5,000,000 Preferred Shares of which 600,000 are designated as Cumulative Redeemable Convertible Preferred Shares, Series A, 600,000 are designated as Cumulative Redeemable Preferred Shares, Series B, 400,000 are designated as Cumulative Redeemable Convertible Preferred Shares, Series C and 500,000 are designated as Cumulative Redeemable Convertible Preferred Shares, Series D

The rights, privileges and restrictions attached to the shares are set out in the attached Schedule A.

CANADA BUSINESS CORPORATIONS ACT

FORM 7

RESTATED ARTICLES OF INCORPORATION

SCHEDULE A

ARTICLE ONE

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE
PREFERRED SHARES AS A CLASS

The Preferred Shares shall confer on the holders thereof and shall be subject to the following rights, privileges, restrictions and conditions:

1.1 Issuable in Series

Subject to the limitations set out in the Articles of the Corporation, the Preferred Shares may be issued at any time or times in one or more series, and the directors may by resolution alter the Articles to fix the number of Preferred Shares in, and to determine the designation of the Preferred Shares of, each series and alter the Articles to create, define and attach rights, privileges, restrictions and conditions to the Preferred Shares of each series subject to the rights, privileges, restrictions and conditions attaching to the Preferred Shares by this Article One. A resolution under this section 1.1 may only be passed prior to the issue of Preferred Shares of the series to which the resolution relates.

1.2 Preference over Junior Shares

The Preferred Shares shall be entitled to preference over the Common Shares and any other shares ranking junior to the Preferred Shares, with respect to the payment of dividends and the distribution of assets of the Corporation in the event of liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or in the event of any other distribution of assets of the Corporation among its members for the purpose of winding up its affairs; and the Preferred Shares of each series may be given such other preferences not inconsistent with this Article One over the Common Shares and any other shares ranking junior to the Preferred Shares as may be determined in the case of each series authorized to be issued.

1.3 Parity among Series

1.3.1 Participation in Respect of Accumulated Dividends

Where cumulative dividends with respect to a series of Preferred Shares are not paid in full, the shares of all series of Preferred Shares shall participate ratably in respect of accumulated dividends in accordance with the amounts that would be payable on those shares if all the accumulated dividends were paid in full.

1.3.2 Participation in Respect of Return of Capital

Where amounts payable on a winding up, or on the occurrence of any other event as a result of which the holders of the shares of all series of Preferred Shares are then entitled to a return of capital, are not paid in full, the shares of all series of Preferred Shares shall participate ratably in a return of capital in respect of the Preferred Shares as a class in accordance with the amounts that would be payable on the return of capital if all amounts so payable were paid in full.

1.4 No Pre-emptive Right

The registered holders of the Preferred Shares shall not be entitled as such to subscribe for, purchase or receive any part of any issue of shares, bonds, debentures or other securities of the Corporation now or hereafter authorized, or any rights to acquire the same, otherwise than in accordance with the rights, privileges, restrictions and conditions which may from time to time be attached to any series of the Preferred Shares.

1.5 Restriction on Creating New Shares

1.5.1 Creation of Shares Ranking Prior to the Preferred Shares

So long as any Preferred Shares are outstanding, the Corporation shall not at any time without, in addition to any approval that may then be prescribed by applicable law, the approval of the registered holders of the Preferred Shares given in writing by the registered holders of two-thirds of the Preferred Shares or given by a resolution passed at a meeting called and conducted in accordance with the second sentence of section 1.8 and carried by the affirmative vote of not less than two-thirds of the votes cast at such meeting, create or issue any shares ranking prior to the Preferred Shares with respect to the payment of dividends or the distribution of assets in the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or in the event of any other distribution of assets of the Corporation among its members for the purpose of winding up its affairs.

1.5.2 Increase in Number of Authorized Preferred Shares

The Corporation may at any time or from time to time without the approval of the registered holders of the Preferred Shares increase the number of authorized Preferred Shares.

1.6 Voting

Except as otherwise provided in sections 1.5 and 1.7 or with respect to any particular series of Preferred Shares and except as otherwise required by law, the registered holders of the Preferred Shares shall not be entitled as a class to receive notice of or to attend or to vote at any meetings of the Corporation unless and until the Corporation shall have failed to pay in the aggregate eight quarterly cumulative dividends on any series of the Preferred Shares on the dates on which the same are to be paid in accordance with the provisions thereof, whether or not such dividends are consecutive and whether or not there are any moneys of the Corporation properly applicable to their payment. In the event of any such failure, the registered holders of the Preferred Shares shall have the right to receive notice of and to attend each meeting of members of the Corporation at which directors are to be elected and which takes place more than 60 days after the date of which the failure first occurs (other than a separate meeting of the holders of another class or series of shares), and such registered holders shall have the right to elect at each such meeting, voting separately as a class, two directors out of whatever number of directors are to be elected at such meeting in accordance with these Articles and the By-laws of the Corporation, provided that such rights of notice, attendance and election shall not apply at any such meeting which takes place on or after the first day following the day as of which such dividends are no longer in arrears.

Nothing contained herein shall be deemed to limit the right of the Corporation from time to time to increase or decrease the size of its board of directors or the ability of the directors to create, define and attach, by resolution pursuant to section 1.1, special voting rights and restrictions applicable to the series of Preferred Shares authorized thereby in addition to, or at variance with, the voting rights and restrictions contained in this section 1.6.

1.7 Amendments

The rights, privileges, restrictions and conditions attached to the Preferred Shares as a class may be varied or abrogated at any time or from time to time with, in addition to any approval that may then be prescribed by applicable law, the approval of the registered holders of the Preferred Shares given in writing by the registered holders of two-thirds of the Preferred Shares or

given by a resolution passed at a meeting called and conducted in accordance with the second sentence of section 1.8 and carried by the affirmative vote of not less than two-thirds of the votes cast at such meeting.

1.8 Meetings of Registered Holders of Preferred Shares

Except as otherwise provided in sections 1.5 and 1.7 or with respect to any particular series of Preferred Shares and except as otherwise required by law, on any poll taken at any meeting of the registered holders of the Preferred Shares as a class, or at any meeting of the registered holders of any one or more series of the Preferred Shares, each registered holder of Preferred Shares entitled to vote, shall be entitled, with respect to his shares of each series, to one vote in respect of each dollar, excluding any fraction of a dollar, of the product resulting from multiplying

- (a) the number of shares of such series held by such registered holder, by
- (b) the issue price per share of such series

provided that, in determining such issue price, any issue price expressed in a foreign currency shall be translated into lawful money of Canada at the rate of exchange applied by the Corporation in respect thereof in its audited financial statements for the fiscal year of issuance. The formalities to be observed with respect to the giving of notice of and voting at any such meeting (including without in any way limiting the generality of the foregoing, the record dates for the giving of notice and the entitlement to vote), the quorum therefor and the conduct thereof shall, with the necessary changes and so far as applicable, be those from time to time prescribed by the By-laws of the Corporation with respect to meetings of members.

ARTICLE TWO

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE SERIES A PREFERRED SHARES

The first series of Preferred Shares created pursuant to Article One of the Articles of the Corporation are designated as Cumulative Redeemable Convertible Preferred Shares, Series A (the "Series A Preferred Shares") and in addition to the rights, privileges, restrictions and conditions attached thereto as a class by Article One, shall have attached thereto the following:

2.1 Dividends

The holders of the Series A Preferred Shares shall be entitled to receive cumulative preferential cash dividends at a rate

calculated daily equal to 50% of the prime commercial rate of the Toronto-Dominion Bank plus 1/2% per annum (the "Dividend Rate"), payable quarterly on the last days of March, June, September and December in each year on the amount paid up thereon. The prime commercial rate of the Toronto-Dominion Bank shall mean that rate of interest payable from time to time on Canadian fund loans made by the Toronto-Dominion Bank to corporate borrowers of the highest credit rating designated as such from time to time by the Toronto-Dominion Bank, Main Branch at Vancouver, British Columbia. No dividends shall be paid or set apart for payment upon the Equity Shares unless all cumulative preferential dividends on the Series A Preferred Shares have been declared and paid or set aside for the current quarterly period and for all previous quarterly periods.

2.2 Redemption

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 Series A Preferred Shares on payment for each share to be redeemed of an amount (the "Redemption Price") equal to 100% of the amount paid up on such share, together with an amount equal to all accrued and unpaid dividends, whether declared or not, which dividends shall be calculated as if such dividends were accruing from day to day. In case a part only of the then outstanding Series A Preferred Shares is at any time to be redeemed pursuant to this section 2.2, the shares so to be redeemed shall be selected by the directors and need not be pro rata or selected by lot. The directors may redeem all or a portion of the Series A Preferred Shares held by one or more persons to the entire or partial exclusion of any other person or persons.

2.3 Notice of Redemption and Waiver

2.3.1 Notice of Redemption

In case of any redemption of any Series A Preferred Shares, the Corporation shall at least 16 days before the date specified for redemption mail or deliver to each registered holder of Series A Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series A Preferred Shares. However, except as provided in the next following sentence, no notice of redemption of any Series A Preferred Shares given after two years after the Date of Issue of such Preferred Shares shall have the effect of reducing the time within which a holder of Series A Preferred Shares may exercise his right to convert Series A Preferred Shares as herein provided. Notwithstanding any other provision hereof, the Corporation may at any time redeem all, but not less than all, the outstanding Series A Preferred Shares by not less than 90 days prior notice to each registered holder thereof, such notice to be given in the manner herein provided. Any notice of redemption shall be mailed in a prepaid envelope or delivered to

each such holder at his address as it appears on the books 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 such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and if part only of the Series A Preferred Shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. Unless the holder shall have exercised the conversion privilege set forth in section 2.4 on or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of each registered holder of the Series A Preferred Shares to be redeemed, the Redemption Price on presentation and surrender, at the registered office of the Corporation or any other place designated in such notice, of the certificate for the Series A Preferred Shares called for redemption. Such payment may be made by cheques payable at par at any branch in Canada of any Canadian chartered bank. Such Series A Preferred Shares shall thereupon be and be deemed to be redeemed and shall be cancelled. If a part only of the shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any such notice, the Series A Preferred Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of holders in respect thereof (except as herein otherwise specifically provided) unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right at any time after the mailing or delivery of notice of its intention to redeem any Series A Preferred Shares to deposit the Redemption Price for such shares, other than shares represented by certificates theretofore surrendered by holders in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in such notice. The Redemption Price so deposited shall be paid without interest to or to the order of the respective holders of such Series A Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such deposit of the Redemption Price or upon the date specified for redemption in such notice, whichever is the later, the Series A Preferred Shares in respect of which such deposit shall have been made, shall be deemed to be redeemed, and shall be cancelled and the rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. If the Corporation deposits the Redemption Price as contemplated hereby and if any holder of any Series A Preferred Shares shall fail to claim his portion on the Redemption Price prior to the expiration of three years following the date on which redemption was to take place, then

the unclaimed portion of the Redemption Price shall be returned to the Corporation and the claim of any such holder for such portion of the Redemption Price shall thereupon be extinguished.

2.3.2 Waiver of Notice of Redemption

Notwithstanding the provisions of section 2.3.1 the holders of the Series A Preferred Shares may waive notice of any redemption by instrument or instruments in writing.

2.4 Conversion Privilege

2.4.1 For the purposes of this Article Two:

"Close of Business" shall mean the normal closing hour of the Corporation or such other office at which certificates for Series A Preferred Shares are surrendered for conversion.

"Conversion Factor" for any Series A Preferred Shares shall mean the figure which results when the issue price for such Series A Preferred Shares is divided by the Conversion Price applicable thereto, all as adjusted from time to time in accordance with section 2.4.4.

"Conversion Price" for any Series A Preferred Shares shall mean 115% of the Current Market Price applicable to such Series A Preferred Shares.

"Current Market Price" of the Old Common Shares as at Issue Date or the New Common Shares as at any Issue Date, shall mean the average of the prices per share at which the last board lot of the Old Common Shares or the New Common Shares, as the case may be, traded on The Toronto Stock Exchange (or, if the Old Common Shares or the New Common Shares are not listed on The Toronto Stock Exchange, on such stock exchange on which such shares are listed as may be selected for that purpose by the Board of Directors) on each of the last five trading days on which board lots traded before such Issue Date.

"Equity Shares" shall mean collectively the Old Common Shares and the New Common Shares of the Corporation.

"Issue Date" or "Date of Issue" shall mean with respect to any Series A Preferred Shares, the date of issue as specified by Executive Committee of the Board of Directors.

"New Common Shares" shall mean the Common Shares of the Corporation as those shares were constituted on the Date on which the special resolution dated October 8, 1986 creating such shares shall have become effective or shares of any other class or any other security resulting from any common share reorganization as defined in section 2.4.4 below.

"Old Common Shares" shall mean the common shares without par value in the Corporation as those shares were constituted on December 19, 1980, or shares of any other class or any other security resulting from any common share reorganization as defined in section 2.4.4.

2.4.2 Right of Conversion

A holder of Series A Preferred Shares shall have the right, exercisable at any time after, but not before the date two years after the Date of Issue of such Series A Preferred Shares and up to the close of business on the date ten years after the Date of Issuance of such Series A Preferred Shares, to convert such Series A Preferred Shares into New Common Shares on the basis set forth in section 2.4.3.

2.4.3 Number of New Common Shares Issuable on Conversion

The number of New Common Shares issuable on conversion of Series A Preferred Shares shall be equal to the number of Series A Preferred Shares to be converted multiplied by the Conversion Factor.

2.4.4 Adjustment of Conversion Factor

The Conversion Factor shall be subject to adjustment from time to time as follows:

- (a) if the Corporation shall subdivide any or all of the Equity Shares into a greater number of shares; or if the Corporation shall issue in exchange for any or all of the Equity Shares a greater number of Equity Shares; or if the Corporation shall reduce the number of any or all of the Equity Shares by combination or consolidation of shares; or if the Corporation shall issue in exchange for the outstanding Equity Shares a smaller number of Equity Shares (any of which together with any reclassification, change or other fact referred to in section 2.4.4(b); is hereinafter called a "common share reorganization") then in each case from and after the effective date for such common share reorganization the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction of the numerator of which is the number of Equity Shares resulting from such common share reorganization and the denominator of which is the number of Equity Shares outstanding just prior to such common share reorganization; and
- (b) if any reclassification or any change shall be made in the outstanding Equity Shares other than a common share reorganization referred to in section 2.4.4(a) or if the Corporation shall issue any additional Equity Shares or securities convertible into or exchangeable for additional Equity Shares or if any other fact occurs which, in the opinion of the Board of Directors of the Corporation, would

not fairly protect the conversion rights of the holders of the Series A Preferred Shares in accordance with the intent hereof, then the Board of Directors of the Corporation shall make an adjustment in the Conversion Factor which in their opinion will protect fairly the conversion rights attached to the Series A Preferred Shares.

2.4.5 Conversion Procedure

The conversion privilege herein provided for may be exercised by notice in writing given to the Corporation through its Secretary at the address provided for in the By-laws of the Corporation accompanied by the certificate or certificates representing Series A Preferred Shares in respect of which the holder thereof desires to exercise such right of conversion. Such notice shall be signed by such holder or his duly authorized representative and shall specify the number of Series A Preferred Shares which the holder desires to have converted. The transfer form on the reverse of the certificate in question shall be endorsed by the registered holder of the Series A Preferred Shares or his duly authorized representative, with signature guaranteed in a manner satisfactory to the Corporation. If less than all of the Series A Preferred Shares represented by a certificate or certificates accompanying such notice are to be converted the holder shall be entitled to receive at the expense of the Corporation, a new certificate representing the Series A Preferred Shares comprised in the certificate or certificates surrendered as aforesaid which are not to be converted.

2.4.6 Termination of Conversion Right in Certain Events

If any of the events described in this section 2.4.6 shall occur, the right of the holder of Series A Preferred Shares who has resigned or died or been dismissed, retired, or been given notice of redemption, in the case of any of the events described in sections 2.4.6(a) to 2.4.6(d), and the rights of all holders of Series A Preferred Shares in the case of the event described in section 2.4.6(e) to convert his or their Series A Preferred Shares as described in section 2.4.2, shall thereupon terminate with respect to any Series A Preferred Shares the date of issue of which occurred within two years of such event and shall terminate at the expiration of the following periods of time with respect to any other Series A Preferred Shares. The events and periods of time described in this section 2.4.6 are as follows:

- | | |
|---|--|
| (a) the resignation or dismissal of the holder from employment with the Corporation other than due to retirement, | 15 days notice of resignation or dismissal |
| (b) the retirement of the holder from employment with the Corporation in accordance with the retirement policy of the Corporation from time to time in force, | 180 days from date of retirement |

- | | |
|---|--|
| (c) the death of the holder, | 365 days from date of death |
| (d) the giving by the Corporation of a notice of redemption of all or any portion of the Series A Preferred Shares, | 90 days from notice of redemption |
| (e) termination of the Corporation's Employee Share Purchase Plan pursuant to which the Series A Preferred Shares have been issued. | 90 days from date of notice of termination of plan |

2.4.7 Certificates Resulting from Conversion

On any conversion Series A Preferred Shares, share certificates for New Common Shares resulting therefrom shall be issued in the name of the registered holder of the Series A Preferred Shares converted or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer or other applicable taxes. Except as hereinafter provided, the right of a holder of Series A Preferred Shares to convert Series A Preferred Share into New Common Shares shall be deemed to have been exercised, and the registered holder of the Series A Preferred Shares to be converted (or any person or persons in whose name or names any such registered holder of Series A Preferred Shares shall have directed certificates representing New Common Shares to be Issued) shall be deemed to have become a holder of New Common Shares of record of the Corporation for all purposes on the respective dates of surrender of certificates representing the Series A Preferred Shares to be converted accompanied by notice in writing as herein provided notwithstanding any delay in the delivery of certificates representing the New Common Shares into which such Series A Preferred Shares have been converted.

2.4.8 Avoidance of Fraction Shares

In any case where a fraction of a New Common Share would otherwise be issuable on conversion of one or more Series A Preferred Shares, the Corporation shall adjust such fractional interest by the payment by cheque of an amount equal to such fraction multiplied by the Conversion Price applicable to the Series A Preferred Shares converted.

2.4.9 Postponement of Conversion

In any case where the application of section 2.4.4 results in an adjustment of the Conversion Factor taking effect immediately after the record date for the holders of Equity Shares for the event giving rise to the adjustment, if any Series A Preferred Shares are

converted after that record date and prior to completion of the common share reorganization, the Corporation may postpone the issuance to the holder of the shares to which he is entitled by reason of the adjustment in the Conversion Factor but such shares shall be issued and delivered to that holder upon completion of the common shares reorganization and the Corporation shall deliver to the holder an appropriate instrument evidencing his right to receive such shares.

2.4.10 Reservation of New Common Shares

The Corporation shall, so long as any of the Series A Preferred Shares are outstanding and entitled to the right of conversion herein provided, reserve and at all times hold out of its unissued New Common Shares a sufficient number of unissued New Common Shares to enable all of the Series A Preferred Shares outstanding to be converted upon the basis and the terms and conditions herein provided.

2.5 Creation and Issuance of New Common Shares

Nothing herein contained shall affect or restrict the right of the Corporation to increase the number of its Equity Shares in accordance with applicable legislation and to issue such Equity Shares from time to time.

2.6 Notice of Certain Events

If the Corporation intends to fix a record date of any common share reorganization or for any rights offering or special distribution, the Corporation shall not less than 21 days prior to such record date notify each registered holder of Series A Preferred Shares of such intention by written notice, which notice shall set forth the particulars of the proposed event to the extent that such particulars have been determined at the time of giving them notice.

2.7 Transferability

The rights granted to the holders of Series A Preferred Shares are personal in nature and the Series A Preferred Shares may not be sold, transferred, assigned or dealt with in any way whatsoever except as may be permitted under the Corporation's Employee Purchase Plan and the Board of Directors of the Corporation may decline to register any transfer of any Series A Preferred Shares without providing any reasons in that regard.

2.8 Appointment of Trustee

The Corporation may, at its option, appoint a trustee, licensed to do business in British Columbia, to act on behalf of the Corporation or to assist the Corporation in performing its obligations under this Article Two.

2.9

Issue Price

All Series A Preferred Shares shall be issued by the Corporation for the issue price of \$10 per share.

ARTICLE THREE

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE SERIES B PREFERRED SHARES

The second series of Preferred Shares created pursuant to Article One of the Articles of the Corporation are designated as Cumulative Redeemable Convertible Preferred Shares, Series B (the "Series B Preferred Shares") and in addition to the rights, privileges, restrictions and conditions attached thereto as a class by Article One, shall have attached thereto the following rights, privileges, restrictions and conditions:

3.1 Dividends

The holders of the Series B Preferred Shares shall be entitled to receive cumulative preferential cash dividends at a rate calculated daily equal to 50% of the prime commercial rate of The Toronto-Dominion Bank plus 1/2% per annum (the "Dividend Rate"), payable quarterly on the last days of March, June, September and December in each year on the amount paid up thereon. The prime commercial rate of The Toronto-Dominion Bank shall mean that rate of interest payable from time to time on Canadian fund loans made by The Toronto-Dominion Bank to corporate borrowers of the highest credit rating designated as such from time to time by The Toronto-Dominion Bank, Main Branch at Vancouver, British Columbia. No dividends shall be paid or set apart for payment upon the Common Shares unless all cumulative preferential dividends on the Series B Preferred Shares have been declared and paid or set aside for the current quarterly period and for all previous quarterly periods.

3.2 Redemption

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 Series B Preferred Shares on payment for each share to be redeemed of an amount (the "Redemption Price") equal to 100% of the amount paid up on such share, together with an amount equal to all accrued and unpaid dividends, whether declared or not, which dividends shall be calculated as if such dividends were accruing from day to day. In case a part only of the then outstanding Series B Preferred Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by the directors and

need not be pro rata or selected by lot. The directors may redeem all or a portion of the Series B Preferred Shares held by one or more persons to the entire or partial exclusion of any other person or persons.

3.3 Notice of Redemption and Waiver

3.3.1 Notice of Redemption

In case of any redemption of any Series B Preferred Shares, the Corporation shall at least 16 days before the date specified for redemption mail or deliver to each registered holder of Series B Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series B Preferred Shares. However, except as provided in the following sentence, no notice of redemption of any Series B Preferred Shares given after two years after the Date of Issue of such Preferred Shares shall have the effect of reducing the time within which a holder of Series B Preferred Shares may exercise his right to convert his Series B Preferred Shares as herein provided. Notwithstanding any other provision hereto, the Corporation may at any time redeem all, but not less than all, the outstanding Series B Preferred Shares by not less than 90 days prior notice to each registered holder thereof, such notice to be given in the manner herein provided. Any notice of redemption shall be mailed in a prepaid envelope or delivered to each such holder at his address as it appears on the books of the Corporation or in the event of the address of any such shareholder not so appearing, then to the last known address of such shareholder, provided however, that accidental failure to give any such notice to one or more such shareholders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and if part only of the Series B Preferred Shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. Unless the holder shall have exercised the conversion privilege set forth in section 3.4 on or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of each registered holder of the Series B Preferred Shares to be redeemed, the Redemption Price on presentation and surrender, at the registered office of the Series B Preferred Shares called for redemption. Such payment may be made by cheques payable at par at any branch in Canada of any Canadian chartered bank. Such Series B Preferred Shares shall thereupon be and be deemed to be redeemed and shall be cancelled. If a part only of the shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any such notice, the Series B Preferred Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof (except as herein otherwise specifically provided) unless payment of the

redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right at any time after the mailing or delivery of notice of its intention to redeem any Series B Preferred Shares to deposit the Redemption Price for such shares, other than shares represented by certificates theretofore surrendered by holders in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in such notice. The Redemption Price so deposited shall be paid without interest to or to the order of the respective holders of such Series B Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such deposit of the Redemption Price or upon the date specified for redemption in such notice, whichever is the later, the Series B Preferred Shares in respect of which such deposit shall have been made, shall be deemed to be redeemed, and shall be cancelled and the rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. If the Corporation deposits the Redemption Price as contemplated hereby and if any holder of any Series B Preferred Shares shall fail to claim his portion of the Redemption Price prior to the expiration of three years following the date on which redemption was to take place, then the unclaimed portion of the Redemption Price shall be returned to the Corporation and the claim of any such holder for such portion of the Redemption Price shall thereupon be extinguished.

3.3.2 Waiver of Notice of Redemption

Notwithstanding the provisions of section 3.3.1, the holders of the Series B Preferred Shares may waive notice of any redemption by instrument or instruments in writing.

3.4 Conversion Privilege

3.4.1 For the purpose of this Article Three:

"Close of Business" shall mean the normal closing hour of the Corporation or such other office at which certificates for Series B Preferred Shares are surrendered for conversion.

"Common Shares" shall mean the Common Shares of the company as those shares were constituted on November 10, 1986 or shares of any other class or any other security resulting from any share reorganization as defined in section 3.4.4 below.

"Conversion Factor" for any Series B Preferred Shares shall mean the figure which results when the issue price for such Series B

Preferred Shares is divided by the Conversion Price applicable thereto, all as adjusted from time to time in accordance with section 3.4.4.

"Conversion Price" for any Series B Preferred Shares shall mean 115% of the Current Market Price applicable to such Series B Preferred Shares.

"Current Market Price" of the Common Shares as at any Issue Date shall mean the average of the prices per share at which the last board lot of the Common Shares traded on the Toronto Stock Exchange (or if the Common Shares are not listed on the Toronto Stock Exchange, on such stock exchange on which such shares are listed as may be selected for that purpose by the Board of Directors) on each of the last five trading days on which board lots traded before such Issue Date.

"Issue Date" or "Date of Issue" shall mean with respect to any Series B Preferred Shares, the date of issue as specified by the Executive Committee of the Board of Directors.

3.4.2 Right of Conversion

A holder of Series B Preferred Shares shall have the right, exercisable at any time after, but not before the date two years after the Date of Issue of such Series B Preferred Shares and up to the Close of Business on the date ten years after the Date of Issue of such Series B Preferred Shares, to convert such Series B Preferred Shares into Common Shares on the basis set forth in section 3.4.3.

3.4.3 Number of Common Shares Issuable on Conversion

The number of Common Shares issuable on conversion of Series B Preferred Shares shall be equal to the number of Series B Preferred Shares to be converted or multiplied by the Conversion Factor.

3.4.4 Adjustment of Conversion Factor

The Conversion Factor shall be subject to adjustment from time to time as follows:

- (a) if the Corporation shall subdivide the Common Shares into a greater number of shares; or if the Corporation shall issue in exchange for the Common Shares a greater number of Common Shares; or if the Corporation shall reduce the number of Common Shares by combination or consolidation of shares; or if the Corporation shall issue in exchange for the outstanding Common Shares a smaller number of Common Shares or if the Corporation shall issue to the holders of

Common Shares a greater, lesser or equal number of shares in substitution for the Common Shares (any of which together with any reclassification, change or other fact referred to in section 3.4.4(b) is hereinafter called a "share reorganization") then in each case from and after the effective date for such share reorganization the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction, the numerator of which is the number of Common Shares resulting from such share reorganization and the denominator of which is the number of Common Shares outstanding just prior to such share reorganization; and

- (b) if any reclassification or any change shall be made in the outstanding Common Shares other than a share reorganization referred to in section 3.4.4(a) or if the Corporation shall issue any additional Common Shares or securities convertible into or exchangeable for additional Common Shares or if any other fact occurs which, in the opinion of the Board of Directors of the Corporation, would not fairly protect the conversion rights of the holders of the Series B Preferred Shares in accordance with the intent hereof, then the Board of Directors of the Corporation shall make an adjustment in the Conversion Factor which in their opinion will protect fairly the conversion rights attached to the Series B Preferred Shares.

3.4.5 Conversion Procedure

The conversion privilege herein provided for may be exercised by notice in writing given to the Corporation through its Secretary at the address provided for in the By-laws of the Corporation, accompanied by the certificate or certificates representing Series B Preferred Shares in respect of which the holder thereof desires to exercise such right of conversion. Such notice shall be signed by such holder or his duly authorized representative and shall specify the number of Series B Preferred Shares which the holder desires to have converted. The transfer form on the reverse of the certificate in question shall be endorsed by the registered holder of the Series B Preferred Shares or his duly authorized representative, with signature guaranteed in a manner satisfactory to the Corporation. If less than all of the Series B Preferred Shares represented by a certificate or certificates accompanying such notice are to be converted the holder shall be entitled to receive at the expense of the Corporation a new certificate representing the Series B Preferred Shares comprised in the certificate or certificates surrendered as aforesaid which are not to be converted.

3.4.6 Termination of Conversion Right in Certain Events

If any of the events described in this section 3.4.6 shall occur, the right of the holder of Series B Preferred Shares who has resigned or died or been dismissed, retired, or been given notice of redemption, in the case of any of the events described in sections 3.4.6(a) to 3.4.6(d), and the rights of all holders of Series B Preferred Shares in the case of the event described in section 3.4.6(e), to convert his or their Series B Preferred Shares as described in section 3.4.2, shall thereupon terminate with respect to any Series B Preferred Shares the Date of Issue of which occurred within two years of such event and shall terminate at the expiration of the following periods of time with respect to any other Series B Preferred Shares. The events and periods of time described in this section 3.4.6 are as follows:

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|---|---|
| (a) the resignation or dismissal of the holder from employment with the Corporation other than due to retirement, | 15 days from notice of resignation or dismissal |
| (b) the retirement of the holder from employment with the Corporation in accordance with the retirement policy of the Corporation from time to time in force, | 180 days from date of retirement |
| (c) the death of the holder, | 365 days from date of death |
| (d) the giving by the Corporation of a notice of redemption of all or any portion of the Series B Preferred Shares, | 90 days from notice of redemption |
| (e) termination of the Corporation's Employee Share Purchase Plan pursuant to which the Series B Preferred Shares have been issued. | 90 days from date of notice of termination |

3.4.7 Certificates Resulting from Conversion

On any conversion of Series B Preferred Shares, share certificates for Common Shares resulting therefrom shall be issued in the name of the registered holder of the Series B Preferred Shares converted or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer or other applicable taxes. Except as hereinafter provided, the right of a holder of Series B

preferred Shares to convert Series B Preferred Shares into Common Shares shall be deemed to have been exercised, and the registered holder of the Series B Preferred Shares to be converted (or any person or persons in whose name or names any such registered holder of Series B Preferred Shares shall have directed certificates representing Common Shares to be issued) shall be deemed to have become a holder of Common Shares of record in the Corporation for all purposes on the respective dates of surrender of certificates representing the Series B Preferred Shares to be converted accompanied by notice in writing as herein provided, notwithstanding any delay in the delivery of certificates representing the Common Shares into which such Series B Preferred Shares have been converted.

3.4.8 Avoidance of Fractional Shares

In any case where a fraction of a Common Share would otherwise be issuable on conversion of one or more Series B Preferred Shares, the Corporation shall adjust such fractional interest by the payment by cheque of an amount equal to such fraction multiplied by the Conversion Price applicable to the Series B Preferred Shares converted.

3.4.9 Postponement of Conversion

In any case where the application of section 3.4.4 above results in an adjustment to the Conversion Factor taking effect immediately after the record date for the event giving rise to the adjustment, if any Series B Preferred Shares are converted after that record date and prior to the completion of the share reorganization, the Corporation may postpone the issuance to the holder of the shares to which he is entitled by reason of the adjustment in the Conversion Factor but such shares shall be issued and delivered to that holder upon completion of the share reorganization and the Corporation shall deliver to the holder an appropriate instrument evidencing his right to receive such shares.

3.4.10 Reservation of Common Shares

The Corporation shall, so long as any of the Series B Preferred Shares are outstanding and entitled to the right of conversion herein provided, reserve and at all times hold out of its unissued Common Shares a sufficient number of unissued Common Shares to enable all of the Series B Preferred Shares outstanding to be converted upon the basis and the terms and conditions herein provided.

3.5 Creation and Issuance of Common Shares

Nothing herein contained shall affect or restrict the right of the Corporation to increase the number of its Common Shares in accordance with applicable legislation and to issue such Common Shares from time to time.

3.6 Notice of Events

If the Corporation intends to fix a record date for any share reorganization or for any rights offering or special distribution, the Corporation shall not less than 21 days prior to such record date notify each registered holder of Series B Preferred Shares of such intention by written notice, which notice shall set forth the particulars of the proposed event to the extent that such particulars have been determined at the time of giving them notice.

3.7 Transferability

The rights granted to the holders of Series B Preferred Shares are personal in nature and the Series B Preferred Shares may not be sold, transferred, assigned or dealt with in any way whatsoever except as may be permitted under the Corporation's Employee Share Purchase Plan and the Board of Directors of the Corporation may decline to register any transfer of any Series B Preferred Shares without providing any reasons in that regard.

3.8 Appointment of Trustee

The Corporation may, at its option, appoint a trustee, licensed to do business in British Columbia, to act on behalf of the Corporation or to assist the Corporation in performing its obligations under this Article Three.

3.9 Issue Price

All Series B Preferred Shares shall be issued by the Corporation for the issue price of \$10 per share.

ARTICLE FOUR

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE SERIES C PREFERRED SHARES

The third series of Preferred Shares created pursuant to Article One of the Articles of the Corporation are designated as Cumulative Redeemable Convertible Preferred Shares, Series C (the "Series C Preferred Shares") and in addition to the rights, privileges, restrictions and conditions attached thereto as a class by Article One, shall have attached thereto the following rights, privileges, restrictions and conditions:

4.1 Dividends

The holders of the Series C Preferred Shares shall be

entitled to receive cumulative preferential cash dividends at a rate calculated daily equal to 50% of the prime commercial rate of The Toronto-Dominion Bank plus 1/2% per annum (the "Dividend Rate"), payable quarterly on the last days of March, June, September and December in each year on the amount paid up thereon. The prime commercial rate of The Toronto-Dominion Bank shall mean that rate of interest payable from time to time on Canadian fund loans made by The Toronto-Dominion Bank to corporate borrowers of the highest credit rating designated as such from time to time by The Toronto-Dominion Bank, Main Branch at Vancouver, British Columbia. No dividends shall be paid or set apart for payment upon the Common Shares unless all cumulative preferential dividends on the Series C Preferred Shares have been declared and paid or set aside for the current quarterly period and for all previous quarterly periods.

4.2 Redemption

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 Series C Preferred Shares on payment for each share to be redeemed of an amount (the "Redemption Price") equal to 100% of the amount paid up on such share, together with an amount equal to all accrued and unpaid dividends, whether declared or not, which dividends shall be calculated as if such dividends were accruing from day to day. In case a part only of the then outstanding Series C Preferred Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by the directors and need not be pro rata or selected by lot. The directors may redeem all or a portion of the Series C Preferred Shares held by one or more persons to the entire or partial exclusion of any other person or persons.

4.3 Notice of Redemption and Waiver

4.3.1 Notice of Redemption

In case of any redemption of any Series C Preferred Shares, the Corporation shall at least 16 days before the date specified for redemption mail or deliver to each registered holder of Series C Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series C Preferred Shares. However, except as provided in the following sentence, no notice of redemption of any Series C Preferred Shares given after two years after the Date of Issue of such Preferred Shares shall have the effect of reducing the time within which a holder of Series C Preferred Shares may exercise his right to convert his Series C Preferred Shares as herein provided.

Notwithstanding any other provision hereof, the Corporation may at any time redeem all, but not less than all, the outstanding Series C Preferred Shares, by not less than 90 days prior notice to

each registered holder thereof, such notice to be given in the manner herein provided. Any notice of redemption shall be mailed in a prepaid envelope or delivered to each such holder at his address as it appears on the books of the Corporation or in the event of the address of any such shareholders not so appearing, then to the last known address of such shareholder, provided however, that accidental failure to give any such notice to one or more such shareholders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and if part only of the Series C Preferred Shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. Unless the holder shall have exercised the conversion privilege set forth in section 4.4 on or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of each registered holder of the Series C Preferred Shares to be redeemed, the Redemption Price on presentation and surrender, at the registered office of the Corporation or any other place designated in such notice, of the certificate for the Series C Preferred Shares called for redemption. Such payment may be made by cheques payable at par at any branch in Canada of any Canadian chartered bank. Such Series C Preferred Shares shall thereupon be and be deemed to be redeemed and shall be cancelled. If a part only of the shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any such notice, the Series C Preferred Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof (except as herein otherwise specifically provided) unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right at any time after the mailing or delivery of notice of its intention to redeem any Series C Preferred Shares to deposit the Redemption Price for such shares, other than shares represented by certificates theretofore surrendered by holders in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in such notice. The Redemption Price so deposited shall be paid without interest to or to the order of the respective holders of such Series C Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such deposit of the Redemption Price or upon the date specified for redemption in such notice, whichever is the later, the Series C Preferred Shares in respect of which such deposit shall have been made, shall be deemed to be redeemed, and shall be cancelled and the rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the certificates held by them respectively. Any interest allowed on

any such deposit shall belong to the Corporation. If the Corporation deposits the Redemption Price as contemplated hereby and if any holder of any Series C Preferred Shares shall fail to claim his portion of the Redemption Price prior to the expiration of three years following the date on which redemption was to take place, then the unclaimed portion of the Redemption Price shall be returned to the Corporation and the claim of any such holder for such portion of the Redemption Price shall thereupon be extinguished.

4.3.2 Waiver of Notice of Redemption

Notwithstanding the provisions of section 4.3.1 the holders of the Series C Preferred Shares may waive notice of any redemption by instrument or instruments in writing.

4.4 Conversion Privilege

4.4.1 For the purpose of this Article Four:

"Close of Business" shall mean the normal closing hour of the Corporation or such other office at which certificates for Series C Preferred Shares are surrendered for conversion.

"Common Shares" shall mean the Common Shares of the Corporation as those shares were constituted on November 10, 1986 or shares of any other class or any other security resulting from any share reorganization as defined in section 4.4.4 below.

"Conversion Factor" for any Series C Preferred Shares shall mean the figure which results when the issue price for such Series C Preferred Shares is divided by the Conversion Price applicable thereto, all as adjusted from time to time in accordance with section 4.4.4.

"Conversion Price" for any Series C Preferred Shares shall mean 115% of the Current Market Price applicable to such Series C Preferred Shares.

"Current Market Price" of the Common Shares as at any Issue Date shall mean the average of the prices per share at which the last board lot of the Common Shares traded on The Toronto Stock Exchange (or if the Common Shares are not listed on The Toronto Stock Exchange, on such stock exchange on which such shares are listed as may be selected for that purpose by the Board of Directors) on each of the last five trading days on which board lots traded before such Issue Date.

"Issue Date" or "Date of Issue" shall mean with respect to any Series C Preferred Shares, the date of issue as specified by the Executive Committee of the Board of Directors.

4.4.2 Right of Conversion

A holder of Series C Preferred Shares shall have the right, exercisable at any time after but not before the date two years after the Date of Issue of such Series C Preferred Shares and up to the Close of Business on the date ten years after the Date of Issue of such Series C Preferred Shares, to convert such Series C Preferred Shares into Common Shares on the basis set forth in section 4.4.3 below.

4.4.3 Number of Common Shares Issuable on Conversion

The number of Common Shares issuable on conversion of Series C Preferred Shares shall be equal to the number of Series C Preferred Shares to be converted multiplied by the Conversion Factor.

4.4.4 Adjustment of Conversion Factor

The Conversion Factor shall be subject to adjustment from time to time as follows:

- (a) if the Corporation shall subdivide the Common Shares into a greater number of shares; or if the Corporation shall issue in exchange for the Common Shares a greater number of Common Shares; or if the Corporation shall reduce the number of Common Shares by combination or consolidation of shares, or if the Corporation shall issue in exchange for the outstanding Common Shares a smaller number of Common Shares or if the Corporation shall issue to the holders of Common Shares a greater, lesser or equal number of shares in substitution for the Common Shares (any of which together with any reclassification, change or other fact referred to in section 4.4.4(b) is hereinafter called a "share reorganization") then in each case from and after the effective date for such share reorganization the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction the numerator of which is the number of Common Shares resulting from such share reorganization and the denominator of which is the number of Common Shares outstanding just prior to such share reorganization; and
- (b) if any reclassification or any change shall be made in the outstanding Common Shares other than a share reorganization referred to in section 4.4.4(a) or if the Corporation shall issue any additional Common Shares or securities convertible into or exchangeable for additional Common Shares or if any other fact occurs which, in the opinion of the Board of Directors of the Corporation, would not fairly protect the conversion rights of the holders of the Series C Preferred Shares in accordance with the intent

hereof, then the Board of Directors of the Corporation shall make an adjustment in the Conversion Factor which in their opinion will protect fairly the conversion rights attached to the Series C Preferred Shares.

4.4.5 Conversion Procedure

The conversion privilege herein provided for may be exercised by notice in writing given to the Corporation through its Secretary at the address provided for in the By-laws of the Corporation accompanied by the certificate or certificates representing Series C Preferred Shares in respect of which the holder thereof desires to exercise such right of conversion. Such notice shall be signed by such holder or his duly authorized representative and shall specify the number of Series C Preferred Shares which the holder desires to have converted. The transfer form on the reverse of the certificate in question shall be endorsed by the registered holder of the Series C Preferred Shares or his duly authorized representative, with signature guaranteed in a manner satisfactory to the Corporation. If less than all of the Series C Preferred Shares represented by the certificate or certificates accompanying such notice are to be converted the holder shall be entitled to receive at the expense of the Corporation a new certificate representing the Series C Preferred Shares comprised in the certificate or certificates surrendered as aforesaid which are not to be converted.

4.4.6 Termination of Conversion Right in Certain Events

If any of the events described in this section 4.4.6 shall occur, the right of the holder of Series C Preferred Shares who has resigned or died or been dismissed, retired, or been given notice of redemption, in the case of any of the events described in sections 4.4.6(a) to 4.4.6(d), and the rights of all holders of Series C Preferred Shares in the case of the event described in section 4.4.6(e), to convert his or their Series C Preferred Shares as described in section 4.4.2, shall thereupon terminate with respect to any Series C Preferred Shares the Date of Issue of which occurred within two years of such event and shall terminate at the expiration of the following periods of time with respect to any other Series C Preferred Shares. The events and periods of time described in this section 4.4.6 are as follows:

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|---|---|
| (a) the resignation or dismissal of the holder from employment with the Corporation other than due to retirement, | 15 days from notice of resignation or dismissal |
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| (b) | the retirement of the holder from employment with the Corporation in accordance with the retirement policy of the Corporation from time to time in force, | 180 days from date of retirement |
| (c) | the death of the holder, | 365 days from date of death |
| (d) | the giving by the Corporation of a notice of redemption of all or any portion of the Series C Preferred Shares, | 90 days from notice of redemption |
| (e) | termination of the Corporation's Employee Share Purchase Plan pursuant to which the Series C Preferred Shares have been issued. | 90 days from date of notice of termination |

4.4.7 Certificates Resulting from Conversion

On any conversion of Series C Preferred Shares, share certificates for Common Shares resulting therefrom shall be issued in the name of the registered holder of the Series C Preferred Shares converted or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer or other applicable taxes. Except as hereinafter provided, the right of a holder of Series C Preferred Shares to convert Series C Preferred Shares into Common Shares shall be deemed to have been exercised, and the registered holder of the Series C Preferred Shares to be converted (or any person or persons in whose name or names any such registered holder of Series C Preferred Shares shall have directed certificates representing Common Shares to be issued) shall be deemed to have become a holder of Common Shares of record in the Corporation for all purposes on the respective dates of surrender of certificates representing the Series C Preferred Shares to be converted accompanied by notice in writing as herein provided, notwithstanding any delay in the delivery of certificates representing the Common Shares into which such Series C Preferred Shares have been converted.

4.4.8 Avoidance of Fractional Shares

In any case where a fraction of a Common Share would otherwise be issuable on conversion of one or more Series C Preferred Shares, the Corporation shall adjust such fractional interest by the payment by cheque of an amount equal to such fraction multiplied by the Conversion Price applicable to the Series C Preferred Shares converted.

4.4.9 Postponement of Conversion

In any case where the application of section 4.4.4 above results in an adjustment to the Conversion Factor taking effect immediately after the record date for the event giving rise to the adjustment, if any Series C Preferred Shares are converted after that record date and prior to the completion of the share reorganization, the Corporation may postpone the issuance to the holder of the shares to which he is entitled by reason of the adjustment in the Conversion Factor but such shares shall be issued and delivered to that holder upon completion of the share reorganization and the Corporation shall deliver to the holder an appropriate instrument evidencing his right to receive such shares.

4.4.10 Reservation of Common Shares

The Corporation shall, so long as any of the Series C Preferred Shares are outstanding and entitled to the right of conversion herein provided, reserve and at all times hold out of its unissued Common Shares a sufficient number of unissued Common Shares to enable all of the Series C Preferred Shares outstanding to be converted upon the basis and the terms and conditions herein provided.

4.5 Creation and Issuance of Common Shares

Nothing herein contained shall affect or restrict the right of the Corporation to increase the number of its Common Shares in accordance with applicable legislation and to issue such Common Shares from time to time.

4.6 Notice of Events

If the Corporation intends to fix a record date for any share reorganization or for any rights offering or special distribution, the Corporation shall not less than 21 days prior to such record date notify each registered holder of Series C Preferred Shares of such intention by written notice, which notice shall set forth the particulars of the proposed event to the extent that such particulars have been determined at the time of giving them notice.

4.7 Transferability

The rights granted to the holders of Series C Preferred Shares are personal in nature and the Series C Preferred Shares may not be sold, transferred, assigned or dealt with in any way whatsoever except as may be permitted under the Corporation's Employee Share Purchase Plan and the Board of Directors of the Corporation may decline to register any transfer of any Series C Preferred Shares without providing any reasons in that regard.

4.8 Appointment of Trustee

The Corporation may, at its option, appoint a trustee, licensed to do business in British Columbia, to act on behalf of the Corporation or to assist the Corporation in performing its obligations under this Article Four.

4.9 Issue Price

All Series C Preferred Shares shall be issued by the Corporation for the issue price of \$10 per share.

ARTICLE FIVE

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE SERIES D PREFERRED SHARES

The fourth series of Preferred Shares created pursuant to Article One of the Articles of the Corporation are designated as Cumulative Redeemable Convertible Preferred Shares, Series D (the "Series D Preferred Shares") and in addition to the rights, privileges, restrictions and conditions attached thereto as a class by Article One, shall have attached thereto the following rights, privileges, restrictions and conditions:

5.1 Dividends

The holders of the Series D Preferred Shares shall be entitled to receive cumulative preferential cash dividends at an annual rate (the "Dividend Rate") equal to 66-2/3% (the "percentage of prime") of the annual rate of interest announced from time to time by The Toronto-Dominion Bank as its prime rate of interest, calculated daily and payable quarterly on the last days of March, June, September and December in each year on the amount paid up thereon, provided that the Board of Directors by resolution may, at any time, in its sole discretion increase the percentage of prime, and if the percentage of prime is so increased at any time or times, the Board of Directors may thereafter by resolution at any time decrease the percentage of prime to not less than 66-2/3%. The prime rate of The Toronto-Dominion Bank shall mean that rate of interest payable from time to time on Canadian fund loans made by The Toronto-Dominion Bank to corporate borrowers of the highest credit rating designated as such from time to time by The Toronto-Dominion Bank, Main Branch at Vancouver, British Columbia. No dividends shall be paid or set apart for payment upon the Common Shares unless all cumulative preferential dividends on the Series D Preferred Shares have been declared and paid or set aside for the current quarterly period and for all previous quarterly periods.

5.2 Redemption

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 Series D Preferred Shares on payment for each share to be redeemed of an amount (the "Redemption Price") equal to 100% of the amount paid up on such share, together with an amount equal to all accrued and unpaid dividends, whether declared or not, which dividends shall be calculated as if such dividends were accruing from day to day. In case a part only of the then outstanding Series D Preferred Shares is at any time to be redeemed, the shares to be redeemed shall be selected by the directors and need not be selected pro rata or selected by lot. The directors may redeem all or a portion of the Series D Preferred Shares held by one or more persons to the entire or partial exclusion of any other person or persons.

5.3 Notice of Redemption and Waiver

5.3.1 Notice of Redemption

In case of any redemption of any Series D Preferred Shares, the Corporation shall at least 16 days before the date specified for redemption mail or deliver to each registered holder of Series D Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series D Preferred Shares. However, except as provided in the following sentence, no notice of redemption of any Series D Preferred Shares given after two years after the Date of Issue of such Preferred Shares shall have the effect of reducing the time within which a holder of Series D Preferred Shares may exercise his right to convert his Series D Preferred Shares as herein provided.

Notwithstanding any other provision hereof, the Corporation may at any time redeem all, but not less than all, the outstanding Series D Preferred Shares, by not less than 90 days prior notice to each registered holder thereof, such notice to be given in the manner herein provided. Any notice of redemption shall be mailed in a prepaid envelope or delivered to each such holder at his address as it appears on the books of the Corporation or in the event of the address of any such shareholder not so appearing, then to the last known address of such shareholder, provided however, that accidental failure to give any such notice to one or more such shareholders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and if part only of the Series D Preferred Shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. Unless the holder shall have exercised the conversion privilege set forth in section 5.4 on or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of each registered holder of the

Series D Preferred Shares to be redeemed, the Redemption Price on presentation and surrender, at the registered office of the Corporation or any other place designated in such notice, of the certificate for the Series D Preferred Shares called for redemption. Such payment may be made by cheques payable at par at any branch in Canada of any Canadian chartered bank. Such Series D Preferred Shares shall thereupon be and be deemed to be redeemed and shall be cancelled. If a part only of the shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any such notice, the Series D Preferred Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof (except as herein otherwise specifically provided) unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right at any time after the mailing or delivery of notice of its intention to redeem any Series D Preferred Shares to deposit the Redemption Price for such shares, other than shares represented by certificates theretofore surrendered by holders in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in such notice. The Redemption Price so deposited shall be paid without interest to or to the order of the respective holders of such Series D Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such deposit of Redemption Price or upon the date specified for redemption in such notice, whichever is the later, the Series D Preferred Shares in respect of which such deposit shall have been made, shall be deemed to be redeemed, and shall be cancelled and the rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. If the Corporation deposits the Redemption Price as contemplated hereby and if any holder of any Series D Preferred Shares shall fail to claim his portion of the Redemption Price prior to the expiration of three years following the date on which redemption was to take place, then the unclaimed portion of the Redemption Price shall be returned to the Corporation and the claim of any such holder for such portion of the Redemption Price shall thereupon be extinguished.

5.3.2 Waiver of Notice of Redemption

Notwithstanding the provisions of section 5.3.1, the holders of the Series D Preferred Shares may waive notice of any redemption by instrument or instruments in writing.

5.4 Conversion Privilege

5.4.1 For the purpose of this Article Five:

"Close of Business" shall mean the normal closing hour of the Corporation or such other office at which certificates for Series D Preferred Shares are surrendered for conversion.

"Common Shares" shall mean the Common Shares of the company as those shares were constituted on November 10, 1986 or shares of any other class or any other security resulting from any share reorganization as defined in section 5.4.4 below.

"Conversion Factor" for any Series D Preferred Shares shall mean the figure which results when the issue price for such Series D Preferred Shares is divided by the Conversion Price applicable thereto, all as adjusted from time to time in accordance with section 5.4.4.

"Conversion Price" for any Series D Preferred Shares shall mean 115% of the Current Market Price applicable to such Series D Preferred Shares.

"Current Market Price" of the Class B shares as at any Issue Date shall mean the average of the prices per share at which the last board lot of the Common Shares traded on The Toronto Stock Exchange (or if the Common Shares are not listed on The Toronto Stock Exchange, on such stock exchange on which such shares are listed as may be selected for that purpose by the Board of Directors) on each of the last five trading days on which board lots traded before such Issue Date.

"Issue Date" or "Date of Issue" shall mean with respect to any Series D Preferred Shares, the date of issue as specified by the Executive Committee of the Board of Directors.

5.4.2 Right of Conversion

A holder of Series D Preferred Shares shall have the right, exercisable at any time after, but not before the date two years after the Date of Issue of such Series D Preferred Shares and up to the Close of Business on the date ten years after the Date of Issue of such Series D Preferred Shares, to convert such Series D Preferred Shares into Common Shares on the basis set forth in section 5.4.3 below.

5.4.3 Number of Common Shares Issuable on Conversion

The number of Common Shares issuable on conversion of Series D Preferred Shares shall be equal to the number of Series D Preferred Shares to be converted or multiplied by the Conversion Factor.

5.4.4 Adjustment of Conversion Factor

The Conversion Factor shall be subject to adjustment from time to time as follows:

- (a) if the Corporation shall subdivide the Common Shares into a greater number of shares; or if the Corporation shall issue in exchange for the Common Shares a greater number of Common Shares; or if the Corporation shall reduce the number of Common Shares by combination or consolidation of shares; or if the Corporation shall issue in exchange for the outstanding Common Shares a smaller number of Common Shares or if the Corporation shall issue to the holders of Common Shares a greater, lesser or equal number of shares in substitution for the Common Shares (any of which together with any reclassification, change or other fact referred to in section 5.4.4(b) is hereinafter called a "share reorganization") then in each case from and after the effective date for such share reorganization the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction, the numerator of which is the number of Common Shares resulting from such share reorganization and the denominator of which is the number of Common Shares outstanding just prior to such share reorganization; and
- (b) if any reclassification or any change shall be made in the outstanding Common Shares other than a share reorganization referred to in section 5.4.4(a) or if the Corporation shall issue any additional Common Shares or securities convertible into or exchangeable for additional Common Shares or if any other fact occurs which, in the opinion of the Board of Directors of the Corporation, would not fairly protect the conversion rights of the holders of the Series D Preferred Shares in accordance with the intent hereof, then the Board of Directors of the Corporation shall make an adjustment in the Conversion Factor which in their opinion will protect fairly the conversion rights attached to the Series D Preferred Shares.

5.4.5 Conversion Procedure

The conversion privilege herein provided for may be exercised by notice in writing given to the Corporation through its Secretary at the address provided for in the By-laws of the Corporation, accompanied by the certificate or certificates representing Series D Preferred Shares in respect of which the holder thereof desires to exercise such right of conversion. Such notice shall be signed by such holder or his duly authorized representative and shall specify the number of Series D Preferred Shares which the holder desires to have converted. The transfer

form on the reverse of the certificate in question shall be endorsed by the registered holder of the Series D Preferred Shares or his duly authorized representative, with signature guaranteed in a manner satisfactory to the Corporation. If less than all of the Series D Preferred Shares represented by a certificate or certificates accompanying such notice are to be converted the holder shall be entitled to receive at the expense of the Corporation, a new certificate representing the Series D Preferred Shares comprised in the certificate or certificates surrendered as aforesaid which are not to be converted.

5.4.6 Termination of Conversion Right in Certain Events

If any of the events described in this section 5.4.6 shall occur, the right of the holder of Series D Preferred Shares who has resigned or died or been dismissed, retired, or been given notice of redemption, in the case of any of the events described in sections 5.4.6(a) to 5.4.6(d), and the rights of all holders of Series D Preferred Shares in the case of the event described in section 5.4.6(e), to convert his or their Series D Preferred Shares as described in section 5.4.2, shall thereupon terminate with respect to any Series D Preferred Shares the Date of Issue of which occurred within two years of such event and shall terminate at the expiration of the following periods of time with respect to any other Series D Preferred Shares. The events and periods of time described in this section 5.4.6 are as follows:

- | | |
|---|---|
| (a) the resignation or dismissal of the holder from employment with the Corporation other than due to retirement, | 15 days from notice of resignation or dismissal |
| (b) the retirement of the holder from employment with the Corporation in accordance with the retirement policy of the Corporation from time to time in force, | 180 days from date of retirement |
| (c) the death of the holder, | 365 days from date of death |
| (d) the giving by the Corporation of a notice of redemption of all or any portion of the Series D Preferred Shares, | 90 days from notice of redemption |

- (e) termination of the Corporation's Employee Share Purchase Plan pursuant to which the Series D Preferred Shares have been issued. 90 days from date of notice of termination

5.4.7 Certificates Resulting from Conversion

On any conversion of Series D Preferred Shares, share certificates for Common Shares resulting therefrom shall be issued in the name of the registered holder of the Series D Preferred Shares converted or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer or other applicable taxes. Except as hereinafter provided, the right of a holder of Series D Preferred Shares to convert Series D Preferred Shares into Common Shares shall be deemed to have been exercised, and the registered holder of the Series D Preferred Shares to be converted (or any person or persons in whose name or names any such registered holder of Series D Preferred Shares shall have directed certificates representing Common Shares to be issued) shall be deemed to have become a holder of Common Shares of record in the Corporation for all purposes on the respective dates of surrender of certificates representing the Series D Preferred Shares to be converted accompanied by notice in writing as herein provided, notwithstanding any delay in the delivery of certificates representing the Common Shares into which such Series D Preferred Shares have been converted.

5.4.8 Avoidance of Fractional Shares

In any case where a fraction of a Common Share would otherwise be issuable on conversion of one or more Series D Preferred Shares, the Corporation shall adjust such fractional interest by the payment by cheque of an amount equal to such fraction multiplied by the Conversion Price applicable to the Series D Preferred Shares converted.

5.4.9 Postponement of Conversion

In any case where the application of section 5.4.4 above results in an adjustment to the Conversion Factor taking effect immediately after the record date for the event giving rise to the adjustment, if any Series D Preferred Shares are converted after that record date and prior to the completion of the share reorganization, the Corporation may postpone the issuance to the holder of the shares to which he is entitled by reason of the adjustment in the Conversion Factor but such shares shall be issued and delivered to that holder upon completion of the share reorganization and the Corporation shall deliver to the holder an appropriate instrument evidencing his right to receive such shares.

5.4.10 Reservation of Common Shares

The Corporation shall, so long as any of the Series D Preferred Shares are outstanding and entitled to the right of conversion herein provided, reserve and at all times hold out of its unissued Common Shares a sufficient number of unissued Common Shares to enable all of the Series D Preferred Shares outstanding to be converted upon the basis and the terms and conditions herein provided.

5.5 Creation and Issuance of Common Shares

Nothing herein contained shall affect or restrict the right of the Corporation to increase the number of its Common Shares in accordance with applicable legislation and to issue such Common Shares from time to time.

5.6 Notice of Certain Events

If the Corporation intends to fix a record date for any share reorganization or for any rights offering or special distribution, the Corporation shall not less than 21 days prior to such record date notify each registered holder of Series D Preferred Shares of such intention by written notice, which notice shall set forth the particulars of the proposed event to the extent that such particulars have been determined at the time of giving them notice.

5.7 Transferability

The rights granted to the holders of Series D Preferred Shares are personal in nature and the Series D Preferred Shares may not be sold, transferred, assigned or dealt with in any way whatsoever except as may be permitted under the Corporation's Employee Share Purchase Plan and the Board of Directors of the Corporation may decline to register any transfer of any Series D Preferred Shares without providing any reasons in that regard.

5.8 Appointment of Trustee

The Corporation may, at its option, appoint a trustee, licensed to do business in British Columbia, to act on behalf of the Corporation or to assist the Corporation in performing its obligations under this Article Five.

5.9 Issue Price

All Series D Preferred Shares shall be issued by the Corporation for the issue price of \$10 per share.

ARTICLE SIX

RIGHTS, PRIVILEGES, RESTRICTIONS AND
CONDITIONS ATTACHING TO THE COMMON SHARES

The Common Shares shall confer on the holders thereof and shall be subject to the following rights, privileges, restrictions and conditions:

6.1 Dividends

Subject to the prior rights of the holders of the Preferred Shares, the holders of Common Shares shall be entitled to receive out of moneys of the Corporation properly applicable to the payment of dividends, such dividends as may from time to time be declared in the discretion of the directors.

6.2 Dissolution

Subject to the prior rights of the holders of the Preferred Shares, the holders of the Common Shares shall have the right on the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or other distribution of its assets among its shareholders for the purpose of winding-up its affairs, to receive the remaining assets of the Corporation.

6.3 Voting Rights

The holders of Common Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation, other than separate meetings of the holders of another class or series of shares, and to vote at any such meeting on the basis of one vote for each Common Share held.



Certificate of Amendment

Certificat de modification

**Canada Business
Corporations Act**

**Loi sur les sociétés
commerciales canadiennes**

FINNING LTD.

210248-0

Name of Corporation - Dénomination de la société

Number - Numéro

I hereby certify that the Articles of the above-mentioned Corporation were amended

Je certifie par les présentes que les statuts de la société mentionnée ci-haut ont été modifiés

(a) under Section 13 of the Canada Business Corporations Act in accordance with the attached notice;

(a) en vertu de l'article 13 de la Loi sur les sociétés commerciales canadiennes conformément à l'avis ci-joint;

(b) under Section 27 of the Canada Business Corporations Act as set out in the attached Articles of Amendment designating a series of shares;

(b) en vertu de l'article 27 de la Loi sur les sociétés commerciales canadiennes tel qu'indiqué dans les clauses modificatrices ci-jointes désignant une série d'actions;

(c) under Section 171 of the Canada Business Corporations Act as set out in the attached Articles of Amendment;

(c) en vertu de l'article 171 de la Loi sur les sociétés commerciales canadiennes tel qu'indiqué dans les clauses modificatrices ci-jointes;

(d) under Section 185 of the Canada Business Corporations Act as set out in the attached Articles of Reorganization;

(d) en vertu de l'article 185 de la Loi sur les sociétés commerciales canadiennes tel qu'indiqué dans les clauses de réorganisation ci-jointes;

(e) under Section 185.1 of the Canada Business Corporations Act as set out in the attached Articles of Arrangement.

(e) en vertu de l'article 185.1 de la Loi sur les sociétés commerciales canadiennes tel qu'indiqué dans les clauses d'arrangement ci-jointes.

Le Directeur

Director

April 24, 1989/le 24 avril 1989

Date of Amendment - Date de la modification

CANADA BUSINESS
CORPORATIONS ACT



LOI SUR LES CORPORATIONS
COMMERCIALES CANADIENNES

FORM 4

FORMULE 4

ARTICLES OF AMENDMENT
(SECTION 27 OR 171)

STATUTS DE MODIFICATION
(ARTICLE 27 OU 171)

1 - Name of Corporation - Nom de la corporation

FINNING LTD.

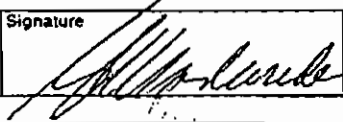
2 - Corporation No. - N° de la corporation

210248-0

3 - The articles of the above-named corporations are amended
as follows:

Les statuts de la corporation ci-haut mentionnée sont
modifiés de la façon suivante:

1. by changing the Common Shares, into a different number of Common Shares by subdividing all Common Shares, both issued and unissued, on a two-for-one basis.

April 21, 1989	Signature 	Description of Office - Description du poste Secretary
DEPARTMENTAL USE ONLY	À L'USAGE DU MINISTÈRE SEULEMENT	
	Filed - Déposée: APR 21 1989	



Certificate of Amendment

Certificat de modification

**Canada Business
Corporations Act**

**Loi sur les sociétés
commerciales canadiennes**

FINNING LTD.

210248-0

Name of Corporation - Dénomination de la société

Number - Numéro

I hereby certify that the
Articles of the above-mentioned
Corporation were amended

Je certifie par les présentes que
les statuts de la société
mentionnée ci-haut ont été modifiés

(a) under Section 13 of the
Canada Business Corporations
Act in accordance with the
attached notice;

(a) en vertu de l'article 13 de la
Loi sur les sociétés commerciales
canadiennes conformément à l'avis
ci-joint;

(b) under Section 27 of the
Canada Business Corporations
Act as set out in the attached
Articles of Amendment
designating a series of shares;

(b) en vertu de l'article 27 de la
Loi sur les sociétés commerciales
canadiennes tel qu'indiqué dans les
clauses modificatrices ci-jointes
désignant une série d'actions;

(c) under Section 171 of the
Canada Business Corporations
Act as set out in the attached
Articles of Amendment;

(c) en vertu de l'article 171 de la
Loi sur les sociétés commerciales
canadiennes tel qu'indiqué dans les
clauses modificatrices ci-jointes;

(d) under Section 185 of the
Canada Business Corporations
Act as set out in the attached
Articles of Reorganization;

(d) en vertu de l'article 185 de la
Loi sur les sociétés commerciales
canadiennes tel qu'indiqué dans les
clauses de réorganisation ci-jointes;

(e) under Section 185.1 of the
Canada Business Corporations
Act as set out in the attached
Articles of Arrangement.

(e) en vertu de l'article 185.1 de la
Loi sur les sociétés commerciales
canadiennes tel qu'indiqué dans les
clauses d'arrangement ci-jointes.

Le Directeur

Director

May 24, 1989/le 24 mai 1989

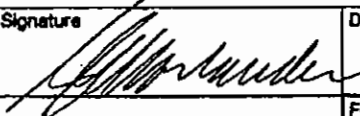
Date of Amendment - Date de la modification

1 - Name of Corporation -- Dénomination de la société FINNING LTD.	2 - Corporation No. -- N° de la société 210248-0
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3 - The articles of the above-named corporation are amended as follows:

Les statuts de la société ci-haut mentionnée sont modifiés de la façon suivante:

1. By fixing 1,000,000 Preferred Shares as the fifth series of Preferred Shares;
2. By determining the designation of the said fifth series of Preferred Shares as "Cumulative Redeemable Convertible Preferred Shares, Series E"; and
3. By determining the rights, privileges, restrictions and conditions attaching to the said fifth series of Preferred Shares (in addition to the rights, privileges, restrictions and conditions attaching to the Preferred Shares as a class) as the rights, privileges, restrictions and conditions set out in Article Seven of Schedule A attached hereto.

Date May 23, 1989	Signature 	Description of Office -- Description du poste Secretary
FOR DEPARTMENTAL USE ONLY -- À L'USAGE DU MINISTÈRE SEULEMENT Filed -- Déposée MAY 24 1989		

CANADA BUSINESS CORPORATIONS ACT

ARTICLES OF AMENDMENT

FINNING LTD.

FORM 4

SCHEDULE A

ARTICLE SEVEN

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS
ATTACHING TO THE SERIES E PREFERRED SHARES

The fifth series of Preferred Shares created pursuant to Article One of the Articles of the Corporation are designated as Cumulative Redeemable Convertible Preferred Shares, Series E (the "Series E Preferred Shares") and in addition to the rights, privileges, restrictions and conditions attached thereto as a class by Article One, shall have attached thereto the following rights, privileges, restrictions and conditions:

7.1 Dividends

The holders of the Series E Preferred Shares shall be entitled to receive cumulative preferential cash dividends at an annual rate (the "Dividend Rate") equal to 80% (the "percentage of prime") of the annual rate of interest announced from time to time by The Toronto-Dominion Bank as its prime rate of interest, calculated daily and payable quarterly on the last days of March, June, September and December in each year on the amount paid up thereon, provided that the Board of Directors by resolution may, at any time, in its sole discretion increase the percentage of prime, and if the percentage of prime is so increased at any time or times, the Board of Directors may thereafter by resolution at any time decrease the percentage of prime to not less than 80%. The prime rate of The Toronto-Dominion Bank shall mean that rate of interest payable from time to time on Canadian fund loans made by The Toronto-Dominion Bank to corporate borrowers of the highest credit rating designated as such from time to time by Toronto-Dominion Bank, Main Branch at Vancouver, British Columbia. No dividends shall be paid or set apart for payment upon the Common Shares unless all cumulative preferential dividends on the Series E Preferred Shares have been declared and paid or set aside for the current quarterly period and for all previous quarterly periods.

7.2 Redemption

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 Series E Preferred Shares on payment for each share to be redeemed of an amount (the "Redemption Price")

equal to 100% of the amount paid up on such share, together with an amount equal to all accrued and unpaid dividends, whether declared or not, which dividends shall be calculated as if such dividends were accruing from day to day. In case a part only of the then outstanding Series E Preferred Shares is at any time to be redeemed, the shares to be redeemed shall be selected by the directors and need not be selected pro rata or selected by lot. The directors may redeem all or a portion of the Series E Preferred Shares held by one or more persons to the entire or partial exclusion of any other person or persons.

7.3 Notice of Redemption and Waiver

7.3.1 Notice of Redemption

In case of any redemption of any Series E Preferred Shares, the Corporation shall at least 16 days before the date specified for redemption mail or deliver to each registered holder of Series E Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series E Preferred Shares. However, except as provided in the following sentence, no notice of redemption of any Series E Preferred Shares given after two years after the Date of Issue of such Preferred Shares shall have the effect of reducing the time within which a holder of Series E Preferred Shares may exercise his right to convert his Series E Preferred Shares as herein provided. Notwithstanding any other provision hereof, the Corporation may at any time redeem all, but not less than all, the outstanding Series E Preferred Shares, by not less than 90 days prior notice to each registered holder thereof, such notice to be given in the manner herein provided. Any notice of redemption shall be mailed in a prepaid envelope or delivered to each such holder at his address as it appears on the books of the Corporation or in the event of the address of any such shareholder not so appearing, then to the last known address of such shareholder, provided however, that accidental failure to give any such notice to one or more such shareholders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and if part only of the Series E Preferred Shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. Unless the holder shall have exercised the conversion privilege set forth in section 7.4 on or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of each registered holder of the Series E Preferred Shares to be redeemed, the Redemption Price on presentation and surrender, at the registered office of the Corporation or any other place designated in such notice, of the certificate for the Series E Preferred Shares called for redemption. Such payment may be made by cheques payable at par at any branch in Canada of any Canadian chartered bank. Such Series E Preferred shares shall thereupon be and be deemed to be redeemed and shall be cancelled. If a part only of the shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the

Corporation. From and after the date specified in any such notice, the Series E Preferred shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof (except as herein otherwise specifically provided) unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right at any time after the mailing or delivery of notice of its intention to redeem any Series E Preferred Shares to deposit the Redemption Price for such shares, other than shares represented by certificates theretofore surrendered by holders in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in such notice. The Redemption Price so deposited shall be paid without interest to or to the order of the respective holders of such Series E Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such deposit of the Redemption Price or upon the date specified for redemption in such notice, whichever is the later, the Series E Preferred Shares in respect of which such deposit shall have been made, shall be deemed to be redeemed, and shall be cancelled and the rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. If the Corporation deposits the Redemption Price as contemplated hereby and if any holder of any Series E Preferred shares shall fail to claim his portion of the Redemption Price prior to the expiration of three years following the date on which redemption was to take place, then the unclaimed portion of the Redemption Price shall be returned to the Corporation and the claim of any such holder for such portion of the Redemption Price shall thereupon be extinguished.

7.3.2 Waiver of Notice of Redemption

Notwithstanding the provisions of section 7.3.1, the holders of the Series E Preferred Shares may waive notice of any redemption by instrument or instruments in writing.

7.4 Conversion Privilege

7.4.1 For the purpose of this Article Seven:

"Close of Business" shall mean the normal closing hour of the Corporation or such other office at which certificates for Series E Preferred Shares are surrendered for conversion.

"Common Shares" shall mean the Common Shares of the Corporation as those shares were constituted on November 10, 1986 or shares of any other class or any other security resulting from any share reorganization as defined in section 7.4.4 below.

"Conversion Factor" for any Series E Preferred Shares shall mean the figure which results when the issue price for such Series E Preferred Shares is divided by the Conversion Price applicable thereto, all as adjusted from time to time in accordance with section 7.4.4.

"Conversion Price" for any Series E Preferred Shares shall mean 115% of the Current Market Price applicable to such Series E Preferred shares.

"Current Market Price" of the Common shares as at any Issue Date shall mean the average of the prices per share at which the last board lot of the Common Shares traded on The Toronto Stock Exchange (or if the Common Shares are not listed on The Toronto Stock Exchange, on such stock exchange on which such shares are listed as may be selected for that purpose by the Board of Directors) on each of the last five trading days on which board lots traded before such Issue Date.

"Issue Date" or "Date of Issue" shall mean with respect to any Series E Preferred Shares, the date of issue or the date upon which the shares are conditionally issued, as specified by the Board of Directors or by any committee of directors authorized by the Board of Directors.

7.4.2 Right of Conversion

A holder of Series E Preferred Shares shall have the right, exercisable at any time after, but not before the date two years after the Date of Issue of such Series E Preferred Shares and up to the Close of Business on the date ten years after the Date of Issue of such Series E Preferred Shares, to convert such Series E Preferred Shares into Common Shares on the basis set forth in section 7.4.3 below.

7.4.3 Number of Common Shares Issuable on Conversion

The number of Common Shares issuable on conversion of Series E Preferred Shares shall be equal to the number of Series E Preferred Shares to be converted multiplied by the Conversion Factor.

7.4.4. Adjustment of Conversion Factor

The Conversion Factor shall be subject to adjustment from time to time as follows:

- (a) if the Corporation shall subdivide the Common Shares into a greater number of shares; or if the Corporation shall issue in exchange for the Common Shares a greater number of Common Shares; or if the Corporation shall reduce the number of Common Shares by combination or consolidation of shares; or if the Corporation shall issue in exchange for the outstanding Common Shares a smaller number of Common

Shares or if the Corporation shall issue to the holders of common Shares a greater, lesser or equal number of shares in substitution for the Common Shares (any of which together with any reclassification, change or other fact referred to in section 7.4.4(b) is hereinafter called a "share reorganization") then in each case from and after the effective date for such share reorganization the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction, the numerator of which is the number of Common shares resulting from such share reorganization and the denominator of which is the number of Common Shares outstanding just prior to such share reorganization; and

- (b) if any reclassification or any change shall be made in the outstanding Common Shares other than a share reorganization referred to in section 7.4.4(a) or if the Corporation shall issue any additional Common Shares or securities convertible into or exchangeable for additional Common Shares or if any other fact occurs which, in the opinion of the Board of Directors of the Corporation, would not fairly protect the conversion rights of the holders of the Series E Preferred Shares in accordance with the intent hereof, then the Board of Directors of the Corporation shall make an adjustment in the Conversion Factor which in their opinion will protect fairly the conversion rights attached to the Series E Preferred Shares.

7.4.5 Conversion Procedure

The conversion privilege herein provided for may be exercised by notice in writing given to the Corporation through its Secretary at the address provided for in the By-laws of the Corporation, accompanied by the certificate or certificates representing Series E Preferred Shares in respect of which the holder thereof desires to exercise such right of conversion. Such notice shall be signed by such holder or his duly authorized representative and shall specify the number of Series E Preferred Shares which the holder desires to have converted. The transfer form on the reverse of the certificate in question shall be endorsed by the registered holder of the Series E Preferred Shares or his duly authorized representative, with signature guaranteed in a manner satisfactory to the Corporation. If less than all of the Series E Preferred Shares represented by a certificate or certificates accompanying such notice are to be converted the holder shall be entitled to receive at the expense of the Corporation, a new certificate representing the Series E Preferred Shares comprised in the certificate or certificates surrendered as aforesaid which are not to be converted.

7.4.6 Termination of Conversion Right in Certain Events

If any of the events described in this section 7.4.6 shall occur, the right of the holder of Series E Preferred Shares who has resigned or died or been dismissed, retired, removed, or failed to be elected to the Board of Directors, or been given notice of redemption, in the case of any of the events described in sections 7.4.6(a) to 7.4.6(f), and the rights of all holders of Series E Preferred Shares in the case of the event described in section 7.4.6(g), to convert his or their Series E Preferred Shares as described in section 7.4.2, shall thereupon terminate with respect to any Series E Preferred Shares the Date of Issue of which occurred within two years of such event and shall terminate at the expiration of the following periods of time with respect to any other Series E Preferred Shares. The events and periods of time described in this section 7.4.6 are as follows:

- | | |
|---|--|
| (a) in the case of holders who are employees and not directors, the resignation or dismissal of the holder from employment with the Corporation or its Subsidiaries other than due to retirement, | 15 days from notice of resignation or dismissal |
| (b) in the case of holders who are directors and not employees, the resignation or removal from or failure to be re-elected to the Board of Directors, other than due to retirement pursuant to the Corporation's retirement policy for directors, | 15 days from the date the holder ceases to be a director of the Corporation |
| (c) in the case of holders who are both directors and employees, the resignation or dismissal of the holder from employment of the Corporation, and the resignation or removal from or failure to be re-elected to the Board of Directors, in both cases other than due to retirement under the applicable retirement policies, | 15 days from the later of the date of the notice of resignation or dismissal, and the date the holder ceases to be a director of the Corporation |

- | | | |
|-----|---|--|
| (d) | the retirement of the holder from employment with the Corporation and its Subsidiaries, or from the Board of Directors, or in the case of holders who are employees and directors, from employment with the Corporation and its Subsidiaries and from the Board of Directors of the Corporation, in accordance with the retirement policy of the Corporation from time to time in force applicable to employees or directors, as the case may be, | 180 days from date of retirement |
| (e) | the death of the holder, | 365 days from date of death |
| (f) | the giving by the Corporation of a notice of redemption of all or any portion of the Series E Preferred Shares, | 90 days from notice of redemption |
| (g) | termination of the Corporation's Employee and Director Share Purchase Plan pursuant to which the Series E Preferred Shares have been issued. | 90 days from date of notice of termination |

7.4.7 Certificates Resulting from Conversion

On any conversion of Series E Preferred Shares, share certificates for Common Shares resulting therefrom shall be issued in the name of the registered holder of the Series E Preferred Shares converted or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer or other applicable taxes. Except as hereinafter provided, the right of a holder of Series E Shares shall be deemed to have been exercised, and the registered holder of the Series E Preferred Shares to be converted (or any person or persons in whose name or names any such registered holder of Series E Preferred Shares shall have directed certificates representing Common Shares to be issued) shall be deemed to have become a holder of Common Shares of record in the Corporation for all purposes on the respective dates of surrender of certificates representing the Series E Preferred Shares to be converted accompanied by notice in writing as herein provided, notwithstanding any delay in the delivery of certificates representing the Common Shares into which such Series E Preferred Shares have been converted.

7.4.8 Avoidance of Fractional Shares

In any case where a fraction of a Common Share would otherwise be issuable on conversion of one or more Series E Preferred Shares, the Corporation shall adjust such fractional interest by the payment by cheque of an amount equal to such fraction multiplied by the Conversion Price applicable to the Series E Preferred Shares converted.

7.4.9 Postponement of Conversion

In any case where the application of section 7.4.4 above results in an adjustment to the Conversion Factor taking effect immediately after the record date for the event giving rise to the adjustment, if any Series E Preferred Shares are converted after that record date and prior to the completion of the share reorganization, the Corporation may postpone the issuance to the holder of the shares to which he is entitled by reason of the adjustment in the Conversion Factor but such shares shall be issued and delivered to that holder upon completion of the share reorganization and the Corporation shall deliver to the holder an appropriate instrument evidencing his right to receive such shares.

7.4.10 Reservation of Common Shares

The Corporation shall, so long as any of the Series E Preferred Shares are outstanding and entitled to the right of conversion herein provided, reserve and at all times hold out of its unissued Common Shares a sufficient number of unissued Common Shares to enable all of the Series E Preferred Shares outstanding to be converted upon the basis and the terms and conditions herein provided.

7.5 Creation and Issuance of Common Shares

Nothing herein contained shall affect or restrict the right of the Corporation to increase the number of its Common Shares in accordance with applicable legislation and to issue such Common Shares from time to time.

7.6 Notice of Certain Events

If the Corporation intends to fix a record date for any share reorganization or for any rights offering or special distribution, the Corporation shall not less than 21 days prior to such record date notify each registered holder of Series E Preferred Shares of such intention by written notice, which notice shall set forth the particulars of the proposed event to the extent that such particulars have been determined at the time of giving them notice.

7.7 Transferability

The rights granted to the holders of Series E Preferred Shares are personal in nature and the Series E Preferred Shares may not be sold, transferred, assigned or dealt with in any way whatsoever except as may be permitted under the Corporation's Employee and Director Share Purchase Plan and the Board of Directors of the Corporation may decline to register any transfer of any Series E Preferred Shares without providing any reasons in that regard.

7.8 Appointment of Trustee

The Corporation may, at its option, appoint a trustee, licensed to do business in British Columbia, to act on behalf of the Corporation or to assist the Corporation in performing its obligations under this Article Seven.

7.9 Issue Price

All Series E Preferred Shares shall be issued by the Corporation for the issue price of \$10 per share.



Certificate of Amendment

Certificat de modification

**Canada Business
Corporations Act**

**Loi régissant les sociétés
par actions de régime fédéral**

FINNING LTD.

210248-0

Name of Corporation - Dénomination de la société

Number - Numéro

I hereby certify that the Articles of the above-mentioned Corporation were amended

Je certifie par les présentes que les statuts de la société mentionnée ci-haut ont été modifiés

(a) under Section 13 of the Canada Business Corporations Act in accordance with the attached notice;



(a) en vertu de l'article 13 de la Loi régissant les sociétés par actions de régime fédéral conformément à l'avis ci-joint;

(b) under Section 27 of the Canada Business Corporations Act as set out in the attached Articles of Amendment designating a series of shares;



(b) en vertu de l'article 27 de la Loi régissant les sociétés par actions de régime fédéral tel qu'indiqué dans les clauses modificatrices ci-jointes désignant une série d'actions;

(c) under Section 177 of the Canada Business Corporations Act as set out in the attached Articles of Amendment;



(c) en vertu de l'article 177 de la Loi régissant les sociétés par actions de régime fédéral tel qu'indiqué dans les clauses modificatrices ci-jointes;

(d) under Section 191 of the Canada Business Corporations Act as set out in the attached Articles of Reorganization;



(d) en vertu de l'article 191 de la Loi régissant les sociétés par actions de régime fédéral tel qu'indiqué dans les clauses de réorganisation ci-jointes;

(e) under Section 192 of the Canada Business Corporations Act as set out in the attached Articles of Arrangement.



(e) en vertu de l'article 192 de la Loi régissant les sociétés par actions de régime fédéral tel qu'indiqué dans les clauses d'arrangement ci-jointes.

Le directeur

Director

May 4, 1990/le 4 mai 1990

Date of Amendment - Date de la modification

CANADA BUSINESS
CORPORATIONS ACT



LOI SUR LES CORPORATIONS
COMMERCIALES CANADIENNES

FORM 4

FORMULE 4

ARTICLES OF AMENDMENT
(SECTION 27 OR 171)

STATUTS DE MODIFICATION
(ARTICLE 27 OU 171)

1 - Name of Corporation - Nom de la corporation FINNING LTD.	2 - Corporation No. - N° de la corporation 210248-0
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3 - The articles of the above-named corporations are amended as follows: Les statuts de la corporation ci-haut mentionnée sont modifiés de la façon suivante:

by changing the maximum number of Preferred Shares that the Corporation is authorized to issue from 5,000,000 to an unlimited number.

Date April 30, 1990	Signature 	Description of Office - Description du poste Secretary
FOR DEPARTMENTAL USE ONLY		À L'USAGE DU MINISTÈRE SEULEMENT
		Filed - Déposée MAY 10 1990



Certificate of Amendment

Certificat de modification

**Canada Business
Corporations Act**

**Loi régissant les sociétés
par actions de régime fédéral**

FINNING LTD.

Name of Corporation - Dénomination de la société

210248-0

Number - Numéro.

I hereby certify that the
Articles of the above-mentioned
Corporation were amended

Je certifie par les présentes que
les statuts de la société
mentionnée ci-haut ont été modifiés

(a) under Section 13 of the
Canada Business Corporations
Act in accordance with the
attached notice;

(a) en vertu de l'article 13 de la
Loi régissant les sociétés par
actions de régime fédéral
conformément à l'avis ci-joint;

(b) under Section 27 of the
Canada Business Corporations
Act as set out in the attached
Articles of Amendment
designating a series of shares;

(b) en vertu de l'article 27 de la
Loi régissant les sociétés par actions
de régime fédéral tel qu'indiqué dans
les clauses modificatrices ci-jointes
désignant une série d'actions;

(c) under Section 177 of the
Canada Business Corporations
Act as set out in the attached
Articles of Amendment;

(c) en vertu de l'article 177 de la
Loi régissant les sociétés par actions
de régime fédéral tel qu'indiqué dans
les clauses modificatrices ci-jointes;

(d) under Section 191 of the
Canada Business Corporations
Act as set out in the attached
Articles of Reorganization;

(d) en vertu de l'article 191 de la
Loi régissant les sociétés par actions
de régime fédéral tel qu'indiqué
dans les clauses de réorganisation
ci-jointes;

(e) under Section 192 of the
Canada Business Corporations
Act as set out in the attached
Articles of Arrangement.

(e) en vertu de l'article 192 de la
Loi régissant les sociétés par actions
de régime fédéral tel qu'indiqué dans
les clauses d'arrangement ci-jointes.

Le directeur

Director

July 26, 1991/le 26 juillet 1991

Date of Amendment - Date de la modification



FORM 4

FORMULE 4

ARTICLES OF AMENDMENT
(SECTION 27 OR 171)

STATUTS DE MODIFICATION
(ARTICLE 27 OU 171)

1 - Name of Corporation - Nom de la corporation

2 - Corporation No. - N° de la corporation

FINNING LTD.

210248-0

The articles of the above-named corporations are amended as follows.

Les statuts de la corporation ci-haut mentionnée sont modifiés de la façon suivante.

1. By fixing 1,300,000 Preferred Shares as the sixth series of Preferred Shares;
2. By determining the designation of the sixth series of Preferred Shares as "Cumulative Redeemable Convertible Preferred Shares, Series F"; and
3. By determining the rights, privileges, restrictions and conditions attaching to the sixth series of Preferred Shares (in addition to the rights, privileges, restrictions and conditions attaching to the Preferred Shares as a class) as the rights, privileges, restrictions and conditions set out in Article Eight of Schedule A attached hereto.

July 23, 1991	Signature <i>[Handwritten Signature]</i>	Description of Office - Description du poste SECRETARY
DEPARTMENTAL USE ONLY		À L'USAGE DU MINISTÈRE SEULEMENT
		Filed - Déposée JUL 26 1991

CANADA BUSINESS CORPORATIONS ACT

ARTICLES OF AMENDMENT

FINNING LTD.

FORM 4

SCHEDULE A

ARTICLE EIGHT

RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS
ATTACHING TO THE SERIES F PREFERRED SHARES

The sixth series of Preferred Shares created pursuant to Article One of the Articles of the Corporation are designated as Cumulative Redeemable Convertible Preferred Shares, Series F (the "Series F Preferred Shares") and in addition to the rights, privileges, restrictions and conditions attached thereto as a class by Article One, shall have attached thereto the following rights, privileges, restrictions and conditions:

8.1 Dividends

The holders of the Series F Preferred Shares shall be entitled to receive cumulative preferential cash dividends at an annual rate (the "Dividend Rate") equal to 80% (the "percentage of prime") of the annual rate of interest announced from time to time by The Toronto-Dominion Bank as its prime rate of interest, calculated daily and payable quarterly on the last days of March, June, September and December in each year on the amount paid up thereon, provided that the Board of Directors by resolution may, at any time, in its sole discretion increase the percentage of prime, and if the percentage of prime is so increased at any time or times, the Board of Directors may thereafter by resolution at any time decrease the percentage of prime to not less than 80%. The prime rate of The Toronto-Dominion Bank shall mean that rate of interest payable from time to time on Canadian fund loans made by The Toronto-Dominion Bank to corporate borrowers of the highest credit rating designated as such from time to time by Toronto-Dominion Bank, Main Branch at Vancouver, British Columbia. No dividends shall be paid or set apart for payment upon the Common Shares unless all cumulative preferential dividends on the Series F Preferred Shares have been declared and paid or set aside for the current quarterly period and for all previous quarterly periods.

8.2 Redemption

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 Series F Preferred Shares on payment for each share to be redeemed of an amount (the "Redemption Price") equal to 100% of the amount paid up on such share,

together with an amount equal to all accrued and unpaid dividends, whether declared or not, which dividends shall be calculated as if such dividends were accruing from day to day. In case a part only of the then outstanding Series F Preferred Shares is at any time to be redeemed, the shares to be redeemed shall be selected by the directors and need not be selected pro rata or selected by lot. The directors may redeem all or a portion of the Series F Preferred Shares held by one or more persons to the entire or partial exclusion of any other person or persons.

8.3 Notice of Redemption and Waiver

8.3.1 Notice of Redemption

In case of any redemption of any Series F Preferred Shares, the Corporation shall at least 16 days before the date specified for redemption mail or deliver to each registered holder of Series F Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series F Preferred Shares. However, except as provided in the following sentence, no notice of redemption of any Series F Preferred Shares given after two years after the Date of Issue of such Preferred Shares shall have the effect of reducing the time within which a holder of Series F Preferred Shares may exercise his right to convert his Series F Preferred Shares as herein provided. Notwithstanding any other provision hereof, the Corporation may at any time redeem all, but not less than all, the outstanding Series F Preferred Shares, by not less than 90 days prior notice to each registered holder thereof, such notice to be given in the manner herein provided. Any notice of redemption shall be mailed in a prepaid envelope or delivered to each such holder at his address as it appears on the books of the Corporation or in the event of the address of any such shareholder not so appearing, then to the last known address of such shareholder, provided however, that accidental failure to give any such notice to one or more such shareholders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and if part only of the Series F Preferred Shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. Unless the holder shall have exercised the conversion privilege set forth in section 8.4 on or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of each registered holder of the Series F Preferred Shares to be redeemed, the Redemption Price on presentation and surrender, at the registered office of the Corporation or any other place designated in such notice, of the certificate for the Series F Preferred Shares called for redemption. Such payment may be made by cheque payable at par at any branch in Canada of any Canadian chartered bank. Such Series F Preferred shares shall thereupon be and be deemed to be redeemed and shall be cancelled. If a part only of the shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the

Corporation. From and after the date specified in any such notice, the Series F Preferred shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof (except as herein otherwise specifically provided) unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right at any time after the mailing or delivery of notice of its intention to redeem any Series F Preferred Shares to deposit the Redemption Price for such shares, other than shares represented by certificates theretofore surrendered by holders in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in such notice. The Redemption Price so deposited shall be paid without interest to or to the order of the respective holders of such Series F Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such deposit of the Redemption Price or upon the date specified for redemption in such notice, whichever is the later, the Series F Preferred Shares in respect of which such deposit shall have been made, shall be deemed to be redeemed, and shall be cancelled and the rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. If the Corporation deposits the Redemption Price as contemplated hereby and if any holder of any Series F Preferred Shares shall fail to claim his portion of the Redemption Price prior to the expiration of three years following the date on which redemption was to take place, then the unclaimed portion of the Redemption Price shall be returned to the Corporation and the claim of any such holder for such portion of the Redemption Price shall thereupon be extinguished.

8.3.2 Waiver of Notice of Redemption

Notwithstanding the provisions of section 8.3.1, the holders of the Series F Preferred Shares may waive notice of any redemption by instrument or instruments in writing.

8.4 Conversion Privilege

8.4.1 For the purpose of this Article Eight:

"Close of Business" shall mean the normal closing hour of the Corporation or such other office at which certificates for Series F Preferred Shares are surrendered for conversion.

"Common Shares" shall mean the Common Shares of the Corporation as those shares were constituted on May 30, 1990 or

shares of any other class or any other security resulting from any share reorganization as defined in section 8.4.4 below.

"Conversion Factor" for any Series F Preferred Shares shall mean the figure which results when the issue price for such Series F Preferred Shares is divided by the Conversion Price applicable thereto, all as adjusted from time to time in accordance with section 8.4.4.

"Conversion Price" for any Series F Preferred Shares shall mean 115% of the Current Market Price applicable to such Series F Preferred shares.

"Current Market Price" of the Common Shares as at any Issue Date shall mean the average of the prices per share at which the last board lot of the Common Shares traded on The Toronto Stock Exchange (or if the Common Shares are not listed on The Toronto Stock Exchange, on such stock exchange on which such shares are listed as may be selected for that purpose by the Board of Directors) on each of the last five trading days on which board lots traded before such Issue Date.

"Issue Date" or "Date of Issue" shall mean with respect to any Series F Preferred Shares, the date of issue or the date upon which the shares are conditionally issued, as specified by the Board of Directors or by any committee of directors authorized by the Board of Directors.

8.4.2 Right of Conversion

A holder of Series F Preferred Shares shall have the right, exercisable at any one time after, but not before the date two years after the Date of Issue of such Series F Preferred Shares and up to the Close of Business on the date ten years after the Date of Issue of such Series F Preferred Shares, to convert all but not less than all the Series F Preferred Shares held by such holder into Common Shares on the basis set forth in section 8.4.3 below.

8.4.3 Number of Common Shares Issuable on Conversion

The number of Common Shares issuable on conversion of Series F Preferred Shares shall be equal to the number of Series F Preferred Shares to be converted multiplied by the Conversion Factor.

8.4.4 Adjustment of Conversion Factor

The Conversion Factor shall be subject to adjustment from time to time as follows:

- (a) if the Corporation shall subdivide the Common Shares into a greater number of shares; or if the Corporation shall issue in exchange for the Common Shares a greater number of Common Shares; or if the Corporation shall

reduce the number of Common Shares by combination or consolidation of shares; or if the Corporation shall issue in exchange for the outstanding Common Shares a smaller number of Common Shares or if the Corporation shall issue to the holders of common Shares a greater, lesser or equal number of shares in substitution for the Common Shares (any of which together with any reclassification, change or other fact referred to in section 8.4.4(b) is hereinafter called a "share reorganization") then in each case from and after the effective date for such share reorganization the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction, the numerator of which is the number of Common shares resulting from such share reorganization and the denominator of which is the number of Common Shares outstanding just prior to such share reorganization; and

- (b) if any reclassification or any change shall be made in the outstanding Common Shares other than a share reorganization referred to in section 8.4.4(a) or if the Corporation shall issue any additional Common Shares or securities convertible into or exchangeable for additional Common Shares or if any other fact occurs which, in the opinion of the Board of Directors of the Corporation, would not fairly protect the conversion rights of the holders of the Series F Preferred Shares in accordance with the intent hereof, then the Board of Directors of the Corporation shall make an adjustment in the Conversion Factor which in their opinion will protect fairly the conversion rights attached to the Series F Preferred Shares.

8.4.5 Conversion Procedure

The conversion privilege herein provided for may be exercised by a holder of Series F Preferred Shares by depositing or causing to be deposited with the Corporation or the Registrar for the Series F Preferred Shares the certificate or certificates representing the Series F Preferred Shares held by such holder, and by, at or prior to the time of deposit:

- (a) duly completing the Conversion Form on the certificates for the Series F Preferred Shares; or
- (b) duly completing and depositing with the Corporation concurrently with or prior to the deposit of the certificates, another form of exercise of conversion right approved by the Corporation.

Such Conversion Form or other form of exercise of conversion right shall be signed by such holder or by his duly authorized representative.

8.4.6 Termination of Conversion Right in Certain Events

If any of the events described in this section 8.4.6 shall occur, the right of the holder of Series F Preferred Shares who has resigned or died or been dismissed, retired, removed, or failed to be elected to the Board of Directors, or been given notice of redemption, in the case of any of the events described in sections 8.4.6(a) to 8.4.6(f), and the rights of all holders of Series F Preferred Shares in the case of the event described in section 8.4.6(g), to convert his or their Series F Preferred Shares as described in section 8.4.2, shall thereupon terminate with respect to any Series F Preferred Shares the Date of Issue of which occurred within two years of such event and shall terminate at the expiration of the following periods of time with respect to any other Series F Preferred Shares. The events and periods of time described in this section 8.4.6 are as follows:

- (a) in the case of holders who are employees and not directors, the resignation or dismissal of the holder from employment with the Corporation or its Subsidiaries other than due to retirement, 15 days from notice of resignation or dismissal
- (b) in the case of holders who are directors and not employees, the resignation or removal from or failure to be re-elected to the Board of Directors, other than due to retirement pursuant to the Corporation's retirement policy for directors, 15 days from the date the holder ceases to be a director of the Corporation
- (c) in the case of holders who are both directors and employees, the resignation or dismissal of the holder from employment of the Corporation and its Subsidiaries, and the resignation or removal from or failure to be re-elected to the Board of Directors, in both cases other than due to retirement under the applicable retirement policies, 15 days from the later of the date of the notice of resignation or dismissal, and the date the holder ceases to be a director of the Corporation
- (d) the retirement of the holder from employment with the Corporation and its Subsidiaries, or from the Board of Directors, or in the case of holders who are employees and directors, from employment with the Corporation 180 days from date of retirement

and its Subsidiaries and from the Board of Directors of the Corporation, in accordance with the retirement policy of the Corporation from time to time in force applicable to employees or directors, as the case may be,

- (e) the death of the holder, 365 days from date of death
- (f) the giving by the Corporation of a notice of redemption of all or any portion of the Series F Preferred Shares, 90 days from notice of redemption
- (g) termination of the Corporation's Employee and Director Share Purchase Plan pursuant to which the Series F Preferred Shares have been issued. 90 days from date of notice of termination

8.4.7 Certificates Resulting from Conversion

On any conversion of Series F Preferred Shares, share certificates for Common Shares resulting therefrom shall be issued in the name of the registered holder of the Series F Preferred Shares converted or in such name or names as such registered holder may direct in writing, provided that such registered holder shall pay any applicable security transfer or other applicable taxes. Except as hereinafter provided, the right of a holder of Series F Preferred Shares shall be deemed to have been exercised, and the registered holder of the Series F Preferred Shares to be converted (or any person or persons in whose name or names any such registered holder of Series F Preferred Shares shall have directed certificates representing Common Shares to be issued) shall be deemed to have become a holder of Common Shares of record in the Corporation for all purposes on the respective dates of surrender of certificates representing the Series F Preferred Shares to be converted accompanied by notice in writing as herein provided, notwithstanding any delay in the delivery of certificates representing the Common Shares into which such Series F Preferred Shares have been converted.

8.4.8 Avoidance of Fractional Shares

In any case where a fraction of a Common Share would otherwise be issuable on conversion of one or more Series F Preferred Shares, the Corporation shall adjust such fractional interest by the payment by cheque of an amount equal to such fraction multiplied by the Conversion Price applicable to the Series F Preferred Shares converted.

8.4.9 Postponement of Conversion

In any case where the application of section 8.4.4 above results in an adjustment to the Conversion Factor taking effect immediately after the record date for the event giving rise to the adjustment, if any Series F Preferred Shares are converted after that record date and prior to the completion of the share reorganization, the Corporation may postpone the issuance to the holder of the shares to which he is entitled by reason of the adjustment in the Conversion Factor but such shares shall be issued and delivered to that holder upon completion of the share reorganization and the Corporation shall deliver to the holder an appropriate instrument evidencing his right to receive such shares.

8.4.10 Reservation of Common Shares

The Corporation shall, so long as any of the Series F Preferred Shares are outstanding and entitled to the right of conversion herein provided, reserve and at all times hold out of its unissued Common Shares a sufficient number of unissued Common Shares to enable all of the Series F Preferred Shares outstanding to be converted upon the basis and the terms and conditions herein provided.

8.5 Creation and Issuance of Common Shares

Nothing herein contained shall affect or restrict the right of the Corporation to increase the number of its Common Shares in accordance with applicable legislation and to issue such Common Shares from time to time.

8.6 Notice of Certain Events

If the Corporation intends to fix a record date for any share reorganization or for any rights offering or special distribution, the Corporation shall not less than 21 days prior to such record date notify each registered holder of Series F Preferred Shares of such intention by written notice, which notice shall set forth the particulars of the proposed event to the extent that such particulars have been determined at the time of giving them notice.

8.7 Appointment of Trustee

The Corporation may, at its option, appoint a trustee, licensed to do business in British Columbia, to act on behalf of the Corporation or to assist the Corporation in performing its obligations under this Article Eight.

8.8 Issue Price

All Series F Preferred Shares shall be issued by the Corporation for the issue price of \$10 per share.



**Certificate
of Amendment**

**Canada Business
Corporations Act**

**Certificat
de modification**

**Loi canadienne sur
les sociétés par actions**

FINNING LTD.

210248-0

Name of corporation-Dénomination de la société

Corporation number-Numéro de la société

I hereby certify that the articles of the above-named corporation were amended

Je certifie que les statuts de la société susmentionnée ont été modifiés :

(a) under section 13 of the *Canada Business Corporations Act* in accordance with the attached notice;

a) en vertu de l'article 13 de la *Loi canadienne sur les sociétés par actions*, conformément à l'avis ci-joint;

(b) under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares;

b) en vertu de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes désignant une série d'actions;

(c) under section 179 of the *Canada Business Corporations Act* as set out in the attached articles of amendment;

c) en vertu de l'article 179 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes;

(d) under section 191 of the *Canada Business Corporations Act* as set out in the attached articles of reorganization.

d) en vertu de l'article 191 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses de réorganisation ci-jointes.

Director - Directeur

June 4, 1996/le 4 juin 1996

Date of Amendment - Date de modification

CANADA BUSINESS
CORPORATIONS ACT



LOI SUR LES CORPORATIONS
COMMERCIALES CANADIENNES

FORM 4

FORMULE 4

ARTICLES OF AMENDMENT
(SECTION 27 OR 171)

STATUTS DE MODIFICATION
(ARTICLE 27 OU 171)

1 - Name of Corporation - Nom de la corporation

2 - Corporation No. - N° de la corporation

FINNING LTD.

210248-0

3 - The articles of the above-named corporations are amended
as follows:

Les statuts de la corporation ci-haut mentionnée sont
modifiés de la façon suivante:

by adding the following paragraph to the Articles as an "other
provision" under paragraph 7:

The directors may appoint one or more directors, who shall
hold office for a term expiring not later than the close
of the next annual meeting of shareholders, but the total
number of directors so appointed may not exceed one-third
of the number of directors elected at the previous annual
meeting of shareholders.

May 15, 1996

Signature

Description of Office - Description du poste

Corporate Secretary and Treasurer

DEPARTMENTAL USE ONLY

À L'USAGE DU MINISTÈRE SEULEMENT

Filed - Déposé

Certificate of Amendment

Canada Business Corporations Act

Certificat de modification

Loi canadienne sur les sociétés par actions

FINNING INTERNATIONAL INC.

210248-0

Name of corporation-Dénomination de la société

Corporation number-Numéro de la société

I hereby certify that the articles of the above-named corporation were amended

Je certifie que les statuts de la société susmentionnée ont été modifiés :

(a) under section 13 of the Canada Business Corporations Act in accordance with the attached notice;

a) en vertu de l'article 13 de la Loi canadienne sur les sociétés par actions, conformément à l'avis ci-joint;

(b) under section 27 of the Canada Business Corporations Act as set out in the attached articles of amendment designating a series of shares;

b) en vertu de l'article 27 de la Loi canadienne sur les sociétés par actions, tel qu'il est indiqué dans les clauses modificatrices ci-jointes désignant une série d'actions;

(c) under section 179 of the Canada Business Corporations Act as set out in the attached articles of amendment;

c) en vertu de l'article 179 de la Loi canadienne sur les sociétés par actions, tel qu'il est indiqué dans les clauses modificatrices ci-jointes;

(d) under section 191 of the Canada Business Corporations Act as set out in the attached articles of reorganization.

d) en vertu de l'article 191 de la Loi canadienne sur les sociétés par actions, tel qu'il est indiqué dans les clauses de réorganisation ci-jointes.

Director - Directeur

April 25, 1997/le 25 avril 1997
Date of Amendment - Date de modification

CORPORATIONS ACT
FORM 4
ARTICLES OF AMENDMENT
(SECTION 27 OR 171)



COMMERCIALES CANADIENNES
FORMULE 4
STATUTS DE MODIFICATION
(ARTICLE 27 OU 171)

1 - Corporation - Nom de la corporation

FINNING LTD.

2 - Corporation No. - N° de la corporation

210248-0

3 - The articles of the above-named corporations are amended as follows:

Les statuts de la corporation ci-haut mentionnée sont modifiés de la façon suivante:

1. by changing the name of the Corporation to FINNING INTERNATIONAL INC.
2. by subdividing all its issued and outstanding Common shares on the basis of two Common shares for one Common share.

April 25, 1997

Signature

Description of Office - Description du poste

Corporate Secretary and Treasurer

FOR DEPARTMENTAL USE ONLY

À L'USAGE DU MINISTÈRE SEULEMENT

Filed - Déposée

APR 30 1997



**Certificate
of Amendment**

**Canada Business
Corporations Act**

**Certificat
de modification**

**Loi canadienne sur
les sociétés par actions**

FINNING INTERNATIONAL INC.

210248-0

Name of corporation-Dénomination de la société

Corporation number-Numéro de la société

I hereby certify that the articles of the above-named corporation were amended:

Je certifie que les statuts de la société susmentionnée ont été modifiés:

- a) under section 13 of the *Canada Business Corporations Act* in accordance with the attached notice;
- b) under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares;
- c) under section 179 of the *Canada Business Corporations Act* as set out in the attached articles of amendment;
- d) under section 191 of the *Canada Business Corporations Act* as set out in the attached articles of reorganization;

- a) en vertu de l'article 13 de la *Loi canadienne sur les sociétés par actions*, conformément à l'avis ci-joint;
- b) en vertu de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes désignant une série d'actions;
- c) en vertu de l'article 179 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes;
- d) en vertu de l'article 191 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses de réorganisation ci-jointes;

Richard G. Shaw
Director - Directeur

May 30, 2007 / le 30 mai 2007

Date of Amendment - Date de modification



Industry Canada Industrie Canada

ELECTRONIC TRANSACTION RAPPORT DE LA TRANSACTION
REPORT ÉLECTRONIQUE

Canada Business Loi canadienne sur les
Corporations Act sociétés par actions

ARTICLES OF AMENDMENT CLAUSES MODIFICATRICES
(SECTIONS 27 OR 177) (ARTICLES 27 OU 177)

Processing Type - Mode de traitement: E-Commerce/Commerce-É

<p>1. Name of Corporation - Dénomination de la société FINNING INTERNATIONAL INC.</p>	<p>2. Corporation No. - N° de la société 210248-0</p>
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3. The articles of the above-named corporation are amended as follows:
Les statuts de la société mentionnée ci-dessus sont modifiés de la façon suivante:

EACH ISSUED AND OUTSTANDING COMMON SHARE OF THE CORPORATION IS HEREBY
SUBDIVIDED INTO TWO ISSUED AND OUTSTANDING COMMON SHARES OF THE
CORPORATION.

Date 2007-05-30	Name - Nom ANDRE BEAULIEU	Signature	Capacity of - en qualité AUTHORIZED OFFICER
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