

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	CHANGE OF NAME
CONVEYING PARTY DATA	
Name	Execution Date
QuestAir Technologies Inc.	06/12/2009
RECEIVING PARTY DATA	
Name:	Xebec Adsorption Inc.
Street Address:	6961 Russell Avenue
City:	Burnaby, B.C.
State/Country:	CANADA
Postal Code:	V5J 4R8
PROPERTY NUMBERS Total: 1	
Property Type	Number
Application Number:	11491403
CORRESPONDENCE DATA	
Fax Number:	(503)595-5301
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	5035955300
Email:	molly.boyd@klarquist.com
Correspondent Name:	Wayne Rupert
Address Line 1:	121 SW Salmon St.
Address Line 2:	Suite 1600
Address Line 4:	Portland, OREGON 97204
ATTORNEY DOCKET NUMBER:	6454-65219-02
NAME OF SUBMITTER:	Wayne Rupert
Total Attachments: 15 source=Xebec Amalgamation Corporate documents#page1.tif source=Xebec Amalgamation Corporate documents#page2.tif source=Xebec Amalgamation Corporate documents#page3.tif source=Xebec Amalgamation Corporate documents#page4.tif	

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Industry Canada

Industrie Canada

Corporations Canada

9th floor
Jean Edmonds Towers South
365 Laurier Avenue West
Ottawa, Ontario K1A 0C8

Corporations Canada

9e étage
Tour Jean Edmonds sud
365, avenue Laurier ouest
Ottawa (Ontario) K1A 0C8

June 12, 2009 / le 12 juin 2009

Your file - Votre référence

ALICE CHEN
MCCARTHY TETRAULT
777 DUNSMUIR STREET
SUITE 1300 P.O. BOX 10424
VANCOUVER BRITISH COLUMBIA
V7Y 1K2

Our file - Notre référence
367800-8

Re - Objet

QuestAir Technologies Inc.

Enclosed herewith is the document issued in the above matter.

Vous trouverez ci-inclus le document émis dans l'affaire précitée.

A notice of issuance of CBCA documents will be published in the *Canada Corporations Bulletin*. A notice of issuance of CCA documents will be published in the *Canada Corporations Bulletin* and the *Canada Gazette*.

Un avis de l'émission de documents en vertu de la LCSA sera publié dans le *Bulletin des sociétés canadiennes*. Un avis de l'émission de documents en vertu de la LCC sera publié dans le *Bulletin des sociétés canadiennes* et dans la *Gazette du Canada*.

IF A NAME OR CHANGE OF NAME IS INVOLVED, THE FOLLOWING CAUTION SHOULD BE OBSERVED:

S'IL EST QUESTION D'UNE DÉNOMINATION SOCIALE OU D'UN CHANGEMENT DE DÉNOMINATION SOCIALE, L'AVERTISSEMENT SUIVANT DOIT ÊTRE RESPECTÉ :

This name is available for use as a corporate name subject to and conditional upon the applicants assuming full responsibility for any risk of confusion with existing business names and trade marks (including those set out in the relevant NUANS search report(s)). Acceptance of such responsibility will comprise an obligation to change the name to a dissimilar one in the event that representations are made and established that confusion is likely to occur. The use of any name granted is subject to the laws of the jurisdiction where the company carries on business.

Cette dénomination sociale est disponible en autant que les requérants assument toute responsabilité de risque de confusion avec toutes dénominations commerciales et toutes marques de commerce existantes (y compris celles qui sont citées dans le(s) rapport(s) de recherches de NUANS pertinent(s)). Cette acceptation de responsabilité comprend l'obligation de changer la dénomination de la société en une dénomination différente advenant le cas où des représentations sont faites établissant qu'il y a une probabilité de confusion. L'utilisation de tout nom octroyé est sujette à toute loi de la juridiction où la société exploite son entreprise.

Christopher Burrell

For the Director General, Corporations Canada

pour le Directeur général, Corporations Canada

Canada



Industry Canada Industrie Canada

Certificate of Arrangement

Certificat d'arrangement

Canada Business Corporations Act

Loi canadienne sur les sociétés par actions

QuestAir Technologies Inc.

367800-8

Name of CBCA corporation(s) involved -
Dénomination(s) de la (des) société(s)
I C S A concernée(s)

Corporation number - Numéro de la société

I hereby certify that the arrangement set out in the attached articles of arrangement, involving the above-referenced corporation(s), has been effected under section 192 of the *Canada Business Corporations Act*.

Je certifie que l'arrangement mentionné dans les clauses d'arrangement annexées, concernant la (les) société(s) susmentionnée(s), a pris effet en vertu de l'article 192 de la *Loi canadienne sur les sociétés par actions*.

Richard G. Shaw
Director - Directeur

June 12, 2009 / le 12 juin 2009

Date of Arrangement - Date de l'arrangement

Canada



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

FORM 14.1
ARTICLES OF ARRANGEMENT
(SECTION 192)

FORMULAIRE 14.1
CLAUSES D'ARRANGEMENT
(ARTICLE 192)

1 -- Name of the applicant corporation(s) - Dénomination sociale de la(des) requérante(s) QuestAir Technologies Inc.	2 -- Corporation No.(s) - N°(s) de la(des) société(s) 367800-8
3 -- Name of the corporation(s) the articles of which are amended, if applicable Dénomination sociale de la(des) société(s) dont les statuts sont modifiés, le cas échéant	4 -- Corporation No.(s) - N°(s) de la(des) société(s)
5 -- Name of the corporation(s) created by amalgamation, if applicable Dénomination sociale de la(des) société(s) issue(s) de la(des) fusion(s), le cas échéant Xebec Adsorption Inc	6 -- Corporation No.(s) - N°(s) de la(des) société(s) 449029-1
7 -- Name of the dissolved corporation(s), if applicable Dénomination sociale de la(des) société(s) dissoute(s), le cas échéant	8 -- Corporation No.(s) - N°(s) de la(des) société(s)
9 -- Name of other corporations involved, if applicable Dénomination sociale des autres sociétés en cause le cas échéant Xebec Adsorption Inc.	10 -- Corporation No.(s) or Jurisdiction of Incorporation N°(s) de la(des) société(s) ou loi sous le régime de laquelle elle est constituée 441675-9

11 -- In accordance with the order approving the arrangement - Conformément aux termes de l'ordonnance approuvant l'arrangement

- a ☐ The articles of the above named corporation(s) are amended in accordance with the attached plan of arrangement
Les statuts de la(des) société(s) susmentionnée(s) sont modifiés en conformité avec le plan d'arrangement ci-joint

The name of _____ is changed to _____

La dénomination sociale de _____ est modifiée pour _____

- b ☒ The following bodies corporate are amalgamated in accordance with the attached plan of arrangement
Les personnes morales suivantes sont fusionnées conformément au plan d'arrangement ci-joint
- c ☐ The above named corporation(s) is(are) liquidated and dissolved in accordance with the attached plan of arrangement
La(des) société(s) susmentionnée(s) est(sont) liquidée(s) et dissoute(s) conformément au plan d'arrangement ci-joint
- d ☒ The plan of arrangement attached hereto, involving the above named body(ies), corporate is hereby effected
Le plan d'arrangement ci-joint portant sur la(les) personne(s) morale(s) susmentionnée(s) prend effet

QuestAir Technologies Inc. and Xebec Adsorption Inc. are amalgamated. For information concerning the amalgamated corporation, Xebec Adsorption Inc., please see Schedule B, as attached.

Signature 	Printed Name - Nom en lettres moulées Andrew Hall	12 -- Capacity of - En qualité de CEO	13 -- Tel. No. - N° de tél. 604-453-6967
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FOR DEPARTMENTAL USE ONLY - À L'USAGE DU MINISTÈRE SEULEMENT

JUN 12 2009

IC 3189 (2003/06)

Canada

SCHEDULE A

PLAN OF ARRANGEMENT UNDER SECTION 192 OF THE CANADA BUSINESS CORPORATIONS ACT

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following terms will have the respective meanings set out below and grammatical variations of such terms will have corresponding meanings:

"affiliate" has the meaning of such term as used in the *Securities Act* (British Columbia);

"Amalgamated Corporation" has the meaning ascribed thereto in section 3.1(c);

"Arrangement" means an arrangement under the provisions of section 192 of the CBCA on the terms and conditions set forth in this Plan of Arrangement, as amended, varied or supplemented from time to time in accordance with Section 1.6 of the Combination Agreement or Article 6 hereof or made at the direction of the Court in the Final Order;

"Arrangement Resolutions" means the special resolutions to be considered and, if thought fit, passed, by the QuestAir Shareholders at the Meeting;

"Business Day" means a week day, excluding all statutory holidays in the City of Vancouver and the City of Montreal;

"CBCA" means the *Canada Business Corporations Act* (Canada);

"Certificate of Arrangement" means the certificate giving effect to the Arrangement issued pursuant to subsection 192(7) of the CBCA;

"Combination Agreement" means the Combination Agreement dated March 17, 2009, between QuestAir, Xebec and the Xebec Shareholders as the same may be amended from time to time;

"Consideration" means 15,241,976 QuestAir Shares and 6,180,000 QuestAir Warrants;

"Court" means the Supreme Court of British Columbia;

"CRA" means the Canada Revenue Agency;

"Director" means the Director appointed pursuant to section 260 of the CBCA;

"Dissent Rights" has the meaning ascribed thereto in section 4.1;

"Dissenting QuestAir Shareholder" means a QuestAir Shareholder who properly exercises Dissent Rights in respect of the Arrangement in strict compliance with the Dissent Rights and who has not withdrawn their notice of dissent;

"Dissenting Shares" means the QuestAir Shares held by Dissenting QuestAir Shareholders;

"Earn-out Payments" means the delivery of Escrow Shares to the Xebec Shareholders in accordance with Schedule 1.1(u) of the Combination Agreement and the Escrow Agreement;

"Effective Date" means the date on which all conditions to the completion of the Arrangement as set out in the Combination Agreement have been satisfied or waived in accordance with the provisions of the Combination Agreement and all documents agreed to be delivered under the Combination Agreement have been delivered to the satisfaction of the parties thereto, acting reasonably, which will be the date shown on the Certificate of Arrangement, giving effect to the Arrangement;

"Effective Time" means the time on the Effective Date as specified in writing by QuestAir in a notice delivered to the parties to the Combination Agreement;

"Encumbrances" and individually an **"Encumbrance"** means all mortgages, liens, charges, claims, demands or other encumbrance of any nature whatsoever;

"Escrow Agent" means Computershare Trust Company of Canada;

"Escrow Shares" has the meaning ascribed thereto in section 3.1(b)(i);

"Final Order" means the order of the Court approving the Arrangement under section 192 of the CBCA, as such order may be affirmed, amended or modified by the Court at any time prior to the Effective Date or, if appealed, unless such appeal is withdrawn, abandoned or denied, as affirmed or amended on appeal;

"Governmental Entity" and **"Governmental Entities"** means any multinational, federal, provincial, state, regional, municipal, local or other government or governmental body and any domestic, foreign or international judicial or administrative court, tribunal, commission, board, panel or arbitrator acting under the authority of any of the foregoing;

"Initial Shares" has the meaning ascribed thereto in section 3.1(b)(ii);

"Interim Order" means the interim order of the Court to be issued following the application therefor contemplated by the Combination Agreement and containing declarations and directions with respect to the Arrangement and the holding of the Meeting, as such order may be amended, modified, supplemented or varied by the Court;

"Meeting" means the special meeting of the QuestAir Shareholders, including any adjournment, adjournments, postponement or postponements thereof, to be called by the Purchaser pursuant to the Interim Order to consider the Arrangement Resolution and the other transactions contemplated by the Combination Agreement;

"QTA" means the Quebec *Taxation Act*;

"QuestAir Shares" means the common shares in the capital of QuestAir;

"QuestAir Shareholders" means the holders of the QuestAir Shares;

"QuestAir Warrants" means the common shares purchase warrants of QuestAir which will comprise part of the Consideration, which warrants will be in the form set forth in Schedule 1.1(ccc) of the Combination Agreement;

"Tax Act" means the *Income Tax Act* (Canada);

"Xebec" means Xebec Adsorptions Inc., a company existing under the *Canada Business Corporations Act* together with, unless the context implies otherwise, all of its subsidiaries and affiliates;

"Xebec Shares" means the shares in the capital of Xebec; and

"Xebec Shareholders" means the holders of all the issued and outstanding shares in the capital of Xebec;

1.2 Interpretation Not Affected by Headings

The division of this Plan of Arrangement into Articles, sections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Plan of Arrangement. The terms "hereof", "herein", "hereunder" and similar expressions refer to this Plan of Arrangement and not to any particular Article, section, subsection or other subdivision hereof. Unless the contrary intention appears, references in this Plan of Arrangement to an Article, section, subsection or other subdivision hereof by number or letter or both refer to that Article, section, subsection or other subdivision, respectively, bearing that designation in this Plan of Arrangement.

1.3 Number and Gender

Unless the context otherwise requires, words importing the singular number only will include the plural and vice versa; words importing the use of any gender will include all genders; and words importing persons will include firms and corporations and *vice versa*. Whenever used in this Plan of Arrangement, the words "including" or "includes" and similar terms of inclusion will not, unless expressly modified by the words "only" or "solely", be construed as terms of limitation, but rather will mean "including but not limited to" and "includes but is not limited to", so that references to included matters will be regarded as illustrative without being either characterizing or exhaustive.

1.4 Date of Any Action

In the event that any date on which any action is required to be taken hereunder by any of the parties hereto is not a Business Day, such action will be required to be taken on the next succeeding day which is a Business Day.

1.5 Time

Time will be of the essence in every matter or action contemplated hereunder.

1.6 Statutory References

References to any statute, enactment or legislation or to any section or provision thereof include a reference to any order, ordinance, regulation, rule or by-law or proclamation made under or pursuant to that statute, enactment or legislation and all amendments, modifications, consolidations, re-enactments or replacements thereof or substitutions therefor from time to time.

ARTICLE 2 BINDING EFFECT

2.1 Combination Agreement

This Plan of Arrangement is made pursuant to, is subject to the provisions of and forms a part of the Combination Agreement.

2.2 Binding Effect

This Plan of Arrangement will become effective on, and be binding at and after, the Effective Time on (i) QuestAir, (ii) Xebec, (iii) the QuestAir Shareholders and all beneficial owners of QuestAir Shares, and (iv) the Xebec Shareholders and all beneficial owners of Xebec Shares.

2.3 Conclusive Evidence

The issuance of the Certificate of Arrangement will be conclusive evidence that the Arrangement has become effective and that each of the provisions of Article 3 has become effective in the sequence and at the times set out therein.

ARTICLE 3 ARRANGEMENT

3.1 Arrangement

Commencing at the Effective Time, the following will occur and will be deemed to occur in the following order and be effective at the times stated, in each case without any further authorization, act or formality:

- (a) The Xebec Shares will be transferred to and acquired by QuestAir, without any act or formality on the part of the Xebec Shareholders or QuestAir, free and clear of all Encumbrances, in exchange for the Consideration;
- (b) The Consideration will be issued and delivered by QuestAir as follows:
 - (i) 5,834,249 QuestAir Shares (the "Escrow Shares") shall be issued to the Xebec Shareholders in accordance with the allocation set forth in Schedule 2.4(a) of the Combination Agreement and delivered to the

Escrow Agent, to be held by the Escrow Agent for the purpose of marking the Earn-out Payments to the Xebec Shareholders in accordance with the terms of the Escrow Agreement;

- (ii) 9,407,727 QuestAir Shares (the "Initial Shares") shall be issued to the Xebec Shareholders in accordance with the allocation set forth in Schedule 2.4(a) of the Combination Agreement and delivered to the Xebec Shareholders as directed by the Xebec Shareholders in writing; and
- (iii) 6,180,000 QuestAir Warrants shall be issued to the Xebec Shareholders in accordance with the allocation set forth in Schedule 2.4(a) of the Combination Agreement and delivered to the Xebec Shareholders as directed by the Xebec Shareholders in writing;
- (c) For the purposes of the CBCA, the aggregate stated capital of the Xebec Shares shall be an amount equal to \$1 00;
- (d) QuestAir and Xebec will amalgamate and continue as one corporation (the "Amalgamated Corporation") under the CBCA with the effect described below and unless and until otherwise determined in the manner required by law or by the Amalgamated Corporation, its directors or shareholders, and the following provisions shall apply:
 - (i) **Name.** The name of the Amalgamated Corporation will be "Xebec Adsorption Inc.";
 - (ii) **Articles and By-laws.** Except as prescribed below, the articles of arrangement and by-laws of the Amalgamated Corporation will be the same as the articles and by-laws of QuestAir;
 - (iii) **Registered Office.** The registered office of the Amalgamated Corporation will be situated in the Province of Québec, at 730 Boulevard Industriel, Blainville, Québec, J7C 3V4;
 - (iv) **Directors.**
 - (A) The number of directors of the Amalgamated Corporation will be seven (7);
 - (B) The following persons will be the first directors of the Amalgamated Corporation:

Name	Residence Address
Hubert Bourgue	49 Cambridge Street, Hudson, QC, J0P 1H0

Name	Residence Address
Denis Connor	6648 Marine Drive, West Vancouver, BC, V7W 2S9
Guy Ouimet	15619 rue Boischatel, Pierrefonds, QC, H9H 3T4
Peter Praxmarer	Landstrasser Hauptstrasse 146/9, 1030 Vienna, Austria
Michael Rosenberg	75 Golden Eagle Lane, Littleton, Colorado, USA, 80127
John Shakeshaft	D51 Albion Riverside, London, England, UK, SW11 4AW
Kurt Sorschak	43 Bayview Avenue, Pointe Claire, QC, H9S 5C1

(v) **Authorized and Issued Share Capital.**

- (A) The Amalgamated Corporation will have the same authorized share capital as QuestAir;
- (B) The Xebec Shares held by QuestAir will be cancelled without any repayment of capital in respect thereof; and
- (C) Each QuestAir Share shall be converted into one common share in the capital of the Amalgamated Corporation.

provided that none of the foregoing will occur or will be deemed to occur unless all of the foregoing occurs.

**ARTICLE 4
RIGHTS OF DISSENT**

4.1 Rights of Dissent

QuestAir Shareholders may exercise rights of dissent with respect to QuestAir Shares held by them pursuant to and in the manner set forth in section 190 of the CBCA as modified by this section 4.1, as the same may be modified by the Interim Order or the Final Order ("Dissent Rights") in connection with the Arrangement; provided that, notwithstanding subsection 190(5) of the CBCA, the written objection to the Arrangement Resolutions referred to in subsection 190(5) of the CBCA must be received by QuestAir not later than 5:00 p.m. (Vancouver time) on the Business Day preceding the Meeting.

ARTICLE 5
CERTIFICATES, PAYMENTS AND ELECTIONS

5.1 Certificates

Certificates representing the QuestAir Shares prior to the Effective Time will represent the common shares of the Amalgamated Corporation from and after the Effective Time. Holders of the QuestAir Shares after the Effective Time will be entitled to receive certificates representing common shares of the Amalgamated Corporation on presentation and surrender of the certificates representing the QuestAir Shares at the office of the Amalgamated Corporation's transfer agent.

5.2 Election Forms

A Xebec Shareholder whose Xebec Shares are exchanged for QuestAir Shares pursuant to the Agreement shall be entitled to make an income tax election, pursuant to section 85 of the Tax Act and section 518 of the QTA with respect to the exchange by providing two signed copies of the necessary election forms to a representative of QuestAir within 90 days after the Effective Date, duly completed with the details of the number of Xebec Shares transferred and the applicable agreed amounts for the purposes of such elections. QuestAir shall, within 30 days after receiving the election forms, sign and return them to the former Xebec Shareholder for filing with the CRA or Revenu Quebec.

ARTICLE 6
AMENDMENTS

6.1 Amendments to Plan of Arrangement

- (a) QuestAir reserves the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Date, provided that each such amendment, modification or supplement must be (i) set out in writing, (ii) approved by Xebec and the Xebec Shareholders, (iii) filed with the Court and, if made following the Meeting, approved by the Court and (iv) communicated to QuestAir Shareholders in the manner required by the Court (if so required).
- (b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by QuestAir at any time prior to the Meeting (provided that Xebec and the Xebec Shareholders have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Meeting (other than as may be required under the Interim Order), will become part of this Plan of Arrangement for all purposes.
- (c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Meeting will be effective only if (i) it is consented to by each of QuestAir, Xebec and the Xebec Shareholders and (ii) if required by the Court or applicable law, it is consented to by QuestAir Shareholders voting in the manner directed by the Court.

ARTICLE 7
FURTHER ASSURANCES

Notwithstanding that the transactions and events set out herein will occur and be deemed to occur at the times and in the order set out in this Plan of Arrangement, within the meaning of Section 192 of the CBCA and, in particular, that the share exchanges, within the meaning of Subsection 192(1)(f) of the CBCA, will become effective in accordance with Section 192(8) of the CBCA, without any further act or formality, each of the parties to the Combination Agreement will make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out herein.

SCHEDULE B

Name of the Amalgamated Corporation	Xebec Adsorption Inc.
The province in Canada where the registered office is to be situated (do not include the full address)	Quebec
The classes and any maximum number of shares that the corporation is authorized to issue	Common -- Unlimited Preferred Shares -- Unlimited Please see the attached Schedule 1 for rights, privileges, restrictions and conditions attaching to the common shares and preferred shares.
Restrictions, if any, on share transfers	none
Minimum and maximum number of directors (for a fixed number of directors, please indicate the same number in both boxes)	Minimum: 7 Maximum: 7
Restrictions, if any, on business the corporation may carry on	none
Other provisions, if any	n/a

SCHEDULE 1

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

The rights, privileges, restrictions and conditions attaching to each class of shares and each existing series of shares of the Corporation are as follows:

1. PREFERRED SHARES AS A CLASS

The Preferred shares shall as a class carry and be subject to the following rights, privileges, restrictions and conditions:

ISSUABLE IN SERIES

1.1 The Preferred shares may at any time and from time to time be issued in one or more series, each series to consist of such number of shares as may, before the issue thereof, be fixed by resolution of the Board of Directors of the Corporation.

RIGHTS ATTACHING TO SERIES

1.2 The Board of Directors of the Corporation shall, subject as hereinafter provided and subject to the provisions of the *Canada Business Corporations Act* (the "CBCA"), determine, by resolution duly passed before the issue of the Preferred shares of each series, the designation, rights, privileges, restrictions and conditions to be attached to the Preferred shares of such series, including, but without in any way limiting or restricting the generality of the foregoing, the rate (which may be fixed or floating), amount or form of dividends (whether cumulative or non-cumulative) or the method of calculating dividends (including any change or adjustment to such amount or form of dividends or the method of calculating such dividends in the future), the currency or currencies for dividends, the dates of payment thereof, the right to convert into any security of the Corporation, the redemption, retraction, conversion, exchange and/or purchase terms and prices (including methods to adjust the same), any sinking or purchase fund requirements. Voting rights (including the right to vote or not to vote, the number of votes that can be cast per share, the right to vote upon or only upon the occurrence of certain events, or the right to vote on a particular matter or matter or item or items of business (including the right to elect a number or majority of directors of the Corporation)), the stated capital of any series and methods to adjust the same, the whole subject to the issue of a Certificate of Amendment setting forth the designation, rights, privileges, restrictions and conditions to be attached to the Preferred shares of such series.

RANKING OF CLASS

1.3 The Preferred shares shall, with respect to the payment of dividends and the distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, be entitled to preference over the Common shares and any other shares in the capital of the Corporation ranking after or subordinate to the Preferred shares as to the payment of dividends or in the distribution of assets upon liquidation, dissolution or winding-up ("Junior Shares"). The Preferred shares of any series may also be given such preference not inconsistent with the Articles over the Common shares and any other Junior Shares.

RANKING OF SERIES

1.4 The Preferred shares of each series shall rank on a parity with every other series of Preferred shares with respect to the payment of dividends and distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs; provided, however, that in case any dividend or assets are insufficient to pay in full the amount due on all the Preferred shares, then such dividend or

assets shall be applied rateably to the Preferred shares of all series in the payment, without duplication, of accrued and unpaid cumulative dividends, declared and unpaid non-cumulative dividends, and payment of the amount required to be paid upon redemption thereof, plus any premium thereon

VOIING RIGHTS

1.5 Except as hereinafter referred to or as required by law or unless provision is made in the Articles relating to any series of Preferred Shares that such series is entitled to vote (including the number of votes that can be cast per share, the right to vote upon or only upon occurrence of certain events, or the right to vote on a particular matter or matter or item or items of business (including the right to elect a number of majority of directors of the Corporation)) the holders of the Preferred Shares as class shall not be entitled as such to receive notice of, to attend or to vote at any meeting of the shareholders of the Corporation.

AMENDMENT

1.6 The provisions of paragraphs 1.1 to 1.5, inclusive, and of this paragraph 1.6 may be deleted, varied, modified, amended or amplified in whole or in part by a Certificate of Amendment, but only with the prior approval of the holders of the Preferred shares given as hereinafter specified in addition to any other approval required by the CBCA.

The approval of the holders of the Preferred shares with respect to any and all matters hereinbefore referred to may be given in writing by the holders of not less than two-thirds (2/3) of the Preferred shares for the time being outstanding or by resolution duly passed by not less than two-thirds (2/3) of the votes cast on a poll at a meeting of the holders of the Preferred shares duly called and held for the purpose of considering the subject matter of such resolution and at which meeting the holders of not less than twenty-five per cent (25%) of the outstanding Preferred shares are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that, if at any such meeting, when originally held, the holders of at least twenty-five per cent (25%) of the outstanding Preferred shares are not present in person or so represented by proxy within thirty (30) minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than seven (7) days later, and to such time and place as may be fixed by the chairman of such meeting and, at such adjourned meeting, the holders of Preferred shares present in person or so represented by proxy, whether or not they hold more or less than twenty-five per cent (25%) of all Preferred shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried thereat by not less than two-thirds (2/3) of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Preferred shares hereinbefore mentioned. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct thereof shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders or in the CBCA.

If the deletion, variation, modification, amendment or amplification of the provisions hereinbefore contained especially affects the rights of the holders of Preferred shares of any series, in a manner different from that in or to which the rights of the holders of Preferred shares of any other series are affected, then such deletion, variation, modification, amendment or amplification shall, in addition to being approved by the holders of the Preferred shares as hereinabove set forth, be approved by the holders of the Preferred shares of such series so especially affected, which approval may be given in writing by the holders of not less than two-thirds (2/3) of the Preferred shares of such series or by resolution passed by not less than two-thirds (2/3) of the votes cast on a poll at the meeting of the holders of the Preferred shares of such series, and the provisions of this paragraph 1.6 shall apply, mutatis mutandis, with respect to the holding of such meeting.

At any meeting of the holders of Preferred shares, as a class or as a series, each holder of Preferred shares shall be entitled to one (1) vote in respect of each Senior Preferred Share held by him.

2. COMMON SHARES

The Common shares of the Corporation shall have attached thereto the following rights, privileges, restrictions and conditions:

DIVIDENDS

2.1 Subject to the prior rights of the holders of the Preferred shares and any other shares ranking senior to the Common shares with respect to priority in the payment of dividends, the holders of Common shares shall be entitled to receive dividends and the Corporation shall pay dividends thereon, as and when declared by the board of directors of the Corporation out of moneys properly applicable to the payment of dividends, in such amount and in such form as the board of directors of the Corporation may from time to time determine.

DISSOLUTION

2.2 In the event of the dissolution, liquidation or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, subject to the prior rights of the holders of the Preferred shares and any other shares ranking senior to the Common shares with respect to priority in the distribution of assets upon dissolution, liquidation, distribution or winding-up, the holders of the Common shares shall be entitled to receive the remaining property and assets of the Corporation.

VOIING RIGHTS

2.3 The holders of the Common shares shall be entitled to receive notice of and to attend all meetings of the shareholders of the Corporation and each holder of Common shares shall have one vote for each Common Share held by such holder at all meetings of the shareholders of the Corporation, except meetings at which only holders of another class or series of shares of the Corporation are entitled to vote separately as a class or series.