

WILDBRAIN LTD.

**SPECIAL OPERATING PROCEDURES
FOR
MONITORING SHARE OWNERSHIP**

Effective May 6, 2020

WildBrain Ltd.

Computershare Investor Services Inc.

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This manual and the information and forms it contains are the sole and exclusive property of WildBrain Ltd. They are used exclusively in connection with the monitoring of the sale, transfer, clearing, registration and ownership of WildBrain Ltd.'s Common Voting Shares and Variable Voting Shares.

The information contained herein may be changed without notice.

While the manual is believed to be accurate, WildBrain Ltd. and Computershare Investor Services Inc. assume no responsibility for any errors or omissions.

INTRODUCTION

WildBrain Ltd. (“**WildBrain**”) is a holding company which has a subsidiary operating company licensed under the Broadcasting Act. The legal requirements relating to Canadian ownership and control of broadcasting undertakings are embodied in a direction (the “**Direction**”) from the Governor in Council (i.e. Cabinet of the Canadian federal government) to the Canadian Radio-television and Telecommunications Commission (the “**CRTC**”) pursuant to authority contained in the Broadcasting Act. Under the Direction, non-Canadians are permitted to own and control, directly or indirectly, up to 33 1/3% of the voting shares and 33 1/3% of the votes of a holding company which has a subsidiary operating company licensed under the Broadcasting Act. In addition, up to 20% of the voting shares and 20% of the votes of an operating licensee that is a corporation may be owned and controlled, directly or indirectly, by non-Canadians. The Direction also provides that the Chief Executive Officer and 80% of the members of the board of directors of a licensee that is a corporation must be resident Canadians.

Where the holding company is less than 80% Canadian-owned and controlled, the holding company and its directors are prohibited from exercising any control or influence over the programming decisions of a subsidiary operating company. In line with CRTC practice, the Company has established a programming committee within its subsidiary which is the licensee under the Broadcasting Act to insulate its programming decisions from control or influence by the Company, thereby allowing foreign investment in voting shares of the Company to reach the maximum of 33 1/3%.

To ensure WildBrain remains in compliance with the Canadian ownership requirements under the Direction, WildBrain has introduced a variable voting share structure into its share capital. Under this share structure, non-Canadians may only own Variable Voting Shares, and Canadians may only own Common Voting Shares. If a Canadian acquires Variable Voting Shares, such Variable Voting Shares automatically convert to Common Voting Shares without further action by the holder or WildBrain, and if a non-Canadian acquires Common Voting Shares, such Common Voting Shares automatically convert to Variable Voting Shares without further action by the holder or WildBrain. To reduce inconveniences in buying and selling its outstanding Shares, the Common Voting Shares and Variable Voting Shares trade under a single CUSIP/ISIN number and under a single ticker symbol on the Toronto Stock Exchange (the “**TSX**”).

The terms of the Variable Voting Shares are intended to ensure that the number of votes owned and controlled by non-Canadians is within the limit permitted under the Direction. The Variable Voting Shares carry one vote per share unless (i) the number of votes that may be exercised in respect of all issued and outstanding Variable Voting Shares exceeds 33 1/3% of the total number of votes that may be exercised in respect of all issued and outstanding Variable Voting Shares, Common Voting Shares and Preferred Variable Voting Shares (“**PVVS**”) of WildBrain (or any greater percentage that would qualify the Company as a “Canadian” pursuant to the *Broadcasting Act* or in any regulation or direction made thereunder), or (ii) the total number of votes cast by or on behalf of the holders of Variable Voting Shares at any meeting on any matter on which a vote is to be taken exceeds 33 1/3% (or any greater percentage that would qualify the Company as a “Canadian” pursuant to the *Broadcasting Act* or in any regulation or direction made thereunder) of the total number of votes that may be cast at such meeting, in which case the vote attached to each of the Variable Voting Shares decreases proportionately so that the Variable Voting Shares as a class never collectively carry more than 33 1/3% of the Aggregate Votes.

While WildBrain's Articles provide for (i) the automatic conversion of Common Voting Shares into Variable Voting Shares when acquired by one or more Non-Canadians, and (ii) the automatic conversion of Variable Voting Shares into Common Voting Shares when acquired by one or more holders who are Canadian, in certain circumstances, in each case, without any further act of WildBrain or the holder, these special operating procedures for monitoring share ownership (the "**Procedures**") are designed to ensure that the share register of each class of Shares remain accurate and up to date at all times.

To facilitate trading in Shares and to minimize disruptions resulting from the application of these restrictions, WildBrain has established for its share structure certain monitoring procedures and remedies in its Articles, By-laws and these Procedures in order to permit WildBrain to monitor and regulate the holdings of its Shares. As WildBrain's transfer agent, Computershare Investor Services Inc. ("**Computershare**") will be responsible for implementing the monitoring system set out below and undertaking the applicable monitoring activities, including, without limitation, administering the Declarations contemplated herein. Computershare will confer with WildBrain from time to time to the extent that it has questions or requires further instruction concerning these Procedures or other matters relating to the administration of WildBrain's Shares.

Participants, Brokers and other Financial Intermediaries are required to facilitate compliance with the restrictions on ownership and control of WildBrain Shares by promptly responding and otherwise cooperating with Computershare in the course of implementing the monitoring system and other procedures set forth herein.

**Only Canadians may own or control Common Voting Shares. Ownership or control of Common Voting Shares by Non-Canadians is not permitted.
(CUSIP # 96810C101; ISIN # CA96810C1014)**

**Non-Canadians are required to own or control only Variable Voting Shares.
(CUSIP # 96810C101; ISIN # CA96810C1014)**

MONITORING PROVISIONS

The Procedures are intended to provide a system for monitoring the issue, registration, transfer, ownership and voting rights of the Shares to ensure that Shares beneficially owned or controlled, directly or indirectly, by Canadians are recorded as Common Voting Shares and that Shares beneficially owned or controlled, directly or indirectly, by Non-Canadians are recorded as Variable Voting Shares, as well as to monitor the relative interests of each group and the voting rights attaching to such Shares.

Under "Definitions" (page 9), you will find the relevant definitions of key terms used throughout the Procedures. The Appendices include share provision extracts from WildBrain's Articles (attached as Appendix E) dealing with restrictions on ownership and control of Shares together with the forms relevant to the Procedures.

Articles and By-Laws

In order to monitor and control the holding of Shares, provisions have been implemented in the Articles and By-Laws of WildBrain.

The Articles give Wildbrain the power to elicit information from the holders of its Common Voting Shares and Variable Voting Shares as to their identity and whether they are Non-Canadian or Canadian. In addition, WildBrain has the power pursuant to its Articles to:

- a. convert Common Voting Shares beneficially owned or controlled, directly or indirectly, by one or more Non-Canadians to Variable Voting Shares; and
- b. convert Variable Voting Shares not beneficially owned or controlled, directly or indirectly, by one or more Non-Canadians to Common Voting Shares.

Any exercise of such power by WildBrain will be undertaken by Computershare at WildBrain's direction and in accordance with WildBrain's Articles and By-Laws as well as these Procedures, as applicable. The following procedures are being implemented to ensure that WildBrain complies with its Articles and By-Laws and maintains its ownership levels required under the Direction.

Contravention of Articles

In the event of a contravention of these ownership requirements such that Non-Canadians beneficially own or control Common Voting Shares as elicited through the monitoring system set forth below, WildBrain will require, through Computershare, that the conversion of such Shares to Variable Voting Shares be registered, or will otherwise take such steps as it deems necessary or appropriate having regard to the circumstances, including, without limitation, treating such Shares for all purposes as Variable Voting Shares or refusing to recognize ownership or voting rights.

MONITORING SYSTEM

To ensure that it continues to meet the Canadian ownership requirements of the Broadcasting Act, WildBrain has established a monitoring declaration system.

The Procedures require that:

- An Ownership Declaration may be required by WildBrain, at its discretion, when a shareholder deposits or removes shares from a Depository.
- WildBrain will require Participants, Brokers and other Financial Intermediaries to provide Computershare with a Participant Declaration on a quarterly basis and at such other times as WildBrain deems necessary or appropriate, including, without limitation, in advance of meetings of Shareholders.
- Computershare will require completed Declarations for all transfers of directly-held Shares (i.e. Shares not held through a Depository).
- Computershare, as registrar and transfer agent for the Shares, will note in its register for the Common Voting Shares and Variable Voting Shares, which share a single CUSIP/ISIN number, which Shares are Common Voting Shares and which Shares are Variable Voting Shares.
- WildBrain may require an Ownership Declaration from a holder of Shares at other times as determined in its discretion to be necessary or appropriate.

These Procedures may be amended from time to time by WildBrain.

NOTE:

Computershare will inform WildBrain of those persons (including a Participant, Broker or other Financial Intermediary) which it determines have not complied with the Monitoring System. Non-compliance could result in WildBrain implementing, at its sole discretion, more stringent requirements for any person not complying, potentially including without limitation an absolute prohibition on the purchase of Shares by that person which he or she is not eligible to hold or require the Participant to withdraw those Shares from the Depository book base system. It will be in the Board of Directors' discretion as to which course of action is taken in a particular situation of non-compliance.

DECLARATIONS

In order to ensure that WildBrain is able to comply with the restrictions on ownership contained in the Broadcasting Act and its Articles and By-Laws, a Monitoring System based on Declarations has been implemented for Shares. Depending on the particular situation, one of the following three types of Declarations is required:

1. Ownership Declaration

- No issue or transfer of Shares will be recorded in WildBrain's securities registers and no share certificate will be issued unless an Ownership Declaration (attached as Appendix A) has been delivered to Computershare.
- An Ownership Declaration may be requested by WildBrain from a WildBrain Shareholder, Participant, Broker or other Financial Intermediary at any time. An Ownership Declaration may be required by WildBrain, at its discretion, for all withdrawals from, or deposits to, a Depository.
- The Ownership Declaration is to be completed by the registered owner or his agent.
- If the declarant is not also the beneficial owner and in control of the Shares, the declarant must make reasonable inquiries of the beneficial owner(s) or persons in control of such Shares to confirm that the statements made in the Declaration as they pertain to the beneficial owner are true.
- If the declarant is a corporation, partnership, association, trust or other organization, this declaration must be signed by a responsible officer or partner thereof or any other duly authorized representative.

2. Participant Declaration

- A Participant Declaration (attached as Appendix B) will be sent to each Participant of eligible Depositories holding Shares on a quarterly basis, or whenever deemed necessary by WildBrain to ensure compliance with this restriction.
- A Participant will be asked to declare that:
 - a. it is a Participant of the Depository and qualified to settle Common Voting Share and Variable Voting Share trades through the Depository; and

- b. the number of Shares which are (i) beneficially owned or controlled, directly or indirectly, by one or more Non-Canadians (which shall be noted as Variable Voting Shares) and (ii) not beneficially owned or controlled, directly or indirectly, by one or more Non-Canadians (which shall be noted as Common Voting Shares).
- The Participant Declaration is to be completed by the Participant and returned to Computershare within ten (10) business days of the Notice Date recorded on the Participant Declaration.
- Computershare will update the notations in its register for the Common Voting Shares and Variable Voting Shares as to which Shares are Common Voting Shares and which Shares are Variable Voting Shares based on the Participant Declarations.

3. Proxy Declaration

- A Declaration (attached as Appendix D) will be included in each form of proxy/VIF used by WildBrain in order to ensure compliance with ownership and voting restrictions at each meeting of WildBrain Shareholders.
- A Shareholder completing a form of proxy/VIF will be asked to certify that that the Shares represented by the proxy/VIF are or are not owned and controlled by a Canadian within the meaning of the Direction.
- If (i) the Shareholder indicated that the Shares represented by the proxy/VIF are not owned and controlled by a Canadian within the meaning of the Direction, (ii) if the certification is left blank, or (iii) it is determined by WildBrain or Computershare that the Declaration on the proxy/VIF was otherwise incorrectly completed, the Shares represented by the proxy/VIF will be treated as being Variable Voting Shares for the purposes of the meeting of Shareholders to which such proxy/VIF relates.

CONTACTS & REFERENCES

Transfer Agent and Registrar:

Computershare Investor Services Inc.
1500 Robert-Bourassa Blvd., 7th Floor
Montreal, QC H3A 3S8
CONTACT: Colleen Nielsen
TEL: (902) 864-4050
FAX: (514) 982-7580
email: colleen.nielsen@computershare.com & patricia.favron@computershare.com

WildBrain Ltd.:

WildBrain Ltd.
5657 Spring Garden Road, Suite 505
Halifax, Nova Scotia
B3J 3R4

CUSIP Number: **96810C101**

ISIN Number: **CA96810C1014**

Listings and Stock Symbols:

TSX WILD

Eligible Depositories

The Canadian Depository for Securities
100 Adelaide Street West
Toronto, Ontario
M5H 1S3

The Depository Trust Company
55 Water Street
New York, New York 10041

DEFINITIONS

"**Aggregate Votes**" means the aggregate of the votes attached to all Voting Shares of WildBrain that may ordinarily be cast to elect directors of WildBrain;

"**Articles**" means the Articles of Incorporation of WildBrain, as amended, from time to time.

"**Broadcasting Act**" means the *Broadcasting Act*, S.C. 1991, Ch. 11;

"**Broker**" means any investment dealer or securities broker;

"**Canadian**" shall have the meaning set forth in the Broadcasting Act or as specified in any regulation or direction made thereunder, as the same may be amended, supplemented or replaced, from time to time, including, without limitation, the Direction;

"**CDS**" means The Canadian Depository for Securities Limited, having a nominee name of CDS & Co.;

"**CDSX System**" means the automated clearing and settlement system administered by CDS;

"**Common Voting Share**" means the common voting shares of the share capital of WildBrain;

"**Computershare**" means Computershare Investor Services Inc.;

"**corporation**" includes a body corporate, partnership and unincorporated organization;

"**Declaration**" means a statement respecting ownership and control of Shares;

"**Depository**" means CDS and DTC;

"**Direction**" means the Direction to the CRTC (Ineligibility of Non-Canadians) (SOR/97-192) made under the Broadcasting Act

"**DTC**" means The Depository Trust Company, having a nominee name of Cede & Co.;

"**DTC System**" means the clearing and settlement system administered by DTC;

"**Financial Intermediary**" means any bank, trust company, credit union or other financial institution;

"**Non-Canadian**" means any Person other than a Canadian;

"**Ownership Declaration**" means the declaration provided by a Person holding Shares in connection with ownership and control of Shares;

"**Participant**" means a participant in an eligible Depository;

"**Participant Declaration**" means the declaration of a Participant, a Broker or Financial Intermediary with respect to the number of Shares held for Non-Canadians and Canadians in an eligible Depository at a specific time;

“Person” means any individual, body corporate, government or agency thereof, partnership, unincorporated syndicate, unincorporated organization, trustee, executor, administrator and other legal representative;

“Procedures” means these “Special Operating Procedures for Monitoring Non-Canadian Ownership”, as amended from time to time;

“Proxy Declaration” means the declaration of Shareholder completing a form of proxy/VIF with respect to a meeting of the Shareholders of WildBrain with respect to the number of Shares represented by such form of proxy/VIF;

“Transfer Agent” means the transfer agent and the registrar of the Common Voting Shares and Variable Voting Shares of WildBrain;

“Variable Voting Share” means the variable voting shares of the share capital of WildBrain;

“Shareholder” means a holder of Shares;

“Shares” means the Variable Voting Shares and the Common Voting Shares;

“TSX” means The Toronto Stock Exchange; and

“WildBrain” means WildBrain Ltd., a corporation continued under the *Canada Business Corporations Act*.

**APPENDIX A
WildBrain Ltd.**

Ownership Declaration

INSTRUCTIONS

Upon request, a separate Declaration is to be completed by the registered holder or his agent for his Shares.

If the declarant is not also the registered holder and beneficial owner of the Shares, the declarant must make reasonable inquiries of the holder, registered holder or beneficial owner, as the case may be, to confirm that the statements made in the declaration as they pertain to the registered holder and beneficial owner are true.

If the declarant is a corporation, partnership, association, trust or other organization, this declaration must be signed by a responsible officer or partner thereof or other duly authorized representative.

All statements set out in this Declaration must be completed.

PLEASE REFER TO THE DIRECTION ATTACHED TO THIS DECLARATION TO DETERMINE STATUS AS A CANADIAN OR NON-CANADIAN.

TO: WildBrain LTD. ("WildBrain")

In response to a request made by WildBrain to facilitate compliance with the restrictions on ownership and control of the Shares of WildBrain pursuant to a Direction (the "Direction") made pursuant to the *Broadcasting Act*, S.C. 1991, Ch. 11 (the "**Act**") and the Articles and By-Laws of WildBrain and in connection with:

_____ (Number) Common and Variable Voting Shares

I *[Insert Name]* _____

of *[Insert Full Address]* _____

HEREBY DECLARE THAT, within the meaning of the definitions contained in the Direction and the Articles of WildBrain, as set forth on the reverse side hereof, as at the date hereof:

- **The Shares listed above are ____ / are not ____ beneficially owned or controlled, directly or indirectly, by one or more Non-Canadians.**

If I am not the registered holder of the Shares, I have asked for and received the registered holder's authority and advice to execute this Declaration on his or her behalf.

This Declaration is made, conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and given by virtue of the *Canada Evidence Act* or the U.S. Federal Rules of Evidence, as applicable.

DECLARED THIS _____ **DAY OF** _____, _____

Signature of Declarant

If the declarant is a corporation, partnership, association, trust or other organization, provide the name and title of the signatory:

Address of Declarant (Please print):

See Direction on Reverse

APPENDIX B

**WildBrain Ltd.
Participant Declaration**

(To be completed by each Participant)

A Declaration is to be completed by each Participant holding Shares of WildBrain Ltd. ("**WildBrain**") as of _____ (the "**Notice Date**"). The Declaration must be completed and returned within ten (10) business days of the Notice Date.

Return by **email ONLY** to: CACSMONDeclarations@computershare.com

Computershare Investor Services Inc.
1500 Robert-Bourassa Blvd, 7th fl
Montreal, QC H3A 3S8
CONTACT: Colleen Nielsen TEL: (902) 864-4050

*In response to a request made by WildBrain to facilitate compliance with the restrictions attached to ownership and control of its Shares pursuant to its Articles, By-Laws and a Direction (the "**Direction**") made pursuant to the Broadcasting Act, S.C. 1991, Ch. 11, the undersigned hereby declares that, within the meaning of the definitions contained in the Direction (as set forth on the reverse side hereof) as of the date hereof:*

1. The undersigned is a Participant of the Depository Service of CDS Clearing and Depository Services Inc. or of The Depository Trust Company (the "Depository") and is qualified to settle WildBrain Share trades through the Depository.
2. As of the Notice Date, the undersigned is not aware of any violation or breach of the ownership and control restrictions with respect to the holding of WildBrain Common Voting Shares or Variable Voting Shares.
3. The undersigned Participant holds (i) the number of Shares listed below which are beneficially owned or controlled, directly or indirectly, by one or more Non-Canadians and (ii) the number of Shares listed below which are not beneficially owned or controlled, directly or indirectly, by one or more Non-Canadians.

Indicate the number of WildBrain Common and Variable Voting Shares (CUSIP 96810C101) held for Canadians and Non-Canadians in the Depository.

Number of Common and Variable Voting Shares held for Canadians in Depository: _____

Number of Common and Variable Voting Shares held for Non-Canadians in Depository: _____

This Declaration is made, conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and given by virtue of the *Canada Evidence Act* or the U.S. Federal Rules of Evidence, as applicable.

DECLARED this _____ day of _____, _____

Name of Participant

Signature of Authorized Representative

Name, Title & Telephone No. for Authorized Representative

CUID # or DTC Participant Account Number (list all)

See Direction on Reverse

APPENDIX C Reverse of Declaration Forms – Copy of Direction

Direction to the CRTC (Ineligibility of Non-Canadians) SOR/97-192 BROADCASTING ACT

Whereas, pursuant to subsection 26(4) of the *Broadcasting Act*, the Minister of Canadian Heritage has consulted with the Canadian Radio-television and Telecommunications Commission with regard to the annexed *Direction to the CRTC (Ineligibility of Non-Canadians)*;

Therefore, His Excellency the Governor General in Council, on the recommendation of the Minister of Canadian Heritage, pursuant to subsection 26(1) of the *Broadcasting Act*, hereby issues the annexed *Direction to the CRTC (Ineligibility of Non-Canadians)*.

INTERPRETATION

1. The definitions in this section apply in this Direction.

"acquiring corporation" means a corporation referred to in paragraph 17(2)(a) of the *Canadian Telecommunications Common Carrier Ownership and Control Regulations* as they read on October 25, 1994, registered as SOR/94-667. (*acquéreur*)

"affiliate corporation" means, in relation to a qualified successor,
(a) a Canadian carrier referred to in subsection 16(2) of the *Telecommunications Act* or any of its subsidiary corporations;
(b) an acquiring corporation or any of its subsidiary corporations; or
(c) a corporation that controls the corporations referred to in paragraphs (a) and (b), or any of its subsidiary corporations. (*société affiliée*)

"Canadian" means

- (a) a citizen within the meaning of subsection 2(1) of the *Citizenship Act* who is ordinarily resident in Canada;
(b) a permanent resident within the meaning of subsection 2(1) of the *Immigration Act* who is ordinarily resident in Canada and has been ordinarily resident in Canada for not more than one year after the date on which that person first became eligible to apply for Canadian citizenship;
(c) a Canadian government, whether federal, provincial or local, or an agency thereof, subject to the *Direction to the CRTC (Ineligibility to Hold Broadcasting Licences)*;
(d) a corporation without share capital where a majority of its directors are appointed or designated, either by their personal names or by their names of office, by one or more of the following, namely,
(i) a federal or provincial statute or any regulation made thereunder,
(ii) the Governor in Council or the lieutenant governor in council of a province, and
(iii) a minister of the Crown in right of Canada or a province;
(e) a qualified corporation;
(f) a qualified mutual insurance company;
(g) a qualified pension fund society;
(h) a qualified cooperative; or
(i) a qualified successor
(i) for the purpose of holding a broadcasting distribution undertaking licence, or
(ii) for the purpose of beneficially owning, directly or indirectly, 50 per cent or less of all the issued and outstanding voting shares, and 50 per cent or less of the votes, of a qualified corporation that holds a broadcasting licence for a distribution undertaking only. (*Canadien*)

"control" means control in any manner that results in control in fact, whether directly through the ownership of securities or indirectly through a trust, an agreement or arrangement, the ownership of a corporation or otherwise. (*contrôle*)

"director" means a person who is a member of the board of directors of a corporation or, where the corporation has no directors, a person performing functions that are similar to the functions performed by directors. (*administrateur*)

"independent member" means a person who is not an officer or employee of, or a contractor who provides goods or services to, a qualified successor or any of its affiliate corporations, who is not a director of any affiliate corporations of the qualified successor, and in respect of whom there are no considerations that could reasonably be anticipated to interfere with the person's ability to act in the best interests of the qualified successor. (*membre indépendant*)

"non-Canadian" means a person or entity that is not a Canadian. (*non-Canadien*)

"qualified cooperative" means a cooperative, not less than 80 per cent of the members of which are Canadians, that is established under an Act of Parliament or under any provincial legislation that relates to the establishment of cooperatives. (*coopérative qualifiée*)

"qualified corporation" means a corporation incorporated or continued under the laws of Canada or a province, where

- (a) the chief executive officer or, where the corporation has no chief executive officer, the person performing functions that are similar to the functions performed by a chief executive officer, and not less than 80 per cent of the directors are Canadians;
(b) in the case of a corporation having share capital, Canadians beneficially own and control, directly or indirectly, in the aggregate and otherwise than by way of security only, not less than 80 per cent of all the issued and outstanding voting shares of the corporation and not less than 80 per cent of the votes; and
(c) in the case of a corporation that is a subsidiary corporation,
(i) the parent corporation is incorporated or continued under the laws of Canada or a province,
(ii) Canadians beneficially own and control, directly or indirectly, in the aggregate and otherwise than by way of security only, not less than 66 2/3 per cent of all of the issued and outstanding voting shares of the parent corporation and not less than 66 2/3 per cent of the votes, and
(iii) the parent corporation or its directors do not exercise control or influence over any programming decisions of the subsidiary corporation where

- (A) Canadians beneficially own and control, directly or indirectly, in the aggregate and otherwise than by way of security only, less than 80 per cent of the issued and outstanding voting shares of the parent corporation and less than 80 per cent of the votes,
(B) the chief executive officer of the parent corporation or, where the parent corporation has no chief executive officer, the person performing functions that are similar to the functions performed by a chief executive officer is a non-Canadian, or
(C) less than 80 per cent of the directors of the parent corporation are Canadian. (*personne morale qualifiée*)

"qualified mutual insurance company" means a mutual insurance company, the head office and principal place of business of which are in Canada and not less than 80 per cent of the board of directors and of each committee of the directors of which are Canadians. (*société mutuelle d'assurance qualifiée*)

"qualified pension fund society" means a pension fund society, not less than 80 per cent of the board of directors of which and of each committee of the directors of which are Canadians, and that is established under *An Act to incorporate the Guarantee and Pension Fund Society of the Dominion Bank*, S.C. 1887, c. 55, *An Act to incorporate the Pension Fund Society of the Bank of Montreal*, S.C. 1885, c. 13, the *Pension Fund Societies Act*, R.S., 1985, c. P-8, or under any provincial legislation that relates to the establishment of pension fund societies. (*société de caisse de retraite qualifiée*)

"qualified successor" means a corporation referred to in paragraph 17(2)(b) or (c) of the *Canadian Telecommunications Common Carrier Ownership and Control Regulations* as they read on October 25, 1994, registered as SOR/94-667, incorporated or continued under the laws of Canada or a province and directly controlled by a Canadian carrier referred to in subsection 16(2) of the *Telecommunications Act*, or by its acquiring corporation, where

- (a) the control of the Canadian carrier and its acquiring corporation has remained unchanged since the date of the coming into force of this Direction;
(b) the chief executive officer of the corporation or, where the corporation has no chief executive officer, the person performing functions that are similar to the functions performed by a chief executive officer, and all its directors are Canadians;
(c) all the voting shares of the corporation that are not beneficially owned and controlled by the Canadian carrier or its acquiring corporation are beneficially owned and controlled by Canadians;
(d) in the case of a corporation referred to in subparagraph (i)(ii) of the definition "Canadian", all the voting shares of the qualified corporation that are not beneficially owned by the corporation are beneficially owned and controlled by Canadians;
(e) the corporation operates only in the operating territory of the Canadian carrier;
(f) the corporation does not beneficially own, directly or indirectly, voting shares of a corporation that holds a broadcasting distribution undertaking licence and that operates outside of the operating territory of the Canadian carrier;
(g) the directors of the corporation and its officers have complete and exclusive control over all programming decisions and
(i) at least 33 1/3 per cent of the directors are independent members, and
(ii) a quorum at any meeting of the directors or of any committee of the directors must include at least one independent member; and
(h) no parent corporation or affiliate corporation of the corporation exercises any control or influence over any programming decisions of the corporation. (*ayant droit qualifié*)

"subsidiary corporation" means a corporation that is controlled by another corporation. (*filiale*)

"voting share" means a share of any class of shares of a corporation carrying voting rights under all circumstances or by reason of any event that has occurred and is continuing or by reason of a condition that has been fulfilled, and includes

- (a) a security that is convertible into such a share at the time a calculation of the percentage of shares owned and controlled by Canadians is made; and
(b) an option or a right to acquire such a share, or the security referred to in paragraph (a), that is exercisable at the time the calculation referred to in that paragraph is made. (*action avec droit de vote*)

DIRECTION

2. The Canadian Radio-television and Telecommunications Commission is hereby directed that no broadcasting licence may be issued, and no amendments or renewals thereof may be granted, to an applicant that is a non-Canadian.

3. Where the Canadian Radio-television and Telecommunications Commission determines that an applicant is controlled by a non-Canadian, whether on the basis of personal, financial, contractual or business relations or any other considerations relevant to determining control, other than the beneficial ownership and control of the voting shares of a qualified successor by a Canadian carrier or its acquiring corporation, the applicant is deemed to be a non-Canadian.

REPEAL

4. The *Direction to the CRTC (Ineligibility of Non-Canadians)* is repealed.

COMING INTO FORCE

5. This Direction comes into force on April 8, 1997.

APPENDIX D
Certification on Form of Proxy / VIF

Declaration of Status – Canadian.

The undersigned certifies that it has made reasonable inquiries as to the Canadian⁽¹⁾ status of the registered holder and/or the beneficial owner of the shares represented by this proxy/VIF and has read the management information circular enclosed with this form of proxy/VIF and the definitions set forth below so as to make an accurate Declaration of Status.

CANADIAN – The undersigned hereby certifies that the shares represented by this proxy/VIF are owned and controlled by a Canadian.

OR

NON-CANADIAN – The undersigned hereby certifies that the shares represented by this proxy/VIF are owned and controlled by a non-Canadian.

NON-CANADIAN – The undersigned hereby certifies that the shares represented by this proxy/VIF are owned and controlled by a non-Canadian.

IF YOU DO NOT COMPLETE THIS DECLARATION OF CANADIAN STATUS OR IF IT IS DETERMINED BY WILDBRAIN LTD. OR ITS TRANSFER AGENT THAT YOU INCORRECTLY INDICATED (THROUGH INADVERTANCE OR OTHERWISE) THAT THE SHARES REPRESENTED BY THIS PROXY/VIF ARE OWNED AND CONTROLLED BY A CANADIAN, THE SHARES REPRESENTED BY THIS PROXY/VIF WILL BE DEEMED TO BE OWNED AND CONTROLLED BY A NON-CANADIAN.

Definitions: ⁽¹⁾ “Canadian” includes, among other persons, Canadian citizens who are ordinarily resident in Canada, certain permanent residents of Canada and corporations incorporated in a Canadian jurisdiction whose Chief Executive Officer and 80% of its directors are Canadians and for which Canadians beneficially own and control not less than 80 per cent of all the issued and outstanding voting shares of the corporation and not less than 80 per cent of the votes. Control for this purpose means any form of control in fact. Reference should be made to the Direction to the CRTC (Ineligibility of Non-Canadians) (SOR/97-192) made under the Broadcasting Act (Canada) for the particulars of the definition of “Canadian” and other applicable definitions.

APPENDIX E

Extract of Articles Relating to Certain Share Provisions and Constraints

The Corporation is authorized to issue an unlimited number of shares to be designated as Variable Voting Shares and an unlimited number of shares to be designated as Common Voting Shares. The rights, privileges, restrictions and conditions attaching to the Variable Voting Shares and the Common Voting Shares are as follows:

1. INTERPRETATION

1.1 Definitions

For purposes of this Appendix E, the following terms have the following meanings:

"Aggregate Votes" means the aggregate of the votes attached to all Voting Shares of the Corporation that may ordinarily be cast to elect directors of the Corporation;

"Broadcasting Act" means the *Broadcasting Act*, S.C. 1991, Ch. 11;

"Canadian" shall have the meaning set forth in the Broadcasting Act or as specified in any regulation or direction made thereunder, as the same may be amended, supplemented or replaced, from time to time, including, without limitation, the Direction to the CRTC (Ineligibility of Non-Canadians) (SOR/97-192) made under the Broadcasting Act;

"CBCA" means the *Canada Business Corporations Act*, R.S.C. (1985), c. C-44;

"CBCA Regulations" means any regulations promulgated from time to time under the CBCA;

"Common Voting Share" means the common voting shares of the share capital of the Corporation;

"corporation" includes a body corporate, partnership and unincorporated organization;

"Non-Voting Share" means the non-voting shares of the share capital of the Corporation;

"person" includes an individual, corporation, association, entity, government or agency thereof, trustee, executor, administrator and other legal representative;

"Transfer Agent" means the transfer agent and the registrar of the Common Voting Shares and Variable Voting Shares of the Corporation;

"Variable Voting Share" means the variable voting shares of the share capital of the Corporation; and

"Voting Share" means the Variable Voting Shares, the Common Voting Shares and the Preferred Variable Voting Shares of the share capital of the Corporation and includes a security currently convertible into such a share and currently exercisable options and rights to acquire such shares or such a convertible security.

1.2 Control

For purposes of this Appendix E,

1.2.1 a body corporate is controlled by a person if:

- (i) securities of the body corporate to which are attached more than fifty percent (50%) of the votes that may be cast to elect directors of the body corporate are held, otherwise than by way of security only, by or for the benefit of that person; and
- (ii) the votes attached to those securities are sufficient, if exercised, to elect a majority of the directors of the body corporate; and

1.2.2 a partnership or unincorporated organization is controlled by a person if an ownership interest therein representing more than fifty percent (50%) of the assets of the partnership or organization is held, otherwise than by way of security only, by or for the benefit of that person.

1.3 Undefined Terms

All terms used in this Appendix E that are not defined herein shall have the meanings ascribed thereto in the CBCA. Any provision of this Appendix E shall be read so as to be consistent with the CBCA.

2. VARIABLE VOTING SHARES

Subject to the rights, privileges, restrictions and conditions which attach to any other class of shares, the Variable Voting Shares shall, as a class, have the following rights, privileges, restrictions and conditions:

2.1 Voting

The holders of the Variable Voting Shares shall be entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of the Corporation, except where the holders of a specified class are entitled to vote separately as a class as provided in the CBCA.

The Variable Voting Shares shall carry one vote per Variable Voting Share, unless:

2.1.1 the number of votes that may be exercised in respect of all issued and outstanding Variable Voting Shares exceeds 33 1/3% of the total number of votes that may be exercised in respect of all issued and outstanding Voting Shares (or any higher percentage that would qualify the Corporation as a "Canadian" pursuant to the Broadcasting Act or in any regulation or direction made thereunder); or

2.1.2 the total number of votes cast by or on behalf of holders of Variable Voting Shares at any meeting exceeds 33 1/3% (or any higher percentage that would qualify the Corporation as a "Canadian" pursuant to the Broadcasting Act or in any regulation or direction made thereunder) of the total number of votes that may be cast at such meeting.

If either of the above-noted thresholds is surpassed at any time, the vote attached to each Variable Voting Share will decrease automatically and without further act or formality to equal the maximum permitted vote per Variable Voting Share. Under the circumstance described in subparagraph 2.1.1 above, the Variable Voting Shares as a class cannot carry more than 33 1/3% (or any higher percentage that would qualify the Corporation as a "Canadian" pursuant to the Broadcasting Act or in any regulation or direction made thereunder) of the Aggregate Votes attached to all issued and outstanding Voting Shares of the Corporation. Under the circumstance described in subparagraph 2.1.2 above, the Variable Voting Shares as a class cannot, for a given shareholder's meeting, carry more than 33 1/3% (or any higher percentage that would qualify the Corporation as a "Canadian" pursuant to the Broadcasting Act or in any regulation or direction made thereunder) of the total number of votes that can be exercised at the meeting.

2.2 Dividends

Subject to the rights, privileges, restrictions and conditions attached to any other class of shares of the Corporation ranking prior to the Variable Voting Shares, the holders of Variable Voting Shares shall be entitled to receive any dividend declared by the directors of the Corporation at the times and for the amounts that the Board of Directors may, from time to time, determine. The Variable Voting Shares, the Common

Voting Shares and Non-Voting Shares shall rank equally as to dividends on a share-for-share basis, and all dividends declared in any fiscal year of the Corporation shall be declared in equal or equivalent amounts per share on all Variable Voting Shares, Common Voting Shares and Non-Voting Shares then outstanding, without preference or distinction.

2.3 Subdivision or Consolidation

No subdivision or consolidation of the Variable Voting Shares shall occur unless, simultaneously, the Variable Voting Shares, the Common Voting Shares and Non-Voting Shares are subdivided or consolidated in the same manner, so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.

2.4 Liquidation, Dissolution or Winding-up

Subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation ranking prior to the Variable Voting Shares, in the case of liquidation, dissolution or winding-up of the Corporation or other distribution of the Corporation's assets among its shareholders for the purpose of winding-up its affairs, the holders of Variable Voting Shares, Common Voting Shares and Non-Voting Shares shall be entitled to receive the remaining property of the Corporation and shall be entitled to share equally, share for share, in all distributions of such assets.

2.5 Conversion

2.5.1 Automatic

Each issued and outstanding Variable Voting Share shall be automatically converted into one Common Voting Share without any further act on the part of the Corporation or of the holder, if:

- (i) such Variable Voting Share is or becomes beneficially owned and controlled, directly or indirectly, by a Canadian; or
- (ii) the provisions contained in or made under the Broadcasting Act relating to the ineligibility of non-Canadians to hold a license to operate a broadcasting undertaking are repealed and not superseded or replaced with other similar provisions.

2.5.2 Upon an Offer

In the event that an offer is made to purchase Common Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Common Voting Shares are then listed, to be made to all or substantially all the holders of Common Voting Shares in a province of Canada to which the requirement applies, each Variable Voting Share shall become convertible at the option of the holder into one Common Voting Share at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Variable Voting Shares for the purpose of depositing the resulting Common Voting Shares pursuant to the offer, and for no other reason, including notably with respect to voting rights attached thereto, which are deemed to remain subject to section 2.1, immediately above, notwithstanding their conversion. In such event, the Transfer Agent shall deposit the resulting Common Voting Shares on behalf of the holder.

To exercise such conversion right, the holder or his attorney duly authorized in writing shall:

- (i) give written notice to the Transfer Agent of the exercise of such right and of the number of Variable Voting Shares in respect of which the right is being exercised;

- (ii) deliver to the Transfer Agent the share certificate or certificates representing the Variable Voting Shares in respect of which the right is being exercised, if applicable; and
- (iii) pay any applicable stamp tax or similar duty on or in respect of such conversion.

No share certificates representing the Common Voting Shares resulting from the conversion of the Variable Voting Shares shall be delivered to the holders on whose behalf such deposit is being made.

If Common Voting Shares resulting from the conversion and deposited pursuant to the offer are withdrawn by the holder or are not taken up by the offeror; or the offer is abandoned or withdrawn by the offeror or the offer otherwise expires without such Common Voting Shares being taken up and paid for, the Common Voting Shares resulting from the conversion will be re-converted into Variable Voting Shares and a share certificate representing the Variable Voting Shares will be sent to the holder by the Transfer Agent. Common Voting Shares resulting from the conversion and taken up and paid for by the offeror shall be re-converted into Variable Voting Shares at the time the offeror is required under the applicable securities legislation to take up and pay for such shares if the offeror is not a Canadian.

In the event that the Offeror takes up and pays for the Common Voting Shares resulting from conversion, the Transfer Agent shall deliver to the holders thereof the consideration paid for such shares by the Offeror.

There will be no right to convert the Variable Voting Shares into Common Voting Shares in the following cases:

- (i) the offer to purchase Common Voting Shares is not required under applicable securities legislation or the rules of a stock exchange on which the Common Voting Shares are then listed to be made to all or substantially all of the holders of Common Voting Shares in a province of Canada to which the requirement applies, that is, the offer is an "exempt take-over bid" within the meaning of the foregoing securities legislation; or
- (v) an offer to purchase Variable Voting Shares is made concurrently with the offer to purchase Common Voting Shares and the two offers are identical in respect of price per share, percentage of outstanding shares for which the offer is made, and in all other material respects, including in respect of the conditions attaching thereto. The offer to purchase the Variable Voting Shares must be unconditional, subject to the exception that the offer for the Variable Voting Shares may contain a condition to the effect that the offeror is not required to take up and pay for Variable Voting Shares deposited to the offer if no shares are purchased pursuant to the contemporaneous offer for the Common Voting Shares.

3. COMMON VOTING SHARES

Subject to the rights, privileges, restrictions and conditions which attach to the shares of any other class, the Common Voting Shares, as a class, shall have attached thereto the following rights, privileges, restrictions and conditions.

3.1 Voting

The holders of Common Voting Shares shall be entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of the Corporation, except where the holders of a specified class are entitled to vote separately as a class as provided in the CBCA. Each Voting Share shall confer the right to one vote at all meetings of shareholders of the Corporation.

3.2 Dividends and Distributions

Subject to the rights, privileges, restrictions and conditions attached to any class of shares of the Corporation ranking prior to the Common Voting Shares, holders of Common Voting Shares shall be entitled

to receive the dividends declared by the directors of the Corporation at the times and for the amounts that the Board of Directors may, from time to time, determine. The Common Voting Shares, Variable Voting Shares and Non-Voting Shares shall rank equally as to dividends on a share for share basis and all dividends declared in any fiscal year of the Corporation shall be declared in equal or equivalent amounts per share on all Common Voting Shares, Variable Voting Shares and Non-Voting Shares then outstanding, without preference or distinction.

3.3 Subdivision or Consolidation

No subdivision or consolidation of the Common Voting Shares shall occur unless, simultaneously, the Common Voting Shares, the Variable Voting Shares are subdivided or consolidated in the same manner, so as to maintain and preserve the respective rights of the holders of the shares of each of the said classes.

3.4 Liquidation, Dissolution or Winding-up

Subject to the rights, privileges, restrictions and conditions attaching to any class of shares ranking prior to the Common Voting Shares, in the case of liquidation, dissolution or winding-up of the Corporation or other distribution of the Corporation's assets among its shareholders for the purposes of winding-up its affairs, the holders of Common Voting Shares, Variable Voting Shares and Non-Voting Shares shall be entitled to receive the remaining property of the Corporation and shall be entitled to share equally, share for share, in all distributions of such assets.

3.5 Conversion

3.5.1 Automatic

Subject to the foreign ownership restrictions of the Broadcasting Act, an issued and outstanding Common Voting Share shall be converted into one Variable Voting Share, automatically and without any further act of the Corporation or the holder, if such Common Voting Share is or becomes beneficially owned or controlled, directly or indirectly, by a person who is not a Canadian.

3.5.2 Upon an Offer

In the event that an offer is made to purchase Variable Voting Shares, and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Variable Voting Shares, are then listed, to be made to all or substantially all the holders of Variable Voting Shares, each Common Voting Share shall become convertible at the option of the holder into one Variable Voting Share, at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Common Voting Shares for the purpose of depositing the resulting Variable Voting Shares, pursuant to the offer, and for no other reason, including notably with respect to voting rights attached thereto, which are deemed to remain subject to section 3.1, immediately above, notwithstanding their conversion. In such event, the Transfer Agent shall deposit the resulting Variable Voting Shares, on behalf of the holder.

To exercise such conversion right, the holder or his attorney duly authorized in writing shall:

- (i) give written notice to the Transfer Agent of the exercise of such right and of the number of Variable Voting Shares, in respect of which the right is being exercised;
- (ii) deliver to the Transfer Agent the share certificate or certificates representing the Variable Voting Shares, in respect of which the right is being exercised, if applicable; and
- (iii) pay any applicable stamp tax or similar duty on or in respect of such conversion.

No share certificates representing the Variable Voting Shares, resulting from the conversion of the Common Voting Shares will be delivered to the holders on whose behalf such deposit is being made.

If Variable Voting Shares, resulting from the conversion and deposited pursuant to the offer are withdrawn by the holder or are not taken up by the offeror; or the offer is abandoned or withdrawn by the offeror or the offer otherwise expires without such Variable Voting Shares, being taken up and paid for, the Variable Voting Shares, resulting from the conversion will be re-converted into Common Voting Shares and a share certificate representing the Common Voting Shares will be sent to the holder by the Transfer Agent. Variable Voting Shares resulting from the conversion and taken up and paid for by the offeror shall be re-converted into Common Voting Shares at the time the offeror is required under the applicable securities legislation to take up and pay for such shares if the offeror is Canadian.

In the event that the offeror takes up and pays for the Variable Voting Shares resulting from conversion, the Transfer Agent shall deliver to the holders thereof the consideration paid for such shares by the Offeror.

There will be no right to convert the Common Voting Shares into Variable Voting Shares, in the following cases:

- (i) the offer to purchase Variable Voting Shares, is not required under applicable securities legislation or the rules of a stock exchange on which the Variable Voting Shares, are then listed to be made to all or substantially all of the holders of Variable Voting Shares, that is, the offer is an "exempt take-over bid" within the meaning of the foregoing securities legislation; or
- (ii) an offer to purchase Common Voting Shares is made concurrently with the offer to purchase Variable Voting Shares, and the offers are identical in respect of price per share, percentage of outstanding shares for which the offer is made, and in all other material respects, including in respect of the conditions attaching thereto. The offer to purchase the Common Voting Shares must be unconditional, subject to the exception that the offer for the Common Voting Shares may contain a condition to the effect that the offeror is not required to take up and pay for Common Voting Shares deposited to the offer if no shares are purchased pursuant to the contemporaneous offer for the Variable Voting Shares.

4. CONSTRAINTS ON OWNERSHIP OF SHARES

4.1 Variable Voting Shares

The Variable Voting Shares may only be beneficially owned or controlled, directly or indirectly, by persons who are not Canadians.

4.2 Common Voting Shares

The Common Voting Shares may only be beneficially owned and controlled, directly or indirectly, by Canadians.

4.3 CBCA Constraints

In the event that any Canadian federal or provincial legislation applicable to the Corporation should become prescribed for the purposes of subsection 174(1)(b) of the CBCA or any other similar provision in the CBCA or CBCA Regulations, this Appendix E shall be read as if it included additional constraints that assist the Corporation or any of its affiliates or associates (within the meaning of the CBCA) to qualify under such prescribed law to receive licenses, permits, grants, payments or other benefits by reason of attaining or maintaining a specified level of Canadian ownership and control and such specified level of Canadian ownership and control shall be the level of Canadian ownership and control designated by such prescribed law of Canada or a province.

4.4 Joint Ownership

For the purposes of this Appendix E, where Voting Shares of the Corporation are beneficially owned or controlled by several persons jointly, the number of Voting Shares beneficially owned or controlled by any one such person shall include the number of Voting Shares beneficially owned or controlled jointly with such other persons. Where the Voting Shares are beneficially owned or controlled jointly by a person who is not Canadian and another person or persons, the Voting Shares shall be deemed to be owned or controlled by such person who is not a Canadian.

4.5 Exceptions

4.5.1 Nothing in this Appendix E shall be construed to apply in respect of Voting Shares of the Corporation that:

- (i) are held by one or more underwriters solely for the purpose of distributing the shares to the public; or
- (ii) are held by any person that is acting in relation to the shares solely in its capacity as an intermediary in the payment of funds or the delivery of securities, or both, in connection with trades in securities and that provides centralized facilities for the clearing of trades in securities.

4.5.2 The constraints imposed pursuant to this section 4 do not apply to the extent that a person who is not a Canadian holds Voting Shares by way of security only and such holding by way of security only is evidenced in such form as may be prescribed by the by-laws or resolutions adopted by the shareholders or directors of the Corporation and filed by such holder with the Corporation.

4.6 Powers of Directors

4.6.1 In the administration of this Appendix E, the directors of the Corporation shall enjoy, in addition to the powers set forth herein, all of the powers necessary or desirable, in their opinion, to carry out the intent and purpose hereof, including but not limited to all powers contemplated by the provisions relating to constrained share corporations in the CBCA and the CBCA Regulations.

4.6.2 Neither any shareholder of the Corporation nor any other interested person shall have any claim or action against the Corporation or against any director or officer of the Corporation nor shall the Corporation have any claim or action against any director or officer of the Corporation arising out of any act (including any omission to act) performed pursuant to or in intended pursuance of the provisions of this Appendix E or any breach or alleged breach of such provisions.

APPENDIX F

By-law No. 2014-1

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this by-law and in notices or other written communications pertaining hereto, unless otherwise dictated by the context, the following expressions have the meanings ascribed to them respectively herein below:

"Agent" means a Person appointed to act on behalf of another;

"Broadcasting Act" means the Broadcasting Act, S.C. 1991, c. 11 and the regulations and directions made under such Act, as amended from time to time;

"Canada Evidence Act" means the Canada Evidence Act, R.S.C. (1985), c. C-5 and the regulations made under such Act, as amended from time to time;

"Canadian" means a Canadian within the meaning of the Broadcasting Act;

"CBCA" means the Canada Business Corporations Act R.S.C. 1985, c. C-44 and the regulations made under such Act, as amended from time to time;

"Corporation" means DHX Media Ltd.;

"Declaration" means a declaration within the meaning of subsection 2.3 of this by-law;

"Depository" means Caisse canadienne de dépôt de valeurs Limitée / Canadian Depository for Securities Limited or any other Person acting as an intermediary for the payment or delivery of securities in respect of securities transactions and providing centralized services for the compensation of securities transactions or providing centralized services as a depository in respect of the compensation of securities transactions;

"Non-Canadian" means a Person who is not a Canadian;

"Participant" means a holder of Voting Shares or the Agent of such holder registered with the Depository;

"Person" means an individual, partnership, association, body corporate, trustee, executor, administrator or legal representative;

"Registration System" means the services offered by the Depository;

"Transfer Agent" means Computershare Trust Company of Canada or any other corporation designated by the Board of Directors to act as Transfer Agent of the Corporation; and

"Voting Share" means a share that carries voting rights under all circumstances or by reason of an event that has occurred and is continuing and includes a security convertible into such a share and an exercisable option or right to acquire such a share or convertible security.

1.2 Interpretation

Terms in this by-law not defined herein but defined in the CBCA have the meanings ascribed to them in the CBCA. Any definition in this by-law that could be interpreted in a manner that is inconsistent with the CBCA will be interpreted so as to be consistent therewith.

2. DECLARATIONS

2.1 Holder

The Board of Directors may require, at all times, that any holder of Voting Shares of its share capital, the Agent of such holder, a Participant in whose name the Voting Shares of the Corporation are registered or the Depository, must provide any relevant information required to enable it to apply the restrictions on the issue, transfer, ownership, control or voting of Voting Shares of the Corporation set out in the CBCA and the Articles of the Corporation.

2.2 Transfer or issue of shares

The Board of Directors may require, prior to accepting any transfer of or subscription for Voting Shares of the Corporation's share capital, that the prospective holder, the Agent of such holder, the Participant in whose name such Voting Shares are registered, or the Depository, provide any relevant information required to enable it to apply the restrictions on the issue, transfer, ownership, control or voting of Voting Shares of the Corporation set out in the CBCA and the Articles of the Corporation.

2.3 Declaration and other information

In order to apply the provisions concerning the restrictions on the issue, transfer, ownership, control or voting of Voting Shares of the Corporation set out in the CBCA and the Articles of the Corporation, the Board of Directors may, in its entire discretion:

2.3.1 require a Person in whose name Voting Shares of the Corporation are registered, the Agent of such Person, the Participant in whose name such shares are registered, or the Depository to provide a statutory Declaration under the Canada Evidence Act or otherwise concerning:

- (i) whether the shareholder is the beneficial owner of, or controls, Voting Shares of the Corporation or holds them for a beneficial owner;
- (ii) whether the shareholder is an associate of another shareholder;
- (iii) whether the shareholder or beneficial owner is a Canadian; and
- (iv) any further facts that the directors consider relevant;

2.3.2 require any Person seeking to have a transfer of a Voting Share registered in his name or to have a Voting Share issued to him to provide a Declaration similar to the Declaration a Person may be required to provide under paragraph 2.3.1; and

2.3.3 determine the circumstances in which any Declarations are required, their form and the times when they are to be provided.

2.4 Failure to provide a Declaration or any other information

When a Person, the Agent of such Person, the Participant in whose name the Voting Shares of the Corporation are registered, or the Depository are required to provide a Declaration or any other information required pursuant to this by-law and fail to comply with such obligation, the directors may take the following measures until such Person, the Agent of such Person, the Participant, or the Depository has provided the Declaration or the information concerned:

2.4.1 refuse to recognize all ownership rights attributable to the Voting Shares, including the voting rights attached to such Voting Shares, to register a transfer of a Voting Share in his name or, as the case may be in the name of the Person for whom the Participant or the Agent is acting or to issue a Voting Share to such Person or the Person for whom the Agent or the Participant is acting;

2.4.2 where the Voting Shares concerned are registered with the Depository, regardless of whether the failure is attributable to the Depository or the Participant, order the Depository to exclude the Voting Shares of the Participant from the Registration System and to refuse any new request by the Participant for registration in the Registration System; or

2.4.3 take any other measure deemed necessary in order to give effect to the provisions concerning the restrictions on the issue, transfer, ownership, control or voting of Voting Shares of the Corporation set out in the CBCA and the Articles of the Corporation.

3. ADDITIONAL POWERS

The Board of Directors may, when it deems it appropriate in order to apply the provisions concerning the restrictions on the issue, transfer, ownership, control or voting of Voting Shares of the Corporation set out in the CBCA, the Articles of the Corporation and this by-law:

3.1.1 name and sign any contract with third Persons, and particularly with the Transfer Agent and Depository, namely in order to assist in obtaining and following-up on the Declarations and various information it requires as well as in applying the sanctions related to a Person's failure to comply with the CBCA, the Articles of the Corporation, or this by-law, as the case may be; and

3.1.2 implement all control mechanisms and adopt all the procedures it may require from time to time, and in particular; (i) implement and adopt certificates of control of the Canadian or Non-Canadian status of the holders of Voting Shares of the Corporation's capital; and (ii) implement any specific compensation procedure in respect of the Voting Shares held by Canadians or Non-Canadians and subject to the Registration System.

4. SHARE CERTIFICATES

The Board of Directors is authorized to adopt and make, from time to time, all the amendments to the Corporation's share certificate forms required to give effect to the provisions concerning the restrictions on the issue, transfer and ownership of Voting Shares of the Corporation set out in the Articles of the Corporation.