



Industry Canada

Industrie Canada

**Certificate
of Amalgamation**

**Canada Business
Corporations Act**

**Certificat
de fusion**

**Loi canadienne sur
les sociétés par actions**

BCE INC.

BCE INC.

425229-2

Name of corporation-Dénomination de la société

Corporation number-Numéro de la société

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

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

Director - Directeur

August 1, 2004 / le 1 août 2004

Date of Amalgamation - Date de fusion

Canada

1. Name of the Amalgamated Corporation	Dénomination sociale de la société issue de la fusion
BCE INC.	BCE INC.
2. The province or territory in Canada where the registered office is to be situated	La province ou territoire au Canada où se situera le siège social
Province of Quebec	Province de Québec
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
Set out in Schedule 1 annexed to and incorporated in these Restated Articles of Amalgamation	Énoncés dans l'annexe 1 ci-joint qui fait partie intégrante des présents statuts de fusion
4. Restrictions, if any, on share transfers	Restrictions sur le transfert des actions, s'il y a lieu
None	Aucune
5. Number (or minimum and maximum number) of directors	Nombre (ou nombre minimal et maximal) d'administrateurs
Minimum of 5 and maximum of 20	Minimal de 5 et maximal de 20
6. Restrictions, if any, on business the corporation may carry on	Limites imposées à l'activité commerciale de la société, s'il y a lieu
None	Aucune
7. Other provisions, if any	Autres dispositions, s'il y a lieu
Without in any way limiting the powers conferred upon the Corporation and its Directors by the <i>Canada Business Corporations Act</i> , the Board of Directors of the Corporation may, without authorization of the shareholders, from time to time on behalf of the Corporation in such amounts and on such terms as it deems expedient:	Sans limiter d'aucune façon les pouvoirs conférés à la Société et à ses administrateurs par la <i>Loi canadienne sur les sociétés par actions</i> , le conseil d'administration de la Société peut, de temps à autre, au nom de la Société et sans l'autorisation des actionnaires, pour les montants et selon les conditions qu'il juge à propos:
a) borrow money upon the credit of the Corporation;	a) contracter des emprunts, compte tenu du crédit de la Société;

- b) issue, reissue, sell or pledge debt obligations of the Corporation;
- c) to the extent permitted by the *Canada Business Corporations Act*, give guarantees on behalf of the Corporation to secure performance of an obligation of any person; and
- d) charge, mortgage, hypothecate or pledge all or any of the currently owned or subsequently acquired real or personal, movable or immovable, property of the Corporation, including book debts, rights, powers, franchises and undertaking, to secure any debt obligations or any money borrowed or other debt or liability of the Corporation.

The Board of Directors may from time to time delegate to such one or more of the directors and officers of the Corporation as may be designated by the Board all or any of the powers conferred on the Board above to such extent and in such manner as the Board shall determine at the time of each such delegation.

Subject to the maximum number of directors authorized pursuant to the Articles of the Corporation, the Board of Directors may, in addition to filling vacancies as permitted by law, 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.

The annual meeting of shareholders of the Corporation (whether or not also held as a special meeting) may be held outside Canada, in the following places:

- b) émettre, réémettre, vendre ou donner en gage les titres de créance de la Société;
- c) dans la mesure permise par la *Loi canadienne sur les sociétés par actions*, garantir, au nom de la Société, l'exécution d'une obligation à la charge d'une autre personne; et
- d) grever, hypothéquer, nantir or mettre en gage tout ou partie des biens mobiliers ou immobiliers, présents ou futurs, de la Société, y compris les créances, droits, pouvoirs, franchises et entreprises, afin de garantir tous titres de créances ou emprunts d'argent ou toute autre dette ou obligation de la Société.

Le conseil d'administration peut de temps à autre déléguer aux administrateurs ou aux dirigeants de la Société ou à l'un d'eux selon ce qu'il détermine, tout ou partie des pouvoirs conférés au conseil ci-haut dans la mesure et de la manière que le conseil détermine chaque fois qu'il effectue une telle délégation.




Sous réserve du nombre maximal d'administrateurs autorisé dans les statuts de la Société, le conseil d'administration peut, en plus de combler les vacances comme le lui permet la loi, nommer un ou plusieurs administrateurs, qui siégeront pour une période prenant fin au plus tard à la clôture de la prochaine assemblée annuelle des actionnaires, à condition que le nombre d'administrateurs ainsi nommés ne dépasse par le tiers des membres du conseil d'administration élus à la dernière assemblée annuelle des actionnaires.

L'assemblée annuelle des actionnaires de la Société (qu'elle soit ou non tenue également à titre d'assemblée extraordinaire) peut se tenir à l'étranger, aux endroits suivants :

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| <p>a) the greater metropolitan area of any of the following cities in the United States of America: Boston (Massachusetts), Chicago (Illinois), Dallas (Texas), Denver (Colorado), Detroit (Michigan), Houston (Texas), Los Angeles (California), Miami (Florida), New York (New York), Philadelphia (Pennsylvania), San Francisco (California), Seattle (Washington), Washington (District of Columbia);</p> <p>b) the greater metropolitan area of any other city in the United States of America which is the capital of any State of the United States of America;</p> <p>c) the greater metropolitan area of any city which is the capital of any member-country of the European Union; or</p> <p>d) to the extent permitted by the <i>Canada Business Corporations Act</i>, any other city outside Canada designated from time to time by the Board of Directors of the Corporation in connection with the then next annual meeting of shareholders.</p> | <p>a) la grande région métropolitaine de l'une des villes suivantes des États-Unis d'Amérique : Boston (Massachusetts), Chicago (Illinois), Dallas (Texas), Denver (Colorado), Detroit (Michigan), Houston (Texas), Los Angeles (Californie), Miami (Floride), New York (New York), Philadelphie (Pennsylvanie), San Francisco (Californie), Seattle (Washington), Washington (District de Colombie) ;</p> <p>b) la grande région métropolitaine de toute autre ville des États-Unis d'Amérique qui est la capitale d'un État des États-Unis d'Amérique ;</p> <p>c) la grande région métropolitaine d'une ville qui est la capitale d'un pays membre de l'Union européenne; ou</p> <p>d) dans la mesure permise par la <i>Loi canadienne sur les sociétés par actions</i>, toute autre ville située à l'extérieur du Canada désignée de temps à autre par le conseil d'administration de la Société relativement à l'assemblée annuelle des actionnaires suivante.</p> |
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8. The amalgamation has been approved pursuant to that section or subsection of the Act which is indicated as follows: La fusion a été approuvée en accord avec l'article ou le paragraphe de la Loi indiqué ci-apres

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|-------------------------------------|--------|
| <input type="checkbox"/> | 183 |
| <input checked="" type="checkbox"/> | 184(1) |
| <input type="checkbox"/> | 184(2) |

9. Name of the amalgamating corporations Dénomination sociale des sociétés fusionnantes	Corporation No. N° de la société	Signature	Date	Title Titre	Tel No. N° tél.
BCE Inc.	384097-2		07-29-04	Corporate Secretary	514-870-8144
3787893 Canada Inc.	378789-3		07-29-04	Director, President and Secretary	416-353-4261
3787907 Canada Inc.	378790-7		07-29-04	Director, President and Secretary	416-353-4261

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425229-2

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SCHEDULE 1

TO THE ARTICLES OF AMALGAMATION OF BCE INC.

1. CLASSES AND NUMBER OF SHARES

The classes and any maximum number of shares that the Corporation is authorized to issue are as follows:

- (a) an unlimited number of common shares (herein referred to as the "Common Shares");
- (b) an unlimited number of first preferred shares (herein referred to as the "First Preferred Shares") of which:
 - (i) 3,520,000 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series K (the "Series K Preferred Shares"); and
 - (ii) 176 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series L (the "Series L Preferred Shares"); and
 - (iii) 16,000,000 consist of a series designated as \$1.60 Cumulative Redeemable First Preferred Shares, Series P (the "Series P Preferred Shares"); and
 - (iv) 8,000,000 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series Q (the "Series Q Preferred Shares"); and
 - (v) 8,000,000 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series R (the "Series R Preferred Shares"); and
 - (vi) 8,000,000 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series S (the "Series S Preferred Shares"); and
 - (vii) 8,000,000 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series T (the "Series T Preferred Shares"); and
 - (viii) 22,000,000 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series U (the "Series U Preferred Shares"); and
 - (ix) 22,000,000 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series V (the "Series V Preferred Shares"); and
 - (x) 20,000,000 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series W (the "Series W Preferred Shares"); and
 - (xi) 20,000,000 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series X (the "Series X Preferred Shares"); and
 - (xii) 10,000,000 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series Y (the "Series Y Preferred Shares");
 - (xiii) 10,000,000 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series Z (the "Series Z Preferred Shares");

- (xiv) 20,000,000 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series AA (the "Series AA Preferred Shares");
 - (xv) 20,000,000 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series AB (the "Series AB Preferred Shares");
 - (xvi) 20,000,000 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series AC (the "Series AC Preferred Shares"); and
 - (xvii) 20,000,000 consist of a series designated as Cumulative Redeemable First Preferred Shares, Series AD (the "Series AD Preferred Shares");
- (c) an unlimited number of second preferred shares (herein referred to as the "Second Preferred Shares") of which:
- (i) an unlimited number consist of a series designated as Cumulative Redeemable Voting Second Preferred Shares, Series One (the "Second Preferred Shares, Series One");
 - (ii) an unlimited number consist of a series designated as Cumulative Redeemable Voting Second Preferred Shares, Series Two (the "Second Preferred Shares, Series Two"); and
 - (iii) an unlimited number consist of a series designated as Cumulative Redeemable Participating Voting Second Preferred Shares, Series Three (the "Second Preferred Shares, Series Three"); and
- (d) an unlimited number of Class B shares (herein referred to as the "Class B Shares").

The rights, privileges, restrictions and conditions attaching to each said class of shares and each said series of shares of the Corporation are set out hereinafter.

2. COMMON SHARES

The rights, privileges, restrictions and conditions attaching to the Common Shares are as follows:

2.1 The holders thereof are entitled to one vote for each share held on all matters voted on by shareholders except matters on which only the holders of another specified class or series of shares are entitled to vote.

2.2 Subject to the rights, privileges, restrictions and conditions attaching to shares of any class of the Corporation ranking prior to the Common Shares, the holders thereof are entitled to receive such dividends payable in money, property, or by the issue of fully paid shares of the Corporation, as may be declared by the Board of Directors and to receive the remaining property of the Corporation upon the liquidation, dissolution or winding up thereof.

2.3 The Directors of the Corporation may determine at any time and from time to time, with respect to all or a portion of any dividend on the Common Shares of the Corporation that such dividend shall be payable in money or, in the case of electing holders whose addresses on the books of the Corporation are in Canada, and in jurisdictions specified by the Directors outside Canada, by the issue of fully paid Common Shares of the Corporation having a value, as determined by the Directors, that is substantially equivalent, as of a date or period of days determined by the Directors, to the cash amount of such dividend, provided that the Directors may (but need not) value the Common Shares to be issued in payment of the dividend at a discount from or premium to the relevant market value thereof of up to 5%, in either case.

2.4 With respect to fractional shares that may result from any such stock dividend the Corporation shall issue to an agent for shareholders appointed by the Corporation a number of whole shares representing in the aggregate the fractional shares of all electing shareholders unless the Directors of the Corporation otherwise determine, for instance by the payment of cash in lieu of fraction of share interests that may result from any such stock dividend. In any event, no certificates representing fraction of share interests will be issued by the Corporation.

3. FIRST PREFERRED SHARES

The First Preferred Shares shall have attached thereto, as a class, the following rights, privileges, restrictions and conditions:

3.1 The Directors of the Corporation may at any time and from time to time issue one or more series of First Preferred Shares, each series thereof to consist of such number of shares and to be of such price as may before the issue be determined by resolution of the Directors.

3.2 The Directors may by resolution fix from time to time the designation, rights, privileges, restrictions and conditions attaching to the First Preferred Shares of each series, including, without limiting the generality of the foregoing, the right to preferential dividends, the dates of payment thereof, the redemption or purchase prices, if any, and terms and conditions of redemption or purchase, any voting rights, the rights or convertibility or exchange, if any, into other securities (including shares) of the Corporation or any other body corporate and any sinking fund or other provisions.

3.3 The First Preferred Shares of all series shall rank on a parity with each other and in priority to all other shares of the Corporation with respect to payment of dividends and with respect to distribution of assets in the event of liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or any other distribution of assets for the purpose of winding up its affairs.

3.4 Except as otherwise provided in section 3.5 hereof or in the provisions attaching to any First Preferred Shares as a series, the holders of the First Preferred Shares shall not be entitled to receive any notice of or attend any meeting of shareholders of the Corporation and shall not be entitled to vote at any such meeting.

3.5 The approval of the holders of the First Preferred Shares with respect to any matters which may be required to be approved by them may be given by a resolution passed at a general meeting of the holders of the First Preferred Shares duly called and held upon not less than 21 days' notice at which the holders of at least a majority of the outstanding First Preferred Shares are present or are represented by proxy and carried by the affirmative vote of not less than two-thirds of the votes cast at such meeting; if at any such meeting the holders of a majority of the outstanding First Preferred Shares are not present or represented by a proxy within one-half hour after the time appointed for such meeting then the meeting shall be adjourned to such date not less than 21 days thereafter and to such time and place as may be designated by the chairman, and not less than 15 days' written notice shall be given of such adjourned meeting; at such adjourned meeting the holders of First Preferred Shares present or represented by proxy may transact the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of not less than two-thirds of the votes cast at such meeting shall constitute the authorization of the holders of the First Preferred Shares; on every poll taken at any such meeting or adjourned meeting, every holder of First Preferred Shares shall be entitled to one vote in respect of each First Preferred Share held; subject to the foregoing, the formalities to be observed in respect of the giving of notice of any such 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.

3.6 Series K Preferred Shares

The Series K Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.6.1 Dividend

(a) The holders of the Series K Preferred Shares shall be entitled to cumulative, preferred cash dividends, when and as declared by the Board of Directors, out of moneys properly applicable to the payment of dividends in an amount determined in accordance with section 3.6.1(b) hereof and no more, payable quarterly in respect of each 12 month period on the last day of March, June, September, and December (the "Dividend Payment Dates"), by cheque at par in lawful money of Canada at any branch in Canada of the Corporation's bankers with the first payment so to be made on any Series K Preferred Share to be paid on June 30, 1989.

(b) For the period from the date of issue of the Series K Preferred Shares to but excluding June 30, 1994 (the "Initial Term"), the dividend to be paid on each Series K Preferred Share shall be the amount of \$1.9375 per annum payable in equal quarterly instalments of \$0.484375 on each Dividend Payment Date, except the first dividend which shall be payable on June 30, 1989 and shall be in the amount of \$1.9375 multiplied by a fraction of which the numerator is the number of days from and including the original date of issue of the Series K Preferred Shares to but excluding June 30, 1989 and the denominator is 365.

After expiry of the Initial Term, the dividend to be paid on each Series K Preferred Shares on each Dividend Payment Date shall be an amount per share determined by applying the Quarterly Dividend Rate to \$25.00. Dividends shall accrue on a day-to-day basis. For the purposes hereof, (i) "Quarterly Dividend Rate" shall mean one quarter of 70% of the average of the Prime Rate in effect on each day during the period of three calendar months ending on the last day of the second calendar month preceding the month in which the dividend payment is to be made and (ii) "Prime Rate" for any day shall mean the arithmetic average (rounded to the nearest one hundredth of one percent (0.01%)) of the prime commercial lending rates of interest for each day during such period established and announced from time to time by The Royal Bank of Canada, Bank of Montreal and The Toronto-Dominion Bank as the reference rates of interest per annum in order to determine the interest rates they will charge on Canadian dollar commercial loans to customers in Canada and designated by the bank in question as its prime rate. The Prime Rate on a day when the aforesaid banks are not open for business shall be the Prime Rate on the next preceding day when they were open for business. If one or two of such banks do not have a prime rate in effect on a particular day, the Prime Rate for that day shall be the arithmetic average rounded as indicated above of the prime rates announced by the other banks, or the prime rate announced by the remaining bank, as the case may be, and if none of such banks has a prime rate in effect on a particular day, the Prime Rate for that day will be 1.5% above the average yield per annum on 91-day Government of Canada Treasury Bills, as reported by the Bank of Canada, for the most recent weekly tender immediately preceding such day.

3.6.2 Rights on Liquidation

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Series K Preferred Shares shall be entitled to receive in lawful money of Canada \$25.00 per share together with all accrued and unpaid dividends to the date of distribution before any amounts shall be paid or any assets of the Corporation distributed to the holders of any shares ranking junior to the Series K Preferred Shares. The holders of the Series K Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.6.3 Redemption

The Corporation may not redeem any of the Series K Preferred Shares prior to June 30, 1994. Subject to section 3.6.5 hereof, upon giving notice as hereinafter provided, the Corporation may, on or after June 30, 1994, redeem at any time all the outstanding Series K Preferred Shares, or from time to time any part thereof, on payment for each such share to be redeemed of an amount equal to \$25.00 together with accrued and unpaid dividends to the date fixed for redemption, the whole constituting the "Redemption Price". In the case of partial redemptions, the Series K Preferred Shares to be redeemed shall be selected by lot or in such other manner as the Corporation may determine. Any Series K Preferred Share so redeemed shall be cancelled and not reissued.

The Corporation shall give at least 30 days' prior notice in writing to each person who at the date of giving such notice is the holder of Series K Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given by posting the same in a postage paid envelope

addressed to each holder of Series K Preferred Shares to be redeemed at the last address of such holder as it appears on the books of the Corporation at the date of the notice or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation; provided that the accidental failure or omission to give any such notice as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series K Preferred Shares to be redeemed. Such notice shall set out the number of such Series K Preferred Shares held by the person to whom it is addressed which are to be redeemed and the Redemption Price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series K Preferred Shares to be redeemed the redemption price on presentation and surrender at the Registered Office of the Corporation or at any other place or places within Canada designated by such notice, of the certificate or certificates for such Series K Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; if a part only of such Series K Preferred Shares represented by any certificate shall be redeemed, a new certificate for the balance shall be issued; from and after the date specified in any such notice, the Series K 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 unless payment of the Redemption Price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the Redemption Price of any or all Series K Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

Redemption moneys that are represented by a cheque which was mailed to a registered holder in accordance with this section 3.6.3 and which has not been duly presented for payment within, or that otherwise remain unclaimed (including moneys held on deposit as aforesaid) for a period of five (5) years from the date of the redemption, shall be forfeited to the Corporation.

3.6.4 *Purchase for Cancellation*

Subject to section 3.6.5 hereof, the Corporation may also at any time or from time to time purchase for cancellation the whole or any part of the Series K Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, at the lowest price or prices at which in the opinion of the Directors of the Corporation such shares are obtainable plus in each case all accrued and unpaid dividends and costs of purchase.

3.6.5 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series K Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series K Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series K Preferred Shares;
- (b) the Corporation shall not call for redemption, redeem, purchase or otherwise retire for value or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series K Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series K Preferred Shares);
- (c) the Corporation shall not call for redemption, redeem, purchase or otherwise retire for value less than all of the Series K Preferred Shares then outstanding; or
- (d) except in connection with the exercise of a retraction privilege attaching to any other Series of

First Preferred Shares of the Corporation, the Corporation shall not call for redemption, redeem, purchase or otherwise retire for value any shares of any class or series ranking on a parity with the Series K Preferred Shares, provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series K Preferred Shares;

unless, in each case, all cumulative dividends accrued on outstanding Series K Preferred Shares up to and including the dividend payable on the last preceding Dividend Payment Date shall have been declared and paid.

Any approval of the holders of Series K Preferred Shares required to be given pursuant to this section 3.6.5 may be given in accordance with sections 3.6.6 and 3.6.7 by the affirmative vote of the holders of the majority of the Series K Preferred Shares.

3.6.6 Voting Rights

If the Corporation fails to pay eight dividends on the Series K Preferred Shares, whether or not consecutive, the holders of the Series K Preferred Shares shall have the right to receive notice of, and to attend, each meeting of shareholders of the Corporation which takes place more than 60 days after the date on which the failure first occurs (other than a separate meeting of the holders of another series or class of shares) and such holders shall also have the right, at any such meeting, to one vote for each Series K Preferred Share held, until all such arrears of dividends on the Series K Preferred Shares shall have been paid whereupon such rights shall cease unless and until the same default shall again rise under the provisions of this section 3.6.6.

In connection with any action to be taken by the Corporation which requires the approval of the holders of the Series K Preferred Shares as a series, each Series K Preferred Share shall entitle the holder thereof to one vote for such purpose.

3.6.7 Issue of Additional First Preferred Shares and Amendment of Rights, Privileges, etc. of the Series K Preferred Shares

The Corporation may issue additional series of First Preferred Shares ranking on a parity with the Series K Preferred Shares without the authorization of the holders of the Series K Preferred Shares.

The provisions attached to the Series K Preferred Shares may be repealed, altered, modified or amended from time to time with such approvals as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.6.8.

3.6.8 Approval of Holders of Series K Preferred Shares

Any approval given by the holders of the Series K Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series K Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.6.9 Conversion Privilege

A holder of Series K Preferred Shares holding at least 20,000 Series K Preferred Shares shall have the right, at his option, to convert on March 31, 1994 (the "Conversion Date"), subject to the terms and provisions hereof, all or part of his Series K Preferred Shares into Cumulative Redeemable First Preferred Shares, Series L (the "Series L Preferred Shares"), on the basis of 20,000 Series K Preferred Shares for one Series L Preferred Share. The conversion of Series K Preferred Shares may be effected by surrender of the certificate or certificates representing the same at any time not less than thirty (30) days and not more than sixty (60) days prior to the Conversion Date during usual business hours at the option of the holder at the Registered Office of the Corporation or at any office of any transfer agent of the Corporation at which the Series K Preferred Shares are transferable accompanied: (1) by payment or evidence of payment of the tax (if any) payable as provided in this 3.6.9; and (2) by written instrument of surrender in form satisfactory to the Corporation duly executed by the registered holder, or his attorney duly authorized in writing, in which instrument such holder shall elect to convert all or part only of the Series K Preferred Shares represented by such certificate or certificates in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the

expense of the Corporation, a new certificate representing the Series K Preferred Shares represented by such certificate or certificates which have not been converted. A holder of Series K Preferred Shares to be converted shall not be entitled to fractional shares upon conversion but shall be entitled to receive a new certificate representing the number of remaining Series K Preferred Shares which cannot be converted.

As promptly as practicable on or after the Conversion Date the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series K Preferred Shares so surrendered, a certificate or certificates issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully paid and non-assessable Series L Preferred Shares and the number of remaining Series K Preferred Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Conversion Date, so that the rights of the holder of such Series K Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Series L Preferred Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Series L Preferred Shares at such time.

The registered holder of any Series K Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted after such record date and before the payment date of such dividend.

The issuance of certificates for Series L Preferred Shares upon the conversion of Series K Preferred Shares shall be made without charge to the converting holders of Series K Preferred Shares for any fee or tax in respect of the issuance of such certificates or the Series L Preferred Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series L Preferred Shares are issued in respect of the issuance of such Series L Preferred Shares or the certificates therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name or names other than that of the holder of the Series K Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

3.6.10 Tax Election

The Corporation shall elect, in the manner and within the time provided under the *Income Tax Act* (Canada), under section 191.2 of the said Act or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series K Preferred Shares will be required to pay tax on dividends received on the Series K Preferred Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provision of similar effect.

3.6.11 Mail Service Interruption

If the Corporation determines that mail service is or is threatened to be interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series K Preferred Share, whether in connection with the redemption of such share or otherwise, or any share certificate to the holder of any Series L Preferred Share upon conversion of his Series K Preferred Shares, the Corporation may, notwithstanding the provisions hereof:

- (i) give such notice by telex, telecopier or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such telex, telecopier or telegraph communication was given or on the date on which the first publication has taken place; and
- (ii) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal and Toronto, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided

in (i) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not so appearing, then at the last address of such holder known to the Corporation.

3.7 Series L Preferred Shares

The Series L Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.7.1 PART I

All defined terms, used in Part I of section 3.7 and not defined therein, are defined and have the meaning ascribed to them in Part II of section 3.7.

3.7.1.1 Payment of Dividends

(a) For the Initial Term, the holders of Series L Preferred Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the Directors of the Corporation, out of the moneys of the Corporation properly applicable to the payment of dividends, a fixed cumulative preferential cash dividend. The initial dividend on the Series L Preferred Shares shall accrue from and include the original date of issue of the Series L Preferred Shares, shall be payable on June 30, 1994 and shall be in the amount set forth in section 3.7.1.2(a) hereof.

(b) After expiry of the Initial Term, for each Dividend Period falling within a Corporation Determined Term, the holders of the Series L Preferred Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the Directors of the Corporation, out of the moneys of the Corporation properly applicable to the payment of dividends, quarterly cumulative preferential cash dividends, in an amount determined in accordance with section 3.7.1.2(b) hereof, payable, with respect to each such Dividend Period, on the Dividend Payment Date immediately following the end of such Dividend Period.

(c) After expiry of the Initial Term, for each Dividend Period falling within a Dealer Determined Term, the holders of the Series L Preferred Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the Directors of the Corporation, out of the moneys of the Corporation properly applicable to the payment of dividends, quarterly cumulative preferential cash dividends, in an amount determined in accordance with section 3.7.1.2(c) hereof, payable, with respect to each such Dividend Period, on the Dividend Payment date immediately following the end of such Dividend Period.

(d) After expiry of the Initial Term, for each Auction Dividend Period, falling within an Auction Term, the holders of the Series L Preferred Shares as they appear on the securities register of the Corporation on the applicable Auction Date shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the Directors of the Corporation, out of the moneys of the Corporation properly applicable to the payment of dividends, monthly cumulative preferential cash dividends, in an amount determined in accordance with section 3.7.1.2(d) hereof, payable, with respect to each such Auction Dividend Period, on the Auction Dividend Payment Date immediately following the end of such Auction Dividend Period.

Cheques of the Corporation payable in lawful money of Canada, rounded to the nearest whole cent (\$0.01) shall be issued in respect of dividends on the Series L Preferred Shares (less any tax required to be deducted and withheld by the Corporation). The mailing by ordinary unregistered first class prepaid mail of such a cheque to a registered holder of Series L Preferred Shares to the address of such registered holder as it appears on the securities register of the Corporation, or if the address of any such holder does not so appear, then to the last known address of such holder, on or before the fifth Business Day next preceding the applicable Dividend

Payment Date or the delivery by the Corporation or the Auction Manager of such cheque on or before the Auction Dividend Payment Date, as the case may be, shall be deemed to be payment and shall satisfy and discharge all liabilities for dividends payable on such Dividend Payment Date or Auction Dividend Payment Date to the extent of the amount represented thereby (plus any tax required to be and in fact deducted and withheld therefrom and remitted to the proper taxing authority) unless such cheque is not paid on due presentation.

3.7.1.2 Amount of Dividends

(a) The dividend to be paid on each Series L Preferred Share during the Initial Term shall be at the rate of 7.75% per annum, shall be in the amount of \$9,687.50 and shall be payable on June 30, 1994.

(b) After expiry of the Initial Term, for each Dividend Period included within a Corporation Determined Term, the dividend to be paid on each Series L Preferred Share on the Dividend Payment Date immediately following the end of such Dividend Period shall be the amount obtained by multiplying \$500,000 by the Corporation Determined Quarterly Dividend Rate for such Dividend Period.

(c) After expiry of the Initial Term, for each Dividend Period included within a Dealer Determined Term, the dividend to be paid on each Series L Preferred Share on the Dividend Payment Date immediately following the end of such Dividend Period shall be the amount obtained by multiplying \$500,000 by the Dealer Determined Quarterly Dividend Rate for such Dividend Period.

(d) After expiry of the Initial Term, for each Auction Dividend Period included within an Auction Term, the dividend to be paid on each Series L Preferred Share on the Auction Dividend Payment Date immediately following the end of such Auction Dividend Period shall be determined as follows:

(i) on the first Auction Dividend Payment Date immediately following the end of the first Auction Dividend Period during any Auction Term, the dividend to be paid on each Series L Preferred Share shall be the amount which is the product of (1) \$500,000, (2) 75% of the Bankers' Acceptance Rate (as defined in Part V hereof) where the Bankers' Acceptance Rate is determined on the first Business Day of such Auction Dividend Period and (3) the number of days in the first Auction Dividend Period, all divided by 365; and

(ii) on the second, and subsequent, Auction Dividend Payment Dates immediately following the end of the second and subsequent Auction Dividend Periods during any Auction Term, the dividend to be paid on each Series L Preferred Share shall be the amount which is the product of (1) \$500,000, (2) the Current Dividend Rate (or such other rate per annum as may apply in accordance with Part V hereof) for each such Auction Dividend Period, determined on the Auction Date immediately prior to the beginning of such Auction Dividend Period and (3) the number of days in such Auction Dividend Period, all divided by 365.

(e) After expiry of the Initial Term, for the first Dividend Period included within a Corporation Determined Term or a Dealer Determined Term, in either case immediately following an Auction Term, the dividend to be paid on each Series L Preferred Share on the Dividend Payment Date immediately following the end of such Dividend Period shall be the product of (1) \$500,000, (2) four times the Corporation Determined Quarterly Dividend Rate or the Dealer Determined Quarterly Dividend Rate, as the case may be, and (3) the number of days in such Dividend Period, all divided by 365.

3.7.1.3 Cumulative Dividends

If on any Dividend Payment Date or Auction Dividend Payment Date the dividends accrued to such date are not paid in full on all Series L Preferred Shares then outstanding, such dividends, or the unpaid part thereof, shall be paid on a subsequent date or dates determined by the Directors of the Corporation on which the Corporation shall have sufficient moneys properly applicable to the payment of such dividends. The holders of Series L Preferred Shares shall not be entitled to any dividends other than or in excess of the cumulative preferential cash dividends herein provided for.

3.7.1.4 Redemption

The Series L Preferred Shares will not be redeemable prior to the end of the Initial Term. Subject to section 3.7.1.7, the Corporation may, upon giving notice as hereinafter provided, redeem at any time after the end of the Initial Term all or from time to time any of the then outstanding Series L Preferred Shares on payment for each share to be redeemed of an amount equal to \$500,000 together with an amount equal to all accrued and unpaid dividends thereon. Such amount is herein referred to as the "Redemption Price". If less than all of the then outstanding Series L Preferred Shares are to be redeemed, the Series L Preferred Shares to be redeemed shall be redeemed as nearly as may be pro rata from each of the holders of Series L Preferred Shares. Any Series L Preferred Share which is so redeemed shall be cancelled and not reissued.

3.7.1.5 Redemption Procedure

(a) The Corporation shall, at least thirty (30) days before the date specified for redemption of Series L Preferred Shares, mail or deliver to each person who at the date of mailing is a registered holder of Series L Preferred Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series L Preferred Shares. Notwithstanding the foregoing, if the Corporation gives notice of its intention to redeem Series L Preferred Shares on a Redemption Date (as hereinafter defined) which is during an Auction Term, such notice shall be given, not less than 12 days prior to the date on which the redemption is to take place which date, in such event, must be an Auction Dividend Payment Date.

(b) Such notice shall set out the Redemption Price and the date ("Redemption Date") on which redemption is to take place and, if part only of the Series L Preferred Shares held by the person to whom such notice is addressed is to be redeemed, the number thereof so to be redeemed. The Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series L Preferred Shares to be redeemed the Redemption Price therefor on presentation and surrender, at the place designated in such notice, of the certificates representing the Series L Preferred Shares so called for redemption. Such payment shall be made by cheque of the Corporation and shall be a full and complete discharge of the Corporation's obligation to pay the Redemption Price owed to the holders of Series L Preferred Shares so called for redemption to the extent of the amount represented by such cheque (plus any tax required to be and in fact deducted and withheld therefrom and remitted to the proper tax authority), unless such cheque is not paid on due presentation. If part only of the Series L Preferred Shares represented by any certificate shall be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the Redemption Date, the Series L 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 unless payment of the Redemption Price shall not be made upon presentation and surrender 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 giving notice of its intention to redeem Series L Preferred Shares as aforesaid, to deposit the Redemption Price for the Series L Preferred Shares so called for redemption (or such of the said shares as may be represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption) in a special account in any chartered bank or any trust company in Canada named in such notice or in any subsequent notice to the holders of the shares in respect of which the deposit is made, provided that the amount deposited in such an account shall be paid to the holders of such shares upon presentation and surrender to such bank or trust company of the certificates representing such shares. The Redemption Price so deposited shall be paid on or after the Redemption Date without interest to or to the order of the respective holders of such Series L Preferred Shares called for redemption. Upon such deposit being made or upon the Redemption Date, whichever is the later, the Series L Preferred Shares in respect of which such deposit shall have been made, shall be and shall be deemed to be redeemed and the rights of the holders thereof after such deposit or the Redemption Date as the case may be, shall be limited to receiving, without interest, the Redemption Price of such Series L Preferred Shares so deposited (less any tax required to be and in fact deducted or withheld therefrom) upon presentation and surrender of the certificates representing the holder's shares so redeemed. Any interest allowed on any such deposit shall belong to the Corporation.

Redemption moneys that are represented by a cheque which was mailed to a registered holder in accordance with this section 3.7.1.5 and which has not been duly presented for payment within, or that otherwise remain unclaimed (including moneys held on deposit as aforesaid) for a period of 5 years from the Redemption Date, shall be forfeited to the Corporation.

3.7.1.6 Purchase for Cancellation

Subject to section 3.7.1.7, the Corporation may at any time and from time to time purchase for cancellation the whole or any part of the Series L Preferred Shares outstanding from time to time at the lowest price or prices at which in the opinion of the Directors such shares are obtainable, but not exceeding \$500,000 per share plus all accrued and unpaid dividends and costs of purchase.

3.7.1.7 Restriction on Dividends and Retirement of Shares

Without the approval of the holders of outstanding Series L Preferred Shares:

(a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series L Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series L Preferred Shares;

(b) the Corporation shall not call for redemption, redeem, purchase or otherwise retire for value or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series L Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series L Preferred Shares);

(c) the Corporation shall not call for redemption, redeem, purchase or otherwise retire for value less than all of the Series L Preferred Shares then outstanding; or

(d) except in connection with the exercise of a retraction privilege attaching to any other Series of First Preferred Shares of the Corporation, the Corporation shall not call for redemption, redeem, purchase or otherwise retire for value any shares of any class or series ranking on a parity with the Series L Preferred Shares, provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series L Preferred Shares;

unless, in each case, all cumulative preferential dividends accrued on outstanding Series L Preferred Shares up to and including the dividend payable on the last preceding Dividend Payment Date or Auction Dividend Payment Date, as the case may be, shall have been declared and paid.

Any approval of the holders of Series L Preferred Shares required to be given pursuant to this section 3.7.1.7 may be given in accordance with sections 3.7.2.3 and 3.7.2.4 by the affirmative vote of the holders of the majority of the Series L Preferred Shares.

3.7.1.8 Rights on Liquidation

In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other return of capital or distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of Series L Preferred Shares shall be entitled to receive in lawful money of Canada \$500,000 per share together with an amount equal to all accrued and unpaid cumulative preferential dividends thereon, whether or not declared, calculated to the date of payment or distribution, the whole to be paid before any amount is paid or any property or assets of the Corporation are distributed to the holders of the Common Shares of the Corporation or any other shares ranking junior to the Series L Preferred Shares. Upon payment to the holders of record of the Series L Preferred Shares of the amount so payable to them, they shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.7.2 PART II

3.7.2.1 Interpretation and Application of Part I, Part III, Part IV and Part V

(a) For the purposes hereof, including Part I, Part III, Part IV and Part V hereof, the following expressions have the following meanings:

- (i) "Auction Dividend Payment Date" shall have the meaning ascribed to that term in Part V hereof;
 - (ii) "Auction Dividend Period" shall have the meaning ascribed to that term in Part V hereof;
 - (iii) "Auction Procedures" shall mean the procedures set forth in Part V hereof for determining the applicable dividend rate for the Series L Preferred Shares from time to time during an Auction Term;
 - (iv) "Auction Term" and "Auction Date" shall have the respective meanings ascribed to those terms in Part V hereof;
 - (v) "Business Day" shall have the meaning ascribed to that term in Part V hereof;
 - (vi) "Corporation Determined Quarterly Dividend Rate" shall have the meaning ascribed to that term in Part III hereof;
 - (vii) "Corporation Determined Term" shall have the meaning ascribed to that term in Part III hereof;
 - (viii) "Current Dividend Rate" shall have the meaning ascribed to that term in Part V hereof;
 - (ix) "Dealer Determined Quarterly Dividend Rate" shall have the meaning ascribed to that term in Part IV hereof;
 - (x) "Dealer Determined Term" shall have the meaning ascribed to that term in Part IV hereof;
 - (xi) "Dividend Payment Dates" shall mean the last day of each of the months of March, June, September and December in each year;
 - (xii) "Dividend Period" shall mean, with respect to the Initial Term, the period from and including the date of issue of the Series L Preferred Shares to but excluding the first Dividend Payment Date and, thereafter, the period from and including each Dividend Payment Date to but excluding the next succeeding Dividend Payment Date except for the first Dividend Period following an Auction Term in which case Dividend Period shall mean the period from and including the most recent Settlement Date of the Auction Term to but excluding the next succeeding Dividend Payment Date which falls at least three calendar months after the said Settlement Date;
 - (xiii) "Initial Term" shall mean the period from the date of issue of the Series L Preferred Shares to but excluding June 30, 1994;
 - (xiv) the use of the terms "ranking in priority to" or "ranking on a parity with" or "ranking junior to" or similar terms, whether used independently or in combination, mean and refer to the ranking of shares of different classes or series in respect of the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, voluntary or involuntary, or any other return of capital or distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs; and
 - (xv) "Settlement Date" shall have the meaning ascribed to that term in Part V hereof.
- (b) In the event that any date on which any dividend on the Series L Preferred Shares is payable

by the Corporation, or on or by which any other action is required to be taken by the Corporation hereunder, is not a Business Day, then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a Business Day.

(c) In the event of the non-receipt of a cheque by a holder of Series L Preferred Shares entitled to such cheque, or the loss or destruction thereof, the Corporation, upon being furnished with reasonable evidence of such non-receipt, loss or destruction, and an indemnity reasonably satisfactory to the Corporation, shall issue to such holder a replacement cheque for the amount of such cheque.

(d) The provisions of Part III hereof with respect to the fixing of a Corporation Determined Quarterly Dividend Rate for a Corporation Determined Term may be used by the Corporation, at the earliest, in the period between 45 and 60 days prior to the expiry of the Initial Term and, thereafter, may be used by the Corporation from time to time during a Corporation Determined Term or a Dealer Determined Term or in any Auction Dividend Period, as the case may be, provided that, in such circumstances, such provisions are used not earlier than at least 45 and not more than 60 days prior to the end of the then current Corporation Determined Term or Dealer Determined Term or are used not earlier than at least 20 days and not more than 25 days prior to the end of any Auction Dividend Period, as the case may be.

(e) The provisions of Part IV hereof with respect to solicitation of Dealer Offers for the purpose of fixing a Dealer Determined Quarterly Dividend Rate for a Dealer Determined Term may be used by the Corporation, at the earliest, 30 days prior to the expiry of the Initial Term and, thereafter, may be used by the Corporation from time to time during a Corporation Determined Term, a Dealer Determined Term or any Auction Dividend Period, as the case may be, provided that in such circumstances, such provisions are not used earlier than 30 days prior to the expiry of such Corporation Determined Term or Dealer Determined Term or are not used earlier than 12 days prior to the end of the relevant Auction Dividend Period, as the case may be.

(f) The provisions of Part V hereof shall apply from and after the end of the Initial Term and from and after the end of any Corporation Determined Term, Dealer Determined Term or Auction Dividend Period, as the case may be, unless at any such time the provisions of Part III or Part IV hereof are fully implemented in accordance with the terms of those Parts.

(g) For the purposes hereof, including Part I, Part III, Part IV and Part V hereof, "accrued and unpaid dividends" means the aggregate of (i) all unpaid dividends on the Series L Preferred Shares in respect of any Dividend Payment Date for any completed Dividend Period and Auction Dividend Payment Date for any completed Auction Dividend Period and (ii) the amount calculated as though dividends on each Series L Preferred Share had been accruing on a day to day basis in a manner consistent with section 3.7.1.2 hereof from and including the date immediately following the most recently completed Dividend Period or Auction Dividend Period to but excluding the date on which the computation of accrued dividends is to be made provided that, for the purposes of calculating accrued and unpaid dividends payable on (x) the Redemption Date in the event notice of redemption of the Series L Preferred Shares has been given pursuant to the provisions of section 3.7.1.5 or (y) the relevant date for the purposes of section 3.7.1.8, the Average Prime Rate, if applicable to the calculation of the Corporation Determined Quarterly Dividend Rate for a Corporation Determined Term or to the calculation of the Dealer Determined Quarterly Dividend Rate for a Dealer Determined Term shall be for the period of 90 days ending on a day not more than 7 days prior to the date the written notice of redemption is given pursuant to the provisions of section 3.7.1.5 or on the date ending on the relevant date for the purpose of section 3.7.1.8, as the case may be.

3.7.2.2 Notices

(a) Any notice or other communication from the Corporation provided for in this Part, including without limitation any notice of redemption, shall be in writing and shall be sufficiently given if delivered or if sent by ordinary unregistered first class prepaid mail, to the holders of the Series L Preferred Shares at their respective addresses appearing on the securities register of the Corporation, or in the event of the address of any such holder not so appearing, then at the last address of such holder known to the Corporation. In addition, any notice or other communication from the Corporation during an Auction Term or a notice of the Corporation's intention to redeem Series L Preferred Shares on a day which is during an Auction Term shall also be given by telex, telecopier or tele-graph communication. Accidental failure to give any notice or other communication to

one or more holders of the Series L Preferred Shares shall not affect the validity of the notices or other communications properly given or any action, including the redemption of all or any part of the Series L Preferred Shares, taken pursuant to such properly given notice or other communication but, upon such failure being discovered, the notice or other communication, as the case may be, shall be sent forthwith to such holder or holders and shall have the same force and effect as if given in due time.

(b) If the Corporation determines that mail service is or is threatened to be interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series L Preferred Share, whether in connection with the redemption of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

- (i) give such notice by telex, telecopier or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such telex, telecopier or telegraph communication was given or on the date on which the first publication has taken place; and
- (ii) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal and Toronto, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (i) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not so appearing, then at the last address of such holder known to the Corporation.

3.7.2.3 Voting Rights

In connection with any action to be taken by the Corporation which requires the approval of the holders of the Series L Preferred Shares as a series or as holders of First Preferred Shares as a class, each Series L Preferred Share shall entitle the holder thereof to 5,000 votes for such purpose.

3.7.2.4 Modification

The provisions attached to the Series L Preferred Shares may be repealed, altered, modified or amended from time to time with such approvals as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.7.2.5.

3.7.2.5 Approval of Holders of Series L Preferred Shares

Any approval given by the holders of Series L Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series L Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.7.2.6 Tax Election

The Corporation shall elect, in the manner and within the time provided under the *Income Tax Act* (Canada), under section 191.2 of the said Act or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series L Preferred Shares will be required to pay tax on dividends received on the Series L Preferred Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provision of similar effect.

**3.7.3 PART III
CORPORATION DETERMINED RATE PROCEDURES**

3.7.3.1 Definitions

- (a) "Average Daily Prime Rate" shall have the meaning ascribed to that term in Part IV hereof;
- (b) "Average Prime Rate" shall have the meaning ascribed to that term in Part IV hereof;
- (c) "Bankers' Acceptance Rate", for any day, shall have the meaning attributed thereto in section 3.7.5.1(i) of Part V hereof, provided, however, that for the purposes of this Part III references in section 3.7.5.1(i) of Part V to (i) the "Auction Date next preceding such Auction Dividend Period" shall be deemed to refer to the relevant date for determining the Corporation Determined Quarterly Dividend Rate, (ii) "30-day bankers' acceptances" shall be deemed to refer to three month bankers' acceptances and (iii) "Government of Canada Treasury Bills maturing as nearly as possible 30 days from such Auction Date" shall be deemed to refer to "Government of Canada Treasury Bills maturing as nearly as possible three months from such relevant determination date";
- (d) "Banks" shall have the meaning ascribed to that term in Part IV hereof;
- (e) "Corporation Determined Percentage" shall mean a percentage of the Average Prime Rate or of the Bankers' Acceptance Rate to be selected by the Corporation and set forth in the notice referred to in section 3.7.3.2 of this Part III;
- (f) "Corporation Determined Quarterly Dividend Rate" shall mean one-quarter of the annual dividend rate specified by the Corporation in its notice pursuant to section 3.7.3.2 of this Part III, which shall be one of:

- (i) the Corporation Determined Percentage of the Average Prime Rate determined quarterly for each Dividend Payment Date immediately following the Dividend Period for which such determination is being made taking into account the Average Prime Rate for the period consisting of the three calendar months ending on the last day of the calendar month prior to the month during which the Dividend Payment Date for which the determination is being made falls, or
- (ii) the Corporation Determined Percentage of the Bankers' Acceptance Rate determined on the first Business Day of the Dividend Period for which such determination is being made, or
- (iii) a fixed annual percentage rate.

(g) "Corporation Determined Term" shall mean a term, selected by the Corporation, consisting of one or more consecutive Dividend Periods commencing on a Dividend Payment Date or a Settlement Date on or after June 30, 1994 and terminating on the last day of the last Dividend Period selected by the Corporation, to which the provisions of this Part III shall apply for the purpose of determining the dividend to be paid on each Dividend Payment Date relating to such term, provided that such term and the dividend rate applicable thereto have been approved by the holders of the Series L Preferred Shares in accordance with section 3.7.3.3 of this Part III; and

(h) "Daily Prime Rate" shall have the meaning ascribed to that term in Part IV hereof.

Terms defined in Part IV or Part V hereof and used but not defined in this Part III shall have the meaning attributed thereto in Part IV or Part V as the case may be.

3.7.3.2 Determination of New Dividend Rate

At least 45 and not more than 60 days before expiry of the Initial Term or the then current Corporation Determined Term or Dealer Determined Term or at least 20 and not more than 25 days before the

end of the relevant Auction Dividend Period, as the case may be, the Corporation may notify the holders of Series L Preferred Shares of a proposed Corporation Determined Quarterly Dividend Rate for a proposed Corporation Determined Term. Such notification to such holders shall also:

- (i) specify a date by which each holder must notify the Corporation in writing of its acceptance of the proposed Corporation Determined Quarterly Dividend Rate and the Corporation Determined Term, if such holder intends to accept such terms, which date shall be at least 35 days prior to the end of the Initial Term or to the then current Corporation Determined Term or Dealer Determined Term or at least 15 days prior to the end of the relevant Auction Dividend Period, as the case may be; and
- (ii) specify that the proposed Corporation Determined Quarterly Dividend Rate and proposed Corporation Determined Term shall become effective for the purposes of determining the dividends to be paid on the Dividend Payment Dates for Dividend Periods during such proposed Corporation Determined Term only if all of the holders of Series L Preferred Shares accept such terms.

3.7.3.3 *Acceptance of Corporation Determined Quarterly Dividend Rate*

If,

- (i) by the time prescribed in paragraph (i) of section 3.7.3.2 of this Part III, all of the holders of Series L Preferred Shares have accepted the Corporation Determined Quarterly Dividend Rate and the Corporation Determined Term as evidenced by notice in writing to the Corporation, and
- (ii) at least 30 days before expiry of the Initial Term or the then current Corporation Determined Term or Dealer Determined Term or at least 12 days before the end of the relevant Auction Dividend Period, as the case may be, the Corporation has notified all of such holders that each of them has agreed with the Corporation on such terms;

such Corporation Determined Quarterly Dividend Rate and Corporation Determined Term shall apply for the purposes of determining the dividend to be paid to the holders of Series L Preferred Shares, from time to time, on each of the Series L Preferred Shares on each Dividend Payment Date for Dividend Periods during such Corporation Determined Term.

3.7.3.4 *Miscellaneous*

In the event that there is any inconsistency, ambiguity or uncertainty in the interpretation or application of the procedures set forth in this Part, the Directors of the Corporation (or any person or persons designated by the Directors) may, in such manner as they shall determine in their sole discretion, interpret such procedures in order to deal with such inconsistency, ambiguity or uncertainty and any such determination evidenced by a certificate of the Corporate Secretary of the Corporation (which shall be provided to holders of Series L Preferred Shares upon request) shall be conclusive.

3.7.4 *PART IV* ***DEALER BIDS PROCEDURES***

3.7.4.1 *Definitions*

- (a) "Average Daily Prime Rate" shall mean, for any day, the arithmetic average, rounded to the nearest one-hundredth of one percent (0.01%), of the Daily Prime Rates of the Banks on such day; provided that, if on such day there shall be no Daily Prime Rate for one or two of the Banks, the Average Daily Prime Rate for such day shall be the Daily Prime Rate of the other one Bank or the average of the Daily Prime Rates of the other two Banks, as the case may be, and further provided that if on such day there shall be no Daily Prime Rate for any of the Banks, the Average Daily Prime Rate for such day shall be 1.5% above the average yield per annum

on 91-day Government of Canada Treasury Bills as reported by the Bank of Canada for the most recent weekly tender preceding such day;

(b) "Average Prime Rate" shall mean, for any period consisting of one or more days, the arithmetic average (rounded to the nearest one-hundredth of one percent (0.01%)) of the Average Daily Prime Rate for each day during such period;

(c) "Bankers' Acceptance Rate", for any day, shall have the meaning attributed thereto in section 3.7.5.1(i) of Part V hereof, provided, however, that for the purpose of this Part IV references in section 3.7.5.1(i) of Part V to (i) the "Auction Date next preceding such Auction Dividend Period" shall be deemed to refer to the relevant date for determining the Dealer Determined Quarterly Dividend Rate, (ii) "30-day bankers' acceptances" shall be deemed to refer to three month bankers' acceptances and (iii) "Government of Canada Treasury Bills maturing as nearly as possible 30 days from such Auction Date" shall be deemed to refer to "Government of Canada Treasury Bills maturing as nearly as possible three months from such relevant determination date";

(d) "Banks" shall mean The Royal Bank of Canada, Bank of Montreal and The Toronto-Dominion Bank, and the term "Bank" shall mean one of the Banks and, for the purposes of this definition, "Banks" shall include any bank with which one or more of such Banks may merge and any bank which may become a successor to the business of one of such Banks;

(e) "Daily Prime Rate" shall mean, for any Bank, on any day, the annual prime commercial lending rate of interest established and announced as the reference rate of interest used by such Bank on such day to determine the rates of interest such Bank will charge on Canadian dollar loans to customers in Canada and designated by such Bank as its prime rate;

(f) "Dealer" shall mean any registered investment dealer or other entity permitted by law to perform the functions required of a dealer in this Part IV;

(g) "Dealer Determined Percentage" shall mean a percentage of the Average Prime Rate or the Bankers' Acceptance Rate to be selected by each Dealer and to be set forth in each Dealer Offer in accordance with section 3.7.4.2(b) of this Part IV;

(h) "Dealer Determined Quarterly Dividend Rate" shall mean one-quarter of the annual dividend rate specified by the Dealer in the Accepted Dealer Offer which shall be one of:

- (i) the Dealer Determined Percentage of the Average Prime Rate determined quarterly for each Dividend Payment Date immediately following the Dividend Period for which such determination is being made taking into account the Average Prime Rate for the period consisting of the three calendar months ending on the last day of the calendar month prior to the month during which the Dividend Payment Date for which the determination is being made falls, or
- (ii) the Dealer Determined Percentage of the Bankers' Acceptance Rate determined on the first Business Day of the Dividend Period for which such determination is being made, or
- (iii) a fixed annual percentage rate.

(i) "Dealer Determined Term" shall mean a term selected by a Dealer consisting of one or more consecutive Dividend Periods commencing on a Dividend Payment Date or Settlement Date on or after June 30, 1994 and terminating on the last day of the last Dividend Period selected by such Dealer to which the provisions of this Part IV shall apply for the purpose of determining the dividend to be paid on each Dividend Payment Date relating to such Term;

(j) "Dealer Offer" shall mean a written irrevocable and unconditional offer from a Dealer in response to a Notice Requesting Bids to purchase all of the Series L Preferred Shares on the day of expiry of the Initial Term or the then current Corporation Determined Term or Dealer Determined Term or any Auction Dividend Period, as the case may be, at a purchase price per Series L Preferred Share equal to \$500,000 and

containing the information specified in section 3.7.4.2(b) of this Part IV;

(k) "Dealer Response Date" shall have the meaning ascribed thereto in section 3.7.4.2(a) of this Part IV;

(l) "Notice Requesting Bids" shall mean a notice from the Corporation to one or more Dealers requesting them to submit Dealer Offers as provided for in section 3.7.4.2(a) of this Part IV; and

(m) "Notification to Holders" shall mean the notification from the Corporation to holders of Series L Preferred Shares of the acceptance of a Dealer Offer as provided for in section 3.7.4.2(d) of this Part IV.

Terms defined in Part V hereof and used but not defined in this Part IV shall have the meanings attributed thereto in Part V.

3.7.4.2 Bids by Dealers

(a) At least 25 and not more than 30 days before expiry of the Initial Term, at least 25 and not more than 30 days prior to the end of each Corporation Determined Term or Dealer Determined Term and at least 10 days and not more than 13 days prior to the end of the relevant Auction Dividend Period, as the case may be, the Corporation may solicit bids from one or more Dealers for the purchase of all of the Series L Preferred Shares. Such solicitation shall be contained in a notice ("Notice Requesting Bids") to be sent by the Corporation to such Dealers which notice shall:

- (i) invite each Dealer to submit to the Corporation a Dealer Offer; and
- (ii) specify a date, which shall be not more than 10 days after the giving of such notice except if such notice is given during an Auction Dividend Period in which case the date specified shall not be more than 5 days after the giving of such notice, by which any such offer must be received (the "Dealer Response Date") by the Corporation.

(b) Each Dealer receiving a Notice Requesting Bids may submit a Dealer Offer provided such Dealer does so by the Dealer Response Date and provided that such Dealer Offer specifies:

- (i) a Dealer Determined Quarterly Dividend Rate (and, in connection therewith, unless a fixed rate is specified, the Dealer Determined Percentage of the Average Prime Rate or Bankers' Acceptance Rate, as the case may be);
- (ii) a Dealer Determined Term for which the Dealer Determined Quarterly Dividend Rate referred to in paragraph (i) of this section 3.7.4.2(b) will apply; and
- (iii) the amount of any fee to be paid by the Corporation to the Dealer in connection with the purchase of Series L Preferred Shares pursuant to the Dealer Offer.

(c) If the Corporation wishes to accept a Dealer Offer, it shall signify such acceptance on or before 15 days prior to expiry of the Initial Period or the then current Corporation Determined Term or Dealer Determined Term or on or before 5 days prior to the end of the relevant Auction Dividend Period, as the case may be, by notice to the Dealer whose Dealer Offer it accepts ("Accepted Dealer Offer"). The Dealer whose Dealer Offer is accepted will be required to purchase all of the Series L Preferred Shares not retained by the existing holders on the day of the expiry of the Initial Term or the then current Corporation Determined Term, Dealer Determined Term or Auction Dividend Period, as the case may be, on the terms and subject to the conditions contained in the Accepted Dealer Offer.

(d) Concurrently with its acceptance of a Dealer Offer, and in any event not later than 15 days prior to expiry of the Initial Term or the then current Corporation Determined Term or Dealer Determined Term or not later than 5 days prior to the end of the relevant Auction Dividend Period, as the case may be, the Corporation shall notify ("Notification to Holders") each existing holder of Series L Preferred Shares that the Corporation has accepted a Dealer Offer. Such notification shall:

- (i) specify the Dealer Determined Quarterly Dividend Rate to apply to the Series L Preferred Shares;
- (ii) the Dealer Determined Term for which the Dealer Determined Quarterly Dividend Rate referred to in paragraph (i) of this section 3.7.4.2(d) will apply;
- (iii) notify such holders of the right of each holder either to sell all or some of the Series L Preferred Shares it holds to such Dealer or to continue to hold all or some of the Series L Preferred Shares it then holds;
- (iv) notify such holders of the date (which shall be on or before the sixth day prior to the expiry of the Initial Term or the then current Corporation Determined Term, Dealer Determined Term or on or before the second day prior to the expiry of the relevant Auction Dividend Period, as the case may be) by which such holder must notify in writing the Corporation and the Dealer whose Dealer Offer has been accepted of its decision to sell some or all of the Series L Preferred Shares it holds as provided for in section 3.7.4.2(e) of this Part IV; and
- (v) identify the Dealer whose Dealer Offer has been accepted.

(e) Upon receipt of the Notification to Holders, an existing holder of Series L Preferred Shares may elect to sell Series L Preferred Shares in accordance with the terms specified in such Notification to Holders by notifying the Corporation in writing of such decision and of the number of shares to be sold. Each holder of Series L Preferred Shares who elects to sell all or a part of its holdings of Series L Preferred Shares shall, together with such notice, deposit the certificate or certificates representing Series L Preferred Shares which such holder desires to sell (with the transfer panel on such certificate duly completed and signed or, in the alternative, with a duly completed stock transfer power of attorney accompanying such certificate or certificates) at the registered office of the Corporation, or at any place where the Series L Preferred Shares may be transferred or at any other place or places in Canada specified by the Corporation to holders of the Series L Preferred Shares in the Notification to Holders. If a holder of Series L Preferred Shares wishes to sell only some of the Series L Preferred Shares represented by any share certificate or certificates, the holder may deposit the certificate or certificates with the Corporation, as aforementioned, and the Corporation shall issue and deliver to such holder, at the expense of the Corporation, a new share certificate representing the Series L Preferred Shares which are not being delivered for sale. Any holder of Series L Preferred Shares that fails to respond to the Notification to Holders by the date specified for response therein will be deemed to have elected to continue to hold all of the Series L Preferred Shares then held by it subject to the terms and conditions as to the Dealer Determined Quarterly Dividend Rate and the Dealer Determined Term which are set forth in the Notification to Holders. The Corporation shall have all such powers and authority as may be necessary to determine finally the adequacy of all transfer instruments and related matters with respect to the sale of shares by an existing holder to a Dealer hereunder. Any determination by the Corporation to the effect that any instrument of transfer is incomplete or ineffective shall bind the holder intending to sell any of its Series L Preferred Shares pursuant to the provisions of this Part IV and shall also bind the Dealer in question.

(f) At least one Business Day prior to the end of the Initial Term, or the then current Corporation Determined Term or Dealer Determined Term or any Auction Dividend Period, as the case may be, the Corporation shall notify the Dealer submitting the Accepted Dealer Offer of the number of shares to be purchased by such Dealer in accordance with section 3.7.4.2(e) of this Part IV and of the identity of the vendor or vendors thereof.

(g) On the day of expiry of the Initial Term, the Corporation Determined Term, Dealer Determined Term or on the Settlement Date immediately following the expiry of the relevant Auction Dividend Period, as the case may be, the Dealer submitting the Accepted Dealer Offer will purchase the Series L Preferred Shares from the holders specified in section 3.7.4.2(f) of this Part IV, at the purchase price as set out in section 3.7.4.1(j) of this Part IV. For the purposes of completing such purchase, the Dealer submitting the Accepted Dealer Offer shall deposit with the Corporation, at its registered office, on or prior to noon (Montréal time) on such date, a certified cheque payable to the Corporation, as agent for the vendors referred to in section 3.7.4.2(f) of this Part IV, representing the aggregate purchase price of the Series L Preferred Shares to be purchased pursuant to this section 3.7.4.2(g) together with a direction as to registration particulars with respect to such

Series L Preferred Shares to be purchased. Upon receipt of such certified cheque as aforesaid, the Corporation shall deliver to the vendors at the registered office of the Corporation cheques payable to the vendors in payment of the purchase price for such Series L Preferred Shares.

3.7.4.3 Termination of Application

Notwithstanding the acceptance of a Dealer Offer as provided for in this Part IV, the Corporation may notify the holders that the Corporation does not intend to proceed to implement application of the Dealer Determined Quarterly Dividend Rate and Dealer Determined Term as set forth in the Notification to Holders provided that such notification is given by the Corporation to existing holders on or before expiry of the Initial Term or the then current Corporation Determined Term or Dealer Determined Term or the relevant Auction Dividend Period, as the case may be. In such circumstances, the provisions of Part V hereof shall be applied in accordance with such Part and, for greater certainty, the Dealer whose Dealer Offer has been accepted, shall not be obliged to purchase any Series L Preferred Shares pursuant to such Dealer Offer. Any such notification shall not limit or restrict the right of the Corporation, prior to the expiry of any subsequent Corporation Determined Term, Dealer Determined Term or Auction Dividend Period, as the case may be, to implement the provisions of this Part IV by forwarding a Notice Requesting Bids to one or more Dealers.

3.7.4.4 Miscellaneous

In the event that there is any inconsistency, ambiguity or uncertainty in the interpretation or application of the procedure set forth in this Part, the Directors of the Corporation (or any person or persons designated by the Directors) may, in such manner as they shall determine in their sole discretion, interpret such procedures in order to deal with such inconsistency, ambiguity or uncertainty and any such determination evidenced by a certificate of the Corporate Secretary of the Corporation (which shall be provided to holders of Series L Preferred Shares upon request) shall be conclusive.

**3.7.5 PART V
AUCTION PROCEDURES**

3.7.5.1 Certain Definitions

For the purposes of Part V hereof the following expressions have the following meaning:

- (a) "Auction" shall mean the periodic operation of the procedures set forth in this Part;
- (b) "Auction Date" shall mean the third Tuesday of each calendar month of each Auction Dividend Period included within an Auction Term or, if such Tuesday is not a Business Day, the next preceding Business Day;
- (c) "Auction Dividend Payment Date" shall mean the first Business Day following the Settlement Date;
- (d) "Auction Dividend Period" shall mean, with respect to the first Auction Dividend Period of any Auction Term, the period from and including the immediately preceding Dividend Payment Date to but excluding the first Settlement Date and, with respect to any subsequent Auction Dividend Period, shall mean the period from and including each Settlement Date to but excluding the next succeeding Settlement Date;
- (e) "Auction Manager" shall mean the Corporation or other person or any successor thereto, duly appointed or to be appointed as Auction Manager in respect of the Series L Preferred Shares and entering into an Auction Manager Agreement with the Corporation;
- (f) "Auction Manager Agreement" shall mean an agreement made between the Auction Manager, if other than the Corporation, and the Corporation which provides, among other things, that the Auction Manager will follow the procedures set forth in this Part V for the purposes of determining the Current Dividend Rate for the Series L Preferred Shares;

(g) "Auction Term" shall mean any term of not less than two consecutive Auction Dividend Periods with respect to which the Auction Procedures in this Part V apply commencing on the first day of the first of such Auction Dividend Periods and terminating on the last day of any subsequent Auction Dividend Period which immediately precedes the beginning of a Corporation Determined Term or a Dealer Determined Term, as the case may be;

(h) "Available Shares" shall have the meaning specified in paragraph (i) of section 3.7.5.4(a) of this Part;

(i) "Bankers' Acceptance Rate" shall mean with respect to any Auction Dividend Period, the rate per annum equal to

- (A) the simple average (rounded to the nearest one-hundredth of one percent (0.01%)) of the rates per annum quoted by RBC Dominion Securities Inc. (or any successor) and Wood Gundy Inc. (or any successor) where such rates per annum, quoted by such dealers, are equal to the simple average (rounded to the nearest one-hundredth of one percent (0.01%)) of the bid and ask rates of the yields to maturity quoted by each of RBC Dominion Securities Inc. (or any successor) and Wood Gundy Inc. (or any successor) (rounded upward to the nearest one-thousandth of one percent (0.001%)), as at 10:00 a.m., Montréal time, on the Auction Date next preceding each Auction Dividend Period, on 30-day bankers' acceptances accepted by such of the Bank of Montreal, The Toronto-Dominion Bank, Canadian Imperial Bank of Commerce, The Royal Bank of Canada and The Bank of Nova Scotia (or their respective successors) as are accepting 30-day bankers' acceptances on such Auction Date;
- (B) in the event one of RBC Dominion Securities Inc. (or any successor) and Wood Gundy Inc. (or any successor) is unable or does not for any reason quote the bid and ask rates per annum referred to in section 3.7.5.1(i)(A) above as at 10:00 a.m., Montréal time on such Auction Date, such rate shall be the simple average rounded to the nearest one-hundredth of one percent (0.01%) of the bid and ask rates per annum on such date quoted by the other; or
- (C) in the event that both RBC Dominion Securities Inc. (or any successor) and Wood Gundy Inc. (or any successor) are unable to or do not for any reason quote rates, as at 10:00 a.m., Montréal time, on such Auction Date (including without limitation, where none of the Bank of Montreal, The Toronto-Dominion Bank, Canadian Imperial Bank of Commerce, The Royal Bank of Canada or The Bank of Nova Scotia is accepting 30-day bankers' acceptances on such Auction Date) for the purpose of determining the Bankers' Acceptance Rate in accordance with (A) or (B) above, such rate shall be 0.2% plus the simple average (rounded to the nearest one-hundredth of one percent (0.01%)) of each rate per annum which is equal to the simple average (rounded to the nearest one-hundredth of one percent (0.01%)) of the bid and ask rates of the yields to maturity quoted by each of RBC Dominion Securities Inc. (or any successor), Wood Gundy Inc. (or any successor) (rounded upward to the nearest one-thousandth of one percent (0.001%)), as of 10:00 a.m., Montréal time on such Auction Date, on Government of Canada Treasury Bills maturing as nearly as possible 30 days from such Auction Date;

(j) "Bid" and "Bids" shall have the respective meanings specified in section 3.7.5.2(a) of this Part;

(k) "Bidder" and "Bidders" shall have the respective meanings specified in section 3.7.5.2(a) of this Part;

(l) "Business Day" shall mean a day on which both the Montreal Exchange and The Toronto Stock Exchange or any successor facilities and the Auction Manager are open for business;

(m) "Current Dividend Rate" shall be the rate per annum which has been determined in accordance with section 3.7.5.4(b) of this Part for the next succeeding Auction Dividend Period;

- (n) "Dealer" shall mean any registered investment dealer or other entity permitted by law to perform the functions required of a Dealer in this Part that has entered into a Dealer Agreement with the Auction Manager that remains effective;
- (o) "Dealer Agreement" shall mean an agreement between the Auction Manager and a Dealer pursuant to which the Dealer agrees to participate in Auctions in compliance with the procedures set forth in this Part;
- (p) "Existing Holder" shall mean a holder of Series L Preferred Shares (i) who has signed a Purchaser's Letter, (ii) who has delivered or caused to be delivered such Purchaser's Letter to the Auction Manager and to any Dealer to which such Existing Holder submits information pursuant to section 3.7.5.2(a) of this Part V, and (iii) who is registered in the ledger maintained by the Auction Manager in respect of holders of Series L Preferred Shares;
- (q) "held by" with respect to any Series L Preferred Shares registered in the name of the Auction Manager shall include such shares beneficially owned by an Existing Holder;
- (r) "Hold Order" and "Hold Orders" shall have the respective meanings specified in section 3.7.5.2(a) of this Part;
- (s) "Maximum Rate" with respect to any Auction Dividend Period shall mean 0.40% plus the Bankers' Acceptance Rate determined on the Auction Date;
- (t) "Order" and "Orders" shall have the respective meanings specified in section 3.7.5.2(a) of this Part;
- (u) "Potential Holder" shall mean any person, including any Existing Holder, (i) who has executed a Purchaser's Letter, (ii) who has delivered or caused to be delivered such Purchaser's Letter to the Auction Manager and to any Dealer to which such Potential Holder submits information pursuant to section 3.7.5.2(a) of this Part V and (iii) who may be interested in acquiring Series L Preferred Shares (or, in the case of an Existing Holder, additional Series L Preferred Shares);
- (v) "Purchaser's Letter" shall mean a letter addressed to the Auction Manager and a Dealer in which a person agrees, among other things, to be bound by the procedures set forth in this Part in the event such person participates in an Auction;
- (w) "Remaining Shares" shall have the meaning specified in paragraph (iv) of section 3.7.5.5(a) of this Part;
- (x) "Sell Order" and "Sell Orders" shall have the respective meanings specified in section 3.7.5.2(a) of this Part;
- (y) "Settlement Date" shall mean the first Business Day following the Auction Date;
- (z) "Submission Deadline" shall mean 11:00 a.m., Montréal time, on any Auction Date or such later time on any Auction Date, as specified by the Auction Manager from time to time, by which Dealers are required to submit Orders to the Auction Manager;
- (aa) "Submitted Bid" and "Submitted Bids" shall have the respective meanings specified in section 3.7.5.4(a) of this Part;
- (bb) "Submitted Hold Order" and "Submitted Hold Orders" shall have the respective meanings specified in section 3.7.5.4(a) of this Part;
- (cc) "Submitted Order" and "Submitted Orders" shall have the respective meanings specified in section 3.7.5.4(a) of this Part;

(dd) "Submitted Sell Order" and "Submitted Sell Orders" shall have the respective meanings specified in section 3.7.5.4(a) of this Part;

(ee) "Sufficient Clearing Bids" shall have the meaning specified in section 3.7.5.4(a) of this Part;
and

(ff) "Winning Bid Rate" shall be the rate per annum determined in accordance with section 3.7.5.4(a) of this Part.

3.7.5.2 Orders by Existing Holders and Potential Holders

(a) Prior to the Submission Deadline on each Auction Date:

(i) each Existing Holder may submit to a Dealer information as to the number of Series L Preferred Shares, if any, held by such Existing Holder which such Existing Holder:

(A) desires to continue to hold without regard to the Current Dividend Rate for the next succeeding Auction Dividend Period; and/or

(B) desires to continue to hold, provided that the Current Dividend Rate for the next succeeding Auction Dividend Period shall not be less than the rate per annum specified by such Existing Holder; and/or

(C) offers to sell without regard to the Current Dividend Rate for the next succeeding Auction Dividend Period;

and

(ii) Potential Holders may submit to a Dealer offers to purchase Series L Preferred Shares, provided that any such offer shall be effective only if the Current Dividend Rate for the next succeeding Dividend Period shall not be less than the rate per annum specified by such Potential Holder.

The communication to a Dealer of the information referred to in this section 3.7.5.2(a) is an "Order" and, collectively, are "Orders", and each Existing Holder and each Potential Holder placing an Order is a "Bidder" and, collectively, are "Bidders"; an Order containing the information referred to in sub-paragraph (i)(A) of this section 3.7.5.2(a) is a "Hold Order" and, collectively, are "Hold Orders"; an Order containing the information referred to in subparagraph (i)(B) or paragraph (ii) of this section 3.7.5.2(a) is a "Bid" and, collectively, are "Bids"; and an Order containing the information referred to in subparagraph (i)(C) of this section 3.7.5.2(a) is a "Sell Order" and, collectively, are "Sell Orders".

(b) (i) A Bid by an Existing Holder shall constitute an irrevocable offer to sell:

(A) the number of Series L Preferred Shares specified in such Bid if the Winning Bid Rate determined on such Auction Date is less than the specified rate; or

(B) the specified number of Series L Preferred Shares or a lesser number to be determined as set forth in paragraph (iv) of section 3.7.5.5(a) if the Winning Bid Rate determined on such Auction Date is equal to the specified rate; or

(C) the number of Series L Preferred Shares specified in such Bid if the specified rate is higher than the maximum Rate and Sufficient Clearing Bids do exist; or

(D) a lesser number of Series L Preferred Shares to be determined as set forth in paragraph (iii) of section 3.7.5.5(b) if the specified rate is higher than the

Maximum Rate and Sufficient Clearing Bids do not exist.

- (ii) A Sell Order by an Existing Holder shall constitute an irrevocable offer to sell:
 - (A) the number of Series L Preferred Shares specified in such Sell Order; or
 - (B) a lesser number of Series L Preferred Shares to be determined as set forth in paragraph (iii) of section 3.7.5.5(b) if Sufficient Clearing Bids do not exist.
- (iii) A Bid by a Potential Holder shall constitute an irrevocable offer to purchase:
 - (A) the number of Series L Preferred Shares specified in such Bid if the Winning Bid Rate determined on the applicable Auction Date is higher than the specified rate; or
 - (B) the specified number or a lesser number of Series L Preferred Shares to be determined as set forth in paragraph (v) of section 3.7.5.5(a) if the Winning Bid Rate determined on such Auction Date is equal to the specified rate; or
 - (C) the specified number of Series L Preferred Shares if the specified rate is equal to or lower than the Maximum Rate and Sufficient Clearing Bids do not exist.

3.7.5.3 Submission of Orders by Dealers to the Auction Manager

(a) Each Dealer shall submit to the Auction Manager in writing in accordance with its Dealer Agreement prior to the Submission Deadline on each Auction Date all Orders obtained by such Dealer and specifying with respect to each Order:

- (i) the name of the Bidder placing such Order;
- (ii) the aggregate number of Series L Preferred Shares that are the subject of the Order;
- (iii) to the extent that the Bidder is an Existing Holder, the number of Series L Preferred Shares, if any, subject to any:
 - (A) Hold Order placed by such Existing Holder;
 - (B) Bid placed by such Existing Holder and the rate specified in such bid; and/or
 - (C) Sell Order placed by such Existing Holder; and
- (iv) to the extent that the Bidder is a Potential Holder, the dividend rate per annum specified in the Bid of such Potential Holder.

(b) If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Auction Manager shall round such rate up to the next highest one-thousandth of one percent (0.001%).

(c) If for any reason an Order or Orders covering in the aggregate all the Series L Preferred Shares held by any Existing Holder are not submitted to the Auction Manager prior to the Submission Deadline, the Auction Manager shall deem a Hold Order to have been submitted on behalf of such Existing Holder covering the number of Series L Preferred Shares held by such Existing Holder and not subject to Orders submitted to the Auction Manager.

(d) If one or more Orders covering in the aggregate more than the number of Series L Preferred Shares held by any Existing Holder are submitted to the Auction Manager, such Orders shall be considered valid

as follows and in the following order of priority:

- (i) all Hold Orders shall be considered valid, but only up to and including, in the aggregate, the number of Series L Preferred Shares held by such Existing Holder, and, solely for purposes of allocating compensation among the Dealers submitting Hold Orders, if the number of Series L Preferred Shares subject to such Hold Orders exceeds the number of Series L Preferred Shares held by such Existing Holder, the number of Series L Preferred Shares subject to each such Hold Order shall be reduced pro rata to cover the number of Series L Preferred Shares held by such Existing Holder;
 - (ii)
 - (A) Any Bid shall be considered valid up to and including the excess of the number of Series L Preferred Shares held by such Existing Holder over the number of Series L Preferred Shares subject to any Hold Order referred to in paragraph (i) of this section 3.7.5.3(d);
 - (B) Subject to subparagraph (ii)(A) of this section 3.7.5.3(d), if more than one Bid with the same rate is submitted on behalf of such Existing Holder and the number of Series L Preferred Shares subject to such Bids is greater than such excess, such Bids shall be considered valid up to the amount of such excess, and, solely for purposes of allocating compensation among the Dealers submitting Bids with the same rate, the number of Series L Preferred Shares subject to each Bid with the same rate shall be reduced pro rata to cover the number of Series L Preferred Shares equal to such excess;
 - (C) Subject to subparagraph (ii)(A) of this section 3.7.5.3(d), if more than one Bid with different rates is submitted on behalf of such Existing Holder, such Bids shall be considered valid in the ascending order of their respective rates up to the amount of such excess; and
 - (D) In any such event, the number, if any, of such Series L Preferred Shares subject to Bids not valid under this paragraph (ii) shall be treated as the subject of a Bid by a Potential Holder; and
 - (iii) all Sell Orders shall be considered valid but only up to and including in the aggregate the excess of the number of Series L Preferred Shares held by such Existing Holder over the sum of the Series L Preferred Shares subject to Hold Orders referred to in paragraph (i) of this section 3.7.5.3(d) and valid Bids by Existing Holders referred to in paragraph (ii) of this section 3.7.5.3(d).
- (e) If more than one Bid is submitted on behalf of any Potential Holder, each Bid submitted shall be a separate Bid with the rate therein specified.

3.7.5.4 Determination of Sufficient Clearing Bids, Winning Bid Rate and Current Dividend Rate

- (a) On the Submission Deadline on each Auction Date, the Auction Manager shall assemble all Orders submitted or deemed submitted to it by the Dealers (each such Order as submitted or deemed submitted by a Dealer being individually a "Submitted Hold Order", a "Submitted Bid" or a "Submitted Sell Order", as the case may be, or a "Submitted Order" and, collectively, "Submitted Hold Orders", "Submitted Bids" or "Submitted Sell Orders", as the case may be, or Submitted Orders") and shall determine:
- (i) the excess of (a) the total number of Series L Preferred Shares issued and outstanding over (b) the number of Series L Preferred Shares that are the subject of Submitted Hold Orders (such excess being the "Available Shares");
 - (ii) from the Submitted Orders, whether:
 - (A) the number of Series L Preferred Shares that are the subject of Submitted

Bids by Potential Holders specifying one or more rates equal to or lower than the Maximum Rate;

exceeds or is equal to the sum of:

- (B) (I) the number of Series L Preferred Shares that are the subject of Submitted Bids by Existing Holders specifying one or more rates higher than the Maximum Rate; and
- (II) the number of Series L Preferred Shares that are the subject of Submitted Sell Orders;

and if such excess or equality exists (other than because all of the Series L Preferred Shares are the subject of Submitted Hold Orders), then such Submitted Bids in subparagraph (A) hereof shall be "Sufficient Clearing Bids"; and

(iii) if Sufficient Clearing Bids exist, the lowest rate specified in the Submitted Bids which if the Auction Manager accepted:

- (A) (I) each Submitted Bid from Existing Holders specifying that lowest rate, and
- (II) all other Submitted Bids from Existing Holders specifying lower rates, thus entitling those Existing Holders to continue to hold the Series L Preferred Shares that are the subject of those Submitted Bids; and
- (B) (I) each Submitted Bid from Potential Holders specifying such rate, and
- (II) all other Submitted Bids from Potential Holders specifying lower rates, thus entitling those Potential Holders to purchase the Series L Preferred Shares that are the subject of those Submitted Bids,

would result in such Existing Holders described in subparagraph (A) hereof continuing to hold an aggregate number of Series L Preferred Shares which, when added to the aggregate number of Series L Preferred Shares to be purchased by such Potential Holders described in subparagraph (B) hereof, would equal not less than the number of Available Shares. This lowest rate is the "Winning Bid Rate".

(b) Promptly after the Auction Manager has made the determinations pursuant to section 3.7.5.4(a) of this Part, the Auction Manager shall advise the Corporation of the Bankers' Acceptance Rate and, based on such determinations, of the dividend rate applicable to the Series L Preferred Shares for the next succeeding Auction Dividend Period (the "Current Dividend Rate") as follows:

- (i) if Sufficient Clearing Bids exist, the Current Dividend Rate for the next succeeding Auction Dividend Period shall be equal to the Winning Bid Rate so determined;
- (ii) if Sufficient Clearing Bids do not exist (other than because all of the Series L Preferred Shares are the subject of Submitted Hold Orders), that the Current Dividend Rate for the next succeeding Auction Dividend Period shall be equal to the Maximum Rate; or
- (iii) if all of the Series L Preferred Shares are the subject of Submitted Hold Orders, that the Current Dividend Rate for the next succeeding Auction Dividend Period shall be equal to 50% of the Bankers' Acceptance Rate determined at 10:00 a.m. Montréal time on the Auction Date.

3.7.5.5 *Acceptance and Rejection of Submitted Bids and Submitted Sell Orders and Allocation of Shares*

Based on the determinations made pursuant to section 3.7.5.4(a) of this Part, the Submitted Bids and Submitted Sell Orders shall be accepted or rejected and the Auction Manager shall take such other action as set forth below:

(a) If Sufficient Clearing Bids have been made, subject to the provisions of sections 3.7.5.5(c) and 3.7.5.5(d) of this Part, Submitted Bids and Submitted Sell Orders shall be accepted and rejected in the following order of priority and all other Submitted Bids shall be rejected:

- (i) (A) the Submitted Sell Order of each Existing Holder shall be accepted, and (B) the Submitted Bid of each Existing Holder specifying any rate that is higher than the Winning Bid Rate shall be rejected, thus requiring each such Existing Holder to sell the Series L Preferred Shares that are the subject of such Submitted Sell Order and such Submitted Bid;
- (ii) the Submitted Bid of each Existing Holder specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus entitling each such Existing Holder to continue to hold the Series L Preferred Shares that are the subject of such Submitted Bid;
- (iii) the Submitted Bid of each Potential Holder specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Potential Holder to purchase the Series L Preferred Shares that are the subject of such Submitted Bid;
- (iv) the Submitted Bid for each Existing Holder specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus entitling each such Existing Holder to continue to hold the Series L Preferred Shares that are the subject of such Submitted Bid, unless the number of Series L Preferred Shares subject to all such Submitted Bids is greater than the total number of Available Shares minus the number of Series L Preferred Shares subject to Submitted Bids described in paragraphs (ii) and (iii) of this section 3.7.5.5(a) (the "Remaining Shares"). In this event, the Submitted Bids of each such Existing Holder described in this paragraph (iv) shall be rejected, and each such Existing Holder shall be required to sell Series L Preferred Shares, but only in an amount equal to the difference between (A) the number of Series L Preferred Shares then held by such Existing Holder subject to such Submitted Bid and (B) the number of Series L Preferred Shares obtained by multiplying (x) the number of Remaining Shares by (y) a fraction, the numerator of which shall be the number of Series L Preferred Shares held by such Existing Holder subject to such Submitted Bid, and the denominator of which shall be the sum of the number of Series L Preferred Shares subject to such Submitted Bids made by all such Existing Holders who specified a rate equal to the Winning Bid Rate; and
- (v) the Submitted Bid of each Potential Holder specifying a rate that is equal to the Winning Bid Rate shall be accepted but only in an amount equal to the number of Series L Preferred Shares obtained by multiplying (A) the difference between the total number of Available Shares and the number of Series L Preferred Shares subject to Submitted Bids described in paragraphs (ii), (iii) and (iv) of this section 3.7.5.5(a) by (B) a fraction, the numerator of which shall be the number of Series L Preferred Shares subject to such Submitted Bid and the denominator of which shall be the sum of the number of Series L Preferred Shares subject to such Submitted Bids made by all Potential Holders who specified rates equal to the Winning Bid Rate;

(b) If Sufficient Clearing Bids have not been made (other than because all of the Series L Preferred Shares are subject to Submitted Hold Orders), subject to the provisions of sections 3.7.55 (c) and 3.7.5.5(d) of this Part, Submitted Bids and Submitted Sell Orders shall be accepted or rejected in the following

order of priority and all other Submitted Bids shall be rejected:

- (i) the Submitted Bid of each Existing Holder specifying any rate that is equal to or lower than the Maximum Rate shall be accepted, thus entitling that Existing Holder to continue to hold the Series L Preferred Shares that are the subject of such Submitted Bid;
 - (ii) the Submitted Bid of each Potential Holder specifying any rate that is equal to or lower than the Maximum Rate shall be accepted, thus requiring such Potential Holder to purchase the Series L Preferred Shares that are the subject of such Submitted Bid; and
 - (iii) the Submitted Bid of each Existing Holder specifying any rate that is higher than the Maximum Rate shall be rejected and the Submitted Sell Order of each Existing Holder shall be accepted, in both cases only in an amount equal to the difference between (A) the number of Series L Preferred Shares then held by such Existing Holder subject to such Submitted Bid or Submitted Sell Order and (B) the number of Series L Preferred Shares obtained by multiplying (x) the difference between the total number of Available Shares and the aggregate number of Series L Preferred Shares subject to Submitted Bids described in paragraphs (i) and (ii) of this section 3.7.5.5(b) by (y) a fraction, the numerator of which shall be the number of Series L Preferred Shares held by such Existing Holder subject to such Submitted Bid or Submitted Sell Order and the denominator of which shall be the number of Series L Preferred Shares subject to all such Submitted Bids and Submitted Sell Orders;
- (c) If, as a result of the procedures described in sections 3.7.5.5(a) or 3.7.5.5(b) of this Part, any Existing Holder would be entitled or required to sell, or any Potential Holder would be entitled or required to purchase, a fraction of a Series L Preferred Share on any Auction Date, the Auction Manager shall, in such manner as it shall determine in its sole discretion, round up or down the number of Series L Preferred Shares to be purchased or sold by any Existing Holder or Potential Holder on such Auction Date so that the number of shares purchased or sold by each Existing Holder or Potential Holder shall be whole Series L Preferred Shares;
- (d) If, as a result of the procedures described in section 3.7.5.5(a) of this Part, any Potential Holder would be entitled or required to purchase a fraction of a Series L Preferred Share on any Auction Date, the Auction Manager shall, in such manner as it shall determine in its sole discretion, allocate shares for purchase among Potential Holders so that only whole Series L Preferred Shares are purchased on such Auction Date by any Potential Holder, even if such allocation results in one or more of such Potential Holders not purchasing Series L Preferred Shares on such Auction Date; and
- (e) Based on the result of each Auction, the Auction Manager shall determine to which Potential Holder or Potential Holders purchasing Series L Preferred Shares an Existing Holder or Existing Holders shall sell Series L Preferred Shares being sold by such Existing Holder or Existing Holders. Such purchases and sales of Series L Preferred Shares shall be completed on the Settlement Date by payment by each Potential Holder purchasing Series L Preferred Shares of the aggregate purchase price of the Series L Preferred Shares to be purchased equal to \$500,000 per Series L Preferred Share against delivery by each existing Holder selling Series L Preferred Shares of the number of Series L Preferred Shares being sold.

3.7.5.6 *Miscellaneous*

Notwithstanding the provisions of Part V hereof, the Auction Manager shall not follow the Auction Procedures herein on the Auction Date immediately preceding: (i) the Redemption Date in the event that written notice of redemption of all the outstanding Series L Preferred Shares has been given pursuant to the provisions of section 3.7.1.5 of Part I hereof or (ii) the first day of a Corporation Determined Term or Dealer Determined Term.

In the event that there is any inconsistency, ambiguity or uncertainty in the interpretation or application of the procedures set forth in this Part, the Directors of the Corporation (or any person or persons designated by the Directors) may, in such manner as they shall determine in their sole discretion, interpret such

procedures in order to deal with any such inconsistency, ambiguity or uncertainty and any such determination evidenced by a certificate of the Corporate Secretary of the Corporation (which shall be provided to holders of Series L Preferred Shares upon request) shall be conclusive.

3.8 Series P Preferred Shares

The Series P Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.8.1 Dividend

The holders of the Series P Preferred Shares shall be entitled to receive fixed cumulative, preferred cash dividends, as and when declared by the Board of Directors, out of moneys properly applicable to the payment of dividends, in the amount of \$1.60 per share per annum and no more, payable quarterly in respect of each 12 month period on the 15th day of January, April, July and October by cheque at par in lawful money of Canada at any branch in Canada of the Corporation's bankers, except that the first quarterly payment to be made on any Series P Preferred Share shall be payable on October 15, 1995 and be in the amount of the aggregate of (i) \$1.60 multiplied by a fraction of which the numerator is the number of days from and including the original date of issue of the Series P Preferred Shares to but excluding the first date on which dividends would otherwise have been payable, being July 15, 1995, and the denominator is 365 and (ii) the amount of the quarterly dividend of \$0.40.

Dividends declared on the Series P Preferred Shares shall (except in case of redemption in which case payment of dividends shall be made on surrender of the certificate representing the Series P Preferred Shares to be redeemed) be paid by posting in a postage paid envelope addressed to each holder of the Series P Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or, in the case of joint holders, to the address of that one whose name appears first in the securities register of the Corporation as one of such joint holders, a cheque for such dividends (less any tax required to be deducted) payable to the order of such holder or, in the case of joint holders, to the order of all such holders failing written instructions from them to the contrary. Notwithstanding the foregoing, any dividend cheque may be delivered by the Corporation to a holder of Series P Preferred Shares at his address as aforesaid. The posting or delivery of such cheque shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be deducted as aforesaid) unless such cheque is not paid on due presentation.

3.8.2 Rights on Liquidation

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Series P Preferred Shares shall be entitled to receive \$25.00 per share together with all dividends accrued and unpaid to but excluding the date of payment or distribution, before any amounts shall be paid or any assets of the Corporation distributed to the holders of any shares ranking junior to the Series P Preferred Shares. The holders of the Series P Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.8.3 Redemption at the Option of the Corporation

The Corporation may not redeem any of the Series P Preferred Shares prior to July 15, 2002. Subject to applicable law and section 3.8.8 hereof, upon giving notice as hereinafter provided, the Corporation may, on or after July 15, 2002, redeem at any time all the outstanding Series P Preferred Shares, or from time to time any part thereof, on payment for each such share to be redeemed of \$25.00 together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the whole constituting the redemption price. If less than all the outstanding Series P Preferred Shares are to be redeemed, the shares to be redeemed shall be selected by lot or shall be redeemed pro rata (disregarding fractions) as the Board of Directors in its sole discretion shall determine provided that registered holdings of 10 shares or less be redeemed in full.

The Corporation shall give at least 30 days' prior notice in writing to each person who at the date of giving such notice is the holder of Series P Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of Series P Preferred Shares to be redeemed at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, provided that the accidental failure or omission to give any such notices as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series P Preferred Shares to be redeemed. Such notice shall set out the number of such Series P Preferred Shares held by the person to whom it is addressed which are to be redeemed and the redemption price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series P Preferred Shares to be redeemed the redemption price on presentation and surrender at any place or places within Canada designated by such notice, of the certificate or certificates for such Series P Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; if a part only of such Series P Preferred Shares represented by any certificate shall be 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 P 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Series P Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

3.8.4 *Retraction at the Option of the Holder*

3.8.4.1 *Retraction Privilege*

On and after July 15, 2002, the holders of the Series P Preferred Shares shall have the right, at their option, subject to the terms and provisions hereof, to require the Corporation to redeem all or any Series P Preferred Shares registered in such holder's name on payment for each such share to be redeemed of \$25.00 together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the whole constituting the redemption price, on the 15th day of January, April, July or October in each year (a "Retraction Date").

3.8.4.2 *Manner of Exercise of Retraction Privilege*

The retraction privilege provided for in section 3.8.4.1 may be exercised by notice in writing in form satisfactory to the Corporation duly executed by the registered holder, or his attorney duly authorized in writing, given to the transfer agent for Series P Preferred Shares at least 30 days but not more than 60 days prior to the Retraction Date, accompanied by the certificate or certificates representing the Series P Preferred Shares in respect of which the holder thereof desires to exercise such retraction privilege; such notice shall specify the number of Series P Preferred Shares which the holder elects to have redeemed.

Unless the Corporation gives notice to the holders of the Series P Preferred Shares pursuant to section 3.8.7.1 (a) hereof of the right to convert Series P Preferred Shares into a further series of First Preferred Shares, and unless otherwise permitted by the Corporation, the election of any holder to have redeemed all or any Series P Preferred Shares pursuant to this section 3.8.4, shall be irrevocable upon receipt by or on behalf of the Corporation of the certificates for the shares to be redeemed and the signification of the election of the holder thereof in accordance with the provisions of this section 3.8.4.2.

As promptly as practicable after the Retraction Date of any Series P Preferred Shares surrendered for redemption, the Corporation shall pay or cause to be paid to the holder of such Series P Preferred Shares to be redeemed the redemption price; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers. Such redemption shall be deemed to have been made at the close of business on the Retraction Date so that the rights of the holder of such Series P Preferred Shares as the holder thereof shall cease at such time.

If the holder of Series P Preferred Shares represented by any certificate or certificates surrendered as herein provided elects to have redeemed less than all such shares, the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series P Preferred Shares represented by the certificate or certificates surrendered as aforesaid which have not been redeemed; provided, however, that if the Series P Preferred Shares represented by any certificate or certificates surrendered as aforesaid include any shares theretofore called for redemption pursuant to section 3.8.3 hereof, then on the date fixed for the redemption of such Series P Preferred Shares the holders thereof shall be entitled to payment of the redemption price of such Series P Preferred Shares as well as a new certificate representing any Series P Preferred Shares represented by the certificate or certificates surrendered as aforesaid which have not been redeemed.

3.8.5 *Intentionally Deleted*

3.8.6 *Intentionally Deleted*

3.8.7 *Conversion into Further Series of First Preferred Shares*

3.8.7.1 *Conversion Privilege into Further Series of First Preferred Shares*

(a) The Corporation may, subject to applicable law, at its option, at any time create an additional series of First Preferred Shares (hereinafter referred to as "Additional Shares") into which, upon and subject to the terms hereinafter set forth, the holders of Series P Preferred Shares shall have the right to convert Series P Preferred Shares into the Additional Shares on the basis of one Additional Share for each Series P Preferred Share. The Corporation shall give notice in writing of the creation of the Additional Shares and of the conversion right provided for herein to the then registered holders of the Series P Preferred Shares; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of Series P Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation. Such notice shall set out the date on which the conversion will take place (the "Series P Preferred Share Conversion Date") and shall be given not less than 45 days nor more than 60 days prior to the Series P Preferred Share Conversion Date.

(b) If the Corporation has created and is entitled to issue the Additional Shares, a holder of Series P Preferred Shares may, at his option, convert Series P Preferred Shares held by him into Additional Shares on a share-for-share basis on the Series P Preferred Share Conversion Date.

3.8.7.2 *Manner of Exercise of Conversion Privilege into Further Series of First Preferred Shares*

The conversion of Series P Preferred Shares may be effected by surrender of the certificate or certificates representing the same not earlier than 60 days prior to the Series P Preferred Share Conversion Date but not later than the close of business on the 15th day preceding the Series P Preferred Share Conversion Date during usual business hours at any office of any transfer agent of the Corporation at which the Series P Preferred Shares are transferable accompanied by: (1) payment or evidence of payment of the tax (if any) payable as provided in this section 3.8.7.2; and (2) a written instrument of surrender in form satisfactory to the Corporation duly executed by the registered holder, or his attorney duly authorized in writing, in which instrument such holder may also elect to convert part only of:

(a) the Series P Preferred Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series P Preferred Shares represented by such certificate or certificates which have not been converted; or

(b) the Series P Preferred Shares represented by such certificate or certificates, theretofore called for redemption in part, in which event on the date specified for the redemption of such Series P Preferred Shares such holder shall be entitled to payment of the redemption price of the Series P Preferred Shares represented by such certificate or certificates which have been called for redemption and which have not been converted prior to the date of redemption as well as a certificate representing any Series P Preferred Shares represented by such certificate or certificates which have been neither converted nor redeemed.

As promptly as practicable after the Series P Preferred Share Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series P Preferred Shares so surrendered, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully-paid and non-assessable Additional Shares and the number of remaining Series P Preferred Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Series P Preferred Share Conversion Date, so that the rights of the holder of such Series P Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Additional Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Additional Shares at such time.

The registered holder of any Series P Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into Additional Shares after such record date and on or before the date of the payment of such dividend.

The issuance of certificates for the Additional Shares upon the conversion of Series P Preferred Shares shall be made without charge to the converting holders of Series P Preferred Shares for any fee or tax in respect of the issuance of such certificates or the Additional Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Additional Shares are issued in respect of the issuance of such Additional Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name or names other than that of the holder of the Series P Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid..

3.8.7.3 *Conditions of Issue of Additional Shares*

The Corporation may issue the Additional Shares only if:

(a) the Corporation creates the Additional Shares, fixing the number of shares thereof (which shall be at least equal to the number of Series P Preferred Shares outstanding at the close of business on the business day prior to the effective date of such designation), and setting forth the rights, privileges, restrictions and conditions attaching thereto as a series;

(b) all dividends then payable on the Series P Preferred Shares then outstanding and on all other shares of the Corporation ranking as to dividends prior to or on a parity with the Series P Preferred Shares accrued up to and including the dividends payable on the immediately preceding respective date or dates for the payment of dividends thereon have been declared and paid or moneys set aside for payment;

(c) the Corporation uses its best efforts to qualify, if necessary, the Additional Shares for distribution or distribution to the public, as the case may be, upon the conversion of Series P Preferred Shares into Additional Shares in all provinces of Canada in which there are then addresses of holders of Series P Preferred Shares appearing in the books of the Corporation or in which there is a stock exchange upon which the Series P Preferred Shares are then listed for trading; and

(d) the Corporation ensures that the Additional Shares will not, if issued, be or be deemed to be term preferred shares within the meaning of the *Income Tax Act* (Canada) if such definition were read without reference to paragraph (f) of the definition of term preferred share set out in subsection 248(1) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect.

3.8.8 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series P Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series P Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series P Preferred Shares;
- (b) the Corporation shall not redeem, purchase or otherwise retire or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series P Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series P Preferred Shares);
- (c) the Corporation shall not redeem, purchase or otherwise retire less than all of the Series P Preferred Shares (for the purposes hereof, a conversion of Series P Preferred Shares shall not be deemed to be a redemption, purchase or retirement of such shares); or
- (d) the Corporation shall not redeem, purchase or otherwise retire (except in connection with the exercise of a shareholder's retraction privilege or any mandatory redemption obligation attaching thereto) any shares of any class or series ranking on a parity with the Series P Preferred Shares provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series P Preferred Shares;

unless, in each such case, all cumulative dividends accrued on outstanding Series P Preferred Shares up to and including the dividend payable for the last completed period for which dividends were payable shall have been declared and paid.

Any approval of the holders of Series P Preferred Shares required to be given pursuant to this section 3.8.8 may be given in accordance with the second paragraph of section 3.8.10 and section 3.8.13. Notwithstanding the provisions of section 3.8.13 hereof, any approval required to be given pursuant to this section 3.8.8 shall be required to be given only by the affirmative vote of the holders of the majority of the Series P Preferred Shares present or represented at a meeting, or adjourned meeting, of the holders of Series P Preferred Shares duly called for the purpose and at which a quorum is present.

3.8.9 *Purchase for Cancellation*

The Corporation may at any time purchase for cancellation the whole or any part of the Series P Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the Board of Directors of the Corporation such shares are obtainable plus in each case all accrued and unpaid dividends and costs of purchase.

3.8.10 *Voting Rights*

If the Corporation fails to pay eight dividends on the Series P Preferred Shares, whether or not consecutive, the holders of the Series P Preferred Shares shall have the right to receive notice of, and to attend, each meeting of shareholders of the Corporation which takes place more than 60 days after the date on which the failure first occurs (other than a separate meeting of the holders of another series or class of shares) and such holders shall also have the right, at any such meeting, to one vote for each Series P Preferred Share held, until all such arrears of dividends on the Series P Preferred Shares shall have been paid whereupon such rights shall cease unless and until the same default shall again arise under the provisions of this section 3.8.10.

In connection with any actions to be taken by the Corporation which require the approval of the holders of the Series P Preferred Shares voting as a series or as part of a class, each Series P Preferred Share shall entitle the holder thereof to one vote for such purpose.

3.8.11 Issue of Additional Preferred Shares

The Corporation may issue additional series of First Preferred Shares ranking on a parity with the Series P Preferred Shares without the authorization of the holders of the Series P Preferred Shares.

3.8.12 Modifications

The provisions attaching to the Series P Preferred Shares as a series may be repealed, altered, modified or amended from time to time with such approval as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.8.13.

3.8.13 Approval of Holders of Series P Preferred Shares

Any approval given by the holders of the Series P Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series P Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.8.14 Intentionally Deleted

3.8.15 Mail Service Interruption

If the Corporation determines that mail service is, or is threatened to be, interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series P Preferred Shares, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by telex, telecopier or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such telex, telecopier or telegraph communication was given or on the date on which the first publication has taken place;

(b) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not so appearing, then at the last address of such holder known to the Corporation.

3.8.16 Definitions

In the provisions herein contained attaching to the Series P Preferred Shares:

(a) "in priority to", "on a parity with" and "junior to" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs; and

(b) "accrued and unpaid dividends" means the aggregate of (i) all unpaid dividends on the Series P Preferred Shares for any quarterly period and (ii) the amount calculated as though dividends on each Series P Preferred Share had been accruing on a day to day basis from and including the date on which the last quarterly dividend was payable to but excluding the date to which the computation of accrued dividends is to be made.

3.9 Series Q Preferred Shares

The Series Q Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.9.1 Dividend

3.9.1.1 Definitions

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires;

(a) "Adjustment Factor" for any Month means the percentage per annum, positive or negative, based on the Calculated Trading Price of the Series Q Preferred Shares for the preceding Month, determined in accordance with the following table:

<u>If Calculated Trading Price is</u>	<u>The Adjustment Factor as a Percentage of Prime Shall Be</u>
\$25.50 or more	-4.00%
\$25.375 and less than \$25.50.....	-3.00%
\$25.25 and less than \$25.375.....	-2.00%
\$25.125 and less than \$25.25.....	-1.00%
Greater than \$24.875 and less than \$25.125	nil
Greater than \$24.75 to \$24.875	1.00%
Greater than \$24.625 to \$24.75	2.00%
Greater than \$24.50 to \$24.625	3.00%
\$24.50 or less.....	4.00%

The maximum Adjustment Factor for any month will be $\pm 4.00\%$.

If in any Month there is no trade on the Exchange of Series Q Preferred Shares of a board lot or more, the Adjustment Factor for the following Month shall be nil;

(b) "Annual Dividend Rate" means the Annual Fixed Dividend Rate or the Annual Floating Dividend Rate, whichever is provided by this section 3.9.1 to be applicable at the relevant time;

(c) "Annual Fixed Dividend Rate" means 6.90% per annum;

(d) "Annual Floating Dividend Rate" means for any Month the rate of interest expressed as a percentage per annum (rounded to the nearest one-thousandth (1/1000) of one percent (1%)) which is equal to Prime multiplied by the Designated Percentage for such Month;

(e) "Banks" means any two of Royal Bank of Canada, Bank of Montreal, The Bank of Nova Scotia, The Toronto-Dominion Bank and Canadian Imperial Bank of Commerce and any successor of any of them as may be designated from time to time by the Board of Directors by notice given to the transfer agent for the Series Q Preferred Shares, such notice to take effect on, and to be given at least two (2) business days prior to, the commencement of a particular Dividend Period and, until such notice is first given, means Royal Bank of Canada and The Toronto-Dominion Bank;

(f) "Calculated Trading Price" for any Month means:

(i) the aggregate of the Daily Adjusted Trading Value for all Trading Days in such Month;

divided by

(ii) the aggregate of the Daily Trading Volume for all Trading Days in such Month;

- (g) "Daily Accrued Dividend Deduction" for any Trading Day means:
- (i) the product obtained by multiplying the dividend accrued on a Series Q Preferred Share in respect of the Month in which the Trading Day falls by the number of days elapsed from but excluding the day prior to the Ex-Dividend Date immediately preceding such Trading Day to and including such Trading Day (or if such Trading Day is an Ex-Dividend Date, by one (1) day);
- divided by
- (ii) the number of days from and including such Ex-Dividend Date to but excluding the following Ex-Dividend Date;
- (h) "Daily Adjusted Trading Value" for any Trading Day means:
- (i) the aggregate dollar value of all transactions of Series Q Preferred Shares on the Exchange (made on the basis of the normal settlement period in effect on the Exchange) occurring during such Trading Day;
- less
- (ii) the Daily Trading Volume for such Trading Day multiplied by the Daily Accrued Dividend Deduction for such Trading Day;
- (i) "Daily Trading Volume" for any Trading Day means the aggregate number of Series Q Preferred Shares traded in all transactions (made on the basis of the normal settlement period in effect on the Exchange) occurring during such Trading Day on the Exchange;
- (j) "Deemed Record Date" means the last Trading Day of a Month with respect to which no dividend is declared by the Board of Directors;
- (k) "Designated Percentage" for the Month of December, 2000 means eighty percent (80%) and for each Month thereafter means the Adjustment Factor for such Month plus the Designated Percentage for the preceding Month, provided that the Annual Floating Dividend Rate for any Month shall in no event be less than 50% of Prime for such Month or more than 100% of Prime for such Month;
- (l) "Dividend Payment Date" means:
- (i) during the Fixed Rate Period, the first day of each of March, June, September and December in each year; and
 - (ii) during the Floating Rate Period, the 12th day of each Month commencing with the Month of January, 2001;
- and the first Dividend Payment Date shall be March 1, 1996;
- (m) "Dividend Period" means:
- (i) during the Fixed Rate Period, the period from and including a Dividend Payment Date to but not including the next succeeding Dividend Payment Date; and
 - (ii) during the Floating Rate Period, a Month;
- (n) "Ex-Dividend Date" means:
- (i) the Trading Day which, under the rules or normal practices of the Exchange, is designated or recognized as the ex-dividend date relative to any dividend record date

for the Series Q Preferred Shares; or

- (ii) if the Board of Directors fails to declare a dividend in respect of a Month, the Trading Day which, under the rules or normal practices of the Exchange, would be recognized as the Ex-Dividend Date relative to any Deemed Record Date for the Series Q Preferred Shares;
- (o) "Exchange" means The Montreal Exchange or The Toronto Stock Exchange or such other exchange or trading market in Canada as may be determined from time to time by the Corporation as being the principal trading market for the Series Q Preferred Shares;
- (p) "Fixed Rate Period" means the period commencing with the date of issue of the Series Q Preferred Shares and ending on and including November 30, 2000;
- (q) "Floating Rate Period" means the period commencing immediately after the end of the Fixed Rate Period and continuing for so long as any of the Series Q Preferred Shares shall be outstanding;
- (r) "Month" means a calendar month;
- (s) "Prime" for a Month means the average (rounded to the nearest one-thousandth (1/1000) of one percent (1%)) of the Prime Rate in effect on each day of such Month;
- (t) "Prime Rate" for any day means the average (rounded to the nearest one-thousandth (1/1000) of one percent (1%)) of the annual rates of interest announced from time to time by the Banks as the reference rates then in effect for such day for determining interest rates on Canadian dollar commercial loans made to prime commercial borrowers in Canada. If one of the Banks does not have such an interest rate in effect on a day, the Prime Rate for such day shall be such interest rate in effect for that day of the other Bank; if both Banks do not have such an interest rate in effect on a day, the Prime Rate for that day shall be equal to one and a half percent (1.5%) per annum plus the average yield expressed as a percentage per annum on 91-day Government of Canada Treasury Bills, as reported by the Bank of Canada, for the weekly tender for the week immediately preceding that day; and if both of such Banks do not have such an interest rate in effect on a day and the Bank of Canada does not report such average yield per annum, the Prime Rate for that day shall be equal to the Prime Rate for the next preceding day. The Prime Rate and Prime shall be determined from time to time by an officer of the Corporation from quotations supplied by the Banks or otherwise publicly available. Such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series Q Preferred Shares;
- (u) "Trading Day" means, if the Exchange is a stock exchange in Canada, a day on which the Exchange is open for trading or, in any other case, a business day.

3.9.1.2 General

The holders of the Series Q Preferred Shares shall be entitled to receive cumulative preferred cash dividends, as and when declared by the Board of Directors, out of moneys of the Corporation properly applicable to the payment of dividends, at the rates and times herein provided. Dividends on the Series Q Preferred Shares shall accrue on a daily basis from and including the date of issue thereof, and shall be payable quarterly during the Fixed Rate Period and monthly during the Floating Rate Period. Payment of the dividend on the Series Q Preferred Shares payable on any Dividend Payment Date (less any tax required to be deducted) shall be made by cheque at par in lawful money of Canada payable at any branch in Canada of the Corporation's bankers.

Dividends declared on the Series Q Preferred Shares shall (except in case of redemption in which case payment of dividends shall be made on surrender of the certificate representing the Series Q Preferred Shares to be redeemed) be paid by posting in a postage paid envelope addressed to each holder of the Series Q Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or, in the case of joint holders, to the address of that one whose name appears first in the securities register of the Corporation as one of such joint holders, a cheque for such dividends (less any tax required to be

deducted) payable to the order of such holder or, in the case of joint holders, to the order of all such holders failing written instructions from them to the contrary. Notwithstanding the foregoing, any dividend cheque may be delivered by the Corporation to a holder of Series Q Preferred Shares at his address as aforesaid. The posting or delivery of such cheque shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be deducted as aforesaid) unless such cheque is not paid on due presentation.

3.9.1.3 Fixed Rate Period

During the Fixed Rate Period, the dividends in respect of the Series Q Preferred Shares shall be payable quarterly at the Annual Fixed Dividend Rate. Accordingly, on each Dividend Payment Date during the Fixed Rate Period, other than March 1, 1996, but including December 1, 2000, the dividend payable shall be \$0.43125 per Series Q Preferred Share. The amount of the first quarterly dividend payable on each Series Q Preferred Share on March 1, 1996, shall be \$0.4726 per share.

3.9.1.4 Floating Rate Period

During the Floating Rate Period, the dividends in respect of the Series Q Preferred Shares shall be payable monthly at the Annual Floating Dividend Rate as calculated from time to time. Accordingly, on each Dividend Payment Date during the Floating Rate Period, the dividend payable on the Series Q Preferred Shares shall be that amount (rounded to the nearest one-thousandth (1/1000) of one cent) obtained by multiplying \$25.00 by the Annual Floating Dividend Rate applicable to the Month preceding such Dividend Payment Date and by dividing the product by twelve. The record date for the purpose of determining holders of Series Q Preferred Shares entitled to receive dividends on each Dividend Payment Date during the Floating Rate Period shall be the last Trading Day of the next preceding Month. In the event of the redemption or purchase of the Series Q Preferred Shares during the Floating Rate Period or the distribution of the assets of the Corporation during the Floating Rate Period as contemplated by section 3.9.2 hereof, the amount of the dividend which has accrued during the Month in which such redemption, purchase or distribution occurs shall be the amount (rounded to the nearest one-thousandth (1/1000) of one cent) calculated by multiplying :

- (i) the amount obtained by multiplying \$25.00 by one-twelfth (1/12) of the Annual Floating Dividend Rate applicable to the preceding Month; by
- (ii) a fraction of which the numerator is the number of days elapsed in the Month in which such redemption, purchase or distribution occurs up to but not including the date of such event and the denominator of which is the number of days in that Month.

3.9.1.5 Calculation of Designated Percentage

The Corporation shall as promptly as practicable calculate the Designated Percentage for each Month and give notice thereof to all stock exchanges in Canada on which the Series Q Preferred Shares are listed for trading or if the Series Q Preferred Shares are not listed on a stock exchange in Canada to the Investment Dealers Association of Canada.

3.9.2 Rights on Liquidation

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Series Q Preferred Shares shall be entitled to received \$25.00 per Series Q Preferred Share together with all dividends accrued and unpaid up to but excluding the date of payment or distribution, before any amounts shall be paid or any assets of the Corporation distributed to the holders of the Common Shares of the Corporation or any other shares ranking junior to the Series Q Preferred Shares. Upon payment of such amounts, the holders of the Series Q Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.9.3 *Redemption at the Option of the Corporation*

The Corporation may not redeem any of the Series Q Preferred Shares prior to December 1, 2000. Subject to applicable law and section 3.9.5 hereof, upon giving notice as hereinafter provided, the Corporation may: i) on December 1, 2000 redeem all, but not less than all, of the outstanding Series Q Preferred Shares, on payment of \$25.00 for each such share to be redeemed; and ii) subsequent to December 1, 2000 redeem at any time all, but not less than all, the outstanding Series Q Preferred Shares, on payment of \$25.50 for each such share to be redeemed, in each case, together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the whole constituting the redemption price.

The Corporation shall give notice in writing not less than 45 days nor more than 60 days prior to the date on which the redemption is to take place to each person who at the date of giving such notice is the holder of Series Q Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of Series Q Preferred Shares to be redeemed at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, provided that the accidental failure or omission to give any such notices as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series Q Preferred Shares to be redeemed. Such notice shall set out the number of such Series Q Preferred Shares held by the person to whom it is addressed which are to be redeemed and the redemption price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series Q Preferred Shares to be redeemed the redemption price on presentation and surrender at any place or places within Canada designated by such notice, of the certificate or certificates for such Series Q Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date specified in any such notice, the Series Q 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Series Q Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

3.9.4 *Conversion of Series Q Preferred Shares*

3.9.4.1 *Conversion at the Option of the Holder*

Holders of Series Q Preferred Shares shall have the right, at their option, on December 1, 2000 and on December 1 in every fifth year thereafter (a "Conversion Date"), to convert, subject to the terms and conditions hereof, all or any Series Q Preferred Shares registered in their name into Series R Preferred Shares of the Corporation on the basis of one (1) Series R Preferred Share for each Series Q Preferred Share. The Corporation shall give notice in writing to the then holders of the Series Q Preferred Shares of the Selected Percentage Rate (as defined in section 3.10.1.1 of the articles of the Corporation relating to the Series R Preferred Shares) determined by the Board of Directors to be applicable for the next succeeding Fixed Dividend Rate Period (as defined in section 3.10.1.1 of the articles of the Corporation relating to the Series R Preferred Shares) and of the conversion right provided for herein; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of the Series Q Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation. Such notice shall set out the Conversion Date and shall be given not less than 45 days nor more than 60 days prior to the applicable Conversion Date.

If the Corporation gives notice as provided in section 3.9.3 to the holders of the Series Q Preferred Shares of the redemption of all the Series Q Preferred Shares, the Corporation shall not be required to give notice as provided in this section 3.9.4.1 to the holders of the Series Q Preferred Shares of a Selected Percentage Rate (as defined in section 3.10.1.1 of the articles of the Corporation relating to the Series R Preferred Shares) for the Series R Preferred Shares or of the conversion right and the right of any holder of Series Q Preferred Shares to convert such Series Q Preferred Shares as herein provided shall cease and terminate in that event.

Holders of Series Q Preferred Shares shall not be entitled to convert their shares into Series R Preferred Shares if, following the close of business on the 14th day preceding a Conversion Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series R Preferred Shares, after taking into account all Series Q Preferred Shares tendered for conversion into Series R Preferred Shares and all Series R Preferred Shares tendered for conversion into Series Q Preferred Shares. The Corporation shall give notice in writing thereof, in accordance with the provisions of the first paragraph of this section 3.9.4.1, to all affected holders of Series Q Preferred Shares at least seven (7) days prior to the applicable Conversion Date and will issue and deliver, or cause to be delivered, prior to such Conversion Date, at the expense of the Corporation, to such holders of Series Q Preferred Shares, who have surrendered for conversion any certificate or certificates representing Series Q Preferred Shares, new certificates representing the Series Q Preferred Shares represented by any certificate or certificates surrendered as aforesaid.

3.9.4.2 *Automatic Conversion*

If following the close of business on the 14th day preceding a Conversion Date the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series Q Preferred Shares after taking into account all Series Q Preferred Shares tendered for conversion into Series R Preferred Shares and all Series R Preferred Shares tendered for conversion into Series Q Preferred Shares, then, all, but not part, of the remaining outstanding Series Q Preferred Shares shall automatically be converted into Series R Preferred Shares on the basis of one (1) Series R Preferred Share for each Series Q Preferred Share on the applicable Conversion Date and the Corporation shall give notice in writing thereof, in accordance with the provisions of section 3.9.4.1, to the holders of such remaining Series Q Preferred Shares at least seven (7) days prior to the Conversion Date.

3.9.4.3 *Manner of Exercise of Conversion Privilege*

The conversion of Series Q Preferred Shares may be effected by surrender of the certificate or certificates representing the same not earlier than 45 days prior to a Conversion Date but not later than the close of business on the 14th day preceding a Conversion Date during usual business hours at any office of any transfer agent of the Corporation at which the Series Q Preferred Shares are transferable accompanied by: i) payment or evidence of payment of the tax (if any) payable as provided in this section 3.9.4.3; and ii) a written instrument of surrender in form satisfactory to the Corporation duly executed by the holder, or his attorney duly authorized in writing, in which instrument such holder may also elect to convert part only of the Series Q Preferred Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series Q Preferred Shares represented by such certificate or certificates which have not been converted.

In the event the Corporation is required to convert all remaining outstanding Series Q Preferred Shares into Series R Preferred Shares on the applicable Conversion Date as provided for in section 3.9.4.2, the Series Q Preferred Shares, in respect of which the holders have not previously elected to convert, shall be converted on the Conversion Date into Series R Preferred Shares and the holders thereof shall be deemed to be holders of Series R Preferred Shares at the close of business on the Conversion Date and shall be entitled, upon surrender during usual business hours at any office of any transfer agent of the Corporation at which the Series Q Preferred Shares were transferable of the certificate or certificates representing Series Q Preferred Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series R Preferred Shares in the manner and subject to the terms and provisions as provided in this section 3.9.4.3.

As promptly as practicable after the Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series Q Preferred Shares so surrendered, a certificate or certificates issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully-paid and non-assessable Series R Preferred Shares and the number of remaining Series Q Preferred Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Conversion Date, so that the rights of the holder of such Series Q Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Series R Preferred Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Series R Preferred Shares at such time.

The holder of any Series Q Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into Series R Preferred Shares after such record date and on or before the date of the payment of such dividend.

The issuance of certificates for the Series R Preferred Shares upon the conversion of Series Q Preferred Shares shall be made without charge to the converting holders of Series Q Preferred Shares for any fee or tax in respect of the issuance of such certificates or the Series R Preferred Shares represented thereby; provided, however that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series R Preferred Shares are issued in respect of the issuance of such Series R Preferred Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in the name or names other than that of the holder of the Series Q Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

3.9.4.4 *Status of Converted Series Q Preferred Shares*

All Series Q Preferred Shares converted into Series R Preferred Shares on a Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Conversion Date.

3.9.5 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series Q Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series Q Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series Q Preferred Shares;
- (b) the Corporation shall not redeem, purchase or otherwise retire or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series Q Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series Q Preferred Shares);
- (c) the Corporation shall not purchase or otherwise retire less than all of the Series Q Preferred Shares then outstanding; or
- (d) the Corporation shall not redeem, purchase or otherwise retire (except in connection with the exercise of any retraction privilege or any mandatory redemption obligation attaching thereto) any shares of any class or series ranking on a parity with the Series Q Preferred Shares provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series Q Preferred Shares;

unless, in each such case, all cumulative dividends on outstanding Series Q Preferred Shares accrued up to and including the dividend payable for the last completed period for which dividends were payable shall have been declared and paid.

Any approval of the holders of Series Q Preferred Shares required to be given pursuant to this section 3.9.5 may be given in accordance with the second paragraph of section 3.9.7 and section 3.9.10. Notwithstanding the provisions of section 3.9.10 hereof, any approval required to be given pursuant to this section 3.9.5 shall be required to be given only by the affirmative vote of the holders of the majority of the Series Q Preferred Shares present or represented at a meeting, or adjourned meeting, of the holders of Series Q Preferred Shares duly called for the purpose and at which a quorum is present.

3.9.6 *Purchase for Cancellation*

The Corporation may at any time purchase for cancellation the whole or any part of the Series Q Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable plus in each case all accrued and unpaid dividends and costs of purchase.

3.9.7 *Voting Rights*

If the Corporation fails to pay eight (8) dividends on the Series Q Preferred Shares, whether or not consecutive, the holders of the Series Q Preferred Shares shall have the right to receive notice of, and to attend, each meeting of shareholders of the Corporation which takes place more than 60 days after the date on which the failure first occurs (other than a separate meeting of the holders of another series or class of shares) and such holders shall also have the right, at any such meeting to one (1) vote for each Series Q Preferred Share held, until all such arrears of dividends on the Series Q Preferred Shares shall have been paid whereupon such rights shall cease unless and until the same default shall again arise under the provisions of this section 3.9.7.

In connection with any actions to be taken by the Corporation which require the approval of the holders of the Series Q Preferred Shares voting as a series or as part of a class, each Series Q Preferred Share shall entitle the holder thereof to one (1) vote for such purpose.

3.9.8 *Issue of Additional Preferred Shares*

The Corporation may issue additional series of First Preferred Shares ranking on a parity with the Series Q Preferred Shares without the authorization of the holders of the Series Q Preferred Shares.

3.9.9 *Modifications*

The provisions attaching to the Series Q Preferred Shares as a series may be repealed, altered, modified or amended from time to time with such approval as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.9.10.

None of the series provisions of the articles of the Corporation relating to the Series Q Preferred Shares shall be amended or otherwise changed unless, contemporaneously therewith, the series provisions, if any, relating to the Series R Preferred Shares are, to the extent deemed required by the Corporation, amended or otherwise changed in the same proportion and in the same manner.

3.9.10 *Approval of Holders of Series Q Preferred Shares*

Any approval given by the holders of the Series Q Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series Q Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.9.11 *Tax Election*

The Corporation shall elect, in the manner and within the time provided under the *Income Tax Act* (Canada), under subsection 191.2(1) of the said Act, or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series Q Preferred Shares will be required to pay tax on dividends received on the Series Q Preferred Shares under section

187.2 of Part IV.1 of such Act or any successor or replacement provision of similar effect.

3.9.12 *Mail Service Interruption*

If the Corporation determines that mail service is, or is threatened to be, interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series Q Preferred Shares, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by telex, telecopier or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such telex, telecopier or telegraph communication was given or on the date on which the first publication has taken place; and

(b) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not so appearing, then at the last address of such holder known to the Corporation.

3.9.13 *Notice of Annual Dividend Rate Applicable to the Series R Preferred Shares*

Within three (3) business days of the determination of the Annual Dividend Rate (as defined in section 3.10.1.1 of the articles of the Corporation relating to the Series R Preferred Shares) the Corporation shall give notice thereof to the holders of the Series Q Preferred Shares by publication once in the national edition of the Globe and Mail in the English language and once in the City of Montréal in both the French and English languages in a daily newspaper of general circulation in Montréal; provided that if any such newspaper is not being generally circulated at that time, such notice shall be published in another equivalent publication.

3.9.14 *Definitions*

In the provisions herein contained attaching to the Series Q Preferred Shares:

(a) "accrued and unpaid dividends" means: i) during the Fixed Rate Period, the aggregate of (A) all unpaid dividends on the Series Q Preferred Shares for any Dividend Period and (B) the amount calculated as though dividends on each Series Q Preferred Share had been accruing on a day-to-day basis from and including the date on which the last quarterly dividend was payable to but excluding the date to which the computation of accrued dividends is to be made; and ii) during the Floating Rate Period, the aggregate of (A) all unpaid dividends on the Series Q Preferred Shares for any Dividend Period and (B) the amount calculated as though dividends on each Series Q Preferred Share had been accruing on a day-to-day basis from and including the first day of the Month immediately following the Month with respect to which the dividend was or will be, as the case may be, payable to but excluding the date to which the computation of accrued dividends is to be made; and

(b) "in priority to", "on a parity with" and "junior to" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

3.9.15 *Interpretation*

In the event that any date on which any dividend on the Series Q Preferred Shares is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the holders of Series Q Preferred Shares hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a

business day. A "business day" shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday at the Corporation's principal office in Canada.

3.10 Series R Preferred Shares

The Series R Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.10.1 Dividend

3.10.1.1 Definitions

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

(a) "Annual Dividend Rate" means for any Fixed Dividend Rate Period the rate of interest expressed as a percentage per annum (rounded to the nearest one-thousandth (1/1000) of one percent (1 %)) which is equal to the Government of Canada Yield multiplied by the Selected Percentage Rate for such Fixed Dividend Rate Period;

(b) "Dividend Payment Date" means the first day of each of March, June, September and December in each year;

(c) "Fixed Dividend Rate Period" means for the initial Fixed Dividend Rate Period, the period commencing on December 1, 2000 and ending on and including November 30, 2005, and for each succeeding Fixed Dividend Rate Period, the period commencing on the day immediately following the end of the immediately preceding Fixed Dividend Rate Period and ending on and including November 30 in the fifth year immediately thereafter;

(d) "Government of Canada Yield" on any date shall mean the average of the yields determined by two registered Canadian investment dealers, selected by the Board of Directors, as being the yield to maturity on such date compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Canada Bond would carry if issued in Canadian dollars in Canada at 100% of its principal amount on such date with a term to maturity of five years; and

(e) "Selected Percentage Rate" for each Fixed Dividend Rate Period means the rate of interest, expressed as a percentage of the Government of Canada Yield, determined by the Board of Directors as set forth in the notice to the holders of the Series R Preferred Shares given in accordance with the provisions of section 3.10.4.1, which rate of interest shall be not less than 80% of the Government of Canada Yield.

3.10.1.2 General

The holders of the Series R Preferred Shares shall be entitled to receive fixed, cumulative, preferred cash dividends, as and when declared by the Board of Directors, out of moneys of the Corporation properly applicable to the payment of dividends, in the amount per share per annum determined by multiplying the Annual Dividend Rate by \$25.00, payable quarterly in respect of each 12 month period on the first day of March, June, September and December by cheque at par in lawful money of Canada at any branch in Canada of the Corporation's bankers.

Dividends declared on the Series R Preferred Shares shall (except in case of redemption in which case payment of dividends shall be made on surrender of the certificate representing the Series R Preferred Shares to be redeemed) be paid by posting in a postage paid envelope addressed to each holder of the Series R Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the

Corporation, or, in the case of joint holders, to the address of that one whose name appears first in the securities register of the Corporation as one of such joint holders, a cheque for such dividends (less any tax required to be deducted) payable to the order of such holder or, in the case of joint holders, to the order of all such holders failing written instructions from them to the contrary. Notwithstanding the foregoing, any dividend cheque may be delivered by the Corporation to a holder of Series R Preferred Shares at his address as aforesaid. The posting or delivery of such cheque shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be deducted as aforesaid) unless such cheque is not paid on due presentation.

3.10.1.3 *Calculation of Annual Dividend Rate*

The Corporation shall calculate on the 21st day prior to the first day of each Fixed Dividend Rate Period the annual Dividend Rate for each Fixed Dividend Rate Period based upon the Selected Percentage Rate and the Government of Canada Yield in effect at 10:00 A.M. (Montréal time) on the said 21st day prior to the first day of each Fixed Dividend Rate Period and give notice thereof: (i) within one (1) business day to all stock exchanges in Canada on which the Series R Preferred Shares are listed for trading or if the Series R Preferred Shares are not listed on a stock exchange in Canada, to the Investment Dealers Association of Canada; and (ii) within three (3) business days to, except in relation to the initial Fixed Dividend Rate Period, the holders of the Series R Preferred Shares by publication once in the national edition of the Globe and Mail in the English language and once in the City of Montréal in both the French and English languages in a daily newspaper of general circulation in Montréal; provided that if any such newspaper is not being generally circulated at that time, such notice shall be published in another equivalent publication.

3.10.2 *Rights on Liquidation*

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holder of the Series R Preferred Shares shall be entitled to receive \$25.00 per Series R Preferred Share together with all dividends accrued and unpaid up to but excluding the date of payment or distribution, before any amounts shall be paid or any assets of the Corporation distributed to the holders of the Common Shares of the Corporation or any other shares ranking junior to the Series R Preferred Shares. Upon payment of such amounts, the holders of the Series R Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.10.3 *Redemption at the Option of the Corporation*

The Corporation may not redeem any of the Series R Preferred Shares prior to December 1, 2005. Subject to applicable law and section 3.10.5 hereof, upon giving notice as hereinafter provided, the Corporation may, on December 1, 2005 or on December 1 in every fifth year thereafter, redeem at any time all, but not less than all, the outstanding Series R Preferred Shares on payment of \$25.00 for each such share to be redeemed together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the whole constituting the redemption price.

The Corporation shall give notice in writing not less than 45 days nor more than 60 days prior to the date on which the redemption is to take place to each person who at the date of giving such notice is the holder of Series R Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of Series R Preferred Shares to be redeemed at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, provided that the accidental failure or omission to give any such notices as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series R Preferred Shares to be redeemed. Such notice shall set out the number of such Series R Preferred Shares held by the person to whom it is addressed which are to be redeemed and the redemption price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series R Preferred Shares to be redeemed the redemption price on presentation and surrender at any place within Canada designated by such notice, of the certificate or certificates for such Series R Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date

specified in any such notice, the Series R 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Series R Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

3.10.4 *Conversion of Series R Preferred Shares*

3.10.4.1 *Conversion at the Option of the Holder*

Holders of Series R Preferred Shares shall have the right, at their option, on December 1, 2005 and on December 1 in every fifth year thereafter (a "Conversion Date"), to convert, subject to the terms and provisions hereof, all or any Series R Preferred Shares registered in their name into Series Q Preferred Shares of the Corporation on the basis of one (1) Series Q Preferred Share for each Series R Preferred Share. The Corporation shall give notice in writing to the then holders of the Series R Preferred Shares of the Selected Percentage Rate determined by the Board of Directors to be applicable for the next succeeding Fixed Dividend Rate Period and of the conversion right provided for herein; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of the Series R Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation. Such notice shall set out the Conversion Date and shall be given not less than 45 days nor more than 60 days prior to the applicable Conversion Date.

If the Corporation gives notice as provided in section 3.10.3 to the holders of the Series R Preferred Shares of the redemption of all the Series R Preferred Shares, the Corporation shall not be required to give notice as provided in this section 3.10.4.1 to the holders of the Series R Preferred Shares of a Selected Percentage Rate or of the conversion right and the right of any holder of Series R Preferred Shares to convert such Series R Preferred Shares as herein provided shall cease and terminate in that event.

Holders of Series R Preferred Shares shall not be entitled to convert their shares into Series Q Preferred Shares if, following the close of business on the 14th day preceding a Conversion Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series Q Preferred Shares after taking into account all Series R Preferred Shares tendered for conversion into Series Q Preferred Shares and all Series Q Preferred Shares tendered for conversion into Series R Preferred Shares. The Corporation shall give notice in writing thereof, in accordance with the provisions of the first paragraph of this section 3.10.4.1, to all affected holders of Series R Preferred Shares at least seven (7) days prior to the applicable Conversion Date and will issue and deliver, or cause to be delivered, prior to such Conversion Date, at the expense of the Corporation, to such holders of Series R Preferred Shares, who have surrendered for conversion any certificate or certificates representing Series R Preferred Shares, new certificates representing the Series R Preferred Shares represented by any certificate or certificates surrendered as aforesaid.

3.10.4.2 *Automatic Conversion*

If following the close of business on the 14th day preceding a Conversion Date the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series R Preferred Shares after taking into account all Series R Preferred Shares tendered for conversion into Series Q Preferred Shares and all Series Q Preferred Shares tendered for conversion into Series R Preferred Shares, then, all, but not part, of the remaining outstanding Series R Preferred Shares shall automatically be converted into Series Q Preferred Shares on the basis of one (1) Series Q Preferred Share for each Series R Preferred Share on

the applicable Conversion Date and the Corporation shall give notice in writing thereof, in accordance with the provisions of section 3.10.4.1, to the holders of such remaining Series R Preferred Shares at least seven (7) days prior to the Conversion Date.

3.10.4.3 Manner of Exercise of Conversion Privilege

The conversion of Series R Preferred Shares may be effected by surrender of the certificate or certificates representing the same not earlier than 45 days prior to a Conversion Date but not later than the close of business on the 14th day preceding a Conversion Date during usual business hours at any office of any transfer agent of the Corporation at which the Series R Preferred Shares are transferable accompanied by: (1) payment or evidence of payment of the tax (if any) payable as provided in this section 3.10.4.3; and (2) a written instrument of surrender in form satisfactory to the Corporation duly executed by the holder, or his attorney duly authorized in writing, in which instrument such holder may also elect to convert part only of the Series R Preferred Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series R Preferred Shares represented by such certificate or certificates which have not been converted.

In the event the Corporation is required to convert all remaining outstanding Series R Preferred Shares into Series Q Preferred Shares on the applicable Conversion Date as provided for in section 3.10.4.2, the Series R Preferred Shares in respect of which the holders have not previously elected to convert, shall be converted on the Conversion Date into Series Q Preferred Shares and the holders thereof shall be deemed to be holders of Series Q Preferred Shares at the close of business on the Conversion Date and shall be entitled, upon surrender during usual business hours at any office of any transfer agent of the Corporation at which the Series R Preferred Shares were transferable of the certificate or certificates representing Series R Preferred Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series Q Preferred Shares in the manner and subject to the terms and provisions as provided in this section 3.10.4.3.

As promptly as practicable after the Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series R Preferred Shares so surrendered, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully-paid and non-assessable Series Q Preferred Shares and the number of remaining Series R Preferred Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Conversion Date, so that the rights of the holder of such Series R Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Series Q Preferred Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Series Q Preferred Shares at such time.

The holder of any Series R Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into Series Q Preferred Shares after such record date and on or before the date of the payment of such dividend.

The issuance of certificates for the Series Q Preferred Shares upon the conversion of Series R Preferred Shares shall be made without charge to the converting holders of Series R Preferred Shares for any fee or tax in respect of the issuance of such certificates or the Series Q Preferred Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series Q Preferred Shares are issued in respect of the issuance of such Series Q Preferred Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in the name or names other than that of the holder of the Series R Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

3.10.4.4 Status of Converted Series R Preferred Shares

All Series R Preferred Shares converted into Series Q Preferred Shares on a Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at

the close of business on the Conversion Date.

3.10.5 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series R Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series R Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series R Preferred Shares;
- (b) the Corporation shall not redeem, purchase or otherwise retire or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series R Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series R Preferred Shares);
- (c) the Corporation shall not purchase or otherwise retire less than all of the Series R Preferred Shares then outstanding; or
- (d) the Corporation shall not redeem, purchase or otherwise retire (except in connection with the exercise of any retraction privilege or any mandatory redemption obligation attaching thereto) any shares of any class or series ranking on a parity with the Series R Preferred Shares provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series R Preferred Shares;

unless, in each such case, all cumulative dividends on outstanding Series R Preferred Shares accrued up to and including the dividend payable for the last completed period for which dividends were payable shall have been declared and paid.

Any approval of the holders of the Series R Preferred Shares required to be given pursuant to this section 3.10.5 may be given in accordance with the second paragraph of section 3.10.7 and section 3.10.10. Notwithstanding the provisions of section 3.10.10 hereof, any approval required to be given pursuant to this section 3.10.5 shall be required to be given only by the affirmative vote of the holders of the majority of the Series R Preferred Shares present or represented at a meeting or adjourned meeting, of the holders of Series R Preferred Shares duly called for the purpose and at which a quorum is present.

3.10.6 *Purchase for Cancellation*

The Corporation may at any time purchase for cancellation the whole or any part of the Series R Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable plus in each case all accrued and unpaid dividends and costs of purchase.

3.10.7 *Voting Rights*

If the Corporation fails to pay eight (8) dividends on the Series R Preferred Shares, whether or not consecutive, the holders of the Series R Preferred Shares shall have the right to receive notice of, and to attend, each meeting of shareholders of the Corporation which takes place more than 60 days after the date on which the failure first occurs (other than a separate meeting of the holders of another series or class of shares) and such holders shall also have the right, at any such meeting, to one (1) vote for each Series R Preferred Shares held, until all such arrears of dividends on the Series R Preferred Shares shall have been paid whereupon such rights shall cease unless and until the same default shall again arise under the provisions of this section 3.10.7.

In connection with any actions to be taken by the Corporation which require the approval of the holders of the Series R Preferred Shares voting as a series or as part of a class, each Series R Preferred Share shall entitle the holder thereof to one (1) vote for such purpose.

3.10.8 Issue of Additional Preferred Shares

The Corporation may issue additional series of First Preferred Shares ranking on a parity with the Series R Preferred Shares without the authorization of the holders of the Series R Preferred Shares.

3.10.9 Modifications

The provisions attaching to the Series R Preferred Shares as a series may be repealed, altered, modified or amended from time to time with such approval as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.10.10.

None of the series provisions of the articles of the Corporation relating to the Series R Preferred Shares shall be amended or otherwise changed unless, contemporaneously therewith, the series provisions, if any, relating to the Series Q Preferred Shares are, to the extent deemed required by the Corporation, amended or otherwise changed in the same proportion and in the same manner.

3.10.10 Approval of Holders of Series R Preferred Shares

Any approval given by the holders of the Series R Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series R Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.10.11 Tax Election

The Corporation shall elect, in the manner and within the time provided under the *Income Tax Act* (Canada), under subsection 191.2(1) of the said Act, or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series R Preferred Shares will be required to pay tax on dividends received on the Series R Preferred Shares under section 187.2 of Part IV.I of such Act or any successor or replacement provision of similar effect.

3.10.12 Mail Service Interruption

If the Corporation determines that mail service is, or is threatened to be, interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series R Preferred Shares, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by telex, telecopier or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such telex, telecopier or telegraph communication was given or on the date on which the first publication has taken place; and

(b) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not so appearing, then at the last address of such holder known to the Corporation.

3.10.13 Definitions

In the provisions herein contained attaching to the Series R Preferred Shares :

(a) "accrued and unpaid dividends" means the aggregate of : (i) all unpaid dividends on the Series R Preferred Shares for any quarterly period; and (ii) the amount calculated as though dividends on each Series R

Preferred Share had been accruing on a day-to-day basis from and including the date on which the last quarterly dividend was payable to but excluding the date to which the computation of accrued dividends is to be made; and

(b) "in priority to", "on a parity with" and "junior to" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

3.10.14 Interpretation

In the event that any date on which any dividend on the Series R Preferred Shares is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the holders of Series R Preferred Shares hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A "business day" shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday at the Corporation's office in Canada.

3.11 Series S Preferred Shares

The Series S Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.11.1 Dividend

3.11.1.1 Definitions

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

(a) "Adjustment Factor" for any Month means the percentage per annum, positive or negative, based on the Calculated Trading Price of the Series S Preferred Shares for the preceding Month, determined in accordance with the following table:

<u>If Calculated Trading Price is</u>	<u>The Adjustment Factor as a Percentage of Prime Shall Be</u>
\$25.50 or more.....	-4.00%
\$25.375 and less than \$25.50.....	-3.00%
\$25.25 and less than \$25.375.....	-2.00%
\$25.125 and less than \$25.25.....	-1.00%
Greater than \$24.875 and less than \$25.125.....	nil
Greater than \$24.75 to \$24.875.....	1.00%
Greater than \$24.625 to \$24.75.....	2.00%
Greater than \$24.50 to \$24.625.....	3.00%
\$24.50 or less.....	4.00%

The maximum Adjustment Factor for any Month will be $\pm 4.00\%$.

If in any Month there is no trade on the Exchange of Series S Preferred Shares of a board lot or more, the Adjustment Factor for the following Month shall be nil;

(b) "Annual Dividend Rate" means the Annual Fixed Dividend Rate or the Annual Floating Dividend Rate, whichever is provided by this section 3.11.1 to be applicable at the relevant time;

(c) "Annual Fixed Dividend Rate" means 5.28% per annum;

(d) "Annual Floating Dividend Rate" means for any Month the rate of interest expressed as a

percentage per annum (rounded to the nearest one-thousandth (1/1000) of one percent (1%)) which is equal to Prime multiplied by the Designated Percentage for such Month;

(e) "Banks" means any two of Royal Bank of Canada, Bank of Montreal, The Bank of Nova Scotia, The Toronto-Dominion Bank and Canadian Imperial Bank of Commerce and any successor of any of them as may be designated from time to time by the Board of Directors by notice given to the transfer agent for the Series S Preferred Shares, such notice to take effect on, and to be given at least two (2) business days prior to, the commencement of a particular Dividend Period and, until such notice is first given, means Royal Bank of Canada and The Toronto-Dominion Bank;

(f) "Calculated Trading Price" for any Month means:

(i) the aggregate of the Daily Adjusted Trading Value for all Trading Days in such Month;

divided by

(ii) the aggregate of the Daily Trading Volume for all Trading Days in such Month;

(g) "Daily Accrued Dividend Deduction" for any Trading Day means:

(i) the product obtained by multiplying the dividend accrued on a Series S Preferred Share in respect of the Month in which the Trading Day falls by the number of days elapsed from but excluding the day prior to the Ex-Dividend Date immediately preceding such Trading Day to and including such Trading Day (or if such Trading Day is an Ex-Dividend Date, by one (1) day);

divided by

(ii) the number of days from and including such Ex-Dividend Date to but excluding the following Ex-Dividend Date;

(h) "Daily Adjusted Trading Value" for any Trading Day means:

(i) the aggregate dollar value of all transactions of Series S Preferred Shares on the Exchange (made on the basis of the normal settlement period in effect on the Exchange) occurring during such Trading Day;

less

(ii) the Daily Trading Volume for such Trading Day multiplied by the Daily Accrued Dividend Deduction for such Trading Day;

(i) "Daily Trading Volume" for any Trading Day means the aggregate number of Series S Preferred Shares traded in all transactions (made on the basis of the normal settlement period in effect on the Exchange) occurring during such Trading Day on the Exchange;

(j) "Deemed Record Date" means the last Trading Day of a Month with respect to which no dividend is declared by the Board of Directors;

(k) "Designated Percentage" for the Month of November, 2001 means eighty percent (80%) and for each Month thereafter means the Adjustment Factor for such Month plus the Designated Percentage for the preceding Month, provided that the Annual Floating Dividend Rate for any Month shall in no event be less than 50% of Prime for such Month or more than 100% of Prime for such Month;

(l) "Dividend Payment Date" means:

(i) during the Fixed Rate Period, the first day of each of February, May, August and

November in each year; and

- (ii) during the Floating Rate Period, the 12th day of each Month commencing with the Month of December, 2001;

and the first Dividend Payment Date shall be February 1, 1997;

- (m) "Dividend Period" means:
 - (i) during the Fixed Rate Period, the period from and including a Dividend Payment Date to but not including the next succeeding Dividend Payment Date; and
 - (ii) during the Floating Rate Period, a Month;
- (n) "Ex-Dividend Date" means:
 - (i) the Trading Day which, under the rules or normal practices of the Exchange, is designated or recognized as the ex-dividend date relative to any dividend record date for the Series S Preferred Shares; or
 - (ii) if the Board of Directors fails to declare a dividend in respect of a Month, the Trading Day which, under the rules or normal practices of the Exchange, would be recognized as the Ex-Dividend Date relative to any Deemed Record Date for the Series S Preferred Shares;
- (o) "Exchange" means The Montreal Exchange or The Toronto Stock Exchange or such other exchange or trading market in Canada as may be determined from time to time by the Corporation as being the principal trading market for the Series S Preferred Shares;
- (p) "Fixed Rate Period" means the period commencing with the date of issue of the Series S Preferred Shares and ending on and including October 31, 2001;
- (q) "Floating Rate Period" means the period commencing immediately after the end of the Fixed Rate Period and continuing for so long as any of the Series S Preferred Shares shall be outstanding;
- (r) "Month" means a calendar month;
- (s) "Prime" for a Month means the average (rounded to the nearest one-thousandth (1/1000) of one percent (1%)) of the Prime Rate in effect on each day of such Month;
- (t) "Prime Rate" for any day means the average (rounded to the nearest one-thousandth (1/1000) of one percent (1%)) of the annual rates of interest announced from time to time by the Banks as the reference rates then in effect for such day for determining interest rates on Canadian dollar commercial loans made to prime commercial borrowers in Canada. If one of the Banks does not have such an interest rate in effect on a day, the Prime Rate for such day shall be such interest rate in effect for that day of the other Bank; if both Banks do not have such an interest rate in effect on a day, the Prime Rate for that day shall be equal to one and a half percent (1.5%) per annum plus the average yield expressed as a percentage per annum on 91-day Government of Canada Treasury Bills, as reported by the Bank of Canada, for the weekly tender for the week immediately preceding that day; and if both of such Banks do not have such an interest rate in effect on a day and the Bank of Canada does not report such average yield per annum, the Prime Rate for that day shall be equal to the Prime Rate for the next preceding day. The Prime Rate and Prime shall be determined from time to time by an officer of the Corporation from quotations supplied by the Banks or otherwise publicly available. Such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series S Preferred Shares;
- (u) "Trading Day" means, if the Exchange is a stock exchange in Canada, a day on which the Exchange is open for trading or, in any other case, a business day.

3.11.1.2 General

The holders of the Series S Preferred Shares shall be entitled to receive cumulative preferred cash dividends, as and when declared by the Board of Directors, out of moneys of the Corporation properly applicable to the payment of dividends, at the rates and times herein provided. Dividends on the Series S Preferred Shares shall accrue on a daily basis from and including the date of issue thereof, and shall be payable quarterly during the Fixed Rate Period and monthly during the Floating Rate Period. Payment of the dividend on the Series S Preferred Shares payable on any Dividend Payment Date (less any tax required to be deducted) shall be made by cheque at par in lawful money of Canada payable at any branch in Canada of the Corporation's bankers.

Dividends declared on the Series S Preferred Shares shall (except in case of redemption in which case payment of dividends shall be made on surrender of the certificate representing the Series S Preferred Shares to be redeemed) be paid by posting in a postage paid envelope addressed to each holder of the Series S Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or, in the case of joint holders, to the address of that one whose name appears first in the securities register of the Corporation as one of such joint holders, a cheque for such dividends (less any tax required to be deducted) payable to the order of such holder or, in the case of joint holders, to the order of all such holders failing written instructions from them to the contrary. Notwithstanding the foregoing, any dividend cheque may be delivered by the Corporation to a holder of Series S Preferred Shares at his address as aforesaid. The posting or delivery of such cheque shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be deducted as aforesaid) unless such cheque is not paid on due presentation.

3.11.1.3 Fixed Rate Period

During the Fixed Rate Period, the dividends in respect of the Series S Preferred Shares shall be payable quarterly at the Annual Fixed Dividend Rate. Accordingly, on each Dividend Payment Date during the Fixed Rate Period, other than February 1, 1997, but including November 1, 2001, the dividend payable shall be \$0.33 per Series S Preferred Share. The amount of the first quarterly dividend payable on each Series S Preferred Share on February 1, 1997, shall be \$0.3725 per share.

3.11.1.4 Floating Rate Period

During the Floating Rate Period, the dividends in respect of the Series S Preferred Shares shall be payable monthly at the Annual Floating Dividend Rate as calculated from time to time. Accordingly, on each Dividend Payment Date during the Floating Rate Period, the dividend payable on the Series S Preferred Shares shall be that amount (rounded to the nearest one-thousandth (1/1000) of one cent) obtained by multiplying \$25.00 by the Annual Floating Dividend Rate applicable to the Month preceding such Dividend Payment Date and by dividing the product by twelve. The record date for the purpose of determining holders of Series S Preferred Shares entitled to receive dividends on each Dividend Payment Date during the Floating Rate Period shall be the last Trading Day of the next preceding Month. In the event of the redemption or purchase of the Series S Preferred Shares during the Floating Rate Period or the distribution of the assets of the Corporation during the Floating Rate Period as contemplated by section 3.11.2 hereof, the amount of the dividend which has accrued during the Month in which such redemption, purchase or distribution occurs shall be the amount (rounded to the nearest one-thousandth (1/1000) of one cent) calculated by multiplying:

- (i) the amount obtained by multiplying \$25.00 by one-twelfth (1/12) of the Annual Floating Dividend Rate applicable to the preceding Month; by
- (ii) a fraction of which the numerator is the number of days elapsed in the Month in which such redemption, purchase or distribution occurs up to but not including the date of such event and the denominator of which is the number of days in that Month.

3.11.1.5 *Calculation of Designated Percentage*

The Corporation shall as promptly as practicable calculate the Designated Percentage for each Month and give notice thereof to all stock exchanges in Canada on which the Series S Preferred Shares are listed for trading or if the Series S Preferred Shares are not listed on a stock exchange in Canada to the Investment Dealers Association of Canada.

3.11.2 *Rights on Liquidation*

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Series S Preferred Shares shall be entitled to receive \$25.00 per Series S Preferred Share together with all dividends accrued and unpaid up to but excluding the date of payment or distribution, before any amounts shall be paid or any assets of the Corporation distributed to the holders of the Common Shares of the Corporation or any other shares ranking junior to the Series S Preferred Shares. Upon payment of such amounts, the holders of the Series S Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.11.3 *Redemption at the Option of the Corporation*

The Corporation may not redeem any of the Series S Preferred Shares prior to November 1, 2001. Subject to applicable law and section 3.11.5 hereof, upon giving notice as hereinafter provided, the Corporation may: i) on November 1, 2001 redeem all, but not less than all, of the outstanding Series S Preferred Shares, on payment of \$25.00 for each such share to be redeemed; and ii) subsequent to November 1, 2001 redeem at any time all, but not less than all, of the outstanding Series S Preferred Shares, on payment of \$25.50 for each such share to be redeemed, in each case, together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the whole constituting the redemption price.

The Corporation shall give notice in writing not less than 45 days nor more than 60 days prior to the date on which the redemption is to take place to each person who at the date of giving such notice is the holder of Series S Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of Series S Preferred Shares to be redeemed at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, provided that the accidental failure or omission to give any such notices as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series S Preferred Shares to be redeemed. Such notice shall set out the number of such Series S Preferred Shares held by the person to whom it is addressed which are to be redeemed and the redemption price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series S Preferred Shares to be redeemed the redemption price on presentation and surrender at any place or places within Canada designated by such notice, of the certificate or certificates for such Series S Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date specified in any such notice, the Series S 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Series S Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

3.11.4 Conversion of Series S Preferred Shares

3.11.4.1 Conversion at the Option of the Holder

Holders of Series S Preferred Shares shall have the right, at their option, on November 1, 2001 and on November 1 in every fifth year thereafter (a "Conversion Date"), to convert, subject to the terms and conditions hereof, all or any Series S Preferred Shares registered in their name into Series T Preferred Shares of the Corporation on the basis of one (1) Series T Preferred Share for each Series S Preferred Share. The Corporation shall give notice in writing to the then holders of the Series S Preferred Shares of the Selected Percentage Rate (as defined in section 3.12.1.1 of the articles of the Corporation relating to the Series T Preferred Shares) determined by the Board of Directors to be applicable for the next succeeding Fixed Dividend Rate Period (as defined in section 3.12.1.1 of the articles of the Corporation relating to the Series T Preferred Shares) and of the conversion right provided for herein; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of the Series S Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation. Such notice shall set out the Conversion Date and shall be given not less than 45 days nor more than 60 days prior to the applicable Conversion Date.

If the Corporation gives notice as provided in section 3.11.3 to the holders of the Series S Preferred Shares of the redemption of all the Series S Preferred Shares, the Corporation shall not be required to give notice as provided in this section 3.11.4.1 to the holders of the Series S Preferred Shares of a Selected Percentage Rate (as defined in section 3.12.1.1 of the articles of the Corporation relating to the Series T Preferred Shares) for the Series T Preferred Shares or of the conversion right and the right of any holder of Series S Preferred Shares to convert such Series S Preferred Shares as herein provided shall cease and terminate in that event.

Holders of Series S Preferred Shares shall not be entitled to convert their shares into Series T Preferred Shares if, following the close of business on the 14th day preceding a Conversion Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series T Preferred Shares, after taking into account all Series S Preferred Shares tendered for conversion into Series T Preferred Shares and all Series T Preferred Shares tendered for conversion into Series S Preferred Shares. The Corporation shall give notice in writing thereof, in accordance with the provisions of the first paragraph of this section 3.11.4.1, to all affected holders of Series S Preferred Shares at least seven (7) days prior to the applicable Conversion Date and will issue and deliver, or cause to be delivered, prior to such Conversion Date, at the expense of the Corporation, to such holders of Series S Preferred Shares, who have surrendered for conversion any certificate or certificates representing Series S Preferred Shares, new certificates representing the Series S Preferred Shares represented by any certificate or certificates surrendered as aforesaid.

3.11.4.2 Automatic Conversion

If following the close of business on the 14th day preceding a Conversion Date the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series S Preferred Shares after taking into account all Series S Preferred Shares tendered for conversion into Series T Preferred Shares and all Series T Preferred Shares tendered for conversion into Series S Preferred Shares, then, all, but not part, of the remaining outstanding Series S Preferred Shares shall automatically be converted into Series T Preferred Shares on the basis of one (1) Series T Preferred Share for each Series S Preferred Share on the applicable Conversion Date and the Corporation shall give notice in writing thereof, in accordance with the provisions of section 3.11.4.1, to the holders of such remaining Series S Preferred Shares at least seven (7) days prior to the Conversion Date.

3.11.4.3 Manner of Exercise of Conversion Privilege

The conversion of Series S Preferred Shares may be effected by surrender of the certificate or certificates representing the same not earlier than 45 days prior to a Conversion Date but not later than the close of business on the 14th day preceding a Conversion Date during usual business hours at any office of any transfer agent of the Corporation at which the Series S Preferred Shares are transferable accompanied by: i) payment or evidence of payment of the tax (if any) payable as provided in this section 3.11.4.3; and ii) a written instrument of surrender in form satisfactory to the Corporation duly executed by the holder, or his attorney duly authorized

in writing, in which instrument such holder may also elect to convert part only of the Series S Preferred Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series S Preferred Shares represented by such certificate or certificates which have not been converted.

In the event the Corporation is required to convert all remaining outstanding Series S Preferred Shares into Series T Preferred Shares on the applicable Conversion Date as provided for in section 3.11.4.2, the Series S Preferred Shares, in respect of which the holders have not previously elected to convert, shall be converted on the Conversion Date into Series T Preferred Shares and the holders thereof shall be deemed to be holders of Series T Preferred Shares at the close of business on the Conversion Date and shall be entitled, upon surrender during usual business hours at any office of any transfer agent of the Corporation at which the Series S Preferred Shares were transferable of the certificate or certificates representing Series S Preferred Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series T Preferred Shares in the manner and subject to the terms and provisions as provided in this section 3.11.4.3.

As promptly as practicable after the Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series S Preferred Shares so surrendered, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully-paid and non-assessable Series T Preferred Shares and the number of remaining Series S Preferred Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Conversion Date, so that the rights of the holder of such Series S Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Series T Preferred Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Series T Preferred Shares at such time.

The holder of any Series S Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into a Series T Preferred Share after such record date and on or before the date of the payment of such dividend.

The issuance of certificates for the Series T Preferred Shares upon the conversion of Series S Preferred Shares shall be made without charge to the converting holders of Series S Preferred Shares for any fee or tax in respect of the issuance of such certificates or the Series T Preferred Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series T Preferred Shares are issued in respect of the issuance of such Series T Preferred Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name or names other than that of the holder of the Series S Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

3.11.4.4 *Status of Converted Series S Preferred Shares*

All Series S Preferred Shares converted into Series T Preferred Shares on a Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Conversion Date.

3.11.5 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series S Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series S Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series S Preferred Shares;
- (b) the Corporation shall not redeem, purchase or otherwise retire or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior

to the Series S Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series S Preferred Shares);

(c) the Corporation shall not purchase or otherwise retire less than all of the Series S Preferred Shares then outstanding; or

(d) the Corporation shall not redeem, purchase or otherwise retire (except in connection with the exercise of any retraction privilege or any mandatory redemption obligation attaching thereto) any shares of any class or series ranking on a parity with the Series S Preferred Shares provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series S Preferred Shares;

unless, in each such case, all cumulative dividends on outstanding Series S Preferred Shares accrued up to and including the dividend payable for the last completed period for which dividends were payable shall have been declared and paid.

Any approval of the holders of Series S Preferred Shares required to be given pursuant to this section 3.11.5 may be given in accordance with the second paragraph of section 3.11.7 and section 3.11.10. Notwithstanding the provisions of section 3.11.10 hereof, any approval required to be given pursuant to this section 3.11.5 shall be required to be given only by the affirmative vote of the holders of the majority of the Series S Preferred Shares present or represented at a meeting, or adjourned meeting, of the holders of Series S Preferred Shares duly called for the purpose and at which a quorum is present.

3.11.6 Purchase for Cancellation

The Corporation may at any time purchase for cancellation the whole or any part of the Series S Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable.

3.11.7 Voting Rights

If the Corporation fails to pay eight (8) dividends on the Series S Preferred Shares, whether or not consecutive, the holders of the Series S Preferred Shares shall have the right to receive notice of, and to attend, each meeting of shareholders of the Corporation which takes place more than 60 days after the date on which the failure first occurs (other than a separate meeting of the holders of another series or class of shares) and such holders shall also have the right, at any such meeting, to one (1) vote for each Series S Preferred Share held, until all such arrears of dividends on the Series S Preferred Shares shall have been paid whereupon such rights shall cease unless and until the same default shall again arise under the provisions of this section 3.11.7.

In connection with any actions to be taken by the Corporation which require the approval of the holders of the Series S Preferred Shares voting as a series or as part of a class, each Series S Preferred Share shall entitle the holder thereof to one (1) vote for such purpose.

3.11.8 Issue of Additional Preferred Shares

The Corporation may issue additional series of First Preferred Shares ranking on a parity with the Series S Preferred Shares without the authorization of the holders of the Series S Preferred Shares.

3.11.9 Modifications

The provisions attaching to the Series S Preferred Shares as a series may be repealed, altered, modified or amended from time to time with such approval as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.11.10.

None of the series provisions of the articles of the Corporation relating to the Series S Preferred Shares shall be amended or otherwise changed unless, contemporaneously therewith, the series

provisions, if any, relating to the Series T Preferred Shares are, to the extent deemed required by the Corporation, amended or otherwise changed in the same proportion and in the same manner.

3.11.10 *Approval of Holders of Series S Preferred Shares*

Any approval given by the holders of the Series S Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series S Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.11.11 *Tax Election*

The Corporation shall elect, in the manner and within the time provided under the *Income Tax Act* (Canada), under subsection 191.2(1) of the said Act, or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series S Preferred Shares will be required to pay tax on dividends received on the Series S Preferred Shares under section 187.2 of Part IV.I of such Act or any successor or replacement provision of similar effect.

3.11.12 *Mail Service Interruption*

If the Corporation determines that mail service is, or is threatened to be, interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series S Preferred Shares, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by telex, telecopier or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such telex, telecopier or telegraph communication was given or on the date on which the first publication has taken place; and

(b) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not appearing on the securities register of the Corporation, then at the last address of such holder known to the Corporation.

3.11.13 *Notice of Annual Dividend Rate Applicable to the Series T Preferred Shares*

Within three (3) business days of the determination of the Annual Dividend Rate (as defined in section 3.12.1.1 of the articles of the Corporation relating to the Series T Preferred Shares) the Corporation shall give notice thereof to the holders of the Series S Preferred Shares by publication once in the national edition of the *Globe and Mail* in the English language and once in the City of Montréal in both the French and English languages in a daily newspaper of general circulation in Montréal; provided that if any such newspaper is not being generally circulated at that time, such notice shall be published in another equivalent publication.

3.11.14 *Definitions*

In the provisions herein contained attaching to the Series S Preferred Shares:

(a) "accrued and unpaid dividends" means: i) during the Fixed Rate Period, the aggregate of (A) all unpaid dividends on the Series S Preferred Shares for any Dividend Period and (B) the amount calculated as though dividends on each Series S Preferred Share had been accruing on a day-to-day basis from and including the date on which the last quarterly dividend was payable to but excluding the date to which the computation of accrued dividends is to be made; and ii) during the Floating Rate Period, the aggregate of (A) all unpaid

dividends on the Series S Preferred Shares for any Dividend Period and (B) the amount calculated as though dividends on each Series S Preferred Share had been accruing on a day-to-day basis from and including the first day of the Month immediately following the Dividend Period with respect to which the last monthly dividend will be or was, as the case may be, payable to but excluding the date to which the computation of accrued dividends is to be made; and

(b) "in priority to", "on a parity with" and "junior to" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

3.11.15 Interpretation

In the event that any date on which any dividend on the Series S Preferred Shares is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the holders of Series S Preferred Shares hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A "business day" shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday at the Corporation's principal office in Canada.

3.12 Series T Preferred Shares

The Series T Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.12.1 Dividend

3.12.1.1 Definitions

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

(a) "Annual Dividend Rate" means for any Fixed Dividend Rate Period the rate of interest expressed as a percentage per annum (rounded to the nearest one-thousandth (1/1000) of one percent (1%)) which is equal to the Government of Canada Yield multiplied by the Selected Percentage Rate for such Fixed Dividend Rate Period;

(b) "Dividend Payment Date" means the first day of each of February, May, August and November in each year;

(c) "Fixed Dividend Rate Period" means for the initial Fixed Dividend Rate Period, the period commencing on November 1, 2001 and ending on and including October 31, 2006 and for each succeeding Fixed Dividend Rate Period, the period commencing on the day immediately following the end of the immediately preceding Fixed Dividend Rate Period and ending on and including October 31 in the fifth year immediately thereafter;

(d) "Government of Canada Yield" on any date shall mean the average of the yields determined by two registered Canadian investment dealers, selected by the Board of Directors, as being the yield to maturity on such date compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Canada Bond would carry if issued in Canadian dollars in Canada at 100% of its principal amount on such date with a term to maturity of five years; and

(e) "Selected Percentage Rate" for each Fixed Dividend Rate Period means the rate of interest, expressed as a percentage of the Government of Canada Yield, determined by the Board of Directors as set forth

in the notice to the holders of the Series T Preferred Shares given in accordance with the provisions of section 3.12.4.1, which rate of interest shall be not less than 80% of the Government of Canada Yield.

3.12.1.2 *General*

The holders of the Series T Preferred Shares shall be entitled to receive fixed, cumulative, preferred cash dividends, as and when declared by the Board of Directors, out of moneys of the Corporation properly applicable to the payment of dividends, in the amount per share per annum determined by multiplying the Annual Dividend Rate by \$25.00, payable quarterly in respect of each 12 month period on the first day of February, May, August and November by cheque at par in lawful money of Canada at any branch in Canada of the Corporation's bankers.

Dividends declared on the Series T Preferred Shares shall (except in case of redemption in which case payment of dividends shall be made on surrender of the certificate representing the Series T Preferred Shares to be redeemed) be paid by posting in a postage paid envelope addressed to each holder of the Series T Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or, in the case of joint holders, to the address of that one whose name appears first in the securities register of the Corporation as one of such joint holders, a cheque for such dividends (less any tax required to be deducted) payable to the order of such holder or, in the case of joint holders, to the order of all such holders failing written instructions from them to the contrary. Notwithstanding the foregoing, any dividend cheque may be delivered by the Corporation to a holder of Series T Preferred Shares at his address as aforesaid. The posting or delivery of such cheque shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be deducted as aforesaid) unless such cheque is not paid on due presentation.

3.12.1.3 *Calculation of Annual Dividend Rate*

The Corporation shall calculate on the 21st day prior to the first day of each Fixed Dividend Rate Period the Annual Dividend Rate for each Fixed Dividend Rate Period based upon the Selected Percentage Rate and the Government of Canada Yield in effect at 10:00 A.M. (Montréal time) on the said 21st day prior to the first day of each Fixed Dividend Rate Period and give notice thereof: (i) within one (1) business day to all stock exchanges in Canada on which the Series T Preferred Shares are listed for trading or if the Series T Preferred Shares are not listed on a stock exchange in Canada, to the Investment Dealers Association of Canada; and (ii) within three (3) business days to, except in relation to the initial Fixed Dividend Rate Period, the holders of the Series T Preferred Shares by publication once in the national edition of the Globe and Mail in the English language and once in the City of Montréal in both the French and English languages in a daily newspaper of general circulation in Montréal; provided that if any such newspaper is not being generally circulated at that time, such notice shall be published in another equivalent publication.

3.12.2 *Rights on Liquidation*

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Series T Preferred Shares shall be entitled to receive \$25.00 per Series T Preferred Share together with all dividends accrued and unpaid up to but excluding the date of payment or distribution, before any amounts shall be paid or any assets of the Corporation distributed to the holders of the Common Shares of the Corporation or any other shares ranking junior to the Series T Preferred Shares. Upon payment of such amounts, the holders of the Series T Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.12.3 *Redemption at the Option of the Corporation*

The Corporation may not redeem any of the Series T Preferred Shares prior to November 1, 2006. Subject to applicable law and section 3.12.5 hereof, upon giving notice as hereinafter provided, the Corporation may, on November 1, 2006 or on November 1 in every fifth year thereafter, redeem at any time all, but not less than all, the outstanding Series T Preferred Shares on payment of \$25.00 for each such share to be redeemed together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the

whole constituting the redemption price.

The Corporation shall give notice in writing not less than 45 days nor more than 60 days prior to the date on which the redemption is to take place to each person who at the date of giving such notice is the holder of Series T Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of Series T Preferred Shares to be redeemed at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, provided that the accidental failure or omission to give any such notices as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series T Preferred Shares to be redeemed. Such notice shall set out the number of such Series T Preferred Shares held by the person to whom it is addressed which are to be redeemed and the redemption price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series T Preferred Shares to be redeemed the redemption price on presentation and surrender at any place within Canada designated by such notice, of the certificate or certificates for such Series T Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date specified in any such notice, the Series T 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Series T Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

3.12.4 *Conversion of Series T Preferred Shares*

3.12.4.1 *Conversion at the Option of the Holder*

Holders of Series T Preferred Shares shall have the right, at their option, on November 1, 2006 and on November 1 in every fifth year thereafter (a "Conversion Date"), to convert, subject to the terms and provisions hereof, all or any Series T Preferred Shares registered in their name into Series S Preferred Shares of the Corporation on the basis of one (1) Series S Preferred Share for each Series T Preferred Share. The Corporation shall give notice in writing to the then holders of the Series T Preferred Shares of the Selected Percentage Rate determined by the Board of Directors to be applicable for the next succeeding Fixed Dividend Rate Period and of the conversion right provided for herein; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of the Series T Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation. Such notice shall set out the Conversion Date and shall be given not less than 45 days nor more than 60 days prior to the applicable Conversion Date.

If the Corporation gives notice as provided in section 3.12.3 to the holders of the Series T Preferred Shares of the redemption of all the Series T Preferred Shares, the Corporation shall not be required to give notice as provided in this section 3.12.4.1 to the holders of the Series T Preferred Shares of a Selected Percentage Rate or of the conversion right and the right of any holder of Series T Preferred Shares to convert such Series T Preferred Shares as herein provided shall cease and terminate in that event.

Holders of Series T Preferred Shares shall not be entitled to convert their shares into Series S Preferred Shares if, following the close of business on the 14th day preceding a Conversion Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series S

Preferred Shares after taking into account all Series T Preferred Shares tendered for conversion into Series S Preferred Shares and all Series S Preferred Shares tendered for conversion into Series T Preferred Shares. The Corporation shall give notice in writing thereof, in accordance with the provisions of the first paragraph of this section 3.12.4.1, to all affected holders of Series T Preferred Shares at least seven (7) days prior to the applicable Conversion Date and will issue and deliver, or cause to be delivered, prior to such Conversion Date, at the expense of the Corporation, to such holders of Series T Preferred Shares, who have surrendered for conversion any certificate or certificates representing Series T Preferred Shares, new certificates representing the Series T Preferred Shares represented by any certificate or certificates surrendered as aforesaid.

3.12.4.2 *Automatic Conversion*

If following the close of business on the 14th day preceding a Conversion Date the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series T Preferred Shares after taking into account all Series T Preferred Shares tendered for conversion into Series S Preferred Shares and all Series S Preferred Shares tendered for conversion into Series T Preferred Shares, then, all, but not part, of the remaining outstanding Series T Preferred Shares shall automatically be converted into Series S Preferred Shares on the basis of one (1) Series S Preferred Share for each Series T Preferred Share on the applicable Conversion Date and the Corporation shall give notice in writing thereof, in accordance with the provisions of section 3.12.4.1, to the holders of such remaining Series T Preferred Shares at least seven (7) days prior to the Conversion Date.

3.12.4.3 *Manner of Exercise of Conversion Privilege*

The conversion of Series T Preferred Shares may be effected by surrender of the certificate or certificates representing the same not earlier than 45 days prior to a Conversion Date but not later than the close of business on the 14th day preceding a Conversion Date during usual business hours at any office of any transfer agent of the Corporation at which the Series T Preferred Shares are transferable accompanied by: (1) payment or evidence of payment of the tax (if any) payable as provided in this section 3.12.4.3; and (2) a written instrument of surrender in form satisfactory to the Corporation duly executed by the holder, or his attorney duly authorized in writing, in which instrument such holder may also elect to convert part only of the Series T Preferred Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series T Preferred Shares represented by such certificate or certificates which have not been converted.

In the event the Corporation is required to convert all remaining outstanding Series T Preferred Shares into Series S Preferred Shares on the applicable Conversion Date as provided for in section 3.12.4.2, the Series T Preferred Shares in respect of which the holders have not previously elected to convert, shall be converted on the Conversion Date into Series S Preferred Shares and the holders thereof shall be deemed to be holders of Series S Preferred Shares at the close of business on the Conversion Date and shall be entitled, upon surrender during usual business hours at any office of any transfer agent of the Corporation at which the Series T Preferred Shares were transferable of the certificate or certificates representing Series T Preferred Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series S Preferred Shares in the manner and subject to the terms and provisions as provided in this section 3.12.4.3.

As promptly as practicable after the Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series T Preferred Shares so surrendered, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully-paid and non-assessable Series S Preferred Shares and the number of remaining Series T Preferred Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Conversion Date, so that the rights of the holder of such Series T Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Series S Preferred Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Series S Preferred Shares at such time.

The holder of any Series T Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into a Series

S Preferred Share after such record date and on or before the date of the payment of such dividend.

The issuance of certificates for the Series S Preferred Shares upon the conversion of Series T Preferred Shares shall be made without charge to the converting holders of Series T Preferred Shares for any fee or tax in respect of the issuance of such certificates or the Series S Preferred Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series S Preferred Shares are issued in respect of the issuance of such Series S Preferred Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name or names other than that of the holder of the Series T Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

3.12.4.4 *Status of Converted Series T Preferred Shares*

All Series T Preferred Shares converted into Series S Preferred Shares on a Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Conversion Date.

3.12.5 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series T Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series T Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series T Preferred Shares;
- (b) the Corporation shall not redeem, purchase or otherwise retire or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series T Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series T Preferred Shares);
- (c) the Corporation shall not purchase or otherwise retire less than all of the Series T Preferred Shares then outstanding; or
- (d) the Corporation shall not redeem, purchase or otherwise retire (except in connection with the exercise of any retraction privilege or any mandatory redemption obligation attaching thereto) any shares of any class or series ranking on a parity with the Series T Preferred Shares provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series T Preferred Shares;

unless, in each such case, all cumulative dividends on outstanding Series T Preferred Shares accrued up to and including the dividend payable for the last completed period for which dividends were payable shall have been declared and paid.

Any approval of the holders of the Series T Preferred Shares required to be given pursuant to this section 3.12.5 may be given in accordance with the second paragraph of section 3.12.7 and section 3.12.10. Notwithstanding the provisions of section 3.12.10 hereof, any approval required to be given pursuant to this section 3.12.5 shall be required to be given only by the affirmative vote of the holders of the majority of the Series T Preferred Shares present or represented at a meeting or adjourned meeting, of the holders of Series T Preferred Shares duly called for the purpose and at which a quorum is present.

3.12.6 *Purchase for Cancellation*

The Corporation may at any time purchase for cancellation the whole or any part of the Series T Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, or by private agreement or otherwise, at the

lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable.

3.12.7 *Voting Rights*

If the Corporation fails to pay eight (8) dividends on the Series T Preferred Shares, whether or not consecutive, the holders of the Series T Preferred Shares shall have the right to receive notice of, and to attend, each meeting of shareholders of the Corporation which takes place more than 60 days after the date on which the failure first occurs (other than a separate meeting of the holders of another series or class of shares) and such holders shall also have the right, at any such meeting, to one (1) vote for each Series T Preferred Share held, until all such arrears of dividends on the Series T Preferred Shares shall have been paid whereupon such rights shall cease unless and until the same default shall again arise under the provisions of this section 3.12.7.

In connection with any actions to be taken by the Corporation which require the approval of the holders of the Series T Preferred Shares voting as a series or as part of a class, each Series T Preferred Share shall entitle the holder thereof to one (1) vote for such purpose.

3.12.8 *Issue of Additional Preferred Shares*

The Corporation may issue additional series of First Preferred Shares ranking on a parity with the Series T Preferred Shares without the authorization of the holders of the Series T Preferred Shares.

3.12.9 *Modifications*

The provisions attaching to the Series T Preferred Shares as a series may be repealed, altered, modified or amended from time to time with such approval as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.12.10.

None of the series provisions of the articles of the Corporation relating to the Series T Preferred Shares shall be amended or otherwise changed unless, contemporaneously therewith, the series provisions, if any, relating to the Series S Preferred Shares are, to the extent deemed required by the Corporation, amended or otherwise changed in the same proportion and in the same manner.

3.12.10 *Approval of Holders of Series T Preferred Shares*

Any approval given by the holders of the Series T Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series T Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.12.11 *Tax Election*

The Corporation shall elect, in the manner and within the time provided under the *Income Tax Act* (Canada), under subsection 191.2(1) of the said Act, or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series T Preferred Shares will be required to pay tax on dividends received on the Series T Preferred Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provision of similar effect.

3.12.12 *Mail Service Interruption*

If the Corporation determines that mail service is, or is threatened to be, interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series T Preferred Shares, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

- (a) give such notice by telex, telecopier or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such telex, telecopier or telegraph communication was given or on the date on which the first publication has taken place; and

(b) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not appearing on the securities register of the Corporation, then at the last address of such holder known to the Corporation.

3.12.13 Definitions

In the provisions herein contained attaching to the Series T Preferred Shares:

(a) "accrued and unpaid dividends" means the aggregate of: (i) all unpaid dividends on the Series T Preferred Shares for any quarterly period; and (ii) the amount calculated as though dividends on each Series T Preferred Share had been accruing on a day-to-day basis from and including the date on which the last quarterly dividend was payable to but excluding the date to which the computation of accrued dividends is to be made; and

(b) "in priority to", "on a parity with" and "junior to" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

3.12.14 Interpretation

In the event that any date on which any dividend on the Series T Preferred Shares is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the holders of Series T Preferred Shares hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A "business day" shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday at the Corporation's principal office in Canada.

3.13 Series U Preferred Shares

The Series U Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.13.1 Dividend

3.13.1.1 Definitions

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

(a) "Adjustment Factor" for any Month means the percentage per annum, positive or negative, based on the Calculated Trading Price of the Series U Preferred Shares for the preceding Month, determined in accordance with the following table:

<u>If Calculated Trading Price is</u>	<u>The Adjustment Factor as a Percentage of Prime Shall Be</u>
\$25.50 or more	-4.00%
\$25.375 and less than \$25.50.....	-3.00%
\$25.25 and less than \$25.375.....	-2.00%
\$25.125 and less than \$25.25.....	-1.00%
Greater than \$24.875 and less than \$25.125.....	nil
Greater than \$24.75 to \$24.875	1.00%

<u>If Calculated Trading Price is</u>	<u>The Adjustment Factor as a Percentage of Prime Shall Be</u>
Greater than 24.625 to \$24.75	2.00%
Greater than \$24.50 to \$24.625	3.00%
\$24.50 or less.....	4.00%

The maximum Adjustment Factor for any Month will be $\pm 4.00\%$.

If in any Month there is no trade on the Exchange of Series U Preferred Shares of a board lot or more, the Adjustment Factor for the following Month shall be nil;

(b) "Annual Dividend Rate" means the Annual Fixed Dividend Rate, the Annual Floating Unlisted Dividend Rate or the Annual Floating Listed Dividend Rate, whichever is provided by this section 3.13.1.1 to be applicable at the relevant time;

(c) "Annual Fixed Dividend Rate" means 5.54% per annum;

(d) "Annual Floating Unlisted Dividend Rate" for any Month during the Floating Rate Unlisted Period means the rate of interest expressed as a percentage per annum (rounded to the nearest one-thousandth of one percent (0.001%)) which is equal to the Bankers' Acceptance Rate for such Month plus 0.40%;

(e) "Annual Floating Listed Dividend Rate" for any Month during the Floating Rate Listed Period means the rate of interest expressed as a percentage per annum (rounded to the nearest one-thousandth of one percent (0.001 %)) which is equal to Prime multiplied by the Designated Percentage for such Month;

(f) "Bankers' Acceptance Rate" for any Month means the rate per annum equal to:

(i) the simple average (rounded to the nearest one-hundredth of one percent (0.01 %)) of the rates per annum quoted by both Dealers where such rates per annum, quoted by such Dealers, are equal to the simple average (rounded to the nearest one-hundredth of one percent (0.01%)) of the bid and ask rates of the yields to maturity quoted by each of the Dealers (rounded upward to the nearest one-thousandth of one percent (0.001%)), as at 10:00 a.m., Montréal time, on the Bankers' Acceptance Determination Date, on 30-day bankers' acceptances accepted by such of Bank of Montreal, The Toronto-Dominion Bank, Canadian Imperial Bank of Commerce, Royal Bank of Canada and The Bank of Nova Scotia (or their respective successors) as are accepting 30-day bankers' acceptances on such date;

(ii) in the event one of the Dealers is unable or does not for any reason quote the bid and ask rates per annum referred to in section 3.13.1.1(f)(i) above as at 10:00 a.m., Montréal time on the Bankers' Acceptance Determination Date, such rate shall be the simple average rounded to the nearest one-hundredth of one percent (0.01%) of the bid and ask rates per annum on such date quoted by the other; or

(iii) in the event that both Dealers are unable to or do not for any reason quote rates, as at 10:00 a.m., Montréal time, on the Bankers' Acceptance Determination Date (including without limitation, where none of Bank of Montreal, The Toronto-Dominion Bank, Canadian Imperial Bank of Commerce, Royal Bank of Canada or The Bank of Nova Scotia is accepting 30-day bankers' acceptances on such Bankers' Acceptance Determination Date) for the purpose of determining the Bankers' Acceptance Rate in accordance with (i) or (ii) above, such rate shall be 0.2% plus the simple average (rounded to the nearest one-hundredth of one percent (0.01%)) of each rate per annum which is equal to the simple average (rounded to the nearest one-hundredth of one percent (0.01%)) of the bid and ask rates of the yields to maturity quoted by each of the Dealers (rounded upward to the nearest one-thousandth of one percent (0.001%)) as of 10:00 a.m., Montréal time on such Bankers' Acceptance Determination Date, on Government of Canada Treasury Bills

maturing as nearly as possible 30 days from such Bankers' Acceptance Determination Date;

(g) "Bankers' Acceptance Determination Date" for any Month means the last business day immediately preceding such Month;

(h) "Banks" means any two of Royal Bank of Canada, Bank of Montreal, The Bank of Nova Scotia, The Toronto-Dominion Bank and Canadian Imperial Bank of Commerce and any successor of any of them as may be designated from time to time by the Board of Directors by notice given to the transfer agent for the Series U Preferred Shares, such notice to take effect on, and to be given at least two (2) business days prior to, the commencement of a particular Dividend Period and, until such notice is first given, means Royal Bank of Canada and The Toronto-Dominion Bank;

(i) "Calculated Trading Price" for any Month means:

(i) the aggregate of the Daily Adjusted Trading Value for all Trading Days in such Month;

divided by

(ii) the aggregate of the Daily Trading Volume for all Trading Days in such Month;

(j) "Daily Accrued Dividend Deduction" for any Trading Day means:

(i) the product obtained by multiplying the dividend accrued on a Series U Preferred Share in respect of the Month in which the Trading Day falls by the number of days elapsed from but excluding the day prior to the Ex-Dividend Date immediately preceding such Trading Day to and including such Trading Day (or if such Trading Day is an Ex-Dividend Date, by one (1) day);

divided by

(ii) the number of days from and including such Ex-Dividend Date to but excluding the following Ex-Dividend Date;

(k) "Daily Adjusted Trading Value" for any Trading Day means:

(i) the aggregate dollar value of all transactions of Series U Preferred Shares on the Exchange (made on the basis of the normal settlement period in effect on the Exchange) occurring during such Trading Day;

less

(ii) the Daily Trading Volume for such Trading Day multiplied by the Daily Accrued Dividend Deduction for such Trading Day;

(l) "Daily Trading Volume" for any Trading Day means the aggregate number of Series U Preferred Shares traded in all transactions (made on the basis of the normal settlement period in effect on the Exchange) occurring during such Trading Day on the Exchange;

(m) "Dealers" for any Bankers' Acceptance Rate means RBC Dominion Securities Inc., and any successor thereto, and TD Securities Inc., and any successor thereto;

(n) "Deemed Record Date" means the last Trading Day of a Month with respect to which no dividend is declared by the Board of Directors;

(o) "Designated Percentage" for the Month of March, 2007 means eighty percent (80%) and for

each Month thereafter means the Adjustment Factor for such Month plus the Designated Percentage for the preceding Month, provided that the Annual Floating Listed Dividend Rate for any Month shall in no event be less than 50% of Prime for such Month or more than 100% of Prime for such Month;

- (p) "Dividend Payment Date" means:
- (i) during the Fixed Rate Period, the first day of each of March, June, September and December in each year;
 - (ii) during the Floating Rate Unlisted Period, the 12th day of each Month commencing with the Month of April, 2007; and
 - (iii) during the Floating Rate Listed Period, the 12th day of each Month commencing with the first full calendar month following listing of the Series U Preferred Shares on the Exchange;

and the first Dividend Payment Date shall be September 1, 1997;

- (q) "Dividend Period" means:
- (i) during the Fixed Rate Period, the period from and including a Dividend Payment Date to but not including the next succeeding Dividend Payment Date; and
 - (ii) during the Floating Rate Unlisted Period and the Floating Rate Listed Period, a Month;

- (r) "Ex-Dividend Date" means:
- (i) the Trading Day which, under the rules or normal practices of the Exchange, is designated or recognized as the Ex-Dividend Date relative to any dividend record date for the Series U Preferred Shares; or
 - (ii) if the Board of Directors fails to declare a dividend in respect of a Month, the Trading Day which, under the rules or normal practices of the Exchange, would be recognized as the Ex-Dividend Date relative to any Deemed Record Date for the Series U Preferred Shares;

(s) "Exchange", for purposes of the definition of the terms "Daily Adjusted Trading Value", "Daily Trading Volume", "Ex-Dividend Date" and "Trading Day" and for purposes of determining the Adjustment Factor, means The Montreal Exchange or The Toronto Stock Exchange or such other exchange or trading market in Canada as may be determined from time to time by the Corporation as being the principal trading market for the Series U Preferred Shares and for all other purposes herein, means The Montreal Exchange or the Toronto Stock Exchange;

(t) "Fixed Rate Period" means the period commencing with the date of issue of the Series U Preferred Shares and ending on and including February 28, 2007;

(u) "Floating Rate Unlisted Period" means the period commencing immediately after the end of the Fixed Rate Period, if at such time the Series U Preferred Shares are not unconditionally listed on the Exchange, and continuing until and including the last day of the Month, if any, in which the Series U Preferred Shares are unconditionally listed on the Exchange;

- (v) "Floating Rate Listed Period" means the period commencing on and including the later of:
- (i) March 1, 2007; and
 - (ii) the first day of the Month following the date, if any, in which the Series U Preferred

Shares are unconditionally listed on the Exchange;

- (w) "Month" means a calendar month;
- (x) "Prime" for a Month means the average (rounded to the nearest one-thousandth of one percent (0.001 %)) of the Prime Rate in effect on each day of such Month;
- (y) "Prime Rate" for any day means the average (rounded to the nearest one-thousandth of one percent (0.001 %)) of the annual rates of interest announced from time to time by the Banks as the reference rates then in effect for such day for determining interest rates on Canadian dollar commercial loans made to prime commercial borrowers in Canada. If one of the Banks does not have such an interest rate in effect on a day, the Prime Rate for such day shall be such interest rate in effect for that day of the other Bank; if both Banks do not have such an interest rate in effect on a day, the Prime Rate for that day shall be equal to one and a half percent (1.5%) per annum plus the average yield expressed as a percentage per annum on 91-day Government of Canada Treasury Bills, as reported by the Bank of Canada, for the weekly tender for the week immediately preceding that day; and if both of such Banks do not have such an interest rate in effect on a day and the Bank of Canada does not report such average yield per annum, the Prime Rate for that day shall be equal to the Prime Rate for the next preceding day. The Prime Rate and Prime shall be determined from time to time by an officer of the Corporation from quotations supplied by the Banks or otherwise publicly available. Such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series U Preferred Shares;
- (z) "Qualifying Listing Request" means a request to list the Series U Preferred Shares on the Exchange by holders holding together in the aggregate at least 3,000,000 Series U Preferred Shares and/or Series V Preferred Shares ("Requesting Holders") who have committed to use all commercially reasonable best efforts to sell to unrelated parties through the facilities of the Exchange before the applicable Sale Completion Date, such number of Series U Preferred Shares and/or Series V Preferred Shares to such number of holders so as to meet the then listing requirements of the Exchange (but in any event, in the aggregate at least 3,000,000 Series U Preferred Shares and/or Series V Preferred Shares), provided that such request may not be made before June 27, 2000, and may not be made within six (6) months of the last Qualifying Listing Request by any holder of Series U Preferred Shares and/or Series V Preferred Shares;
- (aa) "Sale Completion Date" for any Qualifying Listing Request means the applicable date after the conditional listing, if obtained, of the Series U Preferred Shares on the Exchange pursuant to such request (the "Conditional Listing") determined as follows:
 - (i) if during the period commencing with the date of such request and terminating 30 days from the date of the Conditional Listing, the Corporation announces publicly its intention to issue by way of a public offering at least \$50,000,000 of Substantially Similar Preferred Shares, the applicable date shall be 120 days from the date of the Conditional Listing;
 - (ii) (a) if there has occurred an Unusual Event during the period commencing with the date of such request and terminating 30 days from the date of the Conditional Listing; or (b) in the event the Corporation announces publicly its intention to issue Substantially Similar Preferred Shares in accordance with section 3.13.1.1(aa)(i) hereof during the period commencing with a date of such request and terminating 120 days from the date of the Conditional Listing and if there has occurred an Unusual Event during such period, the applicable date shall be 210 days and 300 days respectively from the date of the Conditional Listing; and
 - (iii) in all other cases, the applicable date shall be 30 days from the date of the Conditional Listing;
- (bb) "Substantially Similar Preferred Shares" shall mean preferred shares of the Corporation:
 - (i) which are of the same class as the Series U Preferred Shares;

- (ii) the holders of which are entitled to cumulative preferred cash dividends payable at a fixed rate for an initial pre-determined period and thereafter are entitled to cumulative preferred cash dividends payable at a floating rate fixed every five years; and
 - (iii) which are convertible into another series of preferred shares of the Corporation;
- (cc) "Trading Day" means, if the Exchange is a stock exchange in Canada, a day on which the Exchange is open for trading or, in any other case, a business day; and
- (dd) "Unusual Event" for a Sale Completion Date means any event, action, state, condition or major financial occurrence of national or international consequence, or any law or regulation which, in the reasonable opinion of the Requesting Holders, seriously adversely affects, or involves, or will seriously affect, or involve, the market for the Series U Preferred Shares and/or Series V Preferred Shares.

3.13.1.2 General

The holders of the Series U Preferred Shares shall be entitled to receive cumulative preferred cash dividends, as and when declared by the Board of Directors, out of moneys of the Corporation properly applicable to the payment of dividends, at the rates and times herein provided. Dividends on the Series U Preferred Shares shall accrue on a daily basis from and including the date of issue thereof, and shall be payable quarterly during the Fixed Rate Period and monthly during the Floating Rate Unlisted Period and the Floating Rate Listed Period. Payment of the dividend on the Series U Preferred Shares payable on any Dividend Payment Date (less any tax required to be deducted) shall be made by cheque at par in lawful money of Canada payable at any branch in Canada of the Corporation's bankers.

Dividends declared on the Series U Preferred Shares shall (except in case of redemption in which case payment of dividends shall be made on surrender of the certificate representing the Series U Preferred Shares to be redeemed) be paid by posting in a postage paid envelope addressed to each holder of the Series U Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or, in the case of joint holders, to the address of that one whose name appears first in the securities register of the Corporation as one of such joint holders, a cheque for such dividends (less any tax required to be deducted) payable to the order of such holder or, in the case of joint holders, to the order of all such holders failing written instructions from them to the contrary. Notwithstanding the foregoing, any dividend cheque may be delivered by the Corporation to a holder of Series U Preferred Shares at his address as aforesaid. The posting or delivery of such cheque shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be deducted as aforesaid) unless such cheque is not paid on due presentation.

3.13.1.3 Fixed Rate Period

During the Fixed Rate Period, the dividends in respect of the Series U Preferred Shares shall be payable quarterly at the Annual Fixed Dividend Rate. Accordingly, on each Dividend Payment Date during the Fixed Rate Period, other than September 1, 1997, but including March 1, 2007, the dividend payable shall be \$0.34625 per Series U Preferred Share. Notwithstanding the foregoing, the amount of the first quarterly dividend payable on each Series U Preferred Share on September 1, 1997, shall be \$0.25044 per share.

3.13.1.4 Floating Rate Unlisted Period

During the Floating Rate Unlisted Period, the dividends in respect of the Series U Preferred Shares shall be payable monthly at the Annual Floating Unlisted Dividend Rate as calculated from time to time. Accordingly, on each Dividend Payment Date during the Floating Rate Unlisted Period, the dividend payable on the Series U Preferred Shares shall be that amount (rounded to the nearest one-thousandth of one cent (\$0.00001) obtained by multiplying \$25.00 by the Annual Floating Unlisted Dividend Rate applicable to the Month preceding such Dividend Payment Date and by dividing the product by twelve. The record date for the purpose of determining holders of Series U Preferred Shares entitled to receive dividends on each Dividend Payment Date during the Floating Rate Unlisted Period shall be the last Trading Day of the next preceding Month. In the

event of the redemption or purchase of the Series U Preferred Shares during the Floating Rate Unlisted Period or the distribution of the assets of the Corporation during the Floating Rate Unlisted Period as contemplated by section 3.13.2 hereof, the amount of the dividend which has accrued during the Month in which such redemption, purchase or distribution occurs shall be the amount (rounded to the nearest one-thousandth of one cent (\$0.00001)) calculated by multiplying:

- (i) the amount obtained by multiplying \$25.00 by one-twelfth (1/12) of the Annual Floating Unlisted Dividend Rate applicable to the preceding Month; by
- (ii) a fraction of which the numerator is the number of days elapsed in the Month in which such redemption, purchase or distribution occurs up to but not including the date of such event and the denominator of which is the number of days in that Month.

3.13.1.5 Floating Rate Listed Period

During the Floating Rate Listed Period, the dividends in respect of the Series U Preferred Shares shall be payable monthly at the Annual Floating Listed Dividend Rate as calculated from time to time. Accordingly, on each Dividend Payment Date during the Floating Rate Listed Period, the dividend payable on the Series U Preferred Shares shall be that amount (rounded to the nearest one-thousandth of one cent (\$0.00001)) obtained by multiplying \$25.00 by the Annual Floating Listed Dividend Rate applicable to the Month preceding such Dividend Payment Date and by dividing the product by twelve. The record date for the purpose of determining holders of Series U Preferred Shares entitled to receive dividends on each Dividend Payment Date during the Floating Rate Listed Period shall be the last Trading Day of the next preceding Month. In the event of the redemption or purchase of the Series U Preferred Shares during the Floating Rate Listed Period or the distribution of the assets of the Corporation during the Floating Rate Listed Period as contemplated by section 3.13.2 hereof, the amount of the dividend which has accrued during the Month in which such redemption, purchase or distribution occurs shall be the amount (rounded to the nearest one-thousandth of one cent (\$0.00001)) calculated by multiplying:

- (i) the amount obtained by multiplying \$25.00 by one-twelfth (1/12) of the Annual Floating Listed Dividend Rate applicable to the preceding Month; by
- (ii) a fraction of which the numerator is the number of days elapsed in the Month in which such redemption, purchase or distribution occurs up to but not including the date of such event and the denominator of which is the number of days in that Month.

3.13.1.6 Calculation of Designated Percentage

The Corporation shall as promptly as practicable calculate the Designated Percentage for each Month and give notice thereof to all stock exchanges in Canada on which the Series U Preferred Shares are listed for trading or if the Series U Preferred Shares are not listed on a stock exchange in Canada to the Investment Dealers Association of Canada.

3.13.2 Rights on Liquidation

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Series U Preferred Shares shall be entitled to receive \$25.00 per Series U Preferred Share together with all dividends accrued and unpaid up to but excluding the date of payment or distribution, before any amounts shall be paid or any assets of the Corporation distributed to the holders of the Common Shares of the Corporation or any other shares ranking junior to the Series U Preferred Shares. Upon payment of such amounts, the holders of the Series U Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.13.3 *Redemption at the Option of the Corporation*

The Corporation may not redeem any of the Series U Preferred Shares prior to March 1, 2007. Subject to applicable law and section 3.13.5 hereof, upon giving notice as hereinafter provided, the Corporation may:

- (i) on March 1, 2007, redeem all, but not less than all, of the outstanding Series U Preferred Shares, on payment of \$25.00 for each such share to be redeemed;
- (ii) after March 1, 2007, if the date of such redemption is during the Floating Rate Unlisted Period, redeem at any time all, but not less than all, of the outstanding Series U Preferred Shares, on payment of \$25.00 for each such share to be redeemed; and
- (iii) after March 1, 2007, if the date of such redemption is during the Floating Rate Listed Period, redeem at any time all, but not less than all, of the outstanding Series U Preferred Shares, on payment of \$25.50 for each share to be so redeemed;

in each case, together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the whole constituting the redemption price.

The Corporation shall give notice in writing not less than 45 days nor more than 60 days prior to the date on which the redemption is to take place to each person who at the date of giving such notice is the holder of Series U Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of Series U Preferred Shares to be redeemed at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, provided that the accidental failure or omission to give any such notices as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series U Preferred Shares to be redeemed. Such notice shall set out the number of such Series U Preferred Shares held by the person to whom it is addressed which are to be redeemed and the redemption price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series U Preferred Shares to be redeemed the redemption price on presentation and surrender at any place or places within Canada designated by such notice, of the certificate or certificates for such Series U Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date specified in any such notice, the Series U 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Series U Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

3.13.4 *Conversion of Series U Preferred Shares*

3.13.4.1 *Conversion at the Option of the Holder*

Holders of Series U Preferred Shares shall have the right, at their option, on March 1, 2007 and on March 1 in every fifth year thereafter (a "Conversion Date"), to convert, subject to the terms and conditions hereof, all or any Series U Preferred Shares registered in their name into Series V Preferred Shares of

the Corporation on the basis of one (1) Series V Preferred Share for each Series U Preferred Share. The Corporation shall give notice in writing to the then holders of the Series U Preferred Shares of the Selected Percentage Rate (as defined in section 3.14.1.1 of the articles of the Corporation relating to the Series V Preferred Shares) determined by the Board of Directors to be applicable for the next succeeding Fixed Dividend Rate Period (as defined in section 3.14.1.1 of the articles of the Corporation relating to the Series V Preferred Shares) and of the conversion right provided for herein; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of the Series U Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation. Such notice shall set out the Conversion Date and shall be given not less than 45 days nor more than 60 days prior to the applicable Conversion Date.

If the Corporation gives notice as provided in section 3.13.3 to the holders of the Series U Preferred Shares of the redemption of all the Series U Preferred Shares, the Corporation shall not be required to give notice as provided in this section 3.14.1.1 to the holders of the Series U Preferred Shares of a Selected Percentage Rate (as defined in section 3.14.1.1 of the articles of the Corporation relating to the Series V Preferred Shares) for the Series V Preferred Shares or of the conversion right and the right of any holder of Series U Preferred Shares to convert such Series U Preferred Shares as herein provided shall cease and terminate in that event.

Holders of Series U Preferred Shares shall not be entitled to convert their shares into Series V Preferred Shares if, following the close of business on the 14th day preceding a Conversion Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series V Preferred Shares, after taking into account all Series U Preferred Shares tendered for conversion into Series V Preferred Shares and all Series V Preferred Shares tendered for conversion into Series U Preferred Shares. The Corporation shall give notice in writing thereof, in accordance with the provisions of the first paragraph of this section 3.13.4.1, to all affected holders of Series U Preferred Shares at least seven (7) days prior to the applicable Conversion Date and will issue and deliver, or cause to be delivered, prior to such Conversion Date, at the expense of the Corporation, to such holders of Series U Preferred Shares, who have surrendered for conversion any certificate or certificates representing Series U Preferred Shares, new certificates representing the Series U Preferred Shares represented by any certificate or certificates surrendered as aforesaid.

3.13.4.2 *Automatic Conversion*

If following the close of business on the 14th day preceding a Conversion Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series U Preferred Shares after taking into account all Series U Preferred Shares tendered for conversion into Series V Preferred Shares and all Series V Preferred Shares tendered for conversion into Series U Preferred Shares, then, all, but not part, of the remaining outstanding Series U Preferred Shares shall automatically be converted into Series V Preferred Shares on the basis of one (1) Series V Preferred Share for each Series U Preferred Share on the applicable Conversion Date and the Corporation shall give notice in writing thereof, in accordance with the provisions of section 3.13.4.1, to the holders of such remaining Series U Preferred Shares at least seven (7) days prior to the Conversion Date.

3.13.4.3 *Manner of Exercise of Conversion Privilege*

The conversion of Series U Preferred Shares may be effected by surrender of the certificate or certificates representing the same not earlier than 45 days prior to a Conversion Date but not later than the close of business on the 14th day preceding a Conversion Date during usual business hours at any office of any transfer agent of the Corporation at which the Series U Preferred Shares are transferable accompanied by: i) payment or evidence of payment of the tax (if any) payable as provided in this section 3.13.4.3; and ii) a written instrument of surrender in form satisfactory to the Corporation duly executed by the holder, or his attorney duly authorized in writing, in which instrument such holder may also elect to convert part only of the Series U Preferred Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series U Preferred Shares represented by such certificate or certificates which have not been converted.

In the event the Corporation is required to convert all remaining outstanding Series U Preferred Shares into Series V Preferred Shares on the applicable Conversion Date as provided for in section 3.13.4.2, the Series U Preferred Shares, in respect of which the holders have not previously elected to convert, shall be converted on the Conversion Date into Series V Preferred Shares and the holders thereof shall be deemed to be holders of Series V Preferred Shares at the close of business on the Conversion Date and shall be entitled, upon surrender during usual business hours at any office of any transfer agent of the Corporation at which the Series U Preferred Shares were transferable of the certificate or certificates representing Series U Preferred Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series V Preferred Shares in the manner and subject to the terms and provisions as provided in this section 3.13.4.3.

As promptly as practicable after the Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series U Preferred Shares so surrendered, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully-paid and non-assessable Series V Preferred Shares and the number of remaining Series U Preferred Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Conversion Date, so that the rights of the holder of such Series U Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Series V Preferred Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Series V Preferred Shares at such time.

The holder of any Series U Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into a Series V Preferred Share after such record date and on or before the date of the payment of such dividend.

The issuance of certificates for the Series V Preferred Shares upon the conversion of Series U Preferred Shares shall be made without charge to the converting holders of Series U Preferred Shares for any fee or tax in respect of the issuance of such certificates or the Series V Preferred Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series V Preferred Shares are issued in respect of the issuance of such Series V Preferred Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name or names other than that of the holder of the Series U Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

3.13.4.4 *Status of Converted Series U Preferred Shares*

All Series U Preferred Shares converted into Series V Preferred Shares on a Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Conversion Date.

3.13.5 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series U Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series U Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series U Preferred Shares;
- (b) the Corporation shall not redeem, purchase or otherwise retire or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series U Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series U Preferred Shares);
- (c) the Corporation shall not purchase or otherwise retire less than all of the Series U Preferred Shares then outstanding; or

(d) the Corporation shall not redeem, purchase or otherwise retire (except in connection with the exercise of any retraction privilege or any mandatory redemption obligation attaching thereto) any shares of any class or series ranking on a parity with the Series U Preferred Shares provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series U Preferred Shares;

unless, in each such case, all cumulative dividends on outstanding Series U Preferred Shares accrued up to and including the dividend payable for the last completed period for which dividends were payable shall have been declared and paid.

Any approval of the holders of Series U Preferred Shares required to be given pursuant to this section 3.13.5 may be given in accordance with the second paragraph of section 3.13.7 and section 3.13.10. Notwithstanding the provisions of section 3.13.10 hereof, any approval required to be given pursuant to this section 3.13.5 shall be required to be given only by the affirmative vote of the holders of the majority of the Series U Preferred Shares present or represented at a meeting, or adjourned meeting, of the holders of Series U Preferred Shares duly called for the purpose and at which a quorum is present.

3.13.6 *Purchase for Cancellation*

The Corporation may at any time purchase for cancellation the whole or any part of the Series U Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable.

3.13.7 *Voting Rights*

If the Corporation fails to pay eight (8) dividends on the Series U Preferred Shares, whether or not consecutive, the holders of the Series U Preferred Shares shall have the right to receive notice of, and to attend, each meeting of shareholders of the Corporation which takes place more than 60 days after the date on which the failure first occurs (other than a separate meeting of the holders of another series or class of shares) and such holders shall also have the right, at any such meeting, to one (1) vote for each Series U Preferred Share held, until all such arrears of dividends on the Series U Preferred Shares shall have been paid whereupon such rights shall cease unless and until the same default shall again arise under the provisions of this section 3.13.7.

In connection with any actions to be taken by the Corporation which require the approval of the holders of the Series U Preferred Shares voting as a series or as part of a class, each Series U Preferred Share shall entitle the holder thereof to one (1) vote for such purpose.

3.13.8 *Issue of Additional Preferred Shares*

The Corporation may issue additional series of First Preferred Shares ranking on a parity with the Series U Preferred Shares without the authorization of the holders of the Series U Preferred Shares.

3.13.9 *Modifications*

The provisions attaching to the Series U Preferred Shares as a series may be repealed, altered, modified or amended from time to time with such approval as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.13.10.

None of the series provisions of the articles of the Corporation relating to the Series U Preferred Shares shall be amended or otherwise changed unless, contemporaneously therewith, the series provisions, if any, relating to the Series V Preferred Shares are, to the extent deemed required by the Corporation, amended or otherwise changed in the same proportion and in the same manner.

3.13.10 *Approval of Holders of Series U Preferred Shares*

Any approval given by the holders of the Series U Preferred Shares shall be deemed to have

been sufficiently given if it shall have been given by the holders of Series U Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.13.11 Tax Election

The Corporation shall elect, in the manner and within the time provided under the *Income Tax Act* (Canada), under subsection 191.2(1) of the said Act, or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series U Preferred Shares will be required to pay tax on dividends received on the Series U Preferred Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provision of similar effect.

3.13.12 Mail Service Interruption

If the Corporation determines that mail service is, or is threatened to be, interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series U Preferred Shares, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by telex, telecopier or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such telex, telecopier or telegraph communication was given or on the date on which the first publication has taken place; and

(b) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not appearing on the securities register of the Corporation, then at the last address of such holder known to the Corporation.

3.13.13 Notice of Annual Dividend Rate Applicable to the Series V Preferred Shares

Within three (3) business days of the determination of the Annual Dividend Rate (as defined in section 3.14.1.1 of the articles of the Corporation relating to the Series V Preferred Shares) the Corporation shall give notice thereof to the holders of the Series U Preferred Shares by publication once in the national edition of the *Globe and Mail* in the English language and once in the City of Montréal in both the French and English languages in a daily newspaper of general circulation in Montréal; provided that if any such newspaper is not being generally circulated at that time, such notice shall be published in another equivalent publication.

3.13.14 Listing of Series U Preferred Shares

Upon receipt of a Qualifying Listing Request, the Corporation shall use its reasonable best efforts to obtain within 120 days thereafter a conditional listing for the Series U Preferred Shares on the Exchange and thereafter, should such listing be obtained, to maintain a listing for so long as in the aggregate there are at least 1,000,000 Series U Preferred Shares and/or Series V Preferred Shares outstanding. For greater certainty, however, the Corporation shall not be in breach of its obligations hereunder if the Requesting Holders of such Qualifying Listing Request do not sell such number of Series U Preferred Shares to such number of holders so as to meet the then listing requirements of the Exchange. The Corporation shall pay all fees and costs incidental to obtaining and maintaining such listing.

3.13.15 Definitions

In the provisions herein contained attaching to the Series U Preferred Shares:

(a) "accrued and unpaid dividends" means: i) during the Fixed Rate Period, the aggregate of (A) all unpaid dividends on the Series U Preferred Shares for any Dividend Period and (B) the amount calculated as though dividends on each Series U Preferred Share had been accruing on a day-to-day basis from and including the date on which the last quarterly dividend was payable to but excluding the date to which the computation of accrued dividends is to be made; and ii) during the Floating Rate Unlisted Period and the Floating Rate Listed Period, the aggregate of (A) all unpaid dividends on the Series U Preferred Shares for any Dividend Period and (B) the amount calculated as though dividends on each Series U Preferred Share had been accruing on a day-to-day basis from and including the first day of the Month immediately following the Dividend Period with respect to which the last monthly dividend will be or was, as the case may be, payable to but excluding the date to which the computation of accrued dividends is to be made; and

(b) "in priority to", "on a parity with" and "junior to" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

3.13.16 Interpretation

In the event that any date on which any dividend on the Series U Preferred Shares is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the holders of Series U Preferred Shares hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A "business day" shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday at the Corporation's principal office in Canada.

3.14 Series V Preferred Shares

No Series V Preferred Shares shall be issued by the Corporation prior to March 1, 2007. The Series V Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.14.1 Dividend

3.14.1.1 Definitions

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

(a) "Annual Dividend Rate" means for any Fixed Dividend Rate Period the rate of interest expressed as a percentage per annum (rounded to the nearest one-thousandth of one percent (0.001%)) which is equal to the Government of Canada Yield multiplied by the Selected Percentage Rate for such Fixed Dividend Rate Period;

(b) "Dividend Payment Date" means the first day of each of March, June, September and December in each year;

(c) "Exchange" means The Montreal Exchange or The Toronto Stock Exchange;

(d) "Fixed Dividend Rate Period" means for the initial Fixed Dividend Rate Period, the period commencing on March 1, 2007 and ending on and including February 29, 2012, and for each succeeding Fixed Dividend Rate Period, the period commencing on the day immediately following the end of the immediately preceding Fixed Dividend Rate Period and ending on and including the last day of February in the fifth year immediately thereafter;

(e) "Government of Canada Yield" on any date shall mean the average of the yields determined by two registered Canadian investment dealers, selected by the Board of Directors, as being the yield to maturity

on such date compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Canada Bond would carry if issued in Canadian dollars in Canada at 100% of its principal amount on such date with a term to maturity of five years;

(f) "Qualifying Listing Request" means a request to list the Series V Preferred Shares on the Exchange by holders holding together in the aggregate at least 3,000,000 Series V Preferred Shares and/or Series U Preferred Shares ("Requesting Holders") who have committed to use all commercially reasonable best efforts to sell to unrelated parties through the facilities of the Exchange before the applicable Sale Completion Date, such number of Series V Preferred Shares and/or Series U Preferred Shares to such number of holders so as to meet the then listing requirements of the Exchange (but in any event, in the aggregate at least 3,000,000 Series V Preferred Shares and/or Series U Preferred Shares), provided that such request may not be made within six (6) months of the last Qualifying Listing Request by any holder of Series V Preferred Shares and/or Series U Preferred Shares;

(g) "Sale Completion Date" for any Qualifying Listing Request means the applicable date after the conditional listing, if obtained, of the Series V Preferred Shares on the Exchange pursuant to such request (the "Conditional Listing") determined as follows:

- (i) if during the period commencing with the date of such request and terminating 30 days from the date of the Conditional Listing, the Corporation announces publicly its intention to issue by way of a public offering at least \$50,000,000 of Substantially Similar Preferred Shares, the applicable date shall be 120 days from the date of the Conditional Listing;
- (ii) (a) if there has occurred an Unusual Event during the period commencing with the date of such request and terminating 30 days from the date of the Conditional Listing; or (b) in the event the Corporation announces publicly its intention to issue Substantially Similar Preferred Shares in accordance with section 3.14.1.1(g)(i) hereof during the period commencing with a date of such request and terminating 120 days from the date of the Conditional Listing and if there has occurred an Unusual Event during such period, the applicable date shall be 210 days and 300 days respectively from the date of the Conditional Listing; and
- (iii) in all other cases, the applicable date shall be 30 days from the date of the Conditional Listing;

(h) "Selected Percentage Rate" for each Fixed Dividend Rate Period means the rate of interest, expressed as a percentage of the Government of Canada Yield, determined by the Board of Directors as set forth in the notice to the holders of the Series V Preferred Shares given in accordance with the provisions of section 3.14.4.1, which rate of interest shall be not less than 80% of the Government of Canada Yield;

(i) "Substantially Similar Preferred Shares" means preferred shares of the Corporation:

- (i) which are of the same class as the Series V Preferred Shares;
- (ii) the holders of which are entitled to cumulative preferred cash dividends payable at a fixed rate for an initial pre-determined period and thereafter are entitled to cumulative preferred cash dividends payable at a floating rate fixed every five years; and
- (iii) which are convertible into another series of preferred shares of the Corporation; and

(j) "Unusual Event" for a Sale Completion Date means any event, action, state, condition or major financial occurrence of national or international consequence or any law or regulation which, in the reasonable opinion of the Requesting Holders, seriously adversely affects, or involves, or will seriously affect, or involve, the market for the Series U Preferred Shares and/or Series V Preferred Shares.

3.14.1.2 *General*

The holders of the Series V Preferred Shares shall be entitled to receive fixed, cumulative, preferred cash dividends, as and when declared by the Board of Directors, out of moneys of the Corporation properly applicable to the payment of dividends, in the amount per share per annum determined by multiplying the Annual Dividend Rate by \$25.00, payable quarterly in respect of each 12 month period on the first day of March, June, September and December by cheque at par in lawful money of Canada at any branch in Canada of the Corporation's bankers.

Dividends declared on the Series V Preferred Shares shall (except in case of redemption in which case payment of dividends shall be made on surrender of the certificate representing the Series V Preferred Shares to be redeemed) be paid by posting in a postage paid envelope addressed to each holder of the Series V Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or, in the case of joint holders, to the address of that one whose name appears first in the securities register of the Corporation as one of such joint holders, a cheque for such dividends (less any tax required to be deducted) payable to the order of such holder or, in the case of joint holders, to the order of all such holders failing written instructions from them to the contrary. Notwithstanding the foregoing, any dividend cheque may be delivered by the Corporation to a holder of Series V Preferred Shares at his address as aforesaid. The posting or delivery of such cheque shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be deducted as aforesaid) unless such cheque is not paid on due presentation.

3.14.1.3 *Calculation of Annual Dividend Rate*

The Corporation shall calculate on the 21st day prior to the first day of each Fixed Dividend Rate Period the Annual Dividend Rate for each Fixed Dividend Rate Period based upon the Selected Percentage Rate and the Government of Canada Yield in effect at 10:00 A.M. (Montréal time) on the said 21st day prior to the first day of each Fixed Dividend Rate Period and give notice thereof: (i) within one (1) business day to all stock exchanges in Canada on which the Series V Preferred Shares are listed for trading or if the Series V Preferred Shares are not listed on a stock exchange in Canada, to the Investment Dealers Association of Canada; and (ii) within three (3) business days to, except in relation to the initial Fixed Dividend Rate Period, the holders of the Series V Preferred Shares by publication once in the national edition of the Globe and Mail in the English language and once in the City of Montréal in both the French and English languages in a daily newspaper of general circulation in Montréal; provided that if any such newspaper is not being generally circulated at that time such notice shall be published in another equivalent publication.

3.14.2 *Rights on Liquidation*

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Series V Preferred Shares shall be entitled to receive \$25.00 per Series V Preferred Share together with all dividends accrued and unpaid up to but excluding the date of payment or distribution, before any amounts shall be paid or any assets of the Corporation distributed to the holders of the Common Shares of the Corporation or any other shares ranking junior to the Series V Preferred Shares. Upon payment of such amounts, the holders of the Series V Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.14.3 *Redemption at the Option of the Corporation*

The Corporation may not redeem any of the Series V Preferred Shares prior to March 1, 2012. Subject to applicable law and section 3.14.5 hereof, upon giving notice as hereinafter provided, the Corporation may, on March 1, 2012 or on March 1 in every fifth year thereafter, redeem at any time all, but not less than all, the outstanding Series V Preferred Shares on payment of \$25.00 for each such share to be redeemed together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the whole constituting the redemption price.

The Corporation shall give notice in writing not less than 45 days nor more than 60 days prior

to the date on which the redemption is to take place to each person who at the date of giving such notice is the holder of Series V Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of Series V Preferred Shares to be redeemed at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, provided that the accidental failure or omission to give any such notices as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series V Preferred Shares to be redeemed. Such notice shall set out the number of such Series V Preferred Shares held by the person to whom it is addressed which are to be redeemed and the redemption price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series V Preferred Shares to be redeemed the redemption price on presentation and surrender at any place within Canada designated by such notice, of the certificate or certificates for such Series V Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date specified in any such notice, the Series V 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Series V Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

3.14.4 *Conversion of Series V Preferred Shares*

3.14.4.1 *Conversion at the Option of the Holder*

Holders of Series V Preferred Shares shall have the right, at their option, on March 1, 2012 and on March 1 in every fifth year thereafter (a "Conversion Date"), to convert, subject to the terms and provisions hereof, all or any Series V Preferred Shares registered in their name into Series U Preferred Shares of the Corporation on the basis of one (1) Series U Preferred Share for each Series V Preferred Share. The Corporation shall give notice in writing to the then holders of the Series V Preferred Shares of the Selected Percentage Rate determined by the Board of Directors to be applicable for the next succeeding Fixed Dividend Rate Period and of the conversion right provided for herein; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of the Series V Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation. Such notice shall set out the Conversion Date and shall be given not less than 45 days nor more than 60 days prior to the applicable Conversion Date.

If the Corporation gives notice as provided in section 3.14.3 to the holders of the Series V Preferred Shares of the redemption of all the Series V Preferred Shares, the Corporation shall not be required to give notice as provided in this section 3.14.4.1 to the holders of the Series V Preferred Shares of a Selected Percentage Rate or of the conversion right and the right of any holder of Series V Preferred Shares to convert such Series V Preferred Shares as herein provided shall cease and terminate in that event.

Holders of Series V Preferred Shares shall not be entitled to convert their shares into Series U Preferred Shares if, following the close of business on the 14th day preceding a Conversion Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series U Preferred Shares after taking into account all Series V Preferred Shares tendered for conversion into Series U Preferred Shares and all Series U Preferred Shares tendered for conversion into Series V Preferred Shares. The Corporation shall give notice in writing thereof, in accordance with the provisions of the first paragraph of this

section 3.14.4.1, to all affected holders of Series V Preferred Shares at least seven (7) days prior to the applicable Conversion Date and will issue and deliver, or cause to be delivered, prior to such Conversion Date, at the expense of the Corporation, to such holders of Series V Preferred Shares, who have surrendered for conversion any certificate or certificates representing Series V Preferred Shares, new certificates representing the Series V Preferred Shares represented by any certificate or certificates surrendered as aforesaid.

3.14.4.2 *Automatic Conversion*

If following the close of business on the 14th day preceding a Conversion Date the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series V Preferred Shares after taking into account all Series V Preferred Shares tendered for conversion into Series U Preferred Shares and all Series U Preferred Shares tendered for conversion into Series V Preferred Shares, then, all, but not part, of the remaining outstanding Series V Preferred Shares shall automatically be converted into Series U Preferred Shares on the basis of one (1) Series U Preferred Share for each Series V Preferred Share on the applicable Conversion Date and the Corporation shall give notice in writing thereof, in accordance with the provisions of section 3.14.4.1, to the holders of such remaining Series V Preferred Shares at least seven (7) days prior to the Conversion Date.

3.14.4.3 *Manner of Exercise of Conversion Privilege*

The conversion of Series V Preferred Shares may be effected by surrender of the certificate or certificates representing the same not earlier than 45 days prior to a Conversion Date but not later than the close of business on the 14th day preceding a Conversion Date during usual business hours at any office of any transfer agent of the Corporation at which the Series V Preferred Shares are transferable accompanied by: (1) payment or evidence of payment of the tax (if any) payable as provided in this section 3.14.3; and (2) a written instrument of surrender in form satisfactory to the Corporation duly executed by the holder, or his attorney duly authorized in writing, in which instrument such holder may also elect to convert part only of the Series V Preferred Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series V Preferred Shares represented by such certificate or certificates which have not been converted.

In the event the Corporation is required to convert all remaining outstanding Series V Preferred Shares into Series U Preferred Shares on the applicable Conversion Date as provided for in section 3.14.4.2, the Series V Preferred Shares in respect of which the holders have not previously elected to convert, shall be converted on the Conversion Date into Series U Preferred Shares and the holders thereof shall be deemed to be holders of Series U Preferred Shares at the close of business on the Conversion Date and shall be entitled, upon surrender during usual business hours at any office of any transfer agent of the Corporation at which the Series V Preferred Shares were transferable of the certificate or certificates representing Series V Preferred Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series U Preferred Shares in the manner and subject to the terms and provisions as provided in this section 3.14.3.

As promptly as practicable after the Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series V Preferred Shares so surrendered, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully-paid and non-assessable Series U Preferred Shares and the number of remaining Series V Preferred Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Conversion Date, so that the rights of the holder of such Series V Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Series U Preferred Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Series U Preferred Shares at such time.

The holder of any Series V Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into a Series U Preferred Share after such record date and on or before the date of the payment of such dividend.

The issuance of certificates for the Series U Preferred Shares upon the conversion of Series V

Preferred Shares shall be made without charge to the converting holders of Series V Preferred Shares for any fee or tax in respect of the issuance of such certificates or the Series U Preferred Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series U Preferred Shares are issued in respect of the issuance of such Series U Preferred Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name or names other than that of the holder of the Series V Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

3.14.4.4 *Status of Converted Series V Preferred Shares*

All Series V Preferred Shares converted into Series U Preferred Shares on a Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Conversion Date.

3.14.5 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series V Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series V Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series V Preferred Shares;
- (b) the Corporation shall not redeem, purchase or otherwise retire or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series V Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series V Preferred Shares);
- (c) the Corporation shall not purchase or otherwise retire less than all of the Series V Preferred Shares then outstanding; or
- (d) the Corporation shall not redeem, purchase or otherwise retire (except in connection with the exercise of any retraction privilege or any mandatory redemption obligation attaching thereto) any shares of any class or series ranking on a parity with the Series V Preferred Shares provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series V Preferred Shares;

unless, in each such case, all cumulative dividends on outstanding Series V Preferred Shares accrued up to and including the dividend payable for the last completed period for which dividends were payable shall have been declared and paid.

Any approval of the holders of the Series V Preferred Shares required to be given pursuant to this section 3.14.5 may be given in accordance with the second paragraph of section 3.14.7 and section 3.14.10. Notwithstanding the provisions of section 3.14.10 hereof, any approval required to be given pursuant to this section 3.14.5 shall be required to be given only by the affirmative vote of the holders of the majority of the Series V Preferred Shares present or represented at a meeting or adjourned meeting, of the holders of Series V Preferred Shares duly called for the purpose and at which a quorum is present.

3.14.6 *Purchase for Cancellation*

The Corporation may at any time purchase for cancellation the whole or any part of the Series V Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable.

3.14.7 *Voting Rights*

If the Corporation falls to pay eight (8) dividends on the Series V Preferred Shares, whether or not consecutive, the holders of the Series V Preferred Shares shall have the right to receive notice of, and to attend, each meeting of shareholders of the Corporation which takes place more than 60 days after the date on which the failure first occurs (other than a separate meeting of the holders of another series or class of shares) and such holders shall also have the right, at any such meeting, to one (1) vote for each Series V Preferred Share held, until all such arrears of dividends on the Series V Preferred Shares shall have been paid whereupon such rights shall cease unless and until the same default shall again arise under the provisions of this section 3.14.7.

In connection with any actions to be taken by the Corporation which require the approval of the holders of the Series V Preferred Shares voting as a series or as part of a class, each Series V Preferred Share shall entitle the holder thereof to one (1) vote for such purpose.

3.14.8 *Issue of Additional Preferred Shares*

The Corporation may issue additional series of First Preferred Shares ranking on a parity with the Series V Preferred Shares without the authorization of the holders of the Series V Preferred Shares.

3.14.9 *Modifications*

The provisions attaching to the Series V Preferred Shares as a series may be repealed, altered, modified or amended from time to time with such approval as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.14.10.

None of the series provisions of the articles of the Corporation relating to the Series V Preferred Shares shall be amended or otherwise changed unless, contemporaneously therewith, the series provisions, if any, relating to the Series U Preferred Shares are, to the extent deemed required by the Corporation, amended or otherwise changed in the same proportion and in the same manner.

3.14.10 *Approval of Holders of Series V Preferred Shares*

Any approval given by the holders of the Series V Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series V Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.14.11 *Tax Election*

The Corporation shall elect, in the manner and within the time provided under the *Income Tax Act* (Canada), under subsection 191.2(1) of the said Act, or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series V Preferred Shares will be required to pay tax on dividends received on the Series V Preferred Shares under section 187.2 of Part IV.I of such Act or any successor or replacement provision of similar effect.

3.14.12 *Mail Service Interruption*

If the Corporation determines that mail service is, or is threatened to be, interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series V Preferred Shares, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

- (a) give such notice by telex, telecopier or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such telex, telecopier or telegraph communication was given or on the date on which the first publication has taken place; and
- (b) fulfill the requirement to send such cheque or such share certificate by arranging for delivery

thereof to the principal office of the Corporation in Montréal, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not appearing on the securities register of the Corporation, then at the last address of such holder known to the Corporation.

3.14.13 *Listing of Series V Preferred Shares*

Upon receipt of a Qualifying Listing Request, the Corporation shall use its reasonable best efforts to obtain within 120 days thereafter a conditional listing for the Series V Preferred Shares on the Exchange and thereafter, should such listing be obtained, to maintain a listing for so long as in the aggregate there are at least 1,000,000 Series V Preferred Shares and/or Series U Preferred Shares outstanding. For greater certainty, however, the Corporation shall not be in breach of its obligations hereunder if the Requesting Holders of such Qualifying Listing Request do not sell such number of Series V Preferred Shares to such number of holders so as to meet the then listing requirements of the Exchange. The Corporation shall pay all fees and costs incidental to obtaining and maintaining such listing.

3.14.14 *Definitions*

In the provisions herein contained attaching to the Series V Preferred Shares:

(a) "accrued and unpaid dividends" means the aggregate of: (i) all unpaid dividends on the Series V Preferred Shares for any quarterly period; and (ii) the amount calculated as though dividends on each Series V Preferred Share had been accruing on a day-to-day basis from and including the date on which the last quarterly dividend was payable to but excluding the date to which the computation of accrued dividends is to be made; and

(b) "in priority to", "on a parity with" and "junior to" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

3.14.15 *Interpretation*

In the event that any date on which any dividend on the Series V Preferred Shares is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the holders of Series V Preferred Shares hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A "business day" shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday at the Corporation's principal office in Canada.

3.15 *Series W Preferred Shares*

The Series W Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.15.1 *Dividend*

3.15.1.1 *Definitions*

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

(a) "Adjustment Factor" for any Month means the percentage per annum, positive or negative, based on the Calculated Trading Price of the Series W Preferred Shares for the preceding Month, determined in accordance with the following table:

<u>If Calculated Trading Price Is</u>	<u>The Adjustment Factor as a Percentage of Prime Shall Be</u>
\$25.50 or more	-4.00%
\$25.375 and less than \$25.50.....	-3.00%
\$25.25 and less than \$25.375.....	-2.00%
\$25.125 and less than \$25.25.....	-1.00%
Greater than \$24.875 and less than \$25.125	Nil
Greater than \$24.75 to \$24.875	1.00%
Greater than \$24.625 to \$24.75	2.00%
Greater than \$24.50 to \$24.625	3.00%
\$24.50 or less.....	4.00%

The maximum Adjustment Factor for any Month will be $\pm 4.00\%$.

If in any Month there is no trade on the Exchange of Series W Preferred Shares of a board lot or more, the Adjustment Factor for the following Month shall be nil;

(b) "Annual Dividend Rate" means the Annual Fixed Dividend Rate, the Annual Floating Unlisted Dividend Rate or the Annual Floating Listed Dividend Rate, whichever is provided by this section 3.15.1 to be applicable at the relevant time;

(c) "Annual Fixed Dividend Rate" means 5.45% per annum;

(d) "Annual Floating Unlisted Dividend Rate" for any Month during the Floating Rate Unlisted Period means the rate of interest expressed as a percentage per annum (rounded to the nearest one-thousandth of one percent (0.001%)) which is equal to the Bankers' Acceptance Rate for such Month plus 0.40%;

(e) "Annual Floating Listed Dividend Rate" for any Month during the Floating Rate Listed Period means the rate of interest expressed as a percentage per annum (rounded to the nearest one-thousandth of one percent (0.001 %)) which is equal to Prime multiplied by the Designated Percentage for such Month;

(f) "Bankers' Acceptance Rate" for any Month means the rate per annum equal to:

(i) the simple average (rounded to the nearest one-hundredth of one percent (0.01 %)) of the rates per annum quoted by both Dealers where such rates per annum, quoted by such Dealers, are equal to the simple average (rounded to the nearest one-hundredth of one percent (0.01%) of the bid and ask rates of the yields to maturity quoted by each of the Dealers (rounded upward to the nearest one-thousandth of one percent (0.001%)), as at 10:00 a.m., Montréal time, on the Bankers' Acceptance Determination Date, on 30-day bankers' acceptances accepted by such of Bank of Montreal, The Toronto-Dominion Bank, Canadian Imperial Bank of Commerce, Royal Bank of Canada and The Bank of Nova Scotia (or their respective successors) as are accepting 30-day bankers' acceptances on such date;

(ii) in the event one of the Dealers is unable or does not for any reason quote the bid and ask rates per annum referred to in section 3.15.1.1(f)(i) above as at 10:00 a.m., Montréal time on the Bankers' Acceptance Determination Date, such rate shall be the simple average rounded to the nearest one-hundredth of one percent (0.01%) of the bid and ask rates per annum on such date quoted by the other; or

(iii) in the event that both Dealers are unable to or do not for any reason quote rates, as at 10:00 a.m., Montréal time, on the Bankers' Acceptance Determination Date (including without limitation, where none of Bank of Montreal, The Toronto-Dominion Bank, Canadian Imperial Bank of Commerce, Royal Bank of Canada or The Bank of Nova Scotia is accepting 30-day bankers' acceptances on such Bankers'

Acceptance Determination Date) for the purpose of determining the Bankers' Acceptance Rate in accordance with (i) or (ii) above, such rate shall be 0.2% plus the simple average (rounded to the nearest one-hundredth of one percent (0.01%)) of each rate per annum which is equal to the simple average (rounded to the nearest one-hundredth of one percent (0.01%)) of the bid and ask rates of the yields to maturity quoted by each of the Dealers (rounded upward to the nearest one-thousandth of one percent (0.001%)) as of 10:00 a.m., Montréal time on such Bankers' Acceptance Determination Date, on Government of Canada Treasury Bills maturing as nearly as possible 30 days from such Bankers' Acceptance Determination Date;

(g) "Bankers' Acceptance Determination Date" for any Month means the last business day immediately preceding such Month;

(h) "Banks" means any two of Royal Bank of Canada, Bank of Montreal, The Bank of Nova Scotia, The Toronto-Dominion Bank and Canadian Imperial Bank of Commerce and any successor of any of them as may be designated from time to time by the Board of Directors by notice given to the transfer agent for the Series W Preferred Shares, such notice to take effect on, and to be given at least two (2) business days prior to, the commencement of a particular Dividend Period and, until such notice is first given, means Royal Bank of Canada and The Toronto-Dominion Bank;

(i) "Calculated Trading Price" for any Month means:

(i) the aggregate of the Daily Adjusted Trading Value for all Trading Days in such Month;

divided by

(ii) the aggregate of the Daily Trading Volume for all Trading Days in such Month;

(j) "Daily Accrued Dividend Deduction" for any Trading Day means:

(i) the product obtained by multiplying the dividend accrued on a Series W Preferred Share in respect of the Month in which the Trading Day falls by the number of days elapsed from but excluding the day prior to the Ex-Dividend Date immediately preceding such Trading Day to and including such Trading Day (or if such Trading Day is an Ex-Dividend Date, by one (1) day);

divided by

(ii) the number of days from and including such Ex-Dividend Date to but excluding the following Ex-Dividend Date;

(k) "Daily Adjusted Trading Value" for any Trading Day means:

(i) the aggregate dollar value of all transactions of Series W Preferred Shares on the Exchange (made on the basis of the normal settlement period in effect on the Exchange) occurring during such Trading Day;

less

(ii) the Daily Trading Volume for such Trading Day multiplied by the Daily Accrued Dividend Deduction for such Trading Day;

(l) "Daily Trading Volume" for any Trading Day means the aggregate number of Series W Preferred Shares traded in all transactions (made on the basis of the normal settlement period in effect on the Exchange) occurring during such Trading Day on the Exchange;

(m) "Dealers" for any Bankers' Acceptance Rate means RBC Dominion Securities Inc., and any successor thereto, and TD Securities Inc., and any successor thereto;

(n) "Deemed Record Date" means the last Trading Day of a Month with respect to which no dividend is declared by the Board of Directors;

(o) "Designated Percentage" for the Month of September, 2007 means eighty percent (80%) and for each Month thereafter means the Adjustment Factor for such Month plus the Designated Percentage for the preceding Month, provided that the Annual Floating Listed Dividend Rate for any Month shall in no event be less than 50% of Prime for such Month or more than 100% of Prime for such Month;

(p) "Dividend Payment Date" means:

(i) during the Fixed Rate Period, the first day of each of March, June, September and December in each year;

(ii) during the Floating Rate Unlisted Period, the 12th day of each Month commencing with the Month of October, 2007; and

(iii) during the Floating Rate Listed Period, the 12th day of each Month commencing with the first full calendar month following listing of the Series W Preferred Shares on the Exchange;

and the first Dividend Payment Date shall be December 1, 1997;

(q) "Dividend Period" means:

(i) during the Fixed Rate Period, the period from and including a Dividend Payment Date to but not including the next succeeding Dividend Payment Date; and

(ii) during the Floating Rate Unlisted Period and the Floating Rate Listed Period, a Month;

(r) "Ex-Dividend Date" means:

(i) the Trading Day which, under the rules or normal practices of the Exchange, is designated or recognized as the ex-dividend date relative to any dividend record date for the Series W Preferred Shares; or

(ii) if the Board of Directors fails to declare a dividend in respect of a Month, the Trading Day which, under the rules or normal practices of the Exchange, would be recognized as the Ex-Dividend Date relative to any Deemed Record Date for the Series W Preferred Shares;

(s) "Exchange", for purposes of the definition of the terms "Daily Adjusted Trading Value", "Daily Trading Volume", "Ex-Dividend Date" and "Trading Day" and for purposes of determining the Adjustment Factor, means The Montreal Exchange or The Toronto Stock Exchange or such other exchange or trading market in Canada as may be determined from time to time by the Corporation as being the principal trading market for the Series W Preferred Shares, and for all other purposes herein, means The Montreal Exchange or the Toronto Stock Exchange;

(t) "Fixed Rate Period" means the period commencing with the date of issue of the Series W Preferred Shares and ending on and including August 31, 2007;

(u) "Floating Rate Unlisted Period" means the period commencing immediately after the end of the Fixed Rate Period, if at such time the Series W Preferred Shares are not unconditionally listed on the Exchange, and continuing until and including the last day of the Month, if any, in which the Series W Preferred

Shares are unconditionally listed on the Exchange;

- (v) "Floating Rate Listed Period" means the period commencing on and including the later of:
 - (i) September 1, 2007; and
 - (ii) the first day of the Month following the date, if any, in which the Series W Preferred Shares are unconditionally listed on the Exchange;

- (w) "Month" means a calendar month;

- (x) "Prime" for a Month means the average (rounded to the nearest one-thousandth of one percent (0.001 %)) of the Prime Rate in effect on each day of such Month;

- (y) "Prime Rate" for any day means the average (rounded to the nearest one-thousandth of one percent (0.001 %)) of the annual rates of interest announced from time to time by the Banks as the reference rates then in effect for such day for determining interest rates on Canadian dollar commercial loans made to prime commercial borrowers in Canada. If one of the Banks does not have such an interest rate in effect on a day, the Prime Rate for such day shall be such interest rate in effect for that day of the other Bank; if both Banks do not have such an interest rate in effect on a day, the Prime Rate for that day shall be equal to one and a half percent (1.5%) per annum plus the average yield expressed as a percentage per annum on 91-day Government of Canada Treasury Bills, as reported by the Bank of Canada, for the weekly tender for the week immediately preceding that day; and if both of such Banks do not have such an interest rate in effect on a day and the Bank of Canada does not report such average yield per annum, the Prime Rate for that day shall be equal to the Prime Rate for the next preceding day. The Prime Rate and Prime shall be determined from time to time by an officer of the Corporation from quotations supplied by the Banks or otherwise publicly available. Such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series W Preferred Shares;

- (z) "Qualifying Listing Request" means a request to list the Series W Preferred Shares on the Exchange by holders holding together in the aggregate at least 2,800,000 Series W Preferred Shares and/or Series X Preferred Shares ("Requesting Holders") who have committed to use all commercially reasonable best efforts to sell to unrelated parties through the facilities of the Exchange before the applicable Sale Completion Date, such number of Series W Preferred Shares and/or Series X Preferred Shares to such number of holders so as to meet the then listing requirements of the Exchange (but in any event, in the aggregate at least 2,800,000 Series W Preferred Shares and/or Series X Preferred Shares), provided that such request may not be made before July 17, 2000, and may not be made within six (6) months of the last Qualifying Listing Request by any holder of Series W Preferred Shares and/or Series X Preferred Shares;

- (aa) "Sale Completion Date" for any Qualifying Listing Request means the applicable date after the conditional listing, if obtained, of the Series W Preferred Shares on the Exchange pursuant to such request (the "Conditional Listing") determined as follows:
 - (i) if during the period commencing with the date of such request and terminating 30 days from the date of the Conditional Listing, the Corporation announces publicly its intention to issue by way of a public offering at least \$50,000,000 of Substantially Similar Preferred Shares, the applicable date shall be 120 days from the date of the Conditional Listing;

 - (ii) (a) if there has occurred an Unusual Event during the period commencing with the date of such request and terminating 30 days from the date of the Conditional Listing; or (b) in the event the Corporation announces publicly its intention to issue Substantially Similar Preferred Shares in accordance with section 3.15.1.1(aa)(i) hereof during the period commencing with a date of such request and terminating 120 days from the date of the Conditional Listing and if there has occurred an Unusual Event during such period, the applicable date shall be 210 days and 300 days respectively from the date of the Conditional Listing; and

- (iii) in all other cases, the applicable date shall be 30 days from the date of the Conditional Listing;
- (bb) "Substantially Similar Preferred Shares" shall mean preferred shares of the Corporation:
- (i) which are of the same class as the Series W Preferred Shares;
 - (ii) the holders of which are entitled to cumulative preferred cash dividends payable at a fixed rate for an initial pre-determined period and thereafter are entitled to cumulative preferred cash dividends payable at a floating rate fixed every five years; and
 - (iii) which are convertible into another series of preferred shares of the Corporation;
- (cc) "Trading Day" means, if the Exchange is a stock exchange in Canada, a day on which the Exchange is open for trading or, in any other case, a business day; and
- (dd) "Unusual Event" for a Sale Completion Date means any event, action, state, condition or major financial occurrence of national or international consequence, or any law or regulation which, in the reasonable opinion of the Requesting Holders, seriously adversely affects, or involves, or will seriously affect, or involve, the market for the Series W Preferred Shares and/or Series X Preferred Shares.

3.15.1.2 *General*

The holders of the Series W Preferred Shares shall be entitled to receive cumulative preferred cash dividends, as and when declared by the Board of Directors, out of moneys of the Corporation properly applicable to the payment of dividends, at the rates and times herein provided. Dividends on the Series W Preferred Shares shall accrue on a daily basis from and including the date of issue thereof, and shall be payable quarterly during the Fixed Rate Period and monthly during the Floating Rate Unlisted Period and the Floating Rate Listed Period. Payment of the dividend on the Series W Preferred Shares payable on any Dividend Payment Date (less any tax required to be deducted) shall be made by cheque at par in lawful money of Canada payable at any branch in Canada of the Corporation's bankers.

Dividends declared on the Series W Preferred Shares shall (except in case of redemption in which case payment of dividends shall be made on surrender of the certificate representing the Series W Preferred Shares to be redeemed) be paid by posting in a postage paid envelope addressed to each holder of the Series W Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or, in the case of joint holders, to the address of that one whose name appears first in the securities register of the Corporation as one of such joint holders, a cheque for such dividends (less any tax required to be deducted) payable to the order of such holder or, in the case of joint holders, to the order of all such holders failing written instructions from them to the contrary. Notwithstanding the foregoing, any dividend cheque may be delivered by the Corporation to a holder of Series W Preferred Shares at his address as aforesaid. The posting or delivery of such cheque shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be deducted as aforesaid) unless such cheque is not paid on due presentation.

3.15.1.3 *Fixed Rate Period*

During the Fixed Rate Period, the dividends in respect of the Series W Preferred Shares shall be payable quarterly at the Annual Fixed Dividend Rate. Accordingly, on each Dividend Payment Date during the Fixed Rate Period, other than December 1, 1997, but including September 1, 2007, the dividend payable shall be \$0.340625 per Series W Preferred Share. Notwithstanding the foregoing, the amount of the first quarterly dividend payable on each Series W Preferred Share on December 1, 1997, shall be \$0.5114 per share.

3.15.1.4 Floating Rate Unlisted Period

During the Floating Rate Unlisted Period, the dividends in respect of the Series W Preferred Shares shall be payable monthly at the Annual Floating Unlisted Dividend Rate as calculated from time to time. Accordingly, on each Dividend Payment Date during the Floating Rate Unlisted Period, the dividend payable on the Series W Preferred Shares shall be that amount (rounded to the nearest one-thousandth of one cent (\$0.00001)) obtained by multiplying \$25.00 by the Annual Floating Unlisted Dividend Rate applicable to the Month preceding such Dividend Payment Date and by dividing the product by twelve. The record date for the purpose of determining holders of Series W Preferred Shares entitled to receive dividends on each Dividend Payment Date during the Floating Rate Unlisted Period shall be the last Trading Day of the next preceding Month. In the event of the redemption or purchase of the Series W Preferred Shares during the Floating Rate Unlisted Period or the distribution of the assets of the Corporation during the Floating Rate Unlisted Period as contemplated by section 3.15.2 hereof, the amount of the dividend which has accrued during the Month in which such redemption, purchase or distribution occurs shall be the amount (rounded to the nearest one-thousandth of one cent (\$0.00001)) calculated by multiplying:

- (i) the amount obtained by multiplying \$25.00 by one-twelfth (1/12) of the Annual Floating Unlisted Dividend Rate applicable to the preceding Month; by
- (ii) a fraction of which the numerator is the number of days elapsed in the Month in which such redemption, purchase or distribution occurs up to but not including the date of such event and the denominator of which is the number of days in that Month.

3.15.1.5 Floating Rate Listed Period

During the Floating Rate Listed Period, the dividends in respect of the Series W Preferred Shares shall be payable monthly at the Annual Floating Listed Dividend Rate as calculated from time to time. Accordingly, on each Dividend Payment Date during the Floating Rate Listed Period, the dividend payable on the Series W Preferred Shares shall be that amount (rounded to the nearest one-thousandth of one cent (\$0.00001)) obtained by multiplying \$25.00 by the Annual Floating Listed Dividend Rate applicable to the Month preceding such Dividend Payment Date and by dividing the product by twelve. The record date for the purpose of determining holders of Series W Preferred Shares entitled to receive dividends on each Dividend Payment Date during the Floating Rate Listed Period shall be the last Trading Day of the next preceding Month. In the event of the redemption or purchase of the Series W Preferred Shares during the Floating Rate Listed Period or the distribution of the assets of the Corporation during the Floating Rate Listed Period as contemplated by section 3.15.2 hereof, the amount of the dividend which has accrued during the Month in which such redemption, purchase or distribution occurs shall be the amount (rounded to the nearest one-thousandth of one cent (\$0.00001)) calculated by multiplying:

- (i) the amount obtained by multiplying \$25.00 by one-twelfth (1/12) of the Annual Floating Listed Dividend Rate applicable to the preceding Month; by
- (ii) a fraction of which the numerator is the number of days elapsed in the Month in which such redemption, purchase or distribution occurs up to but not including the date of such event and the denominator of which is the number of days in that Month.

3.15.1.6 Calculation of Designated Percentage

The Corporation shall as promptly as practicable calculate the Designated Percentage for each Month and give notice thereof to all stock exchanges in Canada on which the Series W Preferred Shares are listed for trading or if the Series W Preferred Shares are not listed on a stock exchange in Canada to the Investment Dealers Association of Canada.

3.15.2 Rights on Liquidation

In the event of the liquidation, dissolution or winding up of the Corporation or any other

distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Series W Preferred Shares shall be entitled to receive \$25.00 per Series W Preferred Share together with all dividends accrued and unpaid up to but excluding the date of payment or distribution, before any amounts shall be paid or any assets of the Corporation distributed to the holders of the Common Shares of the Corporation or any other shares ranking junior to the Series W Preferred Shares. Upon payment of such amounts, the holders of the Series W Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.15.3 *Redemption at the Option of the Corporation*

The Corporation may not redeem any of the Series W Preferred Shares prior to September 1, 2007. Subject to applicable law and section 3.15.5 hereof, upon giving notice as hereinafter provided, the Corporation may:

- (i) on September 1, 2007, redeem all, but not less than all, of the outstanding Series W Preferred Shares, on payment of \$25.00 for each such share to be redeemed;
- (ii) after September 1, 2007, if the date of such redemption is during the Floating Rate Unlisted Period, redeem at any time all, but not less than all, of the outstanding Series W Preferred Shares, on payment of \$25.00 for each such share to be redeemed; and
- (iii) after September 1, 2007, if the date of such redemption is during the Floating Rate Listed Period, redeem at any time all, but not less than all, of the outstanding Series W Preferred Shares, on payment of \$25.50 for each share to be so redeemed;

in each case, together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the whole constituting the redemption price.

The Corporation shall give notice in writing not less than 45 days nor more than 60 days prior to the date on which the redemption is to take place to each person who at the date of giving such notice is the holder of Series W Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of Series W Preferred Shares to be redeemed at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, provided that the accidental failure or omission to give any such notices as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series W Preferred Shares to be redeemed. Such notice shall set out the number of such Series W Preferred Shares held by the person to whom it is addressed which are to be redeemed and the redemption price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series W Preferred Shares to be redeemed the redemption price on presentation and surrender at any place or places within Canada designated by such notice, of the certificate or certificates for such Series W Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date specified in any such notice, the Series W 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Series W Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

3.15.4 Conversion of Series W Preferred Shares

3.15.4.1 Conversion at the Option of the Holder

Holders of Series W Preferred Shares shall have the right, at their option, on September 1, 2007 and on September 1 in every fifth year thereafter (a "Conversion Date"), to convert, subject to the terms and conditions hereof, all or any Series W Preferred Shares registered in their name into Series X Preferred Shares of the Corporation on the basis of one (1) Series X Preferred Share for each Series W Preferred Share. The Corporation shall give notice in writing to the then holders of the Series W Preferred Shares of the Selected Percentage Rate (as defined in section 3.16.1.1 of the articles of the Corporation relating to the Series X Preferred Shares) determined by the Board of Directors to be applicable for the next succeeding Fixed Dividend Rate Period (as defined in section 3.16.1.1 of the articles of the Corporation relating to the Series X Preferred Shares) and of the conversion right provided for herein; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of the Series W Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation. Such notice shall set out the Conversion Date and shall be given not less than 45 days nor more than 60 days prior to the applicable Conversion Date.

If the Corporation gives notice as provided in section 3.15.3 to the holders of the Series W Preferred Shares of the redemption of all the Series W Preferred Shares, the Corporation shall not be required to give notice as provided in this section 3.15.4.1 to the holders of the Series W Preferred Shares of a Selected Percentage Rate (as defined in section 3.16.1.1 of the articles of the Corporation relating to the Series X Preferred Shares) for the Series X Preferred Shares or of the conversion right and the right of any holder of Series W Preferred Shares to convert such Series W Preferred Shares as herein provided shall cease and terminate in that event.

Holders of Series W Preferred Shares shall not be entitled to convert their shares into Series X Preferred Shares if, following the close of business on the 14th day preceding a Conversion Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series X Preferred Shares, after taking into account all Series W Preferred Shares tendered for conversion into Series X Preferred Shares and all Series X Preferred Shares tendered for conversion into Series W Preferred Shares. The Corporation shall give notice in writing thereof, in accordance with the provisions of the first paragraph of this section 3.15.4.1, to all affected holders of Series W Preferred Shares at least seven (7) days prior to the applicable Conversion Date and will issue and deliver, or cause to be delivered, prior to such Conversion Date, at the expense of the Corporation, to such holders of Series W Preferred Shares, who have surrendered for conversion any certificate or certificates representing Series W Preferred Shares, new certificates representing the Series W Preferred Shares represented by any certificate or certificates surrendered as aforesaid.

3.15.4.2 Automatic Conversion

If following the close of business on the 14th day preceding a Conversion Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series W Preferred Shares after taking into account all Series W Preferred Shares tendered for conversion into Series X Preferred Shares and all Series X Preferred Shares tendered for conversion into Series W Preferred Shares, then, all, but not part, of the remaining outstanding Series W Preferred Shares shall automatically be converted into Series X Preferred Shares on the basis of one (1) Series X Preferred Share for each Series W Preferred Share on the applicable Conversion Date and the Corporation shall give notice in writing thereof, in accordance with the provisions of section 3.15.4.1, to the holders of such remaining Series W Preferred Shares at least seven (7) days prior to the Conversion Date.

3.15.4.3 Manner of Exercise of Conversion Privilege

The conversion of Series W Preferred Shares may be effected by surrender of the certificate or certificates representing the same not earlier than 45 days prior to a Conversion Date but not later than the close of business on the 14th day preceding a Conversion Date during usual business hours at any office of any transfer agent of the Corporation at which the Series W Preferred Shares are transferable accompanied by: i) payment or evidence of payment of the tax (if any) payable as provided in this section 3.15.4.3; and ii) a written instrument

of surrender in form satisfactory to the Corporation duly executed by the holder, or his attorney duly authorized in writing, in which instrument such holder may also elect to convert part only of the Series W Preferred Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series W Preferred Shares represented by such certificate or certificates which have not been converted.

In the event the Corporation is required to convert all remaining outstanding Series W Preferred Shares into Series X Preferred Shares on the applicable Conversion Date as provided for in section 3.15.4.2, the Series W Preferred Shares, in respect of which the holders have not previously elected to convert, shall be converted on the Conversion Date into Series X Preferred Shares and the holders thereof shall be deemed to be holders of Series X Preferred Shares at the close of business on the Conversion Date and shall be entitled, upon surrender during usual business hours at any office of any transfer agent of the Corporation at which the Series W Preferred Shares were transferable of the certificate or certificates representing Series W Preferred Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series X Preferred Shares in the manner and subject to the terms and provisions as provided in this section 3.15.4.3.

As promptly as practicable after the Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series W Preferred Shares so surrendered, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully-paid and non-assessable Series X Preferred Shares and the number of remaining Series W Preferred Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Conversion Date, so that the rights of the holder of such Series W Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Series X Preferred Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Series X Preferred Shares at such time.

The holder of any Series W Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into a Series X Preferred Share after such record date and on or before the date of the payment of such dividend.

The issuance of certificates for the Series X Preferred Shares upon the conversion of Series W Preferred Shares shall be made without charge to the converting holders of Series W Preferred Shares for any fee or tax in respect of the issuance of such certificates or the Series X Preferred Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series X Preferred Shares are issued in respect of the issuance of such Series X Preferred Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name or names other than that of the holder of the Series W Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

3.15.4.4 *Status of Converted Series W Preferred Shares*

All Series W Preferred Shares converted into Series X Preferred Shares on a Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Conversion Date.

3.15.5 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series W Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series W Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series W Preferred Shares;
- (b) the Corporation shall not redeem, purchase or otherwise retire or make any capital distribution

on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series W Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series W Preferred Shares);

(c) the Corporation shall not purchase or otherwise retire less than all of the Series W Preferred Shares then outstanding; or

(d) the Corporation shall not redeem, purchase or otherwise retire (except in connection with the exercise of any retraction privilege or any mandatory redemption obligation attaching thereto) any shares of any class or series ranking on a parity with the Series W Preferred Shares provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series W Preferred Shares;

unless, in each such case, all cumulative dividends on outstanding Series W Preferred Shares accrued up to and including the dividend payable for the last completed period for which dividends were payable shall have been declared and paid.

Any approval of the holders of Series W Preferred Shares required to be given pursuant to this section 3.15.5 may be given in accordance with the second paragraph of section 3.15.7 and section 3.15.10. Notwithstanding the provisions of section 3.15.10 hereof, any approval required to be given pursuant to this section 3.15.5 shall be required to be given only by the affirmative vote of the holders of the majority of the Series W Preferred Shares present or represented at a meeting, or adjourned meeting, of the holders of Series W Preferred Shares duly called for the purpose and at which a quorum is present.

3.15.6 *Purchase for Cancellation*

The Corporation may at any time purchase for cancellation the whole or any part of the Series W Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable.

3.15.7 *Voting Rights*

If the Corporation fails to pay eight (8) dividends on the Series W Preferred Shares, whether or not consecutive, the holders of the Series W Preferred Shares shall have the right to receive notice of, and to attend, each meeting of shareholders of the Corporation which takes place more than 60 days after the date on which the failure first occurs (other than a separate meeting of the holders of another series or class of shares) and such holders shall also have the right, at any such meeting, to one (1) vote for each Series W Preferred Share held, until all such arrears of dividends on the Series W Preferred Shares shall have been paid whereupon such rights shall cease unless and until the same default shall again arise under the provisions of this section 3.15.7.

In connection with any actions to be taken by the Corporation which require the approval of the holders of the Series W Preferred Shares voting as a series or as part of a class, each Series W Preferred Share shall entitle the holder thereof to one (1) vote for such purpose.

3.15.8 *Issue of Additional Preferred Shares*

The Corporation may issue additional series of First Preferred Shares ranking on a parity with the Series W Preferred Shares without the authorization of the holders of the Series W Preferred Shares.

3.15.9 *Modifications*

The provisions attaching to the Series W Preferred Shares as a series may be repealed, altered, modified or amended from time to time with such approval as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.15.10.

None of the series provisions of the articles of the Corporation relating to the Series W

Preferred Shares shall be amended or otherwise changed unless, contemporaneously therewith, the series provisions, if any, relating to the Series X Preferred Shares are, to the extent deemed required by the Corporation, amended or otherwise changed in the same proportion and in the same manner.

3.15.10 *Approval of Holders of Series W Preferred Shares*

Any approval given by the holders of the Series W Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series W Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.15.11 *Tax Election*

The Corporation shall elect, in the manner and within the time provided under the *Income Tax Act* (Canada), under subsection 191.2(1) of the said Act, or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series W Preferred Shares will be required to pay tax on dividends received on the Series W Preferred Shares under section 187.2 of Part IV.I of such Act or any successor or replacement provision of similar effect.

3.15.12 *Mail Service Interruption*

If the Corporation determines that mail service is, or is threatened to be, interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series W Preferred Shares, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

- (a) give such notice by telex, telecopier or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such telex, telecopier or telegraph communication was given or on the date on which the first publication has taken place; and
- (b) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not appearing on the securities register of the Corporation, then at the last address of such holder known to the Corporation.

3.15.13 *Notice of Annual Dividend Rate Applicable to the Series X Preferred Shares*

Within three (3) business days of the determination of the Annual Dividend Rate (as defined in section 3.16.1.1 of the articles of the Corporation relating to the Series X Preferred Shares) the Corporation shall give notice thereof to the holders of the Series W Preferred Shares by publication once in the national edition of the *Globe and Mail* in the English language and once in the City of Montréal in both the French and English languages in a daily newspaper of general circulation in Montréal; provided that if any such newspaper is not being generally circulated at that time, such notice shall be published in another equivalent publication.

3.15.14 *Listing of Series W Preferred Shares*

Upon receipt of a Qualifying Listing Request, the Corporation shall use its reasonable best efforts to obtain within 120 days thereafter a conditional listing for the Series W Preferred Shares on the Exchange and thereafter, should such listing be obtained, to maintain a listing for so long as in the aggregate there are at least 1,000,000 Series W Preferred Shares and/or Series X Preferred Shares outstanding. For greater certainty, however, the Corporation shall not be in breach of its obligations hereunder if the Requesting Holders

of such Qualifying Listing Request do not sell such number of Series W Preferred Shares to such number of holders so as to meet the then listing requirements of the Exchange. The Corporation shall pay all fees and costs incidental to obtaining and maintaining such listing.

3.15.15 **Definitions**

In the provisions herein contained attaching to the Series W Preferred Shares:

(a) "accrued and unpaid dividends" means: i) during the Fixed Rate Period, the aggregate of (A) all unpaid dividends on the Series W Preferred Shares for any Dividend Period and (B) the amount calculated as though dividends on each Series W Preferred Share had been accruing on a day-to-day basis from and including the date on which the last quarterly dividend was payable to but excluding the date to which the computation of accrued dividends is to be made; and ii) during the Floating Rate Unlisted Period and the Floating Rate Listed Period, the aggregate of (A) all unpaid dividends on the Series W Preferred Shares for any Dividend Period and (B) the amount calculated as though dividends on each Series W Preferred Share had been accruing on a day-to-day basis from and including the first day of the Month immediately following the Dividend Period with respect to which the last monthly dividend will be or was, as the case may be, payable to but excluding the date to which the computation of accrued dividends is to be made; and

(b) "in priority to", "on a parity with" and "junior to" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

3.15.16 **Interpretation**

In the event that any date on which any dividend on the Series W Preferred Shares is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the holders of Series W Preferred Shares hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A "business day" shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday at the Corporation's principal office in Canada.

3.16 **Series X Preferred Shares**

No Series X Preferred Shares shall be issued by the Corporation prior to September 1, 2007. The Series X Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.16.1 **Dividend**

3.16.1.1 **Definitions**

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

(a) "Annual Dividend Rate" means for any Fixed Dividend Rate Period the rate of interest expressed as a percentage per annum (rounded to the nearest one-thousandth of one percent (0.001%)) which is equal to the Government of Canada Yield multiplied by the Selected Percentage Rate for such Fixed Dividend Rate Period;

(b) "Dividend Payment Date" means the first day of each of March, June, September and December in each year;

- (c) "Exchange" means The Montreal Exchange or The Toronto Stock Exchange;
- (d) "Fixed Dividend Rate Period" means for the initial Fixed Dividend Rate Period, the period commencing on September 1, 2007 and ending on and including August 31, 2012, and for each succeeding Fixed Dividend Rate Period, the period commencing on the day immediately following the end of the immediately preceding Fixed Dividend Rate Period and ending on and including the last day of August in the fifth year immediately thereafter;
- (e) "Government of Canada Yield" on any date shall mean the average of the yields determined by two registered Canadian investment dealers, selected by the Board of Directors, as being the yield to maturity on such date compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Canada Bond would carry if issued in Canadian dollars in Canada at 100% of its principal amount on such date with a term to maturity of five years;
- (f) "Qualifying Listing Request" means a request to list the Series X Preferred Shares on the Exchange by holders holding together in the aggregate at least 2,800,000 Series X Preferred Shares and/or Series W Preferred Shares ("Requesting Holders") who have committed to use all commercially reasonable best efforts to sell to unrelated parties through the facilities of the Exchange before the applicable Sale Completion Date, such number of Series X Preferred Shares and/or Series W Preferred Shares to such number of holders so as to meet the then listing requirements of the Exchange (but in any event, in the aggregate at least 2,800,000 Series X Preferred Shares and/or Series W Preferred Shares), provided that such request may not be made within six (6) months of the last Qualifying Listing Request by any holder of Series W Preferred Shares and/or Series X Preferred Shares;
- (g) "Sale Completion Date" for any Qualifying Listing Request means the applicable date after the conditional listing, if obtained, of the Series X Preferred Shares on the Exchange pursuant to such request (the "Conditional Listing") determined as follows:
- (i) if during the period commencing with the date of such request and terminating 30 days from the date of the Conditional Listing, the Corporation announces publicly its intention to issue by way of a public offering at least \$50,000,000 of Substantially Similar Preferred Shares, the applicable date shall be 120 days from the date of the Conditional Listing;
 - (ii) (a) if there has occurred an Unusual Event during the period commencing with the date of such request and terminating 30 days from the date of the Conditional Listing; or (b) in the event the Corporation announces publicly its intention to issue Substantially Similar Preferred Shares in accordance with section 3.16.1.1(g)(i) hereof during the period commencing with a date of such request and terminating 120 days from the date of the Conditional Listing and if there has occurred an Unusual Event during such period, the applicable date shall be 210 days and 300 days respectively from the date of the Conditional Listing; and
 - (iii) in all other cases, the applicable date shall be 30 days from the date of the Conditional Listing;
- (h) "Selected Percentage Rate" for each Fixed Dividend Rate Period means the rate of interest, expressed as a percentage of the Government of Canada Yield, determined by the Board of Directors as set forth in the notice to the holders of the Series X Preferred Shares given in accordance with the provisions of section 3.16.4.1, which rate of interest shall be not less than 80% of the Government of Canada Yield; and
- (i) "Substantially Similar Preferred Shares" means preferred shares of the Corporation:
- (i) which are of the same class as the Series X Preferred Shares;
 - (ii) the holders of which are entitled to cumulative preferred cash dividends payable at a fixed rate for an initial pre-determined period and thereafter are entitled to cumulative preferred cash dividends payable at a floating rate fixed every five years;

and

(iii) which are convertible into another series of preferred shares of the Corporation;

(j) "Unusual Event" for a Sale Completion Date means any event, action, state, condition or major financial occurrence of national or international consequence or any law or regulation which, in the reasonable opinion of the Requesting Holders, seriously adversely affects, or involves, or will seriously affect, or involve, the market for the Series W Preferred Shares and/or Series X Preferred Shares.

3.16.1.2 General

The holders of the Series X Preferred Shares shall be entitled to receive fixed, cumulative, preferred cash dividends, as and when declared by the Board of Directors, out of moneys of the Corporation properly applicable to the payment of dividends, in the amount per share per annum determined by multiplying the Annual Dividend Rate by \$25.00, payable quarterly in respect of each 12 month period on the first day of March, June, September and December by cheque at par in lawful money of Canada at any branch in Canada of the Corporation's bankers.

Dividends declared on the Series X Preferred Shares shall (except in case of redemption in which case payment of dividends shall be made on surrender of the certificate representing the Series X Preferred Shares to be redeemed) be paid by posting in a postage paid envelope addressed to each holder of the Series X Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or, in the case of joint holders, to the address of that one whose name appears first in the securities register of the Corporation as one of such joint holders, a cheque for such dividends (less any tax required to be deducted) payable to the order of such holder or, in the case of joint holders, to the order of all such holders failing written instructions from them to the contrary. Notwithstanding the foregoing, any dividend cheque may be delivered by the Corporation to a holder of Series X Preferred Shares at his address as aforesaid. The posting or delivery of such cheque shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be deducted as aforesaid) unless such cheque is not paid on due presentation.

3.16.1.3 Calculation of Annual Dividend Rate

The Corporation shall calculate on the 21st day prior to the first day of each Fixed Dividend Rate Period the Annual Dividend Rate for each Fixed Dividend Rate Period based upon the Selected Percentage Rate and the Government of Canada Yield in effect at 10:00 A.M. (Montréal time) on the said 21st day prior to the first day of each Fixed Dividend Rate Period and give notice thereof: (i) within one (1) business day to all stock exchanges in Canada on which the Series X Preferred Shares are listed for trading or if the Series X Preferred Shares are not listed on a stock exchange in Canada, to the Investment Dealers Association of Canada; and (ii) within three (3) business days to, except in relation to the initial Fixed Dividend Rate Period, the holders of the Series X Preferred Shares by publication once in the national edition of the Globe and Mail in the English language and once in the City of Montréal in both the French and English languages in a daily newspaper of general circulation in Montréal; provided that if any such newspaper is not being generally circulated at that time such notice shall be published in another equivalent publication.

3.16.2 Rights on Liquidation

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Series X Preferred Shares shall be entitled to receive \$25.00 per Series X Preferred Share together with all dividends accrued and unpaid up to but excluding the date of payment or distribution, before any amounts shall be paid or any assets of the Corporation distributed to the holders of the Common Shares of the Corporation or any other shares ranking junior to the Series X Preferred Shares. Upon payment of such amounts, the holders of the Series X Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.16.3 *Redemption at the Option of the Corporation*

The Corporation may not redeem any of the Series X Preferred Shares prior to September 1, 2012. Subject to applicable law and section 3.16.5 hereof, upon giving notice as hereinafter provided, the Corporation may, on September 1, 2012 or on September 1 in every fifth year thereafter, redeem at any time all, but not less than all, the outstanding Series X Preferred Shares on payment of \$25.00 for each such share to be redeemed together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the whole constituting the redemption price.

The Corporation shall give notice in writing not less than 45 days nor more than 60 days prior to the date on which the redemption is to take place to each person who at the date of giving such notice is the holder of Series X Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of Series X Preferred Shares to be redeemed at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, provided that the accidental failure or omission to give any such notices as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series X Preferred Shares to be redeemed. Such notice shall set out the number of such Series X Preferred Shares held by the person to whom it is addressed which are to be redeemed and the redemption price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series X Preferred Shares to be redeemed the redemption price on presentation and surrender at any place within Canada designated by such notice, of the certificate or certificates for such Series X Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date specified in any such notice, the Series X 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Series X Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

3.16.4 *Conversion of Series X Preferred Shares*

3.16.4.1 *Conversion at the Option of the Holder*

Holders of Series X Preferred Shares shall have the right, at their option, on September 1, 2012 and on September 1 in every fifth year thereafter (a "Conversion Date"), to convert, subject to the terms and provisions hereof, all or any Series X Preferred Shares registered in their name into Series W Preferred Shares of the Corporation on the basis of one (1) Series W Preferred Share for each Series X Preferred Share. The Corporation shall give notice in writing to the then holders of the Series X Preferred Shares of the Selected Percentage Rate determined by the Board of Directors to be applicable for the next succeeding Fixed Dividend Rate Period and of the conversion right provided for herein; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of the Series X Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation. Such notice shall set out the Conversion Date and shall be given not less than 45 days nor more than 60 days prior to the applicable Conversion Date.

If the Corporation gives notice as provided in section 3.16.3 to the holders of the Series X Preferred Shares of the redemption of all the Series X Preferred Shares, the Corporation shall not be required to

give notice as provided in this section 3.16.4.1 to the holders of the Series X Preferred Shares of a Selected Percentage Rate or of the conversion right and the right of any holder of Series X Preferred Shares to convert such Series X Preferred Shares as herein provided shall cease and terminate in that event.

Holders of Series X Preferred Shares shall not be entitled to convert their shares into Series W Preferred Shares if, following the close of business on the 14th day preceding a Conversion Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series W Preferred Shares after taking into account all Series X Preferred Shares tendered for conversion into Series W Preferred Shares and all Series W Preferred Shares tendered for conversion into Series X Preferred Shares. The Corporation shall give notice in writing thereof, in accordance with the provisions of the first paragraph of this section 3.16.4.1, to all affected holders of Series X Preferred Shares at least seven (7) days prior to the applicable Conversion Date and will issue and deliver, or cause to be delivered, prior to such Conversion Date, at the expense of the Corporation, to such holders of Series X Preferred Shares, who have surrendered for conversion any certificate or certificates representing Series X Preferred Shares, new certificates representing the Series X Preferred Shares represented by any certificate or certificates surrendered as aforesaid.

3.16.4.2 *Automatic Conversion*

If following the close of business on the 14th day preceding a Conversion Date the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series X Preferred Shares after taking into account all Series X Preferred Shares tendered for conversion into Series W Preferred Shares and all Series W Preferred Shares tendered for conversion into Series X Preferred Shares, then, all, but not part, of the remaining outstanding Series X Preferred Shares shall automatically be converted into Series W Preferred Shares on the basis of one (1) Series W Preferred Share for each Series X Preferred Share on the applicable Conversion Date and the Corporation shall give notice in writing thereof, in accordance with the provisions of section 3.16.4.1, to the holders of such remaining Series X Preferred Shares at least seven (7) days prior to the Conversion Date.

3.16.4.3 *Manner of Exercise of Conversion Privilege*

The conversion of Series X Preferred Shares may be effected by surrender of the certificate or certificates representing the same not earlier than 45 days prior to a Conversion Date but not later than the close of business on the 14th day preceding a Conversion Date during usual business hours at any office of any transfer agent of the Corporation at which the Series X Preferred Shares are transferable accompanied by: (1) payment or evidence of payment of the tax (if any) payable as provided in this section 3.16.4.3; and (2) a written instrument of surrender in form satisfactory to the Corporation duly executed by the holder, or his attorney duly authorized in writing, in which instrument such holder may also elect to convert part only of the Series X Preferred Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series X Preferred Shares represented by such certificate or certificates which have not been converted.

In the event the Corporation is required to convert all remaining outstanding Series X Preferred Shares into Series W Preferred Shares on the applicable Conversion Date as provided for in section 3.16.4.2, the Series X Preferred Shares in respect of which the holders have not previously elected to convert, shall be converted on the Conversion Date into Series W Preferred Shares and the holders thereof shall be deemed to be holders of Series W Preferred Shares at the close of business on the Conversion Date and shall be entitled, upon surrender during usual business hours at any office of any transfer agent of the Corporation at which the Series X Preferred Shares were transferable of the certificate or certificates representing Series X Preferred Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series W Preferred Shares in the manner and subject to the terms and provisions as provided in this section 3.16.4.3.

As promptly as practicable after the Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series X Preferred Shares so surrendered, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully-paid and non-assessable Series W Preferred Shares and the number of remaining Series X Preferred Shares, if any, to which such holder is entitled. Such conversion shall be

deemed to have been made at the close of business on the Conversion Date, so that the rights of the holder of such Series X Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Series W Preferred Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Series W Preferred Shares at such time.

The holder of any Series X Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into a Series W Preferred Share after such record date and on or before the date of the payment of such dividend.

The issuance of certificates for the Series W Preferred Shares upon the conversion of Series X Preferred Shares shall be made without charge to the converting holders of Series X Preferred Shares for any fee or tax in respect of the issuance of such certificates or the Series W Preferred Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series W Preferred Shares are issued in respect of the issuance of such Series W Preferred Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name or names other than that of the holder of the Series X Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

3.16.4.4 *Status of Converted Series X Preferred Shares*

All Series X Preferred Shares converted into Series W Preferred Shares on a Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Conversion Date.

3.16.5 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series X Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series X Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series X Preferred Shares;
- (b) the Corporation shall not redeem, purchase or otherwise retire or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series X Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series X Preferred Shares);
- (c) the Corporation shall not purchase or otherwise retire less than all of the Series X Preferred Shares then outstanding; or
- (d) the Corporation shall not redeem, purchase or otherwise retire (except in connection with the exercise of any retraction privilege or any mandatory redemption obligation attaching thereto) any shares of any class or series ranking on a parity with the Series X Preferred Shares provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series X Preferred Shares;

unless, in each such case, all cumulative dividends on outstanding Series X Preferred Shares accrued up to and including the dividend payable for the last completed period for which dividends were payable shall have been declared and paid.

Any approval of the holders of the Series X Preferred Shares required to be given pursuant to this section 3.16.5 may be given in accordance with the second paragraph of section 3.16.7 and section 3.16.10. Notwithstanding the provisions of section 3.16.10 hereof, any approval required to be given pursuant to this section 3.16.5 shall be required to be given only by the affirmative vote of the holders of the majority of the Series X Preferred Shares present or represented at a meeting or adjourned meeting, of the holders of Series X Preferred Shares duly called for the purpose and at which a quorum is present.

3.16.6 Purchase for Cancellation

The Corporation may at any time purchase for cancellation the whole or any part of the Series X Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable.

3.16.7 Voting Rights

If the Corporation fails to pay eight (8) dividends on the Series X Preferred Shares, whether or not consecutive, the holders of the Series X Preferred Shares shall have the right to receive notice of, and to attend, each meeting of shareholders of the Corporation which takes place more than 60 days after the date on which the failure first occurs (other than a separate meeting of the holders of another series or class of shares) and such holders shall also have the right, at any such meeting, to one (1) vote for each Series X Preferred Share held, until all such arrears of dividends on the Series X Preferred Shares shall have been paid whereupon such rights shall cease unless and until the same default shall again arise under the provisions of this section 3.16.7.

In connection with any actions to be taken by the Corporation which require the approval of the holders of the Series X Preferred Shares voting as a series or as part of a class, each Series X Preferred Share shall entitle the holder thereof to one (1) vote for such purpose.

3.16.8 Issue of Additional Preferred Shares

The Corporation may issue additional series of First Preferred Shares ranking on a parity with the Series X Preferred Shares without the authorization of the holders of the Series X Preferred Shares.

3.16.9 Modifications

The provisions attaching to the Series X Preferred Shares as a series may be repealed, altered, modified or amended from time to time with such approval as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.16.10.

None of the series provisions of the articles of the Corporation relating to the Series X Preferred Shares shall be amended or otherwise changed unless, contemporaneously therewith, the series provisions, if any, relating to the Series W Preferred Shares are, to the extent deemed required by the Corporation, amended or otherwise changed in the same proportion and in the same manner.

3.16.10 Approval of Holders of Series X Preferred Shares

Any approval given by the holders of the Series X Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series X Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.16.11 Tax Election

The Corporation shall elect, in the manner and within the time provided under the *Income Tax Act* (Canada), under subsection 191.2(1) of the said Act, or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series X Preferred Shares will be required to pay tax on dividends received on the Series X Preferred Shares under section 187.2 of Part IV.I of such Act or any successor or replacement provision of similar effect.

3.16.12 Mail Service Interruption

If the Corporation determines that mail service is, or is threatened to be, interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series X Preferred Shares, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by telex, telecopier or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such telex, telecopier or telegraph communication was given or on the date on which the first publication has taken place; and

(b) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not appearing on the securities register of the Corporation, then at the last address of such holder known to the Corporation.

3.16.13 *Listing of Series X Preferred Shares*

Upon receipt of a Qualifying Listing Request, the Corporation shall use its reasonable best efforts to obtain within 120 days thereafter a conditional listing for the Series X Preferred Shares on the Exchange and thereafter, should such listing be obtained, to maintain a listing for so long as in the aggregate there are at least 1,000,000 Series X Preferred Shares and/or Series W Preferred Shares outstanding. For greater certainty, however, the Corporation shall not be in breach of its obligations hereunder if the Requesting Holders of such Qualifying Listing Request do not sell such number of Series X Preferred Shares to such number of holders so as to meet the then listing requirements of the Exchange. The Corporation shall pay all fees and costs incidental to obtaining and maintaining such listing.

3.16.14 *Definitions*

In the provisions herein contained attaching to the Series X Preferred Shares:

(a) "accrued and unpaid dividends" means the aggregate of: (i) all unpaid dividends on the Series X Preferred Shares for any quarterly period; and (ii) the amount calculated as though dividends on each Series X Preferred Share had been accruing on a day-to-day basis from and including the date on which the last quarterly dividend was payable to but excluding the date to which the computation of accrued dividends is to be made; and

(b) "in priority to", "on a parity with" and "junior to" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

3.16.15 *Interpretation*

In the event that any date on which any dividend on the Series X Preferred Shares is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the holders of Series X Preferred Shares hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A "business day" shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday at the Corporation's principal office in Canada.

3.17 *Series Y Preferred Shares*

The Series Y Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.17.1 Dividend

3.17.1.1 Definitions

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

(a) "Adjustment Factor" for any Month means the percentage per annum, positive or negative, based on the Calculated Trading Price of the Series Y Preferred Shares for the preceding Month, determined in accordance with the following table:

<u>If Calculated Trading Price Is</u>	<u>The Adjustment Factor as a Percentage of Prime Shall Be</u>
\$25.50 or more	-4.00%
\$25.375 and less than \$25.50	-3.00%
\$25.25 and less than \$25.375	-2.00%
\$25.125 and less than \$25.25	-1.00%
Greater than \$24.875 and less than \$25.125	nil
Greater than \$24.75 to \$24.875	1.00%
Greater than \$24.625 to \$24.75	2.00%
Greater than \$24.50 to \$24.625	3.00%
\$24.50 or less	4.00%

The maximum Adjustment Factor for any Month will be $\pm 4.00\%$.

If in any Month there is no trade on the Exchange of Series Y Preferred Shares of a board lot or more, the Adjustment Factor for the following Month shall be nil;

(b) "Annual Dividend Rate" means the Annual Fixed Dividend Rate or the Annual Floating Dividend Rate, whichever is provided by this section 3.17.1 to be applicable at the relevant time;

(c) "Annual Fixed Dividend Rate" means 4.60% per annum;

(d) "Annual Floating Dividend Rate" means for any Month the rate of interest expressed as a percentage per annum (rounded to the nearest one-thousandth (1/1000) of one percent (0.001%)) which is equal to Prime multiplied by the Designated Percentage for such Month;

(e) "Banks" means any two of Royal Bank of Canada, Bank of Montreal, The Bank of Nova Scotia, The Toronto-Dominion Bank and Canadian Imperial Bank of Commerce and any successor of any of them as may be designated from time to time by the Board of Directors by notice given to the transfer agent for the Series Y Preferred Shares, such notice to take effect on, and to be given at least two (2) business days prior to, the commencement of a particular Dividend Period and, until such notice is first given, means Royal Bank of Canada and The Toronto-Dominion Bank;

(f) "Calculated Trading Price" for any Month means:

(i) the aggregate of the Daily Adjusted Trading Value for all Trading Days in such Month;

divided by

(ii) the aggregate of the Daily Trading Volume for all Trading Days in such Month;

(g) "Daily Accrued Dividend Deduction" for any Trading Day means:

(i) the product obtained by multiplying the dividend accrued on a Series Y Preferred Share in respect of the Month in which the Trading Day falls by the number of days

elapsed from but excluding the day prior to the Ex-Dividend Date immediately preceding such Trading Day to and including such Trading Day (or if such Trading Day is an Ex-Dividend Date, by one (1) day);

divided by

- (ii) the number of days from and including such Ex-Dividend Date to but excluding the following Ex-Dividend Date;
- (h) "Daily Adjusted Trading Value" for any Trading Day means:
- (i) the aggregate dollar value of all transactions of Series Y Preferred Shares on the Exchange (made on the basis of the normal settlement period in effect on the Exchange) occurring during such Trading Day;
- less
- (ii) the Daily Trading Volume for such Trading Day multiplied by the Daily Accrued Dividend Deduction for such Trading Day;
- (i) "Daily Trading Volume" for any Trading Day means the aggregate number of Series Y Preferred Shares traded in all transactions (made on the basis of the normal settlement period in effect on the Exchange) occurring during such Trading Day on the Exchange;
- (j) "Deemed Record Date" means the last Trading Day of a Month with respect to which no dividend is declared by the Board of Directors;
- (k) "Designated Percentage" for the Month of December 2002, means 80 percent (80%) and for each Month thereafter means the Adjustment Factor for such Month plus the Designated Percentage for the preceding Month, provided that the Annual Floating Dividend Rate for any Month shall in no event be less than 50% of Prime for such Month or more than 100% of Prime for such Month;
- (l) "Dividend Payment Date" means:
- (i) during the Fixed Rate Period, the first day of each of March, June, September and December in each year; and
 - (ii) during the Floating Rate Period, the twelfth day of each Month commencing with the Month of January 2003;
- and the first Dividend Payment Date shall be March 1, 1998;
- (m) "Dividend Period" means:
- (i) during the Fixed Rate Period, the period from and including a Dividend Payment Date to but not including the next succeeding Dividend Payment Date; and
 - (ii) during the Floating Rate Period, a Month;
- (n) "Ex-Dividend Date" means:
- (i) the Trading Day which, under the rules or normal practices of the Exchange, is designated or recognized as the ex-dividend date relative to any dividend record date for the Series Y Preferred Shares; or
 - (ii) if the Board of Directors fails to declare a dividend in respect of a Month, the Trading Day which, under the rules or normal practices of the Exchange, would be

recognized as the Ex-Dividend Date relative to any Deemed Record Date for the Series Y Preferred Shares;

(o) "Exchange" means The Montreal Exchange or The Toronto Stock Exchange or such other exchange or trading market in Canada as may be determined from time to time by the Corporation as being the principal trading market for the Series Y Preferred Shares;

(p) "Fixed Rate Period" means the period commencing with the date of issue of the Series Y Preferred Shares and ending on and including November 30, 2002;

(q) "Floating Rate Period" means the period commencing immediately after the end of the Fixed Rate Period and continuing for so long as any of the Series Y Preferred Shares shall be outstanding;

(r) "Month" means a calendar month;

(s) "Prime" for a Month means the average (rounded to the nearest one-thousandth (1/1000) of one percent (0.001%)) of the Prime Rate in effect on each day of such Month;

(t) "Prime Rate" for any day means the average (rounded to the nearest one-thousandth (1/1000) of one percent (0.001%)) of the annual rates of interest announced from time to time by the Banks as the reference rates then in effect for such day for determining interest rates on Canadian dollar commercial loans made to prime commercial borrowers in Canada. If one of the Banks does not have such an interest rate in effect on a day, the Prime Rate for such day shall be such interest rate in effect for that day of the other Bank; if both Banks do not have such an interest rate in effect on a day, the Prime Rate for that day shall be equal to one and a half percent (1.5%) per annum plus the average yield expressed as a percentage per annum on 91-day Government of Canada Treasury Bills, as reported by the Bank of Canada, for the weekly tender for the week immediately preceding that day; and if both of such Banks do not have such an interest rate in effect on a day and the Bank of Canada does not report such average yield per annum, the Prime Rate for that day shall be equal to the Prime Rate for the next preceding day. The Prime Rate and Prime shall be determined from time to time by an officer of the Corporation from quotations supplied by the Banks or otherwise publicly available. Such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series Y Preferred Shares;

(u) "Trading Day" means, if the Exchange is a stock exchange in Canada, a day on which the Exchange is open for trading or, in any other case, a business day.

3.17.1.2 General

The holders of the Series Y Preferred Shares shall be entitled to receive cumulative preferred cash dividends, as and when declared by the Board of Directors, out of moneys of the Corporation properly applicable to the payment of dividends, at the rates and times herein provided. Dividends on the Series Y Preferred Shares shall accrue on a daily basis from and including the date of issue thereof, and shall be payable quarterly during the Fixed Rate Period and monthly during the Floating Rate Period. Payment of the dividend on the Series Y Preferred Shares payable on any Dividend Payment Date (less any tax required to be deducted) shall be made by cheque at par in lawful money of Canada payable at any branch in Canada of the Corporation's bankers.

Dividends declared on the Series Y Preferred Shares shall (except in case of redemption in which case payment of dividends shall be made on surrender of the certificate representing the Series Y Preferred Shares to be redeemed) be paid by posting in a postage paid envelope addressed to each holder of the Series Y Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or, in the case of joint holders, to the address of that one whose name appears first in the securities register of the Corporation as one of such joint holders, a cheque for such dividends (less any tax required to be deducted) payable to the order of such holder or, in the case of joint holders, to the order of all such holders failing written instructions from them to the contrary. Notwithstanding the foregoing, any dividend cheque may be delivered by the Corporation to a holder of Series Y Preferred Shares at his address as aforesaid. The posting or delivery of such cheque shall be deemed to be payment and shall satisfy and discharge all liabilities for the

payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be deducted as aforesaid) unless such cheque is not paid on due presentation.

3.17.1.3 Fixed Rate Period

During the Fixed Rate Period, the dividends in respect of the Series Y Preferred Shares shall be payable quarterly at the Annual Fixed Dividend Rate. Accordingly, on each Dividend Payment Date during the Fixed Rate Period, other than March 1, 1998, but including December 1, 2002, the dividend payable shall be \$0.2875 per Series Y Preferred Share. The amount of the first quarterly dividend payable on each Series Y Preferred Share on March 1, 1998, shall be \$0.23 per share.

3.17.1.4 Floating Rate Period

During the Floating Rate Period, the dividends in respect of the Series Y Preferred Shares shall be payable monthly at the Annual Floating Dividend Rate as calculated from time to time. Accordingly, on each Dividend Payment Date during the Floating Rate Period, the dividend payable on the Series Y Preferred Shares shall be that amount (rounded to the nearest one-thousandth (1/1000) of one cent) obtained by multiplying \$25.00 by the Annual Floating Dividend Rate applicable to the Month preceding such Dividend Payment Date and by dividing the product by twelve. The record date for the purpose of determining holders of Series Y Preferred Shares entitled to receive dividends on each Dividend Payment Date during the Floating Rate Period shall be the last Trading Day of the next preceding Month. In the event of the redemption or purchase of the Series Y Preferred Shares during the Floating Rate Period or the distribution of the assets of the Corporation during the Floating Rate Period as contemplated by section 3.17.2 hereof, the amount of the dividend which has accrued during the Month in which such redemption, purchase or distribution occurs shall be the amount (rounded to the nearest one-thousandth (1/1000) of one cent) calculated by multiplying:

- (i) the amount obtained by multiplying \$25.00 by one-twelfth (1/12) of the Annual Floating Dividend Rate applicable to the preceding Month; by
- (ii) a fraction of which the numerator is the number of days elapsed in the Month in which such redemption, purchase or distribution occurs up to but not including the date of such event and the denominator of which is the number of days in that Month.

3.17.1.5 Calculation of Designated Percentage

The Corporation shall as promptly as practicable calculate the Designated Percentage for each Month and give notice thereof to all stock exchanges in Canada on which the Series Y Preferred Shares are listed for trading or if the Series Y Preferred Shares are not listed on a stock exchange in Canada to the Investment Dealers Association of Canada.

3.17.2 Rights on Liquidation

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Series Y Preferred Shares shall be entitled to receive \$25.00 per Series Y Preferred Share together with all dividends accrued and unpaid up to but excluding the date of payment or distribution, before any amounts shall be paid or any assets of the Corporation distributed to the holders of the Common Shares of the Corporation or any other shares ranking junior to the Series Y Preferred Shares. Upon payment of such amounts, the holders of the Series Y Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.17.3 Redemption at the Option of the Corporation

The Corporation may not redeem any of the Series Y Preferred Shares prior to December 1, 2002. Subject to applicable law and section 3.17.5 hereof, upon giving notice as hereinafter provided, the Corporation may: i) on December 1, 2002 redeem all, but not less than all, of the outstanding Series Y Preferred

Shares, on payment of \$25.00 for each such share to be redeemed; and ii) subsequent to December 1, 2002 redeem at any time all, but not less than all, of the outstanding Series Y Preferred Shares, on payment of \$25.50 for each such share to be redeemed, in each case, together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the whole constituting the redemption price.

The Corporation shall give notice in writing not less than 45 days nor more than 60 days prior to the date on which the redemption is to take place to each person who at the date of giving such notice is the holder of Series Y Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of Series Y Preferred Shares to be redeemed at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, provided that the accidental failure or omission to give any such notices as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series Y Preferred Shares to be redeemed. Such notice shall set out the number of such Series Y Preferred Shares held by the person to whom it is addressed which are to be redeemed and the redemption price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series Y Preferred Shares to be redeemed the redemption price on presentation and surrender at any place or places within Canada designated by such notice, of the certificate or certificates for such Series Y Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date specified in any such notice, the Series Y 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Series Y Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

3.17.4 *Conversion of Series Y Preferred Shares*

3.17.4.1 *Conversion at the Option of the Holder*

Holders of Series Y Preferred Shares shall have the right, at their option, on December 1, 2002 and on December 1 in every fifth year thereafter (a "Conversion Date"), to convert, subject to the terms and conditions hereof, all or any Series Y Preferred Shares registered in their name into Series Z Preferred Shares of the Corporation on the basis of one (1) Series Z Preferred Share for each Series Y Preferred Share. The Corporation shall give notice in writing to the then holders of the Series Y Preferred Shares of the Selected Percentage Rate (as defined in section 3.18.1.1 of the articles of the Corporation relating to the Series Z Preferred Shares) determined by the Board of Directors to be applicable for the next succeeding Fixed Dividend Rate Period (as defined in section 3.18.1.1 of the articles of the Corporation relating to the Series Z Preferred Shares) and of the conversion right provided for herein; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of the Series Y Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation. Such notice shall set out the Conversion Date and shall be given not less than 45 days nor more than 60 days prior to the applicable Conversion Date.

If the Corporation gives notice as provided in section 3.17.3 to the holders of the Series Y Preferred Shares of the redemption of all the Series Y Preferred Shares, the Corporation shall not be required to give notice as provided in this section 3.17.4.1 to the holders of the Series Y Preferred Shares of a Selected Percentage Rate (as defined in section 3.18.1.1 of the articles of the Corporation relating to the Series Z Preferred Shares) for the Series Z Preferred Shares or of the conversion right and the right of any holder of Series Y

Preferred Shares to convert such Series Y Preferred Shares as herein provided shall cease and terminate in that event.

Holders of Series Y Preferred Shares shall not be entitled to convert their shares into Series Z Preferred Shares if, following the close of business on the 14th day preceding a Conversion Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series Z Preferred Shares, after taking into account all Series Y Preferred Shares tendered for conversion into Series Z Preferred Shares and all Series Z Preferred Shares tendered for conversion into Series Y Preferred Shares. The Corporation shall give notice in writing thereof, in accordance with the provisions of the first paragraph of this section 3.17.4.1, to all affected holders of Series Y Preferred Shares at least seven (7) days prior to the applicable Conversion Date and will issue and deliver, or cause to be delivered, prior to such Conversion Date, at the expense of the Corporation, to such holders of Series Y Preferred Shares, who have surrendered for conversion any certificate or certificates representing Series Y Preferred Shares, new certificates representing the Series Y Preferred Shares represented by any certificate or certificates surrendered as aforesaid.

3.17.4.2 *Automatic Conversion*

If following the close of business on the 14th day preceding a Conversion Date the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series Y Preferred Shares after taking into account all Series Y Preferred Shares tendered for conversion into Series Z Preferred Shares and all Series Z Preferred Shares tendered for conversion into Series Y Preferred Shares, then, all, but not part, of the remaining outstanding Series Y Preferred Shares shall automatically be converted into Series Z Preferred Shares on the basis of one (1) Series Z Preferred Share for each Series Y Preferred Share on the applicable Conversion Date and the Corporation shall give notice in writing thereof, in accordance with the provisions of section 3.17.4.1, to the holders of such remaining Series Y Preferred Shares at least seven (7) days prior to the Conversion Date.

3.17.4.3 *Manner of Exercise of Conversion Privilege*

The conversion of Series Y Preferred Shares may be effected by surrender of the certificate or certificates representing the same not earlier than 45 days prior to a Conversion Date but not later than the close of business on the 14th day preceding a Conversion Date during usual business hours at any office of any transfer agent of the Corporation at which the Series Y Preferred Shares are transferable accompanied by: i) payment or evidence of payment of the tax (if any) payable as provided in this section 3.17.4.3; and ii) a written instrument of surrender in form satisfactory to the Corporation duly executed by the holder, or his attorney duly authorized in writing, in which instrument such holder may also elect to convert part only of the Series Y Preferred Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series Y Preferred Shares represented by such certificate or certificates which have not been converted.

In the event the Corporation is required to convert all remaining outstanding Series Y Preferred Shares into Series Z Preferred Shares on the applicable Conversion Date as provided for in section 3.17.4.2, the Series Y Preferred Shares, in respect of which the holders have not previously elected to convert, shall be converted on the Conversion Date into Series Z Preferred Shares and the holders thereof shall be deemed to be holders of Series Z Preferred Shares at the close of business on the Conversion Date and shall be entitled, upon surrender during usual business hours at any office of any transfer agent of the Corporation at which the Series Y Preferred Shares were transferable of the certificate or certificates representing Series Y Preferred Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series Z Preferred Shares in the manner and subject to the terms and provisions as provided in this section 3.17.4.3.

As promptly as practicable after the Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series Y Preferred Shares so surrendered, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully-paid and non-assessable Series Z Preferred Shares and the number of remaining Series Y Preferred Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Conversion Date, so that the rights of the holder of

such Series Y Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Series Z Preferred Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Series Z Preferred Shares at such time.

The holder of any Series Y Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into a Series Z Preferred Share after such record date and on or before the date of the payment of such dividend.

The issuance of certificates for the Series Z Preferred Shares upon the conversion of Series Y Preferred Shares shall be made without charge to the converting holders of Series Y Preferred Shares for any fee or tax in respect of the issuance of such certificates or the Series Z Preferred Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series Z Preferred Shares are issued in respect of the issuance of such Series Z Preferred Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name or names other than that of the holder of the Series Y Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

3.17.4.4 *Status of Converted Series Y Preferred Shares*

All Series Y Preferred Shares converted into Series Z Preferred Shares on a Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Conversion Date.

3.17.5 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series Y Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series Y Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series Y Preferred Shares;
- (b) the Corporation shall not redeem, purchase or otherwise retire or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series Y Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series Y Preferred Shares);
- (c) the Corporation shall not purchase or otherwise retire less than all of the Series Y Preferred Shares then outstanding; or
- (d) the Corporation shall not redeem, purchase or otherwise retire (except in connection with the exercise of any retraction privilege or any mandatory redemption obligation attaching thereto) any shares of any class or series ranking on a parity with the Series Y Preferred Shares provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series Y Preferred Shares;

unless, in each such case, all cumulative dividends on outstanding Series Y Preferred Shares accrued up to and including the dividend payable for the last completed period for which dividends were payable shall have been declared and paid.

Any approval of the holders of Series Y Preferred Shares required to be given pursuant to this section 3.17.5 may be given in accordance with the second paragraph of section 3.17.7 and section 3.17.10. Notwithstanding the provisions of section 3.17.10 hereof, any approval required to be given pursuant to this section 3.17.5 shall be required to be given only by the affirmative vote of the holders of the majority of the Series Y Preferred Shares present or represented at a meeting, or adjourned meeting, of the holders of Series Y Preferred Shares duly called for the purpose and at which a quorum is present.

3.17.6 Purchase for Cancellation

The Corporation may at any time purchase for cancellation the whole or any part of the Series Y Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable.

3.17.7 Voting Rights

If the Corporation fails to pay eight (8) dividends on the Series Y Preferred Shares, whether or not consecutive, the holders of the Series Y Preferred Shares shall have the right to receive notice of, and to attend, each meeting of shareholders of the Corporation which takes place more than 60 days after the date on which the failure first occurs (other than a separate meeting of the holders of another series or class of shares) and such holders shall also have the right, at any such meeting, to one (1) vote for each Series Y Preferred Share held, until all such arrears of dividends on the Series Y Preferred Shares shall have been paid whereupon such rights shall cease unless and until the same default shall again arise under the provisions of this section 3.17.7.

In connection with any actions to be taken by the Corporation which require the approval of the holders of the Series Y Preferred Shares voting as a series or as part of a class, each Series Y Preferred Share shall entitle the holder thereof to one (1) vote for such purpose.

3.17.8 Issue of Additional Preferred Shares

The Corporation may issue additional series of First Preferred Shares ranking on a parity with the Series Y Preferred Shares without the authorization of the holders of the Series Y Preferred Shares.

3.17.9 Modifications

The provisions attaching to the Series Y Preferred Shares as a series may be repealed, altered, modified or amended from time to time with such approval as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.17.10.

None of the series provisions of the articles of the Corporation relating to the Series Y Preferred Shares shall be amended or otherwise changed unless, contemporaneously therewith, the series provisions, if any, relating to the Series Z Preferred Shares are, to the extent deemed required by the Corporation, amended or otherwise changed in the same proportion and in the same manner.

3.17.10 Approval of Holders of Series Y Preferred Shares

Any approval given by the holders of the Series Y Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series Y Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.17.11 Tax Election

The Corporation shall elect, in the manner and within the time provided under the *Income Tax Act* (Canada), under subsection 191.2(1) of the said Act, or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series Y Preferred Shares will be required to pay tax on dividends received on the Series Y Preferred Shares under section 187.2 of Part IV.I of such Act or any successor or replacement provision of similar effect.

3.17.12 Mail Service Interruption

If the Corporation determines that mail service is, or is threatened to be, interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series Y Preferred Shares, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by telex, telecopier or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such telex, telecopier or telegraph communication was given or on the date on which the first publication has taken place; and

(b) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not appearing on the securities register of the Corporation, then at the last address of such holder known to the Corporation.

3.17.13 *Notice of Annual Dividend Rate Applicable to the Series Z Preferred Shares*

Within three (3) business days of the determination of the Annual Dividend Rate (as defined in section 3.18.1.1 of the articles of the Corporation relating to the Series Z Preferred Shares) the Corporation shall give notice thereof to the holders of the Series Y Preferred Shares by publication once in the national edition of The Globe and Mail in the English language and once in the City of Montréal in both the French and English languages in a daily newspaper of general circulation in Montréal; provided that if any such newspaper is not being generally circulated at that time, such notice shall be published in another equivalent publication.

3.17.14 *Definitions*

In the provisions herein contained attaching to the Series Y Preferred Shares:

(a) "accrued and unpaid dividend" means: i) during the Fixed Rate Period, the aggregate of (A) all unpaid dividends on the Series Y Preferred Shares for any Dividend Period and (B) the amount calculated as though dividends on each Series Y Preferred Share had been accruing on a day-to-day basis from and including the date on which the last quarterly dividend was payable to but excluding the date to which the computation of accrued dividends is to be made; and ii) during the Floating Rate Period, the aggregate of (A) all unpaid dividends on the Series Y Preferred Shares for any Dividend Period and (B) the amount calculated as though dividends on each Series Y Preferred Share had been accruing on a day-to-day basis from and including the first day of the Month immediately following the Dividend Period with respect to which the last monthly dividend will be or was, as the case may be, payable to but excluding the date to which the computation of accrued dividends is to be made; and

(b) "in priority to", "on a parity with" and "junior to" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

3.17.15 *Interpretation*

In the event that any date on which any dividend on the Series Y Preferred Shares is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the holders of Series Y Preferred Shares hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A "business day" shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday at the Corporation's principal office in Canada.

3.18 Series Z Preferred Shares

The Series Z Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.18.1 Dividend

3.18.1.1 Definitions

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

- (a) "Annual Dividend Rate" means for any Fixed Dividend Rate Period the rate of interest expressed as a percentage per annum (rounded to the nearest one-thousandth of one percent (0.001%)) which is equal to the Government of Canada Yield multiplied by the Selected Percentage Rate for such Fixed Dividend Rate Period;
- (b) "Dividend Payment Date" means the first day of each of March, June, September and December in each year;
- (c) "Fixed Dividend Rate Period" means for the initial Fixed Dividend Rate Period, the period commencing on December 1, 2002 and ending on and including November 30, 2007 and for each succeeding Fixed Dividend Rate Period, the period commencing on the day immediately following the end of the immediately preceding Fixed Dividend Rate Period and ending on and including November 30 in the fifth year immediately thereafter;
- (d) "Government of Canada Yield" on any date shall mean the average of the yields determined by two registered Canadian investment dealers, selected by the Board of Directors, as being the yield to maturity on such date compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Canada Bond would carry if issued in Canadian dollars in Canada at 100% of its principal amount on such date with a term to maturity of five years; and
- (e) "Selected Percentage Rate" for each Fixed Dividend Rate Period means the rate of interest, expressed as a percentage of the Government of Canada Yield, determined by the Board of Directors as set forth in the notice to the holders of the Series Z Preferred Shares given in accordance with the provisions of section 3.18.4.1, which rate of interest shall be not less than 80% of the Government of Canada Yield.

3.18.1.2 General

The holders of the Series Z Preferred Shares shall be entitled to receive fixed, cumulative, preferred cash dividends, as and when declared by the Board of Directors, out of moneys of the Corporation properly applicable to the payment of dividends, in the amount per share per annum determined by multiplying the Annual Dividend Rate by \$25.00, payable quarterly in respect of each 12 month period on the first day of March, June, September and December by cheque at par in lawful money of Canada at any branch in Canada of the Corporation's bankers.

Dividends declared on the Series Z Preferred Shares shall (except in case of redemption in which case payment of dividends shall be made on surrender of the certificate representing the Series Z Preferred Shares to be redeemed) be paid by posting in a postage paid envelope addressed to each holder of the Series Z Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or, in the case of joint holders, to the address of that one whose name appears first in the securities register of the Corporation as one of such joint holders, a cheque for such dividends (less any tax required to be deducted) payable to the order of such holder or, in the case of joint holders, to the order of all such holders failing written instructions from them to the contrary. Notwithstanding the foregoing, any dividend cheque may be delivered by the Corporation to a holder of Series Z Preferred Shares at his address as aforesaid. The posting or delivery of such cheque shall be deemed to be payment and shall satisfy and discharge all liabilities for the

payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be deducted as aforesaid) unless such cheque is not paid on due presentation.

3.18.1.3 *Calculation of Annual Dividend Rate*

The Corporation shall calculate on the 21st day prior to the first day of each Fixed Dividend Rate Period the Annual Dividend Rate for each Fixed Dividend Rate Period based upon the Selected Percentage Rate and the Government of Canada Yield in effect at 10:00 A.M. (Montréal time) on the said 21st day prior to the first day of each Fixed Dividend Rate Period and give notice thereof: (i) within one (1) business day to all stock exchanges in Canada on which the Series Z Preferred Shares are listed for trading or if the Series Z Preferred Shares are not listed on a stock exchange in Canada, to the Investment Dealers Association of Canada; and (ii) within three (3) business days to, except in relation to the initial Fixed Dividend Rate Period, the holders of the Series Z Preferred Shares by publication once in the national edition of The Globe and Mail in the English language and once in the City of Montréal in both the French and English languages in a daily newspaper of general circulation in Montréal; provided that if any such newspaper is not being generally circulated at that time, such notice shall be published in another equivalent publication.

3.18.2 *Rights on Liquidation*

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Series Z Preferred Shares shall be entitled to receive \$25.00 per Series Z Preferred Share together with all dividends accrued and unpaid up to but excluding the date of payment or distribution, before any amounts shall be paid or any assets of the Corporation distributed to the holders of the Common Shares of the Corporation or any other shares ranking junior to the Series Z Preferred Shares. Upon payment of such amounts, the holders of the Series Z Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.18.3 *Redemption at the Option of the Corporation*

The Corporation may not redeem any of the Series Z Preferred Shares prior to December 1, 2007. Subject to applicable law and section 3.18.5 hereof, upon giving notice as hereinafter provided, the Corporation may, on December 1, 2007 or on December 1 in every fifth year thereafter, redeem at any time all, but not less than all, the outstanding Series Z Preferred Shares on payment of \$25.00 for each such share to be redeemed together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the whole constituting the redemption price.

The Corporation shall give notice in writing not less than 45 days nor more than 60 days prior to the date on which the redemption is to take place to each person who at the date of giving such notice is the holder of Series Z Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of Series Z Preferred Shares to be redeemed at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, provided that the accidental failure or omission to give any such notices as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series Z Preferred Shares to be redeemed. Such notice shall set out the number of such Series Z Preferred Shares held by the person to whom it is addressed which are to be redeemed and the redemption price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series Z Preferred Shares to be redeemed the redemption price on presentation and surrender at any place within Canada designated by such notice, of the certificate or certificates for such Series Z Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date specified in any such notice, the Series Z 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Series Z Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in

trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

3.18.4 *Conversion of Series Z Preferred Shares*

3.18.4.1 *Conversion at the Option of the Holder*

Holders of Series Z Preferred Shares shall have the right, at their option, on December 1, 2007 and on December 1 in every fifth year thereafter (a "Conversion Date"), to convert, subject to the terms and provisions hereof, all or any Series Z Preferred Shares registered in their name into Series Y Preferred Shares of the Corporation on the basis of one (1) Series Y Preferred Share for each Series Z Preferred Share. The Corporation shall give notice in writing to the then holders of the Series Z Preferred Shares of the Selected Percentage Rate determined by the Board of Directors to be applicable for the next succeeding Fixed Dividend Rate Period and of the conversion right provided for herein; such notice shall be given by posting the same in a postage paid envelope addressed to each holder of the Series Z Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation. Such notice shall set out the Conversion Date and shall be given not less than 45 days nor more than 60 days prior to the applicable Conversion Date.

If the Corporation gives notice as provided in section 3.18.3 to the holders of the Series Z Preferred Shares of the redemption of all the Series Z Preferred Shares, the Corporation shall not be required to give notice as provided in this section 3.18.4.1 to the holders of the Series Z Preferred Shares of a Selected Percentage Rate or of the conversion right and the right of any holder of Series Z Preferred Shares to convert such Series Z Preferred Shares as herein provided shall cease and terminate in that event.

Holders of Series Z Preferred Shares shall not be entitled to convert their shares into Series Y Preferred Shares if, following the close of business on the 14th day preceding a Conversion Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series Y Preferred Shares after taking into account all Series Z Preferred Shares tendered for conversion into Series Y Preferred Shares and all Series Y Preferred Shares tendered for conversion into Series Z Preferred Shares. The Corporation shall give notice in writing thereof, in accordance with the provisions of the first paragraph of this section 3.18.4.1, to all affected holders of Series Z Preferred Shares at least seven (7) days prior to the applicable Conversion Date and will issue and deliver, or cause to be delivered, prior to such Conversion Date, at the expense of the Corporation, to such holders of Series Z Preferred Shares, who have surrendered for conversion any certificate or certificates representing Series Z Preferred Shares, new certificates representing the Series Z Preferred Shares represented by any certificate or certificates surrendered as aforesaid.

3.18.4.2 *Automatic Conversion*

If following the close of business on the 14th day preceding a Conversion Date the Corporation determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series Z Preferred Shares after taking into account all Series Z Preferred Shares tendered for conversion into Series Y Preferred Shares and all Series Y Preferred Shares tendered for conversion into Series Z Preferred Shares, then, all, but not part, of the remaining outstanding Series Z Preferred Shares shall automatically be converted into Series Y Preferred Shares on the basis of one (1) Series Y Preferred Share for each Series Z Preferred Share on the applicable Conversion Date and the Corporation shall give notice in writing thereof, in accordance with the provisions of section 3.18.4.1, to the holders of such remaining Series Z Preferred Shares at least seven (7) days prior to the Conversion Date.

3.18.4.3 Manner of Exercise of Conversion Privilege

The conversion of Series Z Preferred Shares may be effected by surrender of the certificate or certificates representing the same not earlier than 45 days prior to a Conversion Date but not later than the close of business on the 14th day preceding a Conversion Date during usual business hours at any office of any transfer agent of the Corporation at which the Series Z Preferred Shares are transferable accompanied by: (1) payment or evidence of payment of the tax (if any) payable as provided in this section 3.18.4.3; and (2) a written instrument of surrender in form satisfactory to the Corporation duly executed by the holder, or his attorney duly authorized in writing, in which instrument such holder may also elect to convert part only of the Series Z Preferred Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series Z Preferred Shares represented by such certificate or certificates which have not been converted.

In the event the Corporation is required to convert all remaining outstanding Series Z Preferred Shares into Series Y Preferred Shares on the applicable Conversion Date as provided for in section 3.18.4.2, the Series Z Preferred Shares in respect of which the holders have not previously elected to convert, shall be converted on the Conversion Date into Series Y Preferred Shares and the holders thereof shall be deemed to be holders of Series Y Preferred Shares at the close of business on the Conversion Date and shall be entitled, upon surrender during usual business hours at any office of any transfer agent of the Corporation at which the Series Z Preferred Shares were transferable of the certificate or certificates representing Series Z Preferred Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series Y Preferred Shares in the manner and subject to the terms and provisions as provided in this section 3.18.4.3.

As promptly as practicable after the Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series Z Preferred Shares so surrendered, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully-paid and non-assessable Series Y Preferred Shares and the number of remaining Series Z Preferred Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Conversion Date, so that the rights of the holder of such Series Z Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Series Y Preferred Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Series Y Preferred Shares at such time.

The holder of any Series Z Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into a Series Y Preferred Share after such record date and on or before the date of the payment of such dividend.

The issuance of certificates for the Series Y Preferred Shares upon the conversion of Series Z Preferred Shares shall be made without charge to the converting holders of Series Z Preferred Shares for any fee or tax in respect of the issuance of such certificates or the Series Y Preferred Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series Y Preferred Shares are issued in respect of the issuance of such Series Y Preferred Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name or names other than that of the holder of the Series Z Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

3.18.4.4 Status of Converted Series Z Preferred Shares

All Series Z Preferred Shares converted into Series Y Preferred Shares on a Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Conversion Date.

3.18.5 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series Z Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series Z Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series Z Preferred Shares;
- (b) the Corporation shall not redeem, purchase or otherwise retire or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series Z Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series Z Preferred Shares);
- (c) the Corporation shall not purchase or otherwise retire less than all of the Series Z Preferred Shares then outstanding; or
- (d) the Corporation shall not redeem, purchase or otherwise retire (except in connection with the exercise of any retraction privilege or any mandatory redemption obligation attaching thereto) any shares of any class or series ranking on a parity with the Series Z Preferred Shares provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series Z Preferred Shares;

unless, in each such case, all cumulative dividends on outstanding Series Z Preferred Shares accrued up to and including the dividend payable for the last completed period for which dividends were payable shall have been declared and paid.

Any approval of the holders of the Series Z Preferred Shares required to be given pursuant to this section 3.18.5 may be given in accordance with the second paragraph of section 3.18.7 and section 3.18.10. Notwithstanding the provisions of section 3.18.10 hereof, any approval required to be given pursuant to this section 3.18.5 shall be required to be given only by the affirmative vote of the holders of the majority of the Series Z Preferred Shares present or represented at a meeting or adjourned meeting, of the holders of Series Z Preferred Shares duly called for the purpose and at which a quorum is present.

3.18.6 *Purchase for Cancellation*

The Corporation may at any time purchase for cancellation the whole or any part of the Series Z Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable.

3.18.7 *Voting Rights*

If the Corporation fails to pay eight (8) dividends on the Series Z Preferred Shares, whether or not consecutive, the holders of the Series Z Preferred Shares shall have the right to receive notice of, and to attend, each meeting of shareholders of the Corporation which takes place more than 60 days after the date on which the failure first occurs (other than a separate meeting of the holders of another series or class of shares) and such holders shall also have the right, at any such meeting, to one (1) vote for each Series Z Preferred Share held, until all such arrears of dividends on the Series Z Preferred Shares shall have been paid whereupon such rights shall cease unless and until the same default shall again arise under the provisions of this section 3.18.7.

In connection with any actions to be taken by the Corporation which require the approval of the holders of the Series Z Preferred Shares voting as a series or as part of a class, each Series Z Preferred Share shall entitle the holder thereof to one (1) vote for such purpose.

3.18.8 *Issue of Additional Preferred Shares*

The Corporation may issue additional series of First Preferred Shares ranking on a parity with

the Series Z Preferred Shares without the authorization of the holders of the Series Z Preferred Shares.

3.18.9 *Modifications*

The provisions attaching to the Series Z Preferred Shares as a series may be repealed, altered, modified or amended from time to time with such approval as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.18.10.

None of the series provisions of the articles of the Corporation relating to the Series Z Preferred Shares shall be amended or otherwise changed unless, contemporaneously therewith, the series provisions, if any, relating to the Series Y Preferred Shares are, to the extent deemed required by the Corporation, amended or otherwise changed in the same proportion and in the same manner.

3.18.10 *Approval of Holders of Series Z Preferred Shares*

Any approval given by the holders of the Series Z Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series Z Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.18.11 *Tax Election*

The Corporation shall elect, in the manner and within the time provided under the *Income Tax Act* (Canada), under subsection 191.2(1) of the said Act, or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series Z Preferred Shares will be required to pay tax on dividends received on the Series Z Preferred Shares under section 187.2 of Part IV.I of such Act or any successor or replacement provision of similar effect.

3.18.12 *Mail Service Interruption*

If the Corporation determines that mail service is, or is threatened to be, interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series Z Preferred Shares, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by telex, telecopier or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such telex, telecopier or telegraph communication was given or on the date on which the first publication has taken place; and

(b) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not appearing on the securities register of the Corporation, then at the last address of such holder known to the Corporation.

3.18.13 *Definitions*

In the provisions herein contained attaching to the Series Z Preferred Shares:

(a) "accrued and unpaid dividends" means the aggregate of: (i) all unpaid dividends on the Series Z Preferred Shares for any quarterly period; and (ii) the amount calculated as though dividends on each Series Z Preferred Share had been accruing on a day-to-day basis from and including the date on which the last quarterly dividend was payable to but excluding the date to which the computation of accrued dividends is to be made; and

(b) "in priority to", "on a parity with" and "junior to" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

3.18.14 Interpretation

In the event that any date on which any dividend on the Series Z Preferred Shares is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the holders of Series Z Preferred Shares hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A "business day" shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday at the Corporation's principal office in Canada.

3.19 Series AA Preferred Shares

The Series AA Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.19.1 Dividend

3.19.1.1 Definitions

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

(a) "Annual Dividend Rate" means the Subsequent Fixed Dividend Rate applicable at the relevant time;

(b) "Dividend Payment Date" means the first day of each of March, June, September and December in each year and the first Dividend Payment Date shall be June 1, 2002;

(c) "Government of Canada Yield" on any date means the average of the yields determined by two registered Canadian investment dealers, selected by the Corporation, as being the yield to maturity on such date compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Canada Bond would carry, if issued in Canadian dollars in Canada at 100% of its principal amount on such date with a term to maturity of five years;

(d) "Electronic Delivery" means the delivery by telecopier, electronic mail, the Internet or other electronic means;

(e) "Initial Fixed Dividend Amount" means an amount equal to \$1.3625 per share per annum;

(f) "Initial Fixed Rate Period" means the period commencing with the date of issue of the Series AA Preferred Shares and ending on and including August 31, 2007;

(g) "Subsequent Fixed Dividend Rate" means for any Subsequent Fixed Rate Period the rate of interest expressed as a percentage per annum determined in accordance with section 3.19.1.5 hereof;

(h) "Subsequent Fixed Rate Period" means for the initial Subsequent Fixed Rate Period, the period commencing on September 1, 2007 and ending on and including August 31, 2012 and for each succeeding Subsequent Fixed Rate Period, the period commencing on the day immediately following the

end of the immediately preceding Subsequent Fixed Rate Period and ending on and including August 31 in the fifth year thereafter.

3.19.1.2 *General*

The holders of the Series AA Preferred Shares shall be entitled to receive fixed, cumulative, preferred cash dividends, as and when declared by the Board of Directors, out of moneys of the Corporation properly applicable to the payment of dividends, at the rates herein provided. Dividends on the Series AA Preferred Shares shall accrue on a daily basis from and including the date of issue thereof, and shall be payable quarterly during the Initial Fixed Rate Period and during any Subsequent Fixed Rate Period. Payment of the dividend on the Series AA Preferred Shares payable on any Dividend Payment Date (less any tax required to be deducted) shall be made by cheque at par in lawful money of Canada payable at any branch in Canada of the Corporation's bankers.

Dividends declared on the Series AA Preferred Shares shall (except in case of redemption in which case payment of dividends shall be made on surrender of the certificate representing the Series AA Preferred Shares to be redeemed) be paid by posting in a postage paid envelope addressed to each holder of the Series AA Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or, in the case of joint holders, to the address of that one whose name appears first in the securities register of the Corporation as one of such joint holders, a cheque for such dividends (less any tax required to be deducted) payable to the order of such holder or, in the case of joint holders, to the order of all such holders failing written instructions from them to the contrary. Notwithstanding the foregoing, any dividend cheque may be delivered by the Corporation to a holder of Series AA Preferred Shares at his address as aforesaid. The posting or delivery of such cheque shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be deducted as aforesaid) unless such cheque is not paid on due presentation.

3.19.1.3 *Initial Fixed Rate Period*

During the Initial Fixed Rate Period, the amount of the dividend in respect of the Series AA Preferred Shares payable quarterly shall be equal to \$0.340625 per share. If the original date of issue of the Series AA Preferred Shares is March 1, 2002, the amount of the first quarterly dividend payable on each Series AA Preferred Share on June 1, 2002 shall be \$0.340625. Otherwise, the first quarterly dividend payable on each Series AA Preferred Share on June 1, 2002 shall be in the amount (rounded to the nearest one-thousandth (1/1000) of one cent) obtained by multiplying \$1.3625 by a fraction of which the numerator is the number of days from and including the original date of issue of the Series AA Preferred Shares to but excluding June 1, 2002, and the denominator is 365.

3.19.1.4 *Subsequent Fixed Rate Period*

During any Subsequent Fixed Rate Period, the dividends in respect of the Series AA Preferred Shares shall be payable quarterly at the Subsequent Fixed Dividend Rate. Accordingly, on each Dividend Payment Date during any Subsequent Fixed Rate Period, the dividend payable shall be that amount per share (rounded to the nearest one-thousandth (1/1000) of one cent) obtained by multiplying the Annual Dividend Rate by \$25.00 and by dividing the product by four.

3.19.1.5 *Determination of Subsequent Fixed Dividend Rate*

The Corporation shall determine on the 25th day prior to the first day of each Subsequent Fixed Rate Period the Annual Dividend Rate for each Subsequent Fixed Rate Period, which Annual Dividend Rate shall not be less than 80% of the Government of Canada Yield in effect at 10:00 A.M. (Montréal Time) on the said 25th day prior to the first day of each Subsequent Fixed Rate Period, and give notice thereof: (i) within one (1) business day to all stock exchanges in Canada on which the Series AA

Preferred Shares are listed for trading or if the Series AA Preferred Shares are not listed on a stock exchange in Canada, to the Investment Dealers Association of Canada; and (ii) within three (3) business days to the holders of the Series AA Preferred Shares by publication once in the national edition of The Globe and Mail in the English language and once in the City of Montréal in both the French and English languages in a daily newspaper of general circulation in Montréal; provided that if any such newspaper is not being generally circulated at that time, such notice shall be published in another equivalent publication.

3.19.2 *Rights on Liquidation*

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Series AA Preferred Shares shall be entitled to receive \$25.00 per Series AA Preferred Share together with all dividends accrued and unpaid up to but excluding the date of payment or distribution, before any amounts shall be paid or any assets of the Corporation distributed to the holders of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series AA Preferred Shares. Upon payment of such amounts, the holders of the Series AA Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.19.3 *Redemption at the Option of the Corporation*

The Corporation may not redeem any of the Series AA Preferred Shares prior to September 1, 2007. Subject to applicable law and section 3.19.5 hereof, upon giving notice as hereinafter provided, the Corporation may, on September 1, 2007, or on September 1 in every fifth year thereafter, redeem all, but not less than all, of the outstanding Series AA Preferred Shares, on payment of \$25.00 for each such share to be redeemed, together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the whole constituting the redemption price.

The Corporation shall give notice in writing not less than 45 days nor more than 60 days prior to the date on which the redemption is to take place to each person who at the date of giving such notice is the holder of Series AA Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given, at the option of the Corporation, by courier or by posting the same in a postage paid envelope, in either case, addressed to each holder of Series AA Preferred Shares to be redeemed at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or by Electronic Delivery addressed to each holder of Series AA Preferred Shares requesting Electronic Delivery at the last electronic address as provided by the holder to the Corporation, provided that the accidental failure or omission to give any such notices as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series AA Preferred Shares to be redeemed. Such notice shall set out the number of such Series AA Preferred Shares held by the person to whom it is addressed which are to be redeemed and the redemption price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series AA Preferred Shares to be redeemed the redemption price on presentation and surrender at any place or places within Canada designated by such notice, of the certificate or certificates for such Series AA Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date specified in any such notice, the Series AA 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Series AA Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not, from

and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

3.19.4 *Conversion of Series AA Preferred Shares*

3.19.4.1 *Conversion at the Option of the Holder*

Holders of Series AA Preferred Shares shall have the right, at their option, on September 1, 2007 and on September 1 in every fifth year thereafter (a "Conversion Date"), to convert, subject to the terms and conditions hereof, all or any Series AA Preferred Shares registered in their name into Series AB Preferred Shares of the Corporation on the basis of one (1) Series AB Preferred Share for each Series AA Preferred Share. The Corporation shall give notice in writing to the then holders of the Series AA Preferred Shares of the conversion right provided for herein; such notice shall be given, at the option of the Corporation, by courier or by posting the same in a postage paid envelope, in either case, addressed to each holder of the Series AA Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation or by Electronic Delivery addressed to each holder of Series AA Preferred Shares requesting Electronic Delivery at the last electronic address as provided by the holder to the Corporation. Such notice shall set out the Conversion Date and shall be given not less than 45 days nor more than 60 days prior to the applicable Conversion Date.

If the Corporation gives notice as provided in section 3.19.3 to the holders of the Series AA Preferred Shares of the redemption of all the Series AA Preferred Shares, the Corporation shall not be required to give notice as provided in this section 3.19.4.1 to the holders of the Series AA Preferred Shares of the conversion right and the right of any holder of Series AA Preferred Shares to convert such Series AA Preferred Shares as herein provided shall cease and terminate in that event.

Holders of Series AA Preferred Shares shall not be entitled to convert their shares into Series AB Preferred Shares if, following the close of business on the 10th day preceding a Conversion Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 2,500,000 Series AB Preferred Shares, after taking into account all Series AA Preferred Shares tendered for conversion into Series AB Preferred Shares and all Series AB Preferred Shares tendered for conversion into Series AA Preferred Shares. The Corporation shall give notice in writing thereof, in accordance with the provisions of the first paragraph of this section 3.19.4.1, to all affected holders of Series AA Preferred Shares prior to the applicable Conversion Date and will issue and deliver, or cause to be delivered, prior to such Conversion Date, at the expense of the Corporation, to such holders of Series AA Preferred Shares, who have surrendered for conversion any certificate or certificates representing Series AA Preferred Shares, new certificates representing the Series AA Preferred Shares represented by any certificate or certificates surrendered as aforesaid.

3.19.4.2 *Automatic Conversion*

If following the close of business on the 10th day preceding a Conversion Date the Corporation determines that there would remain outstanding on the Conversion Date less than 2,500,000 Series AA Preferred Shares after taking into account all Series AA Preferred Shares tendered for conversion into Series AB Preferred Shares and all Series AB Preferred Shares tendered for conversion into Series AA Preferred Shares, then, all, but not part, of the remaining outstanding Series AA Preferred Shares shall automatically be converted into Series AB Preferred Shares on the basis of one (1) Series AB Preferred Share for each Series AA Preferred Share on the applicable Conversion Date and the Corporation shall give notice in writing thereof, in accordance with the provisions of section 3.19.4.1, to the holders of such remaining Series AA Preferred Shares prior to the Conversion Date.

3.19.4.3 *Manner of Exercise of Conversion Privilege*

The conversion of Series AA Preferred Shares may be effected by surrender of the certificate or certificates representing the same not earlier than 45 days prior to a Conversion Date but not later than the close of business on the 10th day preceding a Conversion Date during usual business hours at any office of any transfer agent of the Corporation at which the Series AA Preferred Shares are transferable accompanied by: i) payment or evidence of payment of the tax (if any) payable, as provided in this section 3.19.4.3; and ii) a written instrument of surrender in form satisfactory to the Corporation duly executed by the holder, or his attorney duly authorized in writing, in which instrument such holder may also elect to convert part only of the Series AA Preferred Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series AA Preferred Shares represented by such certificate or certificates which have not been converted.

In the event the Corporation is required to convert all remaining outstanding Series AA Preferred Shares into Series AB Preferred Shares on the applicable Conversion Date as provided for in section 3.19.4.2, the Series AA Preferred Shares, in respect of which the holders have not previously elected to convert, shall be converted on the Conversion Date into Series AB Preferred Shares and the holders thereof shall be deemed to be holders of Series AB Preferred Shares at the close of business on the Conversion Date and shall be entitled, upon surrender during usual business hours at any office of any transfer agent of the Corporation at which the Series AA Preferred Shares were transferable of the certificate or certificates representing Series AA Preferred Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series AB Preferred Shares in the manner and subject to the terms and provisions as provided in this section 3.19.4.3.

As promptly as practicable after the Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series AA Preferred Shares so surrendered, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully-paid and non-assessable Series AB Preferred Shares and the number of remaining Series AA Preferred Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Conversion Date, so that the rights of the holder of such Series AA Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Series AB Preferred Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Series AB Preferred Shares at such time.

The holder of any Series AA Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into a Series AB Preferred Share after such record date and on or before the date of the payment of such dividend.

The issuance of certificates for the Series AB Preferred Shares upon the conversion of Series AA Preferred Shares shall be made without charge to the converting holders of Series AA Preferred Shares for any fee or tax in respect of the issuance of such certificates or the Series AB Preferred Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series AB Preferred Shares are issued in respect of the issuance of such Series AB Preferred Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name or names other than that of the holder of the Series AA Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

3.19.4.4 *Status of Converted Series AA Preferred Shares*

All Series AA Preferred Shares converted into Series AB Preferred Shares on a Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Conversion Date.

3.19.5 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series AA Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series AA Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series AA Preferred Shares;
- (b) the Corporation shall not redeem, purchase or otherwise retire or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series AA Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series AA Preferred Shares);
- (c) the Corporation shall not purchase or otherwise retire less than all of the Series AA Preferred Shares then outstanding; or
- (d) the Corporation shall not redeem, purchase or otherwise retire (except in connection with the exercise of any retraction privilege or any mandatory redemption obligation attaching thereto) any shares of any class or series ranking on a parity with the Series AA Preferred Shares provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series AA Preferred Shares;

unless, in each such case, all cumulative dividends on outstanding Series AA Preferred Shares accrued up to and including the dividend payable for the last completed period for which dividends were payable shall have been declared and paid.

Any approval of the holders of Series AA Preferred Shares required to be given pursuant to this section 3.19.5 may be given in accordance with the second paragraph of section 3.19.7 and section 3.19.10. Notwithstanding the provisions of section 3.19.10 hereof, any approval required to be given pursuant to this section 3.19.5 shall be required to be given only by the affirmative vote of the holders of the majority of the Series AA Preferred Shares present or represented at a meeting, or adjourned meeting, of the holders of Series AA Preferred Shares duly called for the purpose and at which a quorum is present.

3.19.6 *Purchase for Cancellation*

The Corporation may at any time purchase for cancellation the whole or any part of the Series AA Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable.

3.19.7 *Voting Rights*

The holders of Series AA Preferred Shares will not be entitled (except as otherwise

provided by law) to receive notice of, attend, or vote at, any meeting of the shareholders of the Corporation unless the Corporation shall have failed to pay eight (8) dividends on the Series AA Preferred Shares, whether or not consecutive. In that event, and for only so long as any such dividends remain in arrears, the holders of Series AA Preferred Shares will be entitled to receive notice of and to attend all shareholders' meetings which take place more than sixty (60) days after the date on which the failure first occurred, and to one (1) vote for each Series AA Preferred Share held, except meetings at which only holders of another specified class or series of shares are entitled to vote.

In connection with any actions to be taken by the Corporation which require the approval of the holders of the Series AA Preferred Shares voting as a series or as part of a class, each Series AA Preferred Share shall entitle the holder thereof to one (1) vote for such purpose.

3.19.8 *Issue of Additional Preferred Shares*

The Corporation may issue additional series of First Preferred Shares ranking on a parity with the Series AA Preferred Shares without the authorization of the holders of the Series AA Preferred Shares.

3.19.9 *Modifications*

The provisions attaching to the Series AA Preferred Shares as a series may be repealed, altered, modified or amended from time to time with such approval as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.19.10.

None of the series provisions of the articles of the Corporation relating to the Series AA Preferred Shares shall be amended or otherwise changed unless, contemporaneously therewith, the series provisions, if any, relating to the Series AB Preferred Shares are, to the extent deemed required by the Corporation, amended or otherwise changed in the same proportion and in the same manner.

3.19.10 *Approval of Holders of Series AA Preferred Shares*

Any approval given by the holders of the Series AA Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series AA Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.19.11 *Tax Election*

The Corporation shall elect, in the manner and within the time provided under the *Income Tax Act* (Canada), under subsection 191.2(1) of the said Act, or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series AA Preferred Shares will be required to pay tax on dividends received on the Series AA Preferred Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provision of similar effect.

3.19.12 *Mail Service Interruption*

If the Corporation determines that mail service is, or is threatened to be, interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series AA Preferred Shares, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the

provisions hereof:

(a) give such notice by Electronic Delivery, telex or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such Electronic Delivery, telex or telegraph communication was given or on the date on which the first publication has taken place; and

(b) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not appearing on the securities register of the Corporation, then at the last address of such holder known to the Corporation.

3.19.13 *Definitions*

In the provisions herein contained attaching to the Series AA Preferred Shares:

(a) "accrued and unpaid dividend" means the aggregate of (A) all unpaid dividends on the Series AA Preferred Shares for any quarterly period and (B) the amount calculated as though dividends on each Series AA Preferred Share had been accruing on a day-to-day basis from and including the date on which the last quarterly dividend was payable to but excluding the date to which the computation of accrued dividends is to be made; and

(b) "in priority to", "on a parity with" and "junior to" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

3.19.14 *Interpretation*

In the event that any date on which any dividend on the Series AA Preferred Shares is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the holders of Series AA Preferred Shares hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A "business day" shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday at the Corporation's principal office in Canada.

3.20 **Series AB Preferred Shares**

The Series AB Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.20.1 Dividend

3.20.1.1 Definitions

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

(a) "Adjustment Factor" for any Month means the percentage per annum, positive or negative, based on the Calculated Trading Price of the Series AB Preferred Shares for the preceding Month, determined in accordance with the following table:

<u>If Calculated Trading Price Is</u>	<u>The Adjustment Factor as a Percentage of Prime Shall Be</u>
\$25.50 or more.....	-4.00%
\$25.375 and less than \$25.50.....	-3.00%
\$25.25 and less than \$25.375.....	-2.00%
\$25.125 and less than \$25.25.....	-1.00%
Greater than \$24.875 and less than \$25.125.....	Nil
Greater than \$24.75 to \$24.875.....	1.00%
Greater than \$24.625 to \$24.75.....	2.00%
Greater than \$24.50 to \$24.625.....	3.00%
\$24.50 or less	4.00%

The maximum Adjustment Factor for any Month will be $\pm 4.00\%$.

If in any Month there is no trade on the Exchange of Series AB Preferred Shares of a board lot or more, the Adjustment Factor for the following Month shall be nil;

(b) "Annual Floating Dividend Rate" means for any Month the rate of interest expressed as a percentage per annum (rounded to the nearest one-thousandth (1/1000) of one percent (0.001%)) which is equal to Prime multiplied by the Designated Percentage for such Month;

(c) "Banks" means any two of Royal Bank of Canada, Bank of Montreal, The Bank of Nova Scotia, The Toronto-Dominion Bank and Canadian Imperial Bank of Commerce and any successor of any of them as may be designated from time to time by the Corporation by notice given to the transfer agent for the Series AB Preferred Shares, such notice to take effect on, and to be given at least two (2) business days prior to, the commencement of a particular Dividend Period and, until such notice is first given, means Royal Bank of Canada and The Toronto-Dominion Bank;

(d) "Calculated Trading Price" for any Month means:

- (i) the aggregate of the Daily Adjusted Trading Value for all Trading Days in such Month;
- divided by
- (ii) the aggregate of the Daily Trading Volume for all Trading Days in such Month;

(e) "Daily Accrued Dividend Deduction" for any Trading Day means:

- (i) the product obtained by multiplying the dividend on a Series AB Preferred Share

applicable in respect of the Month in which the Trading Day falls by the number of days elapsed from but excluding the day prior to the Ex-Dividend Date immediately preceding such Trading Day to and including such Trading Day (or if such Trading Day is an Ex-Dividend Date, by one (1) day);

divided by

- (ii) the number of days from and including such Ex-Dividend Date to but excluding the following Ex-Dividend Date;
- (f) "Daily Adjusted Trading Value" for any Trading Day means:
- (i) the aggregate dollar value of all transactions of Series AB Preferred Shares on the Exchange (made on the basis of the normal settlement period in effect on the Exchange) occurring during such Trading Day;
- less
- (ii) the Daily Trading Volume for such Trading Day multiplied by the Daily Accrued Dividend Deduction for such Trading Day;
- (g) "Daily Trading Volume" for any Trading Day means the aggregate number of Series AB Preferred Shares traded in all transactions (made on the basis of the normal settlement period in effect on the Exchange) occurring during such Trading Day on the Exchange;
- (h) "Deemed Record Date" means the last Trading Day of a Month with respect to which no dividend is declared by the Board of Directors;
- (i) "Designated Percentage" for the Month of September 2007 means 80 percent (80%) and for each Month thereafter means the Adjustment Factor for such Month plus the Designated Percentage for the preceding Month, provided that the Annual Floating Dividend Rate for any Month shall in no event be less than 50% of Prime for such Month or be more than 100% of Prime for such Month;
- (j) "Dividend Payment Date" means the twelfth day of each month commencing with the Month immediately following the date of issue of the Series AB Preferred Shares;
- (k) "Dividend Period" means a Month;
- (l) "Electronic Delivery" means the delivery by telecopier, electronic mail, the Internet or other electronic means;
- (m) "Exchange" means The Toronto Stock Exchange or such other exchange or trading market in Canada as may be determined from time to time by the Corporation as being the principal trading market for the Series AB Preferred Shares;
- (n) "Ex-Dividend Date" means:
- (i) the Trading Day which, under the rules or normal practices of the Exchange, is designated or recognized as the Ex-Dividend Date relative to any dividend record date for the Series AB Preferred Shares; or
 - (ii) if the Board of Directors fails to declare a dividend in respect of a Month, the Trading Day which, under the rules or normal practices of the Exchange, would be recognized as the Ex-Dividend Date relative to any Deemed Record Date for

the Series AB Preferred Shares;

- (o) "Month" means a calendar month;
- (p) "Prime" for a Month means the average (rounded to the nearest one-thousandth (1/1000) of one percent (0.001%)) of the Prime Rate in effect on each day of such Month;
- (q) "Prime Rate" for any day means the average (rounded to the nearest one-thousandth (1/1000) of one percent (0.001%)) of the annual rates of interest announced from time to time by the Banks as the reference rates then in effect for such day for determining interest rates on Canadian dollar commercial loans made to prime commercial borrowers in Canada. If one of the Banks does not have such an interest rate in effect on a day, the Prime Rate for such day shall be such interest rate in effect for that day of the other Bank; if both Banks do not have such an interest rate in effect on a day, the Prime Rate for that day shall be equal to one and a half percent (1.5%) per annum plus the average yield expressed as a percentage per annum on 91-day Government of Canada Treasury Bills, as reported by the Bank of Canada, for the weekly tender for the week immediately preceding that day; and if both of such Banks do not have such an interest rate in effect on a day and the Bank of Canada does not report such average yield per annum, the Prime Rate for that day shall be equal to the Prime Rate for the next preceding day. The Prime Rate and Prime shall be determined from time to time by an officer of the Corporation from quotations supplied by the Banks or otherwise publicly available. Such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series AB Preferred Shares;
- (r) "Trading Day" means a day on which the Exchange is open for trading or, in any other case, a business day.

3.20.1.2 General

The holders of the Series AB Preferred Shares shall be entitled to receive cumulative, preferred cash dividends, as and when declared by the Board of Directors, out of moneys of the Corporation properly applicable to the payment of dividends at the rates and times herein provided. Dividends on the Series AB Preferred Shares shall accrue on a daily basis from and including the date of issue thereof and shall be payable monthly. Payment of the dividend on the Series AB Preferred Shares payable on any Dividend Payment Date (less any tax required to be deducted) shall be made by cheque at par in lawful money of Canada at any branch in Canada of the Corporation's bankers.

The dividends in respect of the Series AB Preferred Shares shall be payable monthly at the Annual Floating Dividend Rate as calculated from time to time. Accordingly, on each Dividend Payment Date, the dividend payable on the Series AB Preferred Shares shall be that amount (rounded to the nearest one-thousandth (1/1000) of one cent) obtained by multiplying \$25.00 by the Annual Floating Dividend Rate applicable to the Month preceding such Dividend Payment Date and by dividing the product by twelve. The record date for the purpose of determining holders of Series AB Preferred Shares entitled to receive dividends on each Dividend Payment Date shall be the last Trading Day of the next preceding Month. In the event of the redemption or purchase of the Series AB Preferred Shares or the distribution of the assets of the Corporation as contemplated by section 3.20.2 hereof, the amount of the dividend which has accrued during the Month in which such redemption, purchase or distribution occurs shall be the amount (rounded to the nearest one-thousandth (1/1000) of one cent) calculated by multiplying:

- (i) the amount obtained by multiplying \$25.00 by one-twelfth (1/12) of the Annual Floating Dividend Rate applicable to the preceding Month; by
- (ii) a fraction of which the numerator is the number of days elapsed in the Month in which such redemption, purchase or distribution occurs up to but not including the date of such event and the denominator of which is the number of days in that Month.

Dividends declared on the Series AB Preferred Shares shall (except in case of redemption in which case payment of dividends shall be made on surrender of the certificate representing the Series AB Preferred Shares to be redeemed) be paid by posting in a postage paid envelope addressed to each holder of the Series AB Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or, in the case of joint holders, to the address of that one whose name appears first in the securities register of the Corporation as one of such joint holders, a cheque for such dividends (less any tax required to be deducted) payable to the order of such holder or, in the case of joint holders, to the order of all such holders failing written instructions from them to the contrary. Notwithstanding the foregoing, any dividend cheque may be delivered by the Corporation to a holder of Series AB Preferred Shares at his address as aforesaid. The posting or delivery of such cheque shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be deducted as aforesaid) unless such cheque is not paid on due presentation.

3.20.1.3 *Calculation of Designated Percentage*

The Corporation shall as promptly as practicable calculate the Designated Percentage for each Month and give notice thereof to all stock exchanges in Canada on which the Series AB Preferred Shares are listed for trading or if the Series AB Preferred Shares are not listed on a stock exchange in Canada to the Investment Dealers Association of Canada.

3.20.2 *Rights on Liquidation*

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Series AB Preferred Shares shall be entitled to receive \$25.00 per Series AB Preferred Share together with all dividends accrued and unpaid up to but excluding the date of payment or distribution, before any amounts shall be paid or any assets of the Corporation distributed to the holders of the Common Shares of the Corporation or any other shares ranking junior to the Series AB Preferred Shares. Upon payment of such amounts, the holders of the Series AB Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.20.3 *Redemption at the Option of the Corporation*

Subject to applicable law and section 3.20.5 hereof, upon giving notice as hereinafter provided, the Corporation may redeem at any time all, but not less than all, the outstanding Series AB Preferred Shares on payment of \$25.50 for each such share to be redeemed together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the whole constituting the redemption price.

The Corporation shall give notice in writing not less than 45 days nor more than 60 days prior to the date on which the redemption is to take place to each person who at the date of giving such notice is the holder of Series AB Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given, at the option of the Corporation, by courier or by posting the same in a postage paid envelope, in either case, addressed to each holder of Series AB Preferred Shares to be redeemed at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or by Electronic Delivery addressed to each holder of Series AB Preferred Shares requesting Electronic Delivery at the last electronic address as provided by the holder to the Corporation, provided that the accidental failure or omission to give any such notices as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series AB Preferred

Shares to be redeemed. Such notice shall set out the number of such Series AB Preferred Shares held by the person to whom it is addressed which are to be redeemed and the redemption price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series AB Preferred Shares to be redeemed the redemption price on presentation and surrender at any place within Canada designated by such notice, of the certificate or certificates for such Series AB Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date specified in any such notice, the Series AB 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Series AB Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

3.20.4 *Conversion of Series AB Preferred Shares*

3.20.4.1 *Conversion at the Option of the Holder*

Holders of Series AB Preferred Shares shall have the right, at their option, on September 1, 2012 and on September 1 in every fifth year thereafter (a "Conversion Date"), to convert, subject to the terms and provisions hereof, all or any Series AB Preferred Shares registered in their name into Series AA Preferred Shares of the Corporation on the basis of one (1) Series AA Preferred Share for each Series AB Preferred Share. The Corporation shall give notice in writing to the then holders of the Series AB Preferred Shares of the conversion right provided for herein; such notice shall be given, at the option of the Corporation, by courier or by posting the same in a postage paid envelope, in either case, addressed to each holder of the Series AB Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or by Electronic Delivery addressed to each holder of Series AB Preferred Shares requesting Electronic Delivery at the last electronic address as provided by the holder to the Corporation. Such notice shall set out the Conversion Date and shall be given not less than 45 days nor more than 60 days prior to the applicable Conversion Date.

If the Corporation gives notice as provided in section 3.20.3 to the holders of the Series AB Preferred Shares of the redemption of all the Series AB Preferred Shares, the Corporation shall not be required to give notice as provided in this section 3.20.4.1 to the holders of the Series AB Preferred Shares of the conversion right and the right of any holder of Series AB Preferred Shares to convert such Series AB Preferred Shares as herein provided shall cease and terminate in that event.

Holders of Series AB Preferred Shares shall not be entitled to convert their shares into Series AA Preferred Shares if, following the close of business on the 10th day preceding a Conversion Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 2,500,000 Series AA Preferred Shares after taking into account all Series AB Preferred Shares tendered for conversion into Series AA Preferred Shares and all Series AA Preferred Shares tendered for conversion into Series AB Preferred Shares. The Corporation shall give notice in writing thereof, in accordance with the provisions of the first paragraph of this section 3.20.4.1, to all affected holders of Series AB Preferred

Shares prior to the applicable Conversion Date and will issue and deliver, or cause to be delivered, prior to such Conversion Date, at the expense of the Corporation, to such holders of Series AB Preferred Shares, who have surrendered for conversion any certificate or certificates representing Series AB Preferred Shares, new certificates representing the Series AB Preferred Shares represented by any certificate or certificates surrendered as aforesaid.

3.20.4.2 *Automatic Conversion*

If following the close of business on the 10th day preceding a Conversion Date the Corporation determines that there would remain outstanding on the Conversion Date less than 2,500,000 Series AB Preferred Shares after taking into account all Series AB Preferred Shares tendered for conversion into Series AA Preferred Shares and all Series AA Preferred Shares tendered for conversion into Series AB Preferred Shares, then, all, but not part, of the remaining outstanding Series AB Preferred Shares shall automatically be converted into Series AA Preferred Shares on the basis of one (1) Series AA Preferred Share for each Series AB Preferred Share on the applicable Conversion Date and the Corporation shall give notice in writing thereof, in accordance with the provisions of section 3.20.4.1, to the holders of such remaining Series AB Preferred Shares prior to the Conversion Date.

3.20.4.3 *Manner of Exercise of Conversion Privilege*

The conversion of Series AB Preferred Shares may be effected by surrender of the certificate or certificates representing the same not earlier than 45 days prior to a Conversion Date but not later than the close of business on the 10th day preceding a Conversion Date during usual business hours at any office of any transfer agent of the Corporation at which the Series AB Preferred Shares are transferable accompanied by: (i) payment or evidence of payment of the tax (if any) payable as provided in this section 3.20.4.3, and (ii) a written instrument of surrender in form satisfactory to the Corporation duly executed by the holder, or his attorney duly authorized in writing, in which instrument such holder may also elect to convert part only of the Series AB Preferred Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series AB Preferred Shares represented by such certificate or certificates which have not been converted.

In the event the Corporation is required to convert all remaining outstanding Series AB Preferred Shares into Series AA Preferred Shares on the applicable Conversion Date as provided for in section 3.20.4.2, the Series AB Preferred Shares in respect of which the holders have not previously elected to convert, shall be converted on the Conversion Date into Series AA Preferred Shares and the holders thereof shall be deemed to be holders of Series AA Preferred Shares at the close of business on the Conversion Date and shall be entitled, upon surrender during usual business hours at any office of any transfer agent of the Corporation at which the Series AB Preferred Shares were transferable of the certificate or certificates representing Series AB Preferred Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series AA Preferred Shares in the manner and subject to the terms and provisions as provided in this section 3.20.4.3.

As promptly as practicable after the Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series AB Preferred Shares so surrendered, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully-paid and non-assessable Series AA Preferred Shares and the number of remaining Series AB Preferred Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Conversion Date, so that the rights of the holder of such Series AB Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Series AA Preferred Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Series AA Preferred Shares at such time.

The holder of any Series AB Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into a Series AA Preferred Share after such record date and on or before the date of the payment of such dividend.

The issuance of certificates for the Series AA Preferred Shares upon the conversion of Series AB Preferred Shares shall be made without charge to the converting holders of Series AB Preferred Shares for any fee or tax in respect of the issuance of such certificates or the Series AA Preferred Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series AA Preferred Shares are issued in respect of the issuance of such Series AA Preferred Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name or names other than that of the holder of the Series AB Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

3.20.4.4 *Status of Converted Series AB Preferred Shares*

All Series AB Preferred Shares converted into Series AA Preferred Shares on a Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Conversion Date.

3.20.5 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series AB Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series AB Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series AB Preferred Shares;
- (b) the Corporation shall not redeem, purchase or otherwise retire or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series AB Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series AB Preferred Shares);
- (c) the Corporation shall not purchase or otherwise retire less than all of the Series AB Preferred Shares then outstanding; or
- (d) the Corporation shall not redeem, purchase or otherwise retire (except in connection with the exercise of any retraction privilege or any mandatory redemption obligation attaching thereto) any shares of any class or series ranking on a parity with the Series AB Preferred Shares provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series AB Preferred Shares;

unless, in each such case, all cumulative dividends on outstanding Series AB Preferred Shares accrued up to and including the dividend payable for the last completed period for which dividends were payable shall have been declared and paid.

Any approval of the holders of the Series AB Preferred Shares required to be given pursuant to this section 3.20.5 may be given in accordance with the second paragraph of section 3.20.7 and section 3.20.10. Notwithstanding the provisions of section 3.20.10 hereof, any approval required to be given pursuant to this section 3.20.5 be required to be given only by the affirmative vote of the holders of

the majority of the Series AB Preferred Shares present or represented at a meeting or adjourned meeting, of the holders of Series AB Preferred Shares duly called for the purpose and at which a quorum is present.

3.20.6 ***Purchase for Cancellation***

The Corporation may at any time purchase for cancellation the whole or any part of the Series AB Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable.

3.20.7 ***Voting Rights***

The holders of Series AB Preferred Shares will not be entitled (except as otherwise provided by law) to receive notice of, attend, or vote at, any meeting of the shareholders of the Corporation unless the Corporation shall have failed to pay eight (8) dividends on the Series AB Preferred Shares, whether or not consecutive. In that event, and for only so long as any such dividends remain in arrears, the holders of Series AB Preferred Shares will be entitled to receive notice of and to attend all shareholders' meetings which take place more than sixty (60) days after the date on which the failure first occurred, and to one (1) vote for each Series AB Preferred Share held, except meetings at which only holders of another specified class or series of shares are entitled to vote.

In connection with any actions to be taken by the Corporation which require the approval of the holders of the Series AB Preferred Shares voting as a series or as part of a class, each Series AB Preferred Share shall entitle the holder thereof to one (1) vote for such purpose.

3.20.8 ***Issue of Additional Preferred Shares***

The Corporation may issue additional series of First Preferred Shares ranking on a parity with the Series AB Preferred Shares without the authorization of the holders of the Series AB Preferred Shares.

3.20.9 ***Modifications***

The provisions attaching to the Series AB Preferred Shares as a series may be repealed, altered, modified or amended from time to time with such approval as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.20.10.

None of the series provisions of the articles of the Corporation relating to the Series AB Preferred Shares shall be amended or otherwise changed unless, contemporaneously therewith, the series provisions, if any, relating to the Series AA Preferred Shares are, to the extent deemed required by the Corporation, amended or otherwise changed in the same proportion and in the same manner.

3.20.10 ***Approval of Holders of Series AB Preferred Shares***

Any approval given by the holders of the Series AB Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series AB Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.20.11 Tax Election

The Corporation shall elect, in the manner and within the time provided under the *Income Tax Act* (Canada), under subsection 191.2(1) of the said Act, or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series AB Preferred Shares will be required to pay tax on dividends received on the Series AB Preferred Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provision of similar effect.

3.20.12 Mail Service Interruption

If the Corporation determines that mail service is, or is threatened to be, interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series AB Preferred Shares, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by Electronic Delivery, telex or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such Electronic Delivery, telex or telegraph communication was given or on the date on which the first publication has taken place; and

(b) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not appearing on the securities register of the Corporation, then at the last address of such holder known to the Corporation.

3.20.13 Notice of Subsequent Fixed Dividend Rate Applicable to the Series AA Preferred Shares

Within three (3) business days of the determination of the Subsequent Fixed Dividend Rate (as defined in section 3.19.1.1 of the articles of the Corporation relating to the Series AA Preferred Shares) the Corporation shall give notice thereof, except in relation to the initial Subsequent Fixed Rate Period, to the holders of the Series AB Preferred Shares by publication once in the national edition of *The Globe and Mail* in the English language and once in the City of Montréal in both the French and English languages in a daily newspaper of general circulation in Montréal; provided that if any such newspaper is not being generally circulated at that time, such notice shall be published in another equivalent publication.

3.20.14 Definitions

In the provisions herein contained attaching to the Series AB Preferred Shares:

(a) "accrued and unpaid dividends" means the aggregate of: (i) all unpaid dividends on the Series AB Preferred Shares for any Dividend Period; and (ii) the amount calculated as though dividends on each Series AB Preferred Share had been accruing on a day-to-day basis from and including the first day of the Month immediately following the Dividend Period with respect to which the last monthly dividend will be or was, as the case may be, payable to but excluding the date to which the computation of accrued

dividends is to be made; and

(b) "in priority to", "on a parity with" and "junior to" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

3.20.15 Interpretation

In the event that any date on which any dividend on the Series AB Preferred Shares is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the holders of Series AB Preferred Shares hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A "business day" shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday at the Corporation's principal office in Canada.

3.20.16 Issue of Series AB Preferred Shares

The Corporation may not issue any Series AB Preferred Shares prior to September 1, 2007.

3.21 Series AC Preferred Shares

The Series AC Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.21.1 Dividend

3.21.1.1 Definitions

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

(a) "Annual Dividend Rate" means the Subsequent Fixed Dividend Rate applicable at the relevant time;

(b) "Dividend Payment Date" means the first day of each of March, June, September and December in each year and the first Dividend Payment Date shall be June 1, 2003;

(c) "Government of Canada Yield" on any date means the average of the yields determined by two registered Canadian investment dealers, selected by the Corporation, as being the yield to maturity on such date compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Canada Bond would carry, if issued in Canadian dollars in Canada at 100% of its principal amount on such date with a term to maturity of five years;

(d) "Electronic Delivery" means the delivery by telecopier, electronic mail, the Internet or other electronic means;

(e) "Initial Fixed Dividend Amount" means an amount equal to \$1.385 per share per annum;

(f) "Initial Fixed Rate Period" means the period commencing with the date of issue of the

Series AC Preferred Shares and ending on and including February 29, 2008;

(g) "Subsequent Fixed Dividend Rate" means for any Subsequent Fixed Rate Period the rate of interest expressed as a percentage per annum determined in accordance with section 3.21.1.5 hereof;

(h) "Subsequent Fixed Rate Period" means for the initial Subsequent Fixed Rate Period, the period commencing on March 1, 2008 and ending on and including February 28, 2013 and for each succeeding Subsequent Fixed Rate Period, the period commencing on the day immediately following the end of the immediately preceding Subsequent Fixed Rate Period and ending on and including the last day of February in the fifth year thereafter.

3.21.1.2 General

The holders of the Series AC Preferred Shares shall be entitled to receive fixed, cumulative, preferred cash dividends, as and when declared by the Board of Directors, out of moneys of the Corporation properly applicable to the payment of dividends, at the rates herein provided. Dividends on the Series AC Preferred Shares shall accrue on a daily basis from and including the date of issue thereof, and shall be payable quarterly during the Initial Fixed Rate Period and during any Subsequent Fixed Rate Period. Payment of the dividend on the Series AC Preferred Shares payable on any Dividend Payment Date (less any tax required to be deducted) shall be made by cheque at par in lawful money of Canada payable at any branch in Canada of the Corporation's bankers.

Dividends declared on the Series AC Preferred Shares shall (except in case of redemption in which case payment of dividends shall be made on surrender of the certificate representing the Series AC Preferred Shares to be redeemed) be paid by posting in a postage paid envelope addressed to each holder of the Series AC Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or, in the case of joint holders, to the address of that one whose name appears first in the securities register of the Corporation as one of such joint holders, a cheque for such dividends (less any tax required to be deducted) payable to the order of such holder or, in the case of joint holders, to the order of all such holders failing written instructions from them to the contrary. Notwithstanding the foregoing, any dividend cheque may be delivered by the Corporation to a holder of Series AC Preferred Shares at his address as aforesaid. The posting or delivery of such cheque shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be deducted as aforesaid) unless such cheque is not paid on due presentation.

3.21.1.3 Initial Fixed Rate Period

During the Initial Fixed Rate Period, the amount of the dividend in respect of the Series AC Preferred Shares payable quarterly shall be equal to \$0.34625 per share. If the original date of issue of the Series AC Preferred Shares is February 28, 2003, the amount of the first quarterly dividend payable on each Series AC Preferred Share on June 1, 2003, shall be \$0.34625. Otherwise, the first quarterly dividend payable on each Series AC Preferred Share on June 1, 2003, shall be in the amount (rounded to the nearest one-thousandth (1/1000) of one cent) obtained by multiplying \$1.385 by a fraction of which the numerator is the number of days from and including the original date of issue of the Series AC Preferred Shares to but excluding June 1, 2003, and the denominator is 365.

3.21.1.4 Subsequent Fixed Rate Period

During any Subsequent Fixed Rate Period, the dividends in respect of the Series AC Preferred Shares shall be payable quarterly at the Subsequent Fixed Dividend Rate. Accordingly, on each Dividend Payment Date during any Subsequent Fixed Rate Period, the dividend payable shall be that

amount per share (rounded to the nearest one-thousandth (1/1000) of one cent) obtained by multiplying the Annual Dividend Rate by \$25.00 and by dividing the product by four.

3.21.1.5 *Determination of Subsequent Fixed Dividend Rate*

The Corporation shall determine on the 25th day prior to the first day of each Subsequent Fixed Rate Period the Annual Dividend Rate for each Subsequent Fixed Rate Period, which Annual Dividend Rate shall not be less than 80% of the Government of Canada Yield in effect at 10:00 A.M. (Montréal Time) on the said 25th day prior to the first day of each Subsequent Fixed Rate Period, and give notice thereof: (i) within one (1) business day to all stock exchanges in Canada on which the Series AC Preferred Shares are listed for trading or if the Series AC Preferred Shares are not listed on a stock exchange in Canada, to the Investment Dealers Association of Canada; and (ii) within three (3) business days to the holders of the Series AC Preferred Shares by publication once in the national edition of The Globe and Mail in the English language and once in the City of Montréal in both the French and English languages in a daily newspaper of general circulation in Montréal; provided that if any such newspaper is not being generally circulated at that time, such notice shall be published in another equivalent publication.

3.21.2 *Rights on Liquidation*

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Series AC Preferred Shares shall be entitled to receive \$25.00 per Series AC Preferred Share together with all dividends accrued and unpaid up to but excluding the date of payment or distribution, before any amounts shall be paid or any assets of the Corporation distributed to the holders of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series AC Preferred Shares. Upon payment of such amounts, the holders of the Series AC Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.21.3 *Redemption at the Option of the Corporation*

The Corporation may not redeem any of the Series AC Preferred Shares prior to March 1, 2008. Subject to applicable law and section 3.21.5 hereof, upon giving notice as hereinafter provided, the Corporation may, on March 1, 2008, or on March 1 in every fifth year thereafter, redeem all, but not less than all, of the outstanding Series AC Preferred Shares, on payment of \$25.00 for each such share to be redeemed, together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the whole constituting the redemption price.

The Corporation shall give notice in writing not less than 45 days nor more than 60 days prior to the date on which the redemption is to take place to each person who at the date of giving such notice is the holder of Series AC Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given, at the option of the Corporation, by courier or by posting the same in a postage paid envelope, in either case, addressed to each holder of Series AC Preferred Shares to be redeemed at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or by Electronic Delivery addressed to each holder of Series AC Preferred Shares requesting Electronic Delivery at the last electronic address as provided by the holder to the Corporation, provided that the accidental failure or omission to give any such notices as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series AC Preferred Shares to be redeemed. Such notice shall set out the number of such Series AC Preferred Shares held by the person to whom it is addressed which are to be redeemed and the redemption price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series AC Preferred Shares to be redeemed the redemption price on presentation and surrender at any place or places within Canada designated by such

notice, of the certificate or certificates for such Series AC Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date specified in any such notice, the Series AC 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Series AC Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

3.21.4 *Conversion of Series AC Preferred Shares*

3.21.4.1 *Conversion at the Option of the Holder*

Holders of Series AC Preferred Shares shall have the right, at their option, on March 1, 2008 and on March 1 in every fifth year thereafter (a "Conversion Date"), to convert, subject to the terms and conditions hereof, all or any Series AC Preferred Shares registered in their name into Series AD Preferred Shares of the Corporation on the basis of one (1) Series AD Preferred Share for each Series AC Preferred Share. The Corporation shall give notice in writing to the then holders of the Series AC Preferred Shares of the conversion right provided for herein; such notice shall be given, at the option of the Corporation, by courier or by posting the same in a postage paid envelope, in either case, addressed to each holder of the Series AC Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation or by Electronic Delivery addressed to each holder of Series AC Preferred Shares requesting Electronic Delivery at the last electronic address as provided by the holder to the Corporation. Such notice shall set out the Conversion Date and shall be given not less than 45 days nor more than 60 days prior to the applicable Conversion Date.

If the Corporation gives notice as provided in section 3.21.3 to the holders of the Series AC Preferred Shares of the redemption of all the Series AC Preferred Shares, the Corporation shall not be required to give notice as provided in this section 3.21.4.1 to the holders of the Series AC Preferred Shares of the conversion right and the right of any holder of Series AC Preferred Shares to convert such Series AC Preferred Shares as herein provided shall cease and terminate in that event.

Holders of Series AC Preferred Shares shall not be entitled to convert their shares into Series AD Preferred Shares if, following the close of business on the 10th day preceding a Conversion Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 2,500,000 Series AD Preferred Shares, after taking into account all Series AC Preferred Shares tendered for conversion into Series AD Preferred Shares and all Series AD Preferred Shares tendered for conversion into Series AC Preferred Shares. The Corporation shall give notice in writing thereof, in accordance with the provisions of the first paragraph of this section 3.21.4.1, to all affected holders of Series AC Preferred Shares prior to the applicable Conversion Date and will issue and deliver, or cause to be delivered, prior to such Conversion Date, at the expense of the Corporation, to such holders of Series AC Preferred Shares, who have surrendered for conversion any certificate or certificates representing Series AC Preferred Shares, new certificates representing the Series AC Preferred Shares represented by any certificate or certificates surrendered as aforesaid.

3.21.4.2 *Automatic Conversion*

If following the close of business on the 10th day preceding a Conversion Date the Corporation determines that there would remain outstanding on the Conversion Date less than 2,500,000 Series AC Preferred Shares after taking into account all Series AC Preferred Shares tendered for conversion into Series AD Preferred Shares and all Series AD Preferred Shares tendered for conversion into Series AC Preferred Shares, then, all, but not part, of the remaining outstanding Series AC Preferred Shares shall automatically be converted into Series AD Preferred Shares on the basis of one (1) Series AD Preferred Share for each Series AC Preferred Share on the applicable Conversion Date and the Corporation shall give notice in writing thereof, in accordance with the provisions of section 3.21.4.1, to the holders of such remaining Series AC Preferred Shares prior to the Conversion Date.

3.21.4.3 *Manner of Exercise of Conversion Privilege*

The conversion of Series AC Preferred Shares may be effected by surrender of the certificate or certificates representing the same not earlier than 45 days prior to a Conversion Date but not later than the close of business on the 10th day preceding a Conversion Date during usual business hours at any office of any transfer agent of the Corporation at which the Series AC Preferred Shares are transferable accompanied by: i) payment or evidence of payment of the tax (if any) payable, as provided in this section 3.21.4.3; and ii) a written instrument of surrender in form satisfactory to the Corporation duly executed by the holder, or his attorney duly authorized in writing, in which instrument such holder may also elect to convert part only of the Series AC Preferred Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series AC Preferred Shares represented by such certificate or certificates which have not been converted.

In the event the Corporation is required to convert all remaining outstanding Series AC Preferred Shares into Series AD Preferred Shares on the applicable Conversion Date as provided for in section 3.21.4.2, the Series AC Preferred Shares, in respect of which the holders have not previously elected to convert, shall be converted on the Conversion Date into Series AD Preferred Shares and the holders thereof shall be deemed to be holders of Series AD Preferred Shares at the close of business on the Conversion Date and shall be entitled, upon surrender during usual business hours at any office of any transfer agent of the Corporation at which the Series AC Preferred Shares were transferable of the certificate or certificates representing Series AC Preferred Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series AD Preferred Shares in the manner and subject to the terms and provisions as provided in this section 3.21.4.3.

As promptly as practicable after the Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series AC Preferred Shares so surrendered, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully-paid and non-assessable Series AD Preferred Shares and the number of remaining Series AC Preferred Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Conversion Date, so that the rights of the holder of such Series AC Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Series AD Preferred Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Series AD Preferred Shares at such time.

The holder of any Series AC Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into a Series AD Preferred Share after such record date and on or before the date of the payment of such dividend.

The issuance of certificates for the Series AD Preferred Shares upon the conversion of Series AC Preferred Shares shall be made without charge to the converting holders of Series AC Preferred

Shares for any fee or tax in respect of the issuance of such certificates or the Series AD Preferred Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series AD Preferred Shares are issued in respect of the issuance of such Series AD Preferred Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name or names other than that of the holder of the Series AC Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

3.21.4.4 *Status of Converted Series AC Preferred Shares*

All Series AC Preferred Shares converted into Series AD Preferred Shares on a Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Conversion Date.

3.21.5 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series AC Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series AC Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series AC Preferred Shares;
- (b) the Corporation shall not redeem, purchase or otherwise retire or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series AC Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series AC Preferred Shares);
- (c) the Corporation shall not purchase or otherwise retire less than all of the Series AC Preferred Shares then outstanding; or
- (d) the Corporation shall not redeem, purchase or otherwise retire (except in connection with the exercise of any retraction privilege or any mandatory redemption obligation attaching thereto) any shares of any class or series ranking on a parity with the Series AC Preferred Shares provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series AC Preferred Shares;

unless, in each such case, all cumulative dividends on outstanding Series AC Preferred Shares accrued up to and including the dividend payable for the last completed period for which dividends were payable shall have been declared and paid.

Any approval of the holders of Series AC Preferred Shares required to be given pursuant to this section 3.21.5 may be given in accordance with the second paragraph of section 3.21.7 and section 3.21.10. Notwithstanding the provisions of section 3.21.10 hereof, any approval required to be given pursuant to this section 3.21.5 shall be required to be given only by the affirmative vote of the holders of the majority of the Series AC Preferred Shares present or represented at a meeting, or adjourned meeting, of the holders of Series AC Preferred Shares duly called for the purpose and at which a quorum is present.

3.21.6 ***Purchase for Cancellation***

The Corporation may at any time purchase for cancellation the whole or any part of the Series AC Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable.

3.21.7 ***Voting Rights***

The holders of Series AC Preferred Shares will not be entitled (except as otherwise provided by law) to receive notice of, attend, or vote at, any meeting of the shareholders of the Corporation unless the Corporation shall have failed to pay eight (8) dividends on the Series AC Preferred Shares, whether or not consecutive. In that event, and for only so long as any such dividends remain in arrears, the holders of Series AC Preferred Shares will be entitled to receive notice of and to attend all shareholders' meetings which take place more than sixty (60) days after the date on which the failure first occurred, and to one (1) vote for each Series AC Preferred Share held, except meetings at which only holders of another specified class or series of shares are entitled to vote.

In connection with any actions to be taken by the Corporation which require the approval of the holders of the Series AC Preferred Shares voting as a series or as part of a class, each Series AC Preferred Share shall entitle the holder thereof to one (1) vote for such purpose.

3.21.8 ***Issue of Additional Preferred Shares***

The Corporation may issue additional series of First Preferred Shares ranking on a parity with the Series AC Preferred Shares without the authorization of the holders of the Series AC Preferred Shares.

3.21.9 ***Modifications***

The provisions attaching to the Series AC Preferred Shares as a series may be repealed, altered, modified or amended from time to time with such approval as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.21.10.

None of the series provisions of the articles of the Corporation relating to the Series AC Preferred Shares shall be amended or otherwise changed unless, contemporaneously therewith, the series provisions, if any, relating to the Series AD Preferred Shares are, to the extent deemed required by the Corporation, amended or otherwise changed in the same proportion and in the same manner.

3.21.10 ***Approval of Holders of Series AC Preferred Shares***

Any approval given by the holders of the Series AC Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series AC Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.21.11 ***Tax Election***

The Corporation shall elect, in the manner and within the time provided under the *Income*

Tax Act (Canada), under subsection 191.2(1) of the said Act, or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series AC Preferred Shares will be required to pay tax on dividends received on the Series AC Preferred Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provision of similar effect.

3.21.12 ***Mail Service Interruption***

If the Corporation determines that mail service is, or is threatened to be, interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series AC Preferred Shares, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by Electronic Delivery, telex or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such Electronic Delivery, telex or telegraph communication was given or on the date on which the first publication has taken place; and

(b) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not appearing on the securities register of the Corporation, then at the last address of such holder known to the Corporation.

3.21.13 ***Definitions***

In the provisions herein contained attaching to the Series AC Preferred Shares:

(a) "accrued and unpaid dividend" means the aggregate of (A) all unpaid dividends on the Series AC Preferred Shares for any quarterly period and (B) the amount calculated as though dividends on each Series AC Preferred Share had been accruing on a day-to-day basis from and including the date on which the last quarterly dividend was payable to but excluding the date to which the computation of accrued dividends is to be made; and

(b) "in priority to", "on a parity with" and "junior to" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

3.21.14 ***Interpretation***

In the event that any date on which any dividend on the Series AC Preferred Shares is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the holders of Series AC Preferred Shares hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A "business day" shall be a day other than a Saturday, a

Sunday or any other day that is treated as a holiday at the Corporation's principal office in Canada.

3.22 Series AD Preferred Shares

The Series AD Preferred Shares shall, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

3.22.1 Dividend

3.22.1.1 Definitions

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

(a) "Adjustment Factor" for any Month means the percentage per annum, positive or negative, based on the Calculated Trading Price of the Series AD Preferred Shares for the preceding Month, determined in accordance with the following table:

<u>If Calculated Trading Price Is</u>	<u>The Adjustment Factor as a Percentage of Prime Shall Be</u>
\$25.50 or more	-4.00%
\$25.375 and less than \$25.50	-3.00%
\$25.25 and less than \$25.375	-2.00%
\$25.125 and less than \$25.25	-1.00%
Greater than \$24.875 and less than \$25.125	Nil
Greater than \$24.75 to \$24.875	1.00%
Greater than \$24.625 to \$24.75	2.00%
Greater than \$24.50 to \$24.625	3.00%
\$24.50 or less	4.00%

The maximum Adjustment Factor for any Month will be $\pm 4.00\%$.

If in any Month there is no trade on the Exchange of Series AD Preferred Shares of a board lot or more, the Adjustment Factor for the following Month shall be nil;

(b) "Annual Floating Dividend Rate" means for any Month the rate of interest expressed as a percentage per annum (rounded to the nearest one-thousandth (1/1000) of one percent (0.001%)) which is equal to Prime multiplied by the Designated Percentage for such Month;

(c) "Banks" means any two of Bank of Montreal, The Bank of Nova Scotia, Canadian Imperial Bank of Commerce, National Bank of Canada, Royal Bank of Canada and The Toronto-Dominion Bank and any successor of any of them as may be designated from time to time by the Corporation by notice given to the transfer agent for the Series AD Preferred Shares, such notice to take effect on, and to be given at least two (2) business days prior to, the commencement of a particular Dividend Period and, until such notice is first given, means Royal Bank of Canada and The Toronto-Dominion Bank;

(d) "Calculated Trading Price" for any Month means:

(i) the aggregate of the Daily Adjusted Trading Value for all Trading Days in such Month;

divided by

(ii) the aggregate of the Daily Trading Volume for all Trading Days in such Month;

(e) "Daily Accrued Dividend Deduction" for any Trading Day means:

(i) the product obtained by multiplying the dividend on a Series AD Preferred Share applicable in respect of the Month in which the Trading Day falls by the number of days elapsed from but excluding the day prior to the Ex-Dividend Date immediately preceding such Trading Day to and including such Trading Day (or if such Trading Day is an Ex-Dividend Date, by one (1) day);

divided by

(ii) the number of days from and including such Ex-Dividend Date to but excluding the following Ex-Dividend Date;

(f) "Daily Adjusted Trading Value" for any Trading Day means:

(i) the aggregate dollar value of all transactions of Series AD Preferred Shares on the Exchange (made on the basis of the normal settlement period in effect on the Exchange) occurring during such Trading Day;

less

(ii) the Daily Trading Volume for such Trading Day multiplied by the Daily Accrued Dividend Deduction for such Trading Day;

(g) "Daily Trading Volume" for any Trading Day means the aggregate number of Series AD Preferred Shares traded in all transactions (made on the basis of the normal settlement period in effect on the Exchange) occurring during such Trading Day on the Exchange;

(h) "Deemed Record Date" means the last Trading Day of a Month with respect to which no dividend is declared by the Board of Directors;

(i) "Designated Percentage" for the Month of March 2008 means 80 percent (80%) and for each Month thereafter means the Adjustment Factor for such Month plus the Designated Percentage for the preceding Month, provided that the Annual Floating Dividend Rate for any Month shall in no event be less than 50% of Prime for such Month or be more than 100% of Prime for such Month;

(j) "Dividend Payment Date" means the twelfth day of each month commencing with the Month immediately following the date of issue of the Series AD Preferred Shares;

(k) "Dividend Period" means a Month;

(l) "Electronic Delivery" means the delivery by telecopier, electronic mail, the Internet or other electronic means;

(m) "Exchange" means the Toronto Stock Exchange or such other exchange or trading market in Canada as may be determined from time to time by the Corporation as being the principal trading market for the Series AD Preferred Shares;

(n) "Ex-Dividend Date" means:

(i) the Trading Day which, under the rules or normal practices of the Exchange, is designated or recognized as the Ex-Dividend Date relative to any dividend

record date for the Series AD Preferred Shares; or

- (ii) if the Board of Directors fails to declare a dividend in respect of a Month, the Trading Day which, under the rules or normal practices of the Exchange, would be recognized as the Ex-Dividend Date relative to any Deemed Record Date for the Series AD Preferred Shares;

(o) "Month" means a calendar month;

(p) "Prime" for a Month means the average (rounded to the nearest one-thousandth (1/1000) of one percent (0.001%)) of the Prime Rate in effect on each day of such Month;

(q) "Prime Rate" for any day means the average (rounded to the nearest one-thousandth (1/1000) of one percent (0.001%)) of the annual rates of interest announced from time to time by the Banks as the reference rates then in effect for such day for determining interest rates on Canadian dollar commercial loans made to prime commercial borrowers in Canada. If one of the Banks does not have such an interest rate in effect on a day, the Prime Rate for such day shall be such interest rate in effect for that day of the other Bank; if both Banks do not have such an interest rate in effect on a day, the Prime Rate for that day shall be equal to one and a half percent (1.5%) per annum plus the average yield expressed as a percentage per annum on 91-day Government of Canada Treasury Bills, as reported by the Bank of Canada, for the weekly tender for the week immediately preceding that day; and if both of such Banks do not have such an interest rate in effect on a day and the Bank of Canada does not report such average yield per annum, the Prime Rate for that day shall be equal to the Prime Rate for the next preceding day. The Prime Rate and Prime shall be determined from time to time by an officer of the Corporation from quotations supplied by the Banks or otherwise publicly available. Such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series AD Preferred Shares;

(r) "Trading Day" means a day on which the Exchange is open for trading or, in any other case, a business day.

3.22.1.2 General

The holders of the Series AD Preferred Shares shall be entitled to receive cumulative, preferred cash dividends, as and when declared by the Board of Directors, out of moneys of the Corporation properly applicable to the payment of dividends at the rates and times herein provided. Dividends on the Series AD Preferred Shares shall accrue on a daily basis from and including the date of issue thereof and shall be payable monthly. Payment of the dividend on the Series AD Preferred Shares payable on any Dividend Payment Date (less any tax required to be deducted) shall be made by cheque at par in lawful money of Canada at any branch in Canada of the Corporation's bankers.

The dividends in respect of the Series AD Preferred Shares shall be payable monthly at the Annual Floating Dividend Rate as calculated from time to time. Accordingly, on each Dividend Payment Date, the dividend payable on the Series AD Preferred Shares shall be that amount (rounded to the nearest one-thousandth (1/1000) of one cent) obtained by multiplying \$25.00 by the Annual Floating Dividend Rate applicable to the Month preceding such Dividend Payment Date and by dividing the product by twelve. The record date for the purpose of determining holders of Series AD Preferred Shares entitled to receive dividends on each Dividend Payment Date shall be the last Trading Day of the next preceding Month. In the event of the redemption or purchase of the Series AD Preferred Shares or the distribution of the assets of the Corporation as contemplated by section 3.22.2 hereof, the amount of the dividend which has accrued during the Month in which such redemption, purchase or distribution occurs shall be the amount (rounded to the nearest one-thousandth (1/1000) of one cent) calculated by multiplying:

- (i) the amount obtained by multiplying \$25.00 by one-twelfth (1/12) of the Annual Floating Dividend Rate applicable to the preceding Month; by

- (ii) a fraction of which the numerator is the number of days elapsed in the Month in which such redemption, purchase or distribution occurs up to but not including the date of such event and the denominator of which is the number of days in that Month.

Dividends declared on the Series AD Preferred Shares shall (except in case of redemption in which case payment of dividends shall be made on surrender of the certificate representing the Series AD Preferred Shares to be redeemed) be paid by posting in a postage paid envelope addressed to each holder of the Series AD Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or, in the case of joint holders, to the address of that one whose name appears first in the securities register of the Corporation as one of such joint holders, a cheque for such dividends (less any tax required to be deducted) payable to the order of such holder or, in the case of joint holders, to the order of all such holders failing written instructions from them to the contrary. Notwithstanding the foregoing, any dividend cheque may be delivered by the Corporation to a holder of Series AD Preferred Shares at his address as aforesaid. The posting or delivery of such cheque shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be deducted as aforesaid) unless such cheque is not paid on due presentation.

3.22.1.3 *Calculation of Designated Percentage*

The Corporation shall as promptly as practicable calculate the Designated Percentage for each Month and give notice thereof to all stock exchanges in Canada on which the Series AD Preferred Shares are listed for trading or if the Series AD Preferred Shares are not listed on a stock exchange in Canada to the Investment Dealers Association of Canada.

3.22.2 *Rights on Liquidation*

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Series AD Preferred Shares shall be entitled to receive \$25.00 per Series AD Preferred Share together with all dividends accrued and unpaid up to but excluding the date of payment or distribution, before any amounts shall be paid or any assets of the Corporation distributed to the holders of the Common Shares of the Corporation or any other shares ranking junior to the Series AD Preferred Shares. Upon payment of such amounts, the holders of the Series AD Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

3.22.3 *Redemption at the Option of the Corporation*

Subject to applicable law and section 3.22.5 hereof, upon giving notice as hereinafter provided, the Corporation may redeem at any time all, but not less than all, the outstanding Series AD Preferred Shares on payment of \$25.50 for each such share to be redeemed together with accrued and unpaid dividends up to but excluding the date fixed for redemption, the whole constituting the redemption price.

The Corporation shall give notice in writing not less than 45 days nor more than 60 days prior to the date on which the redemption is to take place to each person who at the date of giving such notice is the holder of Series AD Preferred Shares to be redeemed of the intention of the Corporation to redeem such shares; such notice shall be given, at the option of the Corporation, by courier or by posting the same in a postage paid envelope, in either case, addressed to each holder of Series AD Preferred Shares to be redeemed at the last address of such holder as it appears on the securities register of the Corporation

or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or by Electronic Delivery addressed to each holder of Series AD Preferred Shares requesting Electronic Delivery at the last electronic address as provided by the holder to the Corporation, provided that the accidental failure or omission to give any such notices as aforesaid to one or more of such holders shall not affect the validity of the redemption as to the other holders of the Series AD Preferred Shares to be redeemed. Such notice shall set out the number of such Series AD Preferred Shares held by the person to whom it is addressed which are to be redeemed and the redemption price and shall also set out the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Series AD Preferred Shares to be redeemed the redemption price on presentation and surrender at any place within Canada designated by such notice, of the certificate or certificates for such Series AD Preferred Shares so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date specified in any such notice, the Series AD 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Series AD Preferred Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

3.22.4 *Conversion of Series AD Preferred Shares*

3.22.4.1 *Conversion at the Option of the Holder*

Holders of Series AD Preferred Shares shall have the right, at their option, on March 1, 2013 and on March 1 in every fifth year thereafter (a "Conversion Date"), to convert, subject to the terms and provisions hereof, all or any Series AD Preferred Shares registered in their name into Series AC Preferred Shares of the Corporation on the basis of one (1) Series AC Preferred Share for each Series AD Preferred Share. The Corporation shall give notice in writing to the then holders of the Series AD Preferred Shares of the conversion right provided for herein; such notice shall be given, at the option of the Corporation, by courier or by posting the same in a postage paid envelope, in either case, addressed to each holder of the Series AD Preferred Shares at the last address of such holder as it appears on the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation, or by Electronic Delivery addressed to each holder of Series AD Preferred Shares requesting Electronic Delivery at the last electronic address as provided by the holder to the Corporation. Such notice shall set out the Conversion Date and shall be given not less than 45 days nor more than 60 days prior to the applicable Conversion Date.

If the Corporation gives notice as provided in section 3.22.3 to the holders of the Series AD Preferred Shares of the redemption of all the Series AD Preferred Shares, the Corporation shall not be required to give notice as provided in this section 3.22.4.1 to the holders of the Series AD Preferred Shares of the conversion right and the right of any holder of Series AD Preferred Shares to convert such Series AD Preferred Shares as herein provided shall cease and terminate in that event.

Holders of Series AD Preferred Shares shall not be entitled to convert their shares into Series AC Preferred Shares if, following the close of business on the 10th day preceding a Conversion

Date, the Corporation determines that there would remain outstanding on the Conversion Date less than 2,500,000 Series AC Preferred Shares after taking into account all Series AD Preferred Shares tendered for conversion into Series AC Preferred Shares and all Series AC Preferred Shares tendered for conversion into Series AD Preferred Shares. The Corporation shall give notice in writing thereof, in accordance with the provisions of the first paragraph of this section 3.22.4.1, to all affected holders of Series AD Preferred Shares prior to the applicable Conversion Date and will issue and deliver, or cause to be delivered, prior to such Conversion Date, at the expense of the Corporation, to such holders of Series AD Preferred Shares, who have surrendered for conversion any certificate or certificates representing Series AD Preferred Shares, new certificates representing the Series AD Preferred Shares represented by any certificate or certificates surrendered as aforesaid.

3.22.4.2 *Automatic Conversion*

If following the close of business on the 10th day preceding a Conversion Date the Corporation determines that there would remain outstanding on the Conversion Date less than 2,500,000 Series AD Preferred Shares after taking into account all Series AD Preferred Shares tendered for conversion into Series AC Preferred Shares and all Series AC Preferred Shares tendered for conversion into Series AD Preferred Shares, then, all, but not part, of the remaining outstanding Series AD Preferred Shares shall automatically be converted into Series AC Preferred Shares on the basis of one (1) Series AC Preferred Share for each Series AD Preferred Share on the applicable Conversion Date and the Corporation shall give notice in writing thereof, in accordance with the provisions of section 3.22.4.1, to the holders of such remaining Series AD Preferred Shares prior to the Conversion Date.

3.22.4.3 *Manner of Exercise of Conversion Privilege*

The conversion of Series AD Preferred Shares may be effected by surrender of the certificate or certificates representing the same not earlier than 45 days prior to a Conversion Date but not later than the close of business on the 10th day preceding a Conversion Date during usual business hours at any office of any transfer agent of the Corporation at which the Series AD Preferred Shares are transferable accompanied by: (i) payment or evidence of payment of the tax (if any) payable as provided in this section 3.22.4.3; and (ii) a written instrument of surrender in form satisfactory to the Corporation duly executed by the holder, or his attorney duly authorized in writing, in which instrument such holder may also elect to convert part only of the Series AD Preferred Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Series AD Preferred Shares represented by such certificate or certificates which have not been converted.

In the event the Corporation is required to convert all remaining outstanding Series AD Preferred Shares into Series AC Preferred Shares on the applicable Conversion Date as provided for in section 3.22.4.2, the Series AD Preferred Shares in respect of which the holders have not previously elected to convert, shall be converted on the Conversion Date into Series AC Preferred Shares and the holders thereof shall be deemed to be holders of Series AC Preferred Shares at the close of business on the Conversion Date and shall be entitled, upon surrender during usual business hours at any office of any transfer agent of the Corporation at which the Series AD Preferred Shares were transferable of the certificate or certificates representing Series AD Preferred Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series AC Preferred Shares in the manner and subject to the terms and provisions as provided in this section 3.22.4.3.

As promptly as practicable after the Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Series AD Preferred Shares so surrendered, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully-paid and non-assessable Series AC Preferred Shares and the number of remaining Series AD Preferred Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Conversion Date, so

that the rights of the holder of such Series AD Preferred Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Series AC Preferred Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Series AC Preferred Shares at such time.

The holder of any Series AD Preferred Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into a Series AC Preferred Share after such record date and on or before the date of the payment of such dividend.

The issuance of certificates for the Series AC Preferred Shares upon the conversion of Series AD Preferred Shares shall be made without charge to the converting holders of Series AD Preferred Shares for any fee or tax in respect of the issuance of such certificates or the Series AC Preferred Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series AC Preferred Shares are issued in respect of the issuance of such Series AC Preferred Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name or names other than that of the holder of the Series AD Preferred Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

3.22.4.4 *Status of Converted Series AD Preferred Shares*

All Series AD Preferred Shares converted into Series AC Preferred Shares on a Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Conversion Date.

3.22.5 *Restrictions on Dividends and Retirement of Shares*

Without the approval of the holders of outstanding Series AD Preferred Shares:

- (a) the Corporation shall not declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking junior to the Series AD Preferred Shares) on the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series AD Preferred Shares;
- (b) the Corporation shall not redeem, purchase or otherwise retire or make any capital distribution on or in respect of the Common Shares of the Corporation or any other shares of the Corporation ranking junior to the Series AD Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking junior to the Series AD Preferred Shares);
- (c) the Corporation shall not purchase or otherwise retire less than all of the Series AD Preferred Shares then outstanding; or
- (d) the Corporation shall not redeem, purchase or otherwise retire (except in connection with the exercise of any retraction privilege or any mandatory redemption obligation attaching thereto) any shares of any class or series ranking on a parity with the Series AD Preferred Shares provided that, for greater certainty, the covenant in this clause (d) shall not limit or affect any such action in respect of any class of shares ranking in priority to the Series AD Preferred Shares;

unless, in each such case, all cumulative dividends on outstanding Series AD Preferred Shares accrued up to and including the dividend payable for the last completed period for which dividends were payable shall have been declared and paid.

Any approval of the holders of the Series AD Preferred Shares required to be given pursuant to this section 3.22.5 may be given in accordance with the second paragraph of section 3.22.7 and section 3.22.10. Notwithstanding the provisions of section 3.22.10 hereof, any approval required to be given pursuant to this section 3.22.5 shall be required to be given only by the affirmative vote of the holders of the majority of the Series AD Preferred Shares present or represented at a meeting or adjourned meeting, of the holders of Series AD Preferred Shares duly called for the purpose and at which a quorum is present.

3.22.6 *Purchase for Cancellation*

The Corporation may at any time purchase for cancellation the whole or any part of the Series AD Preferred Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange, or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable.

3.22.7 *Voting Rights*

The holders of Series AD Preferred Shares will not be entitled (except as otherwise provided by law) to receive notice of, attend, or vote at, any meeting of the shareholders of the Corporation unless the Corporation shall have failed to pay eight (8) dividends on the Series AD Preferred Shares, whether or not consecutive. In that event, and for only so long as any such dividends remain in arrears, the holders of Series AD Preferred Shares will be entitled to receive notice of and to attend all shareholders' meetings which take place more than sixty (60) days after the date on which the failure first occurred, and to one (1) vote for each Series AD Preferred Share held, except meetings at which only holders of another specified class or series of shares are entitled to vote.

In connection with any actions to be taken by the Corporation which require the approval of the holders of the Series AD Preferred Shares voting as a series or as part of a class, each Series AD Preferred Share shall entitle the holder thereof to one (1) vote for such purpose.

3.22.8 *Issue of Additional Preferred Shares*

The Corporation may issue additional series of First Preferred Shares ranking on a parity with the Series AD Preferred Shares without the authorization of the holders of the Series AD Preferred Shares.

3.22.9 *Modifications*

The provisions attaching to the Series AD Preferred Shares as a series may be repealed, altered, modified or amended from time to time with such approval as may then be required by the *Canada Business Corporations Act*, any such approval to be given in accordance with section 3.22.10.

None of the series provisions of the articles of the Corporation relating to the Series AD Preferred Shares shall be amended or otherwise changed unless, contemporaneously therewith, the series provisions, if any, relating to the Series AC Preferred Shares are, to the extent deemed required by the Corporation, amended or otherwise changed in the same proportion and in the same manner.

3.22.10 ***Approval of Holders of Series AD Preferred Shares***

Any approval given by the holders of the Series AD Preferred Shares shall be deemed to have been sufficiently given if it shall have been given by the holders of Series AD Preferred Shares as provided in the provisions attaching to the First Preferred Shares as a class, which provisions shall apply *mutatis mutandis*.

3.22.11 ***Tax Election***

The Corporation shall elect, in the manner and within the time provided under the *Income Tax Act* (Canada), under subsection 191.2(1) of the said Act, or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax at a rate such that no holder of the Series AD Preferred Shares will be required to pay tax on dividends received on the Series AD Preferred Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provision of similar effect.

3.22.12 ***Mail Service Interruption***

If the Corporation determines that mail service is, or is threatened to be, interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to the holder of any Series AD Preferred Shares, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by Electronic Delivery, telex or telegraph communication or by means of publication once in each of two successive weeks in a newspaper of general circulation published or distributed in Montréal and Toronto and such notice shall be deemed to have been given on the date on which such Electronic Delivery, telex or telegraph communication was given or on the date on which the first publication has taken place; and

(b) fulfill the requirement to send such cheque or such share certificate by arranging for delivery thereof to the principal office of the Corporation in Montréal, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the Corporation determines that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by ordinary unregistered first class prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such cheque or share certificate, or in the event of the address of any such holder not appearing on the securities register of the Corporation, then at the last address of such holder known to the Corporation.

3.22.13 ***Notice of Subsequent Fixed Dividend Rate Applicable to the Series AC Preferred Shares***

Within three (3) business days of the determination of the Subsequent Fixed Dividend Rate (as defined in section 3.21.1.1 of the articles of the Corporation relating to the Series AC Preferred Shares) the Corporation shall give notice thereof, except in relation to the initial Subsequent Fixed Rate Period, to the holders of the Series AD Preferred Shares by publication once in the national edition of *The Globe and Mail* in the English language and once in the City of Montréal in both the French and English languages in a daily newspaper of general circulation in Montréal; provided that if any such newspaper is not being generally circulated at that time, such notice shall be published in another equivalent publication.

3.22.14 ***Definitions***

In the provisions herein contained attaching to the Series AD Preferred Shares:

a) "accrued and unpaid dividends" means the aggregate of: (i) all unpaid dividends on the Series AD Preferred Shares for any Dividend Period; and (ii) the amount calculated as though dividends on each Series AD Preferred Share had been accruing on a day-to-day basis from and including the first day of the Month immediately following the Dividend Period with respect to which the last monthly dividend will be or was, as the case may be, payable to but excluding the date to which the computation of accrued dividends is to be made; and

(b) "in priority to", "on a parity with" and "junior to" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

3.22.15 ***Interpretation***

In the event that any date on which any dividend on the Series AD Preferred Shares is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the holders of Series AD Preferred Shares hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A "business day" shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday at the Corporation's principal office in Canada.

3.22.16 ***Issue of Series AD Preferred Shares***

The Corporation may not issue any Series AD Preferred Shares prior to March 1, 2008.

4. **SECOND PREFERRED SHARES**

The Second Preferred Shares shall have attached thereto, as a class, the following rights, privileges, restrictions and conditions:

4.1 The Directors of the Corporation may at any time and from time to time issue one or more series of Second Preferred Shares, each series thereof to consist of such number of shares and to be of such price as may before the issue be determined by resolution of the Directors.

4.2 The Directors may by resolution fix from time to time the designation, rights, privileges, restrictions and conditions attaching to the Second Preferred Shares of each series, including, without limiting the generality of the foregoing, the right of preferential dividends, the dates of payment thereof, the redemption or purchase prices, if any, and terms and conditions of redemption or purchase, any voting rights, the rights of convertibility or exchange, if any, into other securities (including shares) of the Corporation or any other body corporate and any sinking fund or other provisions.

4.3 The Second Preferred Shares of all series shall rank on a parity with each other and junior to the First Preferred Shares and in priority to all other shares of the Corporation with respect to payment of dividends and with respect to distribution of assets in the event of liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or any other distribution of assets for the purpose of winding up its affairs.

4.4 Except as otherwise provided in section 4.5 hereof and in the provisions attaching to any Second Preferred Shares as a series, the holders of the Second Preferred Shares shall not be entitled to receive

any notice of or attend any meeting of shareholders of the Corporation and shall not be entitled to vote at any such meeting.

4.5 The approval of the holders of the Second Preferred Shares with respect to any matters which may be required to be approved by them may be given in writing by all holders of Second Preferred Shares or by a resolution passed at a general meeting of the holders of the Second Preferred Shares duly called and held upon not less than 21 days' notice at which the holders of at least a majority of the outstanding Second Preferred Shares are present or are represented by proxy and carried by the affirmative vote of not less than two-thirds of the votes cast at such meeting; if at any such meeting the holders of a majority of the outstanding Second Preferred Shares are not present or represented by proxy within one-half hour after the time appointed for such meeting then the meeting shall be adjourned to such date not less than 21 days thereafter and to such time and place as may be designated by the chairman, and not less than 15 days' written notice shall be given of such adjourned meeting; at such adjourned meeting the holders of Second Preferred Shares present or represented by proxy may transact the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of not less than two-thirds of the votes cast at such meeting shall constitute the authorization of the holders of the Second Preferred Shares; on every poll taken at any such meeting or adjourned meeting, every holder of Second Preferred Shares shall be entitled to one vote in respect of each Second Preferred Share held; subject to the foregoing, the formalities to be observed in respect of the giving of notice of any such 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.

4.6 Second Preferred Shares, Series One

The Second Preferred Shares, Series One shall, in addition to the rights, privileges, restrictions and conditions attaching to the Second Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

4.6.1 Dividend

The holders of the Second Preferred Shares, Series One shall be entitled to fixed, cumulative, preferred cash dividends, when and as declared by the Board of Directors, out of moneys properly applicable to the payment of dividends, in the amount of \$9.00 per share per annum and no more, payable quarterly in respect of each 12 month period on the last day of January, April, July and October by cheque at par in lawful money of Canada at any branch in Canada of the Corporation's bankers, except that the first quarterly payment so to be made on any Second Preferred Share, Series One shall be made on the last day of July 1983 and shall be the amount accrued and unpaid thereon at the said rate from the date of its issue.

4.6.2 Rights on Liquidation

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Second Preferred Shares, Series One shall be entitled to receive \$100.00 per share together with all accrued and unpaid dividends to the date of distribution before any amounts shall be paid or any assets of the Corporation distributed to the holders of any shares ranking junior to the Second Preferred Shares, Series One. The holders of the Second Preferred Shares, Series One shall not be entitled to share in any further distribution of the property or assets of the Corporation.

4.6.3 Restrictions on Payment of Dividends and Capital Distributions

The Corporation shall not declare, pay or set apart any dividends on any shares of the Corporation ranking junior to the Second Preferred Shares, Series One nor shall the Corporation call for redemption less than all the Second Preferred Shares, Series One then outstanding or any shares of the Corporation ranking junior to the Second Preferred Shares, Series One unless all dividends up to and including the dividend payable for the last completed period for which such dividends shall be payable on all of the Second Preferred Shares, Series One then outstanding shall have been declared or paid or set apart for payment.

4.6.4 *Voting Rights*

The holders of the Second Preferred Shares, Series One shall be entitled to notice of and to attend and vote at all meetings of shareholders of the Corporation except meetings of the holders of another specified class or series and shall have one vote in respect of each Second Preferred Share, Series One held.

4.6.5 *Redemption*

The Corporation may at any time at its option redeem all the outstanding Second Preferred Shares, Series One or from time to time any part thereof, on payment for each such share to be redeemed of \$100.00 together with accrued and unpaid dividends to the date fixed for redemption, the whole constituting the redemption price. In the case of partial redemptions, the Second Preferred Shares, Series One to be redeemed shall be selected by lot or in such other manner as the Corporation may determine.

The Corporation shall give notice in writing to each person who at the date of giving such notice is the holder of Second Preferred Shares, Series One of the intention of the Corporation to redeem such shares. Such notice shall set out the number of such Second Preferred Shares, Series One held by the person to whom it is addressed which are to be redeemed and the redemption price and the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Second Preferred Shares, Series One to be redeemed the redemption price on presentation and surrender at the Registered Office of the Corporation or at any other place or places within Canada designated by such notice, of the certificate or certificates for such Second Preferred Shares, Series One so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; if a part only of such Second Preferred Shares, Series One represented by any certificate shall be redeemed, a new certificate for the balance shall be issued; from and after the date specified in any such notice, the Second Preferred Shares, Series One 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 unless payment of the redemption price shall not be duly made by the Corporation; at any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Second Preferred Shares, Series One called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, and upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption; after the Corporation has made a deposit as aforesaid with respect to any shares, the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the holders thereof shall be limited to receiving the proportion of the amounts so deposited applicable to such shares, without interest; any interest allowed on such deposit shall belong to the Corporation.

4.6.6 *Issue of Additional Preferred Shares*

So long as any of the Second Preferred Shares, Series One are outstanding, the Corporation shall not without, but may from time to time with, the authorization of the holders of Second Preferred Shares, Series One given as hereinafter specified, issue any additional Second Preferred Shares or create or issue any additional preferred shares ranking in priority to or on parity with the Second Preferred Shares, unless all dividends up to and including the dividend payable for the last completed period for which such dividends shall be payable on all the Second Preferred Shares, Series One shall have been declared and paid or set apart for payment.

4.6.7 *Authorization of Holders of Second Preferred Shares, Series One*

Any authorization given by the holders of Second Preferred Shares, Series One shall be deemed to have been sufficiently given if it shall have been given by all holders of Second Preferred Shares, Series One in writing or by a resolution passed at a general meeting of the holders of the Second Preferred Shares, Series One duly called and held upon not less than 21 days' notice at which the holders of at least a majority of the outstanding Second Preferred Shares, Series One are present or are represented by proxy and carried by the affirmative vote of not less than two-thirds of the votes cast at such meeting; if at any such meeting the holders of a majority of the outstanding Second Preferred Shares, Series One are not present or represented

by proxy within one-half hour after the time appointed for such meeting then the meeting shall be adjourned to such date not less than 21 days thereafter and to such time and place as may be designated by the chairman, and not less than 15 days' written notice shall be given of such adjourned meeting; at such adjourned meeting the holders of Second Preferred Shares, Series One present or represented by proxy may transact the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of not less than two-thirds of the votes cast at such meeting shall constitute the authorization of the holders of the Second Preferred Shares, Series One; on every poll taken at any such meeting or adjourned meeting every holder of the Second Preferred Shares, Series One shall be entitled to one vote in respect of each Second Preferred Share, Series One held; subject to the foregoing, the formalities to be observed in respect of the giving of notice of any such 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.

4.6.8 *Definitions*

In the provisions herein contained attaching to the Second Preferred Shares, Series One:

(a) "accrued and unpaid dividends" means an amount computed on the basis of an aggregate sum of \$9.00 per share per annum as though dividends on each such share had been accruing on a day to day basis from the date of issue of such share to the date to which the computation of accrued dividends is to be made after deducting all dividend payments made on such share; and

(b) "in priority to" and "on a parity with" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

4.7 **Second Preferred Shares, Series Two**

The Second Preferred Shares, Series Two shall, in addition to the rights, privileges, restrictions and conditions attaching to the Second Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

4.7.1 *Dividend*

The holders of the Second Preferred Shares, Series Two shall be entitled to fixed, cumulative, preferred cash dividends, when and as declared by the Board of Directors, out of moneys properly applicable to the payment of dividends, in the amount of \$9.00 per share per annum and no more, payable quarterly in respect of each 12 month period on the last day of January, April, July and October by cheque at par in lawful money of Canada at any branch in Canada of the Corporation's bankers, except that the first quarterly payment so to be made on any Second Preferred Share, Series Two shall be made on the last day of July 1983 and shall be the amount accrued and unpaid thereon at the said rate from the date of its issue.

4.7.2 *Rights on Liquidation*

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Second Preferred Shares, Series Two shall be entitled to receive \$100.00 per share together with all accrued and unpaid dividends to the date of distribution before any amounts shall be paid or any assets of the Corporation distributed to the holders of any shares ranking junior to the Second Preferred Shares, Series Two. The holders of the Second Preferred Shares, Series Two shall not be entitled to share in any further distribution of the property or assets of the Corporation.

4.7.3 *Restrictions on Payment of Dividends and Capital Distributions*

The Corporation shall not declare, pay or set apart any dividends on any shares of the Corporation ranking junior to the Second Preferred Shares, Series Two nor shall the Corporation call for redemption less than all the Second Preferred Shares, Series Two then outstanding or any shares of the Corporation ranking junior to the Second Preferred Shares, Series Two unless all dividends up to and including

the dividend payable for the last completed period for which such dividends shall be payable on all of the Second Preferred Shares, Series Two then outstanding shall have been declared or paid or set apart for payment.

4.7.4 *Voting Rights*

The holders of the Second Preferred Shares, Series Two shall be entitled to notice of and to attend and vote at all meetings of shareholders of the Corporation except meetings of the holders of another specified class or series and shall have one vote in respect of each Second Preferred Share, Series Two held.

4.7.5 *Redemption*

The Corporation may at any time at its option redeem all the outstanding Second Preferred Shares, Series Two on payment for each such share to be redeemed of \$100.00 together with accrued and unpaid dividends to the date fixed for redemption, the whole constituting the redemption price.

The Corporation shall give notice in writing to each person who at the date of giving such notice is the holder of Second Preferred Shares, Series Two of the intention of the Corporation to redeem such shares. Such notice shall set out the redemption price and the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Second Preferred Shares, Series Two the redemption price on presentation and surrender at the Registered Office of the Corporation or at any other place or places within Canada designated by such notice, of the certificate or certificates for such Second Preferred Shares, Series Two so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date specified in any such notice, the Second Preferred Shares 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 unless payment of the redemption price shall not be duly made by the Corporation.

4.7.6 *Issue of Additional Preferred Shares*

So long as any of the Second Preferred Shares, Series Two are outstanding, the Corporation shall not without, but may from time to time with, the authorization of the holders of Second Preferred Shares, Series Two given as hereinafter specified, issue any additional Second Preferred Shares or create or issue any additional preferred shares ranking in priority to or on parity with the Second Preferred Shares, unless all dividends up to and including the dividend payable for the last completed period for which such dividends shall be payable on all the Second Preferred Shares, Series Two shall have been declared and paid or set apart for payment.

4.7.7 *Authorization of Holders of Second Preferred Shares, Series Two*

Any authorization given by the holders of Second Preferred Shares, Series Two shall be deemed to have been sufficiently given if it shall have been given by all holders of Second Preferred Shares, Series Two in writing or by a resolution passed at a general meeting of the holders of the Second Preferred Shares, Series Two duly called and held upon not less than 21 days' notice at which the holders of at least a majority of the outstanding Second Preferred Shares, Series Two are present or are represented by proxy and carried by the affirmative vote of not less than two-thirds of the votes cast at such meeting; if at any such meeting the holders of a majority of the outstanding Second Preferred Shares, Series Two are not present or represented by proxy within one-half hour after the time appointed for such meeting then the meeting shall be adjourned to such date not less than 21 days thereafter and to such time and place as may be designated by the chairman, and not less than 15 days' written notice shall be given of such adjourned meeting; at such adjourned meeting the holders of Second Preferred Shares, Series Two present or represented by proxy may transact the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of not less than two-thirds of the votes cast at such meeting shall constitute the authorization of the holders of the Second Preferred Shares, Series Two; on every poll taken at any such meeting or adjourned meeting, every holder of the Second Preferred Shares, Series Two shall be entitled to one vote in respect of each Second Preferred Share, Series Two held; subject to the foregoing, the formalities to be observed in respect of the giving of notice of any such 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.

4.7.8 *Definitions*

In the provisions herein contained attaching to the Second Preferred Shares, Series Two:

- (a) "accrued and unpaid dividends" means an amount computed on the basis of an aggregate sum of \$9.00 per share per annum as though dividends on each such share had been accruing on a day to day basis from, but not including, the date of issue of such share to, but not including, the date to which the computation of accrued dividends is to be made after deducting all dividend payments made on such share; and
- (b) "in priority to" and "on a parity with" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

4.8 **Second Preferred Shares, Series Three**

The Second Preferred Shares, Series Three shall, in addition to the rights, privileges, restrictions and conditions attaching to the Second Preferred Shares as a class, carry and be subject to the following rights, privileges, restrictions and conditions:

4.8.1 *Dividend*

The holders of the Second Preferred Shares, Series Three shall be entitled to fixed, cumulative, preferred cash dividends, when and as declared by the Board of Directors, out of moneys properly applicable to the payment of dividends, in the amount of \$9.00 per share per annum and no more, payable quarterly in respect of each 12 month period on the last day of January, April, July and October by cheque at par in lawful money of Canada at any branch in Canada of the Corporation's bankers, except that the first quarterly payment so to be made on any Second Preferred Share, Series Three shall be made on the last day of July 1983 and shall be the amount accrued and unpaid thereon at the said rate from the date of its issue. At any time when no Common Shares are outstanding, the holders of the Second Preferred Shares, Series Three shall in addition be entitled to receive any other dividends which the Directors may declare other than dividends stated to be with respect to another particular class or series of shares of the Corporation.

4.8.2 *Rights on Liquidation*

In the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of assets of the Corporation for the purpose of winding up its affairs, the holders of the Second Preferred Shares, Series Three shall be entitled to receive \$100.00 per share together with all accrued and unpaid dividends to the date of distribution before any amounts shall be paid or any assets of the Corporation distributed to the holders of any shares ranking junior to the Second Preferred Shares, Series Three. At any time when no Common Shares are outstanding, the holders of the Second Preferred Shares, Series Three shall in addition be entitled to receive the remaining property of the Corporation upon the liquidation, dissolution or winding up thereof.

4.8.3 *Restrictions on Payment of Dividends and Capital Distributions*

The Corporation shall not declare, pay or set apart any dividends on any shares of the Corporation ranking junior to the Second Preferred Shares, Series Three nor shall the Corporation call for redemption less than all the Second Preferred Shares, Series Three then outstanding or any shares of the Corporation ranking junior to the Second Preferred Shares, Series Three unless all dividends up to and including the dividend payable for the last completed period for which such dividends shall be payable on all of the Second Preferred Shares, Series Three then outstanding shall have been declared or paid or set apart for payment.

4.8.4 *Voting Rights*

The holders of the Second Preferred Shares, Series Three shall be entitled to notice of and to attend and vote at all meetings of shareholders of the Corporation except meetings of the holders of another

specified class or series and shall have one vote in respect of each Second Preferred Share, Series Three held.

4.8.5 ***Redemption***

The Corporation may at any time at its option redeem all the outstanding Second Preferred Shares, Series Three on payment for each such share to be redeemed of \$100.00 together with accrued and unpaid dividends to the date fixed for redemption, the whole constituting the redemption price.

The Corporation shall give notice in writing to each person who at the date of giving such notice is the holder of Second Preferred Shares, Series Three of the intention of the Corporation to redeem such shares. Such notice shall set out the redemption price and the date on which the redemption is to take place, and on and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Second Preferred Shares, Series Three the redemption price on presentation and surrender at the Registered Office of the Corporation or at any other place or places within Canada designated by such notice, of the certificate or certificates for such Second Preferred Shares, Series Three so called for redemption; such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers; from and after the date specified in any such notice the Second Preferred Shares, Series Three 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 unless payment of the redemption price shall not be duly made by the Corporation.

4.8.6 ***Issue of Additional Preferred Shares***

So long as any of the Second Preferred Shares, Series Three are outstanding, the Corporation shall not without, but may from time to time with, the authorization of the holders of Second Preferred Shares, Series Three given as hereinafter specified, issue any additional Second Preferred Shares or create or issue any additional preferred shares ranking in priority to or on parity with the Second Preferred Shares, unless all dividends up to and including the dividend payable for the last completed period for which such dividends shall be payable on all the Second Preferred Shares, Series Three shall have been declared and paid or set apart for payment.

4.8.7 ***Authorization of Holders of Second Preferred Shares, Series Three***

Any authorization given by the holders of Second Preferred Shares, Series Three shall be deemed to have been sufficiently given if it shall have been given by all holders of Second Preferred Shares, Series Three in writing or by a resolution passed at a general meeting of the holders of the Second Preferred Shares, Series Three duly called and held upon not less than 21 days' notice at which the holders of at least a majority of the outstanding Second Preferred Shares, Series Three are present or are represented by proxy and carried by the affirmative vote of not less than two-thirds of the votes cast at such meeting; if at any such meeting the holders of a majority of the outstanding Second Preferred Shares, Series Three are not present or represented by proxy within one-half hour after the time appointed for such meeting then the meeting shall be adjourned to such date not less than 21 days thereafter and to such time and place as may be designated by the chairman, and not less than 15 days' written notice shall be given of such adjourned meeting; at such adjourned meeting the holders of Second Preferred Shares, Series Three present or represented by proxy may transact the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of not less than two-thirds of the votes cast at such meeting shall constitute the authorization of the holders of the Second Preferred Shares, Series Three; on every poll taken at any such meeting or adjourned meeting, every holder of the Second Preferred Shares, Series Three shall be entitled to one vote in respect of each Second Preferred Share, Series Three held; subject to the foregoing, the formalities to be observed in respect of the giving of notice of any such 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.

4.8.8 ***Definitions***

In the provisions herein contained attaching to the Second Preferred Shares, Series Three:

- (a) "accrued and unpaid dividends" means an amount computed on the basis of an aggregate sum of \$9.00 per share per annum as though dividends on each such share had been accruing on a day to day basis from, but not including, the date of issue of such share to, but not including, the date to which the computation of

accrued dividends is to be made after deducting all dividend payments made on such share; and

(b) "in priority to" and "on a parity with" have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

5. CLASS B SHARES

The Class B Shares shall have attached thereto, as a class, the following rights, privileges, restrictions and conditions:

5.1 The holders thereof are not entitled to notice of or to attend or vote at any meeting of shareholders of the Corporation except as may be required by the *Canada Business Corporations Act*.

5.2 Subject to the rights, privileges, restrictions and conditions attaching to shares of any class of the Corporation ranking prior to the Class B Shares, the holders thereof are entitled to receive such dividends payable in money, property, or by the issue of fully paid shares of the Corporation, as may be declared by the Board of Directors and to receive on an equal basis share for share with the holders of the Common Shares the remaining property of the Corporation upon the liquidation, dissolution or winding up thereof.

5.3 The Directors of the Corporation may determine at any time and from time to time, with respect to all or a portion of any dividend on the Class B Shares of the Corporation that such dividend shall be payable in money or, in the case of electing holders whose addresses on the books of the Corporation are in Canada, and in jurisdictions specified by the Directors outside Canada, by the issue of fully paid Class B Shares of the Corporation having a value, as determined by the Directors, that is substantially equivalent, as of a date or period of days determined by the Directors, to the cash amount of such dividend, provided that the Directors may (but need not) value the Class B Shares to be issued in payment of the dividend at a discount from or premium to the relevant market value thereof of up to 5%, in either case.

5.4 With respect to fractional shares that may result from any such stock dividend the Corporation shall issue to an agent for shareholders appointed by the Corporation a number of whole shares representing in the aggregate the fractional shares of all electing shareholders unless the Directors of the Corporation otherwise determine, for instance by the payment of cash in lieu of fraction of share interests that may result from any such stock dividend. In any event, no certificates representing fraction of share interests will be issued by the Corporation.

5.5 A holder of Class B Shares shall have the right, at his option, to convert at any time and from time to time, subject to the terms and provisions hereof, all or part of his Class B Shares into Common Shares, on the basis of one Common Share for each Class B Share. The conversion of Class B Shares may be effected by surrender of the certificate or certificates representing the same at any time during usual business hours at the option of the holder at the Registered Office of the Corporation or at any office of any transfer agent of the Corporation at which the Class B Shares are transferable accompanied: (1) by payment or evidence of payment of the tax (if any) payable as provided in this section 5.5; and (2) by written instrument of surrender in form satisfactory to the Corporation duly executed by the registered holder, or his attorney duly authorized in writing, in which instrument such holder shall elect to convert all or part only of the Class B Shares represented by such certificate or certificates in which event the Corporation shall issue and deliver or cause to be delivered to such holder, at the expense of the Corporation, a new certificate representing the Class B Shares represented by such certificate or certificates which have not been converted. The date of such surrender of certificates representing Class B Shares to be converted is referred to hereinafter as the "Conversion Date". A holder of Class B Shares to be converted shall not be entitled to fractional shares upon conversion but shall be entitled to receive a new certificate representing the number of remaining Class B Shares which cannot be converted.

As promptly as practicable on or after the Conversion Date the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the holder of the Class B Shares so surrendered, a certificate or certificates issued in the name of, or in such name or names as may be directed by, such holder representing the number of fully paid and non-assessable Common Shares and the number of remaining Class B

Shares, if any, to which such holder is entitled. Such conversion shall be deemed to have been made at the close of business on the Conversion Date, so that the rights of the holder of such Class B Shares as the holder thereof shall cease at such time and the person or persons entitled to receive Common Shares upon such conversion shall be treated for all purposes as having become the holder or holders of record of such Class B Shares at such time.

The registered holder of any Class B Share on the record date for any dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted after such record date and before the payment date of such dividend.

The issuance of certificates for Common Shares upon the conversion of Class B Shares shall be made without charge to the converting holders of Class B Shares for any fee or tax in respect of the issuance of such certificates or the Common Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Common Shares are issued in respect of the issuance of such Common Shares or the certificates therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name or names other than that of the holder of the Class B Shares converted, and the Corporation shall not be required to issue or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

5.6 In respect of the declaration and payment of dividends and upon the liquidation, dissolution or winding up of the Corporation the Class B Shares shall rank *pari passu* with the Common Shares of the Corporation.

ANNEXE 1

DES STATUTS CONSTITUTIFS DE FUSION

BCE INC.

1. CATÉGORIES ET NOMBRE D' ACTIONS

Les catégories et tout nombre maximal d'actions que la Société est autorisée à émettre sont les suivants :

- (a) un nombre illimité d'actions ordinaires (ci-après appelées « actions ordinaires »);
- (b) un nombre illimité d'actions privilégiées de premier rang (ci-après appelées « actions privilégiées de premier rang ») dont :
 - (i) 3 520 000 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série K (« actions privilégiées de série K »); et
 - (ii) 176 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série L (« actions privilégiées de série L »); et
 - (iii) 16 000 000 sont des actions privilégiées de premier rang, série P, à dividende cumulatif de 1,60 \$, rachetables (« actions privilégiées de série P »); et
 - (iv) 8 000 000 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série Q (« actions privilégiées de série Q »); et
 - (v) 8 000 000 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série R (« actions privilégiées de série R »); et
 - (vi) 8 000 000 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série S (« actions privilégiées de série S »); et
 - (vii) 8 000 000 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série T (« actions privilégiées de série T »); et
 - (viii) 22 000 000 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série U (« actions privilégiées de série U »); et
 - (ix) 22 000 000 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série V (« actions privilégiées de série V »); et
 - (x) 20 000 000 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série W (« actions privilégiées de série W »); et
 - (xi) 20 000 000 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série X (« actions privilégiées de série X »); et
 - (xii) 10 000 000 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série Y (« actions privilégiées de série Y »); et
 - (xiii) 10 000 000 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série Z (« actions privilégiées de série Z »);

- (xiv) 20 000 000 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série AA (« actions privilégiées de série AA »);
 - (xv) 20 000 000 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série AB (« actions privilégiées de série AB »);
 - (xvi) 20 000 000 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série AC (« actions privilégiées de série AC »); et
 - (xvii) 20 000 000 sont des actions privilégiées de premier rang à dividende cumulatif, rachetables, série AD (« actions privilégiées de série AD »).
- (c) un nombre illimité d'actions privilégiées de second rang (ci-après appelées « actions privilégiées de second rang ») dont :
- (i) un nombre illimité sont des actions privilégiées de second rang à dividende cumulatif, rachetables, donnant droit de vote, série un (« actions privilégiées de second rang, série un »);
 - (ii) un nombre illimité sont des actions privilégiées de second rang à dividende cumulatif, rachetables, donnant droit de vote, série deux (« actions privilégiées de second rang, série deux »); et
 - (iii) un nombre illimité sont des actions privilégiées de second rang à dividende cumulatif, rachetables, participantes, donnant droit de vote, série trois (« actions privilégiées de second rang, série trois »).
- (d) un nombre illimité d'actions de catégorie B (ci-après appelées « catégorie B »).

Les droits, privilèges, conditions et restrictions se rattachant à chacune desdites catégories et séries d'actions de la Société sont énoncés ci-après.

2. ACTIONS ORDINAIRES

Les actions ordinaires sont assorties des droits, privilèges, conditions et restrictions suivants :

2.1 Les détenteurs desdites actions ont un droit de vote par action relativement à toute question soumise par voie de scrutin aux actionnaires, sauf en ce qui concerne les questions pour lesquelles seuls les détenteurs d'une autre catégorie ou série d'actions donnée sont habiles à voter.

2.2 Sous réserve des droits, privilèges, conditions et restrictions afférents à des actions de toute catégorie de la Société de rang supérieur aux actions ordinaires, les détenteurs d'actions ordinaires ont droit à des dividendes payables en espèces, en biens ou en actions entièrement libérées de la Société, selon ce que peut déclarer le conseil d'administration et ont le droit de se partager le reste des biens de la Société en cas de liquidation, de dissolution ou d'abandon de ses affaires.

2.3 Les administrateurs de la Société peuvent déclarer, en tout temps et de temps à autre, que la totalité ou une partie d'un dividende sur les actions ordinaires de la Société sera payable en espèces ou, dans le cas des actionnaires qui en auront fait la demande et dont l'adresse inscrite au registre de la Société se trouve au Canada ou dans un territoire à l'extérieur du Canada déterminé par les administrateurs, en actions ordinaires entièrement libérées de la Société ayant une valeur, fixée par les administrateurs, sensiblement équivalente, à une date ou à une période désignée par les administrateurs, à la valeur en espèces des dividendes en question; toutefois, les administrateurs peuvent (sans y être tenus) fixer la valeur des actions ordinaires qui seront émises en paiement des dividendes à un montant qui ne peut être de plus de 5 % supérieur ou inférieur au cours de ces actions à ce moment.

2.4 Quant aux fractions d'actions résultant de tels dividendes en actions, la Société émettra à un

agent qu'elle aura nommé pour les actionnaires, un nombre d'actions entières équivalant au total des fractions d'actions de tous les actionnaires qui auront demandé de se faire verser des dividendes en actions, à moins que les administrateurs de la Société n'en décident autrement, notamment de payer en espèces les fractions d'actions résultant de tels dividendes en actions. La Société n'émettra en tout état de cause aucun certificat représentant des fractions d'actions.

3. ACTIONS PRIVILÉGIÉES DE PREMIER RANG

Les actions privilégiées de premier rang sont assorties, en tant que catégorie, des droits, privilèges, conditions et restrictions suivants :

3.1 Les administrateurs de la Société peuvent en tout temps et de temps à autre émettre une ou plusieurs séries d'actions privilégiées de premier rang, le nombre des actions privilégiées de premier rang de chaque série et leur prix devant être déterminés avant l'émission par résolution des administrateurs.

3.2 Les administrateurs peuvent de temps à autre déterminer par résolution la désignation et les droits, privilèges, conditions et restrictions afférents aux actions privilégiées de premier rang de chaque série, y compris, sans restreindre la généralité de ce qui précède, le droit aux dividendes préférentiels, les dates de paiement de ces dividendes, le prix de rachat ou d'achat et les modalités en cause, le cas échéant, les droits de vote, les droits de conversion ou d'échange, le cas échéant, en d'autres valeurs mobilières (y compris des actions) de la Société ou de toute autre personne morale, de même que tout fonds d'amortissement ou autres dispositions.

3.3 Les actions privilégiées de premier rang de chaque série ont égalité de rang et ont un rang supérieur à toutes les autres actions de la Société en ce qui concerne le paiement de dividendes et la distribution des biens en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou forcé, ou de toute autre distribution des biens dans le but de liquider ses affaires.

3.4 Sauf disposition contraire prévue à l'article 3.5 des présentes ou dans les attributs d'une série précise d'actions privilégiées de premier rang, les détenteurs d'actions privilégiées de premier rang n'ont pas le droit d'être convoqués, d'assister ni de voter à aucune assemblée d'actionnaires de la Société.

3.5 L'autorisation des détenteurs d'actions privilégiées de premier rang sera considérée suffisante quand elle aura fait l'objet d'une résolution adoptée en assemblée générale de tels détenteurs dûment convoquée et tenue après avis d'au moins 21 jours; les détenteurs d'au moins la majorité des actions privilégiées de premier rang en circulation devront être présents ou représentés par procuration, et la résolution devra être adoptée par au moins les deux tiers des votes exprimés à cette assemblée. Si l'on ne peut réunir les détenteurs d'une majorité des actions privilégiées de premier rang en circulation, en personne ou par procuration, une demi-heure après l'heure précisée dans l'avis de convocation, l'assemblée sera ajournée à une date ultérieure d'au moins 21 jours, à l'endroit et à l'heure choisis par le président d'assemblée, et un avis écrit de convocation à cette reprise d'assemblée devra être expédié aux actionnaires au moins 15 jours avant sa date; les détenteurs d'actions privilégiées de premier rang qui seront présents ou représentés par procuration à cette reprise d'assemblée pourront délibérer sur les questions inscrites à l'ordre du jour de l'assemblée, et une résolution adoptée par au moins les deux tiers des votes exprimés à cette reprise d'assemblée constituera l'autorisation des détenteurs d'actions privilégiées de premier rang. À tout scrutin tenu à une assemblée ou à une reprise d'assemblée, tout détenteur d'actions privilégiées de premier rang a droit à un vote pour chaque action privilégiée de premier rang qu'il détient; compte tenu des dispositions ci-dessus, les formalités de convocation d'une assemblée et d'une reprise d'assemblée et la procédure à y suivre seront celles qui sont prescrites de temps à autre dans les règlements de la Société concernant les assemblées d'actionnaires.

3.6 Actions privilégiées de série K

En plus des droits, privilèges, conditions et restrictions dont sont assorties les actions privilégiées de premier rang en tant que catégorie, les actions privilégiées de série K sont assorties des droits, privilèges, conditions et restrictions suivants :

3.6.1 Dividendes

(a) Les détenteurs d'actions privilégiées auront droit aux dividendes cumulatifs, privilégiés et en espèces desdites actions, déclarés par le conseil d'administration, le cas échéant, puisés à même les fonds dûment affectés au paiement des dividendes, d'un montant déterminé conformément aux dispositions de l'article 3.6.1(b) des présentes et pas plus; ces dividendes seront payables trimestriellement pour chaque période de 12 mois, le dernier jour des mois de mars, juin, septembre et décembre (les «dates de paiement des dividendes»), par chèque tiré en monnaie légale du Canada et encaissable au pair à toute succursale au Canada des banquiers de la Société, le premier paiement devant être effectué le 30 juin 1989 sur toute action privilégiée de série K.

(b) Pour la période débutant à la date d'émission des actions privilégiées de série K et se terminant le 30 juin 1994 exclusivement (la «période initiale»), le dividende à payer sur chaque action privilégiée de série K sera un montant de 1,9375 \$ par année payable en versements trimestriels égaux de 0,484375 \$ à chaque date de paiement des dividendes, excepté le premier dividende qui sera payable le 30 juin 1989 et dont le montant sera de 1,9375 \$ multiplié par une fraction dont le numérateur sera le nombre de jours compris entre la date originale d'émission des actions privilégiées de série K inclusivement jusqu'au 30 juin 1989 exclusivement, et le dénominateur sera 365.

(c) Après l'expiration de la période initiale, le dividende à payer sur chaque action privilégiée de série K à chaque date de paiement des dividendes sera un montant par action obtenu en multipliant 25,00 \$ par le taux de dividende trimestriel. Les dividendes s'accumulent de jour en jour. Aux fins des présentes, (i) le «taux de dividende trimestriel» désigne un quart de 70 % de la moyenne du taux préférentiel pratiqué chaque jour au cours de la période de trois mois civils se terminant le dernier jour du deuxième mois civil précédant le mois au cours duquel le paiement de dividende doit être effectué et (ii) le «taux préférentiel» pour une journée quelconque désigne la moyenne arithmétique (arrondie au plus proche centième de un pour cent (0,01 %)) des taux annuels d'intérêt préférentiels pour chaque jour de cette période établis et annoncés de temps à autre pour les prêts commerciaux par la Banque Royale du Canada, la Banque de Montréal et la Banque Toronto-Dominion comme étant les taux d'intérêt annuel de référence utilisés pour déterminer les taux d'intérêt qu'elles demanderont à l'égard des prêts commerciaux en dollars canadiens consentis à leurs clients au Canada et désignés par chacune des banques en question comme son taux préférentiel. Le taux préférentiel pour une journée où les banques précitées ne sont pas ouvertes pour fins d'affaires est le taux préférentiel du jour précédent où elles étaient ouvertes pour fins d'affaires. Si l'une ou deux de ces banques n'ont pas de taux préférentiel en vigueur pour une journée donnée, le taux préférentiel pour cette journée sera la moyenne arithmétique, arrondie selon ce qui est indiqué ci-dessus, des taux préférentiels annoncés par les autres banques, ou le taux préférentiel annoncé par l'autre banque, selon le cas, ou si ni l'une ni l'autre des banques n'a de taux préférentiel en vigueur pour une journée donnée, le taux préférentiel pour cette journée sera de 1,5 % au-dessus du rendement moyen annuel des bons du Trésor à 91 jours du gouvernement du Canada déclaré par la Banque du Canada lors de l'adjudication hebdomadaire la plus récente qui précède immédiatement la journée en cause.

3.6.2 Droits en cas de liquidation

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre distribution de biens en vue de liquider les affaires de la Société, les détenteurs d'actions privilégiées de série K auront le droit de recevoir 25,00 \$ l'action, en monnaie légale du Canada, ainsi que tous les dividendes accumulés et impayés à la date de distribution et ce, avant qu'aucun montant ne soit versé ou qu'aucun élément d'actif de la Société ne soit distribué aux détenteurs d'actions de rang inférieur aux actions privilégiées de série K. Les détenteurs d'actions privilégiées de série K n'auront le droit de participer à aucune autre distribution de biens ou d'éléments d'actif de la Société.

3.6.3 Rachat d'actions

La Société ne pourra racheter aucune des actions privilégiées de série K avant le 30 juin 1994. Sous réserve de l'article 3.6.5 ci-dessous, après avis comme prévu ci-après, la Société pourra en tout temps, à compter du 30 juin 1994, racheter toutes les actions privilégiées de série K en circulation ou effectuer, de temps à autre, un rachat par tranches, contre paiement pour chacune desdites actions à racheter, d'un montant de 25,00 \$ plus les dividendes accumulés et impayés à la date fixée pour le rachat, le tout constituant le « prix de rachat ». En cas de rachat partiel, les actions privilégiées de série K à racheter seront tirées au sort ou de toute autre façon

que la Société pourra arrêter. Toute action privilégiée de série K ainsi rachetée sera annulée et ne sera pas réémise.

La Société donnera un avis écrit d'au moins 30 jours de son intention de racheter des actions privilégiées de série K à toute personne qui, à la date de l'envoi de cet avis, est détentrice d'actions privilégiées de série K à racheter. L'avis devra être envoyé par la poste, dans une enveloppe affranchie, à la dernière adresse du détenteur d'actions privilégiées de série K à racheter inscrite au registre de la Société ou, à défaut d'une telle inscription, à sa dernière adresse connue de la Société; toutefois, toute omission involontaire d'envoyer un tel avis à un ou plusieurs détenteurs ne change en rien la validité du rachat des actions privilégiées de série K des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série K à racheter détenues par la personne à qui il est adressé, ainsi que le prix de rachat et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats desdites actions au siège social de la Société ou à tout autre endroit au Canada mentionné dans l'avis, paiera ou fera payer le prix de rachat aux détenteurs d'actions privilégiées de série K à racheter. Le paiement se fera par chèque encaissable au pair à toute succursale au Canada des banquiers de la Société. Si une partie seulement des actions privilégiées de série K représentées par un certificat doit être rachetée, un nouveau certificat sera émis pour le solde. À compter de la date mentionnée dans l'avis et par la suite, les détenteurs d'actions privilégiées de série K désignées en vue du rachat cesseront d'avoir droit aux dividendes sur celles-ci et ne pourront se prévaloir des droits y afférents, à moins que la Société n'omette de verser le prix de rachat. En tout temps après qu'un avis de rachat aura été donné comme mentionné ci-dessus, la Société pourra déposer le prix de rachat d'une partie ou de la totalité des actions privilégiées de série K à racheter, dans une ou plusieurs banques à charte ou compagnies de fiducie au Canada dont le nom aura été donné dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes de fiducie pour le bénéfice des détenteurs d'actions à racheter, et ces montants leur seront payés par ces banques ou compagnies de fiducie sur remise des certificats. Une fois les dépôts effectués, les actions seront rachetées à la date indiquée dans l'avis de rachat. Dès que la Société aura effectué un dépôt comme susdit, les détenteurs des actions en cause ne pourront plus se prévaloir de leurs droits d'actionnaires en ce qui a trait à ces actions, et leurs droits seront limités à la perception de cette proportion du montant déposé applicable à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

Les fonds de rachat, représentés par un chèque qui a été posté à un détenteur inscrit conformément au présent article 3.6.3 et qui n'a pas été dûment présenté pour paiement, ou qui autrement demeure non réclamé (y compris les fonds placés en dépôt tel que mentionné plus haut) pour une période de cinq (5) ans suivant la date de rachat, seront confisqués par la Société.

3.6.4 Achat pour annulation

Sous réserve de l'article 3.6.5 ci-dessous, la Société peut également, en tout temps ou de temps à autre, acheter sur le marché, d'un courtier en valeurs mobilières ou par son entremise, ou d'une société membre d'une Bourse reconnue, ou par son entremise, la totalité ou une partie des actions privilégiées de série K en circulation de temps à autre en vue de les annuler aux prix les plus bas auxquels, de l'avis des administrateurs de la Société, ces actions peuvent être obtenues plus, dans chaque cas, tous les dividendes accumulés et impayés, ainsi que les frais d'achat.

3.6.5 Restrictions sur dividendes et remboursement d'actions

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série K en circulation :

- (a) déclarer, payer, ni mettre de côté à des fins de paiement aucun dividende au titre des actions ordinaires ou de toute autre action de la Société de rang inférieur aux actions privilégiées de série K (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série K);
- (b) désigner à des fins de rachat, racheter, acheter, ni autrement rembourser à titre onéreux des actions ordinaires ou d'autres actions de la Société de rang inférieur aux actions privilégiées de série K, ni procéder à aucune répartition de capital au titre de ces actions (sauf au moyen du produit net en espèces d'une émission, faite sensiblement à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série K);

(c) désigner à des fins de rachat, racheter, acheter, ni autrement rembourser à titre onéreux moins de la totalité des actions privilégiées de série K alors en circulation; ou

(d) désigner à des fins de rachat, racheter, acheter, ni autrement rembourser à titre onéreux aucune action de la Société de toute catégorie ou série de rang égal aux actions privilégiées de série K, sauf dans le cadre de l'exercice d'un privilège de rachat au gré du porteur afférent à toute autre série d'actions privilégiées de premier rang de la Société, pourvu que, pour éviter toute interprétation erronée, l'entente contenue dans le présent alinéa (d) ne limite ni ne vise aucune mesure de ce genre à l'égard de toute catégorie d'actions de rang supérieur aux actions privilégiées de série K;

à moins que, dans chaque cas, tous les dividendes cumulatifs, accumulés au titre des actions privilégiées de série K en circulation, jusqu'à concurrence de et y compris le dividende payable à la date de paiement des dividendes immédiatement précédente inclusivement, n'aient été déclarés et payés.

Toute approbation des porteurs d'actions privilégiées de série K exigée en vertu du présent article 3.6.5 pourra être donnée conformément aux dispositions des articles 3.6.6 et 3.6.7 moyennant le vote favorable des détenteurs de la majorité des actions privilégiées de série K.

3.6.6 *Droit de vote*

Si la Société est en défaut de payer huit dividendes consécutifs ou non consécutifs au titre des actions privilégiées de série K, les détenteurs d'actions privilégiées de série K auront le droit d'être convoqués et d'assister à chaque assemblée des actionnaires de la Société (autre qu'une assemblée distincte réservée aux détenteurs d'actions de la Société de toute autre catégorie ou série) tenue plus de 60 jours après la date du premier défaut de paiement, et d'y voter à raison d'un vote par action privilégiée de série K détenue, et ce, uniquement jusqu'à ce que tous les arrérages de dividendes au titre des actions privilégiées de série K aient été acquittés. Dans ce cas, les droits mentionnés précédemment dans le présent article 3.6.6 prendront fin et ne seront réouverts que lorsque la Société sera de nouveau en défaut, le cas échéant, conformément aux disposition du présent article 3.6.6.

Chaque action privilégiée de série K confère à son détenteur un vote par action détenue relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs d'actions privilégiées de série K, en tant que série.

3.6.7 *Émission d'actions privilégiées de premier rang additionnelles et modification des droits, privilèges, etc. des actions privilégiées de série K*

La Société pourra émettre des séries additionnelles d'actions privilégiées de premier rang ayant même rang que les actions privilégiées de série K sans l'autorisation des détenteurs d'actions privilégiées de série K.

Les dispositions propres aux actions privilégiées de série K peuvent être abrogées ou modifiées en tout temps moyennant l'approbation alors exigée par la Loi sur les sociétés par actions, donnée conformément aux dispositions de l'article 3.6.8

3.6.8 *Approbation des détenteurs d'actions privilégiées de série K*

Toute approbation des détenteurs d'actions privilégiées de série K sera valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de premier rang, en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.6.9 *Privilège de conversion*

Un détenteur d'actions privilégiées de série K détenant au moins 20 000 actions privilégiées de série K aura le droit, à son gré, de convertir le 31 mars 1994 (la «date de conversion») la totalité ou une partie de ses actions privilégiées de série K en actions privilégiées de premier rang à dividende cumulatif rachetables, série L (les «actions privilégiées de série L») d'après la base de conversion de 20 000 actions privilégiées de série K pour une action privilégiée de série L, sous réserve des dispositions des présentes. La conversion des

actions privilégiées de série K peut être effectuée en tout temps durant les heures d'affaires par la remise du ou des certificats les représentant, pas moins de trente (30) jours et pas plus de soixante (60) jours avant la date de conversion, au siège social de la Société ou à un bureau d'un agent de transfert de la Société où ces actions privilégiées de série K peuvent être transférées, au choix de l'actionnaire, ce ou ces certificats étant accompagnés : (1) du paiement ou d'un reçu attestant le paiement de l'impôt (s'il y a lieu), prévu au présent article 3.6.9; et (2) d'un bordereau de remise acceptable à la Société et dûment signé par le détenteur inscrit ou son fondé de pouvoir dûment autorisé par écrit, bordereau dans lequel ce détenteur peut indiquer qu'il veut convertir la totalité ou une partie seulement des actions privilégiées de série K représentées par ce ou ces certificats auquel cas la Société émettra et livrera, ou fera livrer à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série K qui n'auront pas été converties. Un détenteur d'actions privilégiées de série K à convertir n'aura droit à aucune fraction d'action au moment de la conversion, mais il aura droit de recevoir un nouveau certificat représentant le nombre d'actions privilégiées de série K restantes qui ne pourront être converties.

Aussitôt que possible lors de ou après la date de conversion, la Société émettra et livrera ou fera livrer au détenteur des actions privilégiées de série K ainsi remises, ou sur son ordre écrit, un ou plusieurs certificats en son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions privilégiées de série L entièrement libérées et non cotisables, et pour le nombre d'actions privilégiées de série K restantes, s'il en est, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux, à la date de conversion, de sorte que les droits du détenteur d'actions privilégiées de série K à ce titre cesseront à ce moment, et la ou les personnes ayant le droit de recevoir des actions privilégiées de série L en vertu de cette conversion seront à toutes fins considérées comme détenteurs inscrits desdites actions privilégiées de série L dès ce moment.

Le détenteur de toute action privilégiée de série K inscrit à la date d'inscription aux fins de tout dividende déclaré payable sur ladite action aura droit à ce dividende bien que l'action ait été convertie après cette date et avant celle du paiement de ce dividende.

L'émission de certificats d'actions privilégiées de série L au moment de la conversion d'actions privilégiées de série K s'effectuera sans frais pour les détenteurs ayant converti leurs actions privilégiées de série K, quant aux droits ou impôts concernant l'émission desdits certificats ou des actions privilégiées de série K qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes desdites actions privilégiées de série L ou des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison desdits certificats à une ou des personnes autres que le détenteur des actions privilégiées de série K converties; et la Société ne sera tenue d'émettre ou de livrer lesdits certificats que si la ou les personnes le lui demandant lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.6.10 *Choix quant à l'imposition*

La Société fera un choix, de la manière et dans les délais prescrits par l'article 191.2 de la *Loi de l'impôt sur le revenu* (Canada) ou par toute autre disposition de portée semblable remplaçant cet article ou lui succédant, et prendra toutes les autres mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun porteur d'actions privilégiées ne sera tenu de payer l'impôt sur les dividendes reçus au titre des actions privilégiées en vertu de l'article 187.2 de la Partie IV.1 de cette loi ou de toute autre disposition de portée semblable remplaçant cet article ou lui succédant.

3.6.11 *Interruption du service postal*

Si la Société considère que le service postal est ou est menacé d'être interrompu durant une période où la Société est tenue ou a décidé d'expédier un avis par la poste ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série K, soit relativement au rachat de telles actions ou autrement, ou tout certificat d'actions à un détenteur d'actions privilégiées de série L par suite de la conversion de ses actions privilégiées de série K, la Société pourra, nonobstant les dispositions des présentes :

- (a) donner ledit avis par voie de télex, télécopieur ou télégraphe ou encore par voie de publication de l'avis concerné une fois la semaine pour deux semaines consécutives dans un quotidien à grand tirage publié

ou distribué dans chacune des villes de Montréal et de Toronto, et cet avis sera réputé avoir été donné à la date à laquelle ce télex, télécopieur ou télégraphe a été donné ou à la date de sa première publication; et

(b) respecter son engagement à envoyer ledit chèque ou certificat d'actions en prenant des mesures pour que ces derniers soient livrés à la principale place d'affaires de la Société à Montréal et à Toronto. Ledit chèque et/ou certificat d'actions sera réputé avoir été envoyé à la date à laquelle l'avis concernant telle mesure aura été donné tel que stipulé au paragraphe (a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ledit chèque ou certificat d'actions soit, si cela n'a pas déjà été fait, livré au détenteur, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date d'envoi postal, était un détenteur inscrit et, à ce titre, était autorisée à recevoir ledit chèque ou certificat d'actions ou, si l'adresse de tout détenteur n'y est pas inscrite, à la dernière adresse de ce détenteur connue de la Société.

3.7 Actions privilégiées de série L

Les actions privilégiées de série L comportent, outre les droits, privilèges, restrictions et conditions propres aux actions privilégiées de catégorie A en tant que catégorie, les droits, privilèges, restrictions et conditions suivants :

3.7.1 PARTIE I

Tous les termes définis, utilisés dans la Partie I de l'article 3.7 et qui n'y sont pas définis, sont définis et ont la signification qui leur est attribuée à la Partie II de l'article 3.7.

3.7.1.1 Paiement des dividendes

(a) Pour la période initiale, les porteurs d'actions privilégiées de série L auront le droit de recevoir et la Société devra leur payer, pour autant qu'ils soient déclarés par les administrateurs de la Société, à même les fonds de la Société dûment affectés au paiement des dividendes, un dividende en espèces, privilégié, fixe et cumulatif. Le dividende initial au titre des actions privilégiées de série L s'accumulera à compter de la date d'émission originale des actions privilégiées de série L inclusivement, et sera payable le 30 juin 1994; le montant sera le montant énoncé à l'article 3.7.1.2(a) des présentes.

(b) Après l'expiration de la période initiale, pour chaque période de dividende comprise dans une période établie par la Société, les porteurs d'actions privilégiées de série L auront le droit de recevoir et la Société devra leur payer, pour autant qu'ils soient déclarés par les administrateurs de la Société, à même les fonds de la Société dûment affectés au paiement des dividendes, des dividendes trimestriels en espèces, privilégiés et cumulatifs, d'un montant fixé conformément aux dispositions de l'article 3.7.1.2(b) des présentes, et qui seront payables, pour chacune desdites périodes de dividende, à la date de paiement des dividendes suivant immédiatement la fin de cette période de dividende.

(c) Après l'expiration de la période initiale, pour chaque période de dividende comprise dans une période établie par le courtier, les porteurs d'actions privilégiées de série L auront le droit de recevoir et la Société devra leur payer, pour autant qu'ils soient déclarés par les administrateurs de la Société, à même les fonds de la Société dûment affectés au paiement des dividendes, des dividendes trimestriels en espèces, privilégiés et cumulatifs, d'un montant fixé conformément aux dispositions de l'article 3.7.1.2(c) des présentes, et qui seront payables, pour chacune de ces périodes de dividende, à la date de paiement des dividendes suivant immédiatement la fin de cette période de dividende.

(d) Après l'expiration de la période initiale, pour chaque période de dividende fixé à l'encan comprise dans une période d'encan, les porteurs d'actions privilégiées de série L inscrits dans le registre de valeurs mobilières de la Société à la date d'encan applicable auront le droit de recevoir et la Société devra leur payer, pour autant qu'ils soient déclarés par les administrateurs de la Société, à même les fonds de la Société dûment affectés au paiement des dividendes, des dividendes mensuels en espèces, privilégiés et cumulatifs, d'un montant fixé conformément aux dispositions de l'article 3.7.1.2(d) des présentes, et qui seront payables, pour chacune desdites périodes de dividende fixé à l'encan, à la date de paiement des dividendes fixés à l'encan qui suit immédiatement la fin de cette période de dividende fixé à l'encan.

Des chèques de la Société payables en monnaie ayant cours légal au Canada, arrondis au cent (0,01 \$) près, seront émis en paiement des dividendes au titre des actions privilégiées de série L (moins toute déduction ou retenue fiscale que la Société est tenue d'exiger et d'effectuer). La mise à la poste par courrier de première classe ordinaire affranchi non recommandé d'un tel chèque à un porteur inscrit d'actions privilégiées de série L, à l'adresse de ce porteur inscrit telle qu'elle apparaît au registre des valeurs mobilières de la Société ou alors, si l'adresse de ce porteur n'y est pas inscrite, à la dernière adresse connue de ce porteur, le ou avant le cinquième jour ouvrable précédant la date de paiement des dividendes applicable ou la livraison par la Société ou le directeur d'encan d'un tel chèque avant ou à la date de paiement des dividendes fixés à l'encan, selon le cas, constituera à toutes fins le paiement de ces dividendes et acquittera intégralement toute obligation au titre des dividendes payables à cette date de paiement des dividendes ou date de paiement des dividendes fixés à l'encan, jusqu'à concurrence du montant de ce chèque (plus le montant de toute déduction ou retenue fiscale exigée, effectuée et retenue à même ce paiement et remise aux autorités fiscales compétentes), sauf en cas de refus de paiement sur présentation du chèque concerné.

3.7.1.2 Montant des dividendes

(a) Le dividende à payer sur chaque action privilégiée de série L durant la période initiale sera d'un taux annuel de 7,75%, d'un montant de 9 687,50 \$ et sera payable le 30 juin 1994.

(b) Après l'expiration de la période initiale, pour chaque période de dividende incluse dans une période établie par la Société, le dividende devant être payé sur chaque action privilégiée de série L à la date de paiement des dividendes suivant immédiatement la fin de cette période de dividende sera le montant obtenu en multipliant 500 000 \$ par le taux de dividende trimestriel établi par la Société pour cette période de dividende.

(c) Après l'expiration de la période initiale, pour chaque période de dividende comprise dans une période établie par le courtier, le dividende devant être payé au titre de chaque action privilégiée de série L à la date de paiement des dividendes suivant immédiatement la fin de cette période de dividende sera le montant obtenu en multipliant 500 000 \$ par le taux de dividende trimestriel établi par le courtier pour cette période de dividende.

(d) Après l'expiration de la période initiale, pour chaque période de dividende fixé à l'encan comprise dans une période d'encan, le dividende devant être payé sur chaque action privilégiée de série L à la date de paiement des dividendes fixés à l'encan suivant immédiatement la fin de cette période de dividende fixé à l'encan sera établi comme suit :

(i) à la première date de paiement des dividendes fixés à l'encan suivant immédiatement la première période de dividende fixé à l'encan durant toute période d'encan, le dividende devant être payé sur chaque action privilégiée de série L sera le montant obtenu en multipliant (1) 500 000 \$ par (2) 75 % du taux des acceptations bancaires (tel que défini dans la Partie V des présentes), lorsque le taux des acceptations bancaires est établi le premier jour ouvrable de cette période de dividende fixé à l'encan, et par (3) le nombre de jours compris dans la première période de dividende fixé à l'encan, le tout divisé par 365; et

(ii) à la deuxième date de paiement des dividendes fixés à l'encan et aux suivantes, suivant immédiatement la fin de la deuxième période de dividende fixé à l'encan et des périodes de dividende fixé à l'encan subséquentes durant chaque période d'encan, le dividende devant être payé sur chaque action privilégiée de série L sera le montant obtenu en multipliant (1) 500 000 \$ par (2) le taux de dividende courant (ou tout autre taux annuel s'appliquant conformément à la Partie V des présentes) pour chaque période de dividende fixé à l'encan, établi à la date d'encan précédant immédiatement le commencement de ladite période de dividende fixé à l'encan et par (3) le nombre de jours de cette période de dividende fixé à l'encan, le tout divisé par 365.

(e) Après l'expiration de la période initiale, pour la première période de dividende comprise à l'intérieur d'une période établie par la Société ou d'une période établie par le courtier, suivant immédiatement dans les deux cas une période d'encan, le dividende devant être payé au titre de chaque action privilégiée de

série L à la date de paiement des dividendes suivant immédiatement la fin de cette période de dividende sera le montant obtenu en multipliant (1) 500 000 \$ par (2) quatre fois le taux de dividende trimestriel établi par la Société ou le taux de dividende trimestriel établi par le courtier, selon le cas, et par (3) le nombre de jours dans cette période de dividende, le tout divisé par 365.

3.7.1.3 Dividendes cumulatifs

Si à une date de paiement des dividendes donnée ou une date de paiement des dividendes fixés à l'encan, les dividendes accumulés à cette date ne sont pas payés entièrement sur toutes les actions privilégiées de série L en circulation, ces dividendes, ou la partie impayée de ceux-ci, seront payés à une date ou à des dates postérieures établies par les administrateurs de la Société, date(s) à laquelle ou auxquelles la Société devra avoir suffisamment de fonds dûment applicables au paiement de ces dividendes. Les porteurs d'actions privilégiées de série L n'auront droit à aucun dividende autre que les dividendes en espèces cumulatifs et préférentiels prévus aux présentes ni supérieur à ceux-ci.

3.7.1.4 Rachat

Les actions privilégiées de série L ne pourront pas être rachetées avant la fin de la période initiale. Sous réserve des dispositions de l'article 3.7.1.7, la Société peut, en donnant un avis tel que prévu ci-après, racheter en tout temps après l'expiration de la période initiale, en totalité ou à l'occasion en partie, les actions privilégiées de série L alors en circulation moyennant le paiement pour chaque action devant être rachetée, d'un montant égal à 500 000 \$ plus un montant égal à tous les dividendes accumulés et impayés jusqu'alors. Ce montant est aux présentes désigné par «prix de rachat». Si une partie seulement des actions privilégiées de série L en circulation devait être rachetée, les actions privilégiées de série L devant être rachetées le seront dans une proportion le plus près possible des actions détenues par chaque porteur d'actions privilégiées de série L. Toute action privilégiée de série L ainsi rachetée sera annulée et ne sera pas réémise.

3.7.1.5 Procédure de rachat

(a) La Société devra, au moins trente (30) jours avant la date fixée pour le rachat des actions privilégiées de série L, poster ou livrer à chaque personne qui, à la date de la mise à la poste, est un porteur inscrit d'actions privilégiées de série L visées par le rachat, un avis écrit indiquant l'intention de la Société de racheter ces actions privilégiées de série L. Nonobstant ce qui précède, si la Société donne avis de son intention de racheter des actions privilégiées de série L à une date de rachat (tel qu'elle est définie ci-après) qui tombe durant une période d'encan, cet avis devra être donné au moins 12 jours avant la date à laquelle le rachat doit avoir lieu, laquelle date doit, dans tous les cas, être une date de paiement des dividendes fixés à l'encan.

(b) L'avis de rachat devra préciser le prix de rachat et la date («date de rachat») à laquelle le rachat doit avoir lieu et, si une partie seulement des actions privilégiées de série L, détenues par la personne à laquelle cet avis est adressé, est visée par le rachat, l'avis devra mentionner le nombre d'actions visées par le rachat. La Société devra payer ou faire payer aux porteurs inscrits d'actions privilégiées de série L visées par le rachat, ou à leur ordre, le prix de rachat de ces actions sur présentation et remise, au lieu précisé dans l'avis de rachat, des certificats représentant les actions privilégiées de série L ainsi désignées aux fins de rachat. Ce paiement sera effectué au moyen d'un chèque de la Société et devra constituer à toutes fins le paiement de ce prix de rachat et acquittera intégralement toute obligation de la Société de payer le prix de rachat dû aux porteurs d'actions privilégiées de série L visées par le rachat jusqu'à concurrence du montant de ce chèque (plus le montant de toute déduction ou retenue fiscale exigée et effectuée à même ce paiement et remise aux autorités fiscales compétentes), sauf en cas de refus de paiement sur présentation des chèques concernés. Si une partie seulement de ces actions représentées par un certificat devait être rachetée, un nouveau certificat représentant les actions restantes non rachetées sera émis aux frais de la Société. À partir de la date de rachat et par après, les actions privilégiées de série L visées par le rachat cesseront de donner droit à des dividendes, et les porteurs de celles-ci n'auront plus aucun droit en qualité de porteurs de ces actions, sauf si le paiement du prix de rachat n'est pas fait sur présentation et remise conformément aux dispositions qui précèdent, auquel cas les droits des porteurs concernés demeureront inchangés. La Société aura, en tout temps après avoir donné avis de son intention de racheter des actions privilégiées de série L tel qu'il est précité, la faculté de déposer le prix de rachat des actions privilégiées de série L visées par le rachat (ou celles de ces actions représentées, le cas échéant, par des certificats qui n'auront pas à la date de ce dépôt été remis par les porteurs de ces actions en rapport avec ce rachat) dans un compte spécial de toute banque à charte ou société de fiducie au Canada mentionnée dans l'avis

de rachat ou dans tout avis subséquent donné aux porteurs des actions au titre desquelles le dépôt aura été fait, pourvu que le montant du dépôt dans ce compte soit payé aux porteurs de ces actions sur présentation et remise à la banque ou à la société de fiducie des certificats représentant ces actions. Le prix de rachat ainsi déposé sera payé à la date de rachat ou par après sans intérêt aux porteurs respectifs des actions privilégiées de série L visées par le rachat, ou à leur ordre. Au moment de ce dépôt ou à la date de rachat, selon la plus tardive de ces deux dates, les actions privilégiées de série L pour lesquelles ce dépôt aura été fait seront rachetées et seront réputées rachetées, et les droits des porteurs de ces actions après ce dépôt ou la date de rachat, selon le cas, se limiteront au droit de recevoir, sans intérêt, le prix de rachat de ces actions privilégiées de série L ainsi déposé (moins toute taxe devant être et étant en fait déduite et retenue à même ce dépôt) sur présentation et remise des certificats représentant les actions du porteur ainsi rachetées. Tout intérêt accordé sur un tel dépôt appartiendra à la Société ou, si le dépôt a été fait auprès de la Société.

Les fonds de rachat représentés par un chèque qui a été posté à un porteur inscrit conformément au présent article 3.7.1.5 et qui n'a pas été dûment présenté pour paiement, ou qui autrement demeure non réclamé (y compris les fonds placés en dépôt tel que mentionné plus haut) pour une période de 5 ans suivant la date de rachat, appartiendront à la Société.

3.7.1.6 Achat à des fins d'annulation

Sous réserve des dispositions de l'article 3.7.1.7, la Société aura en tout temps le droit d'acheter à l'occasion à des fins d'annulation, la totalité ou partie des actions privilégiées de série L en circulation de temps à autre au plus bas prix auquel, de l'avis des administrateurs, ces actions seront disponibles, mais sous réserve d'un prix maximal de 500 000 \$ l'action plus tous les dividendes accumulés et impayés ainsi que les frais d'achat.

3.7.1.7 Restrictions sur dividendes et remboursement d'actions

La Société ne pourra, sans l'approbation des porteurs d'actions privilégiées de série L en circulation :

- (a) déclarer, payer ni mettre de côté à des fins de paiement aucun dividende au titre des actions ordinaires ou de toute autre action de la Société de rang inférieur aux actions privilégiées de série L (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série L);
- (b) désigner à des fins de rachat, racheter, acheter ni autrement rembourser à titre onéreux des actions ordinaires ou d'autres actions de la Société de rang inférieur aux actions privilégiées de série L, ni procéder à aucune répartition de capital au titre de ces actions (sauf au moyen du produit net en espèces d'une émission, faite sensiblement à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série L);
- (c) désigner à des fins de rachat, racheter, acheter ni autrement rembourser à titre onéreux moins de la totalité des actions privilégiées de série L alors en circulation;
- (d) désigner à des fins de rachat, racheter, acheter ni autrement rembourser à titre onéreux aucune action de la Société de toute catégorie ou série de rang égal aux actions privilégiées de série L, sauf dans le cadre de l'exercice d'un privilège de rachat au gré du porteur afférent à toute autre série d'actions privilégiées de premier rang de la Société, pourvu que, pour éviter toute interprétation erronée, l'entente contenue dans le présent alinéa (d) ne limite ni ne vise aucune mesure de ce genre à l'égard de toute catégorie d'action de rang supérieur aux actions privilégiées de série L;

à moins que, dans chaque cas, tous les dividendes privilégiés et cumulatifs, accumulés au titre des actions privilégiées de série L en circulation, jusqu'à concurrence de et y compris le dividende payable à la date de paiement des dividendes immédiatement précédente inclusivement ou à la date de paiement des dividendes fixés à l'encan précédente inclusivement, selon le cas, n'aient été déclarés et payés.

Toute approbation des porteurs d'actions privilégiées de série L exigée en vertu du présent article 3.7.1.7 pourra être donnée conformément aux dispositions des articles 3.7.2.3 et 3.7.2.4 moyennant le vote favorable des porteurs de la majorité des actions privilégiées de série L.

3.7.1.8 Droits en cas de liquidation

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou forcé, ou de tout autre remboursement de capital ou répartition des éléments d'actif de la Société parmi ses actionnaires aux fins de liquider ses affaires, les porteurs d'actions privilégiées de série L auront le droit de recevoir, en monnaie ayant cours légal au Canada, 500 000 \$ l'action plus un montant égal à tous les dividendes privilégiés et cumulatifs, accumulés et impayés au titre de ces actions, qu'ils aient été ou non déclarés, calculés à la date de paiement ou de répartition concernée, le tout devant être acquitté avant que quelque montant ne soit payé ou quelque bien ou élément d'actif de la Société ne soit réparti parmi les porteurs d'actions ordinaires de la Société ou d'autres actions de rang inférieur aux actions privilégiées de série L. Une fois acquittés les montants qui leur sont ainsi payables, les porteurs inscrits d'actions privilégiées de série L ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.7.2 PARTIE II

3.7.2.1 Interprétation et application des Parties I, III, IV et V

(a) Aux fins des présentes, y compris les Parties I, III, IV et V, les expressions suivantes sont définies comme suit :

- (i) «date de paiement des dividendes fixés à l'encan» a la signification qui lui est attribuée à la Partie V des présentes;
- (ii) «période de dividende fixé à l'encan» a la signification qui lui est attribuée à la Partie V des présentes;
- (iii) «procédure d'encan» désigne la procédure décrite à la Partie V des présentes aux fins de déterminer le taux de dividende s'appliquant aux actions privilégiées de série L de temps à autre au cours d'une période d'encan;
- (iv) «période d'encan» et «Date d'encan» ont les significations respectives qui leur sont attribuées à la Partie V des présentes;
- (v) «jour ouvrable» a la signification qui lui est attribuée à la Partie V des présentes;
- (vi) «taux de dividende trimestriel établi par la Société» a la signification qui lui est attribuée à la Partie III des présentes;
- (vii) «période établie par la Société» a la signification qui lui est attribuée à la Partie III des présentes;
- (viii) «taux de dividende courant» a la signification qui lui est attribuée à la Partie V des présentes;
- (ix) «taux de dividende trimestriel établi par le courtier» a la signification qui lui est attribuée à la Partie IV des présentes;
- (x) «période établie par le courtier» a la signification qui lui est attribuée à la Partie IV des présentes;
- (xi) «date de paiement des dividendes» désigne le dernier jour de chacun des mois de mars, juin, septembre et décembre de chaque année;
- (xii) «période de dividende» désigne, au titre de la période initiale, la période à compter de la date d'émission des actions privilégiées de série L inclusivement jusqu'à la première date de paiement des dividendes exclusivement et, par la suite, la période à

compter de chaque date de paiement des dividendes inclusivement jusqu'à la date de paiement des dividendes qui suit immédiatement, exclusivement. Cette définition s'applique sauf en ce qui concerne la première période de dividende suivant une période d'encan, auquel cas la période de dividende désigne la période à compter de la date de règlement la plus récente, inclusivement, au cours de la période d'encan jusqu'à la date de paiement des dividendes immédiatement suivante exclusivement, ladite date tombant au moins trois mois civils après ladite date de règlement;

- (xiii) «période initiale» désigne la période débutant à la date d'émission des actions privilégiées de série L et se terminant le 30 juin 1994 exclusivement;
- (xiv) les termes «de rang supérieur», «de rang égal», «de rang inférieur» et tous les termes analogues, qu'ils soient utilisés séparément ou conjointement, font référence à l'ordre de priorité accordé aux actions de diverses catégories et séries en matière de paiement des dividendes et de répartition des éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou forcé, ou de tout autre remboursement de capital ou répartition des éléments d'actif de la Société parmi ses actionnaires aux fins de liquider ses affaires; et
- (xv) «date de règlement» a la signification qui lui est attribuée à la Partie V des présentes.

(b) Advenant le cas où tout dividende payable par la Société sur les actions privilégiées de série L devienne dû à une date autre que celle d'un jour ouvrable ou que la Société doive prendre toute autre mesure en vertu des présentes à cette même date, ledit dividende sera payable ou les mesures qui s'imposent seront prises le jour ouvrable suivant.

(c) Advenant le cas où le porteur d'actions privilégiées de série L ne recevrait pas un chèque qui lui est dû, ou que ledit chèque serait perdu ou détruit, la Société émettra un nouveau chèque qui remplacera l'original et sera au même montant que ce dernier et ce, après avoir reçu la preuve raisonnable que ledit chèque n'a pas été reçu, a été perdu ou détruit et sous réserve d'une garantie de dédommagement jugée raisonnable et satisfaisante par la Société.

(d) Les dispositions de la Partie III des présentes, relativement à l'établissement d'un taux de dividende trimestriel établi par la Société pour une période établie par la Société, pourront être utilisées par la Société, au plus tôt durant la période s'échelonnant entre 45 et 60 jours avant l'expiration de la période initiale et, par la suite, pourront être utilisées par la Société de temps à autre au cours d'une période établie par la Société ou d'une période établie par le courtier ou de toute période de dividende fixé à l'encan, selon le cas, sous réserve que, dans de telles circonstances, lesdites dispositions ne sont pas utilisées avant au moins 45 jours et au plus 60 jours avant la fin de la période établie par la Société, de la période établie par le courtier qui aura alors cours ou au moins 20 jours et au plus tard 25 jours avant la fin de la période de dividende fixé à l'encan, selon le cas.

(e) Les dispositions de la Partie IV des présentes, relativement à la sollicitation d'offres de courtiers dans le but d'établir un taux de dividende trimestriel établi par le courtier pour une période établie par le courtier, pourront être utilisées par la Société, au plus tôt 30 jours avant l'expiration de la période initiale et, par la suite, de temps à autre au cours d'une période établie par la Société ou d'une période établie par le courtier ou de toute période de dividende fixé à l'encan, selon le cas, sous réserve que, dans de telles circonstances, lesdites dispositions ne soient pas utilisées en deçà de 30 jours avant la fin de la période établie par la Société, de la période établie par le courtier ou qu'elles ne soient pas utilisées en deçà de 12 jours précédant la période de dividende fixé à l'encan pertinente, selon le cas.

(f) Les dispositions de la Partie V des présentes s'appliqueront à compter de la fin de la période initiale ainsi que de la fin de toute période établie par la Société ou de toute période établie par le courtier ou de toute période de dividende fixé à l'encan, selon le cas, à moins qu'à une telle période, les dispositions de la Partie III ou de la Partie IV des présentes ne soient mises complètement à exécution conformément aux modalités desdites Parties.

(g) Aux fins des présentes, y compris des Parties I, III, IV et V, l'expression «dividendes accumulés et impayés» désigne la somme de (i) tous les dividendes impayés au titre des actions privilégiées de

série L à l'égard de la date de paiement des dividendes pour toute période de dividende complétée et à la date de paiement des dividendes fixés à l'encan pour toute période de dividende fixé à l'encan, et (ii) du montant calculé comme si les dividendes au titre de chaque action privilégiée de série L s'étaient accumulés quotidiennement de manière conforme à l'article 3.7.1.2 des présentes, à compter de et incluant la date qui suit immédiatement la période de dividende ou la période de paiement des dividendes fixés à l'encan complétée la plus récente jusqu'à la date à laquelle le calcul des dividendes accumulés doit être effectué, en excluant cette date, pourvu que, aux fins de calculer les dividendes accumulés et impayés payables (x) à la date de rachat advenant que l'avis de rachat des actions privilégiées de série L ait été donné conformément aux dispositions de l'article 3.7.1.5 ou (y) à la date pertinente aux fins de l'article 3.7.1.8, le taux préférentiel moyen, s'il s'applique au calcul du taux de dividende trimestriel établi par la Société pour une période établie par la Société, ou pour le calcul du taux de dividende trimestriel établi par le courtier pour une période établie par le courtier, soit pour la période de 90 jours se terminant un jour qui tombe au plus tard 7 jours avant la date à laquelle l'avis de rachat écrit est donné conformément aux dispositions de l'article 3.7.1.5 ou à la date pertinente aux fins de l'article 3.7.1.8, selon le cas.

3.7.2.2 *Avis*

(a) Tout avis ou autre information de la part de la Société mentionné dans la présente Partie, y compris sans restriction tout avis de rachat, sera par écrit et sera valablement donné à toutes fins s'il est livré en mains propres ou envoyé par courrier de première classe ordinaire affranchi non recommandé aux porteurs des actions privilégiées de série L à leurs adresses respectives telles qu'elles sont inscrites dans le registre des valeurs mobilières de la Société ou encore, si l'adresse de tout porteur n'y est pas inscrite, à la dernière adresse de ce porteur connue de la Société. En outre, tout avis ou autre communication de la Société au cours d'une période d'encan ou un avis de l'intention de la Société de racheter les actions privilégiées de série L un jour qui tombe durant la période d'encan sera également donné par télex, télécopieur ou télégraphe. Tout défaut ou omission accidentel de donner tout avis ou toute information à l'un ou à plusieurs des porteurs d'actions privilégiées de série L ne portera aucune atteinte à la validité des avis ou autres informations qui auront été valablement donnés, ni à la validité de quelque mesure, y compris le rachat de la totalité ou d'une partie des actions privilégiées de série L, prise conformément à tout avis ou information valablement donné, étant entendu que, dès que tel défaut ou omission sera découvert, les avis ou informations, selon le cas, qui n'auront pas été ainsi donnés seront envoyés sans délai au(x) porteur(s) et seront réputés être aussi valides que s'ils avaient été envoyés dans les délais prescrits.

(b) Si la Société considère que le service postal est ou est menacé d'être interrompu durant une période où la Société est tenue ou a décidé d'expédier quelque avis par la poste en vertu des présentes ou doit envoyer un chèque ou un certificat d'actions à tout porteur d'actions privilégiées de série L, relativement au rachat de telles actions ou pour une autre raison, la Société pourra, nonobstant les dispositions des présentes :

- (i) donner ledit avis par voie de télex, télécopieur ou télégraphe ou encore par voie de publication de l'avis concerné une fois la semaine pour deux semaines consécutives dans un quotidien à grand tirage publié ou distribué dans chacune des villes de Montréal et de Toronto, et cet avis sera réputé avoir été donné à la date à laquelle ce télex, télécopieur ou télégraphe a été donné ou à la date de sa première publication; et
- (ii) respecter son engagement à envoyer ledit chèque ou certificat d'actions en prenant des mesures pour que ces derniers soient livrés à la principale place d'affaires de la Société à Montréal et à Toronto. Ledit chèque et/ou certificat d'actions sera réputé avoir été envoyé à la date à laquelle l'avis concernant telle mesure aura été donné tel que stipulé à l'alinéa (i) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ledit chèque ou certificat d'actions soit, si cela n'a pas déjà été fait, livré au porteur par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date d'envoi postal, était un porteur inscrit et, à ce titre, était autorisée à recevoir ledit chèque ou certificat d'actions, si l'adresse de tout porteur n'y est pas inscrite, à la dernière adresse de ce porteur connue de la Société.

3.7.2.3 Droits de vote

Chaque action privilégiée de série L conférera à son porteur 5 000 voix aux fins de toute mesure à prendre par la Société et exigeant l'approbation des porteurs d'actions privilégiées de série L, votant en tant que série, ou celle des porteurs d'actions privilégiées de premier rang, votant en tant que catégorie.

3.7.2.4 Modifications

Les dispositions propres aux actions privilégiées de série L pourront être abrogées, modifiées ou amendées à l'occasion, sous réserve des approbations alors exigées par la Loi sur les sociétés par actions (Canada) et données conformément aux dispositions de l'article 3.7.2.5.

3.7.2.5 Approbation des porteurs d'actions privilégiées de série L

Toute approbation des porteurs d'actions privilégiées de série L sera réputée avoir été valablement donnée si elle est donnée par les porteurs d'actions privilégiées de série L conformément aux dispositions propres aux actions privilégiées de premier rang, en tant que catégorie, lesquelles dispositions s'appliqueront avec les adaptations nécessaires.

3.7.2.6 Choix quant à l'imposition

La Société fera un choix, de la manière et dans les délais prescrits par l'article 191.2 de la *Loi de l'impôt sur le revenu* (Canada) ou par toute autre disposition de portée semblable remplaçant cet article ou lui succédant, et prendra toutes les autres mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun porteur d'actions privilégiées de série L ne sera tenu de payer l'impôt sur les dividendes reçus au titre des actions privilégiées de série L en vertu de l'article 187.2 de la Partie IV.1 de cette loi ou de toute autre disposition de portée semblable remplaçant cet article ou lui succédant.

3.7.3 PARTIE III PROCÉDURE RELATIVE AU TAUX ÉTABLI PAR LA SOCIÉTÉ

3.7.3.1 Définitions

- (a) «taux préférentiel quotidien moyen» a la signification qui lui est attribuée à la Partie IV des présentes;
- (b) «taux préférentiel moyen» a la signification qui lui est attribuée à la Partie IV des présentes;
- (c) «taux des acceptations bancaires» à l'égard de quelque journée que ce soit a la signification qui lui est attribuée à l'article 3.7.5.1(ff) de la Partie V des présentes, pourvu toutefois qu'aux fins de la présente Partie III toute mention à l'article 3.7.5.1(ff) de la Partie V relativement : (i) à la «date d'encan précédant immédiatement la période de dividende fixé à l'encan» soit réputée désigner la date pertinente servant à déterminer le taux de dividende trimestriel établi par la Société; (ii) aux acceptations bancaires à 30 jours soit réputée désigner des acceptations bancaires à trois mois; et (iii) aux bons du Trésor du Gouvernement du Canada arrivant à échéance aussi près que possible de 30 jours après ladite date d'encan soit réputée désigner les bons du Trésor du Gouvernement du Canada arrivant à échéance aussi près que possible de trois mois après ladite date de détermination pertinente;
- (d) «banque» a la signification qui lui est attribuée à la Partie IV des présentes;
- (e) «pourcentage établi par la Société» désigne un pourcentage du taux préférentiel moyen ou du taux des acceptations bancaires devant être choisi par la Société et indiqué à l'avis mentionné à l'article 3.7.3.2 de la présente Partie III.

(f) «taux de dividende trimestriel établi par la Société» désigne le quart du taux de dividende annuel fixé par la Société et indique dans son avis émis conformément à l'article 3.7.3.2 de la présente Partie III, en l'occurrence l'une des trois options suivantes :

- (i) le pourcentage établi par la Société, du taux préférentiel moyen fixé trimestriellement à l'égard de chaque date de paiement des dividendes suivant immédiatement la période de dividende au titre de laquelle ce calcul est effectué. Celui-ci devra être exécuté en tenant compte du taux préférentiel moyen pour la période de trois mois civils se terminant le dernier jour du mois civil précédant le mois durant lequel tombe la date de paiement des dividendes au titre de laquelle le calcul est effectué;
- (ii) le pourcentage établi par la Société, du taux des acceptations bancaires fixé au premier jour ouvrable de la période de dividende au titre de laquelle ledit calcul est effectué; ou
- (iii) un pourcentage annuel fixe.

(g) «période établie par la Société» désigne une période, choisie par la Société, et comprenant une ou plusieurs périodes de dividende consécutives qui débute à une date de paiement des dividendes ou à une date de règlement, le ou après le 30 juin 1994 et se termine le dernier jour de la dernière période de dividende choisie par la Société et que visent les dispositions de la présente Partie III aux fins du calcul du dividende à verser à chaque date de paiement de dividendes relativement à ladite période, pour autant que cette période ainsi que le taux de dividende s'y rapportant aient été approuvés par les porteurs des actions privilégiées de série L conformément à l'article 3.7.3.3 de la présente Partie III; et

(h) «taux préférentiel quotidien» a la signification qui lui est attribuée à la Partie IV des présentes;

Tous les termes définis aux Parties IV et V des présentes et qui sont employés mais non définis à la présente Partie III ont la signification qui leur est attribuée à la Partie IV ou à la Partie V, selon le cas.

3.7.3.2 Établissement du nouveau taux de dividende

Au moins 45 mais pas plus de 60 jours avant l'expiration de la période initiale ou de l'une ou l'autre de la période établie par la Société ou de la période établie par le courtier alors en vigueur ou au moins 20 jours et au plus 25 jours avant la fin de la période de dividende fixé à l'encan pertinente, selon le cas, la Société pourra aviser les porteurs d'actions privilégiées de série L du taux de dividende trimestriel établi par la Société qui est proposé pour une période établie par la Société. Cet avis devra également indiquer aux porteurs ce qui suit, à savoir :

- (i) préciser la date à laquelle chaque porteur doit aviser la Société par écrit de son acceptation du taux de dividende trimestriel établi par la Société et de la période établie par la Société et proposés par cette dernière, si ce porteur a l'intention d'accepter ces modalités. La date indiquée devra être au moins 35 jours avant l'expiration de la période initiale ou de la période établie par la Société ou de la période établie par le courtier alors en vigueur ou au moins 15 jours avant la période de dividende fixé à l'encan pertinente, selon le cas; et
- (ii) préciser que le taux de dividende trimestriel établi par la Société de même que la période établie par la Société qui est proposée par la Société ne prendront effet aux fins du calcul des dividendes à verser aux dates de paiement des dividendes relativement aux périodes de dividende se situant dans cette période établie par la Société qui est proposée que si tous les porteurs d'actions privilégiées de série L sont en accord avec les modalités ou dispositions prévues.

3.7.3.3 *Approbation du Taux de dividende trimestriel établi par la Société*

Si,

- (i) à l'expiration du délai prévu à l'alinéa (i) de l'article 3.7.3.2 de la présente Partie III, tous les porteurs d'actions privilégiées de série L ont approuvé, par avis écrit adressé à la Société, le taux de dividende trimestriel établi par la Société de même que la période établie par la Société; et
- (ii) au moins 30 jours avant l'expiration de la période initiale ou de l'une ou l'autre de la période établie par la Société ou de la période établie par le courtier alors en vigueur ou au moins 12 jours avant la fin de la période de dividende fixé à l'encan pertinente, selon le cas, la Société a avisé tous lesdits actionnaires que tous ceux-ci sont en accord avec les dispositions qu'elle propose;

ce taux de dividende trimestriel établi par la Société et cette période établie par la Société ne prendront effet aux fins du calcul du dividende à verser, de temps à autre, aux porteurs d'actions privilégiées de série L sur chacune des actions privilégiées de série L, à chaque date de paiement des dividendes pour les périodes de dividende prévues dans la période établie par la Société.

3.7.3.4 *Dispositions générales*

En cas d'incohérence, d'ambiguïté ou de doute dans l'interprétation ou dans l'application de la procédure établie à la présente Partie, les administrateurs de la Société (ou une ou plusieurs personnes qu'ils désigneront) pourront, de la manière déterminée à leur seule discrétion, interpréter cette procédure afin d'éliminer cette incohérence, cette ambiguïté ou ce doute. Une telle détermination attestée par un certificat du Secrétaire de la Société sera définitive. Un exemplaire de ce certificat sera remis à tout porteur d'actions privilégiées de série L qui en fera la demande.

3.7.4 *PARTIE IV* ***PROCÉDURE RELATIVE AUX OFFRES DE COURTIERS***

3.7.4.1 *Définitions*

(a) «taux préférentiel quotidien moyen» désigne, pour une journée donnée, la moyenne arithmétique arrondie au centième d'un pour cent près (0,01 %) des taux préférentiels quotidiens des banques pour la journée en question. Si, toutefois, l'une ou deux de ces banques ne devaient afficher aucun taux préférentiel quotidien lors de la journée en cause, le taux préférentiel quotidien moyen pour ladite journée sera le taux préférentiel quotidien de l'autre banque ou la moyenne des taux préférentiels quotidiens des deux autres banques, selon le cas. Advenant le cas où aucune des banques n'afficherait de taux préférentiel quotidien, le taux préférentiel quotidien pour la journée en question portera une valeur de 1,5 % de plus que le rendement annuel moyen des bons du Trésor du Gouvernement du Canada à 91 jours tel qu'annoncé par la Banque du Canada au titre de sa soumission hebdomadaire la plus récente précédant la journée en cause;

(b) «taux préférentiel moyen» désigne, à l'égard de toute période d'une ou de plusieurs journées, la moyenne arithmétique arrondie au centième d'un pour cent près (0,01 %) du taux préférentiel quotidien moyen établi pour chaque journée de la période en cause;

(c) «taux des acceptations bancaires» à l'égard de quelque journée que ce soit a la signification qui lui est attribuée à l'article 3.7.5.1(ff) de la Partie V des présentes, pourvu toutefois qu'aux fins de la Partie IV toute mention à l'article 3.7.5.1(ff) de la Partie V du terme (i) à la «date d'encan précédant immédiatement la période de dividende fixé à l'encan» soit réputée désigner la date servant à déterminer le taux de dividende trimestriel établi par le courtier; (ii) «acceptations bancaires à 30 jours» soit réputée désigner des acceptations bancaires à trois mois; et (iii) «bons du Trésor du Gouvernement du Canada échéant aussi près que possible de 30 jours après ladite date d'encan» soit réputée désigner les bons du Trésor du Gouvernement du Canada possible de trois mois après ladite date de détermination pertinente;

(d) «banques» désigne collectivement La Banque Royale du Canada, la Banque de Montréal de même que La Banque Toronto-Dominion et le terme «banque» désigne l'une d'elles. Aux fins de la présente définition le terme «banques» est réputé désigner toute banque avec laquelle l'une ou l'autre des banques nommées ci-dessus pourrait fusionner ou toute autre banque qui prendrait en main les affaires de l'une ou l'autre des banques indiquées ci-dessus;

(e) «taux préférentiel quotidien» désigne pour toute banque à l'égard de quelque journée que ce soit, le taux d'intérêt préférentiel commercial annuel établi et annoncé comme le taux d'intérêt de référence employé par ladite banque durant la journée en cause pour établir le taux d'intérêt qu'elle appliquera sur des prêts en dollars canadiens à des clients canadiens, ce taux étant désigné par cette banque comme son taux préférentiel;

(f) «courtiers» désigne tout courtier en valeurs mobilières inscrit ou toute autre personne morale ou physique autorisée par la loi à assumer les fonctions incombant à un courtier en valeurs mobilières en vertu de la présente Partie IV;

(g) «pourcentage établi par le courtier» désigne le pourcentage du taux préférentiel moyen ou du taux des acceptations bancaires devant être choisi par chaque courtier et indiqué à chaque offre de courtier conformément à l'article 3.7.4.2(b) de la présente Partie IV;

(h) «taux de dividende trimestriel établi par le courtier» désigne le quart du taux de dividende annuel spécifié par le courtier aux termes de l'offre de courtier acceptée, en l'occurrence l'une des options suivantes, à savoir :

- (i) le pourcentage établi par le courtier du taux préférentiel moyen fixé trimestriellement à l'égard de chaque date de paiement des dividendes suivant immédiatement la période de dividende au titre de laquelle ce calcul est effectué. Celui-ci devra être exécuté en tenant compte du taux préférentiel moyen pour la période de trois mois civils se terminant le dernier jour du mois précédant le mois durant lequel tombe la date de paiement des dividendes au titre de laquelle le calcul est effectué;
- (ii) le pourcentage établi par le courtier du taux des acceptations bancaires fixé au premier jour ouvrable de la période de dividende au titre de laquelle ledit calcul est effectué; ou
- (iii) un pourcentage annuel fixe.

(i) «période établie par le courtier» désigne une période choisie par un courtier et comprenant une ou plusieurs périodes de dividende consécutives débutant à une date de paiement des dividendes ou à une date de règlement, le ou après le 30 juin 1994, et se terminant le dernier jour de la dernière période de dividende choisie par le courtier. Le calcul du dividende à verser à chaque date de paiement des dividendes relativement à telle période devra être effectué conformément aux dispositions de la présente Partie IV;

(j) «offre de courtier» désigne toute offre irrévocable et sans réserve déposée par écrit par un courtier suite à un avis d'appel d'offres visant l'achat de toutes les actions privilégiées de série L à la date d'expiration de la période initiale ou de l'une ou l'autre de la période établie par la Société ou de la période établie par le courtier alors en vigueur ou de toute période de dividende fixé à l'encan, le cas échéant, et ce, à un prix d'achat par action privilégiée de série L égal à 500 000 \$. L'offre de courtier devra comprendre en outre tous les renseignements indiqués à l'article 3.7.4.2(b) de la présente Partie IV;

(k) «date de réponse du courtier» a la signification qui lui est attribuée l'article 3.7.4.2(a) de la présente Partie IV;

(l) «avis d'appel d'offres» désigne un avis de la Société adressé à un ou plusieurs courtiers invitant ceux-ci à déposer des offres de courtier de la manière prévue à l'article 3.7.4.2(a) de la présente Partie IV; et

(m) «avis aux porteurs» désigne un avis de la Société adressé aux porteurs des actions privilégiées de série L les informant de l'acceptation d'une offre de courtier tel que prévu à l'article 3.7.4.2(d) de la présente Partie IV.

Tous les termes définis à la Partie V des présentes et qui sont employés mais non définis à la présente Partie IV portent la signification qui leur est attribuée à la Partie V.

3.7.4.2 Offres de courtiers

(a) Au moins 25 jours mais pas plus de 30 jours avant l'expiration de la période initiale, au moins 25 jours et pas plus de 30 jours avant la fin de la période établie par la Société ou de la période établie par le courtier et au moins 10 jours mais pas plus de 13 jours avant la fin de la période de dividende fixé à l'encan pertinente, selon le cas, la Société pourra solliciter auprès d'un ou plusieurs courtiers des offres pour l'achat de la totalité des actions privilégiées de série L. Cette sollicitation fera l'objet d'un avis («Avis d'appel d'offres») lequel devra être adressé par la Société à ces courtiers et devra :

- (i) inviter chaque courtier à présenter une offre de courtier à la Société; et
- (ii) préciser une date, qui ne tombera pas plus de 10 jours suivant l'envoi de cet avis, sauf si cet avis est donné durant une période de dividende fixé à l'encan, auquel cas la date précisée sera au plus 5 jours suivant l'envoi de cet avis, à laquelle une telle offre devra parvenir à la Société («Date de réponse du courtier»).

(b) Chaque courtier qui recevra un avis d'appel d'offres pourra présenter une offre de courtier pourvu qu'il le fasse au plus tard à la date de réponse du courtier et pourvu que son offre de courtier comporte les précisions suivantes, à savoir :

- (i) un taux de dividende trimestriel établi par le courtier et sauf dans les cas d'un taux fixe, un pourcentage établi par le courtier du taux préférentiel moyen ou du taux des acceptations bancaires, selon le cas;
- (ii) une période établie par le courtier au titre de laquelle s'appliquera le taux de dividende trimestriel établi par le courtier et mentionné à l'alinéa (i) du présent article 3.7.4.2(b); et
- (iii) le montant des honoraires devant être payés par la Société au courtier relativement à l'achat des actions privilégiées de série L conformément à l'offre de courtier.

(c) Si la Société désire accepter une offre de courtier, elle devra signifier par avis écrit au courtier concerné l'acceptation de son offre et ce, au plus tard 15 jours avant l'expiration de la période initiale ou de la période établie par la Société, la période établie par le courtier alors en vigueur ou au moins 5 jours avant la fin de la période de dividende fixé à l'encan pertinente, selon le cas (l'«offre de courtier acceptée»). Le courtier dont l'offre de courtier est acceptée devra acheter la totalité des actions privilégiées de série L non conservées par les porteurs actuels le jour d'expiration de la période initiale ou de la période établie par la Société ou de la période établie par le courtier alors en vigueur ou de la période de dividende fixé à l'encan, selon le cas, selon les modalités et sous réserve des dispositions de l'offre de courtier acceptée.

(d) En acceptant l'offre de courtier, la Société devra, dans tous les cas au plus tard 15 jours avant l'expiration de la période initiale ou de la période établie par la Société ou de la période établie par le courtier alors en vigueur ou au plus tard 5 jours avant la fin de la période de dividende fixé à l'encan pertinente, selon le cas, aviser (un «avis aux porteurs») chaque porteur actuel des actions privilégiées de série L qu'elle a accepté l'offre de courtier. Tel avis de la part de la Société devra :

- (i) préciser le taux de dividende trimestriel établi par le courtier qui s'appliquera aux actions privilégiées de série L;

- (ii) préciser la période établie par le courtier à laquelle s'appliquera le taux de dividende trimestriel établi par le courtier et mentionné à l'alinéa (i) du présent article 3.7.4.2(d);
- (iii) aviser chacun des porteurs de son droit de vendre la totalité ou partie des actions privilégiées de série L alors en sa possession audit courtier ou de conserver la totalité ou partie de ces actions;
- (iv) aviser chacun des porteurs de la date qui tombera au plus tard le sixième jour avant l'expiration de la période initiale ou de la période établie par la Société ou de la période établie par le courtier alors en vigueur ou (au plus tard le deuxième jour avant l'expiration de la période de dividende fixé à l'encan pertinente, selon le cas) à laquelle ce porteur est tenu d'aviser par écrit la Société de même que le courtier dont l'offre de courtier est acceptée de sa décision de vendre la totalité ou partie des actions privilégiées de série L alors en sa possession et ce, conformément aux dispositions de l'article 3.7.4.2(e) de la présente Partie IV; et
- (v) identifier le courtier dont l'offre de courtier est acceptée.

(e) Sur réception de l'avis aux porteurs, tout porteur actuel d'actions privilégiées de série L aura l'option de vendre celles-ci conformément aux dispositions prévues à l'avis aux porteurs en avisant la Société par écrit de sa décision de même que du nombre d'actions qu'il désire vendre. Chaque porteur d'actions privilégiées de série L qui choisit de vendre la totalité ou partie de ses actions privilégiées de série L alors en sa possession devra déposer, auprès de la Société, accompagnés de cet avis, le certificat ou les certificats représentant les actions privilégiées de série L qu'il désire vendre (la case de transfert de chacun des certificats étant dûment remplie et signée, ou, autrement, accompagnés d'une procuration dûment remplie et signée pour le transfert des actions) au siège social de la Société ou à tout autre endroit où les actions privilégiées de série L peuvent être transférées, ou enfin à tout autre endroit au Canada signifié aux porteurs des actions privilégiées de série L par la Société dans son avis aux porteurs. Tout porteur d'actions privilégiées de série L désirant vendre une partie seulement des actions représentées par un ou plusieurs certificats pourra déposer celui-ci ou ceux-ci, selon le cas, auprès de la Société de la manière prévue ci-dessus. Dans ce cas, la Société devra, à ses frais, émettre et livrer à ce porteur un nouveau certificat d'actions représentant les actions privilégiées de série L ne faisant pas l'objet de la vente. Tout porteur d'actions privilégiées de série L qui ne donne pas suite à l'avis aux porteurs avant la date prévue sera réputé avoir choisi de conserver la totalité des actions privilégiées de série L alors en sa possession et ce, conformément aux modalités et aux dispositions relativement au taux de dividende trimestriel établi par le courtier ainsi qu'à la période établie par le courtier tel que prévu à l'avis aux porteurs. La Société disposera de tous les pouvoirs et de toute l'autorité nécessaire pour trancher la question du caractère adéquat des documents de transfert et questions connexes portant sur la vente d'actions par un porteur actuel à un courtier en vertu des présentes. Au cas où la Société jugerait un document de transfert incomplet ou non exécutoire, sa décision liera le courtier en cause de même que tout porteur désirant vendre la totalité ou partie de ses actions privilégiées de série L conformément aux dispositions de la présente Partie IV.

(f) Au moins un jour ouvrable avant la fin de la période initiale ou de la période établie par la Société ou de la période établie par le courtier alors en vigueur ou toute période de dividende fixé à l'encan, selon le cas, la Société avisera le courtier présentant l'offre de courtier acceptée, du nombre d'actions devant être achetées par ce courtier conformément à l'article 3.7.4.2(e) de la présente Partie IV, ainsi que de l'identité du vendeur ou des vendeurs de ces actions.

(g) À la date d'expiration de la période initiale ou de la période établie par la Société ou de la période établie par le courtier ou à la date de règlement qui suit immédiatement l'expiration de la période de dividende fixé à l'encan pertinente, selon le cas, le courtier présentant l'offre acceptée achètera des porteurs tel qu'indiqué à l'article 3.7.4.2(f) de la présente Partie IV, les actions privilégiées de série L au prix d'achat stipulé à l'article 3.7.4.1(j) de la présente Partie IV. Aux fins de compléter tel achat et en tant qu'agent des vendeurs indiqués à l'article 3.7.4.2(f) de la présente Partie IV, le courtier présentant l'offre de courtier acceptée déposera au siège social de la Société, avant ou à midi (12h00), heure de Montréal, à la date ci-haut mentionnée, un chèque certifié payable à la Société pour un montant égal au prix d'achat total des actions privilégiées de série L devant être achetées conformément à l'article 3.7.4.2(g) et fournira à la Société des directives ayant trait aux modalités d'inscription à l'égard des actions privilégiées de série L devant être achetées. Sur réception dudit

chèque certifié tel que ci-haut mentionné, la Société livrera aux vendeurs, à son siège social, des chèques payables à ces derniers en paiement du prix d'achat desdites actions privilégiées de série L.

3.7.4.3 Cessation de l'application

Nonobstant l'acceptation de l'offre de courtier prévue à la présente Partie IV, la Société pourra aviser les porteurs qu'elle n'entend pas appliquer le taux de dividende trimestriel établi par le courtier ni la période établie par le courtier tel que stipulé dans l'avis aux porteurs, pourvu que tel avis soit donné aux porteurs actuels par la Société au plus tard à la date d'expiration de la période initiale ou de la période établie par la Société ou de la période établie par le courtier alors en vigueur ou de la période de dividende fixé à l'encan pertinente, selon le cas. Dans de telles circonstances, les dispositions de la Partie V des présentes seront appliquées conformément à cette Partie et, pour éviter toute interprétation erronée, le courtier dont l'offre de courtier a été acceptée ne sera tenu d'acheter aucune action privilégiée de série L conformément à ladite offre de courtier. Tout avis de cette nature ne limitera ni ne portera atteinte en aucun cas au droit de la Société, avant l'expiration de toute autre période établie par la Société ou toute période établie par le courtier, ou de toute autre période de dividende fixé à l'encan subséquente, selon le cas, d'appliquer les dispositions de la présente Partie IV en envoyant un avis d'appel d'offres à un ou à plusieurs courtiers.

3.7.4.4 Dispositions générales

En cas d'incohérence, d'ambiguïté ou de doute dans l'interprétation ou dans l'application de la procédure établie à la présente Partie, les administrateurs de la Société (ou une ou plusieurs personnes qu'ils désigneront) pourront, de la manière déterminée à leur seule discrétion, interpréter cette procédure afin d'éliminer cette incohérence, cette ambiguïté ou ce doute. Une telle détermination attestée par un certificat du Secrétaire de la Société sera définitive. Un exemplaire de ce certificat sera remis à tout porteur d'actions privilégiées de série L qui en fera la demande.

3.7.5 PARTIE V PROCÉDURE D'ENCAN

3.7.5.1 Définitions

Aux fins de la Partie V des présentes, les expressions qui suivent ont la signification qui leur est attribuée ci-après :

- (a) «actions disponibles» sont définies à l'alinéa (i) de l'article 3.7.5.4(a) de la présente Partie;
- (b) «actions restantes» sont définies à l'alinéa (iv) de l'article 3.7.5.5(a) de la présente Partie;
- (c) «contrat de courtage» désigne le contrat intervenu entre le directeur d'encan et le courtier aux termes duquel le courtier s'engage à participer aux encans conformément à la procédure énoncée à la présente Partie;
- (d) «contrat de direction d'encan» désigne le contrat intervenu entre le directeur d'encan, s'il ne s'agit pas de la Société, et la Société prévoyant, entre autres choses, que le directeur d'encan suivra la procédure énoncée à la présente Partie V aux fins d'établir le taux de dividende courant des actions privilégiées de série L;
- (e) «courtier» désigne un courtier en valeurs inscrit ou toute autre personne autorisée par la loi à exercer les fonctions de courtier aux termes de la présente Partie lié au directeur d'encan par contrat de courtage qui demeure en vigueur;
- (f) «date d'encan» désigne le troisième mardi de chaque mois civil de chaque période de dividende fixé à l'encan incluse dans une période d'encan ou, si ce mardi n'est pas un jour ouvrable, le jour ouvrable qui le précède immédiatement;
- (g) «date de paiement des dividendes fixés à l'encan» désigne le jour ouvrable suivant immédiatement la date de règlement;

- (h) «date de règlement» désigne le jour ouvrable suivant immédiatement la date d'encan;
- (i) «détenues par» relativement aux actions privilégiées de série L inscrites au nom du directeur d'encan inclut les actions détenues en propriété véritable par un porteur actuel;
- (j) «directeur d'encan» désigne la Société ou toute autre personne (ou leur successeur) dûment nommée ou devant être nommée directeur d'encan relativement aux actions privilégiées de série L et qui conclut un contrat de direction d'encan avec la Société;
- (k) «encan» désigne l'exécution périodique de la procédure énoncée à la présente Partie;
- (l) «enchère» et «enchères» sont définies à l'article 3.7.5.2(a) de la présente Partie;
- (m) «enchère soumise» et «enchères soumises» sont définies à l'article 3.7.5.4(a) de la présente Partie;
- (n) «enchères suffisantes à la compensation» sont définies à l'article 3.7.5.4(a) de la présente Partie;
- (o) «enchérisseur» et «enchérisseurs» sont définis à l'article 3.7.5.2(a) de la présente Partie;
- (p) «heure limite de soumission» désigne 11 h, heure de Montréal, à la date d'encan, ou toute autre heure postérieure à toute date d'encan précisée à l'occasion par le directeur d'encan, et avant laquelle les courtiers sont tenus de soumettre les ordres au directeur d'encan;
- (q) «jour ouvrable» désigne un jour où la Bourse de Montréal et The Toronto Stock Exchange (ou leur successeur) et le directeur d'encan sont ouverts pour affaires;
- (r) «lettre de l'acquéreur» désigne la lettre adressée au directeur d'encan et au courtier, par laquelle une personne s'engage, entre autres choses, à être liée par la procédure énoncée à la présente Partie, si cette personne participe à un encan;
- (s) «ordre» et «ordres» sont définis à l'article 3.7.5.2(a) de la présente Partie;
- (t) «ordre de détention» et «ordres de détention» sont définis à l'article 3.7.5.2(a) de la présente Partie;
- (u) «ordre de détention soumis» et «ordres de détention soumis» sont définis à l'article 3.7.5.4(a) de la présente Partie;
- (v) «ordre de vente» et «ordres de vente» sont définis à l'article 3.7.5.2(a) de la présente Partie;
- (w) «ordre de vente soumis» et «ordres de vente soumis» sont définis à l'article 3.7.5.4(a) de la présente Partie;
- (x) «ordre soumis» et «ordres soumis» sont définis l'article 3.7.5.4(a) de la présente Partie;
- (y) «période d'encan» désigne toute période d'au moins deux périodes de dividende fixé à l'encan relativement auxquelles la procédure d'encan énoncée à la présente Partie V s'applique commençant le premier jour de la première de ces périodes de dividende fixé à l'encan et se terminant le dernier jour de toute période de dividende fixé à l'encan qui précède immédiatement le début d'une période établie par la Société ou d'une période établie par le courtier, selon le cas;
- (z) «période de dividende fixé à l'encan» désigne relativement à la première période de dividende fixé à l'encan d'une période d'encan, la période qui commence à la date de paiement des dividendes qui la précède immédiatement inclusivement jusqu'à la prochaine date de règlement exclusivement et, relativement à toute

période de dividende fixé à l'encan subséquente, désigne la période qui commence à la date de règlement inclusivement jusqu'à la prochaine date de règlement exclusivement;

(aa) «porteur actuel» désigne un porteur d'actions privilégiées de Série L (i) qui a signé la lettre de l'acquéreur, (ii) qui a remis ou fait remettre cette lettre de l'acquéreur au directeur d'encan et à un courtier à qui ce porteur actuel soumet des informations en vertu de l'article 3.7.5.2(a) de la présente Partie V, et (iii) qui est inscrit au registre des porteurs des actions privilégiées de Série L tenu par le directeur d'encan;

(bb) «porteur éventuel» désigne toute personne, y compris le porteur actuel, (i) qui a signé la lettre de l'acquéreur, (ii) qui a remis ou fait remettre cette lettre de l'acquéreur au directeur d'encan et à un courtier à qui ce porteur éventuel soumet des informations en vertu de l'article 3.7.5.2(a) de la présente Partie V et (iii) qui peut être intéressée à acquérir des actions privilégiées de Série L (ou, dans le cas d'un porteur actuel, des actions privilégiées de Série L additionnelles);

(cc) «taux d'adjudication» désigne le taux annuel établi conformément à l'article 3.7.5.4(a) de la présente Partie;

(dd) «taux de dividende courant» désigne le taux annuel qui a été établi conformément à l'article 3.7.5.4(b) de la présente Partie valide pour la prochaine période de dividende fixé à l'encan;

(ee) «taux maximal» relativement à une période de dividende fixé à l'encan désigne 0,40 % plus le taux des acceptations bancaires déterminé à la date d'encan;

(ff) «taux des acceptations bancaires» relativement à une période de dividende fixé à l'encan, désigne un taux annuel équivalant à :

- (A) la moyenne (arrondie au prochain centième d'un pour cent (0,01 %) des taux annuels cotés par RBC Dominion Securities Inc. (ou son successeur) et Wood Gundy Inc. (ou son successeur) lorsque ces taux annuels, cotés par ces courtiers, sont égaux à la moyenne arrondie au prochain centième d'un pour cent (0,01 %) des taux acheteur et vendeur des rendements à l'échéance cotés par RBC Dominion Securities Inc. (ou son successeur) et Wood Gundy Inc. (ou son successeur) (arrondie à la hausse au prochain millième d'un pour cent (0,001 %)), à 10:00 a.m., heure de Montréal, à la date d'encan précédant chaque période de dividende fixé à l'encan, sur les acceptations bancaires à 30 jours acceptées par la Banque de Montréal, La Banque Toronto-Dominion, la Banque canadienne impériale de commerce, La Banque Royale du Canada et La Banque de Nouvelle-Écosse (ou leurs successeurs respectifs) comme elles acceptent les acceptations bancaires à 30 jours à cette date d'encan;
- (B) si RBC Dominion Securities Inc. (ou son successeur) ou Wood Gundy Inc. (ou son successeur) est incapable ou ne peut pour quelque raison que ce soit coter les taux annuels acheteur et vendeur définis à l'article 3.7.5.1(i)(A) ci-dessus à 10:00 a.m., heure de Montréal, à cette date d'encan, ce taux sera la moyenne arrondie au prochain centième d'un pour cent (0,01 %) des taux annuels acheteur et vendeur à cette date, cotés par l'autre; ou
- (C) si RBC Dominion Securities Inc. (ou son successeur) ainsi que Wood Gundy Inc. (ou son successeur) sont incapables ou ne peuvent pour quelque raison que ce soit coter les taux, à 10:00 a.m., heure de Montréal, à cette date d'encan (incluant sans restriction, le cas où aucune des banques parmi la Banque de Montréal, La Banque Toronto-Dominion, la Banque canadienne impériale de commerce, La Banque Royale du Canada ou La Banque de Nouvelle-Écosse n'acceptent les acceptations bancaires à 30 jours à cette date d'encan) afin de déterminer le taux des acceptations bancaires conformément à (A) ou (B) ci-dessus, ce taux sera de 0,2 % plus la moyenne (arrondie au prochain centième d'un pour cent (0,01 %)) de chaque taux annuel équivalant à la moyenne (arrondie au prochain centième d'un pour cent (0,01 %)) des taux acheteur et vendeur des rendements à l'échéance cotés par RBC

Dominion Securities Inc. (ou son successeur), Wood Gundy Inc. (ou son successeur) (arrondis à la hausse au prochain millième d'un Montréal, à la date d'encan, sur les bons du Trésor du Gouvernement du Canada échéant aussi près que possible de 30 jours après la date d'encan;

3.7.5.2 Ordres des porteurs actuels et des porteurs éventuels

- (a) Avant l'heure limite de soumission à chaque date d'encan :
- (i) chaque porteur actuel peut transmettre au courtier le détail concernant le nombre d'actions privilégiées de série L qu'il détient, le cas échéant, et qu'il :
 - (A) désire continuer de détenir quel que soit le taux de dividende courant pour la prochaine période de dividende fixé à l'encan; ou
 - (B) désire continuer de détenir, si le taux de dividende courant pour la prochaine période de dividende fixé à l'encan n'est pas inférieur au taux annuel indiqué par le porteur actuel; ou
 - (C) offre de vendre quel que soit le taux de dividende courant pour la prochaine période de dividende fixé à l'encan;
- et
- (ii) chaque porteur éventuel peut transmettre au courtier des offres d'acheter des actions privilégiées de série L, à condition que pareilles offres ne prennent effet que si le taux de dividende courant pour la prochaine période de dividende n'est pas inférieur au taux annuel indiqué par le porteur éventuel.

La communication au courtier des informations mentionnées au présent article 3.7.5.2(a) constitue un «ordre» et collectivement des «ordres»; chaque porteur actuel et chaque porteur éventuel qui place un ordre est un «enchérisseur» et collectivement des «enchérisseurs»; un ordre contenant les informations mentionnées au sous-alinéa (i)(A) du présent article 3.7.5.2(a) constitue un «ordre de détention» et collectivement des «ordres de détention»; un ordre contenant les informations mentionnées au sous-alinéa (i)(B) ou à l'alinéa (ii) du présent article 3.7.5.2(a) constitue une «enchère» et collectivement des «enchères»; et un ordre contenant les informations mentionnées au sous-alinéa (i)(C) du présent article 3.7.5.2(a) constitue un «ordre de vente» et collectivement des «ordres de vente».

- (b) (i) Une enchère faite par le porteur actuel constitue une offre irrévocable de vendre :
- (A) le nombre d'actions privilégiées de série L indiqué dans l'enchère, si le taux d'adjudication établi à la date d'encan est inférieur au taux indiqué;
 - (B) le nombre indiqué d'actions privilégiées de série L ou un nombre inférieur qui sera déterminé de la façon prévue à l'alinéa (iv) de l'article 3.7.5.5(a), si le taux d'adjudication établi à la date d'encan est égal au taux indiqué;
 - (C) le nombre d'actions privilégiées de série L indiqué dans l'enchère, si le taux indiqué est supérieur au taux maximal et qu'il y a des enchères suffisantes à la compensation; ou
 - (D) un nombre inférieur d'actions privilégiées de série L qui sera déterminé de la façon prévue à l'alinéa (iii) de l'article 3.7.5.5(b), si le taux indiqué est supérieur au taux maximal et qu'il n'y a pas d'enchères suffisantes à la compensation.
- (ii) Un ordre de vente placé par le porteur actuel constitue une offre irrévocable de vendre :

- (A) le nombre d'actions privilégiées de série L indiqué dans l'ordre de vente;
 - (B) un nombre inférieur d'actions privilégiées de série L qui sera déterminé de la façon prévue à l'alinéa (iii) de l'article 3.7.5.5(b), s'il n'y a pas d'enchères suffisantes à la compensation.
- (iii) Une enchère faite par le porteur éventuel constitue une offre irrévocable d'acheter :
- (A) le nombre d'actions privilégiées de série L indiqué dans l'enchère, si le taux d'adjudication établi à la date d'encan est supérieur au taux indiqué;
 - (B) le nombre indiqué ou un nombre inférieur d'actions privilégiées de série L qui sera déterminé de la façon prévue à l'alinéa (v) de l'article 3.7.5.5(a), si le taux d'adjudication établi à la date d'encan est égal au taux indiqué; ou
 - (C) le nombre indiqué d'actions privilégiées de série L, si le taux indiqué est égal ou inférieur au taux maximal et qu'il n'y a pas d'enchères suffisantes à la compensation.

3.7.5.3 *Soumission des ordres au directeur d'encan par les courtiers*

(a) Chaque courtier doit soumettre par écrit au directeur d'encan, conformément aux dispositions de son contrat de courtage, avant l'heure limite de soumission à chaque date d'encan, tous les ordres qu'il a reçus indiquant relativement à chaque ordre :

- (i) le nom de l'enchérisseur qui place l'ordre;
- (ii) le nombre total d'actions privilégiées de série L visées par l'ordre;
- (iii) si l'enchérisseur est un porteur actuel, le nombre d'actions privilégiées de série L, le cas échéant, visées par :
 - (A) tout ordre de détention placé par ce porteur actuel;
 - (B) toute enchère placée par ce porteur actuel et le taux indiqué dans cette enchère;
 - (C) tout ordre de vente placé par ce porteur actuel; et
- (iv) si l'enchérisseur est un porteur éventuel, le taux de dividende annuel indiqué dans l'enchère de ce porteur éventuel.

(b) Si le taux indiqué dans l'enchère comporte plus de trois chiffres après le point décimal, le directeur d'encan devra arrondir ce taux à la hausse au prochain millième d'un pour cent (0,001 %).

(c) Si pour quelque raison que ce soit, un ordre ou des ordres couvrant globalement toutes les actions privilégiées de série L détenues par tout porteur actuel n'est (ne sont) pas soumis au directeur d'encan avant l'heure limite de soumission, le directeur d'encan présumera qu'un ordre de détention lui a été soumis au nom du porteur actuel, couvrant le nombre d'actions privilégiées de série L détenues par ce porteur actuel et qui ne sont pas visées par les ordres soumis au directeur d'encan.

(d) Si un ou plusieurs ordres couvrant globalement un nombre d'actions supérieur au nombre d'actions privilégiées de série L détenues par tout porteur actuel sont soumis au directeur d'encan, ces ordres seront présumés valides de la façon indiquée ci-dessous dans l'ordre de priorité suivant :

- (i) tous les ordres de détention seront présumés valides mais seulement jusqu'à concurrence du nombre total d'actions privilégiées de série L détenues par ce porteur actuel inclusivement et, uniquement à des fins de répartition parmi les courtiers qui ont soumis des ordres de détention, si le nombre d'actions privilégiées de série L

visées par ces ordres de détention excède le nombre d'actions privilégiées de série L détenues par ce porteur actuel, le nombre d'actions privilégiées de série L visées par chaque ordre de détention sera réduit proportionnellement afin de couvrir le nombre d'actions privilégiées de série L détenues par ce porteur actuel;

- (ii) (A) toute enchère sera présumée valide jusqu'à concurrence de l'excédent du nombre d'actions privilégiées de série L détenues par ce porteur actuel par rapport au nombre d'actions privilégiées de série L visées par tout ordre de détention mentionné à l'alinéa (i) du présent article 3.7.5.3(d) inclusivement;
 - (B) sous réserve du sous-alinéa (ii)(A) du présent article 3.7.5.3(d), s'il est soumis plus d'une enchère portant le même taux au nom du porteur actuel et que le nombre d'actions privilégiées de série L visées par ces enchères est supérieur à cet excédent, ces enchères seront présumées valides jusqu'à concurrence de cet excédent et, uniquement à des fins de répartition parmi les courtiers qui ont soumis des enchères portant le même taux, le nombre d'actions privilégiées de série L visées par chaque enchère portant le même taux sera réduit proportionnellement afin de couvrir le nombre d'actions privilégiées de série L égal à cet excédent;
 - (C) sous réserve du sous-alinéa (ii)(A) du présent article 3.7.5.3(d), s'il est soumis plus d'une enchère portant des taux différents au nom de ce porteur actuel, ces enchères seront présumées valides dans l'ordre croissant de leur taux respectif jusqu'à concurrence de cet excédent; et
 - (D) dans l'un ou l'autre de ces cas, le nombre d'actions privilégiées de série L visées par des enchères non valides aux termes du présent alinéa (ii) sera traité, le cas échéant, comme s'il s'agissait d'actions visées par l'enchère d'un porteur éventuel; et
- (iii) tous les ordres de vente seront présumés valides mais seulement jusqu'à concurrence de l'excédent du nombre d'actions privilégiées de série L détenues par ce porteur actuel inclusivement par rapport à la somme des actions privilégiées de série L visées par les ordres de détention mentionnés à l'alinéa (i) du présent article 3.7.5.3(d) et des enchères valides placées par les porteurs actuels mentionnées à l'alinéa (ii) du présent article 3.7.5.3(d).

(e) S'il est soumis plus d'une enchère au nom d'un porteur éventuel, chaque enchère soumise constituera une enchère distincte avec le taux qui y est indiqué.

3.7.5.4 *Établissement des enchères suffisantes à la compensation, du taux d'adjudication et du taux de dividende courant*

(a) À l'heure limite de soumission, à chaque date d'encan, le directeur d'encan doit rassembler tous les ordres qui lui ont été soumis ou qui sont présumés lui avoir été soumis par les courtiers (chaque ordre tel qu'il a été soumis ou tel qu'il est présumé avoir été soumis par un courtier, constitue individuellement un «ordre de détention soumis», une «enchère soumise» ou un «ordre de vente soumis», selon le cas, ou un «ordre soumis» et collectivement des «ordres de détention soumis», des «enchères soumise» ou des «ordres de vente soumis», selon le cas, ou des «ordres soumis») et le directeur d'encan devra déterminer :

- (i) l'excédent (a) du nombre total d'actions privilégiées de série L émises et en circulation par rapport (b) au nombre d'actions privilégiées de série L visées par des ordres de détention soumis (l'excédent constituant les «actions disponibles»);
- (ii) se fondant sur les ordres soumis, si :

- (A) le nombre d'actions privilégiées de série L visées par les enchères soumises par les porteurs éventuels, indiquant un ou plusieurs taux égal(aux) ou inférieur(s) au taux maximal :

excède ou est égal à la somme :

- (B) (I) du nombre d'actions privilégiées de série L visées par les enchères soumises par les porteurs actuels, indiquant un ou plusieurs taux supérieur(s) au taux maximal; et
(II) du nombre d'actions privilégiées de série L visées par les ordres de vente soumis;

et s'il y a excédent ou égalité (pour une autre raison que celle que toutes les actions privilégiées de série L sont visées par des ordres de détention soumis), les enchères soumises mentionnées au sous-alinéa (A) des présentes constitueront alors des «enchères suffisantes à la compensation»; et

- (iii) s'il y a des enchères suffisantes à la compensation, le taux le plus bas indiqué dans les enchères soumises qui, si le directeur d'encan acceptait :

- (A) (I) chaque enchère soumise par les porteurs actuels indiquant ce taux le plus bas; et

(II) toutes les autres enchères soumises par les porteurs actuels indiquant des taux inférieurs, permettant ainsi à ces porteurs actuels de continuer de détenir les actions privilégiées de série L visées par les enchères soumises; et

- (B) (I) chaque enchère soumise par les porteurs éventuels indiquant ce taux; et

(II) toutes les autres enchères soumises par les porteurs éventuels indiquant des taux inférieurs, permettant ainsi à ces porteurs éventuels d'acheter les actions privilégiées de série L visées par les enchères soumises,

aurait pour résultat que les porteurs actuels mentionnés au sous-alinéa (A) des présentes continueraient de détenir un nombre total d'actions privilégiées de série L qui, une fois ajouté au nombre total d'actions privilégiées de série L à acheter par les porteurs éventuels mentionnés au sous-alinéa (A) des présentes, serait égal à au moins le nombre d'actions disponibles. Le taux le plus bas constitue le «taux d'adjudication».

(b) Aussitôt après avoir complété les opérations mentionnées à l'article 3.7.5.4(a) de la présente Partie, le directeur d'encan informera la Société du taux des acceptations bancaires et, se fondant sur le résultat de ces opérations, du taux de dividende applicable aux actions privilégiées de série L pour la prochaine période de dividende fixé à l'encan («taux de dividende courant») de la façon suivante :

- (i) s'il y a des enchères suffisantes à la compensation, le taux de dividende courant pour la prochaine période de dividende fixé à l'encan sera égal au taux d'adjudication ainsi établi;
- (ii) s'il n'y a pas d'enchères suffisantes à la compensation (pour une autre raison que celle que toutes les actions privilégiées de série L sont visées par des ordres de détention soumis), le taux de dividende courant pour la prochaine période de dividende fixé à l'encan sera égal au taux maximal; ou
- (iii) si toutes les actions privilégiées de série L sont visées par des ordres de détention soumis, le taux de dividende courant pour la prochaine période de dividende fixé à l'encan sera égal à 50 % du taux des acceptations bancaires déterminé à 10:00 a.m., heure de Montréal, à la date d'encan.

3.7.5.5 *Acceptation et rejet des enchères soumises et des ordres de vente soumis et répartition des actions*

Les enchères soumises et les ordres de vente soumis seront acceptés ou rejetés en fonction du résultat des opérations effectuées conformément à l'article 3.7.5.3(a) de la présente Partie, et le directeur d'encan devra prendre toute autre mesure mentionnée ci-dessous :

(a) S'il y a eu des enchères suffisantes à la compensation, sous réserve des dispositions des articles 3.7.5.5(c) et 3.7.5.5(d) de la présente Partie, les enchères soumises et les ordres de vente soumis seront acceptés et rejetés dans l'ordre de priorité suivant et toutes les autres enchères soumises seront rejetées :

- (i) (A) l'ordre de vente soumis de chaque porteur actuel sera accepté et (B) l'enchère soumise de chaque porteur actuel indiquant un taux supérieur au taux d'adjudication sera rejetée, exigeant ainsi que ce porteur actuel vende les actions privilégiées de série L visées par l'ordre de vente soumis et par l'enchère soumise;
- (ii) l'enchère soumise de chaque porteur actuel indiquant un taux inférieur au taux d'adjudication sera acceptée, permettant ainsi à ce porteur actuel de continuer de détenir les actions privilégiées de série L visées par l'enchère soumise;
- (iii) l'enchère soumise de chaque porteur éventuel indiquant un taux inférieur au taux d'adjudication sera acceptée, exigeant ainsi que ce porteur éventuel achète les actions privilégiées de série L visées par l'enchère soumise;
- (iv) l'enchère soumise de chaque porteur actuel indiquant un taux égal au taux d'adjudication sera acceptée, permettant ainsi à ce porteur actuel de continuer de détenir les actions privilégiées de série L visées par l'enchère soumise, sauf si le nombre d'actions privilégiées de série L visées par toutes les enchères soumises est supérieur au nombre total d'actions disponibles dont on a soustrait le nombre d'actions privilégiées de série L visées par les enchères soumises mentionnées aux alinéas (ii) et (iii) du présent article 3.7.5.5(a) («actions restantes»). Dans ce cas, les enchères soumises de ce porteur actuel décrites au présent alinéa (iv) seront rejetées, et ce porteur actuel sera tenu de vendre les actions privilégiées de série L, mais seulement pour un nombre d'actions équivalant à la différence entre (A) le nombre d'actions privilégiées de série L détenues à ce moment par ce porteur actuel et visées par l'enchère soumise et (B) le nombre d'actions privilégiées de série L obtenu en multipliant (x) le nombre d'actions restantes par (y) une fraction dont le numérateur sera le nombre d'actions privilégiées de série L détenues par ce porteur actuel et visées par l'enchère soumise, et dont le dénominateur sera le nombre total d'actions privilégiées de série L visées par les enchères soumises des porteurs actuels qui avaient indiqué un taux égal au taux d'adjudication; et
- (v) l'enchère soumise de chaque porteur éventuel indiquant un taux égal au taux d'adjudication sera acceptée, mais seulement pour un nombre d'actions égal au nombre d'actions privilégiées de série L obtenu en multipliant (A) la différence entre le nombre total des actions disponibles et le nombre d'actions privilégiées de série L visées par les enchères soumises décrites aux alinéas (ii), (iii) et (iv) du présent article 3.7.5.5(a) par (B) une fraction dont le numérateur sera le nombre d'actions privilégiées de série L visées par l'enchère soumise, et dont le dénominateur sera le nombre total d'actions privilégiées de série L visées par les enchères soumises des porteurs éventuels qui avaient indiqué un taux égal au taux d'adjudication;

(b) S'il n'y a pas eu d'enchères suffisantes à la compensation (pour une autre raison que celle que toutes les actions privilégiées de série L sont visées par des ordres de détention soumis), sous réserve des dispositions des articles 3.7.5.5(c) et 3.7.5.5(d) de la présente Partie, les enchères soumises et les ordres de vente soumis seront acceptés ou rejetés selon l'ordre de priorité suivant et toutes les autres enchères soumises seront rejetées :

- (i) l'enchère soumise de chaque porteur actuel indiquant un taux égal ou inférieur au taux maximal sera acceptée, permettant ainsi au porteur actuel de continuer de détenir les actions privilégiées de série L visées par cette enchère soumise;
- (ii) l'enchère soumise de chaque porteur éventuel indiquant un taux égal ou inférieur au taux maximal sera acceptée, exigeant ainsi que ce porteur éventuel achète les actions privilégiées de série L visées par l'enchère soumise; et
- (iii) l'enchère soumise de chaque porteur actuel indiquant un taux supérieur au taux maximal sera rejetée et l'ordre de vente soumis de chaque porteur actuel sera accepté, dans les deux cas seulement pour un nombre d'actions équivalant à la différence entre (A) le nombre d'actions privilégiées de série L détenues à ce moment par ce porteur actuel et visées par l'enchère soumise ou par l'ordre de vente soumis et (B) le nombre d'actions privilégiées de série L obtenu en multipliant (x) la différence entre le nombre total d'actions disponibles et le nombre total d'actions privilégiées de série L visées par les enchères soumises décrites aux alinéas (i) et (ii) du présent article 3.7.5.5(b) par (y) une fraction dont le numérateur sera le nombre d'actions privilégiées de série L détenues par ce porteur actuel et visées par l'enchère soumise ou par l'ordre de vente soumis, et dont le dénominateur sera le nombre d'actions privilégiées de série L visées par toutes les enchères soumises et tous les ordres de vente soumis;

(c) si par suite de la procédure décrite aux articles 3.7.5.5(a) ou 3.7.5.5(b) de cette Partie, le porteur actuel est autorisé à vendre ou est tenu de vendre, ou si le porteur éventuel est autorisé à acheter ou est tenu d'acheter une fraction d'action privilégiée de série L, à toute date d'encan, le directeur d'encan doit, de la manière déterminée à sa seule discrétion, arrondir à la hausse ou à la baisse le nombre d'actions privilégiées de série L devant ainsi être achetées ou vendues par le porteur actuel ou par le porteur éventuel à la date d'encan, de sorte que le nombre d'actions achetées ou vendues par chaque porteur actuel ou par chaque porteur éventuel soit un nombre entier d'actions privilégiées de série L;

(d) si par suite de la procédure décrite à l'article 3.7.5.5(a) de la présente Partie, le porteur éventuel est autorisé à acheter ou est tenu d'acheter une fraction d'action privilégiée de série L, à toute date d'encan, le directeur d'encan doit, de la manière déterminée à sa seule discrétion, répartir les actions devant ainsi être achetées parmi les porteurs éventuels, de sorte que seuls des nombres entiers d'actions privilégiées de série L soient achetés à la date d'encan par le porteur éventuel, même si cette répartition a pour résultat qu'un ou plusieurs porteurs éventuels n'achètent aucune action privilégiée de série L à la date d'encan; et

(e) le directeur d'encan détermine, en fonction du résultat de chaque encan, à quel porteur éventuel ou à quels porteurs éventuels qui achètent des actions privilégiées de série L, le porteur actuel ou les porteurs actuels vendront leurs actions privilégiées de série L. Ces achats et ces ventes d'actions privilégiées de série L sont complétés à la date de règlement par le paiement, par chaque porteur éventuel qui achète des actions privilégiées de série L, du prix d'achat global des actions privilégiées de série L devant être achetées équivalant à 500 000 \$ par action privilégiée de série L et sur remise, par chaque porteur actuel qui vend des actions privilégiées de série L, du nombre d'actions privilégiées de série L vendues.

3.7.5.6 Dispositions générales

Nonobstant les dispositions de la Partie V des présentes, le directeur d'encan ne suivra pas la procédure d'encan énoncée aux présentes à la date d'encan précédant immédiatement : (i) la date de rachat dans le cas où un avis de rachat écrit de toutes les actions privilégiées de série L a été donné conformément aux dispositions de l'article 3.7.1.5 de la Partie I des présentes ou (ii) le premier jour d'une période établie par la Société ou d'une période établie par le courtier.

En cas d'incohérence, d'ambiguïté ou de doute dans l'interprétation ou dans l'application de la procédure établie à la présente Partie, les administrateurs de la Société (ou une ou plusieurs personnes qu'ils désigneront) pourront, de la manière déterminée à leur seule discrétion, interpréter cette procédure afin d'éliminer cette incohérence, cette ambiguïté ou ce doute. Une telle détermination attestée par un certificat du Secrétaire de

la Société sera définitive. Un exemplaire de ce certificat sera remis à tout porteur d'actions privilégiées de série L qui en fera la demande.

3.8 Actions privilégiées de série P

Les actions privilégiées de série P comportent, outre les droits, privilèges, restrictions et conditions propres aux actions privilégiées de premier rang en tant que catégorie, les droits, privilèges, restrictions et conditions suivants :

3.8.1 Dividendes

Les détenteurs des actions privilégiées de série P auront le droit de recevoir, pour autant qu'ils soient déclarés par le conseil d'administration, des dividendes en espèces privilégiés, cumulatifs et fixes, puisés à même les fonds pouvant être dûment affectés au paiement de dividendes, d'une somme par action d'au plus de 1,60 \$ par année, payables trimestriellement au titre de chaque période de douze mois le 15^e jour de janvier, d'avril, de juillet et d'octobre, par chèque au pair en monnaie ayant cours légal au Canada, à toute succursale au Canada des banquiers de la Société; cependant, le premier paiement trimestriel effectué sur toute action privilégiée de série P sera payable le 15 octobre 1995 et équivaldra au montant de la somme (i) de 1,60 \$ multiplié par une fraction dont le numérateur sera le nombre de jours compris entre la date originale d'émission des actions privilégiées de série P inclusivement et la première date où les dividendes auraient autrement été payables, étant le 15 juillet 1995, exclusivement, et le dénominateur sera 365 et (ii) du montant de dividende trimestriel de 0,40 \$.

Le paiement des dividendes déclarés sur les actions privilégiées de série P sera effectué (sauf en cas de rachat, le paiement des dividendes étant alors effectué au moment de la remise du certificat représentant les actions privilégiées de série P devant être rachetées) par la mise à la poste, dans une enveloppe affranchie adressée à chaque détenteur d'actions privilégiées de série P à sa dernière adresse figurant au registre des valeurs mobilières de la Société ou, si son adresse ne figure pas au registre, alors à sa dernière adresse connue de la Société ou, dans le cas de codétenteurs, à l'adresse de celui dont le nom figure en premier au registre des valeurs mobilières de la Société en tant que l'un de ces codétenteurs, d'un chèque pour le montant de ces dividendes (diminué de tout impôt devant être déduit) payable à l'ordre de ce détenteur ou, dans le cas de codétenteurs, à l'ordre de tous les codétenteurs, sauf indication contraire de leur part par écrit. Nonobstant ce qui précède, tout chèque de paiement de dividendes peut être livré par la Société à un détenteur d'actions privilégiées de série P à son adresse ainsi qu'elle est indiquée ci-dessus. La mise à la poste ou la livraison d'un tel chèque sera réputé constituer le paiement et satisfera à toutes obligations de paiement de ces dividendes pour ce qui est du montant représenté par un tel chèque (compte tenu du montant de tout impôt devant être déduit ainsi qu'il est mentionné ci-dessus), à moins que ce chèque ne soit pas payé au moment où il est dûment présenté.

3.8.2 Droits en cas de liquidation

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre répartition d'éléments d'actif de la Société aux fins de liquider ses affaires, les détenteurs d'actions privilégiées de série P auront le droit de recevoir 25,00 \$ par action, ainsi que tous dividendes accumulés et impayés jusqu'à la date du paiement ou de la répartition, exclusivement, et ce, avant qu'un montant quelconque ne soit payé ou qu'un élément d'actif quelconque de la Société ne soit réparti parmi les détenteurs d'actions de rang inférieur aux actions privilégiées de série P. Les détenteurs d'actions privilégiées de série P ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.8.3 Rachat d'actions

La Société ne pourra pas racheter d'actions privilégiées de série P avant le 15 juillet 2002. Sous réserve des lois applicables et de l'article 3.8.8 ci-dessous, après avis comme prévu ci-après, la Société pourra à compter du 15 juillet 2002, en tout temps, racheter toutes les actions privilégiées de série P en circulation ou, à l'occasion, effectuer un rachat par tranches, contre paiement pour chacune desdites actions à racheter, d'un montant de 25,00 \$, plus les dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat. En cas de rachat partiel, les actions privilégiées de série P à racheter seront choisies par tirage au sort ou seront rachetées au prorata (sans tenir compte des fractions d'action)

selon la décision du conseil d'administration, à son entière discrétion, pourvu que la participation des détenteurs inscrits de 10 actions ou moins soit rachetée en totalité.

La Société donnera un préavis écrit d'au moins 30 jours de son intention de racheter des actions privilégiées de série P à toute personne qui, à la date de l'envoi de ce préavis, est détentrice de ces actions à racheter. L'avis devra être envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série P à racheter, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut de telle inscription, à la dernière adresse du détenteur connue de la Société; cependant, toute omission ou tout défaut involontaire d'envoyer un tel avis à un ou à plusieurs de ces détenteurs ne sera d'aucun effet sur la validité du rachat des actions privilégiées de série P des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série P à racheter détenues par la personne à qui il est adressé, ainsi que le prix de rachat, et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats représentant lesdites actions à tout endroit au Canada mentionné dans l'avis, paiera ou fera en sorte que soit payé le prix de rachat aux détenteurs d'actions privilégiées de série P à racheter. Le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. Si une partie seulement de telles actions privilégiées de série P représentées par un certificat est rachetée, un nouveau certificat sera émis pour le solde, aux frais de la Société. À compter de la date mentionnée dans l'avis, les détenteurs d'actions privilégiées de série P désignées aux fins de rachat n'auront plus aucun droit aux dividendes au titre de ces actions ni aucun autre droit en qualité de détenteurs de ces actions, à moins que la Société n'omette de payer le prix de rachat. En tout temps après que l'avis de rachat aura été donné comme ci-dessus mentionné, la Société pourra déposer le prix de rachat de la totalité ou d'une partie des actions privilégiées de série P à racheter dans une ou plusieurs banques à charte ou compagnies de fiducie au Canada dont les noms auront été donnés dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes en fiducie pour le bénéfice des détenteurs des actions à racheter, et les montants leur seront versés par ces banques ou compagnies de fiducie sur remise des certificats; dès l'exécution de ces dépôts, les actions seront rachetées à la date de rachat indiquée dans l'avis de rachat. Dès que la Société aura effectué un dépôt comme susdit à l'égard de toutes actions, les détenteurs de celles-ci n'auront plus, à compter de la date de rachat, aucun autre droit en qualité de détenteurs de ces actions, et leurs droits seront limités à la perception de la portion des montants déposés qui s'applique à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

3.8.4 Rachat d'actions au gré du détenteur

3.8.4.1 Privilège de rachat au gré du détenteur

À compter du 15 juillet 2002, les détenteurs d'actions privilégiées de série P auront le droit, à leur gré, sous réserve des modalités et dispositions des présentes, d'exiger que la Société rachète la totalité ou une partie des actions privilégiées de série P inscrites en leur nom, contre paiement pour chacune desdites actions à racheter d'un montant de 25,00 \$, plus les dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat, le 15(e) jour des mois de janvier, avril, juillet ou octobre de chaque année (une «date de rachat au gré du détenteur»).

3.8.4.2 Mode d'exercice du privilège de rachat au gré du détenteur

Le détenteur inscrit, ou son mandataire dûment autorisé par écrit, peut exercer le privilège de rachat au gré du détenteur prévu à l'article 3.8.4.1 au moyen d'un avis écrit satisfaisant la Société quant à sa forme donné à l'agent de transfert des actions privilégiées de série P entre le 30(e) et le 60(e) jours précédant la date de rachat au gré du détenteur, accompagné du ou des certificats représentant toutes les actions privilégiées de série P à l'égard desquelles le détenteur désire exercer ce privilège de rachat; l'avis doit préciser le nombre d'actions privilégiées de série P que le détenteur choisit de faire racheter.

À moins que la Société ne donne aux détenteurs des actions privilégiées de série P, conformément au paragraphe (a) de l'article 3.8.7.1 des présentes, avis du droit de convertir leurs actions privilégiées de série P en une nouvelle série d'actions privilégiées de premier rang, et à moins que la Société ne permette le contraire, le choix du détenteur de faire racheter la totalité ou une partie de ses actions privilégiées de série P aux termes du présent article 3.8.4 sera irrévocable dès le moment où la Société ou son mandataire aura reçu les certificats représentant les actions à racheter et l'avis du choix du détenteur desdites actions en conformité avec les dispositions du présent article 3.8.4.2.

Aussitôt que possible après la date de rachat au gré du détenteur, la Société paiera ou fera en sorte que soit payé au détenteur le prix de rachat des actions privilégiées de série P à racheter; le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. Le rachat au gré du détenteur sera réputé avoir été fait à la fermeture des bureaux à la date de rachat au gré du détenteur, de sorte que les droits du détenteur de ces actions privilégiées de série P, en cette qualité, cesseront au même moment.

Si le détenteur d'actions privilégiées de série P représentées par un ou plusieurs certificats remis de la manière prévue aux présentes choisit de faire racheter moins de la totalité de ces actions, la Société émettra et livrera ou fera livrer à ce détenteur, aux frais de la Société, un nouveau certificat représentant les actions privilégiées de série P représentées par le ou les certificats remis de la façon susdite qui n'auront pas été rachetées; toutefois, si les actions privilégiées de série P représentées par un ou plusieurs certificats remis de la façon susdite incluent des actions précédemment appelées au rachat conformément à l'article 3.8.3 des présentes, à la date fixée pour le rachat de ces actions privilégiées de série P, leurs détenteurs auront le droit de recevoir le paiement du prix de rachat de ces actions privilégiées de série P ainsi qu'un nouveau certificat représentant les actions privilégiées de série P représentées par le ou les certificats remis de la façon susdite et qui n'auront pas été rachetées.

3.8.5 *Intentionnellement effacé*

3.8.6 *Intentionnellement effacé*

3.8.7 *Conversion en actions privilégiées de premier rang de série additionnelle*

3.8.7.1 *Privilège de conversion en actions privilégiées de premier rang de série additionnelle*

(a) La Société peut, sous réserve des lois applicables, à sa discrétion, en tout temps, créer une série additionnelle d'actions privilégiées de premier rang (ci-après appelées les «actions additionnelles»). Sous réserve des dispositions des présentes, les détenteurs des actions privilégiées de série P auront le droit de convertir leurs actions privilégiées de série P en actions additionnelles à raison d'une action additionnelle par action privilégiée de série P. La Société donnera aux détenteurs des actions privilégiées de série P alors inscrits un avis écrit de la création des actions additionnelles et du droit de conversion prévu par les présentes. Cet avis sera transmis par la poste, dans une enveloppe affranchie adressée à chacun des détenteurs d'actions privilégiées de série P, à sa dernière adresse indiquée au registre des valeurs mobilières de la Société ou, à défaut de telle indication, à sa dernière adresse connue de la Société. L'avis mentionnera la date de la conversion (la «date de conversion des actions privilégiées de série P») et sera transmis au moins 45 jours et au plus 60 jours avant la date de conversion des actions privilégiées de série P.

(b) Si la Société crée des actions additionnelles et a le droit de les émettre, le détenteur d'actions privilégiées de série P peut, à sa discrétion, convertir les actions privilégiées de série P qu'il détient en actions additionnelles à raison de une action contre une à la date de conversion des actions privilégiées de série P.

3.8.7.2 *Exercice du privilège de conversion en actions privilégiées de premier rang de série additionnelle*

La conversion des actions privilégiées de série P peut être effectuée par la remise, au plus tôt 60 jours avant la date de conversion des actions privilégiées de série P et au plus tard à la fermeture des bureaux le 15^e jour précédant la date de conversion des actions privilégiées de série P, durant les heures d'affaires, du ou des certificats les représentant, à un bureau d'un agent des transferts de la Société où les actions privilégiées de série P peuvent être transférées, ce ou ces certificats étant accompagnés : (1) du paiement ou d'un reçu attestant le paiement de l'impôt (s'il y a lieu), prévu au présent article 3.8.7.2; et (2) d'un bordereau de remise acceptable pour la Société et dûment signé par le détenteur inscrit ou son fondé de pouvoir dûment autorisé par écrit, bordereau dans lequel ce détenteur peut indiquer qu'il ne veut convertir qu'une partie seulement :

(a) des actions privilégiées de série P représentées par ce ou ces certificats, qui n'ont pas jusqu'alors été désignées en vue du rachat auquel cas la Société émettra et livrera ou fera livrer, à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série P qui n'auront pas été converties; ou

(b) des actions privilégiées de série P représentées par ce ou ces certificats, qui avant cette date ont été désignées en vue d'un rachat partiel, auquel cas, à la date prévue pour le rachat de ces actions privilégiées de série P, ce détenteur aura droit au paiement du prix de rachat des actions privilégiées de série P représentées par ce ou ces certificats qui ont été désignées en vue du rachat et n'ont pas été converties avant la date du rachat et à un certificat représentant les actions privilégiées de série P, s'il en est, qui étaient représentées par ce ou ces certificats et qui n'ont pas été converties ni rachetées.

Aussitôt que possible après la date de conversion des actions privilégiées de série P, la Société émettra et livrera ou fera livrer au détenteur des actions ainsi remises, ou selon son ordre écrit, un ou plusieurs certificats à son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions additionnelles entièrement libérées et non cotisables et le nombre d'actions privilégiées de série P restantes, le cas échéant, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux à la date de conversion des actions privilégiées de série P de sorte que les droits du détenteur de ces actions privilégiées de série P à ce titre cesseront à ce moment, et la ou les personnes ayant le droit de recevoir des actions additionnelles en vertu de cette conversion seront à toutes fins considérées comme détenteurs inscrits desdites actions additionnelles dès ce moment.

Le détenteur de toute action privilégiée de série P inscrit à la date d'inscription aux fins de tout dividende déclaré payable sur ladite action aura droit à ce dividende même si l'action a été convertie en action additionnelle après cette date d'inscription et avant la date de paiement de ce dividende ou à cette date même.

L'émission de certificats d'actions additionnelles au moment de la conversion d'actions privilégiées de série P s'effectuera sans frais pour les détenteurs convertissant leurs actions privilégiées de série P, quant aux droits ou impôts concernant l'émission desdits certificats ou des actions additionnelles qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes desdites actions additionnelles ou des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison desdits certificats au nom d'une ou de plusieurs personnes autres que le détenteur des actions privilégiées de série P converties; et la Société ne sera tenue d'émettre ou de livrer lesdits certificats que si les personnes en demandant l'émission lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.8.7.3 Conditions d'émission des actions additionnelles

La Société peut émettre des actions additionnelles seulement si :

(a) la Société crée les actions additionnelles, en déterminant le nombre d'actions appartenant à cette série (lequel doit être au moins égal au nombre d'actions privilégiées de série P en circulation à la fermeture des bureaux le jour ouvrable précédant la date d'effet de cette désignation) et en établissant les droits, privilèges, restrictions et conditions qui s'y rattachent à titre de série;

(b) la Société a déclaré, versé ou affecté à un fonds de réserve tous les dividendes alors payables sur les actions privilégiées de série P alors en circulation et sur toutes les autres actions de la Société de rang supérieur aux actions privilégiées de série P ou de même rang que celles-ci à l'égard des dividendes accumulés à la dernière ou aux dernières dates respectives de paiement des dividendes s'y rapportant, y compris les dividendes payables à cette date;

(c) la Société fait de son mieux pour que, au besoin, les actions additionnelles puissent être placées ou placées dans le public, selon le cas, lors de la conversion des actions privilégiées de série P en actions additionnelles dans toutes les provinces du Canada dans lesquelles des détenteurs d'actions privilégiées de série P résident, d'après leur adresse figurant dans les registres de la Société ou dans toutes les provinces du Canada où se situe une bourse à la cote de laquelle les actions privilégiées de série P sont alors inscrites; et

(d) la Société s'assure que les actions additionnelles ne seront pas ni ne seront réputées être, si elles sont émises, des «actions privilégiées à terme», ainsi que cette expression est définie dans la *Loi de l'impôt sur le revenu* (Canada), mais en faisant abstraction de l'alinéa (f) de la définition d'«action privilégiée à terme» énoncée au paragraphe 248(1) de la *Loi de l'impôt sur le revenu* (Canada) ou de toute disposition de portée semblable remplaçant ledit article ou lui succédant.

3.8.8 Restrictions concernant les dividendes et le remboursement des actions

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série P en circulation :

- (a) déclarer, payer ni mettre de côté aux fins de paiement aucun dividende au titre des actions ordinaires ou de toute autre action de la Société de rang inférieur aux actions privilégiées de série P (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série P);
- (b) racheter, acheter ni autrement rembourser, ni procéder à aucune distribution de capital au titre des actions ordinaires de la Société ou de toute autre action de la Société de rang inférieur aux actions privilégiées de série P (sauf si la contrepartie est payée à même le produit net en espèces d'un placement fait à la même époque d'actions de la Société de rang inférieur aux actions privilégiées de série P);
- (c) racheter, acheter ni autrement rembourser moins que la totalité des actions privilégiées de série P (aux fins des présentes, une conversion d'actions privilégiées de série P n'est pas réputée être un rachat, un achat ni un remboursement de ces actions); ni
- (d) racheter, acheter ni autrement rembourser (sauf dans le cadre de l'exercice d'un privilège de rachat au gré de l'actionnaire ou d'une obligation de rachat par la Société s'y rapportant) aucune action de la Société de toute catégorie ou série de même rang que les actions privilégiées de série P, étant entendu que les restrictions mentionnées dans le présent paragraphe (d) ne porteront aucunement atteinte au droit de la Société de racheter, d'acheter ou de rembourser autrement à titre onéreux toute action de la Société de toute catégorie de rang supérieur aux actions privilégiées de série P;

à moins que, dans tous les cas, tous les dividendes cumulatifs accumulés au titre des actions privilégiées de série P en circulation, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes étaient payables, n'aient été déclarés et payés.

Toute approbation des détenteurs d'actions privilégiées de série P exigée en vertu du présent article 3.8.8 pourra être donnée conformément au deuxième paragraphe de l'article 3.8.10 et à l'article 3.8.13. Nonobstant les dispositions de l'article 3.8.13 des présentes, toute approbation exigée en vertu du présent article 3.8.8 ne pourra être donnée qu'au moyen du vote favorable des détenteurs de la majorité des actions privilégiées de série P présents ou représentés à une assemblée, ou à une reprise d'assemblée, des détenteurs d'actions privilégiées de série P dûment convoquée à cette fin et à laquelle il y aura quorum.

3.8.9 Achat pour annulation

La Société pourra à tout moment acheter pour annulation la totalité ou une partie des actions privilégiées de série P en circulation de temps à autre, sur le marché libre, par l'intermédiaire d'un courtier en valeurs mobilières ou de toute firme membre d'une bourse reconnue, ou par convention privée ou autrement, au(x) plus bas prix, de l'avis du conseil d'administration de la Société, auquel (auxquels) ces actions sont disponibles plus, dans chaque cas, tous les dividendes accumulés et impayés ainsi que les frais d'achat.

3.8.10 Droits de vote

Si la Société est en défaut de payer huit dividendes consécutifs ou non consécutifs au titre des actions privilégiées de série P, les détenteurs d'actions privilégiées de série P auront le droit d'être convoqués et d'assister à chaque assemblée des actionnaires de la Société (autre qu'une assemblée distincte réservée aux détenteurs d'actions de la Société de toute autre catégorie ou série) tenue plus de 60 jours après la date du premier défaut de paiement, et d'y voter à raison d'un vote par action privilégiée de série P détenue, et ce, jusqu'à ce que tous les arriérés de dividendes au titre des actions privilégiées de série P aient été acquittés, sur quoi les droits mentionnés précédemment prendront fin et ne seront réouverts que lorsque la Société sera de nouveau en défaut, le cas échéant, conformément aux dispositions du présent article 3.8.10.

Chaque action privilégiée de série P confère à son détenteur un vote relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs des actions privilégiées de série P, votant en tant que série ou en tant que partie d'une catégorie.

3.8.11 *Émission d'actions privilégiées additionnelles*

La Société pourra émettre des séries additionnelles d'actions privilégiées de premier rang de même rang que les actions privilégiées de série P sans l'autorisation des détenteurs des actions privilégiées de série P.

3.8.12 *Modifications*

Les dispositions propres aux actions privilégiées de série P en tant que série peuvent être abrogées ou modifiées de temps à autre moyennant l'approbation alors exigée par la *Loi canadienne sur les sociétés par actions*, donnée conformément aux dispositions de l'article 3.8.13.

3.8.13 *Approbation des détenteurs d'actions privilégiées de série P*

Toute approbation des détenteurs des actions privilégiées de série P sera réputée valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de série P conformément aux dispositions propres aux actions privilégiées de premier rang, en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.8.14 *Intentionnellement effacé*

3.8.15 *Interruption du service postal*

Si la Société considère que le service postal est ou est menacé d'être interrompu durant une période où la Société est tenue ou a décidé d'expédier quelque avis en vertu des présentes par la poste ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série P, soit relativement au rachat ou à la conversion de telles actions ou autrement, la Société pourra, nonobstant les dispositions des présentes :

(a) donner ledit avis par voie de télex, télécopieur ou télégraphe ou encore par voie de publication de l'avis concerné une fois la semaine pour deux semaines consécutives dans un quotidien à grand tirage publié ou distribué à Montréal et à Toronto, et cet avis sera réputé avoir été donné à la date de la communication par télex, télécopieur ou télégraphe ou à la date de la première publication de l'avis; et

(b) respecter son engagement d'envoyer ledit chèque ou certificat d'actions en prenant des mesures pour que ces derniers soient livrés au principal établissement de la Société à Montréal. Ledit chèque et/ou certificat d'actions seront réputés avoir été envoyés à la date à laquelle l'avis concernant telle mesure aura été donné, ainsi qu'il est stipulé au paragraphe (a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ledit chèque ou certificat d'actions soit livré au détenteur, si cela n'a pas déjà été fait, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date d'envoi postal, est un détenteur inscrit et est autorisée à recevoir ledit chèque ou certificat d'actions ou, si l'adresse de tout détenteur n'y est pas inscrite, à la dernière adresse de ce détenteur connue de la Société.

3.8.16 *Définitions*

Dans les dispositions des présentes ayant trait aux actions privilégiées de série P :

(a) les termes «de rang supérieur», «de même rang» et «de rang inférieur» désignent l'ordre de priorité des versements de dividendes et de la répartition d'éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou non, ou de toute autre répartition d'éléments d'actif de la Société parmi ses actionnaires dans le but de liquider ses affaires; et

(b) «dividendes accumulés et impayés» désigne la somme (i) de tous les dividendes impayés au titre des actions privilégiées de série P pour tout trimestre et (ii) du montant calculé comme si les dividendes au titre de chaque action privilégiée de série P s'étaient accumulés quotidiennement à compter de la date à laquelle

le dernier dividende trimestriel était payable jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement.

3.9 Actions privilégiées de série Q

Les actions privilégiées de série Q comportent, outre les droits, privilèges, conditions et restrictions propres aux actions privilégiées de premier rang, en tant que catégorie, les droits, privilèges, conditions et restrictions suivants.

3.9.1 Dividendes

3.9.1.1 Définitions

Sauf indication contraire du contexte, aux fins des présentes :

(a) «banques» désigne deux banques parmi la Banque Royale du Canada, la Banque de Montréal, La Banque de Nouvelle-Écosse, La Banque Toronto-Dominion et la Banque canadienne impériale de commerce et tout successeur de celles-ci que le conseil d'administration de BCE peut désigner de temps à autre en avisant l'agent des transferts des actions privilégiées de série Q; un tel avis doit être donné au moins deux (2) jours ouvrables avant le début d'une période de dividende donnée, et prend effet à ce moment; jusqu'à ce qu'un tel avis soit donné, «banques» désigne la Banque Royale du Canada et La Banque Toronto-Dominion.

(b) «bourse» désigne la bourse de Montréal ou de Toronto, ou toute autre bourse de valeurs mobilières ou tout marché organisé au Canada reconnu à l'occasion par la Société à titre de marché principal pour la négociation des actions privilégiées de série Q.

(c) «cours de référence» désigne, pour un mois donné, le quotient obtenu en divisant :

(i) le total de la valeur quotidienne ajustée des actions négociées de toutes les séances de bourse de ce mois,

par

(ii) le total du volume quotidien des actions négociées de toutes les séances de bourse de ce mois.

(d) «date de clôture des registres réputée» désigne la dernière séance de bourse d'un mois pour lequel aucun dividende n'est déclaré par le conseil d'administration.

(e) «date de paiement de dividende» désigne :

(i) pendant la période de taux fixe, le premier jour de mars, juin, septembre et décembre de chaque année; et

(ii) pendant la période de taux variable, le douzième jour de chaque mois à compter du mois de janvier 2001;

et la première date de paiement de dividende sera le 1^{er} mars 1996.

(f) «date ex-dividende» :

(i) désigne la séance de bourse désignée ou reconnue, conformément aux règles ou aux pratiques habituelles de la bourse, à titre de date ex-dividende aux fins de toute date de clôture des registres pour les dividendes d'actions privilégiées de série Q; ou

- (ii) si le conseil d'administration ne déclare pas de dividende pour un mois donné, la séance de bourse qui serait considérée, conformément aux règles ou aux pratiques habituelles de la bourse, comme la date ex-dividende aux fins de toute date de clôture des registres réputée pour les actions privilégiées de série Q.

(g) «déduction quotidienne relative au dividende accumulé» désigne, pour une séance de bourse donnée :

- (i) le produit obtenu en multipliant le montant du dividende accumulé sur une action privilégiée de série Q pour le mois au cours duquel tombe la séance de bourse, par le nombre de jours compris dans la période débutant le jour précédant la date ex-dividende qui précède immédiatement cette séance de bourse, exclusivement, et se terminant le jour de cette séance de bourse, inclusivement (ou par un (1) jour, si cette séance de bourse est une date ex-dividende),

divisé par

- (ii) le nombre de jours compris dans la période débutant à cette date ex-dividende, inclusivement, et se terminant à la prochaine date ex-dividende, exclusivement.

(h) «facteur d'ajustement» désigne, pour un mois donné, le pourcentage annuel, positif ou négatif, établi en fonction du cours de référence des actions privilégiées de série Q pour le mois précédent, calculé conformément au tableau suivant :

<u>Si le cours de référence est de</u>	<u>Le facteur d'ajustement exprimé en % du taux préférentiel mensuel est de</u>
25,50 \$ ou plus.....	-4,00 %
25,375 \$ et moins de 25,50 \$	-3,00 %
25,25 \$ et moins de 25,375 \$	-2,00 %
25,125 \$ et moins de 25,25 \$	-1,00 %
plus de 24,875 \$ et moins de 25,125 \$.....	néant
plus de 24,75 \$ à 24,875 \$	1,00 %
plus de 24,625 \$ à 24,75 \$	2,00 %
plus de 24,50 \$ à 24,625 \$	3,00 %
24,50 \$ ou moins.....	4,00 %

Le facteur d'ajustement maximal pour un mois donné sera de $\pm 4,00$ %.

Si, pendant un mois donné, au moins un lot régulier d'actions privilégiées de série Q n'est pas négocié à la bourse, le facteur d'ajustement du mois suivant sera de «néant».

(i) «mois» désigne un mois civil.

(j) «période de dividende» désigne :

(i) pendant la période de taux fixe, la période qui débute à la date de paiement de dividende, inclusivement, et se termine à la date de paiement de dividende suivante, exclusivement;

(ii) pendant la période de taux variable, un mois.

(k) «période de taux fixe» désigne la période commençant à la date d'émission des actions privilégiées de série Q et se terminant le 30 novembre 2000, inclusivement.

(l) «période de taux variable» désigne la période commençant immédiatement après la fin de la période de taux fixe et se poursuivant tant que des actions privilégiées de série Q sont en circulation.

- (m) «pourcentage prescrit» désigne, pour le mois de décembre 2000, quatre-vingts pour cent (80 %) et, pour chaque mois suivant, le facteur d'ajustement de ce mois plus le pourcentage prescrit du mois précédent, pourvu que le taux de dividende variable annuel d'un mois donné ne soit jamais inférieur à 50 pour cent du taux préférentiel mensuel pour ce mois, ni supérieur à 100 % du taux préférentiel mensuel pour ce mois.
- (n) «taux de dividende annuel» désigne le taux de dividende fixe annuel ou le taux de dividende variable annuel, selon le cas, prévu par l'article 3.9.1 applicable au moment pertinent.
- (o) «taux de dividende fixe annuel» désigne 6,90 % par année.
- (p) «taux de dividende variable annuel» désigne, pour un mois donné, le taux d'intérêt exprimé en tant que pourcentage annuel (arrondi au millième (1/1000) de un pour cent (1 %) près) égal au taux préférentiel mensuel multiplié par le pourcentage prescrit pour ce mois.
- (q) «taux préférentiel» désigne, pour un jour donné, la moyenne (arrondie au millième (1/1000) de un pour cent (1 %) près) des taux d'intérêt annuels annoncés à l'occasion par les banques comme taux de référence alors en vigueur pour ce jour aux fins de fixer les taux d'intérêt sur les prêts commerciaux en dollars canadiens consentis au Canada aux emprunteurs commerciaux jouissant du meilleur crédit. Si une des banques n'a pas un tel taux d'intérêt en vigueur un jour donné, le taux préférentiel pour ce jour sera le taux d'intérêt en vigueur de l'autre banque; si les deux banques n'ont pas un tel taux d'intérêt en vigueur un jour donné, le taux préférentiel pour ce jour sera égal à 1,5 % l'an, plus le rendement moyen exprimé en tant que pourcentage annuel des bons du Trésor du gouvernement du Canada de 91 jours, tel qu'il est déclaré par la Banque du Canada pour l'offre hebdomadaire portant sur la semaine précédant ce jour; et si les deux banques n'ont pas un tel taux d'intérêt en vigueur un jour donné et que la Banque du Canada ne déclare pas un tel rendement annuel moyen, le taux préférentiel pour ce jour sera égal au taux préférentiel du jour précédent. Un dirigeant de la Société établit à l'occasion le taux préférentiel et le taux préférentiel mensuel à partir de données communiquées par les banques ou qui sont par ailleurs à la disposition du public. En l'absence d'erreur flagrante, la décision de ce dirigeant lie définitivement la Société et tous les détenteurs d'actions privilégiées de série Q.
- (r) «taux préférentiel mensuel» désigne, pour un mois donné, la moyenne (arrondie au millième (1/1000) de un pour cent (1 %) près) des taux préférentiels en vigueur chaque jour de ce mois.
- (s) «séance de bourse» désigne chaque jour au cours duquel la bourse est ouverte à des fins de négociations, si cette bourse est une bourse de valeurs mobilières située au Canada; sinon, le terme «séance de bourse» désigne un jour ouvrable.
- (t) «valeur quotidienne ajustée des actions négociées» désigne, pour une séance de bourse donnée :
- (i) la valeur totale en dollars de toutes les opérations visant les actions privilégiées de série Q enregistrées à la bourse (conformément à la période de règlement normale en vigueur à la bourse) pendant cette séance de bourse,
- moins
- (ii) le produit obtenu en multipliant le volume quotidien des actions négociées durant cette séance de bourse par le montant de la déduction quotidienne relative au dividende accumulé pour cette séance de bourse.
- (u) «volume quotidien des actions négociées» désigne, pour une séance de bourse donnée, le nombre total d'actions privilégiées de série Q négociées à la bourse (conformément à la période de règlement normale en vigueur à la bourse) pendant cette séance de bourse.

3.9.1.2 Généralités

Les détenteurs d'actions privilégiées de série Q auront le droit de recevoir, pour autant qu'ils soient déclarés par le conseil d'administration, des dividendes en espèces privilégiés cumulatifs, puisés à même les fonds de la Société pouvant être dûment affectés au paiement de dividendes, aux taux et aux dates prévus par les présentes. Les dividendes sur les actions privilégiées de série Q s'accumuleront quotidiennement à compter de leur date d'émission inclusivement et seront payables trimestriellement pendant la période de taux fixe et mensuellement pendant la période de taux variable. Les dividendes sur les actions privilégiées de série Q qui sont payables à une date de paiement de dividende donnée (diminués de tout impôt devant être déduit) seront payés par chèque, au pair, en monnaie ayant cours légal au Canada, à toute succursale au Canada des banquiers de la Société.

Le paiement des dividendes déclarés sur les actions privilégiées de série Q sera effectué (sauf en cas de rachat, le paiement des dividendes étant alors effectué au moment de la remise du certificat représentant les actions privilégiées de série Q devant être rachetées) par la mise à la poste, dans une enveloppe affranchie adressée à chaque détenteur d'actions privilégiées de série Q à sa dernière adresse figurant au registre des valeurs mobilières de la Société ou, si son adresse ne figure pas au registre, à sa dernière adresse connue de la Société ou, dans le cas de codétenteurs, à l'adresse de celui dont le nom figure en premier au registre des valeurs mobilières de la Société en tant que l'un de ces codétenteurs, d'un chèque pour le montant de ces dividendes (diminué de tout impôt devant être déduit) payable à l'ordre de ce détenteur ou, dans le cas de codétenteurs, à l'ordre de tous les codétenteurs, sauf indication contraire de leur part par écrit. Nonobstant ce qui précède, tout chèque de paiement de dividendes peut être livré par la Société à un détenteur d'actions privilégiées de série Q à son adresse ainsi qu'elle est indiquée ci-dessus. La mise à la poste ou la livraison d'un tel chèque sera réputée constituer le paiement et satisfera à toutes obligations de paiement de ces dividendes pour ce qui est du montant représenté par un tel chèque (compte tenu du montant de tout impôt devant être déduit ainsi qu'il est mentionné ci-dessus), à moins que ce chèque ne soit pas payé au moment où il est dûment présenté.

3.9.1.3 Période de taux fixe

Pendant la période de taux fixe, les dividendes sur les actions privilégiées de série Q seront payables trimestriellement au taux de dividende fixe annuel. Par conséquent, à chaque date de paiement de dividende au cours de la période de taux fixe, autre que le 1^{er} mars 1996, mais en incluant le 1^{er} décembre 2000, le dividende payable sera de 0,43125 \$ par action privilégiée de série Q. Le montant du premier dividende trimestriel payable sur chaque action privilégiée de série Q le 1^{er} mars 1996 sera de 0,4726 \$ l'action.

3.9.1.4 Période de taux variable

Pendant la période de taux variable, les dividendes sur les actions privilégiées de série Q seront payables mensuellement au taux de dividende variable annuel ainsi qu'il est calculé de temps à autre. Par conséquent, à chaque date de paiement de dividende au cours de la période de taux variable, le dividende payable sur les actions privilégiées de série Q sera le montant (arrondi au millième (1/1000) de cent près) obtenu en multipliant 25,00 \$ par le taux de dividende variable annuel applicable au mois précédant cette date de paiement de dividende et en divisant la somme par douze. La date de clôture des registres servant à déterminer les détenteurs d'actions privilégiées de série Q admissibles aux dividendes à chaque date de paiement de dividende au cours de la période de taux variable sera la dernière séance de bourse du mois précédent. En cas de rachat ou d'achat des actions privilégiées de série Q au cours de la période de taux variable ou de la répartition d'éléments d'actif de la Société au cours de la période de taux variable, ainsi que le prévoit l'article 3.9.2 des présentes, le montant du dividende accumulé au cours du mois où a lieu ce rachat, cet achat ou cette répartition (arrondi au millième (1/1000) de cent près) sera calculé en multipliant :

- (i) le produit de la multiplication de 25,00 \$ par un douzième (1/12) du taux de dividende variable annuel applicable au mois précédent; par
- (ii) une fraction dont le numérateur est le nombre de jours écoulés dans le mois où a lieu ce rachat, cet achat ou cette répartition, jusqu'à la date de cet événement, exclusivement, et le dénominateur est le nombre de jours dans ce mois.

3.9.1.5 *Calcul du pourcentage prescrit*

La Société calculera dès que possible le pourcentage prescrit pour chaque mois et en avisera toutes les bourses de valeurs mobilières au Canada à la cote desquelles les actions privilégiées de série Q sont inscrites ou, si les actions privilégiées de série Q ne sont pas inscrites à la cote d'une bourse de valeurs mobilières au Canada, la Société en avisera l'Association canadienne des courtiers en valeurs mobilières.

3.9.2 *Droits en cas de liquidation*

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre répartition des éléments d'actif de la Société aux fins de liquider ses affaires, les détenteurs d'actions privilégiées de série Q auront le droit de recevoir 25,00 \$ par action augmentés de tous les dividendes accumulés et impayés jusqu'à la date de paiement ou de répartition, exclusivement, avant qu'aucun montant ne soit payé ou qu'aucun élément d'actif de la Société ne soit réparti parmi les détenteurs d'actions de rang inférieur aux actions privilégiées de série Q. Les détenteurs d'actions privilégiées de série Q ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.9.3 *Rachat d'actions*

La Société ne pourra racheter d'actions privilégiées de série Q avant le 1^{er} décembre 2000. Sous réserve des lois applicables et de l'article 3.9.5 ci-dessous, après avis comme prévu ci-après, la Société pourra i) le 1^{er} décembre 2000, racheter en totalité mais non moins de la totalité des actions privilégiées de série Q en circulation contre paiement de 25,00 \$ pour chacune de ces actions à racheter, et ii) après le 1^{er} décembre 2000, racheter en tout temps la totalité mais non moins de la totalité des actions privilégiées de série Q en circulation contre paiement de 25,50 \$ pour chacune de ces actions à racheter augmentés, dans chaque cas, des dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat.

La Société donnera un préavis écrit d'au moins 45 jours et d'au plus 60 jours de son intention de racheter des actions privilégiées de série Q à toute personne qui, à la date de l'envoi de ce préavis, est détentrice de ces actions à racheter. L'avis devra être envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série Q à racheter, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société; cependant, toute omission ou tout défaut involontaires d'envoyer un tel avis à un ou à plusieurs de ces détenteurs ne sera d'aucun effet sur la validité du rachat des actions privilégiées de série Q des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série Q à racheter, détenues par la personne à qui il est adressé, ainsi que le prix de rachat, et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats représentant ces actions à tout endroit au Canada mentionné dans l'avis, paiera ou fera en sorte que soit payé le prix de rachat aux détenteurs d'actions privilégiées de série Q à racheter. Le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis, les détenteurs d'actions privilégiées de série Q à racheter n'auront plus aucun droit aux dividendes sur ces actions ni aucun autre droit en qualité de détenteurs de ces actions, à moins que la Société n'omette de payer le prix de rachat. En tout temps après que l'avis de rachat susmentionné aura été donné, la Société pourra déposer le montant du prix de rachat de la totalité ou d'une partie des actions privilégiées de série Q à racheter dans une ou plusieurs banques à charte ou sociétés de fiducie au Canada dont les noms auront été donnés dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes en fiducie pour le bénéfice des détenteurs des actions à racheter, et les montants leur seront versés par ces banques ou sociétés de fiducie sur remise du ou des certificats; dès l'exécution de ces dépôts, les actions seront rachetées à la date de rachat indiquée dans l'avis de rachat. Dès que la Société aura effectué le dépôt susmentionné à l'égard de toutes actions, les détenteurs de celles-ci n'auront plus, à compter de la date de rachat, aucun autre droit en qualité de détenteurs de ces actions et leurs droits seront limités à la perception de la portion des montants déposés qui s'applique à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

3.9.4 Conversion des actions privilégiées de série Q

3.9.4.1 Conversion au gré du détenteur

Les détenteurs d'actions privilégiées de série Q pourront, à leur gré, le 1^{er} décembre 2000 et le 1^{er} décembre tous les cinq ans (une «date de conversion»), convertir, en totalité ou en partie, sous réserve des dispositions et conditions des présentes, les actions privilégiées de série Q inscrites en leur nom en actions privilégiées de série R de la Société à raison d'une (1) action privilégiée de série R pour chaque action privilégiée de série Q. La Société devra aviser par écrit les détenteurs alors inscrits d'actions privilégiées de série Q du taux désigné (tel qu'il est défini à l'article 3.10.1.1 des statuts de la Société relatifs aux actions privilégiées de série R) déterminé par le conseil d'administration et applicable pour la période de taux de dividende fixe suivante (telle qu'elle est définie à l'article 3.10.1.1 des statuts de la Société relatifs aux actions privilégiées de série R) de même que du droit de conversion prévu par les présentes; un tel avis sera envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série Q, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société. Cet avis devra indiquer la date de conversion et être donné au moins 45 jours et au plus 60 jours avant la date de conversion applicable.

Si, ainsi qu'il est stipulé à l'article 3.9.3, la Société avise les détenteurs d'actions privilégiées de série Q du rachat de la totalité des actions privilégiées de série Q à une date de conversion, elle ne sera pas tenue de les aviser, ainsi qu'il est stipulé au présent article 3.9.4.1, du taux désigné (tel qu'il est défini à l'article 3.10.1.1 des statuts de la Société relatifs aux actions privilégiées de série R) des actions privilégiées de série R, ni de leur droit de conversion; en outre, le droit de tout détenteur d'actions privilégiées de série Q de convertir de telles actions privilégiées de série Q ainsi qu'il est stipulé dans les présentes prendra fin dans un tel cas.

Si, à la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série R en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série Q déposées aux fins de conversion en actions privilégiées de série R et de toutes les actions privilégiées de série R déposées aux fins de conversion en actions privilégiées de série Q, les détenteurs d'actions privilégiées de série Q n'auront pas le droit de convertir leurs actions en actions privilégiées de série R. La société en avisera par écrit, conformément aux dispositions du premier paragraphe du présent article 3.9.4.1, tous les détenteurs visés d'actions privilégiées de série Q au moins sept (7) jours avant la date de conversion applicable et émettra et livrera, ou fera en sorte que soit livré, avant cette date de conversion, aux frais de la société, à ces détenteurs d'actions privilégiées de série Q ayant déposé aux fins de conversion un ou plusieurs certificats représentant des actions privilégiées de série Q, de nouveaux certificats représentant les actions privilégiées de série Q représentées par un ou plusieurs certificats déposés comme indiqué ci-dessus.

3.9.4.2 Conversion automatique

Si, à la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série Q en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série Q déposées aux fins de conversion en actions privilégiées de série R et de toutes les actions privilégiées de série R déposées aux fins de conversion en actions privilégiées de série Q, la totalité mais non une partie des actions privilégiées de série Q en circulation restantes sera automatiquement convertie en actions privilégiées de série R à raison d'une (1) action privilégiée de série R pour chaque action privilégiée de série Q, et ce, à la date de conversion applicable, et la Société donnera un avis écrit à cet effet, conformément aux dispositions de l'article 3.9.4.1, aux détenteurs de ces actions privilégiées de série Q restantes au moins sept (7) jours avant la date de conversion.

3.9.4.3 Exercice du privilège de conversion

La conversion des actions privilégiées de série Q peut être effectuée par la remise, au plus tôt 45 jours avant la date de conversion et au plus tard à la fermeture des bureaux le 14^e jour précédant la date de conversion, durant les heures d'ouverture normales, du ou des certificats les représentant, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série Q peuvent être transférées, ce ou ces certificats étant accompagnés : i) du paiement ou d'un reçu attestant le paiement de l'impôt payable (s'il y a lieu), prévu au présent article 3.9.4.3; et ii) d'un instrument de remise acceptable pour la Société et dûment signé par le détenteur

ou son fondé de pouvoir dûment autorisé par écrit, instrument dans lequel ce détenteur peut indiquer qu'il ne veut convertir qu'une partie seulement des actions privilégiées de série Q représentées par ce ou ces certificats, qui n'ont pas jusqu'alors été désignées en vue du rachat, auquel cas la Société émettra et livrera ou fera livrer, à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série Q qui sont représentées par ce ou ces certificats et qui n'auront pas été converties.

Dans le cas où la Société est tenue de convertir la totalité des actions privilégiées de série Q en circulation restantes en actions privilégiées de série R à la date de conversion applicable, ainsi qu'il est stipulé à l'article 3.9.4.2, les actions privilégiées de série Q que les détenteurs n'avaient pas choisi de convertir devront être converties à la date de conversion en actions privilégiées de série R, et les détenteurs de ces actions seront réputés être détenteurs d'actions privilégiées de série R à la fermeture des bureaux à la date de conversion et auront le droit, après avoir remis, pendant les heures d'ouverture normales, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série Q peuvent être transférées, le ou les certificats représentant les actions privilégiées de série Q non remis précédemment aux fins de conversion, de recevoir un ou plusieurs certificats représentant le même nombre d'actions privilégiées de série R de la manière et selon les dispositions prévues dans le présent article 3.9.4.3.

Aussitôt que possible après la date de conversion, la Société émettra et livrera ou fera livrer au détenteur d'actions privilégiées de série Q ainsi remises, ou selon son ordre écrit, un ou plusieurs certificats à son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions privilégiées de série R entièrement libérées et non cotisables et le nombre d'actions privilégiées de série Q restantes, le cas échéant, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux à la date de conversion de sorte que les droits du détenteur de ces actions privilégiées de série Q à ce titre cesseront à ce moment, et la ou les personnes ayant le droit de recevoir des actions privilégiées de série R à la suite de cette conversion seront à toutes fins considérées comme détenteurs inscrits de ces actions privilégiées de série R dès ce moment.

Le détenteur de toute action privilégiée de série Q inscrit à la date de clôture des registres aux fins de tout dividende déclaré payable sur cette action aura droit à ce dividende même si l'action a été convertie en action privilégiée de série R après cette date de clôture des registres et avant la date de paiement de ce dividende ou à cette date même.

L'émission de certificats d'actions privilégiées de série R au moment de la conversion d'actions privilégiées de série Q s'effectuera sans frais pour les détenteurs convertissant leurs actions privilégiées de série Q, quant aux droits ou impôts applicables à l'émission de ces certificats ou des actions privilégiées de série R qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes de ces actions privilégiées de série R ou des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison de ces certificats au nom d'une ou de plusieurs personnes autres que le détenteur des actions privilégiées de série Q converties; et la Société ne sera tenue d'émettre ou de livrer ces certificats que si les personnes en demandant l'émission lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.9.4.4 Statut des actions privilégiées de série Q converties

Toutes les actions privilégiées de série Q converties en actions privilégiées de série R à une date de conversion donnée ne seront pas annulées, mais reprendront le statut d'actions autorisées mais non émises de la Société à la fermeture des bureaux à la date de conversion.

3.9.5 Restrictions concernant les dividendes et le remboursement des actions

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série Q en circulation :

- (a) déclarer, payer ni mettre de côté à des fins de paiement aucun dividende sur les actions ordinaires ou toute autre action de la Société de rang inférieur aux actions privilégiées de série Q (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série Q);

(b) racheter, acheter ni autrement rembourser, ni procéder à aucune répartition de capital au titre des actions ordinaires de la Société ou de toute autre action de la Société de rang inférieur aux actions privilégiées de série Q (sauf si la contrepartie est payée à même le produit net en espèces d'un placement, fait à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série Q);

(c) racheter, acheter ni autrement rembourser moins de la totalité des actions privilégiées de série Q alors en circulation; ni

(d) racheter, acheter ni autrement rembourser (sauf dans le cadre de l'exercice d'un privilège de rachat au gré de l'actionnaire ou d'une obligation de rachat par la Société s'y rapportant) aucune action de la Société de toute catégorie ou série de même rang que les actions privilégiées de série Q, étant entendu que les restrictions mentionnées dans le présent paragraphe (d) ne porteront aucunement atteinte au droit de la Société de racheter, d'acheter ou de rembourser autrement à titre onéreux toute action de la Société de toute catégorie de rang supérieur aux actions privilégiées de série Q;

à moins que, dans tous les cas, tous les dividendes cumulatifs accumulés au titre des actions privilégiées de série Q en circulation, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes étaient payables, n'aient été déclarés et payés.

Toute approbation des détenteurs d'actions privilégiées de série Q exigée en vertu du présent article 3.9.5 pourra être donnée conformément au deuxième paragraphe de l'article 3.9.7 et à l'article 3.9.10. Nonobstant les dispositions de l'article 3.9.10 des présentes, toute approbation exigée en vertu du présent article 3.9.5 ne pourra être donnée qu'au moyen du vote favorable des détenteurs de la majorité des actions privilégiées de série Q présents ou représentés à une assemblée, ou à une reprise d'assemblée, des détenteurs d'actions privilégiées de série Q dûment convoquée à cette fin et à laquelle il y aura quorum.

3.9.6 *Achat pour annulation*

La Société pourra à tout moment acheter pour annulation la totalité ou une partie des actions privilégiées de série Q en circulation de temps à autre, sur le marché libre, par l'intermédiaire d'un courtier en valeurs mobilières ou de toute firme membre d'une bourse reconnue, ou par convention privée ou autrement, au(x) plus bas prix, de l'avis du conseil d'administration, auquel (auxquels) ces actions sont disponibles plus, dans chaque cas, tous les dividendes accumulés et impayés ainsi que les frais d'achat.

3.9.7 *Droits de vote*

Si la Société est en défaut de payer huit (8) dividendes consécutifs ou non consécutifs au titre des actions privilégiées de série Q, les détenteurs d'actions privilégiées de série Q auront le droit d'être convoqués et d'assister à chaque assemblée des actionnaires de la Société (autre qu'une assemblée distincte réservée aux détenteurs d'actions de la Société de toute autre catégorie ou série) tenue plus de 60 jours après la date du premier défaut de paiement, et d'y voter à raison d'un (1) vote par action privilégiée de série Q détenue, et ce, jusqu'à ce que tous les arriérés de dividendes au titre des actions privilégiées de série Q aient été acquittés, après quoi les droits prendront fin et ne seront réouverts que lorsque la Société sera de nouveau en défaut, le cas échéant, conformément aux dispositions du présent article 3.9.7.

Chaque action privilégiée de série Q confère à son détenteur un (1) vote relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs des actions privilégiées de série Q, votant en tant que série ou en tant que partie d'une catégorie.

3.9.8 *Émission d'actions privilégiées additionnelles*

La Société pourra émettre des séries additionnelles d'actions privilégiées de premier rang de même rang que les actions privilégiées de série Q sans l'autorisation des détenteurs des actions privilégiées de série Q.

3.9.9 Modifications

Les dispositions propres aux actions privilégiées de série Q en tant que série peuvent être abrogées ou modifiées de temps à autre moyennant l'approbation alors exigée par la *Loi canadienne sur les sociétés par actions*, donnée conformément aux dispositions de l'article 3.9.10.

Aucune des dispositions des statuts de la Société relatifs aux actions privilégiées de série Q en tant que série ne peut être modifiée d'aucune manière à moins que les dispositions relatives aux actions privilégiées de série R en tant que série, le cas échéant, ne fassent en même temps, dans la mesure jugée nécessaire par la Société, l'objet de modifications dont la nature et l'étendue sont les mêmes.

3.9.10 Approbation des détenteurs d'actions privilégiées de série Q

Toute approbation des détenteurs d'actions privilégiées de série Q sera réputée valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de série Q conformément aux dispositions propres aux actions privilégiées de premier rang, en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.9.11 Choix quant à l'imposition

La Société fera un choix, de la manière et dans les délais prescrits par la *Loi de l'impôt sur le revenu* (Canada), en vertu du paragraphe 191.2(1) de cette loi ou de toute autre disposition de portée semblable remplaçant ce paragraphe ou lui succédant, et prendra toutes les mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun détenteur d'actions privilégiées de série Q ne sera tenu de payer l'impôt sur les dividendes reçus au titre des actions privilégiées de série Q aux termes de l'article 187.2 de la partie IV.I de cette loi ou de toute disposition de portée semblable remplaçant cet article ou lui succédant.

3.9.12 Interruption du service postal

Si la Société considère que le service postal est ou est menacé d'être interrompu, durant une période où la Société est tenue ou a décidé d'expédier quelque avis par la poste en vertu des présentes ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série Q, soit relativement au rachat ou à la conversion de ces actions ou autrement, la Société pourra, nonobstant les dispositions des présentes :

(a) donner cet avis par voie de télex, télécopieur ou télégraphe ou encore par voie de publication de l'avis concerné une fois par semaine pendant deux semaines consécutives dans un quotidien à grand tirage publié ou distribué à Montréal et à Toronto, et cet avis sera réputé avoir été donné à la date de la communication par télex, télécopieur ou télégraphe ou à la date de la première publication de l'avis; et

(b) respecter son engagement d'envoyer ce chèque ou ce certificat d'actions en prenant des mesures pour que ces derniers soient livrés au principal établissement de la Société à Montréal. Ce chèque ou ce certificat d'actions seront réputés avoir été envoyés à la date à laquelle l'avis concernant une telle mesure aura été donné, ainsi qu'il est stipulé au paragraphe (a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ce chèque ou ce certificat d'actions soit livré au détenteur, si cela n'a pas déjà été fait, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date de l'envoi postal, est un détenteur inscrit autorisé à recevoir ce chèque ou certificat d'actions ou, si l'adresse de tout détenteur n'y est pas inscrite, à la dernière adresse de ce détenteur connue de la Société.

3.9.13 Avis du taux de dividende annuel applicable aux actions privilégiées de série R

Dans les trois (3) jours suivant la détermination du taux de dividende annuel (ainsi qu'il est défini à l'article 3.10.1.1 des statuts de la Société relatifs aux actions privilégiées de série R), la société en avisera les détenteurs des actions privilégiées de série Q en le publiant une fois dans l'édition canadienne du journal anglais *The Globe and Mail* et une fois dans la ville de Montréal dans des quotidiens à grand tirage français et anglais, étant entendu que si l'un ou l'autre de ces quotidiens n'est pas à grand tirage à ce moment, un tel avis sera publié dans une autre publication équivalente.

3.9.14 Définitions

Dans les dispositions des présentes ayant trait aux actions privilégiées de série Q :

(a) «de rang supérieur», «de même rang» et «de rang inférieur» désignent l'ordre de priorité des versements de dividendes et la répartition d'éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou non, ou de toute autre répartition d'éléments d'actif de la Société parmi ses actionnaires dans le but de liquider ses affaires; et

(b) «dividendes accumulés et impayés» désigne i) pendant la période de taux fixe, la somme (A) de tous les dividendes impayés sur les actions privilégiées de série Q pour toute période de dividende et (B) du montant calculé comme si les dividendes sur chaque action privilégiée de série Q s'étaient accumulés quotidiennement à compter de la date à laquelle le dernier dividende trimestriel était payable jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement; et ii) pendant la période de taux variable, la somme (A) de tous les dividendes impayés sur les actions privilégiées de série Q pour toute période de dividende et (B) du montant calculé comme si les dividendes sur chaque action privilégiée de série Q s'étaient accumulés quotidiennement à compter du premier jour du mois suivant le mois pour lequel le dividende était ou sera, selon le cas, payable, inclusivement, jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement.

3.9.15 Interprétation

Dans le cas où une date à laquelle la Société doit payer un dividende sur les actions privilégiées de série Q, ou une autre date à laquelle la Société ou les détenteurs d'actions privilégiées de série Q doivent prendre une autre mesure en vertu des présentes ne serait pas un jour ouvrable (ainsi que ce terme est défini ci-après), alors ce dividende sera payable, ou cette autre mesure sera prise, le jour ouvrable suivant. Un «jour ouvrable» est un jour autre qu'un samedi, un dimanche ou tout autre jour férié pour le bureau principal de la société au Canada.

3.10 Actions privilégiées de série R

Les actions privilégiées de série R comportent, outre les droits, privilèges, conditions et restrictions propres aux actions privilégiées de premier rang, en tant que catégorie, les droits, privilèges, conditions et restrictions suivants.

3.10.1 Dividendes

3.10.1.1 Définitions

Sauf indication contraire du contexte, aux fins des présentes :

(a) «date de paiement de dividende» désigne le premier jour de mars, juin, septembre et décembre de chaque année;

(b) «période de taux de dividende fixe» désigne, pour la période de taux de dividende fixe initiale, la période débutant le 1^{er} décembre 2000 et se terminant le 30 novembre 2005, inclusivement; et, pour chaque période de taux de dividende fixe subséquente, la période débutant le jour suivant la fin de la période de taux de dividende fixe précédente et se terminant le 30 novembre de la cinquième année suivante, inclusivement;

(c) «rendement des obligations du gouvernement du Canada» désigne, à une date donnée, la moyenne des rendements qu'une obligation du gouvernement du Canada non remboursable par anticipation aurait si elle était émise en dollars canadiens au Canada à 100 % de son montant en capital à cette date, avec une échéance de cinq ans, désignés par deux courtiers en valeurs mobilières canadiens inscrits, choisis par le conseil d'administration comme étant les rendements à l'échéance à cette date, composés semestriellement et calculés conformément aux principes financiers généralement reconnus;

(d) «taux de dividende annuel» désigne, pour toute période de taux de dividende fixe, le taux d'intérêt exprimé en tant que pourcentage par année (arrondi au millième (1/1000) de un pour cent (1 %) près) correspondant au rendement des obligations du gouvernement du Canada multiplié par le taux désigné pour cette période de taux de dividende fixe;

(e) «taux désigné» désigne le taux d'intérêt, pour chaque période de taux de dividende fixe, exprimé en pourcentage du rendement des obligations du gouvernement du Canada, déterminé par le conseil d'administration, tel qu'il est énoncé dans l'avis aux détenteurs d'actions privilégiées de série R donné conformément aux dispositions de l'article 3.10.4.1, lequel taux d'intérêt ne sera par inférieur à 80 % du rendement des obligations du gouvernement du Canada.

3.10.1.2 Généralités

Les détenteurs d'actions privilégiées de série R auront le droit de recevoir, pour autant qu'ils soient déclarés par le conseil d'administration, des dividendes en espèces privilégiés, cumulatifs et fixes, puisés à même les fonds de la Société pouvant être dûment affectés au paiement de dividendes, d'un montant annuel par action déterminé en multipliant le taux de dividende annuel par 25,00 \$, payables trimestriellement pour chaque période de douze mois les 1^{er} mars, juin, septembre et décembre, et ce, par chèque, au pair, en monnaie ayant cours légal au Canada, à toute succursale au Canada des banquiers de la Société.

Le paiement des dividendes déclarés sur les actions privilégiées de série R sera effectué (sauf en cas de rachat, le paiement des dividendes étant alors effectué au moment de la remise du certificat représentant les actions privilégiées de série R devant être rachetées) par la mise à la poste, dans une enveloppe affranchie adressée à chaque détenteur d'actions privilégiées de série R à sa dernière adresse figurant au registre des valeurs mobilières de la Société ou, si son adresse ne figure pas au registre, à sa dernière adresse connue de la Société ou, dans le cas de codétenteurs, à l'adresse de celui dont le nom figure en premier au registre des valeurs mobilières de la Société en tant que l'un de ces codétenteurs, d'un chèque pour le montant de ces dividendes (diminué de tout impôt devant être déduit) payable à l'ordre de ce détenteur ou, dans le cas de codétenteurs, à l'ordre de tous les codétenteurs, sauf indication contraire de leur part par écrit. Nonobstant ce qui précède, tout chèque de paiement de dividendes peut être livré par la Société à un détenteur d'actions privilégiées de série R à son adresse ainsi qu'elle est indiquée ci-dessus. La mise à la poste ou la livraison d'un tel chèque sera réputée constituer le paiement et satisfera à toutes obligations de paiement de ces dividendes pour ce qui est du montant représenté par un tel chèque (compte tenu du montant de tout impôt devant être déduit ainsi qu'il est mentionné ci-dessus), à moins que ce chèque ne soit pas payé au moment où il est dûment présenté.

3.10.1.3 Calcul du taux de dividende annuel

La Société devra calculer, le 21^e jour précédant le premier jour de chaque période de taux de dividende fixe, le taux de dividende annuel pour chaque période de taux de dividende fixe, en fonction du taux désigné et du rendement des obligations du gouvernement du Canada en vigueur à 10 h (heure de Montréal) le 21^e jour précédant le premier jour de chaque période de taux de dividende fixe et en avisant (i) le jour ouvrable suivant, toutes les bourses de valeurs mobilières au Canada à la cote desquelles les actions privilégiées de série R sont inscrites ou, si les actions privilégiées de série R ne sont pas inscrites à la cote d'une bourse de valeurs mobilières au Canada, l'Association canadienne des courtiers en valeurs mobilières; et (ii) dans les trois (3) jours ouvrables suivants, sauf pour ce qui est de la période de taux de dividende fixe initiale, les détenteurs des actions privilégiées de série R, en le publiant une fois dans l'édition canadienne du journal anglais *The Globe and Mail* et une fois dans la ville de Montréal dans des quotidiens à grand tirage français et anglais, étant entendu que si l'un ou l'autre de ces quotidiens n'est pas à grand tirage à ce moment, un tel avis sera publié dans une autre publication équivalente.

3.10.2 Droits en cas de liquidation

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre répartition des éléments d'actif de la Société aux fins de liquider ses affaires, les détenteurs des actions privilégiées de série R auront le droit de recevoir 25,00 \$ par action privilégiée de série R augmentés de tous les dividendes accumulés et impayés jusqu'à la date de paiement ou de répartition, exclusivement, avant qu'aucun montant ne soit payé ou qu'aucun élément d'actif de la Société ne soit réparti parmi les détenteurs des actions ordinaires de la Société ou de toutes autres actions de rang inférieur aux actions privilégiées de série R. Une fois

ces montants payés, les détenteurs des actions privilégiées de série R ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.10.3 Rachat d'actions

La Société ne pourra racheter d'actions privilégiées de série R avant le 1^{er} décembre 2005. Sous réserve des lois applicables et de l'article 3.10.5 ci-dessous, après avis comme prévu ci-après, la Société pourra, le 1^{er} décembre 2005 ou le 1^{er} décembre tous les cinq (5) ans par la suite, racheter en tout temps la totalité et non moins de la totalité des actions privilégiées de série R en circulation, contre paiement de 25,00 \$ pour chacune de ces actions à racheter, plus les dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat.

La Société donnera un préavis écrit d'au moins 45 jours et d'au plus 60 jours de son intention de racheter des actions privilégiées de série R à toute personne qui, à la date de l'envoi de ce préavis, est détentrice de ces actions à racheter. L'avis devra être envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série R à racheter à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société; cependant, toute omission ou tout défaut involontaires d'envoyer un tel avis à un ou à plusieurs de ces détenteurs ne sera d'aucun effet sur la validité du rachat des actions privilégiées de série R des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série R à racheter, détenues par la personne à qui il est adressé, ainsi que le prix de rachat, et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats représentant ces actions à tout endroit au Canada mentionné dans l'avis, paiera ou fera en sorte que soit payé le prix de rachat aux détenteurs d'actions privilégiées de série R à racheter. Le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis, les détenteurs d'actions privilégiées de série R à racheter n'auront plus aucun droit aux dividendes sur ces actions ni aucun autre droit en qualité de détenteurs de ces actions, à moins que la Société n'omette de payer le prix de rachat. En tout temps après que l'avis de rachat susmentionné aura été donné, la Société pourra déposer le montant du prix de rachat de la totalité ou d'une partie des actions privilégiées de série R à racheter dans une ou plusieurs banques à charte ou sociétés de fiducie au Canada dont les noms auront été donnés dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes en fiducie pour le bénéfice des détenteurs des actions à racheter et les montants leur seront versés par ces banques ou sociétés de fiducie sur remise du ou des certificats; dès l'exécution de ces dépôts, les actions seront rachetées à la date de rachat indiquée dans l'avis de rachat. Dès que la Société aura effectué le dépôt susmentionné à l'égard de toutes actions, les détenteurs de celles-ci n'auront plus, à compter de la date de rachat, aucun autre droit en qualité de détenteurs de ces actions et leurs droits seront limités à la perception de la portion des montants déposés qui s'applique à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

3.10.4 Conversion des actions privilégiées de série R

3.10.4.1 Conversion au gré du détenteur

Les détenteurs d'actions privilégiées de série R pourront, à leur gré, le 1^{er} décembre 2005 et le 1^{er} décembre tous les cinq (5) ans par la suite (une «date de conversion»), convertir, en totalité ou en partie, sous réserve des dispositions des présentes, les actions privilégiées de série R inscrites en leur nom en actions privilégiées de série Q de la Société, à raison d'une (1) action privilégiée de série Q pour chaque action privilégiée de série R. La Société devra aviser par écrit les détenteurs d'actions privilégiées de série R alors en circulation du taux désigné déterminé par le conseil d'administration et applicable pour la période de taux de dividende fixe suivante, de même que du droit de conversion prévu par les présentes; un tel avis sera envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série R, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société. Cet avis devra indiquer la date de conversion et être donné au moins 45 jours et au plus 60 jours avant la date de conversion applicable.

Si, ainsi qu'il est stipulé à l'article 3.10.3, la Société avise les détenteurs d'actions privilégiées de série R du rachat de la totalité des actions privilégiées de série R, elle ne sera pas tenue de les aviser, ainsi qu'il est stipulé au présent article 3.10.4.1, du taux désigné, ni de leur droit de conversion; en outre, le droit de

tout détenteur d'actions privilégiées de série R de convertir de telles actions privilégiées de série R ainsi qu'il est stipulé dans les présentes prendra fin dans un tel cas.

Les détenteurs d'actions privilégiées de série R ne seront pas en droit de convertir leurs actions en actions privilégiées de série Q si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série Q en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série R déposées aux fins de conversion en actions privilégiées de série Q et de toutes les actions privilégiées de série Q déposées aux fins de conversion en actions privilégiées de série R. La Société en avisera par écrit, conformément aux dispositions du premier paragraphe du présent article 3.10.4.1, tous les détenteurs visés d'actions privilégiées de série R au moins sept (7) jours avant la date de conversion applicable et émettra et livrera, ou fera en sorte que soit livré, avant cette date de conversion, aux frais de la Société, à ces détenteurs d'actions privilégiées de série R ayant déposé aux fins de conversion un ou plusieurs certificats représentant des actions privilégiées de série R, de nouveaux certificats représentant les actions privilégiées de série R représentées par un ou plusieurs certificats déposés comme indiqué ci-dessus.

3.10.4.2 Conversion automatique

Si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série R en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série R déposées aux fins de conversion en actions privilégiées de série Q et de toutes les actions privilégiées de série Q déposées aux fins de conversion en actions privilégiées de série R, la totalité et non une partie des actions privilégiées de série R en circulation restantes sera automatiquement convertie en actions privilégiées de série Q à raison d'une (1) action privilégiée de série Q pour chaque action privilégiée de série R, et ce, à la date de conversion applicable, et la Société donnera un avis écrit à cet effet, conformément aux dispositions de l'article 3.10.4.1, aux détenteurs de ces actions privilégiées de série R restantes au moins sept (7) jours avant la date de conversion.

3.10.4.3 Exercice du privilège de conversion

La conversion des actions privilégiées de série R peut être effectuée par la remise, au plus tôt 45 jours avant une date de conversion et au plus tard à la fermeture des bureaux le 14^e jour précédant une date de conversion, durant les heures d'ouverture normales, du ou des certificats les représentant, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série R peuvent être transférées, ce ou ces certificats étant accompagnés : (1) du paiement ou d'un reçu attestant le paiement de l'impôt payable (s'il y a lieu), prévu au présent article 3.10.4.3; et (2) d'un instrument de remise acceptable pour la Société et dûment signé par le détenteur ou son fondé de pouvoir dûment autorisé par écrit, instrument dans lequel ce détenteur peut indiquer qu'il ne veut convertir qu'une partie seulement des actions privilégiées de série R représentées par ce ou ces certificats, qui n'ont pas jusqu'alors été désignées en vue du rachat, auquel cas la Société émettra et livrera ou fera livrer, à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série R qui sont représentées par ce ou ces certificats et qui n'auront pas été converties.

Dans le cas où la Société est tenue de convertir la totalité des actions privilégiées de série R en circulation restantes en actions privilégiées de série Q à la date de conversion applicable, ainsi qu'il est stipulé à l'article 3.10.4.2, les actions privilégiées de série R que les détenteurs n'avaient pas choisi de convertir devront être converties à la date de conversion en actions privilégiées de série Q, et les détenteurs de ces actions seront réputés être détenteurs d'actions privilégiées de série Q à la fermeture des bureaux à la date de conversion et auront le droit, après avoir remis, pendant les heures d'ouverture normales, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série R peuvent être transférées, le ou les certificats représentant les actions privilégiées de série R non remis précédemment aux fins de conversion, de recevoir un ou plusieurs certificats représentant le même nombre d'actions privilégiées de série Q de la manière et selon les dispositions prévues dans le présent article 3.10.4.3.

Aussitôt que possible après la date de conversion, la Société émettra et livrera ou fera livrer au détenteur d'actions privilégiées de série R ainsi remises, ou selon son ordre écrit, un ou plusieurs certificats à son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions privilégiées de série Q entièrement libérées et non cotisables et le nombre d'actions privilégiées de série R restantes, le cas échéant, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux à la date de conversion de sorte que les droits du détenteur de ces actions privilégiées de série R à ce titre cesseront à ce

moment, et la ou les personnes ayant le droit de recevoir des actions privilégiées de série Q à la suite de cette conversion seront à toute fins considérées comme détenteurs inscrits de ces actions privilégiées de série Q dès ce moment.

Le détenteur de toute action privilégiée de série R inscrit à la date de clôture des registres aux fins de tout dividende déclaré payable sur cette action aura droit à ce dividende même si l'action a été convertie en action privilégiée de série Q après cette date de clôture des registres et avant la date de paiement de ce dividende ou à cette date même.

L'émission de certificats d'actions privilégiées de série Q au moment de la conversion d'actions privilégiées de série R s'effectuera sans frais pour les détenteurs convertissant leurs actions privilégiées de série R, quant aux droits ou impôts applicables à l'émission de ces certificats ou des actions privilégiées de série Q qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes de ces actions privilégiées de série Q ou des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison de ces certificats au nom d'une ou de plusieurs personnes autres que le détenteur des actions privilégiées de série R converties; et la Société ne sera tenue d'émettre ou de livrer ces certificats que si les personnes en demandant l'émission lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.10.4 Statut des actions privilégiées de série R converties

Toutes les actions privilégiées de série R converties en actions privilégiées de série Q à une date de conversion donnée ne seront pas annulées, mais reprendront le statut d'actions autorisées mais non émises de la Société à la fermeture des bureaux à la date de conversion.

3.10.5 Restrictions concernant les dividendes et le remboursement des actions

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série R en circulation :

- (a) déclarer, payer ni mettre de côté à des fins de paiement aucun dividende sur les actions ordinaires ou toute autre action de la Société de rang inférieur aux actions privilégiées de série R (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série R);
- (b) racheter, acheter ni autrement rembourser, ni procéder à aucune répartition de capital au titre des actions ordinaires de la Société ou de toute autre action de la Société de rang inférieur aux actions privilégiées de série R (sauf si la contrepartie est payée à même le produit net en espèces d'un placement, fait à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série R);
- (c) acheter ni autrement rembourser moins de la totalité des actions privilégiées de série R alors en circulation; ni
- (d) racheter, acheter ni autrement rembourser (sauf dans le cadre de l'exercice d'un privilège de rachat au gré du détenteur ou d'une obligation de rachat par la Société s'y rapportant) aucune action de la Société de toute catégorie ou série de même rang que les actions privilégiées de série R, étant entendu que les restrictions mentionnées dans le présent paragraphe (d) ne porteront aucunement atteinte au droit de la Société de racheter, d'acheter ou de rembourser autrement à titre onéreux toute action de la Société de toute catégorie de rang supérieur aux actions privilégiées de série R;

à moins que, dans tous les cas, tous les dividendes cumulatifs accumulés au titre des actions privilégiées de série R en circulation, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes étaient payables, n'aient été déclarés et payés.

Toute approbation des détenteurs d'actions privilégiées de série R exigée en vertu du présent article 3.10.5 pourra être donnée conformément au deuxième paragraphe de l'article 3.10.7 et à l'article 3.10.10. Nonobstant les dispositions de l'article 3.10.10 des présentes, toute approbation exigée en vertu du présent article

3.10.5 ne pourra être donnée qu'au moyen du vote favorable des détenteurs de la majorité des actions privilégiées de série R présents ou représentés à une assemblée, ou à une reprise d'assemblée, des détenteurs d'actions privilégiées de série R dûment convoquée à cette fin et à laquelle il y aura quorum.

3.10.6 *Achat pour annulation*

La Société pourra à tout moment acheter pour annulation la totalité ou une partie des actions privilégiées de série R en circulation de temps à autre, sur le marché libre, par l'intermédiaire d'un courtier en valeurs mobilières ou de toute firme membre d'une bourse reconnue, ou par convention privée ou autrement, au(x) plus bas prix, de l'avis du conseil d'administration, auquel (auxquels) ces actions sont disponibles plus, dans chaque cas, tous les dividendes accumulés et impayés ainsi que les frais d'achat.

3.10.7 *Droits de vote*

Si la Société est en défaut de payer huit (8) dividendes consécutifs ou non consécutifs au titre des actions privilégiées de série R, les détenteurs d'actions privilégiées de série R auront le droit d'être convoqués et d'assister à chaque assemblée des actionnaires de la Société (autre qu'une assemblée distincte réservée aux détenteurs d'actions de la Société de toute autre catégorie ou série) tenue plus de 60 jours après la date du premier défaut de paiement, et d'y voter à raison d'un (1) vote par action privilégiée de série R détenue, et ce, jusqu'à ce que tous les arriérés de dividendes au titre des actions privilégiées de série R aient été acquittés, après quoi les droits prendront fin et ne seront réouverts que lorsque la Société sera de nouveau en défaut, le cas échéant, conformément aux dispositions du présent article 3.10.7.

Chaque action privilégiée de série R confère à son détenteur un (1) vote relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs des actions privilégiées de série R, votant en tant que série ou en tant que partie d'une catégorie.

3.10.8 *Émission d'actions privilégiées additionnelles*

La Société pourra émettre des série additionnelles d'actions privilégiées de premier rang de même rang que les actions privilégiées de série R sans l'autorisation des détenteurs des actions privilégiées de série R.

3.10.9 *Modifications*

Les dispositions propres aux actions privilégiées de série R en tant que série peuvent être abrogées ou modifiées de temps à autre moyennant l'approbation alors exigée par la *Loi canadienne sur les sociétés par actions*, donnée conformément aux dispositions de l'article 3.10.10.

Aucune des dispositions des statuts de la Société relatifs aux actions privilégiées de série R en tant que série ne peut être modifiée d'aucune manière à moins que les dispositions relatives aux actions privilégiées de série Q en tant que série, le cas échéant, ne fassent en même temps, dans la mesure jugée nécessaire par la Société, l'objet de modifications dont la nature et l'étendue sont les mêmes.

3.10.10 *Approbation des détenteurs d'actions privilégiées de série R*

Toute approbation des détenteurs d'actions privilégiées de série R sera réputée valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de série R conformément aux dispositions propres aux actions privilégiées de premier rang, en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.10.11 *Choix quant à l'imposition*

La Société fera un choix, de la manière et dans les délais prescrits par la *Loi de l'impôt sur le revenu* (Canada), en vertu du paragraphe 191.2(1) de cette loi ou de toute autre disposition de portée semblable remplaçant ce paragraphe ou lui succédant, et prendra toutes les mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun détenteur d'actions privilégiées de série R ne sera tenu de payer

l'impôt sur les dividendes reçus au titre des actions privilégiées de série R aux termes de l'article 187.2 de la partie IV.I de cette loi ou de toute disposition de portée semblable remplaçant cet article ou lui succédant.

3.10.12 *Interruption du service postal*

Si la Société considère que le service postal est ou est menacé d'être interrompu, durant une période où la Société est tenue ou a décidé d'expédier quelque avis par la poste en vertu des présentes ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série R, soit relativement au rachat ou à la conversion de ces actions ou autrement, la Société pourra, nonobstant les dispositions des présentes :

(a) donner cet avis par voie de télex, télécopieur ou télégraphe ou encore par voie de publication de l'avis concerné une fois par semaine pendant deux semaines consécutives dans un quotidien à grand tirage publié ou distribué à Montréal et à Toronto, et cet avis sera réputé avoir été donné à la date de la communication par télex, télécopieur ou télégraphe ou à la date de la première publication de l'avis; et

(b) respecter son engagement d'envoyer ce chèque ou ce certificat d'actions en prenant des mesures pour que ces derniers soient livrés au principal établissement de la Société à Montréal. Ce chèque ou ce certificat d'actions seront réputés avoir été envoyés à la date à laquelle l'avis concernant une telle mesure aura été donné, ainsi qu'il est stipulé au paragraphe (a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ce chèque ou ce certificat d'actions soit livré au détenteur, si cela n'a pas déjà été fait, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date de l'envoi postal, est un détenteur inscrit autorisé à recevoir ce chèque ou certificat d'actions ou, si l'adresse de tout détenteur n'y est pas inscrite, à la dernière adresse de ce détenteur connue de la Société.

3.10.13 *Définitions*

Dans les dispositions des présentes ayant trait aux actions privilégiées de série R :

(a) «de rang supérieur», «de même rang» et «de rang inférieur» désignent l'ordre de priorité des versements de dividendes et la répartition d'éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou non, ou de toute autre répartition d'éléments d'actif de la Société parmi ses actionnaires dans le but de liquider ses affaires; et

(b) «dividendes accumulés et impayés» désigne la somme (i) de tous les dividendes impayés sur les actions privilégiées de série R pour tout trimestre et (ii) du montant calculé comme si les dividendes sur chaque action privilégiée de série R s'étaient accumulés quotidiennement à compter de la date à laquelle le dernier dividende trimestriel était payable jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement.

3.10.14 *Interprétation*

Dans le cas où une date à laquelle la Société doit payer un dividende sur les actions privilégiées de série R, ou une autre date à laquelle la Société ou les détenteurs d'actions privilégiées de série R doivent prendre une autre mesure en vertu des présentes ne serait pas un jour ouvrable (ainsi que ce terme est défini ci-après), alors ce dividende sera payable, ou cette autre mesure sera prise, le jour ouvrable suivant. Un «jour ouvrable» est un jour autre qu'un samedi, un dimanche ou tout autre jour férié pour le bureau principal de la Société au Canada.

3.11 *Actions privilégiées de série S*

Les actions privilégiées de série S comportent, outre les droits, privilèges, conditions et restrictions propres aux actions privilégiées de premier rang, en tant que catégorie, les droits, privilèges, conditions et restrictions suivants.

3.11.1 Dividendes

3.11.1.1 Définitions

Sauf indication contraire du contexte, aux fins des présentes :

(a) «banques» désigne deux banques parmi la Banque Royale du Canada, la Banque de Montréal, La Banque de Nouvelle-Écosse, La Banque Toronto-Dominion et la Banque canadienne impériale de commerce et tout successeur de celles-ci que le conseil d'administration de BCE peut désigner de temps à autre en avisant l'agent des transferts des actions privilégiées de série S; un tel avis doit être donné au moins deux (2) jours ouvrables avant le début d'une période de dividende donnée, et prend effet à ce moment; jusqu'à ce qu'un tel avis soit donné, «banques» désigne la Banque Royale du Canada et La Banque Toronto-Dominion.

(b) «bourse» désigne la bourse de Montréal ou de Toronto, ou toute autre bourse de valeurs mobilières ou tout marché organisé au Canada reconnu à l'occasion par la Société à titre de marché principal pour la négociation des actions privilégiées de série S.

(c) «cours de référence» désigne, pour un mois donné, le quotient obtenu en divisant :

(i) le total de la valeur quotidienne ajustée des actions négociées de toutes les séances de bourse de ce mois,

par

(ii) le total du volume quotidien des actions négociées de toutes les séances de bourse de ce mois.

(d) «date de clôture des registres réputée» désigne la dernière séance de bourse d'un mois au titre duquel aucun dividende n'est déclaré par le conseil d'administration.

(e) «date de paiement de dividende» désigne :

(i) pendant la période de taux fixe, le premier jour de février, mai, août et novembre de chaque année; et

(ii) pendant la période de taux variable, le douzième jour de chaque mois à compter du mois de décembre 2001;

et la première date de paiement de dividende sera le 1^{er} février 1997.

(f) «date ex-dividende» :

(i) désigne la séance de bourse désignée ou reconnue, conformément aux règles ou aux pratiques habituelles de la bourse, à titre de date ex-dividende aux fins de toute date de clôture des registres pour les dividendes d'actions privilégiées de série S; ou

(ii) si le conseil d'administration ne déclare pas de dividende pour un mois donné, la séance de bourse qui serait considérée, conformément aux règles ou aux pratiques habituelles de la bourse, comme la date ex-dividende aux fins de toute date de clôture des registres réputée pour les actions privilégiées de série S.

(g) «déduction quotidienne relative au dividende accumulé» désigne, pour une séance de bourse donnée :

- (i) le produit obtenu en multipliant le montant du dividende accumulé sur une action privilégiée de série S pour le mois au cours duquel tombe la séance de bourse, par le nombre de jours compris dans la période débutant le jour précédant la date ex-dividende qui précède immédiatement cette séance de bourse, exclusivement, et se terminant le jour de cette séance de bourse, inclusivement (ou par un (1) jour, si cette séance de bourse est une date ex-dividende),

divisé par

- (ii) le nombre de jours compris dans la période débutant à cette date ex-dividende, inclusivement, et se terminant à la prochaine date ex-dividende, exclusivement.

(h) «facteur d'ajustement» désigne, pour un mois donné, le pourcentage annuel, positif ou négatif, établi en fonction du cours de référence des actions privilégiées de série S pour le mois précédent, calculé conformément au tableau suivant :

<u>Si le cours de référence est de</u>	<u>Le facteur d'ajustement exprimé en % du taux préférentiel mensuel est de</u>
25,50 \$ ou plus.....	-4,00 %
25,375 \$ et moins de 25,50 \$.....	-3,00 %
25,25 \$ et moins de 25,375 \$.....	-2,00 %
25,125 \$ et moins de 25,25 \$.....	-1,00 %
plus de 24,875 \$ et moins de 25,125 \$.....	néant
plus de 24,75 \$ à 24,875 \$.....	1,00 %
plus de 24,625 \$ à 24,75 \$.....	2,00 %
plus de 24,50 \$ à 24,625 \$.....	3,00 %
24,50 \$ ou moins.....	4,00 %

Le facteur d'ajustement maximal pour un mois donné sera de $\pm 4,00\%$.

Si, pendant un mois donné, au moins un lot régulier d'actions privilégiées de série S n'est pas négocié à la bourse, le facteur d'ajustement du mois suivant sera de «néant».

- (i) «mois» désigne un mois civil.
- (j) «période de dividende» désigne :
- (i) pendant la période de taux fixe, la période qui débute à la date de paiement de dividende, inclusivement, et se termine à la date de paiement de dividende suivante, exclusivement; et
- (ii) pendant la période de taux variable, un mois.
- (k) «période de taux fixe» désigne la période commençant à la date d'émission des actions privilégiées de série S et se terminant le 31 octobre 2001, inclusivement.
- (l) «période de taux variable» désigne la période commençant immédiatement après la fin de la période de taux fixe et se poursuivant tant que des actions privilégiées de série S sont en circulation.
- (m) «pourcentage prescrit» désigne, pour le mois de novembre 2001, quatre-vingts pour cent (80 %) et, pour chaque mois suivant, le facteur d'ajustement de ce mois plus le pourcentage prescrit du mois précédent, pourvu que le taux de dividende variable annuel d'un mois donné ne soit jamais inférieur à 50 pour cent du taux préférentiel mensuel pour ce mois, ni supérieur à 100 % du taux préférentiel mensuel pour ce mois.
- (n) «taux de dividende annuel» désigne le taux de dividende fixe annuel ou le taux de dividende variable annuel, selon le cas, prévu par le présent article 3.11.1 applicable au moment pertinent.

- (o) «taux de dividende fixe annuel» désigne 5,28 % par année.
- (p) «taux de dividende variable annuel» désigne, pour un mois donné, le taux d'intérêt exprimé en tant que pourcentage annuel (arrondi au millième (1/1000) de un pour cent (1 %) près) égal au taux préférentiel mensuel multiplié par le pourcentage prescrit pour ce mois.
- (q) «taux préférentiel» désigne, pour un jour donné, la moyenne (arrondie au millième (1/1000) de un pour cent (1 %) près) des taux d'intérêt annuels annoncés à l'occasion par les banques comme taux de référence alors en vigueur pour ce jour aux fins de fixer les taux d'intérêt sur les prêts commerciaux en dollars canadiens consentis au Canada aux emprunteurs commerciaux jouissant du meilleur crédit. Si une des banques n'a pas un tel taux d'intérêt en vigueur un jour donné, le taux préférentiel pour ce jour sera le taux d'intérêt en vigueur de l'autre banque; si les deux banques n'ont pas un tel taux d'intérêt en vigueur un jour donné, le taux préférentiel pour ce jour sera égal à 1,5 % l'an, plus le rendement moyen exprimé en tant que pourcentage annuel des bons du Trésor du gouvernement du Canada de 91 jours, tel qu'il est déclaré par la Banque du Canada pour l'offre hebdomadaire portant sur la semaine précédant ce jour; et si les deux banques n'ont pas un tel taux d'intérêt en vigueur un jour donné et que la Banque du Canada ne déclare pas un tel rendement annuel moyen, le taux préférentiel pour ce jour sera égal au taux préférentiel du jour précédent. Un dirigeant de la Société établit à l'occasion le taux préférentiel et le taux préférentiel mensuel à partir de données communiquées par les banques ou qui sont par ailleurs à la disposition du public. En l'absence d'erreur flagrante, la décision de ce dirigeant lie définitivement la Société et tous les détenteurs d'actions privilégiées de série S.
- (r) «taux préférentiel mensuel» désigne, pour un mois donné, la moyenne (arrondie au millième (1/1000) de un pour cent (1 %) près) des taux préférentiels en vigueur chaque jour de ce mois.
- (s) «séance de bourse» désigne chaque jour au cours duquel la bourse est ouverte à des fins de négociations, si cette bourse est une bourse de valeurs mobilières située au Canada; sinon, le terme «séance de bourse» désigne un jour ouvrable.
- (t) «valeur quotidienne ajustée des actions négociées» désigne, pour une séance de bourse donnée :
- (i) la valeur totale en dollars de toutes les opérations visant les actions privilégiées de série S enregistrées à la bourse (conformément à la période de règlement normale en vigueur à la bourse) pendant cette séance de bourse,
- moins
- (ii) le produit obtenu en multipliant le volume quotidien des actions négociées durant cette séance de bourse par le montant de la déduction quotidienne relative au dividende accumulé pour cette séance de bourse.
- (u) «volume quotidien des actions négociées» désigne, pour une séance de bourse donnée, le nombre total d'actions privilégiées de série S négociées à la bourse (conformément à la période de règlement normale en vigueur à la bourse) pendant cette séance de bourse.

3.11.1.2 Généralités

Les détenteurs d'actions privilégiées de série S auront le droit de recevoir, pour autant qu'ils soient déclarés par le conseil d'administration, des dividendes en espèces privilégiés cumulatifs, puisés à même les fonds de la Société pouvant être dûment affectés au paiement de dividendes, aux taux et aux dates prévus par les présentes. Les dividendes sur les actions privilégiées de série S s'accumuleront quotidiennement à compter de leur date d'émission inclusivement et seront payables trimestriellement pendant la période de taux fixe et mensuellement pendant la période de taux variable. Les dividendes sur les actions privilégiées de série S qui sont payables à une date de paiement de dividende donnée (diminués de tout impôt devant être déduit) seront payés par chèque, au pair, en monnaie ayant cours légal au Canada, à toute succursale au Canada des banquiers de la Société.

Le paiement des dividendes déclarés sur les actions privilégiées de série S sera effectué (sauf en cas de rachat, le paiement des dividendes étant alors effectué au moment de la remise du certificat représentant les actions privilégiées de série S devant être rachetées) par la mise à la poste, dans une enveloppe affranchie adressée à chaque détenteur d'actions privilégiées de série S à sa dernière adresse figurant au registre des valeurs mobilières de la Société ou, si son adresse ne figure pas au registre, à sa dernière adresse connue de la Société ou, dans le cas de codétenteurs, à l'adresse de celui dont le nom figure en premier au registre des valeurs mobilières de la Société en tant que l'un de ces codétenteurs, d'un chèque pour le montant de ces dividendes (diminué de tout impôt devant être déduit) payable à l'ordre de ce détenteur ou, dans le cas de codétenteurs, à l'ordre de tous les codétenteurs, sauf indication contraire de leur part par écrit. Nonobstant ce qui précède, tout chèque de paiement de dividendes peut être livré par la Société à un détenteur d'actions privilégiées de série S à son adresse ainsi qu'elle est indiquée ci-dessus. La mise à la poste ou la livraison d'un tel chèque sera réputée constituer le paiement et satisfera à toutes obligations de paiement de ces dividendes pour ce qui est du montant représenté par un tel chèque (compte tenu du montant de tout impôt devant être déduit ainsi qu'il est mentionné ci-dessus), à moins que ce chèque ne soit pas payé au moment où il est dûment présenté.

3.11.1.3 *Période de taux fixe*

Pendant la période de taux fixe, les dividendes sur les actions privilégiées de série S seront payables trimestriellement au taux de dividende fixe annuel. Par conséquent, à chaque date de paiement de dividende au cours de la période de taux fixe, autre que le 1^{er} février 1997 mais en incluant le 1^{er} novembre 2001, le dividende payable sera de 0,33 \$ par action privilégiée de série S. Le montant du premier dividende trimestriel payable sur chaque action privilégiée de série S le 1^{er} février 1997 sera de 0,3725 \$ l'action.

3.11.1.4 *Période de taux variable*

Pendant la période de taux variable, les dividendes sur les actions privilégiées de série S seront payables mensuellement au taux de dividende variable annuel ainsi qu'il est calculé de temps à autre. Par conséquent, à chaque date de paiement de dividende au cours de la période de taux variable, le dividende payable sur les actions privilégiées de série S sera le montant (arrondi au millième (1/1000) de cent près) obtenu en multipliant 25,00 \$ par le taux de dividende variable annuel applicable au mois précédant cette date de paiement de dividende et en divisant la somme par douze. La date de clôture des registres servant à déterminer les détenteurs d'actions privilégiées de série S admissibles aux dividendes à chaque date de paiement de dividende au cours de la période de taux variable sera la dernière séance de bourse du mois précédent. En cas de rachat ou d'achat des actions privilégiées de série S au cours de la période de taux variable ou de la répartition d'éléments d'actif de la Société au cours de la période de taux variable, ainsi que le prévoit l'article 3.11.2 des présentes, le montant du dividende accumulé au cours du mois où a lieu ce rachat, cet achat ou cette répartition (arrondi au millième (1/1000) de cent près) sera calculé en multipliant :

- (i) le produit de la multiplication de 25,00 \$ par un douzième (1/12) du taux de dividende variable annuel applicable au mois précédent; par
- (ii) une fraction dont le numérateur est le nombre de jours écoulés dans le mois où a lieu ce rachat, cet achat ou cette répartition, jusqu'à la date de cet événement, exclusivement, et le dénominateur est le nombre de jours dans ce mois.

3.11.1.5 *Calcul du pourcentage prescrit*

La Société calculera dès que possible le pourcentage prescrit pour chaque mois et en avisera toutes les bourses de valeurs mobilières au Canada à la cote desquelles les actions privilégiées de série S sont inscrites ou, si les actions privilégiées de série S ne sont pas inscrites à la cote d'une bourse de valeurs mobilières au Canada, la Société en avisera l'Association canadienne des courtiers en valeurs mobilières.

3.11.2 *Droits en cas de liquidation*

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre répartition des éléments d'actif de la Société aux fins de liquider ses affaires, les détenteurs des actions privilégiées de série S auront le droit de recevoir 25,00 \$ par action privilégiée de série S augmentés de tous les

dividendes accumulés et impayés jusqu'à la date de paiement ou de répartition, exclusivement, avant qu'aucun montant ne soit payé ou qu'aucun élément d'actif de la Société ne soit réparti parmi les détenteurs des actions ordinaires de la Société ou de toutes autres actions de rang inférieur aux actions privilégiées de série S. Une fois ces montants payés, les détenteurs des actions privilégiées de série S ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.11.3 Rachat d'actions

La Société ne pourra racheter d'actions privilégiées de série S avant le 1^{er} novembre 2001. Sous réserve des lois applicables et de l'article 3.11.5 ci-dessous, après avis comme prévu ci-après, la Société pourra i) le 1^{er} novembre 2001, racheter la totalité mais non moins de la totalité des actions privilégiées de série S en circulation contre paiement de 25,00 \$ pour chacune de ces actions à racheter, et ii) après le 1^{er} novembre 2001, racheter en tout temps la totalité mais non moins de la totalité des actions privilégiées de série S en circulation contre paiement de 25,50 \$ pour chacune de ces actions à racheter augmentés, dans chaque cas, des dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat.

La Société donnera un préavis écrit d'au moins 45 jours et d'au plus 60 jours de son intention de racheter des actions privilégiées de série S à toute personne qui, à la date de l'envoi de ce préavis, est détentrice de ces actions à racheter. L'avis devra être envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série S à racheter, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société; cependant, toute omission ou tout défaut involontaires d'envoyer un tel avis à un ou à plusieurs de ces détenteurs ne sera d'aucun effet sur la validité du rachat des actions privilégiées de série S des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série S à racheter détenues par la personne à qui il est adressé, ainsi que le prix de rachat, et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats représentant ces actions à tout endroit au Canada mentionné dans l'avis, paiera ou fera en sorte que soit payé le prix de rachat aux détenteurs d'actions privilégiées de série S à racheter. Le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis, les détenteurs d'actions privilégiées de série S à racheter n'auront plus aucun droit aux dividendes sur ces actions ni aucun autre droit en qualité de détenteurs de ces actions, à moins que la Société n'omette de payer le prix de rachat. En tout temps après que l'avis de rachat susmentionné aura été donné, la Société pourra déposer le montant du prix de rachat de la totalité ou d'une partie des actions privilégiées de série S à racheter dans une ou plusieurs banques à charte ou sociétés de fiducie au Canada dont les noms auront été donnés dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes en fiducie pour le bénéfice des détenteurs des actions à racheter et les montants leur seront versés par ces banques ou sociétés de fiducie sur remise du ou des certificats; dès l'exécution de ces dépôts, les actions seront rachetées à la date de rachat indiquée dans l'avis de rachat. Dès que la Société aura effectué le dépôt susmentionné à l'égard de toutes actions, les détenteurs de celles-ci n'auront plus, à compter de la date de rachat, aucun autre droit en qualité de détenteurs de ces actions et leurs droits seront limités à la perception de la portion des montants déposés qui s'applique à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

3.11.4 Conversion des actions privilégiées de série S

3.11.4.1 Conversion au gré du détenteur

Les détenteurs d'actions privilégiées de série S pourront, à leur gré, le 1^{er} novembre 2001 et le 1^{er} novembre tous les cinq ans (une «date de conversion»), convertir, en totalité ou en partie, sous réserve des dispositions et conditions des présentes, les actions privilégiées de série S inscrites en leur nom en actions privilégiées de série T de la Société à raison d'une (1) action privilégiée de série T pour chaque action privilégiée de série S. La Société devra aviser par écrit les détenteurs d'actions privilégiées de série S alors en circulation du taux désigné (tel qu'il est défini à l'article 3.12.1.1 des statuts de la Société relatifs aux actions privilégiées de série T) déterminé par le conseil d'administration et applicable pour la période de taux de dividende fixe suivante (telle qu'elle est définie à l'article 3.12.1.1 des statuts de la Société relatifs aux actions privilégiées de série T), de même que du droit de conversion prévu par les présentes; un tel avis sera envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série S, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur

connue de la Société. Cet avis devra indiquer la date de conversion et être donné au moins 45 jours et au plus 60 jours avant la date de conversion applicable.

Si, ainsi qu'il est stipulé à l'article 3.11.3, la Société avise les détenteurs d'actions privilégiées de série S du rachat de la totalité des actions privilégiées de série S, elle ne sera pas tenue de les aviser, ainsi qu'il est stipulé au présent article 3.11.4.1, du taux désigné (tel qu'il est défini à l'article 3.12.1.1 des statuts de la Société relatifs aux actions privilégiées de série T) des actions privilégiées de série T, ni de leur droit de conversion; en outre, le droit de tout détenteur d'actions privilégiées de série S de convertir de telles actions privilégiées de série S ainsi qu'il est stipulé dans les présentes prendra fin dans un tel cas.

Si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série T en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série S déposées aux fins de conversion en actions privilégiées de série T et de toutes les actions privilégiées de série T déposées aux fins de conversion en actions privilégiées de série S, les détenteurs d'actions privilégiées de série S n'auront pas le droit de convertir leurs actions en actions privilégiées de série T. La Société en avisera par écrit, conformément aux dispositions du premier paragraphe du présent article 3.11.4.1, tous les détenteurs visés d'actions privilégiées de série S au moins sept (7) jours avant la date de conversion applicable et émettra et livrera, ou fera en sorte que soit livré, avant cette date de conversion, aux frais de la Société, à ces détenteurs d'actions privilégiées de série S ayant déposé aux fins de conversion un ou plusieurs certificats représentant des actions privilégiées de série S, de nouveaux certificats représentant les actions privilégiées de série S représentées par un ou plusieurs certificats déposés comme indiqué ci-dessus.

3.11.4.2 Conversion automatique

Si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série S en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série S déposées aux fins de conversion en actions privilégiées de série T et de toutes les actions privilégiées de série T déposées aux fins de conversion en actions privilégiées de série S, la totalité mais non une partie des actions privilégiées de série S en circulation restantes sera automatiquement convertie en actions privilégiées de série T à raison d'une (1) action privilégiée de série T pour chaque action privilégiée de série S, et ce, à la date de conversion applicable, et la Société donnera un avis écrit à cet effet, conformément aux dispositions de l'article 3.11.4.1, aux détenteurs de ces actions privilégiées de série S restantes au moins sept (7) jours avant la date de conversion.

3.11.4.3 Exercice du privilège de conversion

La conversion des actions privilégiées de série S peut être effectuée par la remise, au plus tôt 45 jours avant une date de conversion et au plus tard à la fermeture des bureaux le 14^e jour précédant une date de conversion, durant les heures d'ouverture normales, du ou des certificats les représentant, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série S peuvent être transférées, ce ou ces certificats étant accompagnés : i) du paiement ou d'un reçu attestant le paiement de l'impôt payable (s'il y a lieu), prévu au présent article 3.11.4.3; et ii) d'un instrument de remise acceptable pour la Société et dûment signé par le détenteur ou son fondé de pouvoir dûment autorisé par écrit, instrument dans lequel ce détenteur peut indiquer qu'il ne veut convertir qu'une partie seulement des actions privilégiées de série S représentées par ce ou ces certificats, qui n'ont pas jusqu'alors été désignées en vue du rachat, auquel cas la Société émettra et livrera ou fera livrer, à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série S qui sont représentées par ce ou ces certificats et qui n'auront pas été converties.

Dans le cas où la Société est tenue de convertir la totalité des actions privilégiées de série S en circulation restantes en actions privilégiées de série T à la date de conversion applicable, ainsi qu'il est stipulé à l'article 3.11.4.2, les actions privilégiées de série S que les détenteurs n'avaient pas choisi de convertir devront être converties à la date de conversion en actions privilégiées de série T, et les détenteurs de ces actions seront réputés être détenteurs d'actions privilégiées de série T à la fermeture des bureaux à la date de conversion et auront le droit, après avoir remis, pendant les heures d'ouverture normales, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série S peuvent être transférées, le ou les certificats représentant les actions privilégiées de série S non remis précédemment aux fins de conversion, de recevoir un ou plusieurs certificats représentant le même nombre d'actions privilégiées de série T de la manière et selon les dispositions prévues dans le présent article 3.11.4.3.

Aussitôt que possible après la date de conversion, la Société émettra et livrera ou fera livrer au détenteur d'actions privilégiées de série S ainsi remises, ou selon son ordre écrit, un ou plusieurs certificats à son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions privilégiées de série T entièrement libérées et non cotisables et le nombre d'actions privilégiées de série S restantes, le cas échéant, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux à la date de conversion de sorte que les droits du détenteur de ces actions privilégiées de série S à ce titre cesseront à ce moment, et la ou les personnes ayant le droit de recevoir des actions privilégiées de série T à la suite de cette conversion seront à toutes fins considérées comme détenteurs inscrits de ces actions privilégiées de série T dès ce moment.

Le détenteur de toute action privilégiée de série S inscrit à la date de clôture des registres aux fins de tout dividende déclaré payable sur cette action aura droit à ce dividende même si l'action a été convertie en action privilégiée de série T après cette date de clôture des registres et avant la date de paiement de ce dividende ou à cette date même.

L'émission de certificats d'actions privilégiées de série T au moment de la conversion d'actions privilégiées de série S s'effectuera sans frais pour les détenteurs convertissant leurs actions privilégiées de série S, quant aux droits ou impôts applicables à l'émission de ces certificats ou des actions privilégiées de série T qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes de ces actions privilégiées de série T ou des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison de ces certificats au nom d'une ou de plusieurs personnes autres que le détenteur des actions privilégiées de série S converties; et la Société ne sera tenue d'émettre ou de livrer ces certificats que si les personnes en demandant l'émission lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.11.4 Statut des actions privilégiées de série S converties

Toutes les actions privilégiées de série S converties en actions privilégiées de série T à une date de conversion donnée ne seront pas annulées, mais reprendront le statut d'actions autorisées mais non émises de la Société à la fermeture des bureaux à la date de conversion.

3.11.5 Restrictions concernant les dividendes et le remboursement des actions

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série S en circulation :

- (a) déclarer, payer ni mettre de côté à des fins de paiement aucun dividende sur les actions ordinaires ou toute autre action de la Société de rang inférieur aux actions privilégiées de série S (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série S);
- (b) racheter, acheter ni autrement rembourser, ni procéder à aucune répartition de capital au titre des actions ordinaires de la Société ou de toute autre action de la Société de rang inférieur aux actions privilégiées de série S (sauf si la contrepartie est payée à même le produit net en espèces d'un placement, fait à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série S);
- (c) racheter, acheter ni autrement rembourser moins de la totalité des actions privilégiées de série S alors en circulation; ni
- (d) racheter, acheter ni autrement rembourser (sauf dans le cadre de l'exercice d'un privilège de rachat au gré du détenteur ou d'une obligation de rachat par la Société s'y rapportant) aucune action de la Société de toute catégorie ou série de même rang que les actions privilégiées de série S, étant entendu que les restrictions mentionnées dans le présent paragraphe (d) ne porteront aucunement atteinte au droit de la Société de racheter, d'acheter ou de rembourser autrement à titre onéreux toute action de la Société de toute catégorie de rang supérieur aux actions privilégiées de série S;

à moins que, dans tous les cas, tous les dividendes cumulatifs accumulés au titre des actions privilégiées de série S en circulation, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes étaient payables, n'aient été déclarés et payés.

Toute approbation des détenteurs d'actions privilégiées de série S exigée en vertu du présent article 3.11.5 pourra être donnée conformément au deuxième paragraphe de l'article 3.11.7 et à l'article 3.11.10. Nonobstant les dispositions de l'article 3.11.10 des présentes, toute approbation exigée en vertu du présent article 3.11.5 ne pourra être donnée qu'au moyen du vote favorable des détenteurs de la majorité des actions privilégiées de série S présents ou représentés à une assemblée, ou à une reprise d'assemblée, des détenteurs d'actions privilégiées de série S dûment convoquée à cette fin et à laquelle il y aura quorum.

3.11.6 Achat pour annulation

La Société pourra à tout moment acheter pour annulation la totalité ou une partie des actions privilégiées de série S en circulation de temps à autre, sur le marché libre, par l'intermédiaire d'un courtier en valeurs mobilières ou de toute firme membre d'une bourse reconnue, ou par convention privée ou autrement, au(x) plus bas prix, de l'avis du conseil d'administration, auquel (auxquels) ces actions sont disponibles.

3.11.7 Droits de vote

Si la Société est en défaut de payer huit (8) dividendes consécutifs ou non consécutifs au titre des actions privilégiées de série S, les détenteurs d'actions privilégiées de série S auront le droit d'être convoqués et d'assister à chaque assemblée des actionnaires de la Société (autre qu'une assemblée distincte réservée aux détenteurs d'actions de la Société de toute autre catégorie ou série) tenue plus de 60 jours après la date du premier défaut de paiement, et d'y voter à raison d'un (1) vote par action privilégiée de série S détenue, et ce, jusqu'à ce que tous les arriérés de dividendes au titre des actions privilégiées de série S aient été acquittés, après quoi les droits prendront fin et ne seront réouverts que lorsque la Société sera de nouveau en défaut, le cas échéant, conformément aux dispositions du présent article 3.11.7.

Chaque action privilégiée de série S confère à son détenteur un (1) vote relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs des actions privilégiées de série S, votant en tant que série ou en tant que partie d'une catégorie.

3.11.8 Émission d'actions privilégiées additionnelles

La Société pourra émettre des séries additionnelles d'actions privilégiées de premier rang de même rang que les actions privilégiées de série S sans l'autorisation des détenteurs des actions privilégiées de série S.

3.11.9 Modifications

Les dispositions propres aux actions privilégiées de série S en tant que série peuvent être abrogées ou modifiées de temps à autre moyennant l'approbation alors exigée par la *Loi canadienne sur les sociétés par actions*, donnée conformément aux dispositions de l'article 3.11.10.

Aucune des dispositions des statuts de la Société relatifs aux actions privilégiées de série S en tant que série ne peut être modifiée d'aucune manière à moins que les dispositions relatives aux actions privilégiées de série T en tant que série, le cas échéant, ne fassent en même temps, dans la mesure jugée nécessaire par la Société, l'objet de modifications dont la nature et l'étendue sont les mêmes.

3.11.10 Approbation des détenteurs d'actions privilégiées de série S

Toute approbation des détenteurs d'actions privilégiées de série S sera réputée valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de série S conformément aux dispositions propres aux actions privilégiées de premier rang, en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.11.11 *Choix quant à l'imposition*

La Société fera un choix, de la manière et dans les délais prescrits par la *Loi de l'impôt sur le revenu* (Canada), en vertu du paragraphe 191.2(1) de cette loi ou de toute autre disposition de portée semblable remplaçant ce paragraphe ou lui succédant, et prendra toutes les mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun détenteur d'actions privilégiées de série S ne sera tenu de payer l'impôt sur les dividendes reçus au titre des actions privilégiées de série S aux termes de l'article 187.2 de la partie IV.I de cette loi ou de toute disposition de portée semblable remplaçant cet article ou lui succédant.

3.11.12 *Interruption du service postal*

Si la Société considère que le service postal est ou est menacé d'être interrompu, durant une période où la Société est tenue ou a décidé d'expédier quelque avis par la poste en vertu des présentes ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série S, soit relativement au rachat ou à la conversion de ces actions ou autrement, la Société pourra, nonobstant les dispositions des présentes :

(a) donner cet avis par voie de télex, télécopieur ou télégraphe ou encore par voie de publication de l'avis concerné une fois par semaine pendant deux semaines consécutives dans un quotidien à grand tirage publié ou distribué à Montréal et à Toronto, et cet avis sera réputé avoir été donné à la date de la communication par télex, télécopieur ou télégraphe ou à la date de la première publication de l'avis; et

(b) respecter son engagement d'envoyer ce chèque ou ce certificat d'actions en prenant des mesures pour que ces derniers soient livrés au principal établissement de la Société à Montréal. Ce chèque ou ce certificat d'actions seront réputés avoir été envoyés à la date à laquelle l'avis concernant une telle mesure aura été donné, ainsi qu'il est stipulé au paragraphe (a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ce chèque ou ce certificat d'actions soit livré au détenteur, si cela n'a pas déjà été fait, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date de l'envoi postal, est un détenteur inscrit autorisé à recevoir ce chèque ou certificat d'actions ou, si l'adresse d'un tel détenteur n'est pas inscrite au registre des valeurs mobilières de la Société, à la dernière adresse de ce détenteur connue de la Société.

3.11.13 *Avis du taux de dividende annuel applicable aux actions privilégiées de série T*

Dans les trois (3) jours suivant la détermination du taux de dividende annuel (ainsi qu'il est défini à l'article 3.12.1.1 des statuts de la Société relatifs aux actions privilégiées de série T), la société en avisera les détenteurs des actions privilégiées de série S en le publiant une fois dans l'édition canadienne du journal anglais *The Globe and Mail* et une fois dans la ville de Montréal dans des quotidiens à grand tirage français et anglais, étant entendu que si l'un ou l'autre de ces quotidiens n'est pas à grand tirage à ce moment, un tel avis sera publié dans une autre publication équivalente.

3.11.14 *Définitions*

Dans les dispositions des présentes ayant trait aux actions privilégiées de série S :

(a) «de rang supérieur», «de même rang» et «de rang inférieur» désignent l'ordre de priorité des versements de dividendes et la répartition d'éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou non, ou de toute autre répartition d'éléments d'actif de la Société parmi ses actionnaires dans le but de liquider ses affaires; et

(b) «dividendes accumulés et impayés» désigne i) pendant la période de taux fixe, la somme (A) de tous les dividendes impayés sur les actions privilégiées de série S pour toute période de dividende et (B) du montant calculé comme si les dividendes sur chaque action privilégiée de série S s'étaient accumulés quotidiennement à compter de la date à laquelle le dernier dividende trimestriel était payable jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement; et ii) pendant la période de taux variable, la somme (A) de tous les dividendes impayés sur les actions privilégiées de série S pour toute période de dividende et (B) du montant calculé comme si les dividendes sur chaque action privilégiée de série S s'étaient accumulés quotidiennement à compter du premier jour du mois suivant la période de dividende pour laquelle le

dernier dividende mensuel sera ou était, selon le cas, payable, inclusivement, jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement.

3.11.15 *Interprétation*

Dans le cas où une date à laquelle la Société doit payer un dividende sur les actions privilégiées de série S, ou une autre date à laquelle la Société ou les détenteurs d'actions privilégiées de série S doivent prendre une autre mesure en vertu des présentes ne serait pas un jour ouvrable (ainsi que ce terme est défini ci-après), alors ce dividende sera payable, ou cette autre mesure sera prise, le jour ouvrable suivant. Un «jour ouvrable» est un jour autre qu'un samedi, un dimanche ou tout autre jour férié pour le bureau principal de la Société au Canada.

3.12 *Actions privilégiées de série T*

Les actions privilégiées de série T comportent, outre les droits, privilèges, conditions et restrictions propres aux actions privilégiées de premier rang, en tant que catégorie, les droits, privilèges, conditions et restrictions suivants.

3.12.1 *Dividendes*

3.12.1.1 *Définitions*

Sauf indication contraire du contexte, aux fins des présentes :

(a) «date de paiement de dividende» désigne le premier jour de février, mai, août et novembre de chaque année;

(b) «période de taux de dividende fixe» désigne, pour la période de taux de dividende fixe initiale, la période débutant le 1^{er} novembre 2001 et se terminant le 31 octobre 2006, inclusivement; et, pour chaque période de taux de dividende fixe subséquente, la période débutant le jour suivant la fin de la période de taux de dividende fixe précédente et se terminant le 31 octobre de la cinquième année suivante, inclusivement;

(c) «rendement des obligations du gouvernement du Canada» désigne, à une date donnée, la moyenne des rendements qu'une obligation du gouvernement du Canada non remboursable par anticipation aurait si elle était émise en dollars canadiens au Canada à 100 % de son montant en capital à cette date, avec une échéance de cinq ans, désignés par deux courtiers en valeurs mobilières canadiens inscrits, choisis par le conseil d'administration, comme étant les rendements à l'échéance à cette date, composés semestriellement et calculés conformément aux principes financiers généralement reconnus;

(d) «taux de dividende annuel» désigne, pour toute période de taux de dividende fixe, le taux d'intérêt exprimé en tant que pourcentage par année (arrondi au millième (1/1000) de un pour cent (1 %) près) correspondant au rendement des obligations du gouvernement du Canada multiplié par le taux désigné pour cette période de taux de dividende fixe;

(e) «taux désigné» désigne le taux d'intérêt, pour chaque période de taux de dividende fixe, exprimé en pourcentage du rendement des obligations du gouvernement du Canada, déterminé par le conseil d'administration, tel qu'il est énoncé dans l'avis aux détenteurs d'actions privilégiées de série T donné conformément aux dispositions de l'article 3.12.4.1, lequel taux d'intérêt ne sera pas inférieur à 80 % du rendement des obligations du gouvernement du Canada.

3.12.1.2 *Généralités*

Les détenteurs d'actions privilégiées de série T auront le droit de recevoir, pour autant qu'ils soient déclarés par le conseil d'administration, des dividendes en espèces privilégiés, cumulatifs et fixes, puisés à même les fonds de la Société pouvant être dûment affectés au paiement de dividendes, d'un montant annuel par action déterminé en multipliant le taux de dividende annuel par 25,00 \$, payables trimestriellement pour chaque

période de douze mois les 1^{er} février, mai, août et novembre, et ce, par chèque, au pair, en monnaie ayant cours légal au Canada, à toute succursale au Canada des banquiers de la Société.

Le paiement des dividendes déclarés sur les actions privilégiées de série T sera effectué (sauf en cas de rachat, le paiement des dividendes étant alors effectué au moment de la remise du certificat représentant les actions privilégiées de série T devant être rachetées) par la mise à la poste, dans une enveloppe affranchie adressée à chaque détenteur d'actions privilégiées de série T à sa dernière adresse figurant au registre des valeurs mobilières de la Société ou, si son adresse ne figure pas au registre, à sa dernière adresse connue de la Société ou, dans le cas de codétenteurs, à l'adresse de celui dont le nom figure en premier au registre des valeurs mobilières de la Société en tant que l'un de ces codétenteurs, d'un chèque pour le montant de ces dividendes (diminué de tout impôt devant être déduit) payable à l'ordre de ce détenteur ou, dans le cas de codétenteurs, à l'ordre de tous les codétenteurs, sauf indication contraire de leur part par écrit. Nonobstant ce qui précède, tout chèque de paiement de dividendes peut être livré par la Société à un détenteur d'actions privilégiées de série T à son adresse ainsi qu'elle est indiquée ci-dessus. La mise à la poste ou la livraison d'un tel chèque sera réputée constituer le paiement et satisfera à toutes obligations de paiement de ces dividendes pour ce qui est du montant représenté par un tel chèque (compte tenu du montant de tout impôt devant être déduit ainsi qu'il est mentionné ci-dessus), à moins que ce chèque ne soit pas payé au moment où il est dûment présenté.

3.12.1.3 *Calcul du taux de dividende annuel*

La Société devra calculer, le 21^e jour précédant le premier jour de chaque période de taux de dividende fixe, le taux de dividende annuel pour chaque période de taux de dividende fixe, en fonction du taux désigné et du rendement des obligations du gouvernement du Canada en vigueur à 10 h (heure de Montréal) le 21^e jour précédant le premier jour de chaque période de taux de dividende fixe et en avisant (i) le jour ouvrable suivant, toutes les bourses de valeurs mobilières au Canada à la cote desquelles les actions privilégiées de série T sont inscrites ou, si les actions privilégiées de série T ne sont pas inscrites à la cote d'une bourse de valeurs mobilières au Canada, l'Association canadienne des courtiers en valeurs mobilières; et (ii) dans les trois (3) jours ouvrables suivants, sauf pour ce qui est de la période de taux de dividende fixe initiale, les détenteurs des actions privilégiées de série T, en le publiant une fois dans l'édition canadienne du journal anglais *The Globe and Mail* et une fois dans la ville de Montréal dans des quotidiens à grand tirage français et anglais, étant entendu que si l'un ou l'autre de ces quotidiens n'est pas à grand tirage à ce moment, un tel avis sera publié dans une autre publication équivalente.

3.12.2 *Droits en cas de liquidation*

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre répartition des éléments d'actif de la Société aux fins de liquider ses affaires, les détenteurs des actions privilégiées de série T auront le droit de recevoir 25,00 \$ par action privilégiée de série T augmentés de tous les dividendes accumulés et impayés jusqu'à la date de paiement ou de répartition, exclusivement, avant qu'aucun montant ne soit payé ou qu'aucun élément d'actif de la Société ne soit réparti parmi les détenteurs des actions ordinaires de la Société ou de toutes autres actions de rang inférieur aux actions privilégiées de série T. Une fois ces montants payés, les détenteurs des actions privilégiées de série T ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.12.3 *Rachat d'actions*

La Société ne pourra racheter d'actions privilégiées de série T avant le 1^{er} novembre 2006. Sous réserve des lois applicables et de l'article 3.12.5 ci-dessous, après avis comme prévu ci-après, la Société pourra, le 1^{er} novembre 2006 ou le 1^{er} novembre tous les cinq (5) ans par la suite, racheter en tout temps la totalité et non moins de la totalité des actions privilégiées de série T en circulation, contre paiement de 25,00 \$ pour chacune de ces actions à racheter, plus les dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat.

La Société donnera un préavis écrit d'au moins 45 jours et d'au plus 60 jours de son intention de racheter des actions privilégiées de série T à toute personne qui, à la date de l'envoi de ce préavis, est détentrice de ces actions à racheter. L'avis devra être envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série T à racheter, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la

Société; cependant, toute omission ou tout défaut involontaires d'envoyer un tel avis à un ou à plusieurs de ces détenteurs ne sera d'aucun effet sur la validité du rachat des actions privilégiées de série T des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série T à racheter détenues par la personne à qui il est adressé, ainsi que le prix de rachat, et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats représentant ces actions à tout endroit au Canada mentionné dans l'avis, paiera ou fera en sorte que soit payé le prix de rachat aux détenteurs d'actions privilégiées de série T à racheter. Le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis, les détenteurs d'actions privilégiées de série T à racheter n'auront plus aucun droit aux dividendes sur ces actions ni aucun autre droit en qualité de détenteurs de ces actions, à moins que la Société n'omette de payer le prix de rachat. En tout temps après que l'avis de rachat susmentionné aura été donné, la Société pourra déposer le montant du prix de rachat de la totalité ou d'une partie des actions privilégiées de série T à racheter dans une ou plusieurs banques à charte ou sociétés de fiducie au Canada dont les noms auront été donnés dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes en fiducie pour le bénéfice des détenteurs des actions à racheter et les montants leur seront versés par ces banques ou sociétés de fiducie sur remise du ou des certificats; dès l'exécution de ces dépôts, les actions seront rachetées à la date de rachat indiquée dans l'avis de rachat. Dès que la Société aura effectué le dépôt susmentionné à l'égard de toutes actions, les détenteurs de celles-ci n'auront plus, à compter de la date de rachat, aucun autre droit en qualité de détenteurs de ces actions, et leurs droits seront limités à la perception de la portion des montants déposés qui s'applique à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

3.12.4 Conversion des actions privilégiées de série T

3.12.4.1 Conversion au gré du détenteur

Les détenteurs d'actions privilégiées de série T pourront, à leur gré, le 1^{er} novembre 2006 et le 1^{er} novembre tous les cinq (5) ans par la suite (une «date de conversion»), convertir, en totalité ou en partie, sous réserve des dispositions des présentes, les actions privilégiées de série T inscrites en leur nom en actions privilégiées de série S de la Société, à raison d'une (1) action privilégiée de série S pour chaque action privilégiée de série T. La Société devra aviser par écrit les détenteurs d'actions privilégiées de série T alors en circulation du taux désigné déterminé par le conseil d'administration et applicable pour la période de taux de dividende fixe suivante, de même que du droit de conversion prévu par les présentes; un tel avis sera envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série T, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société. Cet avis devra indiquer la date de conversion et être donné au moins 45 jours et au plus 60 jours avant la date de conversion applicable.

Si, ainsi qu'il est stipulé à l'article 3.12.3, la Société avise les détenteurs d'actions privilégiées de série T du rachat de la totalité des actions privilégiées de série T, elle ne sera pas tenue de les aviser, ainsi qu'il est stipulé au présent article 3.12.4.1, du taux désigné, ni de leur droit de conversion; en outre, le droit de tout détenteur d'actions privilégiées de série T de convertir de telles actions privilégiées de série T ainsi qu'il est stipulé dans les présentes prendra fin dans un tel cas.

Les détenteurs d'actions privilégiées de série T ne seront pas en droit de convertir leurs actions en actions privilégiées de série S si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série S en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série T déposées aux fins de conversion en actions privilégiées de série S et de toutes les actions privilégiées de série S déposées aux fins de conversion en actions privilégiées de série T. La Société en avisera par écrit, conformément aux dispositions du premier paragraphe du présent article 3.12.4.1, tous les détenteurs visés d'actions privilégiées de série T au moins sept (7) jours avant la date de conversion applicable et émettra et livrera, ou fera en sorte que soit livré, avant cette date de conversion, aux frais de la Société, à ces détenteurs d'actions privilégiées de série T ayant déposé aux fins de conversion un ou plusieurs certificats représentant des actions privilégiées de série T, de nouveaux certificats représentant les actions privilégiées de série T représentées par un ou plusieurs certificats déposés comme indiqué ci-dessus.

3.12.4.2 Conversion automatique

Si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série T en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série T déposées aux fins de conversion en actions privilégiées de série S et de toutes les actions privilégiées de série S déposées aux fins de conversion en actions privilégiées de série T, la totalité et non une partie des actions privilégiées de série T en circulation restantes sera automatiquement convertie en actions privilégiées de série S à raison d'une (1) action privilégiée de série S pour chaque action privilégiée de série T, et ce, à la date de conversion applicable, et la Société donnera un avis écrit à cet effet, conformément aux dispositions de l'article 3.12.4.1, aux détenteurs de ces actions privilégiées de série T restantes au moins sept (7) jours avant la date de conversion.

3.12.4.3 Exercice du privilège de conversion

La conversion des actions privilégiées de série T peut être effectuée par la remise, au plus tôt 45 jours avant une date de conversion et au plus tard à la fermeture des bureaux le 14^e jour précédant une date de conversion, durant les heures d'ouverture normales, du ou des certificats les représentant, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série T peuvent être transférées, ce ou ces certificats étant accompagnés : (1) du paiement ou d'un reçu attestant le paiement de l'impôt payable (s'il y a lieu), prévu au présent article 3.12.4.3; et (2) d'un instrument de remise acceptable pour la Société et dûment signé par le détenteur ou son fondé de pouvoir dûment autorisé par écrit, instrument dans lequel ce détenteur peut indiquer qu'il ne veut convertir qu'une partie seulement des actions privilégiées de série T représentées par ce ou ces certificats, qui n'ont pas jusqu'alors été désignées en vue du rachat, auquel cas la Société émettra et livrera ou fera livrer, à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série T qui sont représentées par ce ou ces certificats et qui n'auront pas été converties.

Dans le cas où la Société est tenue de convertir la totalité des actions privilégiées de série T en circulation restantes en actions privilégiées de série S à la date de conversion applicable, ainsi qu'il est stipulé à l'article 3.12.4.2, les actions privilégiées de série T que les détenteurs n'avaient pas choisi de convertir devront être converties à la date de conversion en actions privilégiées de série S, et les détenteurs de ces actions seront réputés être détenteurs d'actions privilégiées de série S à la fermeture des bureaux à la date de conversion et auront le droit, après avoir remis, pendant les heures d'ouverture normales, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série T peuvent être transférées, le ou les certificats représentant les actions privilégiées de série T non remis précédemment aux fins de conversion, de recevoir un ou plusieurs certificats représentant le même nombre d'actions privilégiées de série S de la manière et selon les dispositions prévues dans le présent article 3.12.4.3.

Aussitôt que possible après la date de conversion, la Société émettra et livrera ou fera livrer au détenteur d'actions privilégiées de série T ainsi remises, ou selon son ordre écrit, un ou plusieurs certificats à son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions privilégiées de série S entièrement libérées et non cotisables et le nombre d'actions privilégiées de série T restantes, le cas échéant, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux à la date de conversion de sorte que les droits du détenteur de ces actions privilégiées de série T à ce titre cesseront à ce moment, et la ou les personnes ayant le droit de recevoir des actions privilégiées de série S à la suite de cette conversion seront à toutes fins considérées comme détenteurs inscrits de ces actions privilégiées de série S dès ce moment.

Le détenteur de toute action privilégiée de série T inscrit à la date de clôture des registres aux fins de tout dividende déclaré payable sur cette action aura droit à ce dividende même si l'action a été convertie en action privilégiée de série S après cette date de clôture des registres et avant la date de paiement de ce dividende ou à cette date même.

L'émission de certificats d'actions privilégiées de série S au moment de la conversion d'actions privilégiées de série T s'effectuera sans frais pour les détenteurs convertissant leurs actions privilégiées de série T, quant aux droits ou impôts applicables à l'émission de ces certificats ou des actions privilégiées de série S qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes de ces actions privilégiées de série S ou des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison de ces certificats au nom d'une ou de plusieurs personnes autres que le détenteur des actions privilégiées de

série T converties; et la Société ne sera tenue d'émettre ou de livrer ces certificats que si les personnes en demandant l'émission lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.12.4 Statut des actions privilégiées de série T converties

Toutes les actions privilégiées de série T converties en actions privilégiées de série S à une date de conversion donnée ne seront pas annulées, mais reprendront le statut d'actions autorisées mais non émises de la Société à la fermeture des bureaux à la date de conversion.

3.12.5 Restrictions concernant les dividendes et le remboursement des actions

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série T en circulation :

(a) déclarer, payer ni mettre de côté à des fins de paiement aucun dividende sur les actions ordinaires ou toute autre action de la Société de rang inférieur aux actions privilégiées de série T (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série T);

(b) racheter, acheter ni autrement rembourser, ni procéder à aucune répartition de capital au titre des actions ordinaires de la Société ou de toute autre action de la Société de rang inférieur aux actions privilégiées de série T (sauf si la contrepartie est payée à même le produit net en espèces d'un placement, fait à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série T);

(c) acheter ni autrement rembourser moins de la totalité des actions privilégiées de série T alors en circulation; ni

(d) racheter, acheter ni autrement rembourser (sauf dans le cadre de l'exercice d'un privilège de rachat au gré du détenteur ou d'une obligation de rachat par la Société s'y rapportant) aucune action de la Société de toute catégorie ou série de même rang que les actions privilégiées de série T, étant entendu que les restrictions mentionnées dans le présent paragraphe (d) ne porteront aucunement atteinte au droit de la Société de racheter, d'acheter ou de rembourser autrement à titre onéreux toute action de la Société de toute catégorie de rang supérieur aux actions privilégiées de série T;

à moins que, dans tous les cas, tous les dividendes cumulatifs accumulés au titre des actions privilégiées de série T en circulation, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes étaient payables, n'aient été déclarés et payés.

Toute approbation des détenteurs d'actions privilégiées de série T exigée en vertu du présent article 3.12.5 pourra être donnée conformément au deuxième paragraphe de l'article 3.12.7et à l'article 3.12.10. Nonobstant les dispositions de l'article 3.12.10 des présentes, toute approbation exigée en vertu du présent article 3.12.5 ne pourra être donnée qu'au moyen du vote favorable des détenteurs de la majorité des actions privilégiées de série T présents ou représentés à une assemblée, ou à une reprise d'assemblée, des détenteurs d'actions privilégiées de série T dûment convoquée à cette fin et à laquelle il y aura quorum.

3.12.6 Achat pour annulation

La Société pourra à tout moment acheter pour annulation la totalité ou une partie des actions privilégiées de série T en circulation de temps à autre, sur le marché libre, par l'intermédiaire d'un courtier en valeurs mobilières ou de toute firme membre d'une bourse reconnue, ou par convention privée ou autrement, au(x) plus bas prix, de l'avis du conseil d'administration, auquel (auxquels) ces actions sont disponibles.

3.12.7 Droits de vote

Si la Société est en défaut de payer huit (8) dividendes consécutifs ou non consécutifs au titre des actions privilégiées de série T, les détenteurs d'actions privilégiées de série T auront le droit d'être convoqués et d'assister à chaque assemblée des actionnaires de la Société (autre qu'une assemblée distincte réservée aux détenteurs d'actions de la Société de toute autre catégorie ou série) tenue plus de 60 jours après la date du premier

défaut de paiement, et d'y voter à raison d'un (1) vote par action privilégiée de série T détenue, et ce, jusqu'à ce que tous les arriérés de dividendes au titre des actions privilégiées de série T aient été acquittés, après quoi les droits prendront fin et ne seront réouverts que lorsque la Société sera de nouveau en défaut, le cas échéant, conformément aux dispositions du présent article 3.12.7.

Chaque action privilégiée de série T confère à son détenteur un (1) vote relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs des actions privilégiées de série T, votant en tant que série ou en tant que partie d'une catégorie.

3.12.8 Émission d'actions privilégiées additionnelles

La Société pourra émettre des séries additionnelles d'actions privilégiées de premier rang de même rang que les actions privilégiées de série T sans l'autorisation des détenteurs des actions privilégiées de série T.

3.12.9 Modifications

Les dispositions propres aux actions privilégiées de série T en tant que série peuvent être abrogées ou modifiées de temps à autre moyennant l'approbation alors exigée par la *Loi canadienne sur les sociétés par actions*, donnée conformément aux dispositions de l'article 3.12.10.

Aucune des dispositions des statuts de la Société relatifs aux actions privilégiées de série T en tant que série ne peut être modifiée d'aucune manière à moins que les dispositions relatives aux actions privilégiées de série S en tant que série, le cas échéant, ne fassent en même temps, dans la mesure jugée nécessaire par la Société, l'objet de modifications dont la nature et l'étendue sont les mêmes.

3.12.10 Approbation des détenteurs d'actions privilégiées de série T

Toute approbation des détenteurs d'actions privilégiées de série T sera réputée valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de série T conformément aux dispositions propres aux actions privilégiées de premier rang, en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.12.11 Choix quant à l'imposition

La Société fera un choix, de la manière et dans les délais prescrits par la *Loi de l'impôt sur le revenu* (Canada), en vertu du paragraphe 191.2(1) de cette loi ou de toute autre disposition de portée semblable remplaçant ce paragraphe ou lui succédant, et prendra toutes les mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun détenteur d'actions privilégiées de série T ne sera tenu de payer l'impôt sur les dividendes reçus au titre des actions privilégiées de série T aux termes de l'article 187.2 de la partie IV.I de cette loi ou de toute disposition de portée semblable remplaçant cet article ou lui succédant.

3.12.12 Interruption du service postal

Si la Société considère que le service postal est ou est menacé d'être interrompu, durant une période où la Société est tenue ou a décidé d'expédier quelque avis par la poste en vertu des présentes ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série T, soit relativement au rachat ou à la conversion de ces actions ou autrement, la Société pourra, nonobstant les dispositions des présentes :

(a) donner cet avis par voie de télex, télécopieur ou télégraphe ou encore par voie de publication de l'avis concerné une fois par semaine pendant deux semaines consécutives dans un quotidien à grand tirage publié ou distribué à Montréal et à Toronto, et cet avis sera réputé avoir été donné à la date de la communication par télex, télécopieur ou télégraphe ou à la date de la première publication de l'avis; et

(b) respecter son engagement d'envoyer ce chèque ou ce certificat d'actions en prenant des mesures pour que ces derniers soient livrés au principal établissement de la Société à Montréal. Ce chèque ou ce certificat d'actions seront réputés avoir été envoyés à la date à laquelle l'avis concernant une telle mesure aura été

donné, ainsi qu'il est stipulé au paragraphe (a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ce chèque ou ce certificat d'actions soit livré au détenteur, si cela n'a pas déjà été fait, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date de l'envoi postal, est un détenteur inscrit autorisé à recevoir ce chèque ou certificat d'actions ou, si l'adresse de tout détenteur n'est pas inscrite au registre des valeurs mobilières de la Société, à la dernière adresse de ce détenteur connue de la Société.

3.12.13 Définitions

Dans les dispositions des présentes ayant trait aux actions privilégiées de série T :

(a) «de rang supérieur», «de même rang» et «de rang inférieur» désignent l'ordre de priorité des versements de dividendes et la répartition d'éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou non, ou de toute autre répartition d'éléments d'actif de la Société parmi ses actionnaires dans le but de liquider ses affaires; et

(b) «dividendes accumulés et impayés» désigne la somme (i) de tous les dividendes impayés sur les actions privilégiées de série T pour tout trimestre et (ii) du montant calculé comme si les dividendes sur chaque action privilégiée de série T s'étaient accumulés quotidiennement à compter de la date à laquelle le dernier dividende trimestriel était payable jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement.

3.12.14 Interprétation

Dans le cas où une date à laquelle la Société doit payer un dividende sur les actions privilégiées de série T, ou une autre date à laquelle la Société ou les détenteurs d'actions privilégiées de série T doivent prendre une autre mesure en vertu des présentes ne serait pas un jour ouvrable (ainsi que ce terme est défini ci-après), alors ce dividende sera payable, ou cette autre mesure sera prise, le jour ouvrable suivant. Un «jour ouvrable» est un jour autre qu'un samedi, un dimanche ou tout autre jour férié pour le bureau principal de la Société au Canada.

3.13 Actions privilégiées de série U

Les actions privilégiées de série U comportent, outre les droits, privilèges, conditions et restrictions propres aux actions privilégiées de premier rang, en tant que catégorie, les droits, privilèges, conditions et restrictions suivants.

3.13.1 Dividendes

3.13.1.1 Définitions

Sauf indication contraire du contexte, aux fins des présentes :

(a) «actions privilégiées essentiellement semblables» désigne des actions privilégiées de la Société :

- (i) qui sont de la même catégorie que les actions privilégiées de série U;
- (ii) dont les détenteurs ont droit à des dividendes en espèces privilégiés, cumulatifs, payables à un taux fixe pour une période initiale prédéterminée et, par la suite, ont droit à des dividendes en espèces privilégiés cumulatifs, payables à un taux variable fixé tous les cinq ans; et
- (iii) qui sont convertibles en une autre série d'actions privilégiées de la Société;

(b) «banques» désigne deux banques parmi la Banque Royale du Canada, la Banque de Montréal, La Banque de Nouvelle-Écosse, La Banque Toronto-Dominion et la Banque canadienne impériale de commerce

et tout successeur de celles-ci que le conseil d'administration peut désigner de temps à autre en avisant l'agent des transferts des actions privilégiées de série U; un tel avis doit être donné au moins deux (2) jours ouvrables avant le début d'une période de dividende donnée, et prend effet à ce moment; jusqu'à ce qu'un tel avis soit donné, «banques» désigne la Banque Royale du Canada et La Banque Toronto-Dominion;

(c) «bourse», aux fins de la définition des termes «valeur quotidienne ajustée des actions négociées», «volume quotidien des actions négociées», «date ex-dividende» et «séance de bourse» et aux fins de la détermination du facteur d'ajustement, désigne la bourse de Montréal ou de Toronto, ou toute autre bourse de valeurs mobilières ou tout marché organisé au Canada reconnu à l'occasion par la Société à titre de marché principal pour la négociation des actions privilégiées de série U et, à toutes autres fins dans les présentes, désigne la bourse de Montréal ou de Toronto;

(d) «cours de référence» désigne, pour un mois donné, le quotient obtenu en divisant :

(i) le total de la valeur quotidienne ajustée des actions négociées de toutes les séances de bourse de ce mois,

par

(ii) le total du volume quotidien des actions négociées de toutes les séances de bourse de ce mois;

(e) «courtiers» relativement à un taux des acceptations bancaires désigne RBC Dominion valeurs mobilières Inc. (et son successeur) et Valeurs mobilières TD inc. (et son successeur);

(f) «date de clôture des registres réputée» désigne la dernière séance de bourse d'un mois au titre duquel aucun dividende n'est déclaré par le conseil d'administration;

(g) «date de conclusion de la vente» désigne, dans le cadre d'une demande admissible d'inscription à la cote, la date applicable après l'inscription conditionnelle, si elle est obtenue, des actions privilégiées de série U à la cote de la bourse en vertu d'une telle demande (l'«inscription conditionnelle») déterminée comme suit :

(i) si, pendant la période débutant à la date de la demande et se terminant 30 jours suivant la date de l'inscription conditionnelle, la Société annonce publiquement son intention d'émettre, par voie d'appel public à l'épargne, des actions privilégiées essentiellement semblables d'une valeur d'au moins 50 000 000 \$, la date applicable suivra de 120 jours la date de l'inscription conditionnelle;

(ii) (a) si un événement inhabituel est survenu pendant la période débutant à la date de cette demande et se terminant 30 jours suivant la date de l'inscription conditionnelle; ou (b) si la Société annonce publiquement son intention d'émettre des actions privilégiées essentiellement semblables conformément à l'article 3.13.1.1(g)(i) des présentes pendant la période débutant à la date de cette demande et se terminant 120 jours suivant la date de l'inscription conditionnelle, et si un événement inhabituel est survenu pendant cette période, la date applicable suivra de 210 et de 300 jours, respectivement, la date de l'inscription conditionnelle; et

(iii) dans tous les autres cas, la date applicable suivra de 30 jours la date de l'inscription conditionnelle;

(h) «date de détermination des acceptations bancaires» désigne, pour un mois donné, le dernier jour ouvrable précédant ce mois;

(i) «date de paiement de dividende» désigne :

- (i) pendant la période de taux fixe, le premier jour de mars, juin, septembre et décembre de chaque année;
- (ii) pendant la période de taux variable des actions non inscrites, le douzième jour de chaque mois à compter du mois d'avril 2007; et
- (iii) pendant la période de taux variable des actions inscrites, le douzième jour de chaque mois à compter du premier mois civil complet suivant l'inscription des actions privilégiées de série U à la bourse;

et la première date de paiement de dividende sera le 1^{er} septembre 1997;

- (j) «date ex-dividende» :
 - (i) désigne la séance de bourse désignée ou reconnue, conformément aux règles ou aux pratiques habituelles de la bourse, à titre de date ex-dividende aux fins de toute date de clôture des registres pour les dividendes d'actions privilégiées de série U; ou
 - (ii) si le conseil d'administration ne déclare pas de dividende pour un mois donné, la séance de bourse qui serait considérée, conformément aux règles ou aux pratiques habituelles de la bourse, comme la date ex-dividende aux fins de toute date de clôture des registres réputée pour les actions privilégiées de série U;

(k) «déduction quotidienne relative au dividende accumulé» désigne, pour une séance de bourse donnée :

- (i) le produit obtenu en multipliant le montant du dividende accumulé sur une action privilégiée de série U pour le mois au cours duquel tombe la séance de bourse, par le nombre de jours compris dans la période débutant le jour précédant la date ex-dividende qui précède immédiatement cette séance de bourse, exclusivement, et se terminant le jour de cette séance de bourse, inclusivement (ou par un (1) jour, si cette séance de bourse est une date ex-dividende),

divisé par

- (ii) le nombre de jours compris dans la période débutant à cette date ex-dividende, inclusivement, et se terminant à la prochaine date ex-dividende, exclusivement;

(l) «demande admissible d'inscription à la cote» désigne une demande d'inscription des actions privilégiées de série U à la cote de la bourse par des détenteurs détenant ensemble un total d'au moins 3 000 000 d'actions privilégiées de série U ou d'actions privilégiées de série V (les «détenteurs demandeurs»), qui se sont engagés à déployer tous les efforts raisonnables sur le plan commercial pour vendre à des parties non reliées, par l'entremise de la bourse, avant la date de conclusion de la vente applicable, le nombre d'actions privilégiées de série U ou d'actions privilégiées de série V au nombre de détenteurs qui permet de respecter les normes d'inscription alors en vigueur de la bourse (mais quoi qu'il en soit, un total d'au moins 3 000 000 d'actions privilégiées de série U ou d'actions privilégiées de série V); toutefois, cette demande ne peut être faite avant le 27 juin 2000 et ne peut être faite dans les six (6) mois suivant la dernière demande admissible d'inscription à la cote faite par un détenteur d'actions privilégiées de série U ou d'actions privilégiées de série V;

(m) «événement inhabituel» désigne, relativement à une date de conclusion de la vente, tout éventualité, mesure ou condition ou tout événement financier important de portée nationale ou internationale ou toute loi ou tout règlement qui, de l'avis raisonnable des détenteurs demandeurs, ont ou auront un effet défavorable important sur le marché des actions privilégiées de série U ou des actions privilégiées de série V ou concernent ou concerneront ce marché;

(n) «facteur d'ajustement» désigne, pour un mois donné, le pourcentage annuel, positif ou négatif, établi en fonction du cours de référence des actions privilégiées de série U pour le mois précédent, calculé conformément au tableau suivant :

<u>Si le cours de référence est de</u>	<u>Le facteur d'ajustement exprimé en % du taux préférentiel mensuel est de</u>
25,50 \$ ou plus.....	-4,00 %
25,375 \$ et moins de 25,50 \$.....	-3,00 %
25,25 \$ et moins de 25,375 \$.....	-2,00 %
25,125 \$ et moins de 25,25 \$.....	-1,00 %
plus de 24,875 \$ et moins de 25,125 \$.....	néant
plus de 24,75 \$ à 24,875 \$.....	1,00 %
plus de 24,625 \$ à 24,75 \$.....	2,00 %
plus de 24,50 \$ à 24,625 \$.....	3,00 %
24,50 \$ ou moins.....	4,00 %

Le facteur d'ajustement maximal pour un mois donné sera de $\pm 4,00\%$.

Si, pendant un mois donné, au moins un lot régulier d'actions privilégiées de série U n'est pas négocié à la bourse, le facteur d'ajustement du mois suivant sera de «néant»;

(o) «mois» désigne un mois civil;

(p) «période de dividende» désigne :

- (i) pendant la période de taux fixe, la période qui débute à la date de paiement de dividende, inclusivement, et se termine à la date de paiement de dividende suivante, exclusivement; et
- (ii) pendant la période de taux variable des actions non inscrites et la période de taux variable des actions inscrites, un mois;

(q) «période de taux fixe» désigne la période commençant à la date d'émission des actions privilégiées de série U et se terminant le 28 février 2007, inclusivement;

(r) «période de taux variable des actions inscrites» désigne la période commençant à la dernière des dates suivantes, inclusivement :

- (i) le 1^{er} mars 2007; et
- (ii) le premier jour du mois suivant la date, le cas échéant, à laquelle les actions privilégiées de série U sont inscrites inconditionnellement à la cote de la bourse;

(s) «période de taux variable des actions non inscrites» désigne la période commençant immédiatement après la fin de la période de taux fixe si, à ce moment, les actions privilégiées de série U ne sont pas inscrites inconditionnellement à la cote de la bourse, et se poursuivant jusqu'au dernier jour du mois, inclusivement, le cas échéant, au cours duquel les actions privilégiées de série U sont inscrites inconditionnellement à la cote de la bourse;

(t) «pourcentage prescrit» désigne, pour le mois de mars 2007, quatre-vingts pour cent (80 %) et, pour chaque mois suivant, le facteur d'ajustement de ce mois plus le pourcentage prescrit du mois précédent, pourvu que le taux de dividende variable annuel des actions inscrites d'un mois donné ne soit jamais inférieur à 50 % du taux préférentiel mensuel pour ce mois, ni supérieur à 100 % du taux préférentiel mensuel pour ce mois;

(u) «séance de bourse» désigne chaque jour au cours duquel la bourse est ouverte à des fins de négociations, si cette bourse est une bourse de valeurs mobilières située au Canada; sinon, le terme «séance de bourse» désigne un jour ouvrable;

- (v) «taux de dividende annuel» désigne le taux de dividende fixe annuel, le taux de dividende variable annuel des actions non inscrites ou le taux de dividende variable annuel des actions inscrites, selon le cas, prévu par le présent article 3.13.1 applicable au moment pertinent;
- (w) «taux de dividende fixe annuel» désigne 5,54 % par année;
- (x) «taux de dividende variable annuel des actions inscrites» désigne, pour un mois donné durant la période de taux variable des actions inscrites, le taux d'intérêt exprimé en tant que pourcentage annuel (arrondi au millième de un pour cent (0,001 %) près) égal au taux préférentiel mensuel multiplié par le pourcentage prescrit pour ce mois;
- (y) «taux de dividende variable annuel des actions non inscrites» désigne, pour un mois donné durant la période de taux variable des actions non inscrites, le taux d'intérêt exprimé en tant que pourcentage annuel (arrondi au millième de un pour cent (0,001 %) près) égal au taux des acceptations bancaires pour ce mois augmenté de 0,40 %;
- (z) «taux des acceptations bancaires», pour un mois donné, désigne un taux annuel équivalant à :
- (i) la moyenne simple (arrondie au centième de un pour cent (0,01 %) près) des taux annuels cotés par les deux courtiers lorsque ces taux annuels, cotés par ces courtiers, sont égaux à la moyenne simple (arrondie au centième de un pour cent (0,01 %) près) des taux acheteur et vendeur des rendements à l'échéance cotés par chacun des courtiers (arrondie au millième de un pour cent supérieur (0,001 %) près), à 10 h, heure de Montréal, à la date de détermination des acceptations bancaires, des acceptations bancaires de 30 jours acceptées par la Banque de Montréal, La Banque Toronto-Dominion, la Banque canadienne impériale de commerce, la Banque Royale du Canada et La Banque de Nouvelle-Écosse (ou leurs successeurs respectifs), si elles acceptent les acceptations bancaires de 30 jours à cette date;
 - (ii) si l'un des courtiers est incapable de coter ou ne cote pas, pour quelque raison que ce soit, les taux annuels acheteur et vendeur mentionnés à l'article 3.13.1(z)(i) ci-dessus à 10 h, heure de Montréal, à la date de détermination des acceptations bancaires, ce taux sera la moyenne simple, arrondie au centième de un pour cent (0,01 %) près, des taux annuels acheteur et vendeur à cette date, cotés par l'autre; ou
 - (iii) si les deux courtiers sont incapables de coter ou ne cotent pas, pour quelque raison que ce soit, les taux, à 10 h, heure de Montréal, à la date de détermination des acceptations bancaires (incluant, sans restriction, le cas où aucune des banques parmi la Banque de Montréal, La Banque Toronto-Dominion, la Banque canadienne impériale de commerce, la Banque Royale du Canada ou La Banque de Nouvelle-Écosse n'acceptent les acceptations bancaires de 30 jours à cette date de détermination des acceptations bancaires) afin de déterminer le taux des acceptations bancaires conformément à (i) ou (ii) ci-dessus, ce taux sera de 0,2 % plus la moyenne simple (arrondie au centième de un pour cent (0,01 %) près) de chaque taux annuel équivalant à la moyenne simple (arrondie au centième de un pour cent (0,01 %) près) des taux acheteur et vendeur des rendements à l'échéance cotés par chacun des courtiers (arrondis au millième de un pour cent supérieur (0,001 %) près) à 10 h, heure de Montréal, à la date de détermination des acceptations bancaires, des bons du Trésor du Gouvernement du Canada échéant aussi près que possible de 30 jours après la date de détermination des acceptations bancaires;
- (aa) «taux préférentiel» désigne, pour un jour donné, la moyenne (arrondie au millième de un pour cent (0,001 %) près) des taux d'intérêt annuels annoncés à l'occasion par les banques comme taux de référence alors en vigueur pour ce jour aux fins de fixer les taux d'intérêt sur les prêts commerciaux en dollars canadiens consentis au Canada aux emprunteurs commerciaux jouissant du meilleur crédit. Si une des banques n'a pas un tel taux d'intérêt en vigueur un jour donné, le taux préférentiel pour ce jour sera le taux d'intérêt en vigueur de l'autre banque; si les deux banques n'ont pas un tel taux d'intérêt en vigueur un jour donné, le taux préférentiel pour ce jour sera égal à 1,5 % l'an, plus le rendement moyen exprimé en tant que pourcentage annuel des bons du

Trésor du gouvernement du Canada de 91 jours, tel qu'il est déclaré par la Banque du Canada pour l'offre hebdomadaire portant sur la semaine précédant ce jour; et si les deux banques n'ont pas un tel taux d'intérêt en vigueur un jour donné et que la Banque du Canada ne déclare pas un tel rendement annuel moyen, le taux préférentiel pour ce jour sera égal au taux préférentiel du jour précédent. Un dirigeant de la Société établit à l'occasion le taux préférentiel et le taux préférentiel mensuel à partir de données communiquées par les banques ou qui sont par ailleurs à la disposition du public. En l'absence d'erreur flagrante, la décision de ce dirigeant lie définitivement la Société et tous les détenteurs d'actions privilégiées de série U;

(bb) «taux préférentiel mensuel» désigne, pour un mois donné, la moyenne (arrondie au millième de un pour cent (0,001 %) près) des taux préférentiels en vigueur chaque jour de ce mois;

(cc) «valeur quotidienne ajustée des actions négociées» désigne, pour une séance de bourse donnée :

(i) la valeur totale en dollars de toutes les opérations visant les actions privilégiées de série U enregistrées à la bourse (conformément à la période de règlement normale en vigueur à la bourse) pendant cette séance de bourse,

moins

(ii) le produit obtenu en multipliant le volume quotidien des actions négociées durant cette séance de bourse par le montant de la déduction quotidienne relative au dividende accumulé pour cette séance de bourse;

(dd) «volume quotidien des actions négociées» désigne, pour une séance de bourse donnée, le nombre total d'actions privilégiées de série U négociées à la bourse (conformément à la période de règlement normale en vigueur à la bourse) pendant cette séance de bourse.

3.13.1.2 Généralités

Les détenteurs d'actions privilégiées de série U auront le droit de recevoir, pour autant qu'ils soient déclarés par le conseil d'administration, des dividendes en espèces privilégiés cumulatifs, puisés à même les fonds de la Société pouvant être dûment affectés au paiement de dividendes, aux taux et aux dates prévus par les présentes. Les dividendes sur les actions privilégiées de série U s'accumuleront quotidiennement à compter de leur date d'émission inclusivement et seront payables trimestriellement pendant la période de taux fixe et mensuellement pendant la période de taux variable des actions non inscrites et la période de taux variable des actions inscrites. Les dividendes sur les actions privilégiées de série U qui sont payables à une date de paiement de dividende donnée (diminués de tout impôt devant être déduit) seront payés par chèque au pair, en monnaie ayant cours légal au Canada, à toute succursale au Canada des banquiers de la Société.

Le paiement des dividendes déclarés sur les actions privilégiées de série U sera effectué (sauf en cas de rachat, le paiement des dividendes étant alors effectué au moment de la remise du certificat représentant les actions privilégiées de série U devant être rachetées) par la mise à la poste, dans une enveloppe affranchie adressée à chaque détenteur d'actions privilégiées de série U à sa dernière adresse figurant au registre des valeurs mobilières de la Société ou, si son adresse ne figure pas au registre, à sa dernière adresse connue de la Société ou, dans le cas de codétenteurs, à l'adresse de celui dont le nom figure en premier au registre des valeurs mobilières de la Société en tant que l'un de ces codétenteurs, d'un chèque pour le montant de ces dividendes (diminué de tout impôt devant être déduit) payable à l'ordre de ce détenteur ou, dans le cas de codétenteurs, à l'ordre de tous les codétenteurs, sauf indication contraire de leur part par écrit. Nonobstant ce qui précède, tout chèque de paiement de dividendes peut être livré par la Société à un détenteur d'actions privilégiées de série U à son adresse ainsi qu'elle est indiquée ci-dessus. La mise à la poste ou la livraison d'un tel chèque sera réputée constituer le paiement et satisfera à toutes obligations de paiement de ces dividendes pour ce qui est du montant représenté par un tel chèque (compte tenu du montant de tout impôt devant être déduit ainsi qu'il est mentionné ci-dessus), à moins que ce chèque ne soit pas payé au moment où il est dûment présenté.

3.13.1.3 *Période de taux fixe*

Pendant la période de taux fixe, les dividendes sur les actions privilégiées de série U seront payables trimestriellement au taux de dividende fixe annuel. Par conséquent, à chaque date de paiement de dividende au cours de la période de taux fixe, autre que le 1^{er} septembre 1997 mais en incluant le 1^{er} mars 2007, le dividende payable sera de 0,34625 \$ par action privilégiée de série U. Nonobstant ce qui précède, le montant du premier dividende trimestriel payable sur chaque action privilégiée de série U le 1^{er} septembre 1997 sera de 0,25044 \$ l'action.

3.13.1.4 *Période de taux variable des actions non inscrites*

Pendant la période de taux variable des actions non inscrites, les dividendes sur les actions privilégiées de série U seront payables mensuellement au taux de dividende variable annuel des actions non inscrites ainsi qu'il est calculé de temps à autre. Par conséquent, à chaque date de paiement de dividende au cours de la période de taux variable des actions non inscrites, le dividende payable sur les actions privilégiées de série U sera le montant (arrondi au millième de cent (0,00001 \$) près) obtenu en multipliant 25,00 \$ par le taux de dividende variable annuel des actions non inscrites applicable au mois précédant cette date de paiement de dividende et en divisant la somme par douze. La date de clôture des registres servant à déterminer les détenteurs d'actions privilégiées de série U admissibles aux dividendes à chaque date de paiement de dividende au cours de la période de taux variable des actions non inscrites sera la dernière séance de bourse du mois précédent. En cas de rachat ou d'achat des actions privilégiées de série U au cours de la période de taux variable des actions non inscrites ou de la répartition d'éléments d'actif de la Société au cours de la période de taux variable des actions non inscrites, ainsi que le prévoit l'article 3.13.2 des présentes, le montant du dividende accumulé au cours du mois où a lieu ce rachat, cet achat ou cette répartition (arrondi au millième de cent (0,00001 \$) près) sera calculé en multipliant :

- (i) le produit de la multiplication de 25,00 \$ par un douzième (1/12) du taux de dividende variable annuel des actions non inscrites applicable au mois précédent; par
- (ii) une fraction dont le numérateur est le nombre de jours écoulés dans le mois où a lieu ce rachat, cet achat ou cette répartition, jusqu'à la date de cet événement, exclusivement, et le dénominateur est le nombre de jours dans ce mois.

3.13.1.5 *Période de taux variable des actions inscrites*

Pendant la période de taux variable des actions inscrites, les dividendes sur les actions privilégiées de série U seront payables mensuellement au taux de dividende variable annuel des actions inscrites ainsi qu'il est calculé de temps à autre. Par conséquent, à chaque date de paiement de dividende au cours de la période de taux variable des actions inscrites, le dividende payable sur les actions privilégiées de série U sera le montant (arrondi au millième de cent (0,00001 \$) près) obtenu en multipliant 25,00 \$ par le taux de dividende variable annuel des actions inscrites applicable au mois précédant cette date de paiement de dividende et en divisant la somme par douze. La date de clôture des registres servant à déterminer les détenteurs d'actions privilégiées de série U admissibles aux dividendes à chaque date de paiement de dividende au cours de la période de taux variable des actions inscrites sera la dernière séance de bourse du mois précédent. En cas de rachat ou d'achat des actions privilégiées de série U au cours de la période de taux variable des actions inscrites ou de la répartition d'éléments d'actif de la Société au cours de la période de taux variable des actions inscrites, ainsi que le prévoit l'article 3.13.2 des présentes, le montant du dividende accumulé au cours du mois où a lieu ce rachat, cet achat ou cette répartition (arrondi au millième de cent (0,00001 \$) près) sera calculé en multipliant :

- (i) le produit de la multiplication de 25,00 \$ par un douzième (1/12) du taux de dividende variable annuel des actions inscrites applicable au mois précédent; par
- (ii) une fraction dont le numérateur est le nombre de jours écoulés dans le mois où a lieu ce rachat cet achat ou cette répartition, jusqu'à la date de cet événement, exclusivement, et le dénominateur est le nombre de jours dans ce mois.

3.13.1.6 Calcul du pourcentage prescrit

La Société calculera dès que possible le pourcentage prescrit pour chaque mois et en avisera toutes les bourses de valeurs mobilières au Canada à la cote desquelles les actions privilégiées de série U sont inscrites ou, si les actions privilégiées de série U ne sont pas inscrites à la cote d'une bourse de valeurs mobilières au Canada, la Société en avisera l'Association canadienne des courtiers en valeurs mobilières.

3.13.2 Droits en cas de liquidation

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre répartition des éléments d'actif de la Société aux fins de liquider ses affaires, les détenteurs des actions privilégiées de série U auront le droit de recevoir 25,00 \$ par action privilégiée de série U augmentés de tous les dividendes accumulés et impayés jusqu'à la date de paiement ou de répartition, exclusivement, avant qu'aucun montant ne soit payé ou qu'aucun élément d'actif de la Société ne soit réparti parmi les détenteurs des actions ordinaires de la Société ou de toutes autres actions de rang inférieur aux actions privilégiées de série U. Une fois ces montants payés, les détenteurs des actions privilégiées de série U ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.13.3 Rachat d'actions

La Société ne pourra racheter d'actions privilégiées de série U avant le 1^{er} mars 2007. Sous réserve des lois applicables et de l'article 3.13.5 ci-dessous, après avis comme prévu ci-après, la Société pourra :

- (i) le 1^{er} mars 2007, racheter la totalité mais non moins de la totalité des actions privilégiées de série U en circulation contre paiement de 25,00 \$ pour chacune de ces actions à racheter;
- (ii) après le 1^{er} mars 2007, si la date du rachat survient au cours de la période de taux variable des actions non inscrites, racheter en tout temps la totalité mais non moins de la totalité des actions privilégiées de série U en circulation contre paiement de 25,00 \$ pour chacune de ces actions à racheter; et
- (iii) après le 1^{er} mars 2007, si la date du rachat survient au cours de la période de taux variable des actions inscrites, racheter en tout temps la totalité mais non moins de la totalité des actions privilégiées de série U en circulation contre paiement de 25,50 \$ pour chacune de ces actions à racheter;

augmentés, dans chaque cas, des dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat.

La Société donnera un préavis écrit d'au moins 45 jours et d'au plus 60 jours de son intention de racheter des actions privilégiées de série U à toute personne qui, à la date de l'envoi de ce préavis, est détentrice de ces actions à racheter. L'avis devra être envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série U à racheter, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société; cependant, toute omission ou tout défaut involontaires d'envoyer un tel avis à un ou à plusieurs de ces détenteurs ne sera d'aucun effet sur la validité du rachat des actions privilégiées de série U des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série U à racheter détenues par la personne à qui il est adressé, ainsi que le prix de rachat, et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats représentant ces actions à tout endroit au Canada mentionné dans l'avis, paiera ou fera en sorte que soit payé le prix de rachat aux détenteurs d'actions privilégiées de série U à racheter. Le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis, les détenteurs d'actions privilégiées de série U à racheter n'auront plus aucun droit aux dividendes sur ces actions ni aucun autre droit en qualité de détenteurs de ces actions, à moins que la Société n'omette de payer le prix de rachat. En tout temps après que l'avis de rachat susmentionné aura été donné, la Société pourra déposer le montant du prix de rachat de la totalité ou d'une partie des actions privilégiées de série U à racheter dans une ou plusieurs banques à charte ou sociétés de fiducie au Canada dont les noms auront été donnés dans l'avis. Ces dépôts seront effectués

dans un ou plusieurs comptes en fiducie pour le bénéfice des détenteurs des actions à racheter et les montants leur seront versés par ces banques ou sociétés de fiducie sur remise du ou des certificats; dès l'exécution de ces dépôts, les actions seront rachetées à la date de rachat indiquée dans l'avis de rachat. Dès que la Société aura effectué le dépôt susmentionné à l'égard de toutes actions, les détenteurs de celles-ci n'auront plus, à compter de la date de rachat, aucun autre droit en qualité de détenteurs de ces actions, et leurs droits seront limités à la perception de la portion des montants déposés qui s'applique à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

3.13.4 Conversion des actions privilégiées de série U

3.13.4.1 Conversion au gré du détenteur

Les détenteurs d'actions privilégiées de série U pourront, à leur gré, le 1^{er} mars 2007 et le 1^{er} mars tous les cinq ans (une «date de conversion»), convertir, en totalité ou en partie, sous réserve des dispositions et conditions des présentes, les actions privilégiées de série U inscrites en leur nom en actions privilégiées de série V de la Société à raison d'une (1) action privilégiée de série V pour chaque action privilégiée de série U. La Société devra aviser par écrit les détenteurs d'actions privilégiées de série U alors en circulation du taux désigné (tel qu'il est défini à l'article 3.14.1.1 des statuts de la Société relatifs aux actions privilégiées de série V) déterminé par le conseil d'administration et applicable pour la période de taux de dividende fixe suivante (telle qu'elle est définie à l'article 3.14.1.1 des statuts de la Société relatifs aux actions privilégiées de série V), de même que du droit de conversion prévu par les présentes; un tel avis sera envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série U, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société. Cet avis devra indiquer la date de conversion et être donné au moins 45 jours et au plus 60 jours avant la date de conversion applicable.

Si, ainsi qu'il est stipulé à l'article 3.13.3, la Société avise les détenteurs d'actions privilégiées de série U du rachat de la totalité des actions privilégiées de série U, elle ne sera pas tenue de les aviser, ainsi qu'il est stipulé au présent article 3.13.4.1, du taux désigné (tel qu'il est défini à l'article 3.14.1.1 des statuts de la Société relatifs aux actions privilégiées de série V) des actions privilégiées de série V, ni de leur droit de conversion; en outre, le droit de tout détenteur d'actions privilégiées de série U de convertir de telles actions privilégiées de série U ainsi qu'il est stipulé dans les présentes prendra fin dans un tel cas.

Si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série V en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série U déposées aux fins de conversion en actions privilégiées de série V et de toutes les actions privilégiées de série V déposées aux fins de conversion en actions privilégiées de série U, les détenteurs d'actions privilégiées de série U n'auront pas le droit de convertir leurs actions en actions privilégiées de série V. La Société en avisera par écrit, conformément aux dispositions du premier paragraphe du présent article 3.13.4.1, tous les détenteurs visés d'actions privilégiées de série U au moins sept (7) jours avant la date de conversion applicable et émettra et livrera, ou fera en sorte que soit livré, avant cette date de conversion, aux frais de la Société, à ces détenteurs d'actions privilégiées de série U ayant déposé aux fins de conversion un ou plusieurs certificats représentant des actions privilégiées de série U, de nouveaux certificats représentant les actions privilégiées de série U représentées par un ou plusieurs certificats déposés comme indiqué ci-dessus.

3.13.4.2 Conversion automatique

Si, à la suite de la fermeture des bureaux, le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série U en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série U déposées aux fins de conversion en actions privilégiées de série V et de toutes les actions privilégiées de série V déposées aux fins de conversion en actions privilégiées de série U, la totalité mais non une partie des actions privilégiées de série U en circulation restantes sera automatiquement convertie en actions privilégiées de série V à raison d'une (1) action privilégiée de série V pour chaque action privilégiée de série U, et ce, à la date de conversion applicable, et la Société donnera un avis écrit à cet effet, conformément aux dispositions de l'article 3.13.4.1, aux détenteurs de ces actions privilégiées de série U restantes au moins sept (7) jours avant la date de conversion.

3.13.4.3 *Exercice du privilège de conversion*

La conversion des actions privilégiées de série U peut être effectuée par la remise, au plus tôt 45 jours avant une date de conversion et au plus tard à la fermeture des bureaux le 14^e jour précédant une date de conversion, durant les heures d'ouverture normales, du ou des certificats les représentant, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série U peuvent être transférées, ce ou ces certificats étant accompagnés : i) du paiement ou d'un reçu attestant le paiement de l'impôt payable (s'il y a lieu), prévu au présent article 3.13.4.3; et ii) d'un instrument de remise acceptable pour la Société et dûment signé par le détenteur ou son fondé de pouvoir dûment autorisé par écrit, instrument dans lequel ce détenteur peut indiquer qu'il ne veut convertir qu'une partie seulement des actions privilégiées de série U représentées par ce ou ces certificats, qui n'ont pas jusqu'alors été désignées en vue du rachat, auquel cas la Société émettra et livrera ou fera livrer à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série U qui sont représentés par ce ou ces certificats et qui n'auront pas été converties.

Dans le cas où la Société est tenue de convertir la totalité des actions privilégiées de série U en circulation restantes en actions privilégiées de série V à la date de conversion applicable, ainsi qu'il est stipulé à l'article 3.13.4.2, les actions privilégiées de série U que les détenteurs n'avaient pas choisi de convertir devront être converties à la date de conversion en actions privilégiées de série V, et les détenteurs de ces actions seront réputés être détenteurs d'actions privilégiées de série V à la fermeture des bureaux à la date de conversion et auront le droit, après avoir remis, pendant les heures d'ouverture normales, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série U peuvent être transférées, le ou les certificats représentant les actions privilégiées de série U non remis précédemment aux fins de conversion, de recevoir un ou plusieurs certificats représentant le même nombre d'actions privilégiées de série V de la manière et selon les dispositions prévues dans le présent article 3.13.4.3.

Aussitôt que possible après la date de conversion, la Société émettra et livrera ou fera livrer au détenteur d'actions privilégiées de série U ainsi remises, ou selon son ordre écrit, un ou plusieurs certificats à son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions privilégiées de série V entièrement libérées et non cotisables et le nombre d'actions privilégiées de série U restantes, le cas échéant, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux à la date de conversion de sorte que les droits du détenteur de ces actions privilégiées de série U à ce titre cesseront à ce moment, et la ou les personnes ayant le droit de recevoir des actions privilégiées de série V à la suite de cette conversion seront à toutes fins considérées comme détenteurs inscrits de ces actions privilégiées de série V dès ce moment.

Le détenteur de toute action privilégiée de série U inscrit à la date de clôture des registres aux fins de tout dividende déclaré payable sur cette action aura droit à ce dividende même si l'action a été convertie en action privilégiée de série V après cette date de clôture des registres et avant la date de paiement de ce dividende ou à cette date même.

L'émission de certificats d'actions privilégiées de série V au moment de la conversion d'actions privilégiées de série U s'effectuera sans frais pour les détenteurs convertissant leurs actions privilégiées de série U, quant aux droits ou impôts applicables à l'émission de ces certificats ou des actions privilégiées de série V qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes de ces actions privilégiées de série V ou des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison de ces certificats au nom d'une ou de plusieurs personnes autres que le détenteur des actions privilégiées de série U converties; et la Société ne sera tenue d'émettre ou de livrer ces certificats que si les personnes en demandant l'émission lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.13.4.4 *Statut des actions privilégiées de série U converties*

Toutes les actions privilégiées de série U converties en actions privilégiées de série V à une date de conversion donnée ne seront pas annulées, mais reprendront le statut d'actions autorisées mais non émises de la Société à la fermeture des bureaux à la date de conversion.

3.13.5 Restrictions concernant les dividendes et le remboursement des actions

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série U en circulation :

- (a) déclarer, payer ni mettre de côté à des fins de paiement aucun dividende sur les actions ordinaires ou toute autre action de la Société de rang inférieur aux actions privilégiées de série U (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série U);
- (b) racheter, acheter ni autrement rembourser, ni procéder à aucune répartition de capital au titre des actions ordinaires de la Société ou de toute autre action de la Société de rang inférieur aux actions privilégiées de série U (sauf si la contrepartie est payée à même le produit net en espèces d'un placement, fait à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série U);
- (c) acheter ni autrement rembourser moins de la totalité des actions privilégiées de série U alors en circulation; ni
- (d) racheter, acheter ni autrement rembourser (sauf dans le cadre de l'exercice d'un privilège de rachat au gré du détenteur ou d'une obligation de rachat par la Société s'y rapportant) aucune action de la Société de toute catégorie ou série de même rang que les actions privilégiées de série U, étant entendu que les restrictions mentionnées dans le présent paragraphe (d) ne porteront aucunement atteinte au droit de la Société de racheter, d'acheter ou de rembourser autrement toute action de la Société de toute catégorie de rang supérieur aux actions privilégiées de série U;

à moins que, dans tous les cas, tous les dividendes cumulatifs accumulés au titre des actions privilégiées de série U en circulation, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes étaient payables, n'aient été déclarés et payés.

Toute approbation des détenteurs d'actions privilégiées de série U exigée en vertu du présent article 3.13.5 pourra être donnée conformément au deuxième paragraphe de l'article 3.13.7 et à l'article 3.13.10. Nonobstant les dispositions de l'article 3.13.10 des présentes, toute approbation exigée en vertu du présent article 3.13.5 ne pourra être donnée qu'au moyen du vote favorable des détenteurs de la majorité des actions privilégiées de série U présents ou représentés à une assemblée, ou à une reprise d'assemblée, des détenteurs d'actions privilégiées de série U dûment convoquée à cette fin et à laquelle il y aura quorum.

3.13.6 Achat pour annulation

La Société pourra à tout moment acheter pour annulation la totalité ou une partie des actions privilégiées de série U en circulation de temps à autre, sur le marché libre, par l'intermédiaire d'un courtier en valeurs mobilières ou de toute firme membre d'une bourse reconnue, ou par convention privée ou autrement, au(x) plus bas prix, de l'avis du conseil d'administration, auquel (auxquels) ces actions sont disponibles.

3.13.7 Droits de vote

Si la Société est en défaut de payer huit (8) dividendes consécutifs ou non consécutifs au titre des actions privilégiées de série U, les détenteurs d'actions privilégiées de série U auront le droit d'être convoqués et d'assister à chaque assemblée des actionnaires de la Société (autre qu'une assemblée distincte réservée aux détenteurs d'actions de la Société de toute autre catégorie ou série) tenue plus de 60 jours après la date du premier défaut de paiement, et d'y voter à raison d'un (1) vote par action privilégiée de série U détenue, et ce, jusqu'à ce que tous les arriérés de dividendes au titre des actions privilégiées de série U aient été acquittés, après quoi les droits prendront fin et ne seront réouverts que lorsque la Société sera de nouveau en défaut, le cas échéant, conformément aux dispositions du présent article 3.13.7.

Chaque action privilégiée de série U confère à son détenteur un (1) vote relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs des actions privilégiées de série U, votant en tant que série ou en tant que partie d'une catégorie.

3.13.8 *Émission d'actions privilégiées additionnelles*

La Société pourra émettre des séries additionnelles d'actions privilégiées de premier rang de même rang que les actions privilégiées de série U sans l'autorisation des détenteurs des actions privilégiées de série U.

3.13.9 *Modifications*

Les dispositions propres aux actions privilégiées de série U en tant que série peuvent être abrogées ou modifiées de temps à autre moyennant l'approbation alors exigée par la *Loi canadienne sur les sociétés par actions*, donnée conformément aux dispositions de l'article 3.13.10.

Aucune des dispositions des statuts de la Société relatifs aux actions privilégiées de série U en tant que série ne peut être modifiée d'aucune manière à moins que les dispositions relatives aux actions privilégiées de série V en tant que série, le cas échéant, ne fassent en même temps, dans la mesure jugée nécessaire par la Société, l'objet de modifications dont la nature et l'étendue sont les mêmes.

3.13.10 *Approbation des détenteurs d'actions privilégiées de série U*

Toute approbation des détenteurs d'actions privilégiées de série U sera réputée valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de série U conformément aux dispositions propres aux actions privilégiées de premier rang, en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.13.11 *Choix quant à l'imposition*

La Société fera un choix, de la manière et dans les délais prescrits par la *Loi de l'impôt sur le revenu* (Canada), en vertu du paragraphe 191.2(1) de cette loi ou de toute autre disposition de portée semblable remplaçant ce paragraphe ou lui succédant, et prendra toutes les mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun détenteur d'actions privilégiées de série U ne sera tenu de payer l'impôt sur les dividendes reçus au titre des actions privilégiées de série U aux termes de l'article 187.2 de la partie IV.I de cette loi ou de toute disposition de portée semblable remplaçant cet article ou lui succédant.

3.13.12 *Interruption du service postal*

Si la Société considère que le service postal est ou est menacé d'être interrompu, durant une période où la Société est tenue ou a décidé d'expédier quelque avis par la poste en vertu des présentes ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série U, soit relativement au rachat ou à la conversion de ces actions ou autrement, la Société pourra, nonobstant les dispositions des présentes :

(a) donner cet avis par voie de télex, télécopieur ou télégraphe ou encore par voie de publication de l'avis concerné une fois par semaine pendant deux semaines consécutives dans un quotidien à grand tirage publié ou distribué à Montréal et à Toronto, et cet avis sera réputé avoir été donné à la date de la communication par télex, télécopieur ou télégraphe ou à la date de la première publication de l'avis; et

(b) respecter son engagement d'envoyer ce chèque ou ce certificat d'actions en prenant des mesures pour que ces derniers soient livrés au principal établissement de la Société à Montréal. Ce chèque ou ce certificat d'actions seront réputés avoir été envoyés à la date à laquelle l'avis concernant une telle mesure aura été donné, ainsi qu'il est stipulé au paragraphe (a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ce chèque ou ce certificat d'actions soit livré au détenteur, si cela n'a pas déjà été fait, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date de l'envoi postal, est un détenteur inscrit autorisé à recevoir ce chèque ou certificat d'actions ou, si l'adresse de tout détenteur n'est pas inscrite au registre des valeurs mobilières de la Société, à la dernière adresse de ce détenteur connue de la Société.

3.13.13 *Avis du taux de dividende annuel applicable aux actions privilégiées de série V*

Dans les trois (3) jours suivant la détermination du taux de dividende annuel (ainsi qu'il est défini à l'article 3.14.1.1 des statuts de la Société relatifs aux actions privilégiées de série V), la société en avisera les détenteurs des actions privilégiées de série U en le publiant une fois dans l'édition canadienne du journal anglais *The Globe and Mail* et une fois dans la ville de Montréal dans des quotidiens à grand tirage français et anglais, étant entendu que si l'un ou l'autre de ces quotidiens n'est pas à grand tirage à ce moment, un tel avis sera publié dans une autre publication équivalente.

3.13.14 *Inscription à la cote des actions privilégiées de série U*

Sur réception d'une demande admissible d'inscription à la cote, la Société devra déployer des efforts raisonnables pour obtenir, dans les 120 jours suivants, l'inscription conditionnelle des actions privilégiées de série U à la cote de la bourse et par la suite, si une telle inscription est obtenue, pour maintenir l'inscription aussi longtemps qu'il y a dans l'ensemble au moins 1 000 000 d'actions privilégiées de série U ou d'actions privilégiées de série V en circulation. Il est entendu, toutefois, que la Société ne manquera pas à ses obligations en vertu des présentes si les détenteurs demandeurs ayant formulé la demande admissible d'inscription à la cote ne vendent pas le nombre d'actions privilégiées de série U au nombre de détenteurs qui permet de respecter les normes d'inscription alors en vigueur des bourses. La Société devra payer tous les frais et coûts accessoires de l'obtention et du maintien de l'inscription.

3.13.15 *Définitions*

Dans les dispositions des présentes ayant trait aux actions privilégiées de série U :

- (a) «de rang supérieur», «de même rang» et «de rang inférieur» désignent l'ordre de priorité des versements de dividendes et la répartition d'éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou non, ou de toute autre répartition d'éléments d'actif de la Société parmi ses actionnaires dans le but de liquider ses affaires; et
- (b) «dividendes accumulés et impayés» désigne i) pendant la période de taux fixe, la somme A) de tous les dividendes impayés sur les actions privilégiées de série U pour toute période de dividende et B) du montant calculé comme si les dividendes sur chaque action privilégiée de série U s'étaient accumulés quotidiennement à compter de la date à laquelle le dernier dividende trimestriel était payable jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement; et ii) pendant la période de taux variable des actions non inscrites et la période de taux variable des actions inscrites, la somme A) de tous les dividendes impayés sur les actions privilégiées de série U pour toute période de dividende et B) du montant calculé comme si les dividendes sur chaque action privilégiée de série U s'étaient accumulés quotidiennement à compter du premier jour du mois suivant la période de dividende pour laquelle le dernier dividende mensuel sera ou était, selon le cas, payable, inclusivement, jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement.

3.13.16 *Interprétation*

Dans le cas où une date à laquelle la Société doit payer un dividende sur les actions privilégiées de série U, ou une autre date à laquelle la Société ou les détenteurs d'actions privilégiées de série U doivent prendre une autre mesure en vertu des présentes ne serait pas un jour ouvrable (ainsi que ce terme est défini ci-après), alors ce dividende sera payable, ou cette autre mesure sera prise, le jour ouvrable suivant, au plus tard. Un «jour ouvrable» est un jour autre qu'un samedi, un dimanche ou tout autre jour férié pour le bureau principal de la Société au Canada.

3.14 *Actions privilégiées de série V*

La Société n'émettra aucune action privilégiée de série V avant le 1^{er} mars 2007. Les actions privilégiées de série V comportent, outre les droits, privilèges, conditions et restrictions propres aux actions privilégiées de premier rang, en tant que catégorie, les droits, privilèges, conditions et restrictions suivants :

3.14.1 Dividendes

3.14.1.1 Définitions

Sauf indication contraire du contexte, aux fins des présentes :

(a) «actions privilégiées essentiellement semblables» désigne des actions privilégiées de la Société :

- (i) qui sont de la même catégorie que les actions privilégiées de série V;
- (ii) dont les détenteurs ont droit à des dividendes en espèces privilégiés, cumulatifs, payables à un taux fixe pour une période initiale prédéterminée et, par la suite, ont droit à des dividendes en espèces privilégiés cumulatifs, payables à un taux variable fixé tous les cinq ans; et
- (iii) qui sont convertibles en une autre série d'actions privilégiées de la Société;

(b) «bourse» désigne la bourse de Montréal ou de Toronto;

(c) «date de conclusion de la vente» désigne, dans le cadre d'une demande admissible d'inscription à la cote, la date applicable après l'inscription conditionnelle, si elle est obtenue, des actions privilégiées de série V à la cote de la bourse en vertu d'une telle demande (l'«inscription conditionnelle») déterminée comme suit :

- (i) si, pendant la période débutant à la date de la demande et se terminant 30 jours suivant la date de l'inscription conditionnelle, la Société annonce publiquement son intention d'émettre, par voie d'appel public à l'épargne, des actions privilégiées essentiellement semblables d'une valeur d'au moins 50 000 000 \$, la date applicable suivra de 120 jours la date de l'inscription conditionnelle;
- (ii) a) si un événement inhabituel est survenu pendant la période débutant à la date de cette demande et se terminant 30 jours suivant la date de l'inscription conditionnelle; ou b) si la Société annonce publiquement son intention d'émettre des actions privilégiées essentiellement semblables conformément à l'article 3.14.1.1(c)(i) des présentes pendant la période débutant à la date de cette demande et se terminant 120 jours suivant la date de l'inscription conditionnelle, et si un événement inhabituel est survenu pendant cette période, la date applicable suivra de 210 et de 300 jours, respectivement, la date de l'inscription conditionnelle; et
- (iii) dans tous les autres cas, la date applicable suivra de 30 jours la date de l'inscription conditionnelle;

(d) «date de paiement de dividende» désigne le premier jour de mars, juin, septembre et décembre de chaque année;

(e) «demande admissible d'inscription à la cote» désigne une demande d'inscription des actions privilégiées de série V à la cote de la bourse par des détenteurs détenant ensemble un total d'au moins 3 000 000 d'actions privilégiées de série V ou d'actions privilégiées de série U (les «détenteurs demandeurs») qui se sont engagés à déployer tous les efforts raisonnables sur le plan commercial pour vendre à des parties non reliées, par l'entremise de la bourse, avant la date de conclusion de la vente applicable, le nombre d'actions privilégiées de série V ou d'actions privilégiées de série U au nombre de détenteurs qui permet de respecter les normes d'inscription alors en vigueur de la bourse (mais quoi qu'il en soit, un total d'au moins 3 000 000 d'actions privilégiées de série V ou d'actions privilégiées de série U); toutefois, cette demande ne peut être faite dans les six (6) mois suivant la dernière demande admissible d'inscription à la cote faite par un détenteur d'actions privilégiées de série V ou d'actions privilégiées de série U;

(f) «événement inhabituel» désigne, relativement à une date de conclusion de la vente, toute éventualité, mesure ou condition ou tout événement financier important de portée nationale ou internationale ou toute loi ou tout règlement qui, de l'avis raisonnable des détenteurs demandeurs, ont ou auront un effet défavorable important sur le marché des actions privilégiées de série U ou des actions privilégiées de série V, ou concernent ou concerneront ce marché;

(g) «période de taux de dividende fixe» désigne, pour la période de taux de dividende fixe initiale, la période débutant le 1^{er} mars 2007 et se terminant le 29 février 2012, inclusivement; et, pour chaque période de taux de dividende fixe subséquente, la période débutant le jour suivant la fin de la période de taux de dividende fixe précédente et se terminant le dernier jour de février de la cinquième année suivante, inclusivement;

(h) «rendement des obligations du gouvernement du Canada» désigne, à une date donnée, la moyenne des rendements qu'une obligation du gouvernement du Canada non remboursable par anticipation aurait si elle était émise en dollars canadiens au Canada à 100 % de son montant en capital à cette date, avec une échéance de cinq ans, désignés par deux courtiers en valeurs mobilières canadiens inscrits, choisis par le conseil d'administration, comme étant les rendements à l'échéance à cette date, composés semestriellement et calculés conformément aux principes financiers généralement reconnus;

(i) «taux de dividende annuel» désigne pour toute période de taux de dividende fixe, le taux d'intérêt exprimé en tant que pourcentage par année (arrondi au millième de un pour cent (0,001 %) près) correspondant au rendement des obligations du gouvernement du Canada multiplié par le taux désigné pour cette période de taux de dividende fixe;

(j) «taux désigné» désigne le taux d'intérêt, pour chaque période de taux de dividende fixe, exprimé en pourcentage du rendement des obligations du gouvernement du Canada, déterminé par le conseil d'administration, tel qu'il est énoncé dans l'avis aux détenteurs d'actions privilégiées de série V donné conformément aux dispositions de l'article 3.14.4.1, lequel taux d'intérêt ne sera pas inférieur à 80 % du rendement des obligations du gouvernement du Canada.

3.14.1.2 Généralités

Les détenteurs d'actions privilégiées de série V auront le droit de recevoir, pour autant qu'ils soient déclarés par le conseil d'administration, des dividendes en espèces privilégiés, cumulatifs et fixes, puisés à même les fonds de la Société pouvant être dûment affectés au paiement de dividendes, d'un montant annuel par action déterminé en multipliant le taux de dividende annuel par 25,00 \$, payables trimestriellement pour chaque période de douze mois les 1^{er} mars, juin, septembre et décembre, et ce, par chèque, au pair, en monnaie ayant cours légal au Canada, à toute succursale au Canada des banquiers de la Société.

Le paiement des dividendes déclarés sur les actions privilégiées de série V sera effectué (sauf en cas de rachat, le paiement des dividendes étant alors effectué au moment de la remise du certificat représentant les actions privilégiées de série V devant être rachetées) par la mise à la poste, dans une enveloppe affranchie adressée à chaque détenteur d'actions privilégiées de série V à sa dernière adresse figurant au registre des valeurs mobilières de la Société ou, si son adresse ne figure pas au registre, à sa dernière adresse connue de la Société ou, dans le cas de codétenteurs, à l'adresse de celui dont le nom figure en premier au registre des valeurs mobilières de la Société en tant que l'un de ces codétenteurs, d'un chèque pour le montant de ces dividendes (diminué de tout impôt devant être déduit) payable à l'ordre de ce détenteur ou, dans le cas de codétenteurs, à l'ordre de tous les codétenteurs, sauf indication contraire de leur part par écrit. Nonobstant ce qui précède, tout chèque de paiement de dividendes peut être livré par la Société à un détenteur d'actions privilégiées de série V à son adresse ainsi qu'elle est indiquée ci-dessus. La mise à la poste ou la livraison d'un tel chèque sera réputée constituer le paiement et satisfera à toutes obligations de paiement de ces dividendes pour ce qui est du montant représenté par un tel chèque (compte tenu du montant de tout impôt devant être déduit ainsi qu'il est mentionné ci-dessus), à moins que ce chèque ne soit pas payé au moment où il est dûment présenté.

3.14.1.3 Calcul du taux de dividende annuel

La Société devra calculer, le 21^e jour précédant le premier jour de chaque période de taux de dividende fixe, le taux de dividende annuel pour chaque période de taux de dividende fixe, en fonction du taux désigné et du rendement des obligations du gouvernement du Canada en vigueur à 10 h (heure de Montréal) le

21^e jour précédant le premier jour de chaque période de taux de dividende fixe et en avisant i) le jour ouvrable suivant, toutes les bourses de valeurs mobilières au Canada à la cote desquelles les actions privilégiées de série V sont inscrites ou, si les actions privilégiées de série V ne sont pas inscrites à la cote d'une bourse de valeurs mobilières au Canada, l'Association canadienne des courtiers en valeurs mobilières; et ii) dans les trois (3) jours ouvrables suivants, sauf pour ce qui est de la période de taux de dividende fixe initiale, les détenteurs des actions privilégiées de série V, en le publiant une fois dans l'édition canadienne du journal anglais *The Globe and Mail* et une fois dans la ville de Montréal dans des quotidiens à grand tirage français et anglais, étant entendu que si l'un ou l'autre de ces quotidiens n'est pas à grand tirage à ce moment, un tel avis sera publié dans une autre publication équivalente.

3.14.2 Droits en cas de liquidation

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre répartition des éléments d'actif de la Société aux fins de liquider ses affaires, les détenteurs des actions privilégiées de série V auront le droit de recevoir 25,00 \$ par action privilégiée de série V augmentés de tous les dividendes accumulés et impayés jusqu'à la date de paiement ou de répartition, exclusivement, avant qu'aucun montant ne soit payé ou qu'aucun élément d'actif de la Société ne soit réparti parmi les détenteurs des actions ordinaires de la Société ou de toutes autres actions de rang inférieur aux actions privilégiées de série V. Une fois ces montants payés, les détenteurs des actions privilégiées de série V ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.14.3 Rachat d'actions

La Société ne pourra racheter d'actions privilégiées de série V avant le 1^{er} mars 2012. Sous réserve des lois applicables et de l'article 3.14.5 ci-dessous, après avis comme prévu ci-après, la Société pourra, le 1^{er} mars 2012 ou le 1^{er} mars tous les cinq (5) ans par la suite, racheter en tout temps la totalité et non moins de la totalité des actions privilégiées de série V en circulation, contre paiement de 25,00 \$ pour chacune de ces actions à racheter, plus les dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat.

La Société donnera un préavis écrit d'au moins 45 jours et d'au plus 60 jours de son intention de racheter des actions privilégiées de série V à toute personne qui, à la date de l'envoi de ce préavis, est détentrice de ces actions à racheter. L'avis devra être envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série V à racheter, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société; cependant, toute omission ou tout défaut involontaires d'envoyer un tel avis à un ou à plusieurs de ces détenteurs ne sera d'aucun effet sur la validité du rachat des actions privilégiées de série V des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série V à racheter détenues par la personne à qui il est adressé, ainsi que le prix de rachat, et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats représentant ces actions à tout endroit au Canada mentionné dans l'avis, paiera ou fera en sorte que soit payé le prix de rachat aux détenteurs d'actions privilégiées de série V à racheter. Le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis, les détenteurs d'actions privilégiées de série V à racheter n'auront plus aucun droit aux dividendes sur ces actions ni aucun autre droit en qualité de détenteurs de ces actions, à moins que la Société n'omette de payer le prix de rachat. En tout temps après que l'avis de rachat susmentionné aura été donné, la Société pourra déposer le montant du prix de rachat de la totalité ou d'une partie des actions privilégiées de série V à racheter dans une ou plusieurs banques à charte ou sociétés de fiducie au Canada dont les noms auront été donnés dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes en fiducie pour le bénéfice des détenteurs des actions à racheter, et les montants leur seront versés par ces banques ou sociétés de fiducie sur remise du ou des certificats; dès l'exécution de ces dépôts, les actions seront rachetées à la date de rachat indiquée dans l'avis de rachat. Dès que la Société aura effectué le dépôt susmentionné à l'égard de toutes actions, les détenteurs de celles-ci n'auront plus, à compter de la date de rachat, aucun autre droit en qualité de détenteurs de ces actions, et leurs droits seront limités à la perception de la portion des montants déposés qui s'applique à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

3.14.4 Conversion des actions privilégiées de série V

3.14.4.1 Conversion au gré du détenteur

Les détenteurs d'actions privilégiées de série V pourront, à leur gré, le 1^{er} mars 2012 et le 1^{er} mars tous les cinq (5) ans par la suite (une «date de conversion»), convertir, en totalité ou en partie, sous réserve des dispositions des présentes, les actions privilégiées de série V inscrites en leur nom en actions privilégiées de série U de la Société, à raison d'une (1) action privilégiée de série U pour chaque action privilégiée de série V. La Société devra aviser par écrit les détenteurs d'actions privilégiées de série V alors en circulation du taux désigné déterminé par le conseil d'administration et applicable pour la période de taux de dividende fixe suivante, de même que du droit de conversion prévu par les présentes; un tel avis sera envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série V, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société. Cet avis devra indiquer la date de conversion et être donné au moins 45 jours et au plus 60 jours avant la date de conversion applicable.

Si, ainsi qu'il est stipulé à l'article 3.14.3, la Société avise les détenteurs d'actions privilégiées de série V du rachat de la totalité des actions privilégiées de série V, elle ne sera pas tenue de les aviser, ainsi qu'il est stipulé au présent article 3.14.4.1, du taux désigné, ni de leur droit de conversion; en outre, le droit de tout détenteur d'actions privilégiées de série V de convertir de telles actions privilégiées de série V ainsi qu'il est stipulé dans les présentes prendra fin dans un tel cas.

Les détenteurs d'actions privilégiées de série V ne seront pas en droit de convertir leurs actions en actions privilégiées de série U si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série U en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série V déposées aux fins de conversion en actions privilégiées de série U et de toutes les actions privilégiées de série U déposées aux fins de conversion en actions privilégiées de série V. La Société en avisera par écrit, conformément aux dispositions du premier paragraphe du présent article 3.14.4.1, tous les détenteurs visés d'actions privilégiées de série V au moins sept (7) jours avant la date de conversion applicable et émettra et livrera, ou fera en sorte que soit livré, avant cette date de conversion, aux frais de la Société, à ces détenteurs d'actions privilégiées de série V ayant déposé aux fins de conversion un ou plusieurs certificats représentant des actions privilégiées de série V, de nouveaux certificats représentant les actions privilégiées de série V représentées par un ou plusieurs certificats déposés comme indiqué ci-dessus.

3.14.4.2 Conversion automatique

Si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série V en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série V déposées aux fins de conversion en actions privilégiées de série U et de toutes les actions privilégiées de série U déposées aux fins de conversion en actions privilégiées de série V, la totalité et non une partie des actions privilégiées de série V en circulation restantes sera automatiquement convertie en actions privilégiées de série U à raison d'une (1) action privilégiée de série U pour chaque action privilégiée de série V, et ce, à la date de conversion applicable, et la Société donnera un avis écrit à cet effet, conformément aux dispositions de l'article 3.14.4.1, aux détenteurs de ces actions privilégiées de série V restantes au moins sept (7) jours avant la date de conversion.

3.14.4.3 Exercice du privilège de conversion

La conversion des actions privilégiées de série V peut être effectuée par la remise, au plus tôt 45 jours avant une date de conversion et au plus tard à la fermeture des bureaux le 14^e jour précédant une date de conversion, durant les heures d'ouverture normales, du ou des certificats les représentant, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série V peuvent être transférées, ce ou ces certificats étant accompagnés : 1) du paiement ou d'un reçu attestant le paiement de l'impôt payable (s'il y a lieu), prévu au présent article 3.14.4.3; et 2) d'un instrument de remise écrit acceptable pour la Société et dûment signé par le détenteur ou son fondé de pouvoir dûment autorisé par écrit, instrument dans lequel ce détenteur peut indiquer qu'il ne veut convertir qu'une partie seulement des actions privilégiées de série V représentées par ce ou ces certificats, qui n'ont pas jusqu'alors été désignées en vue du rachat, auquel cas la Société émettra et livrera ou fera

livrer, à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série V qui sont représentées par ce ou ces certificats et qui n'auront pas été converties.

Dans le cas où la Société est tenue de convertir la totalité des actions privilégiées de série V en circulation restantes en actions privilégiées de série U à la date de conversion applicable, ainsi qu'il est stipulé à l'article 3.14.4.2, les actions privilégiées de série V que les détenteurs n'avaient pas choisi de convertir devront être converties à la date de conversion en actions privilégiées de série U, et les détenteurs de ces actions seront réputés être détenteurs d'actions privilégiées de série U à la fermeture des bureaux à la date de conversion et auront le droit, après avoir remis, pendant les heures d'ouverture normales, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série V peuvent être transférées, le ou les certificats représentant les actions privilégiées de série V non remis précédemment aux fins de conversion, de recevoir un ou plusieurs certificats représentant le même nombre d'actions privilégiées de série U de la manière et selon les dispositions prévues dans le présent article 3.14.4.3.

Aussitôt que possible après la date de conversion, la Société émettra et livrera ou fera livrer au détenteur d'actions privilégiées de série V ainsi remises, ou selon son ordre écrit, un ou plusieurs certificats à son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions privilégiées de série U entièrement libérées et non cotisables et le nombre d'actions privilégiées de série V restantes, le cas échéant, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux à la date de conversion de sorte que les droits du détenteur de ces actions privilégiées de série V à ce titre cesseront à ce moment, et la ou les personnes ayant le droit de recevoir des actions privilégiées de série U à la suite de cette conversion seront à toutes fins considérées comme détenteurs inscrits de ces actions privilégiées de série U dès ce moment.

Le détenteur de toute action privilégiée de série V inscrit à la date de clôture des registres aux fins de tout dividende déclaré payable sur cette action aura droit à ce dividende même si l'action a été convertie en action privilégiée de série U après cette date de clôture des registres et avant la date de paiement de ce dividende ou à cette date même.

L'émission de certificats d'actions privilégiées de série U au moment de la conversion d'actions privilégiées de série V s'effectuera sans frais pour les détenteurs convertissant leurs actions privilégiées de série V, quant aux droits ou impôts applicables à l'émission de ces certificats ou des actions privilégiées de série U qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes de ces actions privilégiées de série U ou des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison de ces certificats au nom d'une ou de plusieurs personnes autres que le détenteur des actions privilégiées de série V converties; et la Société ne sera tenue d'émettre ou de livrer ces certificats que si les personnes en demandant l'émission lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.14.4.4 Statut des actions privilégiées de série V converties

Toutes les actions privilégiées de série V converties en actions privilégiées de série U à une date de conversion donnée ne seront pas annulées, mais reprendront le statut d'actions autorisées mais non émises de la Société à la fermeture des bureaux à la date de conversion.

3.14.5 Restrictions concernant les dividendes et le remboursement des actions

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série V en circulation :

- (a) déclarer, payer ni mettre de côté à des fins de paiement aucun dividende sur les actions ordinaires ou toute autre action de la Société de rang inférieur aux actions privilégiées de série V (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série V);
- (b) racheter, acheter ni autrement rembourser, ni procéder à aucune répartition de capital au titre des actions ordinaires de la Société ou de toute autre action de la Société de rang inférieur aux actions

privilégiées de série V (sauf si la contrepartie est payée à même le produit net en espèces d'un placement, fait à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série V);

(c) acheter ni autrement rembourser moins de la totalité des actions privilégiées de série V alors en circulation; ni

(d) racheter, acheter ni autrement rembourser (sauf dans le cadre de l'exercice d'un privilège de rachat au gré du détenteur ou d'une obligation de rachat par la Société s'y rapportant) aucune action de la Société de toute catégorie ou série de même rang que les actions privilégiées de série V, étant entendu que les restrictions mentionnées dans le présent paragraphe (d) ne porteront aucunement atteinte au droit de la Société de racheter, d'acheter ou de rembourser autrement toute action de la Société de toute catégorie de rang supérieur aux actions privilégiées de série V;

à moins que, dans tous les cas, tous les dividendes cumulatifs accumulés au titre des actions privilégiées de série V en circulation, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes étaient payables, n'aient été déclarés et payés.

Toute approbation des détenteurs d'actions privilégiées de série V exigée en vertu du présent article 3.14.5 pourra être donnée conformément au deuxième paragraphe de l'article 3.14.7 et à l'article 3.14.10. Nonobstant les dispositions de l'article 3.14.10 des présentes, toute approbation exigée en vertu du présent article 3.14.5 ne pourra être donnée qu'au moyen du vote favorable des détenteurs de la majorité des actions privilégiées de série V présents ou représentés à une assemblée, ou à une reprise d'assemblée, des détenteurs d'actions privilégiées de série V dûment convoquée à cette fin et à laquelle il y aura quorum.

3.14.6 *Achat pour annulation*

La Société pourra à tout moment acheter pour annulation la totalité ou une partie des actions privilégiées de série V en circulation de temps à autre, sur le marché libre, par l'intermédiaire d'un courtier en valeurs mobilières ou de toute firme membre d'une bourse reconnue, ou par convention privée ou autrement, au(x) plus bas prix, de l'avis du conseil d'administration, auquel (auxquels) ces actions sont disponibles.

3.14.7 *Droits de vote*

Si la Société est en défaut de payer huit (8) dividendes consécutifs ou non consécutifs au titre des actions privilégiées de série V, les détenteurs d'actions privilégiées de série V auront le droit d'être convoqués et d'assister à chaque assemblée des actionnaires de la Société (autre qu'une assemblée distincte réservée aux détenteurs d'actions de la Société de toute autre catégorie ou série) tenue plus de 60 jours après la date du premier défaut de paiement, et d'y voter à raison d'un (1) vote par action privilégiée de série V détenue, et ce, jusqu'à ce que tous les arriérés de dividendes au titre des actions privilégiées de série V aient été acquittés, après quoi les droits prendront fin et ne seront réouverts que lorsque la Société sera de nouveau en défaut, le cas échéant, conformément aux dispositions du présent article 3.14.7.

Chaque action privilégiée de série V confère à son détenteur un (1) vote relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs des actions privilégiées de série V, votant en tant que série ou en tant que partie d'une catégorie.

3.14.8 *Émission d'actions privilégiées additionnelles*

La Société pourra émettre des séries additionnelles d'actions privilégiées de premier rang de même rang que les actions privilégiées de série V sans l'autorisation des détenteurs des actions privilégiées de série V.

3.14.9 *Modifications*

Les dispositions propres aux actions privilégiées de série V en tant que série peuvent être abrogées ou modifiées de temps à autre moyennant l'approbation alors exigée par la *Loi canadienne sur les sociétés par actions*, donnée conformément aux dispositions de l'article 3.14.10.

Aucune des dispositions des statuts de la Société relatifs aux actions privilégiées de série V en tant que série ne peut être modifiée d'aucune manière à moins que les dispositions relatives aux actions privilégiées de série U en tant que série, le cas échéant, ne fassent en même temps, dans la mesure jugée nécessaire par la Société, l'objet de modifications dont la nature et l'étendue sont les mêmes.

3.14.10 *Approbation des détenteurs d'actions privilégiées de série V*

Toute approbation des détenteurs d'actions privilégiées de série V sera réputée valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de série V conformément aux dispositions propres aux actions privilégiées de premier rang, en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.14.11 *Choix quant à l'imposition*

La Société fera un choix, de la manière et dans les délais prescrits par la *Loi de l'impôt sur le revenu* (Canada), en vertu du paragraphe 191.2(1) de cette loi ou de toute autre disposition de portée semblable remplaçant ce paragraphe ou lui succédant, et prendra toutes les mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun détenteur d'actions privilégiées de série V ne sera tenu de payer l'impôt sur les dividendes reçus au titre des actions privilégiées de série V aux termes de l'article 187.2 de la partie IV.I de cette loi ou de toute disposition de portée semblable remplaçant cet article ou lui succédant.

3.14.12 *Interruption du service postal*

Si la Société considère que le service postal est ou est menacé d'être interrompu, durant une période où la Société est tenue ou a décidé d'expédier quelque avis par la poste en vertu des présentes ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série V, soit relativement au rachat ou à la conversion de ces actions ou autrement, la Société pourra, nonobstant les dispositions des présentes :

(a) donner cet avis par voie de télex, télécopieur ou télégraphe ou encore par voie de publication de l'avis concerné une fois par semaine pendant deux semaines consécutives dans un quotidien à grand tirage publié ou distribué à Montréal et à Toronto, et cet avis sera réputé avoir été donné à la date de la communication par télex, télécopieur ou télégraphe ou à la date de la première publication de l'avis; et

(b) respecter son engagement d'envoyer ce chèque ou ce certificat d'actions en prenant des mesures pour que ces derniers soient livrés au principal établissement de la Société à Montréal. Ce chèque ou ce certificat d'actions seront réputés avoir été envoyés à la date à laquelle l'avis concernant une telle mesure aura été donné, ainsi qu'il est stipulé au paragraphe (a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ce chèque ou ce certificat d'actions soit livré au détenteur, si cela n'a pas déjà été fait, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date de l'envoi postal, est un détenteur inscrit autorisé à recevoir ce chèque ou certificat d'actions ou, si l'adresse de tout détenteur n'est pas inscrite au registre des valeurs mobilières de la Société, à la dernière adresse de ce détenteur connue de la Société.

3.14.13 *Inscription à la cote des actions privilégiées de série V*

Sur réception d'une demande admissible d'inscription à la cote, la Société devra déployer des efforts raisonnables pour obtenir, dans les 120 jours suivants, l'inscription conditionnelle des actions privilégiées de série V à la cote de la bourse et par la suite, si une telle inscription est obtenue, pour maintenir l'inscription aussi longtemps qu'il y a dans l'ensemble au moins 1 000 000 d'actions privilégiées de série V ou d'actions privilégiées de série U en circulation. Il est entendu, toutefois, que la Société ne manquera pas à ses obligations en vertu des présentes si les détenteurs demandeurs ayant formulé la demande admissible d'inscription à la cote ne vendent pas le nombre d'actions privilégiées de série V au nombre de détenteurs qui permet de respecter les normes d'inscription alors en vigueur des bourses. La Société devra payer tous les frais et coûts accessoires de l'obtention et du maintien de l'inscription.

3.14.14 Définitions

Dans les dispositions des présentes ayant trait aux actions privilégiées de série V :

(a) «de rang supérieur», «de même rang» et «de rang inférieur» désignent l'ordre de priorité des versements de dividendes et la répartition d'éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou non, ou de toute autre répartition d'éléments d'actif de la Société parmi ses actionnaires dans le but de liquider ses affaires; et

(b) «dividendes accumulés et impayés» désigne la somme i) de tous les dividendes impayés sur les actions privilégiées de série V pour tout trimestre et ii) du montant calculé comme si les dividendes sur chaque action privilégiée de série V s'étaient accumulés quotidiennement à compter de la date à laquelle le dernier dividende trimestriel était payable jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement.

3.14.15 Interprétation

Dans le cas où une date à laquelle la Société doit payer un dividende sur les actions privilégiées de série V, ou une autre date à laquelle la Société ou les détenteurs d'actions privilégiées de série V doivent prendre une autre mesure en vertu des présentes ne serait pas un jour ouvrable (ainsi que ce terme est défini ci-après), alors ce dividende sera payable, ou cette autre mesure sera prise, le jour ouvrable suivant. Un «jour ouvrable» est un jour autre qu'un samedi, un dimanche ou tout autre jour férié pour le bureau principal de la Société au Canada.

3.15 Actions privilégiées de série W

Les actions privilégiées de série W comportent, outre les droits, privilèges, conditions et restrictions propres aux actions privilégiées de premier rang, en tant que catégorie, les droits, privilèges, conditions et restrictions suivants.

3.15.1 Dividendes

3.15.1.1 Définitions

Sauf indication contraire du contexte, aux fins des présentes :

(a) «actions privilégiées essentiellement semblables» désigne des actions privilégiées de la Société :

- (i) qui sont de la même catégorie que les actions privilégiées de série W;
- (ii) dont les détenteurs ont droit à des dividendes en espèces privilégiés, cumulatifs, payables à un taux fixe pour une période initiale prédéterminée et, par la suite, ont droit à des dividendes en espèces privilégiés cumulatifs, payables à un taux variable fixé tous les cinq ans; et
- (iii) qui sont convertibles en une autre série d'actions privilégiées de la Société;

(b) «banques» désigne deux banques parmi la Banque Royale du Canada, la Banque de Montréal, La Banque de Nouvelle-Écosse, La Banque Toronto-Dominion et la Banque canadienne impériale de commerce et tout successeur de celles-ci que le conseil d'administration peut désigner de temps à autre en avisant l'agent des transferts des actions privilégiées de série W; un tel avis doit être donné au moins deux (2) jours ouvrables avant le début d'une période de dividende donnée, et prend effet à ce moment; jusqu'à ce qu'un tel avis soit donné, «banques» désigne la Banque Royale du Canada et La Banque Toronto-Dominion;

(c) «bourse», aux fins de la définition des termes «valeur quotidienne ajustée des actions négociées», «volume quotidien des actions négociées», «date ex-dividende» et «séance de bourse» et aux fins de

la détermination du facteur d'ajustement, désigne la bourse de Montréal ou de Toronto, ou toute autre bourse de valeurs mobilières ou tout marché organisé au Canada reconnu à l'occasion par la Société à titre de marché principal pour la négociation des actions privilégiées de série W et, à toutes autres fins dans les présentes, désigne la bourse de Montréal ou de Toronto;

- (d) «cours de référence» désigne, pour un mois donné, le quotient obtenu en divisant :
- (i) le total de la valeur quotidienne ajustée des actions négociées de toutes les séances de bourse de ce mois,
- par
- (ii) le total du volume quotidien des actions négociées de toutes les séances de bourse de ce mois;
- (e) «courtiers» relativement à un taux des acceptations bancaires désigne RBC Dominion valeurs mobilières Inc. (et son successeur) et Valeurs mobilières TD inc. (et son successeur);
- (f) «date de clôture des registres réputée» désigne la dernière séance de bourse d'un mois au titre duquel aucun dividende n'est déclaré par le conseil d'administration;
- (g) «date de conclusion de la vente» désigne, dans le cadre d'une demande admissible d'inscription à la cote, la date applicable après l'inscription conditionnelle, si elle est obtenue, des actions privilégiées de série W à la cote de la bourse en vertu d'une telle demande (l'«inscription conditionnelle») déterminée comme suit :
- (i) si, pendant la période débutant à la date de la demande et se terminant 30 jours suivant la date de l'inscription conditionnelle, la Société annonce publiquement son intention d'émettre, par voie d'appel public à l'épargne, des actions privilégiées essentiellement semblables d'une valeur d'au moins 50 000 000 \$, la date applicable suivra de 120 jours la date de l'inscription conditionnelle;
 - (ii) a) si un événement inhabituel est survenu pendant la période débutant à la date de cette demande et se terminant 30 jours suivant la date de l'inscription conditionnelle; ou b) si la Société annonce publiquement son intention d'émettre des actions privilégiées essentiellement semblables conformément à l'article 3.15.1.1(g)(i) des présentes pendant la période débutant à la date de cette demande et se terminant 120 jours suivant la date de l'inscription conditionnelle, et si un événement inhabituel est survenu pendant cette période, la date applicable suivra de 210 et de 300 jours, respectivement, la date de l'inscription conditionnelle; et
 - (iii) dans tous les autres cas, la date applicable suivra de 30 jours la date de l'inscription conditionnelle;
- (h) «date de détermination des acceptations bancaires» désigne, pour un mois donné, le dernier jour ouvrable précédant ce mois;
- (i) «date de paiement de dividende» désigne :
- (i) pendant la période de taux fixe, le premier jour de mars, juin, septembre et décembre de chaque année;
 - (ii) pendant la période de taux variable des actions non inscrites, le douzième jour de chaque mois à compter du mois d'octobre 2007; et

- (iii) pendant la période de taux variable des actions inscrites, le douzième jour de chaque mois à compter du premier mois civil complet suivant l'inscription des actions privilégiées de série W à la bourse;

et la première date de paiement de dividende sera le 1^{er} décembre 1997;

(j) «date ex-dividende» :

- (i) désigne la séance de bourse désignée ou reconnue, conformément aux règles ou aux pratiques habituelles de la bourse, à titre de date ex-dividende aux fins de toute date de clôture des registres pour les dividendes d'actions privilégiées de série W; ou
- (ii) si le conseil d'administration ne déclare pas de dividende pour un mois donné, la séance de bourse qui serait considérée, conformément aux règles ou aux pratiques habituelles de la bourse, comme la date ex-dividende aux fins de toute date de clôture des registres réputée pour les actions privilégiées de série W;

(k) «déduction quotidienne relative au dividende accumulé» désigne, pour une séance de bourse donnée :

- (i) le produit obtenu en multipliant le montant du dividende accumulé sur une action privilégiée de série W pour le mois au cours duquel tombe la séance de bourse, par le nombre de jours compris dans la période débutant le jour précédant la date ex-dividende qui précède immédiatement cette séance de bourse, exclusivement, et se terminant le jour de cette séance de bourse, inclusivement (ou par un (1) jour, si cette séance de bourse est une date ex-dividende),

divisé par

- (ii) le nombre de jours compris dans la période débutant à cette date ex-dividende, inclusivement, et se terminant à la prochaine date ex-dividende, exclusivement;

(l) «demande admissible d'inscription à la cote» désigne une demande d'inscription des actions privilégiées de série W à la cote de la bourse par des détenteurs détenant ensemble un total d'au moins 2 800 000 actions privilégiées de série W ou actions privilégiées de série X (les «détenteurs demandeurs») qui se sont engagés à déployer tous les efforts raisonnables sur le plan commercial pour vendre à des parties non reliées par l'entremise de la bourse avant la date de conclusion de la vente applicable, le nombre d'actions privilégiées de série W ou d'actions privilégiées de série X au nombre de détenteurs qui permet de respecter les normes d'inscription alors en vigueur de la bourse (mais quoi qu'il en soit, un total d'au moins 2 800 000 actions privilégiées de série W ou actions privilégiées de série X); toutefois, cette demande ne peut être faite avant le 17 juillet 2000 et ne peut être faite dans les six (6) mois suivant la dernière demande admissible d'inscription à la cote faite par un détenteur d'actions privilégiées de série W ou d'actions privilégiées de série X;

(m) «événement inhabituel» désigne, relativement à une date de conclusion de la vente, toute éventualité, mesure ou condition ou tout événement financier important de portée nationale ou internationale ou toute loi ou tout règlement qui, de l'avis raisonnable des détenteurs demandeurs, ont ou auront un effet défavorable important sur le marché des actions privilégiées de série W ou des actions privilégiées de série X ou concernent ou concerneront ce marché;

(n) «facteur d'ajustement» désigne, pour un mois donné, le pourcentage annuel, positif ou négatif, établi en fonction du cours de référence des actions privilégiées de série W pour le mois précédent, calculé conformément au tableau suivant :

<u>Si le cours de référence est de</u>	<u>Le facteur d'ajustement exprimé en % du taux préférentiel mensuel est de</u>
25,50 \$ ou plus.....	-4,00 %
25,375 \$ et moins de 25,50 \$.....	-3,00 %
25,25 \$ et moins de 25,375 \$.....	-2,00 %
25,125 \$ et moins de 25,25 \$.....	-1,00 %
plus de 24,875 \$ et moins de 25,125 \$.....	néant
plus de 24,75 \$ à 24,875 \$.....	1,00 %
plus de 24,625 \$ à 24,75 \$.....	2,00 %
plus de 24,50 \$ à 24,625 \$.....	3,00 %
24,50 \$ ou moins.....	4,00 %

Le facteur d'ajustement maximal pour un mois donné sera de $\pm 4,00\%$.

Si, pendant un mois donné, au moins un lot régulier d'actions privilégiées de série W n'est pas négocié à la bourse, le facteur d'ajustement du mois suivant sera de «néant»;

- (o) «mois» désigne un mois civil;
- (p) «période de dividende» désigne :
 - (i) pendant la période de taux fixe, la période qui débute à la date de paiement de dividende, inclusivement, et se termine à la date de paiement de dividende suivante, exclusivement; et
 - (ii) pendant la période de taux variable des actions non inscrites et la période de taux variable des actions inscrites, un mois;
- (q) «période de taux fixe» désigne la période commençant à la date d'émission des actions privilégiées de série W et se terminant le 31 août 2007, inclusivement;
- (r) «période de taux variable des actions inscrites» désigne la période commençant à la dernière des dates suivantes, inclusivement :
 - (i) le 1^{er} septembre 2007; et
 - (ii) le premier jour du mois suivant la date, le cas échéant, à laquelle les actions privilégiées de série W sont inscrites inconditionnellement à la cote de la bourse;
- (s) «période de taux variable des actions non inscrites» désigne la période commençant immédiatement après la fin de la période de taux fixe si, à ce moment, les actions privilégiées de série W ne sont pas inscrites inconditionnellement à la cote de la bourse, et se poursuivant jusqu'au dernier jour du mois, inclusivement, le cas échéant, au cours duquel les actions privilégiées de série W sont inscrites inconditionnellement à la cote de la bourse;
- (t) «pourcentage prescrit» désigne, pour le mois de septembre 2007, quatre-vingts pour cent (80 %) et, pour chaque mois suivant, le facteur d'ajustement de ce mois plus le pourcentage prescrit du mois précédent, pourvu que le taux de dividende variable annuel des actions inscrites d'un mois donné ne soit jamais inférieur à 50 % du taux préférentiel mensuel pour ce mois, ni supérieur à 100 % du taux préférentiel mensuel pour ce mois;
- (u) «séance de bourse» désigne chaque jour au cours duquel la bourse est ouverte à des fins de négociations, si cette bourse est une bourse de valeurs mobilières située au Canada; sinon, le terme «séance de bourse» désigne un jour ouvrable;

(v) «taux de dividende annuel» désigne le taux de dividende fixe annuel, le taux de dividende variable annuel des actions non inscrites ou le taux de dividende variable annuel des actions inscrites, selon le cas, prévu par le présent article 3.15.1 applicable au moment pertinent;

(w) «taux de dividende fixe annuel» désigne 5,45 % par année;

(x) «taux de dividende variable annuel des actions inscrites» désigne, pour un mois donné durant la période de taux variable des actions inscrites, le taux d'intérêt exprimé en tant que pourcentage annuel (arrondi au millième de un pour cent (0,001 %) près) égal au taux préférentiel mensuel multiplié par le pourcentage prescrit pour ce mois;

(y) «taux de dividende variable annuel des actions non inscrites» désigne, pour un mois donné durant la période de taux variable des actions non inscrites, le taux d'intérêt exprimé en tant que pourcentage annuel (arrondi au millième de un pour cent (0,001 %) près) égal au taux des acceptations bancaires pour ce mois augmenté de 0,40 %;

(z) «taux des acceptations bancaires», pour un mois donné, désigne un taux annuel équivalant à :

(i) la moyenne simple (arrondie au centième de un pour cent (0,01 %) près) des taux annuels cotés par les deux courtiers lorsque ces taux annuels, cotés par ces courtiers, sont égaux à la moyenne simple (arrondie au centième de un pour cent (0,01 %) près) des taux acheteur et vendeur des rendements à l'échéance cotés par chacun des courtiers (arrondie au millième de un pour cent supérieur (0,001 %) près), à 10 h, heure de Montréal, à la date de détermination des acceptations bancaires, des acceptations bancaires de 30 jours acceptées par la Banque de Montréal, La Banque Toronto-Dominion, la Banque canadienne impériale de commerce, la Banque Royale du Canada et La Banque de Nouvelle-Écosse (ou leurs successeurs respectifs), si elles acceptent les acceptations bancaires de 30 jours à cette date;

(ii) si l'un des courtiers est incapable de coter ou ne cote pas, pour quelque raison que ce soit, les taux annuels acheteur et vendeur mentionnés à l'article 3.15.1.1(z)(i) ci-dessus à 10 h, heure de Montréal, à la date de détermination des acceptations bancaires, ce taux sera la moyenne simple, arrondie au centième de un pour cent (0,01 %) près, des taux annuels acheteur et vendeur à cette date, cotés par l'autre; ou

(iii) si les deux courtiers sont incapables de coter ou ne cotent pas, pour quelque raison que ce soit, les taux, à 10 h, heure de Montréal, à la date de détermination des acceptations bancaires (incluant, sans restriction, le cas où aucune des banques parmi la Banque de Montréal, La Banque Toronto-Dominion, la Banque canadienne impériale de commerce, la Banque Royale du Canada ou La Banque de Nouvelle-Écosse n'acceptent les acceptations bancaires de 30 jours à cette date de détermination des acceptations bancaires) afin de déterminer le taux des acceptations bancaires conformément à (i) ou (ii) ci-dessus, ce taux sera de 0,2 % plus la moyenne simple (arrondie au centième de un pour cent (0,01 %) près) de chaque taux annuel équivalant à la moyenne simple (arrondie au centième de un pour cent (0,01 %) près) des taux acheteur et vendeur des rendements à l'échéance cotés par chacun des courtiers (arrondis au millième de un pour cent supérieur (0,001 %) près) à 10 h, heure de Montréal, à la date de détermination des acceptations bancaires, des bons du Trésor du Gouvernement du Canada échéant aussi près que possible de 30 jours après la date de détermination des acceptations bancaires;

(aa) «taux préférentiel» désigne, pour un jour donné, la moyenne (arrondie au millième de un pour cent (0,001 %) près) des taux d'intérêt annuels annoncés à l'occasion par les banques comme taux de référence alors en vigueur pour ce jour aux fins de fixer les taux d'intérêt sur les prêts commerciaux en dollars canadiens consentis au Canada aux emprunteurs commerciaux jouissant du meilleur crédit. Si une des banques n'a pas un tel taux d'intérêt en vigueur un jour donné, le taux préférentiel pour ce jour sera le taux d'intérêt en vigueur de l'autre banque; si les deux banques n'ont pas un tel taux d'intérêt en vigueur un jour donné, le taux préférentiel pour ce jour sera égal à 1,5 % l'an, plus le rendement moyen exprimé en tant que pourcentage annuel des bons du

Trésor du gouvernement du Canada de 91 jours, tel qu'il est déclaré par la Banque du Canada pour l'offre hebdomadaire portant sur la semaine précédant ce jour; et si les deux banques n'ont pas un tel taux d'intérêt en vigueur un jour donné et que la Banque du Canada ne déclare pas un tel rendement annuel moyen, le taux préférentiel pour ce jour sera égal au taux préférentiel du jour précédent. Un dirigeant de la Société établit à l'occasion le taux préférentiel et le taux préférentiel mensuel à partir de données communiquées par les banques ou qui sont par ailleurs à la disposition du public. En l'absence d'erreur flagrante, la décision de ce dirigeant lie définitivement la Société et tous les détenteurs d'actions privilégiées de série W;

(bb) «taux préférentiel mensuel» désigne, pour un mois donné, la moyenne (arrondie au millième de un pour cent (0,001 %) près) des taux préférentiels en vigueur chaque jour de ce mois;

(cc) «valeur quotidienne ajustée des actions négociées» désigne, pour une séance de bourse donnée :

(i) la valeur totale en dollars de toutes les opérations visant les actions privilégiées de série W enregistrées à la bourse (conformément à la période de règlement normale en vigueur à la bourse) pendant cette séance de bourse,

moins

(ii) le produit obtenu en multipliant le volume quotidien des actions négociées durant cette séance de bourse par le montant de la déduction quotidienne relative au dividende accumulé pour cette séance de bourse;

(dd) «volume quotidien des actions négociées» désigne, pour une séance de bourse donnée, le nombre total d'actions privilégiées de série W négociées à la bourse (conformément à la période de règlement normale en vigueur à la bourse) pendant cette séance de bourse.

3.15.1.2 Généralités

Les détenteurs d'actions privilégiées de série W auront le droit de recevoir, pour autant qu'ils soient déclarés par le conseil d'administration, des dividendes en espèces privilégiés cumulatifs, puisés à même les fonds de la Société pouvant être dûment affectés au paiement de dividendes, aux taux et aux dates prévus par les présentes. Les dividendes sur les actions privilégiées de série W s'accumuleront quotidiennement à compter de leur date d'émission inclusivement et seront payables trimestriellement pendant la période de taux fixe et mensuellement pendant la période de taux variable des actions non inscrites et la période de taux variable des actions inscrites. Les dividendes sur les actions privilégiées de série W qui sont payables à une date de paiement de dividende donnée (diminués de tout impôt devant être déduit) seront payés par chèque au pair, en monnaie ayant cours légal au Canada, à toute succursale au Canada des banquiers de la Société.

Le paiement des dividendes déclarés sur les actions privilégiées de série W sera effectué (sauf en cas de rachat, le paiement des dividendes étant alors effectué au moment de la remise du certificat représentant les actions privilégiées de série W devant être rachetées) par la mise à la poste, dans une enveloppe affranchie adressée à chaque détenteur d'actions privilégiées de série W à sa dernière adresse figurant au registre des valeurs mobilières de la Société ou, si son adresse ne figure pas au registre, à sa dernière adresse connue de la Société ou, dans le cas de codétenteurs, à l'adresse de celui dont le nom figure en premier au registre des valeurs mobilières de la Société en tant que l'un de ces codétenteurs, d'un chèque pour le montant de ces dividendes (diminué de tout impôt devant être déduit) payable à l'ordre de ce détenteur ou, dans le cas de codétenteurs, à l'ordre de tous les codétenteurs, sauf indication contraire de leur part par écrit. Nonobstant ce qui précède, tout chèque de paiement de dividendes peut être livré par la Société à un détenteur d'actions privilégiées de série W à son adresse ainsi qu'elle est indiquée ci-dessus. La mise à la poste ou la livraison d'un tel chèque sera réputée constituer le paiement et satisfera à toutes obligations de paiement de ces dividendes pour ce qui est du montant représenté par un tel chèque (compte tenu du montant de tout impôt devant être déduit ainsi qu'il est mentionné ci-dessus), à moins que ce chèque ne soit pas payé au moment où il est dûment présenté.

3.15.1.3 *Période de taux fixe*

Pendant la période de taux fixe, les dividendes sur les actions privilégiées de série W seront payables trimestriellement au taux de dividende fixe annuel. Par conséquent, à chaque date de paiement de dividende au cours de la période de taux fixe, autre que le 1^{er} décembre 1997 mais en incluant le 1^{er} septembre 2007, le dividende payable sera de 0,340625 \$ par action privilégiée de série W. Nonobstant ce qui précède, le montant du premier dividende trimestriel payable sur chaque action privilégiée de série W le 1^{er} décembre 1997 sera de 0,5114 \$ l'action.

3.15.1.4 *Période de taux variable des actions non inscrites*

Pendant la période de taux variable des actions non inscrites, les dividendes sur les actions privilégiées de série W seront payables mensuellement au taux de dividende variable annuel des actions non inscrites ainsi qu'il est calculé de temps à autre. Par conséquent, à chaque date de paiement de dividende au cours de la période de taux variable des actions non inscrites, le dividende payable sur les actions privilégiées de série W sera le montant (arrondi au millième de cent (0,00001 \$) près) obtenu en multipliant 25,00 \$ par le taux de dividende variable annuel des actions non inscrites applicable au mois précédant cette date de paiement de dividende et en divisant la somme par douze. La date de clôture des registres servant à déterminer les détenteurs d'actions privilégiées de série W admissibles aux dividendes à chaque date de paiement de dividende au cours de la période de taux variable des actions non inscrites sera la dernière séance de bourse du mois précédent. En cas de rachat ou d'achat des actions privilégiées de série W au cours de la période de taux variable des actions non inscrites ou de la répartition d'éléments d'actif de la Société au cours de la période de taux variable des actions non inscrites, ainsi que le prévoit l'article 3.15.2 des présentes, le montant du dividende accumulé au cours du mois où a lieu ce rachat, cet achat ou cette répartition (arrondi au millième de cent (0,00001 \$) près) sera calculé en multipliant :

- (i) le produit de la multiplication de 25,00 \$ par un douzième (1/12) du taux de dividende variable annuel des actions non inscrites applicable au mois précédent; par
- (ii) une fraction dont le numérateur est le nombre de jours écoulés dans le mois où a lieu ce rachat, cet achat ou cette répartition, jusqu'à la date de cet événement, exclusivement, et le dénominateur est le nombre de jours dans ce mois.

3.15.1.5 *Période de taux variable des actions inscrites*

Pendant la période de taux variable des actions inscrites, les dividendes sur les actions privilégiées de série W seront payables mensuellement au taux de dividende variable annuel des actions inscrites ainsi qu'il est calculé de temps à autre. Par conséquent, à chaque date de paiement de dividende au cours de la période de taux variable des actions inscrites, le dividende payable sur les actions privilégiées de série W sera le montant (arrondi au millième de cent (0,00001 \$) près) obtenu en multipliant 25,00 \$ par le taux de dividende variable annuel des actions inscrites applicable au mois précédant cette date de paiement de dividende et en divisant la somme par douze. La date de clôture des registres servant à déterminer les détenteurs d'actions privilégiées de série W admissibles aux dividendes à chaque date de paiement de dividende au cours de la période de taux variable des actions inscrites sera la dernière séance de bourse du mois précédent. En cas de rachat ou d'achat des actions privilégiées de série W au cours de la période de taux variable des actions inscrites ou de la répartition d'éléments d'actif de la Société au cours de la période de taux variable des actions inscrites, ainsi que le prévoit l'article 3.15.2 des présentes, le montant du dividende accumulé au cours du mois où a lieu ce rachat, cet achat ou cette répartition (arrondi au millième de cent (0,00001 \$) près) sera calculé en multipliant :

- (i) le produit de la multiplication de 25,00 \$ par un douzième (1/12) du taux de dividende variable annuel des actions inscrites applicable au mois précédent; par
- (ii) une fraction dont le numérateur est le nombre de jours écoulés dans le mois où a lieu ce rachat, cet achat ou cette répartition, jusqu'à la date de cet événement, exclusivement, et le dénominateur est le nombre de jours dans ce mois.

3.15.1.6 Calcul du pourcentage prescrit

La Société calculera dès que possible le pourcentage prescrit pour chaque mois et en avisera toutes les bourses de valeurs mobilières au Canada à la cote desquelles les actions privilégiées de série W sont inscrites ou, si les actions privilégiées de série W ne sont pas inscrites à la cote d'une bourse de valeurs mobilières au Canada, la Société en avisera l'Association canadienne des courtiers en valeurs mobilières.

3.15.2 Droits en cas de liquidation

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre répartition des éléments d'actif de la Société aux fins de liquider ses affaires, les détenteurs des actions privilégiées de série W auront le droit de recevoir 25,00 \$ par action privilégiée de série W augmentés de tous les dividendes accumulés et impayés jusqu'à la date de paiement ou de répartition, exclusivement, avant qu'aucun montant ne soit payé ou qu'aucun élément d'actif de la Société ne soit réparti parmi les détenteurs des actions ordinaires de la Société ou de toutes autres actions de rang inférieur aux actions privilégiées de série W. Une fois ces montants payés, les détenteurs des actions privilégiées de série W ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.15.3 Rachat d'actions

La Société ne pourra racheter d'actions privilégiées de série W avant le 1^{er} septembre 2007. Sous réserve des lois applicables et de l'article 3.15.5ci-dessous, après avis comme prévu ci-après, la Société pourra :

- (i) le 1^{er} septembre 2007, racheter la totalité mais non moins de la totalité des actions privilégiées de série W en circulation contre paiement de 25,00 \$ pour chacune de ces actions à racheter;
- (ii) après le 1^{er} septembre 2007, si la date du rachat survient au cours de la période de taux variable des actions non inscrites, racheter en tout temps la totalité mais non moins de la totalité des actions privilégiées de série W en circulation contre paiement de 25,00 \$ pour chacune de ces actions à racheter; et
- (iii) après le 1^{er} septembre 2007, si la date du rachat survient au cours de la période de taux variable des actions inscrites, racheter en tout temps la totalité mais non moins de la totalité des actions privilégiées de série W en circulation contre paiement de 25,50 \$ pour chacune de ces actions à racheter;

augmentés, dans chaque cas, des dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat.

La Société donnera un préavis écrit d'au moins 45 jours et d'au plus 60 jours de son intention de racheter des actions privilégiées de série W à toute personne qui, à la date de l'envoi de ce préavis, est détentrice de ces actions à racheter. L'avis devra être envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série W à racheter, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société; cependant, toute omission ou tout défaut involontaires d'envoyer un tel avis à un ou à plusieurs de ces détenteurs ne sera d'aucun effet sur la validité du rachat des actions privilégiées de série W des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série W à racheter, détenues par la personne à qui il est adressé, ainsi que le prix de rachat, et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats représentant ces actions à tout endroit au Canada mentionné dans l'avis, paiera ou fera en sorte que soit payé le prix de rachat aux détenteurs d'actions privilégiées de série W à racheter. Le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis, les détenteurs d'actions privilégiées de série W à racheter n'auront plus aucun droit aux dividendes sur ces actions ni aucun autre droit en qualité de détenteurs de ces actions, à moins que la Société n'omette de payer le prix de rachat. En tout temps après que l'avis de rachat susmentionné aura été donné, la Société pourra déposer le montant du prix de rachat de la totalité ou d'une partie des actions privilégiées de série W à racheter dans une ou plusieurs

banques à charte ou sociétés de fiducie au Canada dont les noms auront été donnés dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes en fiducie pour le bénéfice des détenteurs des actions à racheter et les montants leur seront versés par ces banques ou sociétés de fiducie sur remise du ou des certificats; dès l'exécution de ces dépôts, les actions seront rachetées à la date de rachat indiquée dans l'avis de rachat. Dès que la Société aura effectué le dépôt susmentionné à l'égard de toutes actions, les détenteurs de celles-ci n'auront plus, à compter de la date de rachat, aucun autre droit en qualité de détenteurs de ces actions, et leurs droits seront limités à la perception de la portion des montants déposés qui s'applique à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

3.15.4 Conversion des actions privilégiées de série W

3.15.4.1 Conversion au gré du détenteur

Les détenteurs d'actions privilégiées de série W pourront, à leur gré, le 1^{er} septembre 2007 et le 1^{er} septembre tous les cinq ans (une «date de conversion»), convertir, en totalité ou en partie, sous réserve des dispositions et conditions des présentes, les actions privilégiées de série W inscrites en leur nom en actions privilégiées de série X de la Société à raison d'une (1) action privilégiée de série X pour chaque action privilégiée de série W. La Société devra aviser par écrit les détenteurs d'actions privilégiées de série W alors en circulation du taux désigné (tel qu'il est défini à l'article 3.16.1.1 des statuts de la Société relatifs aux actions privilégiées de série X) déterminé par le conseil d'administration et applicable pour la période de taux de dividende fixe suivante (telle qu'elle est définie à l'article 3.16.1.1 des statuts de la Société relatifs aux actions privilégiées de série X), de même que du droit de conversion prévu par les présentes; un tel avis sera envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série W, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société. Cet avis devra indiquer la date de conversion et être donné au moins 45 jours et au plus 60 jours avant la date de conversion applicable.

Si, ainsi qu'il est stipulé à l'article 3.15.3, la Société avise les détenteurs d'actions privilégiées de série W du rachat de la totalité des actions privilégiées de série W, elle ne sera pas tenue de les aviser, ainsi qu'il est stipulé au présent article 3.15.4.1, du taux désigné (tel qu'il est défini à l'article 3.16.1.1 des statuts de la Société relatifs aux actions privilégiées de série X) des actions privilégiées de série X, ni de leur droit de conversion; en outre, le droit de tout détenteur d'actions privilégiées de série W de convertir de telles actions privilégiées de série W ainsi qu'il est stipulé dans les présentes prendra fin dans un tel cas.

Si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série X en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série W déposées aux fins de conversion en actions privilégiées de série X et de toutes les actions privilégiées de série X déposées aux fins de conversion en actions privilégiées de série W, les détenteurs d'actions privilégiées de série W n'auront pas le droit de convertir leurs actions en actions privilégiées de série X. La Société en avisera par écrit, conformément aux dispositions du premier paragraphe du présent article 3.15.4.1, tous les détenteurs visés d'actions privilégiées de série W au moins sept (7) jours avant la date de conversion applicable et émettra et livrera, ou fera en sorte que soit livré, avant cette date de conversion, aux frais de la Société, à ces détenteurs d'actions privilégiées de série W ayant déposé aux fins de conversion un ou plusieurs certificats représentant des actions privilégiées de série W, de nouveaux certificats représentant les actions privilégiées de série W représentées par un ou plusieurs certificats déposés comme indiqué ci-dessus.

3.15.4.2 Conversion automatique

Si, à la suite de la fermeture des bureaux, le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série W en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série W déposées aux fins de conversion en actions privilégiées de série X et de toutes les actions privilégiées de série X déposées aux fins de conversion en actions privilégiées de série W, la totalité mais non une partie des actions privilégiées de série W en circulation restantes sera automatiquement convertie en actions privilégiées de série X à raison d'une (1) action privilégiée de série X pour chaque action privilégiée de série W, et ce, à la date de conversion applicable, et la Société donnera un avis écrit à cet effet, conformément aux dispositions de l'article 3.15.4.1, aux détenteurs de ces actions privilégiées de série W restantes au moins sept (7) jours avant la date de conversion.

3.15.4.3 *Exercice du privilège de conversion*

La conversion des actions privilégiées de série W peut être effectuée par la remise, au plus tôt 45 jours avant une date de conversion et au plus tard à la fermeture des bureaux le 14^e jour précédant une date de conversion, durant les heures d'ouverture normales, du ou des certificats les représentant, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série W peuvent être transférées, ce ou ces certificats étant accompagnés : i) du paiement ou d'un reçu attestant le paiement de l'impôt payable (s'il y a lieu), prévu au présent article 3.15.4.3; et ii) d'un instrument de remise acceptable pour la Société et dûment signé par le détenteur ou son fondé de pouvoir dûment autorisé par écrit, instrument dans lequel ce détenteur peut indiquer qu'il ne veut convertir qu'une partie seulement des actions privilégiées de série W représentées par ce ou ces certificats, qui n'ont pas jusqu'alors été désignées en vue du rachat, auquel cas la Société émettra et livrera ou fera livrer, à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série W qui sont représentés par ce ou ces certificats et qui n'auront pas été converties.

Dans le cas où la Société est tenue de convertir la totalité des actions privilégiées de série W en circulation restantes en actions privilégiées de série X à la date de conversion applicable, ainsi qu'il est stipulé à l'article 3.15.4.2, les actions privilégiées de série W que les détenteurs n'avaient pas choisi de convertir devront être converties à la date de conversion en actions privilégiées de série X, et les détenteurs de ces actions seront réputés être détenteurs d'actions privilégiées de série X à la fermeture des bureaux à la date de conversion et auront le droit, après avoir remis, pendant les heures d'ouverture normales, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série W peuvent être transférées, le ou les certificats représentant les actions privilégiées de série W non remis précédemment aux fins de conversion, de recevoir un ou plusieurs certificats représentant le même nombre d'actions privilégiées de série X de la manière et selon les dispositions prévues dans le présent article 3.15.4.3.

Aussitôt que possible après la date de conversion, la Société émettra et livrera ou fera livrer au détenteur d'actions privilégiées de série W ainsi remises, ou selon son ordre écrit, un ou plusieurs certificats à son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions privilégiées de série W entièrement libérées et non cotisables et le nombre d'actions privilégiées de série W restantes, le cas échéant, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux à la date de conversion de sorte que les droits du détenteur de ces actions privilégiées de série W à ce titre cesseront à ce moment, et la ou les personnes ayant le droit de recevoir des actions privilégiées de série X à la suite de cette conversion seront à toutes fins considérées comme détenteurs inscrits de ces actions privilégiées de série X dès ce moment.

Le détenteur de toute action privilégiée de série W inscrit à la date de clôture des registres aux fins de tout dividende déclaré payable sur cette action aura droit à ce dividende même si l'action a été convertie en action privilégiée de série X après cette date de clôture des registres et avant la date de paiement de ce dividende ou à cette date même.

L'émission de certificats d'actions privilégiées de série X au moment de la conversion d'actions privilégiées de série W s'effectuera sans frais pour les détenteurs convertissant leurs actions privilégiées de série W, quant aux droits ou impôts applicables à l'émission de ces certificats ou des actions privilégiées de série X qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes de ces actions privilégiées de série X ou des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison de ces certificats au nom d'une ou de plusieurs personnes autres que le détenteur des actions privilégiées de série W converties; et la Société ne sera tenue d'émettre ou de livrer ces certificats que si les personnes en demandant l'émission lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.15.4.4 *Statut des actions privilégiées de série W converties*

Toutes les actions privilégiées de série W converties en actions privilégiées de série X à une date de conversion donnée ne seront pas annulées, mais reprendront le statut d'actions autorisées mais non émises de la Société à la fermeture des bureaux à la date de conversion.

3.15.5 Restrictions concernant les dividendes et le remboursement des actions

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série W en circulation :

- (a) déclarer, payer ni mettre de côté à des fins de paiement aucun dividende sur les actions ordinaires ou toute autre action de la Société de rang inférieur aux actions privilégiées de série W (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série W);
- (b) racheter, acheter ni autrement rembourser, ni procéder à aucune répartition de capital au titre des actions ordinaires de la Société ou de toute autre action de la Société de rang inférieur aux actions privilégiées de série W (sauf si la contrepartie est payée à même le produit net en espèces d'un placement, fait à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série W);
- (c) acheter ni autrement rembourser moins de la totalité des actions privilégiées de série W alors en circulation; ni
- (d) racheter, acheter ni autrement rembourser (sauf dans le cadre de l'exercice d'un privilège de rachat au gré du détenteur ou d'une obligation de rachat par la Société s'y rapportant) aucune action de la Société de toute catégorie ou série de même rang que les actions privilégiées de série W, étant entendu que les restrictions mentionnées dans le présent paragraphe (d) ne porteront aucunement atteinte au droit de la Société de racheter, d'acheter ou de rembourser autrement toute action de la Société de toute catégorie de rang supérieur aux actions privilégiées de série W;

à moins que, dans tous les cas, tous les dividendes cumulatifs accumulés au titre des actions privilégiées de série W en circulation, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes étaient payables, n'aient été déclarés et payés.

Toute approbation des détenteurs d'actions privilégiées de série W exigée en vertu du présent article 3.15.5 pourra être donnée conformément au deuxième paragraphe de l'article 3.15.7 et à l'article 3.15.10. Nonobstant les dispositions de l'article 3.15.10 des présentes, toute approbation exigée en vertu du présent article 3.15.5 ne pourra être donnée qu'au moyen du vote favorable des détenteurs de la majorité des actions privilégiées de série W présents ou représentés à une assemblée, ou à une reprise d'assemblée, des détenteurs d'actions privilégiées de série W dûment convoquée à cette fin et à laquelle il y aura quorum.

3.15.6 Achat pour annulation

La Société pourra à tout moment acheter pour annulation la totalité ou une partie des actions privilégiées de série W en circulation de temps à autre, sur le marché libre, par l'intermédiaire d'un courtier en valeurs mobilières ou de toute firme membre d'une bourse reconnue, ou par convention privée ou autrement, au(x) plus bas prix, de l'avis du conseil d'administration, auquel (auxquels) ces actions sont disponibles.

3.15.7 Droits de vote

Si la Société est en défaut de payer huit (8) dividendes consécutifs ou non consécutifs au titre des actions privilégiées de série W, les détenteurs d'actions privilégiées de série W auront le droit d'être convoqués et d'assister à chaque assemblée des actionnaires de la Société (autre qu'une assemblée distincte réservée aux détenteurs d'actions de la Société de toute autre catégorie ou série) tenue plus de 60 jours après la date du premier défaut de paiement, et d'y voter à raison d'un (1) vote par action privilégiée de série W détenue, et ce, jusqu'à ce que tous les arriérés de dividendes au titre des actions privilégiées de série W aient été acquittés, après quoi les droits prendront fin et ne seront réouverts que lorsque la Société sera de nouveau en défaut, le cas échéant, conformément aux dispositions du présent article 3.15.7.

Chaque action privilégiée de série W confère à son détenteur un (1) vote relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs des actions privilégiées de série W, votant en tant que série ou en tant que partie d'une catégorie.

3.15.8 *Émission d'actions privilégiées additionnelles*

La Société pourra émettre des séries additionnelles d'actions privilégiées de premier rang de même rang que les actions privilégiées de série W sans l'autorisation des détenteurs des actions privilégiées de série W.

3.15.9 *Modifications*

Les dispositions propres aux actions privilégiées de série W en tant que série peuvent être abrogées ou modifiées de temps à autre moyennant l'approbation alors exigée par la *Loi canadienne sur les sociétés par actions*, donnée conformément aux dispositions de l'article 3.15.10.

Aucune des dispositions des statuts de la Société relatifs aux actions privilégiées de série W en tant que série ne peut être modifiée d'aucune manière à moins que les dispositions relatives aux actions privilégiées de série X en tant que série, le cas échéant, ne fassent en même temps, dans la mesure jugée nécessaire par la Société, l'objet de modifications dont la nature et l'étendue sont les mêmes.

3.15.10 *Approbation des détenteurs d'actions privilégiées de série W*

Toute approbation des détenteurs d'actions privilégiées de série W sera réputée valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de série W conformément aux dispositions propres aux actions privilégiées de premier rang, en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.15.11 *Choix quant à l'imposition*

La Société fera un choix, de la manière et dans les délais prescrits par la *Loi de l'impôt sur le revenu* (Canada), en vertu du paragraphe 191.2(1) de cette loi ou de toute autre disposition de portée semblable remplaçant ce paragraphe ou lui succédant, et prendra toutes les mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun détenteur d'actions privilégiées de série W ne sera tenu de payer l'impôt sur les dividendes reçus au titre des actions privilégiées de série W aux termes de l'article 187.2 de la partie IV.I de cette loi ou de toute disposition de portée semblable remplaçant cet article ou lui succédant.

3.15.12 *Interruption du service postal*

Si la Société considère que le service postal est ou est menacé d'être interrompu, durant une période où la Société est tenue ou a décidé d'expédier quelque avis par la poste en vertu des présentes ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série W, soit relativement au rachat ou à la conversion de ces actions ou autrement, la Société pourra, nonobstant les dispositions des présentes :

(a) donner cet avis par voie de télex, télécopieur ou télégraphe ou encore par voie de publication de l'avis concerné une fois par semaine pendant deux semaines consécutives dans un quotidien à grand tirage publié ou distribué à Montréal et à Toronto, et cet avis sera réputé avoir été donné à la date de la communication par télex, télécopieur ou télégraphe ou à la date de la première publication de l'avis; et

(b) respecter son engagement d'envoyer ce chèque ou ce certificat d'actions en prenant des mesures pour que ces derniers soient livrés au principal établissement de la Société à Montréal. Ce chèque ou ce certificat d'actions seront réputés avoir été envoyés à la date à laquelle l'avis concernant une telle mesure aura été donné, ainsi qu'il est stipulé au paragraphe a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ce chèque ou ce certificat d'actions soit livré au détenteur, si cela n'a pas déjà été fait, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date de l'envoi postal, est un détenteur inscrit autorisé à recevoir ce chèque ou certificat d'actions ou, si l'adresse de tout détenteur n'est pas inscrite au registre des valeurs mobilières de la Société, à la dernière adresse de ce détenteur connue de la Société.

3.15.13 *Avis du taux de dividende annuel applicable aux actions privilégiées de série X*

Dans les trois (3) jours suivant la détermination du taux de dividende annuel (ainsi qu'il est défini à l'article 3.16.1.1 des statuts de la Société relatifs aux actions privilégiées de série X), la société en avisera les détenteurs des actions privilégiées de série W en le publiant une fois dans l'édition canadienne du journal anglais *The Globe and Mail* et une fois dans la ville de Montréal dans des quotidiens à grand tirage français et anglais, étant entendu que si l'un ou l'autre de ces quotidiens n'est pas à grand tirage à ce moment, un tel avis sera publié dans une autre publication équivalente.

3.15.14 *Inscription à la cote des actions privilégiées de série W*

Sur réception d'une demande admissible d'inscription à la cote, la Société devra déployer des efforts raisonnables pour obtenir, dans les 120 jours suivants, l'inscription conditionnelle des actions privilégiées de série W à la cote de la bourse et par la suite, si une telle inscription est obtenue, pour maintenir l'inscription aussi longtemps qu'il y a dans l'ensemble au moins 1 000 000 d'actions privilégiées de série W ou d'actions privilégiées de série X en circulation. Il est entendu, toutefois, que la Société ne manquera pas à ses obligations en vertu des présentes si les détenteurs demandeurs ayant formulé la demande admissible d'inscription à la cote ne vendent pas le nombre d'actions privilégiées de série W au nombre de détenteurs qui permet de respecter les normes d'inscription alors en vigueur des bourses. La Société devra payer tous les frais et coûts accessoires de l'obtention et du maintien de l'inscription.

3.15.15 *Définitions*

Dans les dispositions des présentes ayant trait aux actions privilégiées de série W :

- (a) «de rang supérieur», «de même rang» et «de rang inférieur» désignent l'ordre de priorité des versements de dividendes et la répartition d'éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou non, ou de toute autre répartition d'éléments d'actif de la Société parmi ses actionnaires dans le but de liquider ses affaires; et
- (b) «dividendes accumulés et impayés» désigne i) pendant la période de taux fixe, la somme A) de tous les dividendes impayés sur les actions privilégiées de série W pour toute période de dividende et B) du montant calculé comme si les dividendes sur chaque action privilégiée de série W s'étaient accumulés quotidiennement à compter de la date à laquelle le dernier dividende trimestriel était payable jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement; et ii) pendant la période de taux variable des actions non inscrites et la période de taux variable des actions inscrites, la somme A) de tous les dividendes impayés sur les actions privilégiées de série W pour toute période de dividende et B) du montant calculé comme si les dividendes sur chaque action privilégiée de série W s'étaient accumulés quotidiennement à compter du premier jour du mois suivant la période de dividende pour laquelle le dernier dividende mensuel sera ou était, selon le cas, payable, inclusivement, jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement.

3.15.16 *Interprétation*

Dans le cas où une date à laquelle la Société doit payer un dividende sur les actions privilégiées de série W, ou une autre date à laquelle la Société ou les détenteurs d'actions privilégiées de série W doivent prendre une autre mesure en vertu des présentes ne serait pas un jour ouvrable (ainsi que ce terme est défini ci-après), alors ce dividende sera payable, ou cette autre mesure sera prise, le jour ouvrable suivant, au plus tard. Un «jour ouvrable» est un jour autre qu'un samedi, un dimanche ou tout autre jour férié pour le bureau principal de la Société au Canada.

3.16 *Actions privilégiées de série X*

La Société n'émettra aucune action privilégiée de série X avant le 1^{er} septembre 2007. Les actions privilégiées de série X comportent, outre les droits, privilèges, conditions et restrictions propres aux actions privilégiées de premier rang, en tant que catégorie, les droits, privilèges, conditions et restrictions suivants.

3.16.1 Dividendes

3.16.1.1 Définitions

Sauf indication contraire du contexte, aux fins des présentes :

(a) «actions privilégiées essentiellement semblables» désigne des actions privilégiées de la Société :

- (i) qui sont de la même catégorie que les actions privilégiées de série X;
- (ii) dont les détenteurs ont droit à des dividendes en espèces privilégiés, cumulatifs, payables à un taux fixe pour une période initiale prédéterminée et, par la suite, ont droit à des dividendes en espèces privilégiés cumulatifs, payables à un taux variable fixé tous les cinq ans; et
- (iii) qui sont convertibles en une autre série d'actions privilégiées de la Société;

(b) «bourse» désigne la bourse de Montréal ou de Toronto;

(c) «date de conclusion de la vente» désigne, dans le cadre d'une demande admissible d'inscription à la cote, la date applicable après l'inscription conditionnelle, si elle est obtenue, des actions privilégiées de série X à la cote de la bourse en vertu d'une telle demande (l'«inscription conditionnelle») déterminée comme suit :

- (i) si, pendant la période débutant à la date de la demande et se terminant 30 jours suivant la date de l'inscription conditionnelle, la Société annonce publiquement son intention d'émettre, par voie d'appel public à l'épargne, des actions privilégiées essentiellement semblables d'une valeur d'au moins 50 000 000 \$, la date applicable suivra de 120 jours la date de l'inscription conditionnelle;
- (ii) a) si un événement inhabituel est survenu pendant la période débutant à la date de cette demande et se terminant 30 jours suivant la date de l'inscription conditionnelle; ou b) si la Société annonce publiquement son intention d'émettre des actions privilégiées essentiellement semblables conformément à l'article 3.16.1.1(c)(i) des présentes pendant la période débutant à la date de cette demande et se terminant 120 jours suivant la date de l'inscription conditionnelle, et si un événement inhabituel est survenu pendant cette période, la date applicable suivra de 210 et de 300 jours, respectivement, la date de l'inscription conditionnelle; et
- (iii) dans tous les autres cas, la date applicable suivra de 30 jours la date de l'inscription conditionnelle;

(d) «date de paiement de dividende» désigne le premier jour de mars, juin, septembre et décembre de chaque année;

(e) «demande admissible d'inscription à la cote» désigne une demande d'inscription des actions privilégiées de série X à la cote de la bourse par des détenteurs détenant ensemble un total d'au moins 2 800 000 actions privilégiées de série X ou actions privilégiées de série W (les «détenteurs demandeurs») qui se sont engagés à déployer tous les efforts raisonnables sur le plan commercial pour vendre à des parties non reliées par l'entremise de la bourse avant la date de conclusion de la vente applicable, le nombre d'actions privilégiées de série X ou d'actions privilégiées de série W au nombre de détenteurs qui permet de respecter les normes d'inscription alors en vigueur de la bourse (mais quoi qu'il en soit, un total d'au moins 2 800 000 actions privilégiées de série X ou actions privilégiées de série W); toutefois, cette demande ne peut être faite dans les six (6) mois suivant la dernière demande admissible d'inscription à la cote faite par un détenteur d'actions privilégiées de série X ou d'actions privilégiées de série W;

(f) «événement inhabituel» désigne, relativement à une date de conclusion de la vente, toute éventualité, mesure ou condition ou tout événement financier important de portée nationale ou internationale ou toute loi ou tout règlement qui, de l'avis raisonnable des détenteurs demandeurs, ont ou auront un effet défavorable important sur le marché des actions privilégiées de série X ou des actions privilégiées de séries U ou concernent ou concerneront ce marché;

(g) «période de taux de dividende fixe» désigne, pour la période de taux de dividende fixe initiale, la période débutant le 1^{er} septembre 2007 et se terminant le 31 août 2012, inclusivement; et, pour chaque période de taux de dividende fixe subséquente, la période débutant le jour suivant la fin de la période de taux de dividende fixe précédente et se terminant le dernier jour d'août de la cinquième année suivante, inclusivement;

(h) «rendement des obligations du gouvernement du Canada» désigne, à une date donnée, la moyenne des rendements qu'une obligation du gouvernement du Canada non remboursable par anticipation aurait si elle était émise en dollars canadiens au Canada à 100 % de son montant en capital à cette date, avec une échéance de cinq ans, désignés par deux courtiers en valeurs mobilières canadiens inscrits, choisis par le conseil d'administration, comme étant les rendements à l'échéance à cette date, composés semestriellement et calculés conformément aux principes financiers généralement reconnus;

(i) «taux de dividende annuel» désigne pour toute période de taux de dividende fixe, le taux d'intérêt exprimé en tant que pourcentage par année (arrondi au millième de un pour cent (0,001 %) près) correspondant au rendement des obligations du gouvernement du Canada multiplié par le taux désigné pour cette période de taux de dividende fixe;

(j) «taux désigné» désigne le taux d'intérêt, pour chaque période de taux de dividende fixe, exprimé en pourcentage du rendement des obligations du gouvernement du Canada, déterminé par le conseil d'administration, tel qu'il est énoncé dans l'avis aux détenteurs d'actions privilégiées de série X donné conformément aux dispositions de l'article 3.16.4.1, lequel taux d'intérêt ne sera pas inférieur à 80 % du rendement des obligations du gouvernement du Canada.

3.16.1.2 Généralités

Les détenteurs d'actions privilégiées de série X auront le droit de recevoir, pour autant qu'ils soient déclarés par le conseil d'administration, des dividendes en espèces privilégiés, cumulatifs et fixes, puisés à même les fonds de la Société pouvant être dûment affectés au paiement de dividendes, d'un montant annuel par action déterminé en multipliant le taux de dividende annuel par 25,00 \$, payables trimestriellement pour chaque période de douze mois les 1^{er} mars, juin, septembre et décembre, et ce, par chèque, au pair, en monnaie ayant cours légal au Canada, à toute succursale au Canada des banquiers de la Société.

Le paiement des dividendes déclarés sur les actions privilégiées de série X sera effectué (sauf en cas de rachat, le paiement des dividendes étant alors effectué au moment de la remise du certificat représentant les actions privilégiées de série X devant être rachetées) par la mise à la poste, dans une enveloppe affranchie adressée à chaque détenteur d'actions privilégiées de série X à sa dernière adresse figurant au registre des valeurs mobilières de la Société ou, si son adresse ne figure pas au registre, à sa dernière adresse connue de la Société ou, dans le cas de codétenteurs, à l'adresse de celui dont le nom figure en premier au registre des valeurs mobilières de la Société en tant que l'un de ces codétenteurs, d'un chèque pour le montant de ces dividendes (diminué de tout impôt devant être déduit) payable à l'ordre de ce détenteur ou, dans le cas de codétenteurs, à l'ordre de tous les codétenteurs, sauf indication contraire de leur part par écrit. Nonobstant ce qui précède, tout chèque de paiement de dividendes peut être livré par la Société à un détenteur d'actions privilégiées de série X à son adresse ainsi qu'elle est indiquée ci-dessus. La mise à la poste ou la livraison d'un tel chèque sera réputée constituer le paiement et satisfera à toutes obligations de paiement de ces dividendes pour ce qui est du montant représenté par un tel chèque (compte tenu du montant de tout impôt devant être déduit ainsi qu'il est mentionné ci-dessus), à moins que ce chèque ne soit pas payé au moment où il est dûment présenté.

3.16.1.3 Calcul du taux de dividende annuel

La Société devra calculer, le 21^e jour précédant le premier jour de chaque période de taux de dividende fixe, le taux de dividende annuel pour chaque période de taux de dividende fixe, en fonction du taux désigné et du rendement des obligations du gouvernement du Canada en vigueur à 10 h (heure de Montréal) le

21^e jour précédant le premier jour de chaque période de taux de dividende fixe et en avisant i) le jour ouvrable suivant, toutes les bourses de valeurs mobilières au Canada à la cote desquelles les actions privilégiées de série X sont inscrites ou, si les actions privilégiées de série X ne sont pas inscrites à la cote d'une bourse de valeurs mobilières au Canada, l'Association canadienne des courtiers en valeurs mobilières; et ii) dans les trois (3) jours ouvrables suivants, sauf pour ce qui est de la période de taux de dividende fixe initiale, les détenteurs des actions privilégiées de série X, en le publiant une fois dans l'édition canadienne du journal anglais *The Globe and Mail* et une fois dans la ville de Montréal dans des quotidiens à grand tirage français et anglais, étant entendu que si l'un ou l'autre de ces quotidiens n'est pas à grand tirage à ce moment, un tel avis sera publié dans une autre publication équivalente.

3.16.2 Droits en cas de liquidation

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre répartition des éléments d'actif de la Société aux fins de liquider ses affaires, les détenteurs des actions privilégiées de série X auront le droit de recevoir 25,00 \$ par action privilégiée de série X augmentés de tous les dividendes accumulés et impayés jusqu'à la date de paiement ou de répartition, exclusivement, avant qu'aucun montant ne soit payé ou qu'aucun élément d'actif de la Société ne soit réparti parmi les détenteurs des actions ordinaires de la Société ou de toutes autres actions de rang inférieur aux actions privilégiées de série X. Une fois ces montants payés, les détenteurs des actions privilégiées de série X ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.16.3 Rachat d'actions

La Société ne pourra racheter d'actions privilégiées de série X avant le 1^{er} septembre 2012. Sous réserve des lois applicables et de l'article 3.16.5 ci-dessous, après avis comme prévu ci-après, la Société pourra, le 1^{er} septembre 2012 ou le 1^{er} septembre tous les cinq (5) ans par la suite, racheter en tout temps la totalité et non moins de la totalité des actions privilégiées de série X en circulation, contre paiement de 25,00 \$ pour chacune de ces actions à racheter, plus les dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat.

La Société donnera un préavis écrit d'au moins 45 jours et d'au plus 60 jours de son intention de racheter des actions privilégiées de série X à toute personne qui, à la date de l'envoi de ce préavis, est détentrice de ces actions à racheter. L'avis devra être envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série X à racheter, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société; cependant, toute omission ou tout défaut involontaires d'envoyer un tel avis à un ou à plusieurs de ces détenteurs ne sera d'aucun effet sur la validité du rachat des actions privilégiées de série X des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série X à racheter, détenues par la personne à qui il est adressé, ainsi que le prix de rachat, et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats représentant ces actions à tout endroit au Canada mentionné dans l'avis, paiera ou fera en sorte que soit payé le prix de rachat aux détenteurs d'actions privilégiées de série X à racheter. Le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis, les détenteurs d'actions privilégiées de série X à racheter n'auront plus aucun droit aux dividendes sur ces actions ni aucun autre droit en qualité de détenteurs de ces actions, à moins que la Société n'omette de payer le prix de rachat. En tout temps après que l'avis de rachat susmentionné aura été donné, la Société pourra déposer le montant du prix de rachat de la totalité ou d'une partie des actions privilégiées de série X à racheter dans une ou plusieurs banques à charte ou sociétés de fiducie au Canada dont les noms auront été donnés dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes en fiducie pour le bénéfice des détenteurs des actions à racheter et les montants leur seront versés par ces banques ou sociétés de fiducie sur remise du ou des certificats; dès l'exécution de ces dépôts, les actions seront rachetées à la date de rachat indiquée dans l'avis de rachat. Dès que la Société aura effectué le dépôt susmentionné à l'égard de toutes actions, les détenteurs de celles-ci n'auront plus, à compter de la date de rachat, aucun autre droit en qualité de détenteurs de ces actions et leurs droits seront limités à la perception de la portion des montants déposés qui s'applique à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

3.16.4 Conversion des actions privilégiées de série X

3.16.4.1 Conversion au gré du détenteur

Les détenteurs d'actions privilégiées de série X pourront, à leur gré, le 1^{er} septembre 2012 et le 1^{er} septembre tous les cinq (5) ans par la suite (une «date de conversion»), convertir, en totalité ou en partie, sous réserve des dispositions des présentes, les actions privilégiées de série X inscrites en leur nom en actions privilégiées de série W de la Société, à raison d'une (1) action privilégiée de série W pour chaque action privilégiée de série X. La Société devra aviser par écrit les détenteurs d'actions privilégiées de série X alors en circulation du taux désigné déterminé par le conseil d'administration et applicable pour la période de taux de dividende fixe suivante, de même que du droit de conversion prévu par les présentes; un tel avis sera envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série X, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société. Cet avis devra indiquer la date de conversion et être donné au moins 45 jours et au plus 60 jours avant la date de conversion applicable.

Si, ainsi qu'il est stipulé à l'article 3.16.3, la Société avise les détenteurs d'actions privilégiées de série X du rachat de la totalité des actions privilégiées de série X, elle ne sera pas tenue de les aviser, ainsi qu'il est stipulé au présent article 3.16.4.1, du taux désigné, ni de leur droit de conversion; en outre, le droit de tout détenteur d'actions privilégiées de série X de convertir de telles actions privilégiées de série X ainsi qu'il est stipulé dans les présentes prendra fin dans un tel cas.

Les détenteurs d'actions privilégiées de série X ne seront pas en droit de convertir leurs actions en actions privilégiées de série W si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série W en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série X déposées aux fins de conversion en actions privilégiées de série W et de toutes les actions privilégiées de série W déposées aux fins de conversion en actions privilégiées de série X. La Société en avisera par écrit, conformément aux dispositions du premier paragraphe du présent article 3.16.4.1, tous les détenteurs visés d'actions privilégiées de série X au moins sept (7) jours avant la date de conversion applicable et émettra et livrera, ou fera en sorte que soit livré, avant cette date de conversion, aux frais de la Société, à ces détenteurs d'actions privilégiées de série X ayant déposé aux fins de conversion un ou plusieurs certificats représentant des actions privilégiées de série X, de nouveaux certificats représentant les actions privilégiées de série X représentées par un ou plusieurs certificats déposés comme indiqué ci-dessus.

3.16.4.2 Conversion automatique

Si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série X en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série X déposées aux fins de conversion en actions privilégiées de série W et de toutes les actions privilégiées de série W déposées aux fins de conversion en actions privilégiées de série X, la totalité et non une partie des actions privilégiées de série X en circulation restantes sera automatiquement convertie en actions privilégiées de série W à raison d'une (1) action privilégiée de série W pour chaque action privilégiée de série X, et ce, à la date de conversion applicable, et la Société donnera un avis écrit à cet effet, conformément aux dispositions de l'article 3.16.4.1, aux détenteurs de ces actions privilégiées de série X restantes au moins sept (7) jours avant la date de conversion.

3.16.4.3 Exercice du privilège de conversion

La conversion des actions privilégiées de série X peut être effectuée par la remise, au plus tôt 45 jours avant une date de conversion et au plus tard à la fermeture des bureaux le 14^e jour précédant une date de conversion, durant les heures d'ouverture normales, du ou des certificats les représentant, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série X peuvent être transférées, ce ou ces certificats étant accompagnés : 1) du paiement ou d'un reçu attestant le paiement de l'impôt payable (s'il y a lieu), prévu au présent article 3.16.4.3; et 2) d'un instrument de remise écrit acceptable pour la Société et dûment signé par le détenteur ou son fondé de pouvoir dûment autorisé par écrit, instrument dans lequel ce détenteur peut indiquer qu'il ne veut convertir qu'une partie seulement des actions privilégiées de série X représentées par ce ou ces certificats, qui n'ont pas jusqu'alors été désignées en vue du rachat, auquel cas la Société émettra et livrera ou fera

livrer à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série X qui sont représentées par ce ou ces certificats et qui n'auront pas été converties.

Dans le cas où la Société est tenue de convertir la totalité des actions privilégiées de série X en circulation restantes en actions privilégiées de série W à la date de conversion applicable, ainsi qu'il est stipulé à l'article 3.16.4.2, les actions privilégiées de série X que les détenteurs n'avaient pas choisi de convertir devront être converties à la date de conversion en actions privilégiées de série W, et les détenteurs de ces actions seront réputés être détenteurs d'actions privilégiées de série W à la fermeture des bureaux à la date de conversion et auront le droit, après avoir remis, pendant les heures d'ouverture normales, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série X peuvent être transférées, le ou les certificats représentant les actions privilégiées de série X non remis précédemment aux fins de conversion, de recevoir un ou plusieurs certificats représentant le même nombre d'actions privilégiées de série W de la manière et selon les dispositions prévues dans le présent article 3.16.4.3.

Aussitôt que possible après la date de conversion, la Société émettra et livrera ou fera livrer au détenteur d'actions privilégiées de série X ainsi remises, ou selon son ordre écrit, un ou plusieurs certificats à son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions privilégiées de série W entièrement libérées et non cotisables et le nombre d'actions privilégiées de série X restantes, le cas échéant, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux à la date de conversion de sorte que les droits du détenteur de ces actions privilégiées de série X à ce titre cesseront à ce moment, et la ou les personnes ayant le droit de recevoir des actions privilégiées de série W à la suite de cette conversion seront à toutes fins considérées comme détenteurs inscrits de ces actions privilégiées de série W dès ce moment.

Le détenteur de toute action privilégiée de série X inscrit à la date de clôture des registres aux fins de tout dividende déclaré payable sur cette action aura droit à ce dividende même si l'action a été convertie en action privilégiée de série W après cette date de clôture des registres et avant la date de paiement de ce dividende ou à cette date même.

L'émission de certificats d'actions privilégiées de série W au moment de la conversion d'actions privilégiées de série X s'effectuera sans frais pour les détenteurs convertissant leurs actions privilégiées de série X, quant aux droits ou impôts applicables à l'émission de ces certificats ou des actions privilégiées de série W qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes de ces actions privilégiées de série W ou des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison de ces certificats au nom d'une ou de plusieurs personnes autres que le détenteur des actions privilégiées de série X converties; et la Société ne sera tenue d'émettre ou de livrer ces certificats que si les personnes en demandant l'émission lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.16.4.4 Statut des actions privilégiées de série X converties

Toutes les actions privilégiées de série X converties en actions privilégiées de série W à une date de conversion donnée ne seront pas annulées, mais reprendront le statut d'actions autorisées mais non émises de la Société à la fermeture des bureaux à la date de conversion.

3.16.5 Restrictions concernant les dividendes et le remboursement des actions

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série X en circulation :

- (a) déclarer, payer ni mettre de côté à des fins de paiement aucun dividende sur les actions ordinaires ou toute autre action de la Société de rang inférieur aux actions privilégiées de série X (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série X);
- (b) racheter, acheter ni autrement rembourser, ni procéder à aucune répartition de capital au titre des actions ordinaires de la Société ou de toute autre action de la Société de rang inférieur aux actions

privilégiées de série X (sauf si la contrepartie est payée à même le produit net en espèces d'un placement, fait à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série X);

(c) acheter ni autrement rembourser moins de la totalité des actions privilégiées de série X alors en circulation; ni

(d) racheter, acheter ni autrement rembourser (sauf dans le cadre de l'exercice d'un privilège de rachat au gré du détenteur ou d'une obligation de rachat par la Société s'y rapportant) aucune action de la Société de toute catégorie ou série de même rang que les actions privilégiées de série X, étant entendu que les restrictions mentionnées dans le présent paragraphe (d) ne porteront aucunement atteinte au droit de la Société de racheter, d'acheter ou de rembourser autrement toute action de la Société de toute catégorie de rang supérieur aux actions privilégiées de série X;

à moins que, dans tous les cas, tous les dividendes cumulatifs accumulés au titre des actions privilégiées de série X en circulation, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes étaient payables, n'aient été déclarés et payés.

Toute approbation des détenteurs d'actions privilégiées de série X exigée en vertu du présent article 3.16.5 pourra être donnée conformément au deuxième paragraphe de l'article 3.16.7 et à l'article 3.16.10. Nonobstant les dispositions de l'article 3.16.10 des présentes, toute approbation exigée en vertu du présent article 3.16.5 ne pourra être donnée qu'au moyen du vote favorable des détenteurs de la majorité des actions privilégiées de série X présents ou représentés à une assemblée, ou à une reprise d'assemblée, des détenteurs d'actions privilégiées de série X dûment convoquée à cette fin et à laquelle il y aura quorum.

3.16.6 *Achat pour annulation*

La Société pourra à tout moment acheter pour annulation la totalité ou une partie des actions privilégiées de série X en circulation de temps à autre, sur le marché libre, par l'intermédiaire d'un courtier en valeurs mobilières ou de toute firme membre d'une bourse reconnue, ou par convention privée ou autrement, au(x) plus bas prix, de l'avis du conseil d'administration, auquel (auxquels) ces actions sont disponibles.

3.16.7 *Droits de vote*

Si la Société est en défaut de payer huit (8) dividendes consécutifs ou non consécutifs au titre des actions privilégiées de série X, les détenteurs d'actions privilégiées de série X auront le droit d'être convoqués et d'assister à chaque assemblée des actionnaires de la Société (autre qu'une assemblée distincte réservée aux détenteurs d'actions de la Société de toute autre catégorie ou série) tenue plus de 60 jours après la date du premier défaut de paiement, et d'y voter à raison d'un (1) vote par action privilégiée de série X détenue, et ce, jusqu'à ce que tous les arriérés de dividendes au titre des actions privilégiées de série X aient été acquittés, après quoi les droits prendront fin et ne seront réouverts que lorsque la Société sera de nouveau en défaut, le cas échéant, conformément aux dispositions du présent article 3.16.7.

Chaque action privilégiée de série X confère à son détenteur un (1) vote relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs des actions privilégiées de série X, votant en tant que série ou en tant que partie d'une catégorie.

3.16.8 *Émission d'actions privilégiées additionnelles*

La Société pourra émettre des séries additionnelles d'actions privilégiées de premier rang de même rang que les actions privilégiées de série X sans l'autorisation des détenteurs des actions privilégiées de série X.

3.16.9 *Modifications*

Les dispositions propres aux actions privilégiées de série X en tant que série peuvent être abrogées ou modifiées de temps à autre moyennant l'approbation alors exigée par la *Loi canadienne sur les sociétés par actions*, donnée conformément aux dispositions de l'article 3.16.10.

Aucune des dispositions des statuts de la Société relatifs aux actions privilégiées de série X en tant que série ne peut être modifiée d'aucune manière à moins que les dispositions relatives aux actions privilégiées de série W en tant que série, le cas échéant, ne fassent en même temps, dans la mesure jugée nécessaire par la Société, l'objet de modifications dont la nature et l'étendue sont les mêmes.

3.16.10 *Approbation des détenteurs d'actions privilégiées de série X*

Toute approbation des détenteurs d'actions privilégiées de série X sera réputée valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de série X conformément aux dispositions propres aux actions privilégiées de premier rang, en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.16.11 *Choix quant à l'imposition*

La Société fera un choix, de la manière et dans les délais prescrits par la *Loi de l'impôt sur le revenu* (Canada), en vertu du paragraphe 191.2(1) de cette loi ou de toute autre disposition de portée semblable remplaçant ce paragraphe ou lui succédant, et prendra toutes les mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun détenteur d'actions privilégiées de série X ne sera tenu de payer l'impôt sur les dividendes reçus au titre des actions privilégiées de série X aux termes de l'article 187.2 de la partie IV.I de cette loi ou de toute disposition de portée semblable remplaçant cet article ou lui succédant.

3.16.12 *Interruption du service postal*

Si la Société considère que le service postal est ou est menacé d'être interrompu, durant une période où la Société est tenue ou a décidé d'expédier quelque avis par la poste en vertu des présentes ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série X, soit relativement au rachat ou à la conversion de ces actions ou autrement, la Société pourra, nonobstant les dispositions des présentes :

(a) donner cet avis par voie de télex, télécopieur ou télégraphe ou encore par voie de publication de l'avis concerné une fois par semaine pendant deux semaines consécutives dans un quotidien à grand tirage publié ou distribué à Montréal et à Toronto, et cet avis sera réputé avoir été donné à la date de la communication par télex, télécopieur ou télégraphe ou à la date de la première publication de l'avis; et

(b) respecter son engagement d'envoyer ce chèque ou ce certificat d'actions en prenant des mesures pour que ces derniers soient livrés au principal établissement de la Société à Montréal. Ce chèque ou ce certificat d'actions seront réputés avoir été envoyés à la date à laquelle l'avis concernant une telle mesure aura été donné, ainsi qu'il est stipulé au paragraphe (a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ce chèque ou ce certificat d'actions soit livré au détenteur, si cela n'a pas déjà été fait, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date de l'envoi postal, est un détenteur inscrit autorisé à recevoir ce chèque ou certificat d'actions ou, si l'adresse de tout détenteur n'est pas inscrite au registre des valeurs mobilières de la Société, à la dernière adresse de ce détenteur connue de la Société.

3.16.13 *Inscription à la cote des actions privilégiées de série X*

Sur réception d'une demande admissible d'inscription à la cote, la Société devra déployer des efforts raisonnables pour obtenir, dans les 120 jours suivants, l'inscription conditionnelle des actions privilégiées de série X à la cote de la bourse et par la suite, si une telle inscription est obtenue, pour maintenir l'inscription aussi longtemps qu'il y a dans l'ensemble au moins 1 000 000 d'actions privilégiées de série X ou d'actions privilégiées de série W en circulation. Il est entendu, toutefois, que la Société ne manquera pas à ses obligations en vertu des présentes si les détenteurs demandeurs ayant formulé la demande admissible d'inscription à la cote ne vendent pas le nombre d'actions privilégiées de série X au nombre de détenteurs qui permet de respecter les normes d'inscription alors en vigueur des bourses. La Société devra payer tous les frais et coûts accessoires de l'obtention et du maintien de l'inscription.

3.16.14 Définitions

Dans les dispositions des présentes ayant trait aux actions privilégiées de série X :

(a) «de rang supérieur», «de même rang» et «de rang inférieur» désignent l'ordre de priorité des versements de dividendes et la répartition d'éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou non, ou de toute autre répartition d'éléments d'actif de la Société parmi ses actionnaires dans le but de liquider ses affaires; et

(b) «dividendes accumulés et impayés» désigne la somme i) de tous les dividendes impayés sur les actions privilégiées de série X pour tout trimestre et ii) du montant calculé comme si les dividendes sur chaque action privilégiée de série X s'étaient accumulés quotidiennement à compter de la date à laquelle le dernier dividende trimestriel était payable jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement.

3.16.15 Interprétation

Dans le cas où une date à laquelle la Société doit payer un dividende sur les actions privilégiées de série X, ou une autre date à laquelle la Société ou les détenteurs d'actions privilégiées de série X doivent prendre une autre mesure en vertu des présentes ne serait pas un jour ouvrable (ainsi que ce terme est défini ci-après), alors ce dividende sera payable, ou cette autre mesure sera prise, le jour ouvrable suivant. Un «jour ouvrable» est un jour autre qu'un samedi, un dimanche ou tout autre jour férié pour le bureau principal de la Société au Canada.

3.17 Actions privilégiées de série Y

Les actions privilégiées de série Y comportent, outre les droits, privilèges, conditions et restrictions propres aux actions privilégiées de premier rang, en tant que catégorie, les droits, privilèges, conditions et restrictions suivants.

3.17.1 Dividendes

3.17.1.1 Définitions

Sauf indication contraire du contexte, aux fins des présentes :

(a) «banques» désigne deux banques parmi la Banque Royale du Canada, la Banque de Montréal, La Banque de Nouvelle-Écosse, La Banque Toronto-Dominion et la Banque canadienne impériale de commerce et tout successeur de celles-ci que le conseil d'administration de BCE peut désigner de temps à autre en avisant l'agent des transferts des actions privilégiées de série Y; un tel avis doit être donné au moins deux (2) jours ouvrables avant le début d'une période de dividende donnée, et prend effet à ce moment; jusqu'à ce qu'un tel avis soit donné, «banques» désigne la Banque Royale du Canada et La Banque Toronto-Dominion.

(b) «bourse» désigne la bourse de Montréal ou de Toronto, ou toute autre bourse de valeurs mobilières ou tout marché organisé au Canada reconnu à l'occasion par la Société à titre de marché principal pour la négociation des actions privilégiées de série Y.

(c) «cours de référence» désigne, pour un mois donné, le quotient obtenu en divisant :

(i) le total de la valeur quotidienne ajustée des actions négociées de toutes les séances de bourse de ce mois,

par

(ii) le total du volume quotidien des actions négociées de toutes les séances de bourse de ce mois.

(d) «date de clôture des registres réputée» désigne la dernière séance de bourse d'un mois au titre duquel aucun dividende n'est déclaré par le conseil d'administration.

(e) «date de paiement de dividende» désigne :

- (i) pendant la période de taux fixe, le premier jour de mars, juin, septembre et décembre de chaque année; et
- (ii) pendant la période de taux variable, le douzième jour de chaque mois à compter du mois de janvier 2003;

et la première date de paiement de dividende sera le 1^{er} mars 1998.

(f) «date ex-dividende» :

- (i) désigne la séance de bourse désignée ou reconnue, conformément aux règles ou aux pratiques habituelles de la bourse, à titre de date ex-dividende aux fins de toute date de clôture des registres pour les dividendes d'actions privilégiées de série Y; ou
- (ii) si le conseil d'administration ne déclare pas de dividende pour un mois donné, la séance de bourse qui serait considérée, conformément aux règles ou aux pratiques habituelles de la bourse, comme la date ex-dividende aux fins de toute date de clôture des registres réputée pour les actions privilégiées de série Y.

(g) «déduction quotidienne relative au dividende accumulé» désigne, pour une séance de bourse donnée :

- (i) le produit obtenu en multipliant le montant du dividende accumulé sur une action privilégiée de série Y pour le mois au cours duquel tombe la séance de bourse, par le nombre de jours compris dans la période débutant le jour précédant la date ex-dividende qui précède immédiatement cette séance de bourse, exclusivement, et se terminant le jour de cette séance de bourse, inclusivement (ou par un (1) jour, si cette séance de bourse est une date ex-dividende),

divisé par

- (ii) le nombre de jours compris dans la période débutant à cette date ex-dividende, inclusivement, et se terminant à la prochaine date ex-dividende, exclusivement.

(h) «facteur d'ajustement» désigne, pour un mois donné, le pourcentage annuel, positif ou négatif, établi en fonction du cours de référence des actions privilégiées de série Y pour le mois précédent, calculé conformément au tableau suivant :

<u>Si le cours de référence est de</u>	<u>Le facteur d'ajustement exprimé en % du taux préférentiel mensuel est de</u>
25,50 \$ ou plus.....	-4,00 %
25,375 \$ et moins de 25,50 \$.....	-3,00 %
25,25 \$ et moins de 25,375 \$.....	-2,00 %
25,125 \$ et moins de 25,25 \$.....	-1,00 %
plus de 24,875 \$ et moins de 25,125 \$.....	néant
plus de 24,75 \$ à 24,875 \$.....	1,00 %
plus de 24,625 \$ à 24,75 \$.....	2,00 %
plus de 24,50 \$ à 24,625 \$.....	3,00 %
24,50 \$ ou moins.....	4,00 %

Le facteur d'ajustement maximal pour un mois donné sera de $\pm 4,00$ %.

Si, pendant un mois donné, au moins un lot régulier d'actions privilégiées de série Y n'est pas négocié à la bourse, le facteur d'ajustement du mois suivant sera de «néant».

- (i) «mois» désigne un mois civil.
- (j) «période de dividende» désigne :
 - (i) pendant la période de taux fixe, la période qui débute à la date de paiement de dividende, inclusivement, et se termine à la date de paiement de dividende suivante, exclusivement; et
 - (ii) pendant la période de taux variable, un mois.
- (k) «période de taux fixe» désigne la période commençant à la date d'émission des actions privilégiées de série Y et se terminant le 30 novembre 2002, inclusivement.
- (l) «période de taux variable» désigne la période commençant immédiatement après la fin de la période de taux fixe et se poursuivant tant que des actions privilégiées de série Y sont en circulation.
- (m) «pourcentage prescrit» désigne, pour le mois de décembre 2002, quatre-vingts pour cent (80 %) et, pour chaque mois suivant, le facteur d'ajustement de ce mois plus le pourcentage prescrit du mois précédent, pourvu que le taux de dividende variable annuel d'un mois donné ne soit jamais inférieur à 50 pour cent du taux préférentiel mensuel pour ce mois, ni supérieur à 100 % du taux préférentiel mensuel pour ce mois.
- (n) «taux de dividende annuel» désigne le taux de dividende fixe annuel ou le taux de dividende variable annuel, selon le cas, prévu par le présent article 3.17.1 applicable au moment pertinent.
- (o) «taux de dividende fixe annuel» désigne 4,60 % par année.
- (p) «taux de dividende variable annuel» désigne, pour un mois donné, le taux d'intérêt exprimé en tant que pourcentage annuel (arrondi au millième (1/1000) de un pour cent (0,001 %) près) égal au taux préférentiel mensuel multiplié par le pourcentage prescrit pour ce mois.
- (q) «taux préférentiel» désigne, pour un jour donné, la moyenne (arrondie au millième (1/1000) de un pour cent (0,001 %) près) des taux d'intérêt annuels annoncés à l'occasion par les banques comme taux de référence alors en vigueur pour ce jour aux fins de fixer les taux d'intérêt sur les prêts commerciaux en dollars canadiens consentis au Canada aux emprunteurs commerciaux jouissant du meilleur crédit. Si une des banques n'a pas un tel taux d'intérêt en vigueur un jour donné, le taux préférentiel pour ce jour sera le taux d'intérêt en vigueur de l'autre banque; si les deux banques n'ont pas un tel taux d'intérêt en vigueur un jour donné, le taux préférentiel pour ce jour sera égal à 1,5 % l'an, plus le rendement moyen exprimé en tant que pourcentage annuel des bons du Trésor du gouvernement du Canada de 91 jours, tel qu'il est déclaré par la Banque du Canada pour l'offre hebdomadaire portant sur la semaine précédant ce jour; et si les deux banques n'ont pas un tel taux d'intérêt en vigueur un jour donné et que la Banque du Canada ne déclare pas un tel rendement annuel moyen, le taux préférentiel pour ce jour sera égal au taux préférentiel du jour précédent. Un dirigeant de la Société établit à l'occasion le taux préférentiel et le taux préférentiel mensuel à partir de données communiquées par les banques ou qui sont par ailleurs à la disposition du public. En l'absence d'erreur flagrante, la décision de ce dirigeant lie définitivement la Société et tous les détenteurs d'actions privilégiées de série Y.
- (r) «taux préférentiel mensuel» désigne, pour un mois donné, la moyenne (arrondie au millième (1/1000) de un pour cent (0,001 %) près) des taux préférentiels en vigueur chaque jour de ce mois.
- (s) «séance de bourse» désigne chaque jour au cours duquel la bourse est ouverte à des fins de négociations, si cette bourse est une bourse de valeurs mobilières située au Canada; sinon, le terme «séance de bourse» désigne un jour ouvrable.

(t) «valeur quotidienne ajustée des actions négociées» désigne, pour une séance de bourse donnée :

(i) la valeur totale en dollars de toutes les opérations visant les actions privilégiées de série Y enregistrées à la bourse (conformément à la période de règlement normale en vigueur à la bourse) pendant cette séance de bourse,

moins

(ii) le produit obtenu en multipliant le volume quotidien des actions négociées durant cette séance de bourse par le montant de la déduction quotidienne relative au dividende accumulé pour cette séance de bourse.

(u) «volume quotidien des actions négociées» désigne, pour une séance de bourse donnée, le nombre total d'actions privilégiées de série Y négociées à la bourse (conformément à la période de règlement normale en vigueur à la bourse) pendant cette séance de bourse.

3.17.1.2 Généralités

Les détenteurs d'actions privilégiées de série Y auront le droit de recevoir, pour autant qu'ils soient déclarés par le conseil d'administration, des dividendes en espèces privilégiés cumulatifs, puisés à même les fonds de la Société pouvant être dûment affectés au paiement de dividendes, aux taux et aux dates prévus par les présentes. Les dividendes sur les actions privilégiées de série Y s'accumuleront quotidiennement à compter de leur date d'émission inclusivement et seront payables trimestriellement pendant la période de taux fixe et mensuellement pendant la période de taux variable. Les dividendes sur les actions privilégiées de série Y qui sont payables à une date de paiement de dividende donnée (diminués de tout impôt devant être déduit) seront payés par chèque, au pair, en monnaie ayant cours légal au Canada, à toute succursale au Canada des banquiers de la Société.

Le paiement des dividendes déclarés sur les actions privilégiées de série Y sera effectué (sauf en cas de rachat, le paiement des dividendes étant alors effectué au moment de la remise du certificat représentant les actions privilégiées de série Y devant être rachetées) par la mise à la poste, dans une enveloppe affranchie adressée à chaque détenteur d'actions privilégiées de série Y à sa dernière adresse figurant au registre des valeurs mobilières de la Société ou, si son adresse ne figure pas au registre, à sa dernière adresse connue de la Société ou, dans le cas de codétenteurs, à l'adresse de celui dont le nom figure en premier au registre des valeurs mobilières de la Société en tant que l'un de ces codétenteurs, d'un chèque pour le montant de ces dividendes (diminué de tout impôt devant être déduit) payable à l'ordre de ce détenteur ou, dans le cas de codétenteurs, à l'ordre de tous les codétenteurs, sauf indication contraire de leur part par écrit. Nonobstant ce qui précède, tout chèque de paiement de dividendes peut être livré par la Société à un détenteur d'actions privilégiées de série Y à son adresse ainsi qu'elle est indiquée ci-dessus. La mise à la poste ou la livraison d'un tel chèque sera réputée constituer le paiement et satisfera à toutes obligations de paiement de ces dividendes pour ce qui est du montant représenté par un tel chèque (compte tenu du montant de tout impôt devant être déduit ainsi qu'il est mentionné ci-dessus), à moins que ce chèque ne soit pas payé au moment où il est dûment présenté.

3.17.1.3 Période de taux fixe

Pendant la période de taux fixe, les dividendes sur les actions privilégiées de série Y seront payables trimestriellement au taux de dividende fixe annuel. Par conséquent, à chaque date de paiement de dividende au cours de la période de taux fixe, autre que le 1^{er} mars 1998 mais en incluant le 1^{er} décembre 2002, le dividende payable sera de 0,2875 \$ par action privilégiée de série Y. Le montant du premier dividende trimestriel payable sur chaque action privilégiée de série Y le 1^{er} mars 1998 sera de 0,23 \$ l'action.

3.17.1.4 Période de taux variable

Pendant la période de taux variable, les dividendes sur les actions privilégiées de série Y seront payables mensuellement au taux de dividende variable annuel ainsi qu'il est calculé de temps à autre. Par conséquent, à chaque date de paiement de dividende au cours de la période de taux variable, le dividende payable sur les actions privilégiées de série Y sera le montant (arrondi au millième (1/1000) de cent près) obtenu en

multipliant 25,00 \$ par le taux de dividende variable annuel applicable au mois précédant cette date de paiement de dividende et en divisant la somme par douze. La date de clôture des registres servant à déterminer les détenteurs d'actions privilégiées de série Y admissibles aux dividendes à chaque date de paiement de dividende au cours de la période de taux variable sera la dernière séance de bourse du mois précédent. En cas de rachat ou d'achat des actions privilégiées de série Y au cours de la période de taux variable ou de la répartition d'éléments d'actif de la Société au cours de la période de taux variable, ainsi que le prévoit l'article 3.17.2 des présentes, le montant du dividende accumulé au cours du mois où a lieu ce rachat, cet achat ou cette répartition (arrondi au millième (1/1000) de cent près) sera calculé en multipliant :

- (i) le produit de la multiplication de 25,00 \$ par un douzième (1/12) du taux de dividende variable annuel applicable au mois précédent; par
- (ii) une fraction dont le numérateur est le nombre de jours écoulés dans le mois où a lieu ce rachat, cet achat ou cette répartition, jusqu'à la date de cet événement, exclusivement, et le dénominateur est le nombre de jours dans ce mois.

3.17.1.5 *Calcul du pourcentage prescrit*

La Société calculera dès que possible le pourcentage prescrit pour chaque mois et en avisera toutes les bourses de valeurs mobilières au Canada à la cote desquelles les actions privilégiées de série Y sont inscrites ou, si les actions privilégiées de série Y ne sont pas inscrites à la cote d'une bourse de valeurs mobilières au Canada, la Société en avisera l'Association canadienne des courtiers en valeurs mobilières.

3.17.2 *Droits en cas de liquidation*

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre répartition des éléments d'actif de la Société aux fins de liquider ses affaires, les détenteurs des actions privilégiées de série Y auront le droit de recevoir 25,00 \$ par action privilégiée de série Y augmentés de tous les dividendes accumulés et impayés jusqu'à la date de paiement ou de répartition, exclusivement, avant qu'aucun montant ne soit payé ou qu'aucun élément d'actif de la Société ne soit réparti parmi les détenteurs des actions ordinaires de la Société ou de toutes autres actions de rang inférieur aux actions privilégiées de série Y. Une fois ces montants payés, les détenteurs des actions privilégiées de série Y ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.17.3 *Rachat d'actions*

La Société ne pourra racheter d'actions privilégiées de série Y avant le 1^{er} décembre 2002. Sous réserve des lois applicables et de l'article 3.17.5 ci-dessous, après avis comme prévu ci-après, la Société pourra i) le 1^{er} décembre 2002, racheter la totalité mais non moins de la totalité des actions privilégiées de série Y en circulation contre paiement de 25,00 \$ pour chacune de ces actions à racheter, et ii) après le 1^{er} décembre 2002, racheter en tout temps la totalité mais non moins de la totalité des actions privilégiées de série Y en circulation contre paiement de 25,50 \$ pour chacune de ces actions à racheter augmentés, dans chaque cas, des dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat.

La Société donnera un préavis écrit d'au moins 45 jours et d'au plus 60 jours de son intention de racheter des actions privilégiées de série Y à toute personne qui, à la date de l'envoi de ce préavis, est détentrice de ces actions à racheter. L'avis devra être envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série Y à racheter, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société; cependant, toute omission ou tout défaut involontaires d'envoyer un tel avis à un ou à plusieurs de ces détenteurs ne sera d'aucun effet sur la validité du rachat des actions privilégiées de série Y des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série Y à racheter détenues par la personne à qui il est adressé, ainsi que le prix de rachat, et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats représentant ces actions à tout endroit au Canada mentionné dans l'avis, paiera ou fera en sorte que soit payé le prix de rachat aux détenteurs d'actions privilégiées de série Y à racheter. Le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis, les détenteurs

d'actions privilégiées de série Y à racheter n'auront plus aucun droit aux dividendes sur ces actions ni aucun autre droit en qualité de détenteurs de ces actions, à moins que la Société n'omette de payer le prix de rachat. En tout temps après que l'avis de rachat susmentionné aura été donné, la Société pourra déposer le montant du prix de rachat de la totalité ou d'une partie des actions privilégiées de série Y à racheter dans une ou plusieurs banques à charte ou sociétés de fiducie au Canada dont les noms auront été donnés dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes en fiducie pour le bénéfice des détenteurs des actions à racheter et les montants leur seront versés par ces banques ou sociétés de fiducie sur remise du ou des certificats; dès l'exécution de ces dépôts, les actions seront rachetées à la date de rachat indiquée dans l'avis de rachat. Dès que la Société aura effectué le dépôt susmentionné à l'égard de toutes actions, les détenteurs de celles-ci n'auront plus, à compter de la date de rachat, aucun autre droit en qualité de détenteurs de ces actions, et leurs droits seront limités à la perception de la portion des montants déposés qui s'applique à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

3.17.4 Conversion des actions privilégiées de série Y

3.17.4.1 Conversion au gré du détenteur

Les détenteurs d'actions privilégiées de série Y pourront, à leur gré, le 1^{er} décembre 2002 et le 1^{er} décembre tous les cinq ans (une «date de conversion»), convertir, en totalité ou en partie, sous réserve des dispositions et conditions des présentes, les actions privilégiées de série Y inscrites en leur nom en actions privilégiées de série Z de la Société à raison d'une (1) action privilégiée de série Z pour chaque action privilégiée de série Y. La Société devra aviser par écrit les détenteurs d'actions privilégiées de série Y alors en circulation du taux désigné (tel qu'il est défini à l'article 3.18.1.1 des statuts de la Société relatifs aux actions privilégiées de série Z) déterminé par le conseil d'administration et applicable pour la période de taux de dividende fixe suivante (telle qu'elle est définie à l'article 3.18.1.1 des statuts de la Société relatifs aux actions privilégiées de série Z), de même que du droit de conversion prévu par les présentes; un tel avis sera envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série Y, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société. Cet avis devra indiquer la date de conversion et être donné au moins 45 jours et au plus 60 jours avant la date de conversion applicable.

Si, ainsi qu'il est stipulé à l'article 3.17.3, la Société avise les détenteurs d'actions privilégiées de série Y du rachat de la totalité des actions privilégiées de série Y, elle ne sera pas tenue de les aviser, ainsi qu'il est stipulé au présent article 3.17.4.1, du taux désigné (tel qu'il est défini à l'article 3.18.1.1 des statuts de la Société relatifs aux actions privilégiées de série Z) des actions privilégiées de série Z, ni de leur droit de conversion; en outre, le droit de tout détenteur d'actions privilégiées de série Y de convertir de telles actions privilégiées de série Y ainsi qu'il est stipulé dans les présentes prendra fin dans un tel cas.

Si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série Z en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série Y déposées aux fins de conversion en actions privilégiées de série Z et de toutes les actions privilégiées de série Z déposées aux fins de conversion en actions privilégiées de série Y, les détenteurs d'actions privilégiées de série Y n'auront pas le droit de convertir leurs actions en actions privilégiées de série Z. La Société en avisera par écrit, conformément aux dispositions du premier paragraphe du présent article 3.17.4.1, tous les détenteurs visés d'actions privilégiées de série Y au moins sept (7) jours avant la date de conversion applicable et émettra et livrera, ou fera en sorte que soit livré, avant cette date de conversion, aux frais de la Société, à ces détenteurs d'actions privilégiées de série Y ayant déposé aux fins de conversion un ou plusieurs certificats représentant des actions privilégiées de série Y, de nouveaux certificats représentant les actions privilégiées de série Y représentées par un ou plusieurs certificats déposés comme indiqué ci-dessus.

3.17.4.2 Conversion automatique

Si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série Y en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série Y déposées aux fins de conversion en actions privilégiées de série Z et de toutes les actions privilégiées de série Z déposées aux fins de conversion en actions privilégiées de série Y, la totalité mais non une partie des actions privilégiées de série Y en circulation

restantes sera automatiquement convertie en actions privilégiées de série Z à raison d'une (1) action privilégiée de série Z pour chaque action privilégiée de série Y, et ce, à la date de conversion applicable, et la Société donnera un avis écrit à cet effet, conformément aux dispositions de l'article 3.17.4.1, aux détenteurs de ces actions privilégiées de série Y restantes au moins sept (7) jours avant la date de conversion.

3.17.4.3 Exercice du privilège de conversion

La conversion des actions privilégiées de série Y peut être effectuée par la remise, au plus tôt 45 jours avant une date de conversion et au plus tard à la fermeture des bureaux le 14^e jour précédant une date de conversion, durant les heures d'ouverture normales, du ou des certificats les représentant, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série Y peuvent être transférées, ce ou ces certificats étant accompagnés : i) du paiement ou d'un reçu attestant le paiement de l'impôt payable (s'il y a lieu), prévu au présent article 3.17.4.3; et ii) d'un instrument de remise acceptable pour la Société et dûment signé par le détenteur ou son fondé de pouvoir dûment autorisé par écrit, instrument dans lequel ce détenteur peut indiquer qu'il ne veut convertir qu'une partie seulement des actions privilégiées de série Y représentées par ce ou ces certificats, qui n'ont pas jusqu'alors été désignées en vue du rachat, auquel cas la Société émettra et livrera ou fera livrer à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série Y qui sont représentés par ce ou ces certificats et qui n'auront pas été converties.

Dans le cas où la Société est tenue de convertir la totalité des actions privilégiées de série Y en circulation restantes en actions privilégiées de série Z à la date de conversion applicable, ainsi qu'il est stipulé à l'article 3.17.4.2, les actions privilégiées de série Y que les détenteurs n'avaient pas choisi de convertir devront être converties à la date de conversion en actions privilégiées de série Z, et les détenteurs de ces actions seront réputés être détenteurs d'actions privilégiées de série Z à la fermeture des bureaux à la date de conversion et auront le droit, après avoir remis, pendant les heures d'ouverture normales, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série Y peuvent être transférées, le ou les certificats représentant les actions privilégiées de série Y non remis précédemment aux fins de conversion, de recevoir un ou plusieurs certificats représentant le même nombre d'actions privilégiées de série Z de la manière et selon les dispositions prévues dans le présent article 3.17.4.3.

Aussitôt que possible après la date de conversion, la Société émettra et livrera ou fera livrer au détenteur d'actions privilégiées de série Y ainsi remises, ou selon son ordre écrit, un ou plusieurs certificats à son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions privilégiées de série Y entièrement libérées et non cotisables et le nombre d'actions privilégiées de série Y restantes, le cas échéant, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux à la date de conversion de sorte que les droits du détenteur de ces actions privilégiées de série Y à ce titre cesseront à ce moment, et la ou les personnes ayant le droit de recevoir des actions privilégiées de série Z à la suite de cette conversion seront à toutes fins considérées comme détenteurs inscrits de ces actions privilégiées de série Z dès ce moment.

Le détenteur de toute action privilégiée de série Y inscrit à la date de clôture des registres aux fins de tout dividende déclaré payable sur cette action aura droit à ce dividende même si l'action a été convertie en action privilégiée de série Z après cette date de clôture des registres et avant la date de paiement de ce dividende ou à cette date même.

L'émission de certificats d'actions privilégiées de série Z au moment de la conversion d'actions privilégiées de série Y s'effectuera sans frais pour les détenteurs convertissant leurs actions privilégiées de série Y, quant aux droits ou impôts applicables à l'émission de ces certificats ou des actions privilégiées de série Z qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes de ces actions privilégiées de série Z ou des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison de ces certificats au nom d'une ou de plusieurs personnes autres que le détenteur des actions privilégiées de série Y converties; et la Société ne sera tenue d'émettre ou de livrer ces certificats que si les personnes en demandant l'émission lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.17.4.4 Statut des actions privilégiées de série Y converties

Toutes les actions privilégiées de série Y converties en actions privilégiées de série Z à une date de conversion donnée ne seront pas annulées, mais reprendront le statut d'actions autorisées mais non émises de la Société à la fermeture des bureaux à la date de conversion.

3.17.5 Restrictions concernant les dividendes et le remboursement des actions

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série Y en circulation :

(a) déclarer, payer ni mettre de côté à des fins de paiement aucun dividende sur les actions ordinaires ou toute autre action de la Société de rang inférieur aux actions privilégiées de série Y (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série Y);

(b) racheter, acheter ni autrement rembourser, ni procéder à aucune répartition de capital au titre des actions ordinaires de la Société ou de toute autre action de la Société de rang inférieur aux actions privilégiées de série Y (sauf si la contrepartie est payée à même le produit net en espèces d'un placement, fait à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série Y);

(c) racheter, acheter ni autrement rembourser moins de la totalité des actions privilégiées de série Y alors en circulation; ni

(d) racheter, acheter ni autrement rembourser (sauf dans le cadre de l'exercice d'un privilège de rachat au gré du détenteur ou d'une obligation de rachat par la Société s'y rapportant) aucune action de la Société de toute catégorie ou série de même rang que les actions privilégiées de série Y, étant entendu que les restrictions mentionnées dans le présent paragraphe (d) ne porteront aucunement atteinte au droit de la Société de racheter, d'acheter ou de rembourser autrement à titre onéreux toute action de la Société de toute catégorie de rang supérieur aux actions privilégiées de série Y;

à moins que, dans tous les cas, tous les dividendes cumulatifs accumulés au titre des actions privilégiées de série Y en circulation, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes étaient payables, n'aient été déclarés et payés.

Toute approbation des détenteurs d'actions privilégiées de série Y exigée en vertu du présent article 3.17.5 pourra être donnée conformément au deuxième paragraphe de l'article 3.17.7 et à l'article 3.17.10. Nonobstant les dispositions de l'article 3.17.10 des présentes, toute approbation exigée en vertu du présent article 3.17.5 ne pourra être donnée qu'au moyen du vote favorable des détenteurs de la majorité des actions privilégiées de série Y présents ou représentés à une assemblée, ou à une reprise d'assemblée, des détenteurs d'actions privilégiées de série Y dûment convoquée à cette fin et à laquelle il y aura quorum.

3.17.6 Achat pour annulation

La Société pourra à tout moment acheter pour annulation la totalité ou une partie des actions privilégiées de série Y en circulation de temps à autre, sur le marché libre, par l'intermédiaire d'un courtier en valeurs mobilières ou de toute firme membre d'une bourse reconnue, ou par convention privée ou autrement, au(x) plus bas prix, de l'avis du conseil d'administration, auquel (auxquels) ces actions sont disponibles.

3.17.7 Droits de vote

Si la Société est en défaut de payer huit (8) dividendes consécutifs ou non consécutifs au titre des actions privilégiées de série Y, les détenteurs d'actions privilégiées de série Y auront le droit d'être convoqués et d'assister à chaque assemblée des actionnaires de la Société (autre qu'une assemblée distincte réservée aux détenteurs d'actions de la Société de toute autre catégorie ou série) tenue plus de 60 jours après la date du premier défaut de paiement, et d'y voter à raison d'un (1) vote par action privilégiée de série Y détenue, et ce, jusqu'à ce que tous les arriérés de dividendes au titre des actions privilégiées de série Y aient été acquittés, après quoi les droits prendront fin et ne seront réouverts que lorsque la Société sera de nouveau en défaut, le cas échéant, conformément aux dispositions du présent article 3.17.7.

Chaque action privilégiée de série Y confère à son détenteur un (1) vote relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs des actions privilégiées de série Y, votant en tant que série ou en tant que partie d'une catégorie.

3.17.8 Émission d'actions privilégiées additionnelles

La Société pourra émettre des séries additionnelles d'actions privilégiées de premier rang de même rang que les actions privilégiées de série Y sans l'autorisation des détenteurs des actions privilégiées de série Y.

3.17.9 Modifications

Les dispositions propres aux actions privilégiées de série Y en tant que série peuvent être abrogées ou modifiées de temps à autre moyennant l'approbation alors exigée par la *Loi canadienne sur les sociétés par actions*, donnée conformément aux dispositions de l'article 3.17.10.

Aucune des dispositions des statuts de la Société relatifs aux actions privilégiées de série Y en tant que série ne peut être modifiée d'aucune manière à moins que les dispositions relatives aux actions privilégiées de série Z en tant que série, le cas échéant, ne fassent en même temps, dans la mesure jugée nécessaire par la Société, l'objet de modifications dont la nature et l'étendue sont les mêmes.

3.17.10 Approbation des détenteurs d'actions privilégiées de série Y

Toute approbation des détenteurs d'actions privilégiées de série Y sera réputée valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de série Y conformément aux dispositions propres aux actions privilégiées de premier rang, en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.17.11 Choix quant à l'imposition

La Société fera un choix, de la manière et dans les délais prescrits par la *Loi de l'impôt sur le revenu* (Canada), en vertu du paragraphe 191.2(1) de cette loi ou de toute autre disposition de portée semblable remplaçant ce paragraphe ou lui succédant, et prendra toutes les mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun détenteur d'actions privilégiées de série Y ne sera tenu de payer l'impôt sur les dividendes reçus au titre des actions privilégiées de série Y aux termes de l'article 187.2 de la partie IV.1 de cette loi ou de toute disposition de portée semblable remplaçant cet article ou lui succédant.

3.17.12 Interruption du service postal

Si la Société considère que le service postal est ou est menacé d'être interrompu, durant une période où la Société est tenue ou a décidé d'expédier quelque avis par la poste en vertu des présentes ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série Y, soit relativement au rachat ou à la conversion de ces actions ou autrement, la Société pourra, nonobstant les dispositions des présentes :

(a) donner cet avis par voie de télex, télécopieur ou télégraphe ou encore par voie de publication de l'avis concerné une fois par semaine pendant deux semaines consécutives dans un quotidien à grand tirage publié ou distribué à Montréal et à Toronto, et cet avis sera réputé avoir été donné à la date de la communication par télex, télécopieur ou télégraphe ou à la date de la première publication de l'avis; et

(b) respecter son engagement d'envoyer ce chèque ou ce certificat d'actions en prenant des mesures pour que ces derniers soient livrés au principal établissement de la Société à Montréal. Ce chèque ou ce certificat d'actions seront réputés avoir été envoyés à la date à laquelle l'avis concernant une telle mesure aura été donné, ainsi qu'il est stipulé au paragraphe (a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ce chèque ou ce certificat d'actions soit livré au détenteur, si cela n'a pas déjà été fait, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date de l'envoi postal, est un détenteur inscrit autorisé à recevoir ce

chèque ou certificat d'actions ou, si l'adresse de tout détenteur n'est pas inscrite au registre des valeurs mobilières de la Société, à la dernière adresse de ce détenteur connue de la Société.

3.17.13 *Avis du taux de dividende annuel applicable aux actions privilégiées de série Z*

Dans les trois (3) jours ouvrables suivant la détermination du taux de dividende annuel (ainsi qu'il est défini à l'article 3.18.1.1 des statuts de la Société relatifs aux actions privilégiées de série Z), la société en avisera les détenteurs des actions privilégiées de série Y en le publiant une fois dans l'édition canadienne du journal anglais *The Globe and Mail* et une fois dans la ville de Montréal dans des quotidiens à grand tirage français et anglais, étant entendu que si l'un ou l'autre de ces quotidiens n'est pas à grand tirage à ce moment, un tel avis sera publié dans une autre publication équivalente.

3.17.14 *Définitions*

Dans les dispositions des présentes ayant trait aux actions privilégiées de série Y :

(a) «de rang supérieur», «de même rang» et «de rang inférieur» désignent l'ordre de priorité des versements de dividendes et la répartition d'éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou non, ou de toute autre répartition d'éléments d'actif de la Société parmi ses actionnaires dans le but de liquider ses affaires; et

(b) «dividendes accumulés et impayés» désigne i) pendant la période de taux fixe, la somme A) de tous les dividendes impayés sur les actions privilégiées de série Y pour toute période de dividende et B) du montant calculé comme si les dividendes sur chaque action privilégiée de série Y s'étaient accumulés quotidiennement à compter de la date à laquelle le dernier dividende trimestriel était payable jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement; et ii) pendant la période de taux variable, la somme A) de tous les dividendes impayés sur les actions privilégiées de série Y pour toute période de dividende et B) du montant calculé comme si les dividendes sur chaque action privilégiée de série Y s'étaient accumulés quotidiennement à compter du premier jour du mois suivant la période de dividende pour laquelle le dernier dividende mensuel sera ou était, selon le cas, payable, inclusivement, jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement.

3.17.15 *Interprétation*

Dans le cas où une date à laquelle la Société doit payer un dividende sur les actions privilégiées de série Y, ou une autre date à laquelle la Société ou les détenteurs d'actions privilégiées de série Y doivent prendre une autre mesure en vertu des présentes ne serait pas un jour ouvrable (ainsi que ce terme est défini ci-après), alors ce dividende sera payable, ou cette autre mesure sera prise, le jour ouvrable suivant. Un «jour ouvrable» est un jour autre qu'un samedi, un dimanche ou tout autre jour férié pour le bureau principal de la Société au Canada.

3.18 *Actions privilégiées de série Z*

Les actions privilégiées de série Z comportent, outre les droits, privilèges, conditions et restrictions propres aux actions privilégiées de premier rang, en tant que catégorie, les droits, privilèges, conditions et restrictions suivants.

3.18.1 *Dividendes*

3.18.1.1 *Définitions*

Sauf indication contraire du contexte, aux fins des présentes :

(a) «date de paiement de dividende» désigne le premier jour de mars, juin, septembre et décembre de chaque année;

(b) «période de taux de dividende fixe» désigne, pour la période de taux de dividende fixe initiale, la période débutant le 1^{er} décembre 2002 et se terminant le 30 novembre 2007, inclusivement; et, pour chaque période de taux de dividende fixe subséquente, la période débutant le jour suivant la fin de la période de taux de dividende fixe précédente et se terminant le 30 novembre de la cinquième année suivante, inclusivement;

(c) «rendement des obligations du gouvernement du Canada» désigne, à une date donnée, la moyenne des rendements qu'une obligation du gouvernement du Canada non remboursable par anticipation aurait si elle était émise en dollars canadiens au Canada à 100 % de son montant en capital à cette date, avec une échéance de cinq ans, désignés par deux courtiers en valeurs mobilières canadiens inscrits, choisis par le conseil d'administration, comme étant les rendements à l'échéance à cette date, composés semestriellement et calculés conformément aux principes financiers généralement reconnus;

(d) «taux de dividende annuel» désigne le taux d'intérêt, pour chaque période de taux de dividende fixe, exprimé en pourcentage annuel (arrondi au millième de un pour cent (0,001 %) près), qui est égal au rendement des obligations du gouvernement du Canada multiplié par le taux désigné pour cette période de taux de dividende fixe;

(e) «taux désigné» désigne le taux d'intérêt, pour chaque période de taux de dividende fixe, exprimé en pourcentage du rendement des obligations du gouvernement du Canada, déterminé par le conseil d'administration, tel qu'il est énoncé dans l'avis aux détenteurs d'actions privilégiées de série Z donné conformément aux dispositions de l'article 3.18.4.1, lequel taux d'intérêt ne sera pas inférieur à 80 % du rendement des obligations du gouvernement du Canada.

3.18.1.2 Généralités

Les détenteurs d'actions privilégiées de série Z auront le droit de recevoir, pour autant qu'ils soient déclarés par le conseil d'administration, des dividendes en espèces privilégiés, cumulatifs et fixes, puisés à même les fonds de la Société pouvant être dûment affectés au paiement de dividendes, d'un montant annuel par action déterminé en multipliant le taux de dividende annuel par 25,00 \$, payables trimestriellement pour chaque période de douze mois les 1^{er} mars, juin, septembre et décembre, et ce, par chèque, au pair, en monnaie ayant cours légal au Canada, à toute succursale au Canada des banquiers de la Société.

Le paiement des dividendes déclarés sur les actions privilégiées de série Z sera effectué (sauf en cas de rachat, le paiement des dividendes étant alors effectué au moment de la remise du certificat représentant les actions privilégiées de série Z devant être rachetées) par la mise à la poste, dans une enveloppe affranchie adressée à chaque détenteur d'actions privilégiées de série Z à sa dernière adresse figurant au registre des valeurs mobilières de la Société ou, si son adresse ne figure pas au registre, à sa dernière adresse connue de la Société ou, dans le cas de codétenteurs, à l'adresse de celui dont le nom figure en premier au registre des valeurs mobilières de la Société en tant que l'un de ces codétenteurs, d'un chèque pour le montant de ces dividendes (diminué de tout impôt devant être déduit) payable à l'ordre de ce détenteur ou, dans le cas de codétenteurs, à l'ordre de tous les codétenteurs, sauf indication contraire de leur part par écrit. Nonobstant ce qui précède, tout chèque de paiement de dividendes peut être livré par la Société à un détenteur d'actions privilégiées de série Z à son adresse ainsi qu'elle est indiquée ci-dessus. La mise à la poste ou la livraison d'un tel chèque sera réputée constituer le paiement et satisfera à toutes obligations de paiement de ces dividendes pour ce qui est du montant représenté par un tel chèque (compte tenu du montant de tout impôt devant être déduit ainsi qu'il est mentionné ci-dessus), à moins que ce chèque ne soit pas payé au moment où il est dûment présenté.

3.18.1.3 Calcul du taux de dividende annuel

La Société devra calculer, le 21^e jour précédant le premier jour de chaque période de taux de dividende fixe, le taux de dividende annuel pour chaque période de taux de dividende fixe, en fonction du taux désigné et du rendement des obligations du gouvernement du Canada en vigueur à 10 h (heure de Montréal) le 21^e jour précédant le premier jour de chaque période de taux de dividende fixe et en avisant i) le jour ouvrable suivant, toutes les bourses de valeurs mobilières au Canada à la cote desquelles les actions privilégiées de série Z sont inscrites ou, si les actions privilégiées de série Z ne sont pas inscrites à la cote d'une bourse de valeurs mobilières au Canada, l'Association canadienne des courtiers en valeurs mobilières; et ii) dans les trois (3) jours ouvrables suivants, sauf pour ce qui est de la période de taux de dividende fixe initiale, les détenteurs des actions privilégiées de série Z, en le publiant une fois dans l'édition canadienne du journal anglais *The Globe and Mail* et

une fois dans la ville de Montréal dans des quotidiens à grand tirage français et anglais, étant entendu que si l'un ou l'autre de ces quotidiens n'est pas à grand tirage à ce moment, un tel avis sera publié dans une autre publication équivalente.

3.18.2 Droits en cas de liquidation

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre répartition des éléments d'actif de la Société aux fins de liquider ses affaires, les détenteurs des actions privilégiées de série Z auront le droit de recevoir 25,00 \$ par action privilégiée de série Z augmentés de tous les dividendes accumulés et impayés jusqu'à la date de paiement ou de répartition, exclusivement, avant qu'aucun montant ne soit payé ou qu'aucun élément d'actif de la Société ne soit réparti parmi les détenteurs des actions ordinaires de la Société ou de toutes autres actions de rang inférieur aux actions privilégiées de série Z. Une fois ces montants payés, les détenteurs des actions privilégiées de série Z ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.18.3 Rachat d'actions

La Société ne pourra racheter d'actions privilégiées de série Z avant le 1^{er} décembre 2007. Sous réserve des lois applicables et de l'article 3.18.5 ci-dessous, après avis comme prévu ci-après, la Société pourra, le 1^{er} décembre 2007 ou le 1^{er} décembre tous les cinq (5) ans par la suite, racheter en tout temps la totalité et non moins de la totalité des actions privilégiées de série Z en circulation, contre paiement de 25,00 \$ pour chacune de ces actions à racheter, plus les dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat.

La Société donnera un préavis écrit d'au moins 45 jours et d'au plus 60 jours de son intention de racheter des actions privilégiées de série Z à toute personne qui, à la date de l'envoi de ce préavis, est détentrice de ces actions à racheter. L'avis devra être envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série Z à racheter, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société; cependant, toute omission ou tout défaut involontaires d'envoyer un tel avis à un ou à plusieurs de ces détenteurs ne sera d'aucun effet sur la validité du rachat des actions privilégiées de série Z des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série Z à racheter détenues par la personne à qui il est adressé, ainsi que le prix de rachat, et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats représentant ces actions à tout endroit au Canada mentionné dans l'avis, paiera ou fera en sorte que soit payé le prix de rachat aux détenteurs d'actions privilégiées de série Z à racheter. Le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis, les détenteurs d'actions privilégiées de série Z à racheter n'auront plus aucun droit aux dividendes sur ces actions ni aucun autre droit en qualité de détenteurs de ces actions, à moins que la Société n'omette de payer le prix de rachat. En tout temps après que l'avis de rachat susmentionné aura été donné, la Société pourra déposer le montant du prix de rachat de la totalité ou d'une partie des actions privilégiées de série Z à racheter dans une ou plusieurs banques à charte ou sociétés de fiducie au Canada dont les noms auront été donnés dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes en fiducie pour le bénéfice des détenteurs des actions à racheter et les montants leur seront versés par ces banques ou sociétés de fiducie sur remise du ou des certificats; dès l'exécution de ces dépôts, les actions seront rachetées à la date de rachat indiquée dans l'avis de rachat. Dès que la Société aura effectué le dépôt susmentionné à l'égard de toutes actions, les détenteurs de celles-ci n'auront plus, à compter de la date de rachat, aucun autre droit en qualité de détenteurs de ces actions, et leurs droits seront limités à la perception de la portion des montants déposés qui s'applique à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

3.18.4 Conversion des actions privilégiées de série Z

3.18.4.1 Conversion au gré du détenteur

Les détenteurs d'actions privilégiées de série Z pourront, à leur gré, le 1^{er} décembre 2007 et le 1^{er} décembre tous les cinq (5) ans par la suite (une «date de conversion»), convertir, en totalité ou en partie, sous réserve des dispositions des présentes, les actions privilégiées de série Z inscrites en leur nom en actions privilégiées de série Y de la Société, à raison d'une (1) action privilégiée de série Y pour chaque action

privilégiée de série Z. La Société devra aviser par écrit les détenteurs d'actions privilégiées de série Z alors en circulation du taux désigné déterminé par le conseil d'administration et applicable pour la période de taux de dividende fixe suivante, de même que du droit de conversion prévu par les présentes; un tel avis sera envoyé par la poste, dans une enveloppe affranchie, à tous les détenteurs d'actions privilégiées de série Z, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société. Cet avis devra indiquer la date de conversion et être donné au moins 45 jours et au plus 60 jours avant la date de conversion applicable.

Si, ainsi qu'il est stipulé à l'article 3.18.3, la Société avise les détenteurs d'actions privilégiées de série Z du rachat de la totalité des actions privilégiées de série Z, elle ne sera pas tenue de les aviser, ainsi qu'il est stipulé au présent article 3.18.4.1, du taux désigné, ni de leur droit de conversion; en outre, le droit de tout détenteur d'actions privilégiées de série Z de convertir de telles actions privilégiées de série Z ainsi qu'il est stipulé dans les présentes prendra fin dans un tel cas.

Les détenteurs d'actions privilégiées de série Z ne seront pas en droit de convertir leurs actions en actions privilégiées de série Y si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série Y en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série Z déposées aux fins de conversion en actions privilégiées de série Y et de toutes les actions privilégiées de série Y déposées aux fins de conversion en actions privilégiées de série Z. La Société en avisera par écrit, conformément aux dispositions du premier paragraphe du présent article 3.18.4.1, tous les détenteurs visés d'actions privilégiées de série Z au moins sept (7) jours avant la date de conversion applicable et émettra et livrera, ou fera en sorte que soit livré, avant cette date de conversion, aux frais de la Société, à ces détenteurs d'actions privilégiées de série Z ayant déposé aux fins de conversion un ou plusieurs certificats représentant des actions privilégiées de série Z, de nouveaux certificats représentant les actions privilégiées de série Z représentées par un ou plusieurs certificats déposés comme indiqué ci-dessus.

3.18.4.2 Conversion automatique

Si, à la suite de la fermeture des bureaux le 14^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 1 000 000 d'actions privilégiées de série Z en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série Z déposées aux fins de conversion en actions privilégiées de série Y et de toutes les actions privilégiées de série Y déposées aux fins de conversion en actions privilégiées de série Z, la totalité et non une partie des actions privilégiées de série Z en circulation restantes sera automatiquement convertie en actions privilégiées de série Y à raison d'une (1) action privilégiée de série Y pour chaque action privilégiée de série Z, et ce, à la date de conversion applicable, et la Société donnera un avis écrit à cet effet, conformément aux dispositions de l'article 3.18.4.1, aux détenteurs de ces actions privilégiées de série Z restantes au moins sept (7) jours avant la date de conversion.

3.18.4.3 Exercice du privilège de conversion

La conversion des actions privilégiées de série Z peut être effectuée par la remise, au plus tôt 45 jours avant une date de conversion et au plus tard à la fermeture des bureaux le 14^e jour précédant une date de conversion, durant les heures d'ouverture normales, du ou des certificats les représentant, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série Z peuvent être transférées, ce ou ces certificats étant accompagnés : 1) du paiement ou d'un reçu attestant le paiement de l'impôt payable (s'il y a lieu), prévu au présent article 3.18.4.3; et 2) d'un instrument de remise acceptable pour la Société et dûment signé par le détenteur ou son fondé de pouvoir dûment autorisé par écrit, instrument dans lequel ce détenteur peut indiquer qu'il ne veut convertir qu'une partie seulement des actions privilégiées de série Z représentées par ce ou ces certificats, qui n'ont pas jusqu'alors été désignées en vue du rachat, auquel cas la Société émettra et livrera ou fera livrer, à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série Z qui sont représentées par ce ou ces certificats et qui n'auront pas été converties.

Dans le cas où la Société est tenue de convertir la totalité des actions privilégiées de série Z en circulation restantes en actions privilégiées de série Y à la date de conversion applicable, ainsi qu'il est stipulé à l'article 3.18.4.2, les actions privilégiées de série Z que les détenteurs n'avaient pas choisi de convertir devront être converties à la date de conversion en actions privilégiées de série Y, et les détenteurs de ces actions seront réputés être détenteurs d'actions privilégiées de série Y à la fermeture des bureaux à la date de conversion et auront le droit, après avoir remis, pendant les heures d'ouverture normales, à tout bureau d'un agent des transferts

de la Société où les actions privilégiées de série Z peuvent être transférées, le ou les certificats représentant les actions privilégiées de série Z non remis précédemment aux fins de conversion, de recevoir un ou plusieurs certificats représentant le même nombre d'actions privilégiées de série Y de la manière et selon les dispositions prévues dans le présent article 3.18.4.3.

Aussitôt que possible après la date de conversion, la Société émettra et livrera ou fera livrer au détenteur d'actions privilégiées de série Z ainsi remises, ou selon son ordre écrit, un ou plusieurs certificats à son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions privilégiées de série Y entièrement libérées et non cotisables et le nombre d'actions privilégiées de série Z restantes, le cas échéant, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux à la date de conversion de sorte que les droits du détenteur de ces actions privilégiées de série Z à ce titre cesseront à ce moment, et la ou les personnes ayant le droit de recevoir des actions privilégiées de série Y à la suite de cette conversion seront à toutes fins considérées comme détenteurs inscrits de ces actions privilégiées de série Y dès ce moment.

Le détenteur de toute action privilégiée de série Z inscrit à la date de clôture des registres aux fins de tout dividende déclaré payable sur cette action aura droit à ce dividende même si l'action a été convertie en action privilégiée de série Y après cette date de clôture des registres et avant la date de paiement de ce dividende ou à cette date même.

L'émission de certificats d'actions privilégiées de série Y au moment de la conversion d'actions privilégiées de série Z s'effectuera sans frais pour les détenteurs convertissant leurs actions privilégiées de série Z, quant aux droits ou impôts applicables à l'émission de ces certificats ou des actions privilégiées de série Y qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes de ces actions privilégiées de série Y ou des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison de ces certificats au nom d'une ou de plusieurs personnes autres que le détenteur des actions privilégiées de série Z converties; et la Société ne sera tenue d'émettre ou de livrer ces certificats que si les personnes en demandant l'émission lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.18.4.4 Statut des actions privilégiées de série Z converties

Toutes les actions privilégiées de série Z converties en actions privilégiées de série Y à une date de conversion donnée ne seront pas annulées, mais reprendront le statut d'actions autorisées mais non émises de la Société à la fermeture des bureaux à la date de conversion.

3.18.5 Restrictions concernant les dividendes et le remboursement des actions

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série Z en circulation :

(a) déclarer, payer ni mettre de côté à des fins de paiement aucun dividende sur les actions ordinaires ou toute autre action de la Société de rang inférieur aux actions privilégiées de série Z (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série Z);

(b) racheter, acheter ni autrement rembourser, ni procéder à aucune répartition de capital au titre des actions ordinaires de la Société ou de toute autre action de la Société de rang inférieur aux actions privilégiées de série Z (sauf si la contrepartie est payée à même le produit net en espèces d'un placement, fait à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série Z);

(c) acheter ni autrement rembourser moins de la totalité des actions privilégiées de série Z alors en circulation; ni

(d) racheter, acheter ni autrement rembourser (sauf dans le cadre de l'exercice d'un privilège de rachat au gré du détenteur ou d'une obligation de rachat par la Société s'y rapportant) aucune action de la Société de toute catégorie ou série de même rang que les actions privilégiées de série Z, étant entendu que les restrictions mentionnées dans le présent paragraphe (d) ne porteront aucunement atteinte au droit de la Société de racheter,

d'acheter ou de rembourser autrement à titre onéreux toute action de la Société de toute catégorie de rang supérieur aux actions privilégiées de série Z;

à moins que, dans tous les cas, tous les dividendes cumulatifs accumulés au titre des actions privilégiées de série Z en circulation, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes étaient payables, n'aient été déclarés et payés.

Toute approbation des détenteurs d'actions privilégiées de série Z exigée en vertu du présent article 3.18.5 pourra être donnée conformément au deuxième paragraphe de l'article 3.18.7 et à l'article 3.18.10. Nonobstant les dispositions de l'article 3.18.10 des présentes, toute approbation exigée en vertu du présent article 3.18.5 ne pourra être donnée qu'au moyen du vote favorable des détenteurs de la majorité des actions privilégiées de série Z présents ou représentés à une assemblée, ou à une reprise d'assemblée, des détenteurs d'actions privilégiées de série Z dûment convoquée à cette fin et à laquelle il y aura quorum.

3.18.6 *Achat pour annulation*

La Société pourra à tout moment acheter pour annulation la totalité ou une partie des actions privilégiées de série Z en circulation de temps à autre, sur le marché libre, par l'intermédiaire d'un courtier en valeurs mobilières ou de toute firme membre d'une bourse reconnue, ou par convention privée ou autrement, au(x) plus bas prix, de l'avis du conseil d'administration, auquel (auxquels) ces actions sont disponibles.

3.18.7 *Droits de vote*

Si la Société est en défaut de payer huit (8) dividendes consécutifs ou non consécutifs au titre des actions privilégiées de série Z, les détenteurs d'actions privilégiées de série Z auront le droit d'être convoqués et d'assister à chaque assemblée des actionnaires de la Société (autre qu'une assemblée distincte réservée aux détenteurs d'actions de la Société de toute autre catégorie ou série) tenue plus de 60 jours après la date du premier défaut de paiement, et d'y voter à raison d'un (1) vote par action privilégiée de série Z détenue, et ce, jusqu'à ce que tous les arriérés de dividendes au titre des actions privilégiées de série Z aient été acquittés, après quoi les droits prendront fin et ne seront réouverts que lorsque la Société sera de nouveau en défaut, le cas échéant, conformément aux dispositions du présent article 3.18.7.

Chaque action privilégiée de série Z confère à son détenteur un (1) vote relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs des actions privilégiées de série Z, votant en tant que série ou en tant que partie d'une catégorie.

3.18.8 *Émission d'actions privilégiées additionnelles*

La Société pourra émettre des séries additionnelles d'actions privilégiées de premier rang de même rang que les actions privilégiées de série Z sans l'autorisation des détenteurs des actions privilégiées de série Z.

3.18.9 *Modifications*

Les dispositions propres aux actions privilégiées de série Z en tant que série peuvent être abrogées ou modifiées de temps à autre moyennant l'approbation alors exigée par la *Loi canadienne sur les sociétés par actions*, donnée conformément aux dispositions de l'article 3.18.10.

Aucune des dispositions des statuts de la Société relatifs aux actions privilégiées de série Z en tant que série ne peut être modifiée d'aucune manière à moins que les dispositions relatives aux actions privilégiées de série Y en tant que série, le cas échéant, ne fassent en même temps, dans la mesure jugée nécessaire par la Société, l'objet de modifications dont la nature et l'étendue sont les mêmes.

3.18.10 *Approbation des détenteurs d'actions privilégiées de série Z*

Toute approbation des détenteurs d'actions privilégiées de série Z sera réputée valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de série Z conformément aux

dispositions propres aux actions privilégiées de premier rang, en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.18.11 *Choix quant à l'imposition*

La Société fera un choix, de la manière et dans les délais prescrits par la *Loi de l'impôt sur le revenu* (Canada), en vertu du paragraphe 191.2(1) de cette loi ou de toute autre disposition de portée semblable remplaçant ce paragraphe ou lui succédant, et prendra toutes les mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun détenteur d'actions privilégiées de série Z ne sera tenu de payer l'impôt sur les dividendes reçus au titre des actions privilégiées de série Z aux termes de l'article 187.2 de la partie IV.I de cette loi ou de toute disposition de portée semblable remplaçant cet article ou lui succédant.

3.18.12 *Interruption du service postal*

Si la Société considère que le service postal est ou est menacé d'être interrompu, durant une période où la Société est tenue ou a décidé d'expédier quelque avis par la poste en vertu des présentes ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série Z, soit relativement au rachat ou à la conversion de ces actions ou autrement, la Société pourra, nonobstant les dispositions des présentes :

(a) donner cet avis par voie de télex, télécopieur ou télégraphe ou encore par voie de publication de l'avis concerné une fois par semaine pendant deux semaines consécutives dans un quotidien à grand tirage publié ou distribué à Montréal et à Toronto, et cet avis sera réputé avoir été donné à la date de la communication par télex, télécopieur ou télégraphe ou à la date de la première publication de l'avis; et

(b) respecter son engagement d'envoyer ce chèque ou ce certificat d'actions en prenant des mesures pour que ces derniers soient livrés au principal établissement de la Société à Montréal. Ce chèque ou ce certificat d'actions seront réputés avoir été envoyés à la date à laquelle l'avis concernant une telle mesure aura été donné, ainsi qu'il est stipulé au paragraphe (a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ce chèque ou ce certificat d'actions soit livré au détenteur, si cela n'a pas déjà été fait, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date de l'envoi postal, est un détenteur inscrit autorisé à recevoir ce chèque ou certificat d'actions ou, si l'adresse de tout détenteur n'est pas inscrite au registre des valeurs mobilières de la Société, à la dernière adresse de ce détenteur connue de la Société.

3.18.13 *Définitions*

Dans les dispositions des présentes ayant trait aux actions privilégiées de série Z :

(a) «de rang supérieur», «de même rang» et «de rang inférieur» désignent l'ordre de priorité des versements de dividendes et la répartition d'éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou non, ou de toute autre répartition d'éléments d'actif de la Société parmi ses actionnaires dans le but de liquider ses affaires; et

(b) «dividendes accumulés et impayés» désigne la somme i) de tous les dividendes impayés sur les actions privilégiées de série Z pour tout trimestre et ii) du montant calculé comme si les dividendes sur chaque action privilégiée de série Z s'étaient accumulés quotidiennement à compter de la date à laquelle le dernier dividende trimestriel était payable jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement.

3.18.14 *Interprétation*

Dans le cas où une date à laquelle la Société doit payer un dividende sur les actions privilégiées de série Z, ou une autre date à laquelle la Société ou les détenteurs d'actions privilégiées de série Z doivent prendre une autre mesure en vertu des présentes ne serait pas un jour ouvrable (ainsi que ce terme est défini ci-après), alors ce dividende sera payable, ou cette autre mesure sera prise, le jour ouvrable suivant. Un «jour ouvrable» est un jour autre qu'un samedi, un dimanche ou tout autre jour férié pour le bureau principal de la Société au Canada.

3.19 Actions privilégiées de série AA

Les actions privilégiées de série AA comportent, outre les droits, privilèges, conditions et restrictions propres aux actions privilégiées de premier rang, en tant que catégorie, les droits, privilèges, conditions et restrictions suivants.

3.19.1 Dividendes

3.19.1.1 Définitions

Sauf indication contraire du contexte, aux fins des présentes :

- (a) « date de paiement de dividende » désigne le premier jour de mars, juin, septembre et décembre de chaque année, et la première date de paiement de dividende sera le 1^{er} juin 2002;
- (b) « montant du dividende fixe initial » désigne un montant équivalent à 1,3625 \$ par action par année;
- (c) « période de taux fixe initial » désigne la période commençant à la date d'émission des actions privilégiées de série AA et se terminant le 31 août 2007, inclusivement;
- (d) « période de taux fixe suivant » désigne, pour la première période de taux fixe suivant, la période commençant le 1^{er} septembre 2007 et se terminant le 31 août 2012, inclusivement, et pour chaque période de taux fixe suivant consécutive, la période commençant le lendemain de la fin de la période de taux fixe suivant précédente et se terminant le 31 août, inclusivement, de la cinquième année suivante;
- (e) « rendement des obligations du gouvernement du Canada » désigne, à une date donnée, la moyenne des rendements qu'une obligation du gouvernement du Canada non remboursable par anticipation aurait si elle était émise en dollars canadiens au Canada à 100 % de son montant en capital à cette date, avec une échéance de cinq ans, désignés par deux courtiers en valeurs mobilières canadiens inscrits, choisis par la Société, comme étant les rendements à l'échéance à cette date, composés semestriellement et calculés conformément aux principes financiers généralement reconnus.
- f) « taux de dividende annuel » désigne le taux de dividende fixe suivant applicable au moment pertinent;
- g) « taux de dividende fixe suivant » désigne le taux d'intérêt pendant une période de taux fixe suivant exprimé en tant que pourcentage annuel, fixé conformément à l'article 3.19.1.5 des présentes;
- h) « transmission électronique » désigne la transmission par télécopieur, courrier électronique, Internet ou d'autres moyens électroniques;

3.19.1.2 Généralités

Les détenteurs d'actions privilégiées de série AA auront le droit de recevoir, pour autant qu'ils soient déclarés par le conseil d'administration, des dividendes en espèces privilégiés cumulatifs et fixes, puisés à même les fonds de la Société pouvant être dûment affectés au paiement de dividendes, aux taux prévus par les présentes. Les dividendes sur les actions privilégiées de série AA s'accumuleront quotidiennement à compter de leur date d'émission inclusivement et seront payables trimestriellement pendant la période de taux fixe initial et pendant toute période de taux fixe suivant. Les dividendes sur les actions privilégiées de série AA qui sont payables à une date de paiement de dividende donnée (diminués de tout impôt devant être déduit) seront payés par chèque, au pair, en monnaie ayant cours légal au Canada, à toute succursale au Canada des banquiers de la Société.

Le paiement des dividendes déclarés sur les actions privilégiées de série AA sera effectué (sauf en cas de rachat, le paiement des dividendes étant alors effectué au moment de la remise du certificat représentant les actions privilégiées de série AA devant être rachetées) par la mise à la poste, dans une enveloppe

affranchie adressée à chaque détenteur d'actions privilégiées de série AA à sa dernière adresse figurant au registre des valeurs mobilières de la Société ou, si son adresse ne figure pas au registre, à sa dernière adresse connue de la Société ou, dans le cas de codétenteurs, à l'adresse de celui dont le nom figure en premier au registre des valeurs mobilières de la Société en tant que l'un de ces codétenteurs, d'un chèque pour le montant de ces dividendes (diminué de tout impôt devant être déduit) payable à l'ordre de ce détenteur ou, dans le cas de codétenteurs, à l'ordre de tous les codétenteurs, sauf indication contraire de leur part par écrit. Nonobstant ce qui précède, tout chèque de paiement de dividendes peut être livré par la Société à un détenteur d'actions privilégiées de série AA à son adresse ainsi qu'elle est indiquée ci-dessus. La mise à la poste ou la livraison d'un tel chèque sera réputée constituer le paiement et satisfera à toutes obligations de paiement de ces dividendes pour ce qui est du montant représenté par un tel chèque (compte tenu du montant de tout impôt devant être déduit ainsi qu'il est mentionné ci-dessus), à moins que ce chèque ne soit pas payé au moment où il est dûment présenté.

3.19.1.3 *Période de taux fixe initial*

Pendant la période de taux fixe initial, le montant de dividende sur les actions privilégiées de série AA sera équivalent à 0,340625 \$ par action et payable trimestriellement. Si la date originale d'émission des actions privilégiées de série AA est le 1^{er} mars 2002, le montant du premier dividende trimestriel payable sur les actions privilégiées de série AA le 1^{er} juin 2002 sera de 0,340625 \$ par action. Dans le cas contraire, le premier dividende trimestriel payable sur chaque action privilégiée de série AA le 1^{er} juin 2002 sera d'un montant (arrondi au millième (1/1000) de cent près) obtenu en multipliant 1,3625 \$ par une fraction dont le numérateur sera le nombre de jours compris entre la date originale d'émission des actions privilégiées de série AA inclusivement jusqu'au 1^{er} juin 2002 exclusivement, et le dénominateur sera 365.

3.19.1.4 *Période de taux fixe suivant*

Pendant la période de taux fixe suivant, les dividendes sur les actions privilégiées de série AA seront payables trimestriellement au taux de dividende fixe suivant. Par conséquent, à chaque date de paiement de dividende au cours d'une période de taux fixe suivant, le dividende payable sera le montant par action (arrondi au millième (1/1000) de cent près) obtenu en multipliant le taux de dividende annuel par 25,00 \$ et en divisant le produit de cette multiplication par 4.

3.19.1.5 *Détermination du taux de dividende fixe suivant*

La Société déterminera, le 25^e jour précédant le premier jour de chaque période de taux fixe suivant, le taux de dividende annuel pour chaque période de taux fixe suivant, lequel taux de dividende annuel ne doit pas être inférieur à 80 % du rendement des obligations du Canada en vigueur à 10 h (heure de Montréal) ce 25^e jour avant le premier jour de chaque période de taux fixe suivant, et en avisera : (i) le jour ouvrable suivant, toutes les bourses de valeurs mobilières au Canada à la cote desquelles les actions privilégiées de série AA sont inscrites ou, si les actions privilégiées de série AA ne sont pas inscrites à la cote d'une bourse de valeurs mobilières au Canada, l'Association canadienne des courtiers en valeurs mobilières; et (ii) dans les trois (3) jours ouvrables suivants, les détenteurs des actions privilégiées de série AA, en le publiant une fois dans l'édition canadienne du journal anglais *The Globe and Mail* et une fois dans la ville de Montréal dans des quotidiens à grand tirage français et anglais, étant entendu que si l'un ou l'autre de ces quotidiens n'est pas à grand tirage à ce moment, un tel avis sera publié dans une autre publication équivalente.

3.19.2 *Droits en cas de liquidation*

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre répartition des éléments d'actif de la Société aux fins de liquider ses affaires, les détenteurs des actions privilégiées de série AA auront le droit de recevoir 25,00 \$ par action privilégiée de série AA augmentés de tous les dividendes accumulés et impayés jusqu'à la date de paiement ou de répartition, exclusivement, avant qu'aucun montant ne soit payé ou qu'aucun élément d'actif de la Société ne soit réparti parmi les détenteurs des actions ordinaires de la Société ou de toutes autres actions de la Société de rang inférieur aux actions privilégiées de série AA. Une fois ces montants payés, les détenteurs des actions privilégiées de série AA ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.19.3 Rachat d'actions

La Société ne pourra racheter d'actions privilégiées de série AA avant le 1^{er} septembre 2007. Sous réserve des lois applicables et de l'article 3.19.5 ci-dessous, après avis comme prévu ci-après, la Société pourra, le 1^{er} septembre 2007 ou le 1^{er} septembre tous les cinq ans par la suite, racheter la totalité mais non moins de la totalité des actions privilégiées de série AA en circulation contre paiement de 25,00 \$ pour chacune de ces actions à racheter, augmentés des dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat.

La Société donnera un préavis écrit d'au moins 45 jours et d'au plus 60 jours de son intention de racheter des actions privilégiées de série AA à toute personne qui, à la date de l'envoi de ce préavis, est détentrice de ces actions à racheter. L'avis devra être envoyé, au gré de la Société, par messenger ou par la poste, dans une enveloppe affranchie, dans l'un ou l'autre cas, à tous les détenteurs d'actions privilégiées de série AA à racheter, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société ou par transmission électronique à chaque détenteur d'actions privilégiées de série AA ayant demandé la transmission électronique, à la dernière adresse électronique fournie par le détenteur à la Société; cependant, toute omission ou tout défaut involontaires d'envoyer un tel avis à un ou à plusieurs de ces détenteurs ne sera d'aucun effet sur la validité du rachat des actions privilégiées de série AA des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série AA à racheter détenues par la personne à qui il est adressé, ainsi que le prix de rachat, et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats représentant ces actions à tout endroit au Canada mentionné dans l'avis, paiera ou fera en sorte que soit payé le prix de rachat aux détenteurs d'actions privilégiées de série AA à racheter. Le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis, les détenteurs d'actions privilégiées de série AA à racheter n'auront plus aucun droit aux dividendes sur ces actions ni aucun autre droit en qualité de détenteurs de ces actions, à moins que la Société n'omette de payer le prix de rachat. En tout temps après que l'avis de rachat susmentionné aura été donné, la Société pourra déposer le montant du prix de rachat de la totalité ou d'une partie des actions privilégiées de série AA à racheter dans une ou plusieurs banques à charte ou sociétés de fiducie au Canada dont les noms auront été donnés dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes en fiducie pour le bénéfice des détenteurs des actions à racheter et les montants leur seront versés par ces banques ou sociétés de fiducie sur remise du ou des certificats; dès l'exécution de ces dépôts, les actions seront rachetées à la date de rachat indiquée dans l'avis de rachat. Dès que la Société aura effectué le dépôt susmentionné à l'égard de toutes actions, les détenteurs de celles-ci n'auront plus, à compter de la date de rachat, aucun autre droit en qualité de détenteurs de ces actions, et leurs droits seront limités à la perception de la portion des montants déposés qui s'applique à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

3.19.4 Conversion des actions privilégiées de série AA

3.19.4.1 Conversion au gré du détenteur

Les détenteurs d'actions privilégiées de série AA pourront, à leur gré, le 1^{er} septembre 2007 et le 1^{er} septembre tous les cinq ans par la suite (une « date de conversion »), convertir, en totalité ou en partie, sous réserve des modalités des présentes, les actions privilégiées de série AA inscrites en leur nom en actions privilégiées de série AB de la Société à raison de une (1) action privilégiée de série AB pour chaque action privilégiée de série AA. La Société devra aviser par écrit les détenteurs d'actions privilégiées de série AA alors en circulation du droit de conversion prévu par les présentes; un tel avis sera envoyé, au gré de la Société, par messenger ou par la poste, dans une enveloppe affranchie, dans l'un ou l'autre cas, à tous les détenteurs d'actions privilégiées de série AA, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société, ou par transmission électronique à chaque détenteur d'actions privilégiées de série AA ayant demandé la transmission électronique, à la dernière adresse électronique fournie par le détenteur à la Société. Cet avis devra indiquer la date de conversion et être donné au moins 45 jours et au plus 60 jours avant la date de conversion applicable.

Si, ainsi qu'il est stipulé à l'article 3.19.3, la Société avise les détenteurs d'actions privilégiées de série AA du rachat de la totalité des actions privilégiées de série AA, elle ne sera pas tenue de les aviser, ainsi qu'il est stipulé au présent article 3.19.4.1, de leur droit de conversion; en outre, le droit de tout détenteur

d'actions privilégiées de série AA de convertir de telles actions privilégiées de série AA ainsi qu'il est stipulé dans les présentes prendra fin dans un tel cas.

Si, à la suite de la fermeture des bureaux le 10^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 2 500 000 actions privilégiées de série AB en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série AA déposées aux fins de conversion en actions privilégiées de série AB et de toutes les actions privilégiées de série AB déposées aux fins de conversion en actions privilégiées de série AA, les détenteurs d'actions privilégiées de série AA n'auront pas le droit de convertir leurs actions en actions privilégiées de série AB. La Société en avisera par écrit, conformément aux dispositions du premier paragraphe du présent article 3.19.4.1, tous les détenteurs visés d'actions privilégiées de série AA avant la date de conversion applicable et émettra et livrera, ou fera en sorte que soient livrés, avant cette date de conversion, aux frais de la Société, à ces détenteurs d'actions privilégiées de série AA ayant déposé aux fins de conversion un ou plusieurs certificats représentant des actions privilégiées de série AA, de nouveaux certificats représentant les actions privilégiées de série AA représentées par un ou plusieurs certificats déposés comme indiqué ci-dessus.

3.19.4.2 Conversion automatique

Si, à la suite de la fermeture des bureaux le 10^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 2 500 000 actions privilégiées de série AA en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série AA déposées aux fins de conversion en actions privilégiées de série AB et de toutes les actions privilégiées de série AB déposées aux fins de conversion en actions privilégiées de série AA, la totalité mais non une partie des actions privilégiées de série AA en circulation restantes sera automatiquement convertie en actions privilégiées de série AB à raison de une (1) action privilégiée de série AB pour chaque action privilégiée de série AA, et ce, à la date de conversion applicable, et la Société donnera un avis écrit à cet effet, conformément aux dispositions de l'article 3.19.4.1, aux détenteurs de ces actions privilégiées de série AA restantes avant la date de conversion.

3.19.4.3 Exercice du privilège de conversion

La conversion des actions privilégiées de série AA peut être effectuée par la remise, au plus tôt 45 jours avant une date de conversion et au plus tard à la fermeture des bureaux le 10^e jour précédant une date de conversion, durant les heures d'ouverture normales, du ou des certificats les représentant, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série AA peuvent être transférées, ce ou ces certificats étant accompagnés : (i) du paiement ou d'un reçu attestant le paiement de l'impôt payable (s'il y a lieu), prévu au présent article 3.19.4.3; et (ii) d'un instrument de remise acceptable pour la Société et dûment signé par le détenteur ou son fondé de pouvoir dûment autorisé par écrit, instrument dans lequel ce détenteur peut également indiquer qu'il ne veut convertir qu'une partie seulement des actions privilégiées de série AA représentées par ce ou ces certificats, qui n'ont pas jusqu'alors été désignées en vue du rachat, auquel cas la Société émettra et livrera ou fera livrer à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série AA qui sont représentées par ce ou ces certificats et qui n'auront pas été converties.

Dans le cas où la Société est tenue de convertir la totalité des actions privilégiées de série AA en circulation restantes en actions privilégiées de série AB à la date de conversion applicable, ainsi qu'il est stipulé à l'article 3.19.4.2, les actions privilégiées de série AA que les détenteurs n'avaient pas choisi de convertir devront être converties à la date de conversion en actions privilégiées de série AB, et les détenteurs de ces actions seront réputés être détenteurs d'actions privilégiées de série AB à la fermeture des bureaux à la date de conversion et auront le droit, après avoir remis, pendant les heures d'ouverture normales, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série AA peuvent être transférées, le ou les certificats représentant les actions privilégiées de série AA non remis précédemment aux fins de conversion, de recevoir un ou plusieurs certificats représentant le même nombre d'actions privilégiées de série AB de la manière et selon les dispositions prévues dans le présent article 3.19.4.3.

Aussitôt que possible après la date de conversion, la Société émettra et livrera ou fera livrer au détenteur d'actions privilégiées de série AA ainsi remises, ou selon son ordre écrit, un ou plusieurs certificats à son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions privilégiées de série AB entièrement libérées et non cotisables et le nombre d'actions privilégiées de série AA restantes, le cas échéant, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux à la date de conversion de sorte que les droits du détenteur de ces actions privilégiées de série AA à ce titre cesseront

à ce moment, et la ou les personnes ayant le droit de recevoir des actions privilégiées de série AB à la suite de cette conversion seront à toutes fins considérées comme détenteurs inscrits de ces actions privilégiées de série AB dès ce moment.

Le détenteur de toute action privilégiée de série AA inscrit à la date de clôture des registres aux fins de tout dividende déclaré payable sur cette action aura droit à ce dividende même si l'action a été convertie en action privilégiée de série AB après cette date de clôture des registres et avant la date de paiement de ce dividende ou à cette date même.

L'émission de certificats d'actions privilégiées de série AB au moment de la conversion d'actions privilégiées de série AA s'effectuera sans frais pour les détenteurs convertissant leurs actions privilégiées de série AA, quant aux droits ou impôts applicables à l'émission de ces certificats ou des actions privilégiées de série AB qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes de ces actions privilégiées de série AB ou l'émission des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison de ces certificats au nom d'une ou de plusieurs personnes autres que le détenteur des actions privilégiées de série AA converties; et la Société ne sera tenue d'émettre ou de livrer ces certificats que si les personnes en demandant l'émission lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.19.4.4 Statut des actions privilégiées de série AA converties

Toutes les actions privilégiées de série AA converties en actions privilégiées de série AB à une date de conversion donnée ne seront pas annulées, mais reprendront le statut d'actions autorisées mais non émises de la Société à la fermeture des bureaux à la date de conversion.

3.19.5 Restrictions concernant les dividendes et le remboursement des actions

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série AA en circulation :

- a) déclarer, payer ni mettre de côté à des fins de paiement aucun dividende sur les actions ordinaires ou toute autre action de la Société de rang inférieur aux actions privilégiées de série AA (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série AA);
- b) racheter, acheter ni autrement rembourser, ni procéder à aucune répartition de capital au titre des actions ordinaires de la Société ou de toute autre action de la Société de rang inférieur aux actions privilégiées de série AA (sauf si la contrepartie est payée à même le produit net en espèces d'un placement, fait à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série AA);
- c) acheter ni autrement rembourser moins de la totalité des actions privilégiées de série AA alors en circulation; ni
- d) racheter, acheter ni autrement rembourser (sauf dans le cadre de l'exercice d'un privilège de rachat au gré du détenteur ou d'une obligation de rachat par la Société s'y rapportant) aucune action de la Société de toute catégorie ou série de même rang que les actions privilégiées de série AA, étant entendu que les restrictions mentionnées dans le présent paragraphe d) ne porteront aucunement atteinte au droit de la Société de racheter, d'acheter ou de rembourser autrement à titre onéreux toute action de la Société de toute catégorie de rang supérieur aux actions privilégiées de série AA;

à moins que, dans tous les cas, tous les dividendes cumulatifs accumulés au titre des actions privilégiées de série AA en circulation, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes étaient payables, n'aient été déclarés et payés.

Toute approbation des détenteurs d'actions privilégiées de série AA exigée en vertu du présent article 3.19.5 pourra être donnée conformément au deuxième paragraphe de l'article 3.19.7 et à l'article 3.19.10. Nonobstant les dispositions de l'article 3.19.10 des présentes, toute approbation exigée en vertu du présent article 3.19.5 ne pourra être donnée qu'au moyen du vote favorable des détenteurs de la majorité des actions privilégiées

de série AA présents ou représentés à une assemblée, ou à une reprise d'assemblée, des détenteurs d'actions privilégiées de série AA dûment convoquée à cette fin et à laquelle il y aura quorum.

3.19.6 *Achat pour annulation*

La Société pourra à tout moment acheter pour annulation la totalité ou une partie des actions privilégiées de série AA en circulation de temps à autre, sur le marché libre, par l'intermédiaire d'un courtier en valeurs mobilières ou de toute firme membre d'une bourse reconnue, ou par convention privée ou autrement, au(x) plus bas prix, de l'avis du conseil d'administration, auquel (auxquels) ces actions sont disponibles.

3.19.7 *Droits de vote*

Les détenteurs d'actions privilégiées de série AA n'auront pas le droit (sauf stipulation contraire dans la loi) d'être convoqués, d'assister et de voter aux assemblées des actionnaires de la Société, à moins que la Société n'ait omis de payer huit (8) dividendes sur les actions privilégiées de série AA, consécutifs ou non. Dans ce cas, et tant et aussi longtemps que ces dividendes demeurent impayés, les détenteurs d'actions privilégiées de série AA auront le droit d'être convoqués et d'assister à toutes les assemblées des actionnaires tenues plus de soixante (60) jours après la date du premier défaut de paiement, et d'y voter à raison de une (1) voix pour chaque action privilégiée de série AA détenue, à l'exception des assemblées auxquelles seuls les détenteurs d'une autre catégorie ou série d'action donnée ont le droit de voter.

Chaque action privilégiée de série AA confère à son détenteur une (1) voix relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs des actions privilégiées de série AA, votant en tant que série ou en tant que partie d'une catégorie.

3.19.8 *Émission d'actions privilégiées additionnelles*

La Société pourra émettre des séries additionnelles d'actions privilégiées de premier rang prenant rang également avec les actions privilégiées de série AA sans l'autorisation des détenteurs des actions privilégiées de série AA.

3.19.9 *Modifications*

Les dispositions propres aux actions privilégiées de série AA en tant que série peuvent être abrogées ou modifiées de temps à autre moyennant l'approbation alors exigée par la *Loi canadienne sur les sociétés par actions*, donnée conformément aux dispositions de l'article 3.19.10.

Aucune des dispositions des statuts de la Société relatifs aux actions privilégiées de série AA en tant que série ne peut être modifiée d'aucune manière à moins que les dispositions relatives aux actions privilégiées de série AB en tant que série, le cas échéant, ne fassent en même temps, dans la mesure jugée nécessaire par la Société, l'objet de modifications dont la nature et l'étendue sont les mêmes.

3.19.10 *Approbation des détenteurs d'actions privilégiées de série AA*

Toute approbation des détenteurs d'actions privilégiées de série AA sera réputée valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de série AA conformément aux dispositions propres aux actions privilégiées de premier rang, en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.19.11 *Choix quant à l'imposition*

La Société fera un choix, de la manière et dans les délais prescrits par la *Loi de l'impôt sur le revenu* (Canada), en vertu du paragraphe 191.2(1) de cette loi ou de toute autre disposition de portée semblable remplaçant ce paragraphe ou lui succédant, et prendra toutes les mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun détenteur d'actions privilégiées de série AA ne sera tenu de payer l'impôt sur les dividendes reçus au titre des actions privilégiées de série AA aux termes de l'article 187.2 de la partie IV.1 de cette loi ou de toute disposition de portée semblable remplaçant cet article ou lui succédant.

3.19.12 *Interruption du service postal*

Si la Société considère que le service postal est ou est menacé d'être interrompu, durant une période où la Société est tenue ou a décidé d'expédier quelque avis par la poste en vertu des présentes ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série AA, soit relativement au rachat ou à la conversion de ces actions ou autrement, la Société pourra, nonobstant les dispositions des présentes :

- a) donner cet avis par voie de transmission électronique, télex ou télégraphe ou encore par voie de publication de l'avis concerné une fois par semaine pendant deux semaines consécutives dans un quotidien à grand tirage publié ou distribué à Montréal et à Toronto, et cet avis sera réputé avoir été donné à la date de la communication par transmission électronique, télex ou télégraphe ou à la date de la première publication de l'avis; et
- b) respecter son engagement d'envoyer ce chèque ou ce certificat d'actions en prenant des mesures pour que ces derniers soient livrés au principal établissement de la Société à Montréal. Ce chèque ou ce certificat d'actions seront réputés avoir été envoyés à la date à laquelle l'avis concernant une telle mesure aura été donné, ainsi qu'il est stipulé au paragraphe a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ce chèque ou ce certificat d'actions soit livré au détenteur, si cela n'a pas déjà été fait, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date de l'envoi postal, est un détenteur inscrit autorisé à recevoir ce chèque ou certificat d'actions ou, si l'adresse de tout détenteur n'est pas inscrite au registre des valeurs mobilières de la Société, à la dernière adresse de ce détenteur connue de la Société.

3.19.13 *Définitions*

Dans les dispositions des présentes ayant trait aux actions privilégiées de série AA :

- a) « de rang supérieur », « de même rang » et « de rang inférieur » désignent l'ordre de priorité des versements de dividendes et de la répartition d'éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou non, ou de toute autre répartition d'éléments d'actif de la Société parmi ses actionnaires dans le but de liquider ses affaires; et
- b) « dividendes accumulés et impayés » désigne la somme A) de tous les dividendes impayés sur les actions privilégiées de série AA pour tout trimestre et B) du montant calculé comme si les dividendes sur chaque action privilégiée de série AA s'étaient accumulés quotidiennement à compter de la date à laquelle le dernier dividende trimestriel était payable jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement.

3.19.14 *Interprétation*

Dans le cas où une date à laquelle la Société doit payer un dividende sur les actions privilégiées de série AA, ou une autre date à laquelle la Société ou les détenteurs d'actions privilégiées de série AA doivent prendre une autre mesure aux termes des présentes ne serait pas un jour ouvrable (ainsi que ce terme est défini ci-après), alors ce dividende sera payable, ou cette autre mesure sera prise, le jour ouvrable suivant. Un « jour ouvrable » est un jour autre qu'un samedi, un dimanche ou tout autre jour férié pour le bureau principal de la Société au Canada.

3.20 *Actions privilégiées de série AB*

Les actions privilégiées de série AB comportent, outre les droits, privilèges, conditions et restrictions propres aux actions privilégiées de premier rang, en tant que catégorie, les droits, privilèges, conditions et restrictions suivants.

3.20.1 Dividendes

3.20.1.1 Définitions

Sauf indication contraire du contexte, aux fins des présentes :

a) « banques » désigne deux banques parmi la Banque Royale du Canada, la Banque de Montréal, La Banque de Nouvelle-Écosse, La Banque Toronto-Dominion et la Banque Canadienne Impériale de Commerce et tout successeur de celles-ci que la Société peut désigner de temps à autre en avisant l'agent des transferts des actions privilégiées de série AB; un tel avis doit être donné au moins deux (2) jours ouvrables avant le début d'une période de dividende donnée, et prend effet à ce moment; jusqu'à ce qu'un tel avis soit donné, « banques » désigne la Banque Royale du Canada et La Banque Toronto-Dominion;

b) « bourse » désigne la Bourse de Toronto, ou toute autre bourse de valeurs mobilières ou marché organisé au Canada reconnu à l'occasion par la Société à titre de marché principal pour la négociation des actions privilégiées de série AB;

c) « cours de référence » désigne, pour un mois donné, le quotient obtenu en divisant :

(i) le total de la valeur quotidienne ajustée des actions négociées de toutes les séances de bourse de ce mois;

par

(ii) le total du volume quotidien des actions négociées de toutes les séances de bourse de ce mois;

d) « date de clôture des registres réputée » désigne la dernière séance de bourse d'un mois au cours duquel aucun dividende n'est déclaré par le conseil d'administration;

e) « date de paiement de dividende » désigne le douzième jour de chaque mois à compter du mois suivant immédiatement la date d'émission des actions privilégiées de série AB;

f) « date ex-dividende » :

(i) désigne la séance de bourse désignée ou reconnue, conformément aux règles ou aux pratiques habituelles de la bourse, à titre de date ex-dividende aux fins de toute date de clôture des registres pour les dividendes d'actions privilégiées de série AB; ou

(ii) si le conseil d'administration ne déclare pas de dividende pour un mois donné, la séance de bourse qui serait considérée, conformément aux règles ou aux pratiques habituelles de la bourse, comme la date ex-dividende aux fins de toute date de clôture des registres réputée pour les actions privilégiées de série AB;

g) « déduction quotidienne relative au dividende accumulé » désigne, pour une séance de bourse donnée :

(i) le produit obtenu en multipliant le montant du dividende sur une action privilégiée de série AB applicable pour le mois au cours duquel tombe la séance de bourse, par le nombre de jours compris dans la période débutant le jour précédant la date ex-dividende qui précède immédiatement cette séance de bourse, exclusivement, et se terminant le jour de cette séance de bourse, inclusivement (ou par un (1) jour, si cette séance de bourse est une date ex-dividende);

divisé par

(ii) le nombre de jours compris dans la période débutant à cette date ex-dividende, inclusivement, et se terminant à la prochaine date ex-dividende, exclusivement;

h) « facteur d'ajustement » désigne, pour un mois donné, le pourcentage annuel, positif ou négatif, établi en fonction du cours de référence des actions privilégiées de série AB pour le mois précédent, calculé conformément au tableau suivant :

<u>Si le cours de référence est de</u>	<u>Le facteur d'ajustement exprimé en % du taux préférentiel est de</u>
25,50 \$ ou plus	-4,00 %
25,375 \$ et moins de 25,50 \$	-3,00 %
25,25 \$ et moins de 25,375 \$	-2,00 %
25,125 \$ et moins de 25,25 \$	-1,00 %
plus de 24,875 \$ et moins de 25,125 \$	néant
plus de 24,75 \$ jusqu'à 24,875 \$	1,00 %
plus de 24,625 \$ jusqu'à 24,75 \$	2,00 %
plus de 24,50 \$ jusqu'à 24,625 \$	3,00 %
24,50 \$ ou moins	4,00 %

Le facteur d'ajustement maximal pour un mois donné sera de $\pm 4,00$ %.

Si pendant un mois donné, au moins un lot régulier d'actions privilégiées de série AB n'est pas négocié à la bourse, le facteur d'ajustement du mois suivant sera de « néant ».

i) « mois » désigne un mois civil;

j) « période de dividende » désigne un mois;

k) « pourcentage prescrit » désigne, pour le mois de septembre 2007, quatre-vingts pour cent (80 %) et, pour chaque mois suivant, le facteur d'ajustement de ce mois plus le pourcentage prescrit du mois précédent, pourvu que le taux de dividende variable annuel d'un mois donné ne soit jamais inférieur à 50 % du taux préférentiel mensuel pour ce mois, ni supérieur à 100 % du taux préférentiel mensuel pour ce mois;

l) « taux de dividende variable annuel » désigne, pour un mois donné, le taux d'intérêt exprimé en tant que pourcentage annuel (arrondi au millième (1/1000) de un pour cent (0,001 %) près) égal au taux préférentiel mensuel multiplié par le pourcentage prescrit pour ce mois;

m) « taux préférentiel » désigne, pour un jour donné, la moyenne (arrondie au millième (1/1000) de un pour cent (0,001 %) près) des taux d'intérêt annuels annoncés à l'occasion par les banques comme taux de référence alors en vigueur pour ce jour aux fins de fixer les taux d'intérêt sur les prêts commerciaux en dollars canadiens consentis au Canada aux emprunteurs commerciaux jouissant du meilleur crédit. Si l'une des banques n'a pas un tel taux d'intérêt en vigueur un jour donné, le taux préférentiel pour ce jour sera le taux d'intérêt en vigueur de l'autre banque; si les deux banques n'ont pas un tel taux d'intérêt en vigueur un jour donné, le taux préférentiel pour ce jour sera égal à un et demi pour cent (1,5 %) l'an, plus le rendement moyen exprimé en tant que pourcentage annuel des bons du Trésor du gouvernement du Canada de 91 jours, tel qu'il est déclaré par la Banque du Canada pour l'offre hebdomadaire portant sur la semaine précédant ce jour; et si les deux banques n'ont pas un tel taux d'intérêt en vigueur un jour donné et que la Banque du Canada ne déclare pas un tel rendement annuel moyen, le taux préférentiel pour ce jour sera égal au taux préférentiel du jour précédent. Un dirigeant de la Société établit à l'occasion le taux préférentiel et le taux préférentiel mensuel à partir de données communiquées par les banques ou qui sont par ailleurs à la disposition du public. En l'absence d'erreur flagrante, la décision de ce dirigeant lie définitivement la Société et tous les détenteurs d'actions privilégiées de série AB;

n) « taux préférentiel mensuel » désigne, pour un mois donné, la moyenne (arrondie au millième (1/1000) de un pour cent (0,001 %) près) des taux préférentiels en vigueur chaque jour de ce mois;

o) « transmission électronique » désigne la transmission par télécopieur, courrier électronique, Internet ou d'autres moyens électroniques;

p) « séance de bourse » désigne chaque jour au cours duquel la bourse est ouverte à des fins de négociations; sinon, le terme « séance de bourse » désigne un jour ouvrable;

q) « valeur quotidienne ajustée des actions négociées » désigne, pour une séance de bourse donnée :

(i) la valeur totale en dollars de toutes les opérations visant les actions privilégiées de série AB enregistrées à la bourse (conformément à la période de règlement normale en vigueur à la bourse) pendant cette séance de bourse;

moins

(ii) le produit obtenu en multipliant le volume quotidien des actions négociées durant cette séance de bourse par le montant de la déduction quotidienne relative au dividende accumulé pour cette séance de bourse;

r) « volume quotidien des actions négociées » désigne, pour une séance de bourse donnée, le nombre total d'actions privilégiées de série AB négociées à la bourse (conformément à la période de règlement normale en vigueur à la bourse) pendant cette séance de bourse.

3.20.1.2 Généralités

Les détenteurs d'actions privilégiées de série AB auront le droit de recevoir, pour autant qu'ils soient déclarés par le conseil d'administration, des dividendes en espèces privilégiés cumulatifs, puisés à même les fonds de la Société pouvant être dûment affectés au paiement de dividendes, aux taux et aux dates prévus par les présentes. Les dividendes sur les actions privilégiées de série AB s'accumuleront quotidiennement à compter de leur date d'émission inclusivement et seront payables mensuellement. Les dividendes sur les actions privilégiées de série AB qui sont payables à une date de paiement de dividende donnée (diminués de tout impôt devant être déduit) seront payés par chèque, au pair, en monnaie ayant cours légal au Canada, à toute succursale au Canada des banquiers de la Société.

Les dividendes sur les actions privilégiées de série AB seront payables mensuellement au taux de dividende variable annuel calculé de temps à autre. Par conséquent, à chaque date de paiement de dividende, le dividende payable sur les actions privilégiées de série AB sera le montant (arrondi au millième (1/1000) de cent près) obtenu en multipliant 25,00 \$ par le taux de dividende variable annuel applicable au mois précédant cette date de paiement de dividende et en divisant le produit par douze. La date de clôture des registres servant à déterminer les détenteurs d'actions privilégiées de série AB admissibles aux dividendes à chaque date de paiement de dividende sera la dernière séance de bourse du mois précédent. En cas de rachat ou d'achat des actions privilégiées de série AB ou de la répartition d'éléments d'actif de la Société, ainsi que le prévoit l'article 3.20.2 des présentes, le montant du dividende accumulé au cours du mois où a lieu ce rachat, cet achat ou cette répartition (arrondi au millième (1/1000) de cent près) sera calculé en multipliant :

(i) le produit de la multiplication de 25,00 \$ par un douzième (1/12) du taux de dividende variable annuel applicable au mois précédent; par

(ii) une fraction dont le numérateur est le nombre de jours écoulés dans le mois où a lieu ce rachat, cet achat ou cette répartition, jusqu'à la date de cet événement, exclusivement, et le dénominateur est le nombre de jours dans ce mois.

Le paiement des dividendes déclarés sur les actions privilégiées de série AB sera effectué (sauf en cas de rachat, le paiement des dividendes étant alors effectué au moment de la remise du certificat représentant les actions privilégiées de série AB devant être rachetées) par la mise à la poste, dans une enveloppe affranchie adressée à chaque détenteur d'actions privilégiées de série AB à sa dernière adresse figurant au registre des valeurs mobilières de la Société ou, si son adresse ne figure pas au registre, à sa dernière adresse connue de la Société ou, dans le cas de codétenteurs, à l'adresse de celui dont le nom figure en premier au registre des valeurs mobilières de la Société en tant que l'un de ces codétenteurs, d'un chèque pour le montant de ces dividendes (diminué de tout impôt devant être déduit) payable à l'ordre de ce détenteur ou, dans le cas de codétenteurs, à l'ordre de tous les codétenteurs, sauf indication contraire de leur part par écrit. Nonobstant ce qui précède, tout chèque de paiement de dividendes peut être livré par la Société à un détenteur d'actions privilégiées de série AB à son adresse ainsi qu'elle est indiquée ci-dessus. La mise à la poste ou la livraison d'un tel chèque sera réputée constituer le paiement et satisfera à toutes obligations de paiement de ces dividendes pour ce qui est du montant

représenté par un tel chèque (compte tenu du montant de tout impôt devant être déduit ainsi qu'il est mentionné ci-dessus), à moins que ce chèque ne soit pas payé au moment où il est dûment présenté.

3.20.1.3 *Calcul du pourcentage prescrit*

La Société calculera dès que possible le pourcentage prescrit pour chaque mois et en avisera toutes les bourses de valeurs mobilières au Canada à la cote desquelles les actions privilégiées de série AB sont inscrites ou, si les actions privilégiées de série AB ne sont pas inscrites à la cote d'une bourse de valeurs mobilières au Canada, la Société en avisera l'Association canadienne des courtiers en valeurs mobilières.

3.20.2 *Droits en cas de liquidation*

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre répartition des éléments d'actif de la Société aux fins de liquider ses affaires, les détenteurs des actions privilégiées de série AB auront le droit de recevoir 25,00 \$ par action privilégiée de série AB augmentés de tous les dividendes accumulés et impayés jusqu'à la date de paiement ou de répartition, exclusivement, avant qu'aucun montant ne soit payé ou qu'aucun élément d'actif de la Société ne soit réparti parmi les détenteurs des actions ordinaires de la Société ou de toutes autres actions de rang inférieur aux actions privilégiées de série AB. Une fois ces montants payés, les détenteurs des actions privilégiées de série AB ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.20.3 *Rachat d'actions*

Sous réserve des lois applicables et de l'article 3.20.5 ci-dessous, après avis comme prévu ci-après, la Société pourra racheter en tout temps la totalité mais non moins de la totalité des actions privilégiées de série AB en circulation, contre paiement de 25,50 \$ pour chacune de ces actions à racheter, augmentés des dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat.

La Société donnera un préavis écrit d'au moins 45 jours et d'au plus 60 jours de son intention de racheter des actions privilégiées de série AB à toute personne qui, à la date de l'envoi de ce préavis, est détentrice de ces actions à racheter. L'avis devra être envoyé, au gré de la Société, par messenger ou par la poste, dans une enveloppe affranchie, dans l'un ou l'autre cas, à tous les détenteurs d'actions privilégiées de série AB à racheter, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société ou par transmission électronique à chaque détenteur d'actions privilégiées de série AB ayant demandé la transmission électronique, à la dernière adresse électronique fournie par le détenteur à la Société; cependant, toute omission ou tout défaut involontaires d'envoyer un tel avis à un ou à plusieurs de ces détenteurs ne sera d'aucun effet sur la validité du rachat des actions privilégiées de série AB des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série AB à racheter détenues par la personne à qui il est adressé, ainsi que le prix de rachat, et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats représentant ces actions à tout endroit au Canada mentionné dans l'avis, paiera ou fera en sorte que soit payé le prix de rachat aux détenteurs d'actions privilégiées de série AB à racheter. Le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis, les détenteurs d'actions privilégiées de série AB à racheter n'auront plus aucun droit aux dividendes sur ces actions ni aucun autre droit en qualité de détenteurs de ces actions, à moins que la Société n'omette de payer le prix de rachat. En tout temps après que l'avis de rachat susmentionné aura été donné, la Société pourra déposer le montant du prix de rachat de la totalité ou d'une partie des actions privilégiées de série AB à racheter dans une ou plusieurs banques à charte ou sociétés de fiducie au Canada dont les noms auront été donnés dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes en fiducie pour le bénéfice des détenteurs des actions à racheter et les montants leur seront versés par ces banques ou sociétés de fiducie sur remise du ou des certificats; dès l'exécution de ces dépôts, les actions seront rachetées à la date de rachat indiquée dans l'avis de rachat. Dès que la Société aura effectué le dépôt susmentionné à l'égard de toutes actions, les détenteurs de celles-ci n'auront plus, à compter de la date de rachat, aucun autre droit en qualité de détenteurs de ces actions, et leurs droits seront limités à la perception de la portion des montants déposés qui s'applique à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

3.20.4 Conversion des actions privilégiées de série AB

3.20.4.1 Conversion au gré du détenteur

Les détenteurs d'actions privilégiées de série AB pourront, à leur gré, le 1^{er} septembre 2012 et le 1^{er} septembre tous les cinq ans par la suite (une « date de conversion »), convertir, en totalité ou en partie, sous réserve des dispositions des présentes, les actions privilégiées de série AB inscrites en leur nom en actions privilégiées de série AA de la Société, à raison de une (1) action privilégiée de série AA pour chaque action privilégiée de série AB. La Société devra aviser par écrit les détenteurs d'actions privilégiées de série AB alors en circulation du droit de conversion prévu par les présentes; un tel avis sera envoyé, au gré de la Société, par messenger ou par la poste, dans une enveloppe affranchie, dans l'un ou l'autre cas, à tous les détenteurs d'actions privilégiées de série AB, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société, ou par transmission électronique à chaque détenteur d'actions privilégiées de série AB ayant demandé la transmission électronique, à la dernière adresse électronique fournie par le détenteur à la société. Cet avis devra indiquer la date de conversion et être donné au moins 45 jours et au plus 60 jours avant la date de conversion applicable.

Si, ainsi qu'il est stipulé à l'article 3.20.3, la Société avise les détenteurs d'actions privilégiées de série AB du rachat de la totalité des actions privilégiées de série AB, elle ne sera pas tenue de les aviser, ainsi qu'il est stipulé au présent article 3.20.4.1, du droit de conversion; en outre, le droit de tout détenteur d'actions privilégiées de série AB de convertir de telles actions privilégiées de série AB ainsi qu'il est stipulé dans les présentes prendra fin dans un tel cas.

Les détenteurs d'actions privilégiées de série AB ne seront pas en droit de convertir leurs actions en actions privilégiées de série AA si, à la suite de la fermeture des bureaux le 10^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 2 500 000 actions privilégiées de série AA en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série AB déposées aux fins de conversion en actions privilégiées de série AA et de toutes les actions privilégiées de série AA déposées aux fins de conversion en actions privilégiées de série AB. La Société en avisera par écrit, conformément aux dispositions du premier paragraphe du présent article 3.20.4.1, tous les détenteurs visés d'actions privilégiées de série AB avant la date de conversion applicable et émettra et livrera, ou fera en sorte que soient livrés, avant cette date de conversion, aux frais de la Société, à ces détenteurs d'actions privilégiées de série AB ayant déposé aux fins de conversion un ou plusieurs certificats représentant des actions privilégiées de série AB, de nouveaux certificats représentant les actions privilégiées de série AB représentées par un ou plusieurs certificats déposés comme indiqué ci-dessus.

3.20.4.2 Conversion automatique

Si, à la suite de la fermeture des bureaux le 10^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 2 500 000 actions privilégiées de série AB en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série AB déposées aux fins de conversion en actions privilégiées de série AA et de toutes les actions privilégiées de série AA déposées aux fins de conversion en actions privilégiées de série AB, la totalité et non une partie des actions privilégiées de série AB en circulation restantes sera automatiquement convertie en actions privilégiées de série AA à raison de une (1) action privilégiée de série AA pour chaque action privilégiée de série AB, et ce, à la date de conversion applicable, et la Société donnera un avis écrit à cet effet, conformément aux dispositions de l'article 3.20.4.1, aux détenteurs de ces actions privilégiées de série AB restantes avant la date de conversion.

3.20.4.3 Exercice du privilège de conversion

La conversion des actions privilégiées de série AB peut être effectuée par la remise, au plus tôt 45 jours avant une date de conversion et au plus tard à la fermeture des bureaux le 10^e jour précédant une date de conversion, durant les heures d'ouverture normales, du ou des certificats les représentant, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série AB peuvent être transférées, ce ou ces certificats étant accompagnés : (i) du paiement ou d'un reçu attestant le paiement de l'impôt payable (s'il y a lieu), prévu au présent article 3.20.4.3; et (ii) d'un instrument de remise acceptable pour la Société et dûment signé par le détenteur ou son fondé de pouvoir dûment autorisé par écrit, instrument dans lequel ce détenteur peut indiquer qu'il ne veut convertir qu'une partie seulement des actions privilégiées de série AB représentées par ce ou ces

certificats, qui n'ont pas jusqu'alors été désignées en vue du rachat, auquel cas la Société émettra et livrera ou fera livrer, à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série AB qui sont représentées par ce ou ces certificats et qui n'auront pas été converties.

Dans le cas où la Société est tenue de convertir la totalité des actions privilégiées de série AB en circulation restantes en actions privilégiées de série AA à la date de conversion applicable, ainsi qu'il est stipulé à l'article 3.20.4.2, les actions privilégiées de série AB que les détenteurs n'avaient pas choisi de convertir devront être converties à la date de conversion en actions privilégiées de série AA, et les détenteurs de ces actions seront réputés être détenteurs d'actions privilégiées de série AA à la fermeture des bureaux à la date de conversion et auront le droit, après avoir remis, pendant les heures d'ouverture normales, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série AB peuvent être transférées, le ou les certificats représentant les actions privilégiées de série AB non remis précédemment aux fins de conversion, de recevoir un ou plusieurs certificats représentant le même nombre d'actions privilégiées de série AA de la manière et selon les dispositions prévues dans le présent article 3.20.4.3.

Aussitôt que possible après la date de conversion, la Société émettra et livrera ou fera livrer au détenteur d'actions privilégiées de série AB ainsi remises, ou selon son ordre écrit, un ou plusieurs certificats à son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions privilégiées de série AA entièrement libérées et non cotisables et le nombre d'actions privilégiées de série AB restantes, le cas échéant, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux à la date de conversion de sorte que les droits du détenteur de ces actions privilégiées de série AB à ce titre cesseront à ce moment, et la ou les personnes ayant le droit de recevoir des actions privilégiées de série AA à la suite de cette conversion seront à toutes fins considérées comme détenteurs inscrits de ces actions privilégiées de série AA dès ce moment.

Le détenteur de toute action privilégiée de série AB inscrit à la date de clôture des registres aux fins de tout dividende déclaré payable sur cette action aura droit à ce dividende même si l'action a été convertie en action privilégiée de série AA après cette date de clôture des registres et avant la date de paiement de ce dividende ou à cette date même.

L'émission de certificats d'actions privilégiées de série AA au moment de la conversion d'actions privilégiées de série AB s'effectuera sans frais pour les détenteurs convertissant leurs actions privilégiées de série AB, quant aux droits ou impôts applicables à l'émission de ces certificats ou des actions privilégiées de série AA qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes de ces actions privilégiées de série AA ou des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison de ces certificats au nom d'une ou de plusieurs personnes autres que le détenteur des actions privilégiées de série AB converties; et la Société ne sera tenue d'émettre ou de livrer ces certificats que si les personnes en demandant l'émission lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.20.4.4 *Statut des actions privilégiées de série AB converties*

Toutes les actions privilégiées de série AB converties en actions privilégiées de série AA à une date de conversion donnée ne seront pas annulées, mais reprendront le statut d'actions autorisées mais non émises de la Société à la fermeture des bureaux à la date de conversion.

3.20.5 *Restrictions concernant les dividendes et le remboursement des actions*

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série AB en circulation :

- a) déclarer, payer ni mettre de côté à des fins de paiement aucun dividende sur les actions ordinaires ou toute autre action de la Société de rang inférieur aux actions privilégiées de série AB (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série AB);
- b) racheter, acheter ni autrement rembourser, ni procéder à aucune répartition de capital au titre des actions ordinaires de la Société ou de toute autre action de la Société de rang inférieur aux actions

privilégiées de série AB (sauf si la contrepartie est payée à même le produit net en espèces d'un placement, fait à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série AB);

c) acheter ni autrement rembourser moins de la totalité des actions privilégiées de série AB alors en circulation; ni

d) racheter, acheter ni autrement rembourser (sauf dans le cadre de l'exercice d'un privilège de rachat au gré du détenteur ou d'une obligation de rachat par la Société s'y rapportant) aucune action de la Société de toute catégorie ou série de même rang que les actions privilégiées de série AB, étant entendu que les restrictions mentionnées dans le présent paragraphe d) ne porteront aucunement atteinte au droit de la Société de racheter, d'acheter ou de rembourser autrement à titre onéreux toute action de la Société de toute catégorie de rang supérieur aux actions privilégiées de série AB;

à moins que, dans tous les cas, tous les dividendes cumulatifs accumulés au titre des actions privilégiées de série AB en circulation, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes étaient payables, n'aient été déclarés et payés.

Toute approbation des détenteurs d'actions privilégiées de série AB exigée en vertu du présent article 3.20.5 pourra être donnée conformément au deuxième paragraphe de l'article 3.20.7 et à l'article 3.20.10. Nonobstant les dispositions de l'article 3.20.10 des présentes, toute approbation exigée en vertu du présent article 3.20.5 ne pourra être donnée qu'au moyen du vote favorable des détenteurs de la majorité des actions privilégiées de série AB présents ou représentés à une assemblée, ou à une reprise d'assemblée, des détenteurs d'actions privilégiées de série AB dûment convoquée à cette fin et à laquelle il y aura quorum.

3.20.6 *Achat pour annulation*

La Société pourra à tout moment acheter pour annulation la totalité ou une partie des actions privilégiées de série AB en circulation de temps à autre, sur le marché libre, par l'intermédiaire d'un courtier en valeurs mobilières ou de toute firme membre d'une bourse reconnue, ou par convention privée ou autrement, au(x) plus bas prix, de l'avis du conseil d'administration, auquel (auxquels) ces actions sont disponibles.

3.20.7 *Droits de vote*

Les détenteurs d'actions privilégiées de série AB n'auront pas le droit (sauf stipulation contraire dans la loi) d'être convoqués, d'assister et de voter aux assemblées des actionnaires de la Société, à moins que la Société n'ait omis de payer huit (8) dividendes sur les actions privilégiées de série AB, consécutifs ou non. Dans ce cas, et tant et aussi longtemps que ces dividendes demeurent impayés, les détenteurs d'actions privilégiées de série AB auront le droit d'être convoqués et d'assister à toutes les assemblées des actionnaires tenues plus de soixante (60) jours après la date du premier défaut de paiement, et d'y voter à raison de une (1) voix pour chaque action privilégiée de série AB détenue, à l'exception des assemblées auxquelles seuls les détenteurs d'une autre catégorie ou série d'action donnée ont le droit de voter.

Chaque action privilégiée de série AB confère à son détenteur une (1) voix relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs des actions privilégiées de série AB, votant en tant que série ou en tant que partie d'une catégorie.

3.20.8 *Émission d'actions privilégiées additionnelles*

La Société pourra émettre des séries additionnelles d'actions privilégiées de premier rang de même rang que les actions privilégiées de série AB sans l'autorisation des détenteurs des actions privilégiées de série AB.

3.20.9 *Modifications*

Les dispositions propres aux actions privilégiées de série AB en tant que série peuvent être abrogées ou modifiées de temps à autre moyennant l'approbation alors exigée par la *Loi canadienne sur les sociétés par actions*, donnée conformément aux dispositions de l'article 3.20.10.

Aucune des dispositions des statuts de la Société relatifs aux actions privilégiées de série AB en tant que série ne peut être modifiée d'aucune manière à moins que les dispositions relatives aux actions privilégiées de série AA en tant que série, le cas échéant, ne fassent en même temps, dans la mesure jugée nécessaire par la Société, l'objet de modifications dont la nature et l'étendue sont les mêmes.

3.20.10 *Approbation des détenteurs d'actions privilégiées de série AB*

Toute approbation des détenteurs d'actions privilégiées de série AB sera réputée valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de série AB conformément aux dispositions propres aux actions privilégiées de premier rang en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.20.11 *Choix quant à l'imposition*

La Société fera un choix, de la manière et dans les délais prescrits par la *Loi de l'impôt sur le revenu* (Canada), en vertu du paragraphe 191.2(1) de cette loi ou de toute autre disposition de portée semblable remplaçant ce paragraphe ou lui succédant, et prendra toutes les mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun détenteur d'actions privilégiées de série AB ne sera tenu de payer l'impôt sur les dividendes reçus au titre des actions privilégiées de série AB aux termes de l'article 187.2 de la partie IV.1 de cette loi ou de toute disposition de portée semblable remplaçant cet article ou lui succédant.

3.20.12 *Interruption du service postal*

Si la Société considère que le service postal est ou est menacé d'être interrompu, durant une période où la Société est tenue ou a décidé d'expédier quelque avis par la poste en vertu des présentes ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série AB, soit relativement au rachat ou à la conversion de ces actions ou autrement, la Société pourra, nonobstant les dispositions des présentes :

- a) donner cet avis par voie de transmission électronique, télex ou télégraphe ou encore par voie de publication de l'avis concerné une fois par semaine pendant deux semaines consécutives dans un quotidien à grand tirage publié ou distribué à Montréal et à Toronto, et cet avis sera réputé avoir été donné à la date de la communication par transmission électronique, télex ou télégraphe ou à la date de la première publication de l'avis; et
- b) respecter son engagement d'envoyer ce chèque ou ce certificat d'actions en prenant des mesures pour que ces derniers soient livrés au principal établissement de la Société à Montréal. Ce chèque ou ce certificat d'actions seront réputés avoir été envoyés à la date à laquelle l'avis concernant une telle mesure aura été donné, ainsi qu'il est stipulé au paragraphe a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ce chèque ou ce certificat d'actions soit livré au détenteur, si cela n'a pas déjà été fait, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date de l'envoi postal, est un détenteur inscrit autorisé à recevoir ce chèque ou certificat d'actions ou, si l'adresse de tout détenteur n'est pas inscrite au registre des valeurs mobilières de la Société, à la dernière adresse de ce détenteur connue de la Société.

3.20.13 *Avis du taux de dividende fixe suivant applicable aux actions privilégiées de série AA*

Dans les trois (3) jours ouvrables suivant la détermination du taux de dividende fixe suivant (ainsi qu'il est défini à l'article 3.19.1.1 des statuts de la Société relatifs aux actions privilégiées de série AA), la société en avisera les détenteurs des actions privilégiées de série AB, sauf en ce qui concerne la première période de taux fixe suivant, en le publiant une fois dans l'édition canadienne du journal anglais *The Globe and Mail* et une fois dans la ville de Montréal dans des quotidiens à grand tirage français et anglais, étant entendu que si l'un ou l'autre de ces quotidiens n'est pas à grand tirage à ce moment, un tel avis sera publié dans une autre publication équivalente.

3.20.14 Définitions

Dans les dispositions des présentes ayant trait aux actions privilégiées de série AB :

a) « de rang supérieur », « de même rang » et « de rang inférieur » désignent l'ordre de priorité des versements de dividendes et de la répartition d'éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou non, ou de toute autre répartition d'éléments d'actif de la Société parmi ses actionnaires dans le but de liquider ses affaires; et

b) « dividendes accumulés et impayés » désigne la somme (i) de tous les dividendes impayés sur les actions privilégiées de série AB pour toute période de dividende et (ii) du montant calculé comme si les dividendes sur chaque action privilégiée de série AB s'étaient accumulés quotidiennement à compter du premier jour du mois suivant la période de dividende à l'égard de laquelle le dernier dividende mensuel sera ou était payable, selon le cas, inclusivement, jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement.

3.20.15 Interprétation

Dans le cas où une date à laquelle la Société doit payer un dividende sur les actions privilégiées de série AB, ou une autre date à laquelle la Société ou les détenteurs d'actions privilégiées de série AB doivent prendre une autre mesure aux termes des présentes ne serait pas un jour ouvrable (ainsi que ce terme est défini ci-après), alors ce dividende sera payable, ou cette autre mesure sera prise, le jour ouvrable suivant. Un «jour ouvrable» est un jour autre qu'un samedi, un dimanche ou tout autre jour férié pour le bureau principal de la Société au Canada.

3.20.16 Émission d'actions privilégiées de série AB

La société ne peut émettre aucune action privilégiée de série AB avant le 1^{er} septembre 2007.

3.21 Actions privilégiées de série AC

Les actions privilégiées de série AC comportent, outre les droits, privilèges, conditions et restrictions propres aux actions privilégiées de premier rang, en tant que catégorie, les droits, privilèges, conditions et restrictions suivants.

3.21.1 Dividendes

3.21.1.1 Définitions

Sauf indication contraire du contexte, aux fins des présentes :

a) « date de paiement de dividende » désigne le premier jour de mars, juin, septembre et décembre de chaque année, et la première date de paiement de dividende sera le 1^{er} juin 2003;

b) « montant du dividende fixe initial » désigne un montant équivalent à 1,385 \$ par action par année;

c) « période de taux fixe initial » désigne la période commençant à la date d'émission des actions privilégiées de série AC et se terminant le 29 février 2008, inclusivement;

d) « période de taux fixe suivant » désigne, pour la première période de taux fixe suivant, la période commençant le 1^{er} mars 2008 et se terminant le 28 février 2013, inclusivement, et pour chaque période de taux fixe suivante, la période commençant le lendemain de la fin de la période de taux fixe précédente et se terminant le dernier jour de février, inclusivement, de la cinquième année suivante;

e) « rendement des obligations du gouvernement du Canada » désigne, à une date donnée, la moyenne des rendements qu'une obligation du gouvernement du Canada non remboursable par anticipation aurait si elle était émise en dollars canadiens au Canada à 100 % de son montant en capital à cette date, avec une échéance de cinq ans, désignés par deux courtiers en valeurs mobilières canadiens inscrits, choisis par la Société, comme étant les rendements à l'échéance à cette date, composés semestriellement et calculés conformément aux principes financiers généralement reconnus.

f) « taux de dividende annuel » désigne le taux de dividende fixe suivant applicable au moment pertinent;

g) « taux de dividende fixe suivant » désigne le taux d'intérêt pendant une période de taux fixe suivant exprimé en tant que pourcentage annuel, fixé conformément à l'article 3.21.1.5 des présentes;

h) « transmission électronique » désigne la transmission par télécopieur, courrier électronique, Internet ou d'autres moyens électroniques;

3.21.1.2 Généralités

Les détenteurs d'actions privilégiées de série AC auront le droit de recevoir, pour autant qu'ils soient déclarés par le conseil d'administration, des dividendes en espèces privilégiés cumulatifs et fixes, puisés à même les fonds de la Société pouvant être dûment affectés au paiement de dividendes, aux taux prévus par les présentes. Les dividendes sur les actions privilégiées de série AC s'accumuleront quotidiennement à compter de leur date d'émission inclusivement et seront payables trimestriellement pendant la période de taux fixe initial et pendant toute période de taux fixe suivant. Les dividendes sur les actions privilégiées de série AC qui sont payables à une date de paiement de dividende donnée (diminués de tout impôt devant être déduit) seront payés par chèque, au pair, en monnaie ayant cours légal au Canada, à toute succursale au Canada des banquiers de la Société.

Le paiement des dividendes déclarés sur les actions privilégiées de série AC sera effectué (sauf en cas de rachat, le paiement des dividendes étant alors effectué au moment de la remise du certificat représentant les actions privilégiées de série AC devant être rachetées) par la mise à la poste, dans une enveloppe affranchie adressée à chaque détenteur d'actions privilégiées de série AC à sa dernière adresse figurant au registre des valeurs mobilières de la Société ou, si son adresse ne figure pas au registre, à sa dernière adresse connue de la Société ou, dans le cas de codétenteurs, à l'adresse de celui dont le nom figure en premier au registre des valeurs mobilières de la Société en tant que l'un de ces codétenteurs, d'un chèque pour le montant de ces dividendes (diminué de tout impôt devant être déduit) payable à l'ordre de ce détenteur ou, dans le cas de codétenteurs, à l'ordre de tous les codétenteurs, sauf indication contraire de leur part par écrit. Nonobstant ce qui précède, tout chèque de paiement de dividendes peut être livré par la Société à un détenteur d'actions privilégiées de série AC à son adresse ainsi qu'elle est indiquée ci-dessus. La mise à la poste ou la livraison d'un tel chèque sera réputée constituer le paiement et satisfera à toutes obligations de paiement de ces dividendes pour ce qui est du montant représenté par un tel chèque (compte tenu du montant de tout impôt devant être déduit ainsi qu'il est mentionné ci-dessus), à moins que ce chèque ne soit pas payé au moment où il est dûment présenté.

3.21.1.3 Période de taux fixe initial

Pendant la période de taux fixe initial, le montant de dividende sur les actions privilégiées de série AC sera équivalent à 0,34625 \$ par action et payable trimestriellement. Si la date originale d'émission des actions privilégiées de série AC est le 28 février 2003, le montant du premier dividende trimestriel payable sur les actions privilégiées de série AC le 1^{er} juin 2003 sera de 0,34625 \$ par action. Dans le cas contraire, le premier dividende trimestriel payable sur chaque action privilégiée de série AC le 1^{er} juin 2003 sera d'un montant (arrondi au millième (1/1000) de cent près) obtenu en multipliant 1,385 \$ par une fraction dont le numérateur sera le nombre de jours compris entre la date originale d'émission des actions privilégiées de série AC inclusivement jusqu'au 1er juin 2003 exclusivement, et le dénominateur sera 365.

3.21.1.4 Période de taux fixe suivant

Pendant la période de taux fixe suivant, les dividendes sur les actions privilégiées de série AC seront payables trimestriellement au taux de dividende fixe suivant. Par conséquent, à chaque date de paiement

de dividende au cours d'une période de taux fixe suivant, le dividende payable sera le montant par action (arrondi au millième (1/1000) de cent près) obtenu en multipliant le taux de dividende annuel par 25,00 \$ et en divisant le produit de cette multiplication par 4.

3.21.1.5 Détermination du taux de dividende fixe suivant

La Société déterminera, le 25^e jour précédant le premier jour de chaque période de taux fixe suivant, le taux de dividende annuel pour chaque période de taux fixe suivant, lequel taux de dividende annuel ne doit pas être inférieur à 80 % du rendement des obligations du Canada en vigueur à 10 h (heure de Montréal) ce 25^e jour avant le premier jour de chaque période de taux fixe suivant, et en avisera : (i) le jour ouvrable suivant, toutes les bourses de valeurs mobilières au Canada à la cote desquelles les actions privilégiées de série AC sont inscrites ou, si les actions privilégiées de série AC ne sont pas inscrites à la cote d'une bourse de valeurs mobilières au Canada, l'Association canadienne des courtiers en valeurs mobilières; et (ii) dans les trois (3) jours ouvrables suivants, les détenteurs des actions privilégiées de série AC, en le publiant une fois dans l'édition canadienne du journal anglais *The Globe and Mail* et une fois dans la ville de Montréal dans des quotidiens à grand tirage français et anglais, étant entendu que si l'un ou l'autre de ces quotidiens n'est pas à grand tirage à ce moment, un tel avis sera publié dans une autre publication équivalente.

3.21.2 Droits en cas de liquidation

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre répartition des éléments d'actif de la Société aux fins de liquider ses affaires, les détenteurs des actions privilégiées de série AC auront le droit de recevoir 25,00 \$ par action privilégiée de série AC augmentés de tous les dividendes accumulés et impayés jusqu'à la date de paiement ou de répartition, exclusivement, avant qu'aucun montant ne soit payé ou qu'aucun élément d'actif de la Société ne soit réparti parmi les détenteurs des actions ordinaires de la Société ou de toutes autres actions de la Société de rang inférieur aux actions privilégiées de série AC. Une fois ces montants payés, les détenteurs des actions privilégiées de série AC ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.21.3 Rachat d'actions

La Société ne pourra racheter d'actions privilégiées de série AC avant le 1^{er} mars 2008. Sous réserve des lois applicables et de l'article 3.21.5 ci-dessous, après avis comme prévu ci-après, la Société pourra, le 1^{er} mars 2008 ou le 1^{er} mars tous les cinq ans par la suite, racheter la totalité mais non moins de la totalité des actions privilégiées de série AC en circulation contre paiement de 25,00 \$ pour chacune de ces actions à racheter, augmentés des dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat.

La Société donnera un préavis écrit d'au moins 45 jours et d'au plus 60 jours de son intention de racheter des actions privilégiées de série AC à toute personne qui, à la date de l'envoi de ce préavis, est détentrice de ces actions à racheter. L'avis devra être envoyé, au gré de la Société, par messenger ou par la poste, dans une enveloppe affranchie, dans l'un ou l'autre cas, à tous les détenteurs d'actions privilégiées de série AC à racheter, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société ou par transmission électronique à chaque détenteur d'actions privilégiées de série AC ayant demandé la transmission électronique, à la dernière adresse électronique fournie par le détenteur à la Société; cependant, toute omission ou tout défaut involontaires d'envoyer un tel avis à un ou à plusieurs de ces détenteurs ne sera d'aucun effet sur la validité du rachat des actions privilégiées de série AC des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série AC à racheter détenues par la personne à qui il est adressé, ainsi que le prix de rachat, et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats représentant ces actions à tout endroit au Canada mentionné dans l'avis, paiera ou fera en sorte que soit payé le prix de rachat aux détenteurs d'actions privilégiées de série AC à racheter. Le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis, les détenteurs d'actions privilégiées de série AC à racheter n'auront plus aucun droit aux dividendes sur ces actions ni aucun autre droit en qualité de détenteurs de ces actions, à moins que la Société n'omette de payer le prix de rachat. En tout temps après que l'avis de rachat susmentionné aura été donné, la Société pourra déposer le montant du prix de rachat de la totalité ou d'une partie des actions privilégiées de série AC à racheter dans une ou plusieurs banques à charte ou sociétés de fiducie au

Canada dont les noms auront été donnés dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes en fiducie pour le bénéfice des détenteurs des actions à racheter et les montants leur seront versés par ces banques ou sociétés de fiducie sur remise du ou des certificats; dès l'exécution de ces dépôts, les actions seront rachetées à la date de rachat indiquée dans l'avis de rachat. Dès que la Société aura effectué le dépôt susmentionné à l'égard de toutes actions, les détenteurs de celles-ci n'auront plus, à compter de la date de rachat, aucun autre droit en qualité de détenteurs de ces actions, et leurs droits seront limités à la perception de la portion des montants déposés qui s'applique à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

3.21.4 Conversion des actions privilégiées de série AC

3.21.4.1 Conversion au gré du détenteur

Les détenteurs d'actions privilégiées de série AC pourront, à leur gré, le 1^{er} mars 2008 et le 1^{er} mars tous les cinq ans par la suite (une « date de conversion »), convertir, en totalité ou en partie, sous réserve des modalités des présentes, les actions privilégiées de série AC inscrites en leur nom en actions privilégiées de série AD de la Société à raison de une (1) action privilégiée de série AD pour chaque action privilégiée de série AC. La Société devra aviser par écrit les détenteurs d'actions privilégiées de série AC alors en circulation du droit de conversion prévu par les présentes; un tel avis sera envoyé, au gré de la Société, par messenger ou par la poste, dans une enveloppe affranchie, dans l'un ou l'autre cas, à tous les détenteurs d'actions privilégiées de série AC, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société, ou par transmission électronique à chaque détenteur d'actions privilégiées de série AC ayant demandé la transmission électronique, à la dernière adresse électronique fournie par le détenteur à la Société. Cet avis devra indiquer la date de conversion et être donné au moins 45 jours et au plus 60 jours avant la date de conversion applicable.

Si, ainsi qu'il est stipulé à l'article 3.21.3, la Société avise les détenteurs d'actions privilégiées de série AC du rachat de la totalité des actions privilégiées de série AC, elle ne sera pas tenue de les aviser, ainsi qu'il est stipulé au présent article 3.21.4.1, de leur droit de conversion; en outre, le droit de tout détenteur d'actions privilégiées de série AC de convertir de telles actions privilégiées de série AC ainsi qu'il est stipulé dans les présentes prendra fin dans un tel cas.

Si, à la suite de la fermeture des bureaux le 10^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 2 500 000 actions privilégiées de série AD en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série AC déposées aux fins de conversion en actions privilégiées de série AD et de toutes les actions privilégiées de série AD déposées aux fins de conversion en actions privilégiées de série AC, les détenteurs d'actions privilégiées de série AC n'auront pas le droit de convertir leurs actions en actions privilégiées de série AD. La Société en avisera par écrit, conformément aux dispositions du premier paragraphe du présent article 3.21.4.1 tous les détenteurs visés d'actions privilégiées de série AC avant la date de conversion applicable et émettra et livrera, ou fera en sorte que soient livrés, avant cette date de conversion, aux frais de la Société, à ces détenteurs d'actions privilégiées de série AC ayant déposé aux fins de conversion un ou plusieurs certificats représentant des actions privilégiées de série AC, de nouveaux certificats représentant les actions privilégiées de série AC représentées par un ou plusieurs certificats déposés comme indiqué ci-dessus.

3.21.4.2 Conversion automatique

Si, à la suite de la fermeture des bureaux le 10^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 2 500 000 actions privilégiées de série AC en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série AC déposées aux fins de conversion en actions privilégiées de série AD et de toutes les actions privilégiées de série AD déposées aux fins de conversion en actions privilégiées de série AC, la totalité mais non une partie des actions privilégiées de série AC en circulation restantes sera automatiquement convertie en actions privilégiées de série AD à raison de une (1) action privilégiée de série AD pour chaque action privilégiée de série AC, et ce, à la date de conversion applicable, et la Société donnera un avis écrit à cet effet, conformément aux dispositions de l'article 3.21.4.1, aux détenteurs de ces actions privilégiées de série AC restantes avant la date de conversion.

3.21.4.3 *Exercice du privilège de conversion*

La conversion des actions privilégiées de série AC peut être effectuée par la remise, au plus tôt 45 jours avant une date de conversion et au plus tard à la fermeture des bureaux le 10^e jour précédant une date de conversion, durant les heures d'ouverture normales, du ou des certificats les représentant, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série AC peuvent être transférées, ce ou ces certificats étant accompagnés : (i) du paiement ou d'un reçu attestant le paiement de l'impôt payable (s'il y a lieu), prévu au présent article 3.21.4.3; et (ii) d'un instrument de remise acceptable pour la Société et dûment signé par le détenteur ou son fondé de pouvoir dûment autorisé par écrit, instrument dans lequel ce détenteur peut également indiquer qu'il ne veut convertir qu'une partie seulement des actions privilégiées de série AC représentées par ce ou ces certificats, qui n'ont pas jusqu'alors été désignées en vue du rachat, auquel cas la Société émettra et livrera ou fera livrer à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série AC qui sont représentées par ce ou ces certificats et qui n'auront pas été converties.

Dans le cas où la Société est tenue de convertir la totalité des actions privilégiées de série AC en circulation restantes en actions privilégiées de série AD à la date de conversion applicable, ainsi qu'il est stipulé à l'article 3.21.4.2, les actions privilégiées de série AC que les détenteurs n'avaient pas choisi de convertir devront être converties à la date de conversion en actions privilégiées de série AD, et les détenteurs de ces actions seront réputés être détenteurs d'actions privilégiées de série AD à la fermeture des bureaux à la date de conversion et auront le droit, après avoir remis, pendant les heures d'ouverture normales, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série AC peuvent être transférées, le ou les certificats représentant les actions privilégiées de série AC non remis précédemment aux fins de conversion, de recevoir un ou plusieurs certificats représentant le même nombre d'actions privilégiées de série AD de la manière et selon les dispositions prévues dans le présent article 3.21.4.3.

Aussitôt que possible après la date de conversion, la Société émettra et livrera ou fera livrer au détenteur d'actions privilégiées de série AC ainsi remises, ou selon son ordre écrit, un ou plusieurs certificats à son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions privilégiées de série AD entièrement libérées et non cotisables et le nombre d'actions privilégiées de série AC restantes, le cas échéant, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux à la date de conversion de sorte que les droits du détenteur de ces actions privilégiées de série AC à ce titre cesseront à ce moment, et la ou les personnes ayant le droit de recevoir des actions privilégiées de série AD à la suite de cette conversion seront à toutes fins considérées comme détenteurs inscrits de ces actions privilégiées de série AD dès ce moment.

Le détenteur de toute action privilégiée de série AC inscrit à la date de clôture des registres aux fins de tout dividende déclaré payable sur cette action aura droit à ce dividende même si l'action a été convertie en action privilégiée de série AD après cette date de clôture des registres et avant la date de paiement de ce dividende ou à cette date même.

L'émission de certificats d'actions privilégiées de série AD au moment de la conversion d'actions privilégiées de série AC s'effectuera sans frais pour les détenteurs convertissant leurs actions privilégiées de série AC, quant aux droits ou impôts applicables à l'émission de ces certificats ou des actions privilégiées de série AD qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes de ces actions privilégiées de série AD ou l'émission des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison de ces certificats au nom d'une ou de plusieurs personnes autres que le détenteur des actions privilégiées de série AC converties; et la Société ne sera tenue d'émettre ou de livrer ces certificats que si les personnes en demandant l'émission lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.21.4.4 *Statut des actions privilégiées de série AC converties*

Toutes les actions privilégiées de série AC converties en actions privilégiées de série AD à une date de conversion donnée ne seront pas annulées, mais reprendront le statut d'actions autorisées mais non émises de la Société à la fermeture des bureaux à la date de conversion.

3.21.5 Restrictions concernant les dividendes et le remboursement des actions

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série AC en circulation :

- a) déclarer, payer ni mettre de côté à des fins de paiement aucun dividende sur les actions ordinaires ou toute autre action de la Société de rang inférieur aux actions privilégiées de série AC (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série AC);
- b) racheter, acheter ni autrement rembourser, ni procéder à aucune répartition de capital au titre des actions ordinaires de la Société ou de toute autre action de la Société de rang inférieur aux actions privilégiées de série AC (sauf si la contrepartie est payée à même le produit net en espèces d'un placement, fait à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série AC);
- c) acheter ni autrement rembourser moins de la totalité des actions privilégiées de série AC alors en circulation; ni
- d) racheter, acheter ni autrement rembourser (sauf dans le cadre de l'exercice d'un privilège de rachat au gré du détenteur ou d'une obligation de rachat par la Société s'y rapportant) aucune action de la Société de toute catégorie ou série de même rang que les actions privilégiées de série AC, étant entendu que les restrictions mentionnées dans le présent paragraphe d) ne porteront aucunement atteinte au droit de la Société de racheter, d'acheter ou de rembourser autrement à titre onéreux toute action de la Société de toute catégorie de rang supérieur aux actions privilégiées de série AC;

à moins que, dans tous les cas, tous les dividendes cumulatifs accumulés au titre des actions privilégiées de série AC en circulation, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes étaient payables, n'aient été déclarés et payés.

Toute approbation des détenteurs d'actions privilégiées de série AC exigée en vertu du présent article 3.21.5 pourra être donnée conformément au deuxième paragraphe de l'article 3.21.7 et à l'article 3.21.10. Nonobstant les dispositions de l'article 3.21.10 des présentes, toute approbation exigée en vertu du présent article 3.21.5 ne pourra être donnée qu'au moyen du vote favorable des détenteurs de la majorité des actions privilégiées de série AC présents ou représentés à une assemblée, ou à une reprise d'assemblée, des détenteurs d'actions privilégiées de série AC dûment convoquée à cette fin et à laquelle il y aura quorum.

3.21.6 Achat pour annulation

La Société pourra à tout moment acheter pour annulation la totalité ou une partie des actions privilégiées de série AC en circulation de temps à autre, sur le marché libre, par l'intermédiaire d'un courtier en valeurs mobilières ou de toute firme membre d'une bourse reconnue, ou par convention privée ou autrement, au(x) plus bas prix, de l'avis du conseil d'administration, auquel (auxquels) ces actions sont disponibles.

3.21.7 Droits de vote

Les détenteurs d'actions privilégiées de série AC n'auront pas le droit (sauf stipulation contraire dans la loi) d'être convoqués, d'assister et de voter aux assemblées des actionnaires de la Société, à moins que la Société n'ait omis de payer huit (8) dividendes sur les actions privilégiées de série AC, consécutifs ou non. Dans ce cas, et tant et aussi longtemps que ces dividendes demeurent impayés, les détenteurs d'actions privilégiées de série AC auront le droit d'être convoqués et d'assister à toutes les assemblées des actionnaires tenues plus de soixante (60) jours après la date du premier défaut de paiement, et d'y voter à raison de une (1) voix pour chaque action privilégiée de série AC détenue, à l'exception des assemblées auxquelles seuls les détenteurs d'une autre catégorie ou série d'action donnée ont le droit de voter.

Chaque action privilégiée de série AC confère à son détenteur une (1) voix relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs des actions privilégiées de série AC, votant en tant que série ou en tant que partie d'une catégorie.

3.21.8 *Émission d'actions privilégiées additionnelles*

La Société pourra émettre des séries additionnelles d'actions privilégiées de premier rang prenant rang également avec les actions privilégiées de série AC sans l'autorisation des détenteurs des actions privilégiées de série AC.

3.21.9 *Modifications*

Les dispositions propres aux actions privilégiées de série AC en tant que série peuvent être abrogées ou modifiées de temps à autre moyennant l'approbation alors exigée par la *Loi canadienne sur les sociétés par actions*, donnée conformément aux dispositions de l'article 3.21.10.

Aucune des dispositions des statuts de la Société relatifs aux actions privilégiées de série AC en tant que série ne peut être modifiée d'aucune manière à moins que les dispositions relatives aux actions privilégiées de série AD en tant que série, le cas échéant, ne fassent en même temps, dans la mesure jugée nécessaire par la Société, l'objet de modifications dont la nature et l'étendue sont les mêmes.

3.21.10 *Approbation des détenteurs d'actions privilégiées de série AC*

Toute approbation des détenteurs d'actions privilégiées de série AC sera réputée valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de série AC conformément aux dispositions propres aux actions privilégiées de premier rang, en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.21.11 *Choix quant à l'imposition*

La Société fera un choix, de la manière et dans les délais prescrits par la *Loi de l'impôt sur le revenu* (Canada), en vertu du paragraphe 191.2(1) de cette loi ou de toute autre disposition de portée semblable remplaçant ce paragraphe ou lui succédant, et prendra toutes les mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun détenteur d'actions privilégiées de série AC ne sera tenu de payer l'impôt sur les dividendes reçus au titre des actions privilégiées de série AC aux termes de l'article 187.2 de la partie IV.1 de cette loi ou de toute disposition de portée semblable remplaçant cet article ou lui succédant.

3.21.12 *Interruption du service postal*

Si la Société considère que le service postal est ou est menacé d'être interrompu, durant une période où la Société est tenue ou a décidé d'expédier quelque avis par la poste en vertu des présentes ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série AC, soit relativement au rachat ou à la conversion de ces actions ou autrement, la Société pourra, nonobstant les dispositions des présentes :

- a) donner cet avis par voie de transmission électronique, télex ou télégraphe ou encore par voie de publication de l'avis concerné une fois par semaine pendant deux semaines consécutives dans un quotidien à grand tirage publié ou distribué à Montréal et à Toronto, et cet avis sera réputé avoir été donné à la date de la communication par transmission électronique, télex ou télégraphe ou à la date de la première publication de l'avis; et
- b) respecter son engagement d'envoyer ce chèque ou ce certificat d'actions en prenant des mesures pour que ces derniers soient livrés au principal établissement de la Société à Montréal. Ce chèque ou ce certificat d'actions seront réputés avoir été envoyés à la date à laquelle l'avis concernant une telle mesure aura été donné, ainsi qu'il est stipulé au paragraphe a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ce chèque ou ce certificat d'actions soit livré au détenteur, si cela n'a pas déjà été fait, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date de l'envoi postal, est un détenteur inscrit autorisé à recevoir ce chèque ou certificat d'actions ou, si l'adresse de tout détenteur n'est pas inscrite au registre des valeurs mobilières de la Société, à la dernière adresse de ce détenteur connue de la Société.

3.21.13 Définitions

Dans les dispositions des présentes ayant trait aux actions privilégiées de série AC :

- a) « de rang supérieur », « de même rang » et « de rang inférieur » désignent l'ordre de priorité des versements de dividendes et de la répartition d'éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou non, ou de toute autre répartition d'éléments d'actif de la Société parmi ses actionnaires dans le but de liquider ses affaires; et
- b) « dividendes accumulés et impayés » désigne la somme A) de tous les dividendes impayés sur les actions privilégiées de série AC pour tout trimestre et B) du montant calculé comme si les dividendes sur chaque action privilégiée de série AC s'étaient accumulés quotidiennement à compter de la date à laquelle le dernier dividende trimestriel était payable jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement.

3.21.14 Interprétation

Dans le cas où une date à laquelle la Société doit payer un dividende sur les actions privilégiées de série AC, ou une autre date à laquelle la Société ou les détenteurs d'actions privilégiées de série AC doivent prendre une autre mesure aux termes des présentes ne serait pas un jour ouvrable (ainsi que ce terme est défini ci-après), alors ce dividende sera payable, ou cette autre mesure sera prise, le jour ouvrable suivant. Un « jour ouvrable » est un jour autre qu'un samedi, un dimanche ou tout autre jour férié pour le bureau principal de la Société au Canada.

3.22 Actions privilégiées de série AD

Les actions privilégiées de série AD comportent, outre les droits, privilèges, conditions et restrictions propres aux actions privilégiées de premier rang, en tant que catégorie, les droits, privilèges, conditions et restrictions suivants.

3.22.1 Dividendes

3.22.1.1 Définitions

Sauf indication contraire du contexte, aux fins des présentes :

- a) « banques » désigne deux banques parmi la Banque de Montréal, La Banque de Nouvelle-Écosse, la Banque Canadienne Impériale de Commerce, la Banque Nationale du Canada, la Banque Royale du Canada et La Banque Toronto-Dominion et tout successeur de celles-ci que la Société peut désigner de temps à autre en avisant l'agent des transferts des actions privilégiées de série AD; un tel avis doit être donné au moins deux (2) jours ouvrables avant le début d'une période de dividende donnée, et prend effet à ce moment; jusqu'à ce qu'un tel avis soit donné, « banques » désigne la Banque Royale du Canada et La Banque Toronto-Dominion;
- b) « bourse » désigne la Bourse de Toronto, ou toute autre bourse de valeurs mobilières ou marché organisé au Canada reconnu à l'occasion par la Société à titre de marché principal pour la négociation des actions privilégiées de série AD;
- c) « cours de référence » désigne, pour un mois donné, le quotient obtenu en divisant :
- (i) le total de la valeur quotidienne ajustée des actions négociées de toutes les séances de bourse de ce mois;
- par
- (ii) le total du volume quotidien des actions négociées de toutes les séances de bourse de ce mois;

d) « date de clôture des registres réputée » désigne la dernière séance de bourse d'un mois au cours duquel aucun dividende n'est déclaré par le conseil d'administration;

e) « date de paiement de dividende » désigne le douzième jour de chaque mois à compter du mois suivant immédiatement la date d'émission des actions privilégiées de série AD;

f) « date ex-dividende » :

(i) désigne la séance de bourse désignée ou reconnue, conformément aux règles ou aux pratiques habituelles de la bourse, à titre de date ex-dividende aux fins de toute date de clôture des registres pour les dividendes d'actions privilégiées de série AD; ou

(ii) si le conseil d'administration ne déclare pas de dividende pour un mois donné, la séance de bourse qui serait considérée, conformément aux règles ou aux pratiques habituelles de la bourse, comme la date ex-dividende aux fins de toute date de clôture des registres réputée pour les actions privilégiées de série AD;

g) « déduction quotidienne relative au dividende accumulé » désigne, pour une séance de bourse donnée :

(i) le produit obtenu en multipliant le montant du dividende sur une action privilégiée de série AD applicable pour le mois au cours duquel tombe la séance de bourse, par le nombre de jours compris dans la période débutant le jour précédant la date ex-dividende qui précède immédiatement cette séance de bourse, exclusivement, et se terminant le jour de cette séance de bourse, inclusivement (ou par un (1) jour, si cette séance de bourse est une date ex-dividende);

divisé par

(ii) le nombre de jours compris dans la période débutant à cette date ex-dividende, inclusivement, et se terminant à la prochaine date ex-dividende, exclusivement;

h) « facteur d'ajustement » désigne, pour un mois donné, le pourcentage annuel, positif ou négatif, établi en fonction du cours de référence des actions privilégiées de série AD pour le mois précédent, calculé conformément au tableau suivant :

<u>Si le cours de référence est de</u>	<u>Le facteur d'ajustement exprimé en % du taux préférentiel est de</u>
25,50 \$ ou plus	-4,00 %
25,375 \$ et moins de 25,50 \$	-3,00 %
25,25 \$ et moins de 25,375 \$	-2,00 %
25,125 \$ et moins de 25,25 \$	-1,00 %
plus de 24,875 \$ et moins de 25,125 \$	néant
plus de 24,75 \$ jusqu'à 24,875 \$	1,00 %
plus de 24,625 \$ jusqu'à 24,75 \$	2,00 %
plus de 24,50 \$ jusqu'à 24,625 \$	3,00 %
24,50 \$ ou moins	4,00 %

Le facteur d'ajustement maximal pour un mois donné sera de $\pm 4,00$ %.

Si pendant un mois donné, au moins un lot régulier d'actions privilégiées de série AD n'est pas négocié à la bourse, le facteur d'ajustement du mois suivant sera de « néant ».

i) « mois » désigne un mois civil;

j) « période de dividende » désigne un mois;

k) « pourcentage prescrit » désigne, pour le mois de mars 2008, quatre-vingts pour cent (80 %) et, pour chaque mois suivant, le facteur d'ajustement de ce mois plus le pourcentage prescrit du mois précédent,

pourvu que le taux de dividende variable annuel d'un mois donné ne soit jamais inférieur à 50 % du taux préférentiel mensuel pour ce mois, ni supérieur à 100 % du taux préférentiel mensuel pour ce mois;

l) « taux de dividende variable annuel » désigne, pour un mois donné, le taux d'intérêt exprimé en tant que pourcentage annuel (arrondi au millième (1/1000) de un pour cent (0,001 %) près) égal au taux préférentiel mensuel multiplié par le pourcentage prescrit pour ce mois;

m) « taux préférentiel » désigne, pour un jour donné, la moyenne (arrondie au millième (1/1000) de un pour cent (0,001 %) près) des taux d'intérêt annuels annoncés à l'occasion par les banques comme taux de référence alors en vigueur pour ce jour aux fins de fixer les taux d'intérêt sur les prêts commerciaux en dollars canadiens consentis au Canada aux emprunteurs commerciaux jouissant du meilleur crédit. Si l'une des banques n'a pas un tel taux d'intérêt en vigueur un jour donné, le taux préférentiel pour ce jour sera le taux d'intérêt en vigueur de l'autre banque; si les deux banques n'ont pas un tel taux d'intérêt en vigueur un jour donné, le taux préférentiel pour ce jour sera égal à un et demi pour cent (1,5 %) l'an, plus le rendement moyen exprimé en tant que pourcentage annuel des bons du Trésor du gouvernement du Canada de 91 jours, tel qu'il est déclaré par la Banque du Canada pour l'offre hebdomadaire portant sur la semaine précédant ce jour; et si les deux banques n'ont pas un tel taux d'intérêt en vigueur un jour donné et que la Banque du Canada ne déclare pas un tel rendement annuel moyen, le taux préférentiel pour ce jour sera égal au taux préférentiel du jour précédent. Un dirigeant de la Société établit à l'occasion le taux préférentiel et le taux préférentiel mensuel à partir de données communiquées par les banques ou qui sont par ailleurs à la disposition du public. En l'absence d'erreur flagrante, la décision de ce dirigeant lie définitivement la Société et tous les détenteurs d'actions privilégiées de série AD;

n) « taux préférentiel mensuel » désigne, pour un mois donné, la moyenne (arrondie au millième (1/1000) de un pour cent (0,001 %) près) des taux préférentiels en vigueur chaque jour de ce mois;

o) « transmission électronique » désigne la transmission par télécopieur, courrier électronique, Internet ou d'autres moyens électroniques;

p) « séance de bourse » désigne chaque jour au cours duquel la bourse est ouverte à des fins de négociations; sinon, le terme « séance de bourse » désigne un jour ouvrable;

q) « valeur quotidienne ajustée des actions négociées » désigne, pour une séance de bourse donnée :

(i) la valeur totale en dollars de toutes les opérations visant les actions privilégiées de série AD enregistrées à la bourse (conformément à la période de règlement normale en vigueur à la bourse) pendant cette séance de bourse;

moins

(ii) le produit obtenu en multipliant le volume quotidien des actions négociées durant cette séance de bourse par le montant de la déduction quotidienne relative au dividende accumulé pour cette séance de bourse;

r) « volume quotidien des actions négociées » désigne, pour une séance de bourse donnée, le nombre total d'actions privilégiées de série AD négociées à la bourse (conformément à la période de règlement normale en vigueur à la bourse) pendant cette séance de bourse.

3.22.1.2 Généralités

Les détenteurs d'actions privilégiées de série AD auront le droit de recevoir, pour autant qu'ils soient déclarés par le conseil d'administration, des dividendes en espèces privilégiés cumulatifs, puisés à même les fonds de la Société pouvant être dûment affectés au paiement de dividendes, aux taux et aux dates prévus par les présentes. Les dividendes sur les actions privilégiées de série AD s'accumuleront quotidiennement à compter de leur date d'émission inclusivement et seront payables mensuellement. Les dividendes sur les actions privilégiées de série AD qui sont payables à une date de paiement de dividende donnée (diminués de tout impôt devant être déduit) seront payés par chèque, au pair, en monnaie ayant cours légal au Canada, à toute succursale au Canada des banquiers de la Société.

Les dividendes sur les actions privilégiées de série AD seront payables mensuellement au taux de dividende variable annuel calculé de temps à autre. Par conséquent, à chaque date de paiement de dividende, le dividende payable sur les actions privilégiées de série AD sera le montant (arrondi au millième (1/1000) de cent près) obtenu en multipliant 25,00 \$ par le taux de dividende variable annuel applicable au mois précédant cette date de paiement de dividende et en divisant le produit par douze. La date de clôture des registres servant à déterminer les détenteurs d'actions privilégiées de série AD admissibles aux dividendes à chaque date de paiement de dividende sera la dernière séance de bourse du mois précédent. En cas de rachat ou d'achat des actions privilégiées de série AD ou de la répartition d'éléments d'actif de la Société, ainsi que le prévoit l'article 3.22.2 des présentes, le montant du dividende accumulé au cours du mois où a lieu ce rachat, cet achat ou cette répartition (arrondi au millième (1/1000) de cent près) sera calculé en multipliant :

- (i) le produit de la multiplication de 25,00 \$ par un douzième (1/12) du taux de dividende variable annuel applicable au mois précédent; par
- (ii) une fraction dont le numérateur est le nombre de jours écoulés dans le mois où a lieu ce rachat, cet achat ou cette répartition, jusqu'à la date de cet événement, exclusivement, et le dénominateur est le nombre de jours dans ce mois.

Le paiement des dividendes déclarés sur les actions privilégiées de série AD sera effectué (sauf en cas de rachat, le paiement des dividendes étant alors effectué au moment de la remise du certificat représentant les actions privilégiées de série AD devant être rachetées) par la mise à la poste, dans une enveloppe affranchie adressée à chaque détenteur d'actions privilégiées de série AD à sa dernière adresse figurant au registre des valeurs mobilières de la Société ou, si son adresse ne figure pas au registre, à sa dernière adresse connue de la Société ou, dans le cas de codétenteurs, à l'adresse de celui dont le nom figure en premier au registre des valeurs mobilières de la Société en tant que l'un de ces codétenteurs, d'un chèque pour le montant de ces dividendes (diminué de tout impôt devant être déduit) payable à l'ordre de ce détenteur ou, dans le cas de codétenteurs, à l'ordre de tous les codétenteurs, sauf indication contraire de leur part par écrit. Nonobstant ce qui précède, tout chèque de paiement de dividendes peut être livré par la Société à un détenteur d'actions privilégiées de série AD à son adresse ainsi qu'elle est indiquée ci-dessus. La mise à la poste ou la livraison d'un tel chèque sera réputée constituer le paiement et satisfera à toutes obligations de paiement de ces dividendes pour ce qui est du montant représenté par un tel chèque (compte tenu du montant de tout impôt devant être déduit ainsi qu'il est mentionné ci-dessus), à moins que ce chèque ne soit pas payé au moment où il est dûment présenté.

3.22.1.3 Calcul du pourcentage prescrit

La Société calculera dès que possible le pourcentage prescrit pour chaque mois et en avisera toutes les bourses de valeurs mobilières au Canada à la cote desquelles les actions privilégiées de série AD sont inscrites ou, si les actions privilégiées de série AD ne sont pas inscrites à la cote d'une bourse de valeurs mobilières au Canada, la Société en avisera l'Association canadienne des courtiers en valeurs mobilières.

3.22.2 Droits en cas de liquidation

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre répartition des éléments d'actif de la Société aux fins de liquider ses affaires, les détenteurs des actions privilégiées de série AD auront le droit de recevoir 25,00 \$ par action privilégiée de série AD augmentés de tous les dividendes accumulés et impayés jusqu'à la date de paiement ou de répartition, exclusivement, avant qu'aucun montant ne soit payé ou qu'aucun élément d'actif de la Société ne soit réparti parmi les détenteurs des actions ordinaires de la Société ou de toutes autres actions de rang inférieur aux actions privilégiées de série AD. Une fois ces montants payés, les détenteurs des actions privilégiées de série AD ne seront admissibles à aucune répartition subséquente des biens ou des éléments d'actif de la Société.

3.22.3 Rachat d'actions

Sous réserve des lois applicables et de l'article 3.22.5 ci-dessous, après avis comme prévu ci-après, la Société pourra racheter en tout temps la totalité mais non moins de la totalité des actions privilégiées de série AD en circulation, contre paiement de 25,50 \$ pour chacune de ces actions à racheter, augmentés des dividendes accumulés et impayés jusqu'à la date fixée pour le rachat, exclusivement, le tout constituant le prix de rachat.

La Société donnera un préavis écrit d'au moins 45 jours et d'au plus 60 jours de son intention de racheter des actions privilégiées de série AD à toute personne qui, à la date de l'envoi de ce préavis, est détentrice de ces actions à racheter. L'avis devra être envoyé, au gré de la Société, par messenger ou par la poste, dans une enveloppe affranchie, dans l'un ou l'autre cas, à tous les détenteurs d'actions privilégiées de série AD à racheter, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société ou par transmission électronique à chaque détenteur d'actions privilégiées de série AD ayant demandé la transmission électronique, à la dernière adresse électronique fournie par le détenteur à la Société; cependant, toute omission ou tout défaut involontaires d'envoyer un tel avis à un ou à plusieurs de ces détenteurs ne sera d'aucun effet sur la validité du rachat des actions privilégiées de série AD des autres détenteurs. L'avis devra indiquer le nombre d'actions privilégiées de série AD à racheter détenues par la personne à qui il est adressé, ainsi que le prix de rachat, et devra aussi indiquer la date fixée pour le rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats représentant ces actions à tout endroit au Canada mentionné dans l'avis, paiera ou fera en sorte que soit payé le prix de rachat aux détenteurs d'actions privilégiées de série AD à racheter. Le paiement se fera par chèque payable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis, les détenteurs d'actions privilégiées de série AD à racheter n'auront plus aucun droit aux dividendes sur ces actions ni aucun autre droit en qualité de détenteurs de ces actions, à moins que la Société n'omette de payer le prix de rachat. En tout temps après que l'avis de rachat susmentionné aura été donné, la Société pourra déposer le montant du prix de rachat de la totalité ou d'une partie des actions privilégiées de série AD à racheter dans une ou plusieurs banques à charte ou sociétés de fiducie au Canada dont les noms auront été donnés dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes en fiducie pour le bénéfice des détenteurs des actions à racheter et les montants leur seront versés par ces banques ou sociétés de fiducie sur remise du ou des certificats; dès l'exécution de ces dépôts, les actions seront rachetées à la date de rachat indiquée dans l'avis de rachat. Dès que la Société aura effectué le dépôt susmentionné à l'égard de toutes actions, les détenteurs de celles-ci n'auront plus, à compter de la date de rachat, aucun autre droit en qualité de détenteurs de ces actions, et leurs droits seront limités à la perception de la portion des montants déposés qui s'applique à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

3.22.4 Conversion des actions privilégiées de série AD

3.22.4.1 Conversion au gré du détenteur

Les détenteurs d'actions privilégiées de série AD pourront, à leur gré, le 1^{er} mars 2013 et le 1^{er} mars tous les cinq ans par la suite (une « date de conversion »), convertir, en totalité ou en partie, sous réserve des dispositions des présentes, les actions privilégiées de série AD inscrites en leur nom en actions privilégiées de série AC de la Société, à raison de une (1) action privilégiée de série AC pour chaque action privilégiée de série AD. La Société devra aviser par écrit les détenteurs d'actions privilégiées de série AD alors en circulation du droit de conversion prévu par les présentes; un tel avis sera envoyé, au gré de la Société, par messenger ou par la poste, dans une enveloppe affranchie, dans l'un ou l'autre cas, à tous les détenteurs d'actions privilégiées de série AD, à leur dernière adresse inscrite au registre des valeurs mobilières de la Société ou à défaut d'une telle inscription, à la dernière adresse du détenteur connue de la Société, ou par transmission électronique à chaque détenteur d'actions privilégiées de série AD ayant demandé la transmission électronique, à la dernière adresse électronique fournie par le détenteur à la société. Cet avis devra indiquer la date de conversion et être donné au moins 45 jours et au plus 60 jours avant la date de conversion applicable.

Si, ainsi qu'il est stipulé à l'article 3.22.3, la Société avise les détenteurs d'actions privilégiées de série AD du rachat de la totalité des actions privilégiées de série AD, elle ne sera pas tenue de les aviser, ainsi qu'il est stipulé au présent article 3.22.4.1, du droit de conversion; en outre, le droit de tout détenteur d'actions privilégiées de série AD de convertir de telles actions privilégiées de série AD ainsi qu'il est stipulé dans les présentes prendra fin dans un tel cas.

Les détenteurs d'actions privilégiées de série AD ne seront pas en droit de convertir leurs actions en actions privilégiées de série AC si, à la suite de la fermeture des bureaux le 10^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 2 500 000 actions privilégiées de série AC en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série AD déposées aux fins de conversion en actions privilégiées de série AC et de toutes les actions privilégiées de série AC déposées aux fins de conversion en actions privilégiées de série AD. La Société en avisera par écrit, conformément aux dispositions du premier paragraphe du présent article 3.22.4.1, tous les détenteurs visés d'actions privilégiées de

série AD avant la date de conversion applicable et émettra et livrera, ou fera en sorte que soient livrés, avant cette date de conversion, aux frais de la Société, à ces détenteurs d'actions privilégiées de série AD ayant déposé aux fins de conversion un ou plusieurs certificats représentant des actions privilégiées de série AD, de nouveaux certificats représentant les actions privilégiées de série AD représentées par un ou plusieurs certificats déposés comme indiqué ci-dessus.

3.22.4.2 Conversion automatique

Si, à la suite de la fermeture des bureaux le 10^e jour précédant une date de conversion, la Société détermine qu'il y aurait moins de 2 500 000 actions privilégiées de série AD en circulation à la date de conversion, en tenant compte de toutes les actions privilégiées de série AD déposées aux fins de conversion en actions privilégiées de série AC et de toutes les actions privilégiées de série AC déposées aux fins de conversion en actions privilégiées de série AD, la totalité et non une partie des actions privilégiées de série AD en circulation restantes sera automatiquement convertie en actions privilégiées de série AC à raison de une (1) action privilégiée de série AC pour chaque action privilégiée de série AD, et ce, à la date de conversion applicable, et la Société donnera un avis écrit à cet effet, conformément aux dispositions de l'article 3.22.4.1, aux détenteurs de ces actions privilégiées de série AD restantes avant la date de conversion.

3.22.4.3 Exercice du privilège de conversion

La conversion des actions privilégiées de série AD peut être effectuée par la remise, au plus tôt 45 jours avant une date de conversion et au plus tard à la fermeture des bureaux le 10^e jour précédant une date de conversion, durant les heures d'ouverture normales, du ou des certificats les représentant, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série AD peuvent être transférées, ce ou ces certificats étant accompagnés : (i) du paiement ou d'un reçu attestant le paiement de l'impôt payable (s'il y a lieu), prévu au présent article 3.22.4.3; et (ii) d'un instrument de remise acceptable pour la Société et dûment signé par le détenteur ou son fondé de pouvoir dûment autorisé par écrit, instrument dans lequel ce détenteur peut indiquer qu'il ne veut convertir qu'une partie seulement des actions privilégiées de série AD représentées par ce ou ces certificats, qui n'ont pas jusqu'alors été désignées en vue du rachat, auquel cas la Société émettra et livrera ou fera livrer, à ses frais, un nouveau certificat, au nom du détenteur, représentant les actions privilégiées de série AD qui sont représentées par ce ou ces certificats et qui n'auront pas été converties.

Dans le cas où la Société est tenue de convertir la totalité des actions privilégiées de série AD en circulation restantes en actions privilégiées de série AC à la date de conversion applicable, ainsi qu'il est stipulé à l'article 3.22.4.2, les actions privilégiées de série AD que les détenteurs n'avaient pas choisi de convertir devront être converties à la date de conversion en actions privilégiées de série AC, et les détenteurs de ces actions seront réputés être détenteurs d'actions privilégiées de série AC à la fermeture des bureaux à la date de conversion et auront le droit, après avoir remis, pendant les heures d'ouverture normales, à tout bureau d'un agent des transferts de la Société où les actions privilégiées de série AD peuvent être transférées, le ou les certificats représentant les actions privilégiées de série AD non remis précédemment aux fins de conversion, de recevoir un ou plusieurs certificats représentant le même nombre d'actions privilégiées de série AC de la manière et selon les dispositions prévues dans le présent article 3.22.4.3.

Aussitôt que possible après la date de conversion, la Société émettra et livrera ou fera livrer au détenteur d'actions privilégiées de série AD ainsi remises, ou selon son ordre écrit, un ou plusieurs certificats à son nom ou au nom de la ou des personnes qu'il aura désignées, pour le nombre d'actions privilégiées de série AC entièrement libérées et non cotisables et le nombre d'actions privilégiées de série AD restantes, le cas échéant, auquel ce détenteur aura droit. Cette conversion sera présumée effectuée à la fermeture des bureaux à la date de conversion de sorte que les droits du détenteur de ces actions privilégiées de série AD à ce titre cesseront à ce moment, et la ou les personnes ayant le droit de recevoir des actions privilégiées de série AC à la suite de cette conversion seront à toutes fins considérées comme détenteurs inscrits de ces actions privilégiées de série AC dès ce moment.

Le détenteur de toute action privilégiée de série AD inscrit à la date de clôture des registres aux fins de tout dividende déclaré payable sur cette action aura droit à ce dividende même si l'action a été convertie en action privilégiée de série AC après cette date de clôture des registres et avant la date de paiement de ce dividende ou à cette date même.

L'émission de certificats d'actions privilégiées de série AC au moment de la conversion d'actions privilégiées de série AD s'effectuera sans frais pour les détenteurs convertissant leurs actions privilégiées de série AD, quant aux droits ou impôts applicables à l'émission de ces certificats ou des actions privilégiées de série AC qu'ils représentent; cependant, la Société ne sera pas tenue de payer l'impôt qui pourrait être exigé d'une ou de plusieurs personnes par suite de l'émission à cette personne ou à ces personnes de ces actions privilégiées de série AC ou des certificats s'y rapportant, ou par suite de tout transfert résultant de l'émission et de la livraison de ces certificats au nom d'une ou de plusieurs personnes autres que le détenteur des actions privilégiées de série AD converties; et la Société ne sera tenue d'émettre ou de livrer ces certificats que si les personnes en demandant l'émission lui versent le montant de cet impôt ou lui démontrent d'une façon qui lui est satisfaisante qu'elles l'ont acquitté.

3.22.4.4 Statut des actions privilégiées de série AD converties

Toutes les actions privilégiées de série AD converties en actions privilégiées de série AC à une date de conversion donnée ne seront pas annulées, mais reprendront le statut d'actions autorisées mais non émises de la Société à la fermeture des bureaux à la date de conversion.

3.22.5 Restrictions concernant les dividendes et le remboursement des actions

La Société ne pourra, sans l'approbation des détenteurs d'actions privilégiées de série AD en circulation :

- a) déclarer, payer ni mettre de côté à des fins de paiement aucun dividende sur les actions ordinaires ou toute autre action de la Société de rang inférieur aux actions privilégiées de série AD (sauf des dividendes en actions payables en actions de la Société de rang inférieur aux actions privilégiées de série AD);
- b) racheter, acheter ni autrement rembourser, ni procéder à aucune répartition de capital au titre des actions ordinaires de la Société ou de toute autre action de la Société de rang inférieur aux actions privilégiées de série AD (sauf si la contrepartie est payée à même le produit net en espèces d'un placement, fait à la même époque, d'actions de la Société de rang inférieur aux actions privilégiées de série AD);
- c) acheter ni autrement rembourser moins de la totalité des actions privilégiées de série AD alors en circulation; ni
- d) racheter, acheter ni autrement rembourser (sauf dans le cadre de l'exercice d'un privilège de rachat au gré du détenteur ou d'une obligation de rachat par la Société s'y rapportant) aucune action de la Société de toute catégorie ou série de même rang que les actions privilégiées de série AD, étant entendu que les restrictions mentionnées dans le présent paragraphe d) ne porteront aucunement atteinte au droit de la Société de racheter, d'acheter ou de rembourser autrement à titre onéreux toute action de la Société de toute catégorie de rang supérieur aux actions privilégiées de série AD;

à moins que, dans tous les cas, tous les dividendes cumulatifs accumulés au titre des actions privilégiées de série AD en circulation, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes étaient payables, n'aient été déclarés et payés.

Toute approbation des détenteurs d'actions privilégiées de série AD exigée en vertu du présent article 3.22.5 pourra être donnée conformément au deuxième paragraphe de l'article 3.22.7 et à l'article 3.22.10. Nonobstant les dispositions de l'article 3.22.10 des présentes, toute approbation exigée en vertu du présent article 3.22.5 ne pourra être donnée qu'au moyen du vote favorable des détenteurs de la majorité des actions privilégiées de série AD présents ou représentés à une assemblée, ou à une reprise d'assemblée, des détenteurs d'actions privilégiées de série AD dûment convoquée à cette fin et à laquelle il y aura quorum.

3.22.6 Achat pour annulation

La Société pourra à tout moment acheter pour annulation la totalité ou une partie des actions privilégiées de série AD en circulation de temps à autre, sur le marché libre, par l'intermédiaire d'un courtier en valeurs mobilières ou de toute firme membre d'une bourse reconnue, ou par convention privée ou autrement, au(x) plus bas prix, de l'avis du conseil d'administration, auquel (auxquels) ces actions sont disponibles.

3.22.7 Droits de vote

Les détenteurs d'actions privilégiées de série AD n'auront pas le droit (sauf stipulation contraire dans la loi) d'être convoqués, d'assister et de voter aux assemblées des actionnaires de la Société, à moins que la Société n'ait omis de payer huit (8) dividendes sur les actions privilégiées de série AD, consécutifs ou non. Dans ce cas, et tant et aussi longtemps que ces dividendes demeurent impayés, les détenteurs d'actions privilégiées de série AD auront le droit d'être convoqués et d'assister à toutes les assemblées des actionnaires tenues plus de soixante (60) jours après la date du premier défaut de paiement, et d'y voter à raison de une (1) voix pour chaque action privilégiée de série AD détenue, à l'exception des assemblées auxquelles seuls les détenteurs d'une autre catégorie ou série d'action donnée ont le droit de voter.

Chaque action privilégiée de série AD confère à son détenteur une (1) voix relativement à toute mesure à prendre par la Société et exigeant l'approbation des détenteurs des actions privilégiées de série AD, votant en tant que série ou en tant que partie d'une catégorie.

3.22.8 Émission d'actions privilégiées additionnelles

La Société pourra émettre des séries additionnelles d'actions privilégiées de premier rang de même rang que les actions privilégiées de série AD sans l'autorisation des détenteurs des actions privilégiées de série AD.

3.22.9 Modifications

Les dispositions propres aux actions privilégiées de série AD en tant que série peuvent être abrogées ou modifiées de temps à autre moyennant l'approbation alors exigée par la *Loi canadienne sur les sociétés par actions*, donnée conformément aux dispositions de l'article 3.22.10.

Aucune des dispositions des statuts de la Société relatifs aux actions privilégiées de série AD en tant que série ne peut être modifiée d'aucune manière à moins que les dispositions relatives aux actions privilégiées de série AC en tant que série, le cas échéant, ne fassent en même temps, dans la mesure jugée nécessaire par la Société, l'objet de modifications dont la nature et l'étendue sont les mêmes.

3.22.10 Approbation des détenteurs d'actions privilégiées de série AD

Toute approbation des détenteurs d'actions privilégiées de série AD sera réputée valablement donnée à toutes fins si elle est donnée par les détenteurs d'actions privilégiées de série AD conformément aux dispositions propres aux actions privilégiées de premier rang en tant que catégorie, qui s'appliquent aux présentes avec les adaptations nécessaires.

3.22.11 Choix quant à l'imposition

La Société fera un choix, de la manière et dans les délais prescrits par la *Loi de l'impôt sur le revenu* (Canada), en vertu du paragraphe 191.2(1) de cette loi ou de toute autre disposition de portée semblable remplaçant ce paragraphe ou lui succédant, et prendra toutes les mesures nécessaires conformément à cette loi, afin de payer l'impôt à un taux tel qu'aucun détenteur d'actions privilégiées de série AD ne sera tenu de payer l'impôt sur les dividendes reçus au titre des actions privilégiées de série AD aux termes de l'article 187.2 de la partie IV.1 de cette loi ou de toute disposition de portée semblable remplaçant cet article ou lui succédant.

3.22.12 Interruption du service postal

Si la Société considère que le service postal est ou est menacé d'être interrompu, durant une période où la Société est tenue ou a décidé d'expédier quelque avis par la poste en vertu des présentes ou doit envoyer un chèque ou un certificat d'actions à tout détenteur d'actions privilégiées de série AD, soit relativement au rachat ou à la conversion de ces actions ou autrement, la Société pourra, nonobstant les dispositions des présentes :

a) donner cet avis par voie de transmission électronique, télex ou télégraphe ou encore par voie de publication de l'avis concerné une fois par semaine pendant deux semaines consécutives dans un quotidien à grand tirage publié ou distribué à Montréal et à Toronto, et cet avis sera réputé avoir été donné à la date de la communication par transmission électronique, télex ou télégraphe ou à la date de la première publication de l'avis; et

b) respecter son engagement d'envoyer ce chèque ou ce certificat d'actions en prenant des mesures pour que ces derniers soient livrés au principal établissement de la Société à Montréal. Ce chèque ou ce certificat d'actions seront réputés avoir été envoyés à la date à laquelle l'avis concernant une telle mesure aura été donné, ainsi qu'il est stipulé au paragraphe a) ci-dessus, pourvu que, aussitôt que la Société aura déterminé que le service postal n'est plus ni interrompu ni menacé de l'être, ce chèque ou ce certificat d'actions soit livré au détenteur, si cela n'a pas déjà été fait, par courrier de première classe ordinaire affranchi non recommandé à l'adresse inscrite de toute personne qui, à la date de l'envoi postal, est un détenteur inscrit autorisé à recevoir ce chèque ou certificat d'actions ou, si l'adresse de tout détenteur n'est pas inscrite au registre des valeurs mobilières de la Société, à la dernière adresse de ce détenteur connue de la Société.

3.22.13 *Avis du taux de dividende fixe suivant applicable aux actions privilégiées de série AC*

Dans les trois (3) jours ouvrables suivant la détermination du taux de dividende fixe suivant (ainsi qu'il est défini à l'article 3.21.1.1 des statuts de la Société relatifs aux actions privilégiées de série AC), la société en avisera les détenteurs des actions privilégiées de série AD, sauf en ce qui concerne la première période de taux fixe suivant, en le publiant une fois dans l'édition canadienne du journal anglais *The Globe and Mail* et une fois dans la ville de Montréal dans des quotidiens à grand tirage français et anglais, étant entendu que si l'un ou l'autre de ces quotidiens n'est pas à grand tirage à ce moment, un tel avis sera publié dans une autre publication équivalente.

3.22.14 *Définitions*

Dans les dispositions des présentes ayant trait aux actions privilégiées de série AD :

a) « de rang supérieur », « de même rang » et « de rang inférieur » désignent l'ordre de priorité des versements de dividendes et de la répartition d'éléments d'actif en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou non, ou de toute autre répartition d'éléments d'actif de la Société parmi ses actionnaires dans le but de liquider ses affaires; et

b) « dividendes accumulés et impayés » désigne la somme (i) de tous les dividendes impayés sur les actions privilégiées de série AD pour toute période de dividende et (ii) du montant calculé comme si les dividendes sur chaque action privilégiée de série AD s'étaient accumulés quotidiennement à compter du premier jour du mois suivant la période de dividende à l'égard de laquelle le dernier dividende mensuel sera ou était payable, selon le cas, inclusivement, jusqu'à la date à laquelle le calcul des dividendes accumulés doit être fait, exclusivement.

3.22.15 *Interprétation*

Dans le cas où une date à laquelle la Société doit payer un dividende sur les actions privilégiées de série AD, ou une autre date à laquelle la Société ou les détenteurs d'actions privilégiées de série AD doivent prendre une autre mesure aux termes des présentes ne serait pas un jour ouvrable (ainsi que ce terme est défini ci-après), alors ce dividende sera payable, ou cette autre mesure sera prise, le jour ouvrable suivant. Un «jour ouvrable» est un jour autre qu'un samedi, un dimanche ou tout autre jour férié pour le bureau principal de la Société au Canada.

3.22.16 *Émission d'actions privilégiées de série AD*

La société ne peut émettre aucune action privilégiée de série AD avant le 1^{er} mars 2008.

4. ACTIONS PRIVILÉGIÉES DE SECOND RANG

Les actions privilégiées de second rang sont assorties, en tant que catégorie, des droits, privilèges, conditions et restrictions suivants :

4.1 Les administrateurs de la Société peuvent en tout temps et de temps à autre émettre une ou plusieurs séries d'actions privilégiées de second rang, le nombre des actions privilégiées de second rang de chaque série et leur prix devant être déterminés avant l'émission par résolution des administrateurs.

4.2 Les administrateurs peuvent de temps à autre déterminer par résolution la désignation et les droits, privilèges, conditions et restrictions afférents aux actions privilégiées de second rang de chaque série, y compris, sans restreindre la généralité de ce qui précède, le droit aux dividendes préférentiels, les dates de paiement de ces dividendes, le prix de rachat ou d'achat et les modalités en cause, le cas échéant, les droits de vote, les droits de conversion ou d'échange, le cas échéant, en d'autres valeurs mobilières (y compris des actions) de la Société ou de toute autre personne morale, de même que tout fonds d'amortissement ou autres dispositions.

4.3 Les actions privilégiées de second rang de chaque série ont égalité de rang, ont un rang inférieur aux actions privilégiées de premier rang et ont un rang supérieur à toutes les autres actions de la Société en ce qui concerne le paiement de dividendes et la distribution des biens en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou forcé, ou de toute autre distribution des biens dans le but de liquider ses affaires.

4.4 Sauf disposition contraire prévue à l'article 4.5 des présentes ou dans les attributs d'une série précise d'actions privilégiées de second rang, les détenteurs d'actions privilégiées de second rang n'ont pas le droit d'être convoqués, d'assister ni de voter à aucune assemblée d'actionnaires de la Société.

4.5 L'autorisation des détenteurs d'actions privilégiées de second rang sera considérée suffisante quand elle aura fait l'objet d'un consentement écrit de tous les détenteurs d'actions privilégiées de second rang ou d'une résolution adoptée en assemblée générale de tels détenteurs dûment convoquée et tenue après avis d'au moins 21 jours; les détenteurs d'au moins la majorité des actions privilégiées de second rang en circulation devront être présents ou représentés par procuration, et la résolution devra être adoptée par au moins les deux tiers des votes exprimés à cette assemblée. Si l'on ne peut réunir les détenteurs d'une majorité des actions privilégiées de second rang en circulation, en personne ou par procuration, une demi-heure après l'heure précisée dans l'avis de convocation, l'assemblée sera ajournée à une date ultérieure d'au moins 21 jours, à l'endroit et à l'heure choisis par le président d'assemblée, et un avis écrit de convocation à cette reprise d'assemblée devra être expédié aux actionnaires au moins 15 jours avant sa date; les détenteurs d'actions privilégiées de second rang qui seront présents ou représentés par procuration à cette reprise d'assemblée pourront délibérer sur les questions inscrites à l'ordre du jour de l'assemblée, et une résolution adoptée par au moins les deux tiers des votes exprimés à cette reprise d'assemblée constituera l'autorisation des détenteurs d'actions privilégiées de second rang. À tout scrutin tenu à une assemblée ou à une reprise d'assemblée, tout détenteur d'actions privilégiées de second rang a droit à un vote pour chaque action privilégiée de second rang qu'il détient; compte tenu des dispositions ci-dessus, les formalités de convocation d'une assemblée et d'une reprise d'assemblée et la procédure à y suivre seront celles qui sont prescrites de temps à autre dans les règlements de la Société concernant les assemblées d'actionnaires.

4.6 Actions privilégiées de second rang, série un

En plus des droits, privilèges, conditions et restrictions dont sont assorties les actions privilégiées de second rang en tant que catégorie, les actions privilégiées de second rang, série un sont assorties des droits, privilèges, conditions et restrictions suivants :

4.6.1 Dividendes

Les détenteurs d'actions privilégiées de second rang, série un auront droit aux dividendes fixes, cumulatifs, privilégiés et en espèces desdites actions, déclarés par le conseil d'administration, le cas échéant, puisés à même les fonds dûment affectés au paiement des dividendes, d'une somme de 9,00 \$ l'action par année et pas plus; ces dividendes seront payables trimestriellement pour chaque période de 12 mois, le dernier jour des mois de janvier, avril, juillet et octobre, par chèque tiré en monnaie légale du Canada et

encaissable au pair à toute succursale au Canada des banquiers de la Société; cependant, le premier paiement trimestriel à effectuer sur toute action privilégiée de second rang, série un sera effectué le dernier jour du mois de juillet 1983 et équivaudra au montant accumulé et impayé, calculé audit taux, à compter de la date d'émission.

4.6.2 Droits en cas de liquidation

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre distribution de biens en vue de liquider les affaires de la Société, les détenteurs d'actions privilégiées de second rang, série un auront le droit de recevoir 100,00 \$ l'action, ainsi que tous les dividendes accumulés et impayés à la date de distribution et ce, avant qu'aucun montant ne soit versé ou qu'aucun élément d'actif de la Société ne soit distribué aux détenteurs d'actions de rang inférieur aux actions privilégiées de second rang, série un. Les détenteurs d'actions privilégiées de second rang, série un n'auront le droit de participer à aucune autre distribution de biens ou d'éléments d'actif de la Société.

4.6.3 Restrictions relatives au versement des dividendes et remboursement de capital

La Société ne pourra déclarer, verser ou affecter à un fonds de réserve des dividendes sur toute action de la Société de rang inférieur à celui des actions privilégiées de second rang, série un et la Société ne pourra désigner en vue du rachat moins de la totalité des actions privilégiées de second rang, série un en circulation à cette date, non plus que toute action de rang inférieur aux actions privilégiées de second rang, série un, à moins qu'elle n'ait déclaré, versé ou affecté à un fonds de réserve tous les dividendes d'actions privilégiées de second rang, série un en circulation à cette date, y compris le dividende payable pour la dernière période écoulée au titre de laquelle des dividendes sont payables.

4.6.4 Droit de vote

Les détenteurs d'actions privilégiées de second rang, série un devront être convoqués à toutes les assemblées d'actionnaires de la Société, à l'exception des assemblées de détenteurs d'actions d'une autre catégorie ou série donnée, et ils pourront y assister et y voter à raison d'un vote par action privilégiée de second rang, série un détenue.

4.6.5 Rachat d'actions

La Société peut, à sa discrétion, racheter en tout temps toutes les actions privilégiées de second rang, série un en circulation ou, de temps à autre, effectuer un rachat par tranches, contre paiement pour chacune desdites actions à racheter, d'un montant de 100,00 \$, plus les dividendes accumulés et impayés à la date fixée pour le rachat, le tout constituant le prix de rachat. En cas de rachat partiel, les actions privilégiées de second rang, série un à racheter seront choisies au sort ou de toute autre façon que la Société pourra arrêter.

La Société donnera un avis écrit de son intention de racheter des actions privilégiées de second rang, série un à toute personne qui, à la date d'envoi de cet avis, est détentrice d'actions privilégiées de second rang, série un à racheter. L'avis devra indiquer le nombre d'actions privilégiées de second rang, série un à racheter détenues par la personne à qui il est adressé, ainsi que le prix de rachat et la date fixée pour ce rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats desdites actions au siège social de la Société ou à tout autre endroit au Canada mentionné dans l'avis, paiera ou fera payer le prix de rachat aux détenteurs d'actions privilégiées de second rang, série un à racheter. Le paiement se fera par chèque encaissable au pair à toute succursale au Canada des banquiers de la Société. Si une partie seulement des actions privilégiées de second rang, série un représentées par un certificat doit être rachetée, un nouveau certificat sera émis pour le solde. À compter de la date mentionnée dans l'avis et par la suite, les détenteurs d'actions privilégiées de second rang, série un désignées en vue du rachat cesseront d'avoir droit aux dividendes sur celles-ci et ne pourront se prévaloir des droits y afférents, à moins que la Société n'omette de verser le prix de rachat. En tout temps après qu'un avis de rachat aura été donné comme mentionné ci-dessus, la Société pourra déposer le prix de rachat d'une partie ou de la totalité des actions privilégiées de second rang, série un à racheter, dans une ou plusieurs banques à charte ou compagnies de fiducie au Canada dont le nom aura été donné dans l'avis. Ces dépôts seront effectués dans un ou plusieurs comptes de fiducie pour le bénéfice des détenteurs d'actions à racheter et ces montants leur seront payés par ces banques ou compagnies de fiducie sur remise des certificats. Une fois les dépôts effectués, les actions seront rachetées à la date indiquée dans l'avis de rachat. Dès que la Société aura effectué un dépôt comme susdit, les détenteurs des actions en cause ne pourront

plus se prévaloir de leurs droits d'actionnaires en ce qui a trait à ces actions et leurs droits seront limités à la perception de cette proportion du montant déposé applicable à ces actions, sans intérêt; tout intérêt payé sur ces dépôts appartiendra à la Société.

4.6.6 Émission d'actions privilégiées additionnelles

Tant que des actions privilégiées de second rang, série un seront en circulation, la Société ne pourra, sans l'autorisation des détenteurs d'actions privilégiées de second rang, série un, mais pourra de temps à autre avec cette autorisation obtenue comme il est prévu ci-après, émettre des actions privilégiées de second rang additionnelles, ou créer ou émettre des actions privilégiées additionnelles de rang égal ou supérieur aux actions privilégiées de second rang, à moins qu'elle n'ait déclaré et versé ou affecté à un fonds de réserve tous les dividendes d'actions privilégiées de second rang, série un, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes sont payables.

4.6.7 Autorisation des détenteurs d'actions privilégiées de second rang, série un

L'autorisation des détenteurs d'actions privilégiées de second rang, série un sera considérée suffisante quand elle aura fait l'objet d'un consentement écrit de tous les détenteurs d'actions privilégiées de second rang, série un ou d'une résolution adoptée en assemblée générale de tels détenteurs dûment convoquée et tenue après avis d'au moins 21 jours; les détenteurs d'au moins la majorité des actions privilégiées de second rang, série un en circulation devront être présents ou représentés par procuration et la résolution devra être adoptée par au moins les deux tiers des votes exprimés à cette assemblée. Si l'on ne peut réunir les détenteurs d'une majorité des actions privilégiées de second rang, série un en circulation, en personne ou par procuration, une demi-heure après l'heure précisée dans l'avis de convocation, l'assemblée sera ajournée à une date ultérieure d'au moins 21 jours, à l'endroit et à l'heure choisis par le président d'assemblée, et un avis écrit de convocation à cette reprise d'assemblée devra être expédié aux actionnaires au moins 15 jours avant sa date; les détenteurs d'actions privilégiées de second rang, série un qui seront présents ou représentés par procuration à cette reprise d'assemblée pourront délibérer sur les questions inscrites à l'ordre du jour de l'assemblée, et une résolution adoptée par au moins les deux tiers des votes exprimés à cette reprise d'assemblée constituera l'autorisation des détenteurs d'actions privilégiées de second rang, série un. À tout scrutin tenu à une assemblée ou à une reprise d'assemblée, tout détenteur d'actions privilégiées de second rang, série un a droit à un vote pour chaque action privilégiée de second rang, série un qu'il détient; compte tenu des dispositions ci-dessus, les formalités de convocation d'une assemblée et d'une reprise d'assemblée et la procédure à y suivre seront celles qui sont prescrites de temps à autre dans les règlements de la Société concernant les assemblées d'actionnaires.

4.6.8 Définitions

Dans les présentes dispositions ayant trait aux actions privilégiées de second rang, série un :

(a) «de rang supérieur» et «de même rang» désignent l'ordre de priorité du versement des dividendes et de la distribution des biens en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou forcé ou de toute autre distribution des biens parmi ses actionnaires dans le but de liquider ses affaires; et

(b) «dividendes accumulés et impayés» désigne le montant calculé à raison d'une somme globale de 9,00 \$ l'action par année, comme si ces dividendes s'étaient accrus de jour en jour entre la date d'émission de ces actions et la date à laquelle le calcul des dividendes accumulés doit être effectué, déduction faite de tous les dividendes payés sur ces actions.

4.7 Actions privilégiées de second rang, série deux

En plus des droits, privilèges, conditions et restrictions dont sont assorties les actions privilégiées de second rang en tant que catégorie, les actions privilégiées de second rang, série deux sont assorties des droits, privilèges, conditions et restrictions suivants :

4.7.1 Dividendes

Les détenteurs d'actions privilégiées de second rang, série deux auront droit aux dividendes fixes, cumulatifs, privilégiés et en espèces desdites actions, déclarés par le conseil d'administration, le cas échéant, puisés à même les fonds dûment affectés au paiement des dividendes, d'une somme de 9,00 \$ l'action par année et pas plus; ces dividendes seront payables trimestriellement pour chaque période de 12 mois, le dernier jour des mois de janvier, avril, juillet et octobre, par chèque tiré en monnaie légale du Canada et encaissable au pair à toute succursale au Canada des banquiers de la Société; cependant, le premier paiement trimestriel à effectuer sur toute action privilégiée de second rang, série deux sera effectué le dernier jour du mois de juillet 1983 et équivaldra au montant accumulé et impayé, calculé audit taux, à compter de la date d'émission.

4.7.2 Droits en cas de liquidation

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre distribution de biens en vue de liquider les affaires de la Société, les détenteurs d'actions privilégiées de second rang, série deux auront le droit de recevoir 100,00 \$ l'action, ainsi que tous les dividendes accumulés et impayés à la date de distribution et ce, avant qu'aucun montant ne soit versé ou qu'aucun élément d'actif de la Société ne soit distribué aux détenteurs d'actions de rang inférieur aux actions privilégiées de second rang, série deux. Les détenteurs d'actions privilégiées de second rang, série deux n'auront le droit de participer à aucune autre distribution de biens ou d'éléments d'actif de la Société.

4.7.3 Restrictions relatives au versement des dividendes et au remboursement de capital

La Société ne pourra déclarer, verser ou affecter à un fonds de réserve des dividendes sur toute action de la Société de rang inférieur à celui des actions privilégiées de second rang, série deux et la Société ne pourra désigner en vue du rachat moins de la totalité des actions privilégiées de second rang, série deux en circulation à cette date, non plus que toute action de rang inférieur aux actions privilégiées de second rang, série deux, à moins qu'elle n'ait déclaré, versé ou affecté à un fonds de réserve tous les dividendes d'actions privilégiées de second rang, série deux en circulation à cette date, y compris le dividende payable pour la dernière période écoulée au titre de laquelle des dividendes sont payables.

4.7.4 Droit de vote

Les détenteurs d'actions privilégiées de second rang, série deux devront être convoqués à toutes les assemblées d'actionnaires de la Société, à l'exception des assemblées de détenteurs d'actions d'une autre catégorie ou série donnée, et ils pourront y assister et y voter à raison d'un vote par action privilégiée de second rang, série deux détenue.

4.7.5 Rachat d'actions

La Société peut, à sa discrétion, racheter en tout temps toutes les actions privilégiées de second rang, série deux en circulation, contre paiement pour chacune desdites actions à racheter, d'un montant de 100,00 \$, plus les dividendes accumulés et impayés à la date fixée pour le rachat, le tout constituant le prix de rachat.

La Société donnera un avis écrit de son intention de racheter des actions privilégiées de second rang, série deux à toute personne qui, à la date de l'envoi de cet avis, est détentrice d'actions privilégiées de second rang, série deux à racheter. L'avis devra indiquer le prix de rachat et la date fixée pour ce rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats desdites actions au siège social de la Société ou à tout autre endroit au Canada mentionné dans l'avis, paiera ou fera payer le prix de rachat aux détenteurs d'actions privilégiées de second rang, série deux à racheter. Le paiement se fera par chèque encaissable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis et par la suite, les détenteurs d'actions privilégiées de second rang, série deux désignées en vue du rachat cesseront d'avoir droit aux dividendes sur celles-ci et ne pourront se prévaloir des droits y afférents, à moins que la Société n'omette de verser le prix de rachat.

4.7.6 Émission d'actions privilégiées additionnelles

Tant que des actions privilégiées de second rang, série deux seront en circulation, la Société ne pourra, sans l'autorisation des détenteurs d'actions privilégiées de second rang, série deux, mais pourra de temps à autre avec cette autorisation obtenue comme il est prévu ci-après, émettre des actions privilégiées de second rang additionnelles, ou créer ou émettre des actions privilégiées additionnelles de rang égal ou supérieur aux actions privilégiées de second rang, à moins qu'elle n'ait déclaré et versé ou affecté à un fonds de réserve tous les dividendes d'actions privilégiées de second rang, série deux, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes sont payables.

4.7.7 Autorisation des détenteurs d'actions privilégiées de second rang, série deux

L'autorisation des détenteurs d'actions privilégiées de second rang, série deux sera considérée suffisante quand elle aura fait l'objet d'un consentement écrit de tous les détenteurs d'actions privilégiées de second rang, série deux ou d'une résolution adoptée en assemblée générale de tels détenteurs dûment convoquée et tenue après avis d'au moins 21 jours; les détenteurs d'au moins la majorité des actions privilégiées de second rang, série deux en circulation devront être présents ou représentés par procuration et la résolution devra être adoptée par au moins les deux tiers des votes exprimés à cette assemblée. Si l'on ne peut réunir les détenteurs d'une majorité des actions privilégiées de second rang, série deux en circulation, en personne ou par procuration, une demi-heure après l'heure précisée dans l'avis de convocation, l'assemblée sera ajournée à une date ultérieure d'au moins 21 jours, à l'endroit et à l'heure choisis par le président d'assemblée, et un avis écrit de convocation à cette reprise d'assemblée devra être expédié aux actionnaires au moins 15 jours avant sa date; les détenteurs d'actions privilégiées de second rang, série deux qui seront présents ou représentés par procuration à cette reprise d'assemblée pourront délibérer sur les questions inscrites à l'ordre du jour de l'assemblée, et une résolution adoptée par au moins les deux tiers des votes exprimés à cette reprise d'assemblée constituera l'autorisation des détenteurs d'actions privilégiées de second rang, série deux. À tout scrutin tenu à une assemblée ou à une reprise d'assemblée, tout détenteur d'actions privilégiées de second rang, série deux a droit à un vote pour chaque action privilégiée de second rang, série deux qu'il détient; compte tenu des dispositions ci-dessus, les formalités de convocation d'une assemblée et d'une reprise d'assemblée et la procédure à y suivre seront celles qui sont prescrites de temps à autre dans les règlements de la Société concernant les assemblées d'actionnaires.

4.7.8 Définitions

Dans les présentes dispositions ayant trait aux actions privilégiées de second rang, série deux :

- (a) «de rang supérieur» et «de même rang» désignent l'ordre de priorité du versement des dividendes et de la distribution des biens en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou forcé, ou de toute autre distribution des biens parmi ses actionnaires dans le but de liquider ses affaires; et
- (b) «dividendes accumulés et impayés» désigne le montant calculé à raison d'une somme globale de 9,00 \$ l'action par année, comme si ces dividendes s'étaient accrus de jour en jour entre la date d'émission de ces actions et la date à laquelle le calcul des dividendes accumulés doit être effectué, en excluant ces deux dates et déduction faite de tous les dividendes payés sur ces actions.

4.8 Actions privilégiées de second rang, série trois

En plus des droits, privilèges, conditions et restrictions dont sont assorties les actions privilégiées de second rang en tant que catégorie, les actions privilégiées de second rang, série trois sont assorties des droits, privilèges, conditions et restrictions suivants :

4.8.1 Dividendes

Les détenteurs d'actions privilégiées de second rang, série trois auront droit aux dividendes fixes, cumulatifs, privilégiés et en espèces desdites actions, déclarés par le conseil d'administration, le cas échéant, puisés à même les fonds dûment affectés au paiement des dividendes, d'une somme de 9,00 \$ l'action par année et pas plus; ces dividendes seront payables trimestriellement pour chaque période de 12 mois, le dernier jour des mois de janvier, avril, juillet et octobre, par chèque tiré en monnaie légale du Canada et

encaissable au pair à toute succursale au Canada des banquiers de la Société; cependant, le premier paiement trimestriel à effectuer sur toute action privilégiée de second rang, série trois sera effectué le dernier jour du mois de juillet 1983 et équivaldra au montant accumulé et impayé, calculé audit taux, à compter de la date d'émission. S'il n'y a aucune action ordinaire en circulation, les détenteurs d'actions privilégiées de second rang, série trois ont en plus le droit de recevoir tout autre dividende que les administrateurs pourraient déclarer à l'exception des dividendes déclarés au titre d'une autre catégorie ou série donnée d'actions de la Société.

4.8.2 Droits en cas de liquidation

En cas de liquidation, de dissolution ou d'abandon des affaires de la Société ou de toute autre distribution des biens en vue de liquider les affaires de la Société, les détenteurs d'actions privilégiées de second rang, série trois auront le droit de recevoir 100,00 \$ l'action, ainsi que tous les dividendes accumulés et impayés à la date de distribution et ce, avant qu'aucun montant ne soit versé ou qu'aucun élément d'actif de la Société ne soit distribué aux détenteurs d'actions de rang inférieur aux actions privilégiées de second rang, série trois. S'il n'y a aucune action ordinaire en circulation, les détenteurs d'actions privilégiées de second rang, série trois ont en plus le droit de se partager le reste des biens de la Société en cas de liquidation, de dissolution ou d'abandon de ses affaires.

4.8.3 Restrictions relatives au versement des dividendes et au remboursement de capital

La Société ne pourra déclarer, verser ou affecter à un fonds de réserve des dividendes sur toute action de la Société de rang inférieur à celui des actions privilégiées de second rang, série trois et la Société ne pourra désigner en vue du rachat moins de la totalité des actions privilégiées de second rang, série trois en circulation à cette date, non plus que toute action de rang inférieur aux actions privilégiées de second rang, série trois à moins qu'elle n'ait déclaré, versé ou affecté à un fonds de réserve tous les dividendes d'actions privilégiées de second rang, série trois en circulation à cette date, y compris le dividende payable pour la dernière période écoulée au titre de laquelle des dividendes sont payables.

4.8.4 Droit de vote

Les détenteurs d'actions privilégiées de second rang, série trois devront être convoqués à toutes les assemblées d'actionnaires de la Société, à l'exception des assemblées de détenteurs d'actions d'une autre catégorie ou série donnée, et ils pourront y assister et y voter à raison d'un vote par action privilégiée de second rang, série trois détenue.

4.8.5 Rachat d'actions

La Société peut, à sa discrétion, racheter en tout temps toutes les actions privilégiées de second rang, série trois en circulation, contre paiement pour chacune desdites actions à racheter, d'un montant de 100,00 \$, plus les dividendes accumulés et impayés à la date fixée pour le rachat, le tout constituant le prix de rachat.

La Société donnera un avis écrit de son intention de racheter des actions privilégiées de second rang, série trois à toute personne qui, à la date de l'envoi de cet avis, est détentrice d'actions privilégiées de second rang, série trois à racheter. L'avis devra indiquer le prix de rachat et la date fixée pour ce rachat; à la date prévue pour ce rachat ou à toute date ultérieure, la Société, sur présentation et remise du ou des certificats desdites actions au siège social de la Société ou à tout autre endroit au Canada mentionné dans l'avis, paiera ou fera payer le prix de rachat aux détenteurs d'actions privilégiées de second rang, série trois à racheter. Le paiement se fera par chèque encaissable au pair à toute succursale au Canada des banquiers de la Société. À compter de la date mentionnée dans l'avis et par la suite, les détenteurs d'actions privilégiées de second rang, série trois désignées en vue du rachat cesseront d'avoir droit aux dividendes sur celles-ci et ne pourront se prévaloir des droits y afférents, à moins que la Société n'omette de verser le prix de rachat.

4.8.6 Émission d'actions privilégiées additionnelles

Tant que des actions privilégiées de second rang, série trois seront en circulation, la Société ne pourra, sans l'autorisation des détenteurs d'actions privilégiées de second rang, série trois, mais pourra de temps à autre avec cette autorisation obtenue comme il est prévu ci-après, émettre des actions privilégiées de second rang additionnelles, ou créer ou émettre des actions privilégiées additionnelles de rang égal ou supérieur aux actions privilégiées de second rang, à moins qu'elle n'ait déclaré et versé ou affecté à un fonds de réserve tous les dividendes d'actions privilégiées de second rang, série trois, y compris le dividende payable pour la dernière période écoulée pour laquelle des dividendes sont payables.

4.8.7 Autorisation des détenteurs d'actions privilégiées de second rang, série trois

L'autorisation des détenteurs d'actions privilégiées de second rang, série trois sera considérée suffisante quand elle aura fait l'objet d'un consentement écrit de tous les détenteurs d'actions privilégiées de second rang, série trois ou d'une résolution adoptée en assemblée générale de tels détenteurs dûment convoquée et tenue après avis d'au moins 21 jours; les détenteurs d'au moins la majorité des actions privilégiées de second rang, série trois en circulation devront être présents ou représentés par procuration et la résolution devra être adoptée par au moins les deux tiers des votes exprimés à cette assemblée. Si l'on ne peut réunir les détenteurs d'une majorité des actions privilégiées de second rang, série trois en circulation, en personne ou par procuration, une demi-heure après l'heure précisée dans l'avis de convocation, l'assemblée sera ajournée à une date ultérieure d'au moins 21 jours, à l'endroit et à l'heure choisis par le président d'assemblée, et un avis écrit de convocation à cette reprise d'assemblée devra être expédié aux actionnaires au moins 15 jours avant sa date; les détenteurs d'actions privilégiées de second rang, série trois qui seront présents ou représentés par procuration à cette reprise d'assemblée pourront délibérer sur les questions inscrites à l'ordre du jour de l'assemblée, et une résolution adoptée par au moins les deux tiers des votes exprimés à cette reprise d'assemblée constituera l'autorisation des détenteurs d'actions privilégiées de second rang, série trois. À tout scrutin tenu à une assemblée ou à une reprise d'assemblée, tout détenteur d'actions privilégiées de second rang, série trois a droit à un vote pour chaque action privilégiée de second rang, série trois qu'il détient; compte tenu des dispositions ci-dessus, les formalités de convocation d'une assemblée et d'une reprise d'assemblée et la procédure à y suivre seront celles qui sont prescrites de temps à autre dans les règlements de la Société concernant les assemblées d'actionnaires.

4.8.8 Définitions

Dans les présentes dispositions ayant trait aux actions privilégiées de second rang, série trois :

- (a) «de rang supérieur» et «de même rang» désignent l'ordre de priorité du versement des dividendes et de la distribution des biens en cas de liquidation, de dissolution ou d'abandon des affaires de la Société, volontaire ou forcé, ou de toute autre distribution des biens parmi ses actionnaires dans le but de liquider ses affaires; et
- (b) «dividendes accumulés et impayés» désigne le montant calculé à raison d'une somme globale de 9,00 \$ l'action par année, comme si ces dividendes s'étaient accrus de jour en jour entre la date d'émission de ces actions et la date à laquelle le calcul des dividendes accumulés doit être effectué, en excluant ces deux dates et déduction faite de tous les dividendes payés sur ces actions.

5. ACTIONS DE CATÉGORIE B

Les droits, privilèges, restrictions et conditions propres aux actions de catégorie B sont les suivants:

5.1 Les porteurs desdites actions n'ont pas le droit d'être convoqués ou d'assister aux assemblées des actionnaires de la Société ni d'y voter sauf stipulation contraire dans la *Loi canadienne sur les sociétés par actions*.

5.2 Sous réserve des droits, privilèges, restrictions et conditions propres aux actions de toute catégorie de la Société ayant priorité sur les actions de catégorie B, les porteurs d'actions de catégorie B ont droit à des dividendes payables en numéraire, en biens ou sous forme d'actions entièrement libérées de la Société,

selon ce que peut déclarer le conseil d'administration, et de se partager en toute égalité, action pour action, avec les porteurs des actions ordinaires le reliquat des biens de la Société lors de sa liquidation ou dissolution ou de l'abandon de ses affaires.

5.3 Les administrateurs de la Société peuvent déclarer, en tout temps et à l'occasion, que la totalité ou une partie d'un dividende sur les actions de catégorie B de la Société sera payable en numéraire ou, dans le cas des actionnaires qui en auront fait le choix et dont l'adresse aux registres de la Société se trouve au Canada et dans les territoires à l'extérieur du Canada déterminés par les administrateurs, sous forme d'actions de catégorie B entièrement libérées de la Société ayant une valeur, fixée par les administrateurs, sensiblement équivalente, à une date ou à une période désignée par les administrateurs, à la valeur en numéraire du dividende en question; toutefois, les administrateurs peuvent (sans y être tenus) fixer la valeur des actions de catégorie B qui seront émises en paiement du dividende à un montant n'excédant pas 5% au-dessus ou au-dessous de leur cours du moment.

5.4 Quant aux fractions d'action que pourront entraîner de tels dividendes en actions, la Société émettra à un agent qu'elle aura nommé pour les actionnaires, un nombre d'actions entières équivalant globalement aux fractions d'action de tous les actionnaires qui en auront fait le choix, à moins que les administrateurs de la Société n'en décident autrement, notamment de payer en espèces les fractions d'action que pourront entraîner de tels dividendes en actions. Quoi qu'il en soit, la Société n'émettra aucun certificat pour les fractions d'action.

5.5 Le porteur d'actions de catégorie B a le droit, à son gré, de convertir en tout temps, sous réserve des modalités et dispositions des présentes, tout ou partie de ses actions de catégorie B en actions ordinaires, au pair. La conversion d'actions de catégorie B peut être effectuée au moyen de la remise du ou des certificats les représentant à tout moment pendant les heures normales de bureau au gré du porteur au siège social de la Société ou à tout établissement d'un agent des transferts de la Société où les actions de catégorie B peuvent être transférées, accompagnés: (1) d'un paiement ou d'une preuve du paiement des impôts (s'il en est) à payer conformément au présent paragraphe 5.5; et (2) d'un document de remise dont la forme est jugée satisfaisante par la Société, qui est dûment signé par le porteur inscrit ou son mandataire dûment autorisé par écrit et dans lequel le porteur choisit de convertir tout ou partie des actions de catégorie B représentées par ce ou ces certificats; la Société émettra et livrera ou fera livrer au porteur en pareil cas, aux frais de la Société, un nouveau certificat représentant les actions de catégorie B représentées par ce ou ces certificats qui n'auront pas été converties. La date de cette remise des certificats représentant des actions de catégorie B à convertir est appelée ci-après la «date de conversion». Le porteur d'actions de catégorie B à convertir n'aura pas droit à des fractions d'action au moment de la conversion, mais il aura droit à un nouveau certificat représentant le nombre des autres actions de catégorie B ne pouvant être converties.

Dès que possible à compter de la date de conversion, la Société émettra et livrera ou fera livrer au porteur des actions de catégorie B ainsi remises, ou suivant les instructions écrites de ce dernier, un ou des certificats émis au nom de ce porteur ou au(x) nom(s) pouvant être indiqué(s) par ce porteur et représentant le nombre d'actions ordinaires entièrement libérées et non susceptibles d'appel subséquent et le nombre d'actions de catégorie B demeurant la propriété de ce porteur, s'il en est, auxquelles ce porteur aura droit. Cette conversion sera réputée avoir eu lieu à la fermeture des bureaux à la date de conversion, de sorte que les droits du porteur de ces actions de catégorie B en tant que tel cesseront alors et la ou les personnes ayant droit à des actions ordinaires au moment de cette conversion seront traitées à toutes fins comme étant alors devenues le ou les porteurs inscrits de ces actions de catégorie B.

Le porteur inscrit d'une action de catégorie B à la date de référence relative à un dividende déclaré payable sur cette action a droit à ce dividende même si cette action est convertie après cette date de référence et avant la date du paiement de ce dividende.

L'émission de certificats d'actions ordinaires lors de la conversion d'actions de catégorie B sera effectuée sans que les porteurs qui convertiront des actions de catégorie B aient à payer de frais au titre des droits ou impôts s'appliquant à l'émission de ces certificats ou des actions ordinaires représentées par ceux-ci; toutefois, la Société ne sera pas tenue de payer les impôts auxquels pourront être assujetties la ou les personnes à qui ces actions ordinaires seront émises relativement à l'émission de ces actions ordinaires ou des certificats les représentant ou qui pourront être payables relativement à tout transfert lié à l'émission et à la livraison d'un tel certificat au nom de toute autre personne que le porteur des actions de catégorie B, et la Société ne sera pas tenue

d'émettre ni de livrer ce certificat à moins que la ou les personnes en demandant l'émission ne lui aient payé la somme de ces impôts ou qu'elles n'aient établi à la satisfaction de la Société que ces impôts ont été payés.

5.6 Quant à la déclaration et au paiement de dividendes et lors de la liquidation, de la dissolution ou de l'abandon des affaires de la Société, les actions de catégorie B ont égalité de rang avec les actions ordinaires de la Société.