

**THE CHURCHILL CORPORATION**  
**(the "Corporation")**

**OFFICER'S CERTIFICATE**

To: Interior Health Authority (the **Owner**)

And To: Norton Rose Fulbright Canada LLP

Re: Guarantee granted by the Corporation dated as of March 20, 2014 in favour of Interior Health Authority in connection with the design-build agreement for the design, construction and other work relating to the facility in Vernon, British Columbia (the **Guarantee**)

Dated: May 5, 2014

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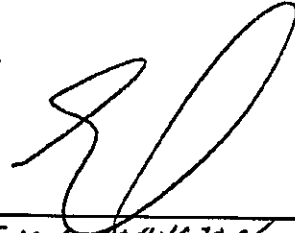
The undersigned, being an officer of the Corporation, hereby certifies for and on behalf of the Corporation, and not in any individual capacity, and without assuming any personal liability whatsoever, that:

1. I am an officer of the Corporation and as such have certain knowledge of the business and affairs of the Corporation, and of the matters herein set forth.
2. Attached as Schedule "A" are true and complete copies of the certificate and articles of incorporation of the Corporation (the **Articles**), which have not been amended, are in full force and effect, and no actions or proceedings have been taken or are pending to amend, supplement or rescind them as of the date hereof.
3. Attached as Schedule "B" are true and complete copies of all of the by-laws of the Corporation (the **By-Laws**), which have not been amended, are in full force and effect, and no actions or proceedings have been taken or are pending to amend, supplement or rescind them as of the date hereof.
4. Attached as Schedule "C" are true and complete copies of the resolution duly passed by the Board of Directors of the Corporation on March 20, 2014 authorizing the execution and delivery by the Corporation of the Guarantee (the **Authorizing Resolutions**), which resolutions are in full force and effect and unamended as of the date hereof.
5. No unanimous shareholders' agreement or other agreement which restricts the powers of the directors or the officers to carry on the business of the Corporation exists or is in effect.
6. Neither the Corporation nor the shareholders of the Corporation have taken any steps to terminate or change the Corporation's existence or to amalgamate or continue into any other jurisdiction, nor has the Corporation received any notice or other communication from any governmental authority or other person indicating that there exists any situation which, unless remedied, could result in the termination of the existence of the Corporation.
7. No acts or proceedings have been taken by or against the Corporation in connection with, the Corporation has not received any notice in respect of, and the Corporation is not in the course of, liquidation, winding-up, dissolution, bankruptcy, receivership or reorganization.
8. The person listed on Schedule "D" hereto is a duly elected or appointed and qualified director or officer of the Corporation; the signature appearing opposite his name is the genuine signature of such person; such person was elected or appointed as a director or officer prior to the date

hereof; and such person is duly authorized to execute and deliver contracts, agreements, security documents, certificates and other instruments for and on behalf of the Corporation.

*[Remainder of page intentionally left blank]*

DATED at Calgary, Alberta as of the date first above written.



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Name: *EVAN JOHNSTON*  
Title: *Vice President, General Counsel*

**SCHEDULE "A"**  
**to the Officer's Certificate of The Churchill Corporation**  
**ARTICLES**

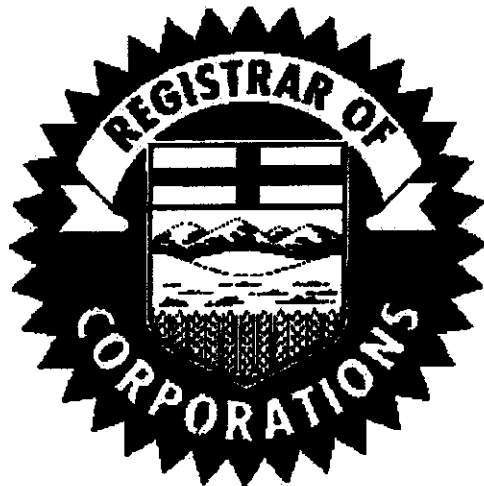


**BUSINESS CORPORATIONS ACT**

**CERTIFICATE  
OF  
AMENDMENT AND REGISTRATION  
OF RESTATED ARTICLES**

**THE CHURCHILL CORPORATION  
AMENDED ITS ARTICLES ON 2000/06/13.**

The information in this document is  
an accurate reproduction of data  
electronically captured within the  
official records of Alberta Registries.



# Name/Structure Change Alberta Corporation - Registration Statement

**Service Request Number:** 2038741  
**Corporate Access Number:** 203769773  
**Previous Legal Entity Name:** THE CHURCHILL CORPORATION  
**Previous French Equivalent Name:**  
**Legal Entity Name:** THE CHURCHILL CORPORATION  
**French Equivalent Name:**  
**Legal Entity Status:** Active  
**Alberta Corporation Type:** Named Alberta Corporation  
**Nuans Report Number:** PRE-CONV  
**Nuans Report Date:** 1987/12/31  
**French Name Nuans Report Number:**  
**French Name Nuans Report Date:**  
**Classes Of Shares and any**  
**Maximum Number(within each class):** REFER TO "SHARE CAPITAL" ATTACHMENT.  
**Restrictions On Share Transfers:** NONE  
**Minimum Number Of Directors:** 3  
**Maximum Number Of Directors:** 15  
**Restrictions On Business To:** NONE  
**Restrictions On Business From:** NONE  
**Other Provisions:** REFER TO "OTHER RULES OR PROVISIONS" ATTACHMENT.  
**Section And Subsection of Act Change Made Under:** SECTION 174(1) & SECTION 167(1)(E) & 167(1)(D) & 167(1)(M)  
**Restatement of Articles:**  
**Directors Issue Shares In Series:**  
**Professional Endorsement Provided:**  
**Future Dating Required:**  
**Amendment Date:** 2000/06/13

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## Annual Returns

File Year	Date Filed
1999	1999/12/07
1998	1999/12/07
1997	1998/03/17

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## Court Orders

Order Type	Order Date	Order Number	Judicial District	Termination Date
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**Attachments**

Attachment Type	Microfilm Bar Code	Date Recorded
Share Capital	ELECTRONIC	2000/06/13
Other Rules or Provisions	ELECTRONIC	2000/06/13

**Registration Authorized By: ROY H. HUDSON  
SOLICITOR**

SHARE CAPITAL ATTACHMENT  
TO  
THE ARTICLES OF INCORPORATION OF  
THE CHURCHILL CORPORATION

The Corporation is authorized to issue an unlimited number of shares designated as Common Shares and an unlimited number of shares designated as Preferred Shares.

(a) Common Shares

The Common Shares shall have attached to them the rights, privileges, restrictions and conditions as hereinafter set forth.

(i) Except for meetings at which only holders of another specified class or series of shares of the Corporation are entitled to vote separately as a class or series, each holder of a Common Share is entitled to receive notice of, to attend and to vote at all meetings of the shareholders of the Corporation.

(ii) Subject to the rights, privileges, restrictions and conditions attached to any other class of shares of the Corporation, the holders of the Common Shares are entitled to receive dividends if, as and when declared by the directors of the Corporation.

(iii) Subject to the rights, privileges, restrictions and conditions attached to any other class of shares of the Corporation, the holders of the Common Shares are entitled to share equally in the remaining property of the Corporation upon liquidation, dissolution or winding-up of the Corporation.

(b) Preferred Shares

The Preferred Shares shall have attached to them, as a class, the rights, privileges, restrictions and conditions as hereinafter set forth.

(i) The Preferred Shares may from time to time be issued in one or more series and, subject to the following provisions, and subject to the sending of articles of amendment in prescribed form and the issuance of a certificate of amendment in respect thereof, the directors may fix from time to time and before issue of a series of Preferred Shares, the number of shares which are to comprise that series and the designation, rights, privileges, restrictions and conditions to be attached to that series of Preferred Shares including, without limiting the generality of the foregoing, the rate or amount of dividends or the method of calculating dividends, the dates of payment of dividends, the redemption, purchase and/or conversion prices and terms and conditions of redemption, purchase and/or conversion, and any sinking fund or other provisions.

(ii) The Preferred Shares of each series shall, with respect to the payment of dividends and the distribution of assets or return of capital in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other return of capital or distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs, rank on a parity with the Preferred Shares of every other series and be entitled to preference over the Common Shares and over any other shares of the Corporation ranking junior to the Preferred Shares. The Preferred Shares of any series may also be given other preferences, not inconsistent with these articles, over the Common Shares and any other shares of the Corporation ranking junior to the Preferred Shares of a series as may be fixed in accordance with clause (b) (i).

(iii) If any cumulative dividends or amounts payable on the return of capital in respect of a series of Preferred Shares are not paid in full, all series of Preferred Shares shall participate rateably



in respect of accumulated dividends and return of capital.

(iv) Unless the directors otherwise determine in the articles of amendment designating a series of Preferred Shares, the holder of each share of a series of Preferred Shares shall not, as such, be entitled to receive notice of or vote at any meeting of shareholders, except as otherwise specifically provided in the Business Corporations Act (Alberta).

OTHER RULES OR PROVISIONS ATTACHMENT  
TO  
THE ARTICLES OF  
THE CHURCHILL CORPORATION

(a) The directors may, between annual general meetings, appoint one or more additional directors of the Corporation to serve until the next annual general meeting, but the number of additional directors shall not at any time exceed one-third of the number of directors who held office at the expiration of the last annual meeting of the Corporation.

(b) Meetings of the shareholders of the Corporation may be held inside Alberta or outside of Alberta in any place in Canada including, without limitation, at any place in Toronto, Ontario, or at any place in Vancouver, British Columbia.

Jun. 7, 2000 3:23PM

ARMSTRONG PERKINS HUDSON

Art Amend

No. 3005 P. 3/7

### Confirmation Report

Service Request Number: 2038741  
 Corporate Access Number: 203769773  
 Previous Legal Entity Name: THE CHURCHILL CORPORATION  
 Previous French Equivalent Name:  
 Legal Entity Name: THE CHURCHILL CORPORATION  
 French Equivalent Name:  
 Legal Entity Status: Active  
 Alberta Corporation Type: Named Alberta Corporation  
 Nuans Report Number: PRE-CONV  
 Nuans Report Date: 1987/12/31  
 French Name Nuans Report Number:  
 French Name Nuans Report Date:  
 Classes Of Shares and any  
 Maximum Number(within each class): REFER TO "SHARE CAPITAL" ATTACHMENT.  
 Restrictions On Share Transfers: NONE  
 Minimum Number Of Directors: 3  
 Maximum Number Of Directors: 15  
 Restrictions On Business To: NONE  
 Restrictions On Business From: NONE  
 Other Provisions: REFER TO "OTHER RULES OR PROVISIONS" ATTACHMENT.  
 Section And Subsection of Act Change Made Under: SECTION 174(1) & SECTION 167(1)(E) & 167(1)(D) & 167(1)(M)  
 Restatement of Articles:  
 Directors Issue Shares In Series:  
 Professional Endorsement Provided:  
 Future Dating Required:  
 Amendment Date: 2000/05/24

#### Annual Returns

File Year	Date Filed
1999	1999/12/07
1998	1999/12/07
1997	1998/03/17

APPROVED AND AUTHORIZED FOR FILING BY  
 William R. McKenzie VP Corporate Development and  
 (Print Name & Relationship to Corporation) Corporate Secretary  
 June 7 2000 WRM McKenzie  
 on signature

#### Court Orders

**Attachments**

Attachment Type	Microfilm Bar Code	Date Recorded
Share Capital	ELECTRONIC	2000/05/24
Other Rules or Provisions	ELECTRONIC	2000/05/24

Registration Authorized By: ROY H. HUDSON  
SOLICITOR

SHARE CAPITAL ATTACHMENT  
TO  
THE ARTICLES OF INCORPORATION OF  
THE CHURCHILL CORPORATION

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(i) Except for meetings at which only holders of another specified class or series of shares of the Corporation are entitled to vote separately as a class or series, each holder of a Common Share is entitled to receive notice of, to attend and to vote at all meetings of the shareholders of the Corporation.

(ii) Subject to the rights, privileges, restrictions and conditions attached to any other class of shares of the Corporation, the holders of the Common Shares are entitled to receive dividends if, as and when declared by the directors of the Corporation.

(iii) Subject to the rights, privileges, restrictions and conditions attached to any other class of shares of the Corporation, the holders of the Common Shares are entitled to share equally in the remaining property of the Corporation upon liquidation, dissolution or winding-up of the Corporation.

(b) Preferred Shares

The Preferred Shares shall have attached to them, as a class, the rights, privileges, restrictions and conditions as hereinafter set forth.

(i) The Preferred Shares may from time to time be issued in one or more series and, subject to the following provisions, and subject to the sending of articles of amendment in prescribed form and the issuance of a certificate of amendment in respect thereof, the directors may fix from time to time and before issue of a series of Preferred Shares, the number of shares which are to comprise that series and the designation, rights, privileges, restrictions and conditions to be attached to that series of Preferred Shares including, without limiting the generality of the foregoing, the rate or amount of dividends or the method of calculating dividends, the dates of payment of dividends, the redemption, purchase and/or conversion prices and terms and conditions of redemption, purchase and/or conversion, and any sinking fund or other provisions.

(ii) The Preferred Shares of each series shall, with respect to the payment of dividends and the distribution of assets or return of capital in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other return of capital or distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs,

rank on a parity with the Preferred Shares of every other series and be entitled to preference over the Common Shares and over any other shares of the Corporation ranking junior to the Preferred Shares. The Preferred Shares of any series may also be given other preferences, not inconsistent with these articles, over the Common Shares and any other shares of the Corporation ranking junior to the Preferred Shares of a series as may be fixed in accordance with clause (b) (i).

(iii) If any cumulative dividends or amounts payable on the return of capital in respect of a series of Preferred Shares are not paid in full, all series of Preferred Shares shall participate rateably in respect of accumulated dividends and return of capital.

(iv) Unless the directors otherwise determine in the articles of amendment designating a series of Preferred Shares, the holder of each share of a series of Preferred Shares shall not, as such, be entitled to receive notice of or vote at any meeting of shareholders, except as otherwise specifically provided in the Business Corporations Act (Alberta).

OTHER RULES OR PROVISIONS ATTACHMENT  
TO  
THE ARTICLES OF  
THE CHURCHILL CORPORATION

(a) The directors may, between annual general meetings, appoint one or more additional directors of the Corporation to serve until the next annual general meeting, but the number of additional directors shall not at any time exceed one-third of the number of directors who held office at the expiration of the last annual meeting of the Corporation.

(b) Meetings of the shareholders of the Corporation may be held inside Alberta or outside of Alberta in any place in Canada including, without limitation, at any place in Toronto, Ontario, or at any place in Vancouver, British Columbia.

**SHARE CAPITAL ATTACHMENT  
TO  
THE ARTICLES OF  
THE CHURCHILL CORPORATION**

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(ii) Subject to the rights, privileges, restrictions and conditions attached to any other class of shares of the Corporation, the holders of the Common Shares are entitled to receive dividends if, as and when declared by the directors of the Corporation.

(iii) Subject to the rights, privileges, restrictions and conditions attached to any other class of shares of the Corporation, the holders of the Common Shares are entitled to share equally in the remaining property of the Corporation upon liquidation, dissolution or winding-up of the Corporation.

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(i) The Preferred Shares may from time to time be issued in one or more series and, subject to the following provisions, and subject to the sending of articles of amendment in prescribed form and the issuance of a certificate of amendment in respect thereof, the directors may fix from time to time and before issue of a series of Preferred Shares, the number of shares which are to comprise that series and the designation, rights, privileges, restrictions and conditions to be attached to that series of Preferred Shares including, without limiting the generality of the foregoing, the rate or amount of dividends or the method of calculating dividends, the dates of payment of dividends, the redemption, purchase and/or conversion prices and terms and conditions of redemption, purchase and/or conversion, and any sinking fund or other provisions.

(ii) The Preferred Shares of each series shall, with respect to the payment of



dividends and the distribution of assets or return of capital in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other return of capital or distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs, rank on a parity with the Preferred Shares of every other series and be entitled to preference over the Common Shares and over any other shares of the Corporation ranking junior to the Preferred Shares. The Preferred Shares of any series may also be given other preferences, not inconsistent with these articles, over the Common Shares and any other shares of the Corporation ranking junior to the Preferred Shares of a series as may be fixed in accordance with clause (b)(i).

(iii) If any cumulative dividends or amounts payable on the return of capital in respect of a series of Preferred Shares are not paid in full, all series of Preferred Shares shall participate rateably in respect of accumulated dividends and return of capital.

(iv) Unless the directors otherwise determine in the articles of amendment designating a series of Preferred Shares, the holder of each share of a series of Preferred Shares shall not, as such, be entitled to receive notice of or vote at any meeting of shareholders, except as otherwise specifically provided in the *Business Corporations Act* (Alberta).



20376977

Corporate Access No

BUSINESS CORPORATIONS ACT

Form 5

CERTIFICATE OF AMENDMENT

THE CHURCHILL CORPORATION

Name of Corporation

I HEREBY CERTIFY THAT THE ARTICLES OF THE ABOVE-MENTIONED CORPORATION WERE AMENDED.

- UNDER SECTION 13 OF THE BUSINESS CORPORATIONS ACT IN ACCORDANCE WITH THE ATTACHED NOTICE;
- UNDER SECTION 27 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF AMENDMENT DESIGNATING A SERIES OF SHARES;
- UNDER SECTION 171 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF AMENDMENT;
- UNDER SECTION 185 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF REORGANIZATION;
- UNDER SECTION 186 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF ARRANGEMENT.

29167



*M. M. Frachin*

Registrar of Corporations

DECEMBER 23, 1988

Date of Amendment

/dt



20376977

Corporate Access No.

BUSINESS CORPORATIONS ACT

Form 5

**CERTIFICATE OF AMENDMENT**

THE CHURCHILL CORPORATION

Name of Corporation

I HEREBY CERTIFY THAT THE ARTICLES OF THE ABOVE-MENTIONED CORPORATION WERE AMENDED.

- UNDER SECTION 13 OF THE BUSINESS CORPORATIONS ACT IN ACCORDANCE WITH THE ATTACHED NOTICE;
- UNDER SECTION 27 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF AMENDMENT DESIGNATING A SERIES OF SHARES;
- UNDER SECTION 171 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF AMENDMENT;
- UNDER SECTION 185 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF REORGANIZATION;
- UNDER SECTION 186 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF ARRANGEMENT.



*M. M. Prashin*

Registrar of Corporations

DECEMBER 23, 1988

Date of Amendment

/dt



CONSUMER AND  
CORPORATE AFFAIRS

RECEIVED (m)  
DEC 23 1988  
CORPORATE REGISTRY  
Province of Alberta

ARTICLES OF AMENDMENT

1. NAME OF CORPORATION:

THE CHURCHILL CORPORATION

2. CORPORATE ACCESS NO.

203762

3. THE ARTICLES OF THE ABOVE-NAMED CORPORATION ARE AMENDED AS FOLLOWS:

Pursuant to Section 27 of the Business Corporations Act (Alberta) and Section 3.4 of the Articles of Amendment of the Corporation, Series "A" of the Second Preferred Shares in the share capital of the Corporation is designated consisting of 1,023,077 Series "A" Second Preferred Shares, having the designation, rights, privileges, restrictions and conditions set forth in Schedule "A" attached hereto and incorporated as part of these Articles of Amendment.

FILED  
DEC 23 1988  
THE REGISTRAR OF CORPORATIONS  
PROVINCE OF ALBERTA

VICE PRES. FINANCE

DATE:  
December 23, 1988

FOR DEPARTMENTAL USE ONLY

FILED

**BUSINESS CORPORATIONS ACT  
ARTICLES OF AMENDMENT**

Form 4

**INSTRUCTIONS**

**FORMAT**

Documents required to be sent to the Registrar pursuant to the Business Corporations Act must conform to Section 1 of the Regulations made under the Act.

**GENERAL**

- (1) Any change in the Articles of the corporation must be made in accordance with Sections 27 and 171 of the Act. If an amendment is to change a corporate name, the new name must comply with Sections 10 and 12 of the Act. The Articles of Amendment must be accompanied by an Alberta Search Report dated not more than 90 days from the date the documents are received by Corporate Registry.
- (2) Indicate the paragraph and if applicable, the subparagraph of the Articles being amended in No. 3 of this form.
- (3) Indicate the section and if applicable, the subsection of The Business Corporations Act under which the amendment is being made in No. 3 of this form.
- (4) A director or authorized officer of the corporation shall sign and date the Articles and indicate his/her relationship to the corporation (TITLE).

**OTHER NOTICES**

If applicable, the Articles must be accompanied by a copy of a Notice of Change of Address (Form 3) or Notice of Change of Directors (Form 6)

Due to limited space, an appropriate attachment adhering to Section 1 of the Regulations will be accepted. Completed documents in duplicate and an amendment fee of \$50.00 (\$25.00 if changing the name of a society), payable to the Provincial Treasurer, are to be sent to:

**CORPORATE REGISTRY  
ALBERTA CONSUMER AND  
CORPORATE AFFAIRS  
8th FLOOR  
10365 - 97 STREET  
EDMONTON, ALBERTA  
T5J 3W7**

**CORPORATE REGISTRY  
ALBERTA CONSUMER AND  
CORPORATE AFFAIRS  
9th FLOOR, J. J. BOWLEN BLDG.  
620 - 7 AVENUE S.W.  
CALGARY, ALBERTA.  
T2P 0Y8**



CONSUMER AND  
CORPORATE AFFAIRS

RECEIVED (m)

ARTICLES OF AMENDMENT

1. NAME OF CORPORATION.

THE CHURCHILL CORPORATION

DEC 23 1988

Gen.  
Pres.

2. CORPORATE ACCESS NO.

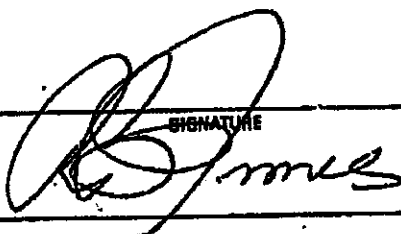
20376977

3. THE ARTICLES OF THE ABOVE-NAMED CORPORATION ARE AMENDED AS FOLLOWS:

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Pursuant to Section 27 of the Business Corporations Act (Alberta) and Section 3.4 of the Articles of Amalgamation of the Corporation, Series "A" of the Second Preferred Shares in the share capital of the Corporation is designated as consisting of 1,923,077 Series "A" Second Preferred Shares having the designation, rights, privileges, restrictions and conditions set forth in Schedule "A" attached hereto and incorporated as part of these Articles of Amendment.

FILED  
DEC 23 1988  
THE REGISTRAR OF CORPORATIONS  
PROVINCE OF ALBERTA

DATE December 23, 1988	SIGNATURE 	TITLE Vice Pres - Finance
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FOR DEPARTMENTAL USE ONLY

FILED



of the Corporation or any other distribution of property or assets of the Corporation among its shareholders, but only after the payment of the moneys to be paid to the holders of the First Preferred Shares in accordance with the Articles of Amalgamation, each of the ASPS Holders shall be entitled to receive from the assets of the Corporation, in preference and in priority to the holders of the Common Shares and the holders of any other shares in the share capital of the Corporation ranking junior to the Series A Second Preferred Shares, a sum equal to the ASPS Designated Amount of each Series A Second Preferred Share held by such ASPS Holder together with all accrued and unpaid ASPS Dividends thereon (which for such purpose shall be calculated as if the ASPS Dividends were accruing up to the date of such distribution) before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the Common Shares and the holders of any other shares in the share capital of the Corporation ranking junior to the Series A Second Preferred Shares.

3.2 After payment to the ASPS Holders of the amounts so payable to them as provided in Section 3.1 hereof, the ASPS Holders shall not be entitled to share in any further distribution of the assets or property of the Corporation.

#### Article 4 - Redemption Obligation

4.1 Subject to the prior redemption of the First Preferred Shares in accordance with the Articles of Amalgamation and subject to the contemporaneous payment of all accrued and unpaid ASPS Dividends and all accrued and unpaid dividends, if any, on the Other Second Preferred Shares in accordance with the Articles of Amalgamation, the Corporation may, upon giving notice as hereinafter provided, redeem at any time the whole or, from time to time, any part of the then outstanding Series A Second Preferred Shares at a price (hereinafter called the "ASPS Redemption Price") equal to the ASPS Designated Amount of each Series A Second Preferred Share to be redeemed together with all accrued and unpaid ASPS Dividends thereon (which for such purpose shall be calculated as if such ASPS Dividends were accruing up to the date of such redemption).

4.2 Notwithstanding Section 4.1 hereof but subject to the prior redemption of the First Preferred Shares in accordance with the Articles of Amalgamation and subject to the contemporaneous payment of all accrued and unpaid ASPS Dividends and all accrued and unpaid dividends, if any, on the other second preferred shares in the share capital of the



Corporation in accordance with the Articles of Amalgamation, the Corporation shall redeem all of the then outstanding Series A Second Preferred Shares on December 31, 1997.

4.3 The Corporation shall, at least 30 days before the date (hereinafter called the "ASPS Redemption Date") specified for redemption, mail to each person, who at the date of mailing is a ASPS Holder of Series A Second Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series A Second Preferred Shares. Such notice shall be mailed by letter, postage prepaid, addressed to each such ASPS Holder at its address as it appears in the records of the Corporation, or in the event of the address of any such ASPS Holder not so appearing, then to the last known address of such ASPS Holder provided that the accidental failure to give any such notice to one or more of such ASPS Holders shall not affect the validity of such redemption. Such notice shall set out the ASPS Redemption Price and the ASPS Redemption Date and, if only a part of the Series A Second Preferred Shares held by the ASPS Holder to whom it is addressed are to be redeemed, then such notice shall set out the number of such Series A Second Preferred Shares to be redeemed.

4.4 On the ASPS Redemption Date, the Corporation shall pay or cause to be paid to the ASPS Holders of the Series A Second Preferred Shares to be redeemed the ASPS Redemption Price thereof on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates representing the Series A Second Preferred Shares called for redemption. If only a part of the Series A Second Preferred Shares represented by any certificate are redeemed, then a new certificate for the unredeemed balance of the Series A Second Preferred Shares shall be issued at the expense of the Corporation.

4.5 From and after the ASPS Redemption Date, the Series A Second Preferred Shares called for redemption shall cease to be entitled to ASPS Dividends and the ASPS Holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the ASPS Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the ASPS Holders of such Series A Second Preferred Shares shall remain unaffected.

4.6 The Corporation shall have the right at any time after the mailing of notice of its intention to redeem any Series A Second Preferred Shares to deposit the ASPS Redemption Price of the Series A Second Preferred Shares so called for redemption, or of such of the Series A Second

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Preferred Shares represented by certificates as have not at the date of such deposit been surrendered by the ASPS Holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada, named in such notice, to be paid without interest to the ASPS Holders of such Series A Second Preferred Shares called for redemption upon presentation and surrender to such chartered bank or trust company of the certificates representing such Series A Second Preferred Shares. Upon such deposit being made or upon the ASPS Redemption Date, whichever date is later, the Series A Second Preferred Shares in respect of which such deposit has been made shall be redeemed and the rights of the ASPS Holders thereof after the date of such deposit or the ASPS Redemption Date, as the case may be, shall be limited to receiving without interest their proportionate part of the total ASPS Redemption Price so deposited against presentation and surrender of the certificates representing such Series A Second Preferred Shares held by them respectively.

4.7 If only a part of the then outstanding Series A Second Preferred Shares is at any time to be redeemed, then the Series A Second Preferred Shares to be redeemed shall be redeemed on a pro-rata basis, disregarding fractions.

4.8 Notwithstanding Sections 4.3 to 4.7 inclusive hereof, the notice period, procedure and manner of payment for the redemption of any Series A Second Preferred Shares may be modified by agreement between the Corporation and the ASPS Holders of the Series A Second Preferred Shares to be redeemed.

4.9 If the Corporation cannot redeem the Series A Second Preferred Shares in accordance with Article 4 hereof without causing a contravention of the Business Corporations Act (Alberta) (hereinafter called the "Act") or any other applicable legislation, then the Corporation shall redeem such portion of the Series A Second Preferred Shares as can be redeemed without causing such contravention and the Corporation shall redeem the balance of such Series A Second Preferred Shares as soon as it is lawfully permitted to do so.

4.10 Other than with the prior written consent of the ASPS Holders or other than as required by law or these articles of amendment or other than the redemption of the First Preferred Shares in accordance with the Articles of Amendment, the Corporation shall not, at any time, redeem or purchase for cancellation the Common Shares or any other shares in the share capital of the Corporation ranking junior to the Series A Second Preferred Shares without first

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redeeming all of the then outstanding Series A Second Preferred Shares.

Article 5 - Voting Rights

5.1 Subject to Section 5.2 hereof and the right of the ASPS Holders to vote at a meeting of the ASPS Holders in accordance with the provisions of the Act, the ASPS Holders shall not have any voting rights for the election of directors or for any other purpose.

5.2 For the purposes of Section 3.4 of the Articles of Amalgamation which entitles the holders of the second preferred shares (hereinafter called the "Second Preferred Shares") in the share capital of the Corporation to vote under certain circumstances, 2 annual dividends shall be deemed to remain unpaid on the Series A Second Preferred Shares if the Corporation has not paid for any 2 calendar years all quarterly ASPS Dividends due in each of such calendar years.

Article 6 - Conflicting Rights

6.1 In the event of any conflict between the provisions of these articles of amendment pertaining to the Series A Second Preferred Shares and the rights, privileges, restrictions or conditions attaching as a class to the Second Preferred Shares, the rights, privileges, restrictions or conditions attaching as a class to the Second Preferred Shares shall prevail.

6.2 In the event of any conflict between the provisions of these articles of amendment pertaining to the Series A Second Preferred Shares and the rights, privileges, restrictions or conditions attaching to any shares in the share capital of the Corporation, other than the rights, privileges, restrictions or conditions attaching as a class to the First Preferred Shares or the Second Preferred Shares, the provisions set forth in these articles of amendment shall prevail.

Article 7 - Amendment of Rights

7.1 The provisions of these articles of amendment pertaining to the Series A Second Preferred Shares may be deleted, varied, modified, amended or amplified only with the prior approval of the ASPS Holders, in addition to any other approval required by the Act, given by resolution duly passed and carried by not less than 66 2/3% of the votes cast on a poll at a meeting of the ASPS Holders duly called and held for the purpose of considering the subject matter of such

resolution and at which ASPS Holders of not less than a majority of all Series A Second Preferred Shares then outstanding are present in person or represented by proxy.

Article 8 - Interpretation

8.1 The headings used in these articles of amendment are for ease of reference only and shall not affect the meaning or the interpretation of these articles of amendment.

8.2 Any reference in these articles of amendment to dollars shall be to Canadian dollars.

8.3 Words importing the singular number only in these articles of amendment shall include the plural number and vice versa and words importing one gender only in these articles of amendment shall include all genders and words importing persons in these articles of amendment shall include individuals, partnerships, corporations and any other entities, legal or otherwise.

8.4 Time shall be of the essence of these articles of amendment.

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## SCHEDULE "A" TO ARTICLES OF AMENDMENT

The designation, rights, privileges, restrictions and conditions attached to the 1,923,077 Series A cumulative, redeemable, second preferred shares (hereinafter called the "Series A Second Preferred Shares") in the share capital of the Corporation shall be as follows:

### Article 1 - Designated Amount

1.1 The designated amount (hereinafter called the "ASPS Designated Amount") attributed to each Series A Second Preferred Share shall be the sum of \$2.60.

### Article 2 - Payment of Dividends

2.1 Each of the registered holders (hereinafter called the "ASPS Holders") of the Series A Second Preferred Shares shall be entitled to receive and the Corporation shall pay, out of the moneys of the Corporation properly applicable to the payment of dividends, fixed, preferential, cash dividends (hereinafter called the "ASPS Dividends") calculated at the rate of 8.0% per annum on the ASPS Designated Amount of each Series A Second Preferred Share held by such ASPS Holder from and after December 31, 1988 (hereinafter called the "Effective Date"). From and after the Effective Date, the ASPS Dividends shall be cumulative. The ASPS Dividends shall be payable quarterly on the last day of March, June, September and December in each year in respect of the period ended on each such day. The first payment of ASPS Dividends is due on the 31st day of March, 1989 and such first payment shall be in respect of the time period from the Effective Date up to March 31, 1989.

2.2 Subject to the payment of any dividends declared on the first preferred shares (hereinafter called the "First Preferred Shares") in the share capital of the Corporation in accordance with the articles of amalgamation (hereinafter called the "Articles of Amalgamation") of the Corporation filed at Corporate Registry (Alberta) on December 31, 1987, no dividend shall be declared and paid or set apart for payment on the Class "A" common shares (hereinafter called the "Common Shares") in the share capital of the Corporation or on any other shares in the share capital of the Corporation ranking junior to the Series A Second Preferred Shares in any year unless and until all accrued and unpaid ASPS Dividends on the Series A Second Preferred Shares have been paid in full.

### Article 3 - Participation Upon Dissolution or Sale

3.1 In the event of the liquidation, dissolution, winding-up or sale of all or substantially all of the assets

of the Corporation or any other distribution of property or assets of the Corporation among its shareholders, but only after the payment of the moneys to be paid to the holders of the First Preferred Shares in accordance with the Articles of Amalgamation, each of the ASPS Holders shall be entitled to receive from the assets of the Corporation, in preference and in priority to the holders of the Common Shares and the holders of any other shares in the share capital of the Corporation ranking junior to the Series A Second Preferred Shares, a sum equal to the ASPS Designated Amount of each Series A Second Preferred Share held by such ASPS Holder together with all accrued and unpaid ASPS Dividends thereon (which for such purpose shall be calculated as if the ASPS Dividends were accruing up to the date of such distribution) before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the Common Shares and the holders of any other shares in the share capital of the Corporation ranking junior to the Series A Second Preferred Shares.

3.2 After payment to the ASPS Holders of the amounts so payable to them as provided in Section 3.1 hereof, the ASPS Holders shall not be entitled to share in any further distribution of the assets or property of the Corporation.

#### Article 4 - Redemption Obligation

4.1 Subject to the prior redemption of the First Preferred Shares in accordance with the Articles of Amalgamation and subject to the contemporaneous payment of all accrued and unpaid ASPS Dividends and all accrued and unpaid dividends, if any, on the Other Second Preferred Shares in accordance with the Articles of Amalgamation, the Corporation may, upon giving notice as hereinafter provided, redeem at any time the whole or, from time to time, any part of the then outstanding Series A Second Preferred Shares at a price (hereinafter called the "ASPS Redemption Price") equal to the ASPS Designated Amount of each Series A Second Preferred Share to be redeemed together with all accrued and unpaid ASPS Dividends thereon (which for such purpose shall be calculated as if such ASPS Dividends were accruing up to the date of such redemption).

4.2 Notwithstanding Section 4.1 hereof but subject to the prior redemption of the First Preferred Shares in accordance with the Articles of Amalgamation and subject to the contemporaneous payment of all accrued and unpaid ASPS Dividends and all accrued and unpaid dividends, if any, on the other second preferred shares in the share capital of the

Corporation in accordance with the Articles of Amalgamation, the Corporation shall redeem all of the then outstanding Series A Second Preferred Shares on December 31, 1997.

4.3 The Corporation shall, at least 30 days before the date (hereinafter called the "ASPS Redemption Date") specified for redemption, mail to each person, who at the date of mailing is a ASPS Holder of Series A Second Preferred Shares to be redeemed, a notice in writing of the intention of the Corporation to redeem such Series A Second Preferred Shares. Such notice shall be mailed by letter, postage prepaid, addressed to each such ASPS Holder at its address as it appears in the records of the Corporation, or in the event of the address of any such ASPS Holder not so appearing, then to the last known address of such ASPS Holder provided that the accidental failure to give any such notice to one or more of such ASPS Holders shall not affect the validity of such redemption. Such notice shall set out the ASPS Redemption Price and the ASPS Redemption Date and, if only a part of the Series A Second Preferred Shares held by the ASPS Holder to whom it is addressed are to be redeemed, then such notice shall set out the number of such Series A Second Preferred Shares to be redeemed.

4.4 On the ASPS Redemption Date, the Corporation shall pay or cause to be paid to the ASPS Holders of the Series A Second Preferred Shares to be redeemed the ASPS Redemption Price thereof on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates representing the Series A Second Preferred Shares called for redemption. If only a part of the Series A Second Preferred Shares represented by any certificate are redeemed, then a new certificate for the unredeemed balance of the Series A Second Preferred Shares shall be issued at the expense of the Corporation.

4.5 From and after the ASPS Redemption Date, the Series A Second Preferred Shares called for redemption shall cease to be entitled to ASPS Dividends and the ASPS Holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the ASPS Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the ASPS Holders of such Series A Second Preferred Shares shall remain unaffected.

4.6 The Corporation shall have the right at any time after the mailing of notice of its intention to redeem any Series A Second Preferred Shares to deposit the ASPS Redemption Price of the Series A Second Preferred Shares so called for redemption, or of such of the Series A Second

Preferred Shares represented by certificates as have not at the date of such deposit been surrendered by the ASPS Holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada, named in such notice, to be paid without interest to the ASPS Holders of such Series A Second Preferred Shares called for redemption upon presentation and surrender to such chartered bank or trust company of the certificates representing such Series A Second Preferred Shares. Upon such deposit being made or upon the ASPS Redemption Date, whichever date is later, the Series A Second Preferred Shares in respect of which such deposit has been made shall be redeemed and the rights of the ASPS Holders thereof after the date of such deposit or the ASPS Redemption Date, as the case may be, shall be limited to receiving without interest their proportionate part of the total ASPS Redemption Price so deposited against presentation and surrender of the certificates representing such Series A Second Preferred Shares held by them respectively.

4.7 If only a part of the then outstanding Series A Second Preferred Shares is at any time to be redeemed, then the Series A Second Preferred Shares to be redeemed shall be redeemed on a pro-rata basis, disregarding fractions.

4.8 Notwithstanding Sections 4.3 to 4.7 inclusive hereof, the notice period, procedure and manner of payment for the redemption of any Series A Second Preferred Shares may be modified by agreement between the Corporation and the ASPS Holders of the Series A Second Preferred Shares to be redeemed.

4.9 If the Corporation cannot redeem the Series A Second Preferred Shares in accordance with Article 4 hereof without causing a contravention of the Business Corporations Act (Alberta) (hereinafter called the "Act") or any other applicable legislation, then the Corporation shall redeem such portion of the Series A Second Preferred Shares as can be redeemed without causing such contravention and the Corporation shall redeem the balance of such Series A Second Preferred Shares as soon as it is lawfully permitted to do so.

4.10 Other than with the prior written consent of the ASPS Holders or other than as required by law or these articles of amendment or other than the redemption of the First Preferred Shares in accordance with the Articles of Amendment, the Corporation shall not, at any time, redeem or purchase for cancellation the Common Shares or any other shares in the share capital of the Corporation ranking junior to the Series A Second Preferred Shares without first



redeeming all of the then outstanding Series A Second Preferred Shares.

#### Article 5 - Voting Rights

5.1 Subject to Section 5.2 hereof and the right of the ASPS Holders to vote at a meeting of the ASPS Holders in accordance with the provisions of the Act, the ASPS Holders shall not have any voting rights for the election of directors or for any other purpose.

5.2 For the purposes of Section 3.4 of the Articles of Amalgamation which entitles the holders of the second preferred shares (hereinafter called the "Second Preferred Shares") in the share capital of the Corporation to vote under certain circumstances, 2 annual dividends shall be deemed to remain unpaid on the Series A Second Preferred Shares if the Corporation has not paid for any 2 calendar years all quarterly ASPS Dividends due in each of such calendar years.

#### Article 6 - Conflicting Rights

6.1 In the event of any conflict between the provisions of these articles of amendment pertaining to the Series A Second Preferred Shares and the rights, privileges, restrictions or conditions attaching as a class to the Second Preferred Shares, the rights, privileges, restrictions or conditions attaching as a class to the Second Preferred Shares shall prevail.

6.2 In the event of any conflict between the provisions of these articles of amendment pertaining to the Series A Second Preferred Shares and the rights, privileges, restrictions or conditions attaching to any shares in the share capital of the Corporation, other than the rights, privileges, restrictions or conditions attaching as a class to the First Preferred Shares or the Second Preferred Shares, the provisions set forth in these articles of amendment shall prevail.

#### Article 7 - Amendment of Rights

7.1 The provisions of these articles of amendment pertaining to the Series A Second Preferred Shares may be deleted, varied, modified, amended or amplified only with the prior approval of the ASPS Holders, in addition to any other approval required by the Act, given by resolution duly passed and carried by not less than 66 2/3% of the votes cast on a poll at a meeting of the ASPS Holders duly called and held for the purpose of considering the subject matter of such

resolution and at which ASPS Holders of not less than a majority of all Series A Second Preferred Shares then outstanding are present in person or represented by proxy.

Article 8 - Interpretation

8.1 The headings used in these articles of amendment are for ease of reference only and shall not affect the meaning or the interpretation of these articles of amendment.

8.2 Any reference in these articles of amendment to dollars shall be to Canadian dollars.

8.3 Words importing the singular number only in these articles of amendment shall include the plural number and vice versa and words importing one gender only in these articles of amendment shall include all genders and words importing persons in these articles of amendment shall include individuals, partnerships, corporations and any other entities, legal or otherwise.

8.4 Time shall be of the essence of these articles of amendment.

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Corporate Access No.

BUSINESS CORPORATIONS ACT

Form 10

**CERTIFICATE OF AMALGAMATION**

THE CHURCHILL CORPORATION

Name of Corporation

I HEREBY CERTIFY THAT THE ABOVE-MENTIONED CORPORATION RESULTED FROM THE  
AMALGAMATION OF THE CORPORATIONS AS SET OUT IN THE ATTACHED ARTICLES OF  
AMALGAMATION.

Registrar of Corporations

DECEMBER 31, 1987

Date of Amalgamation



/dt



CONSUMER AND  
CORPORATE AFFAIRS

RECEIVED  
DEC 2 2 1987  
Corporate Registry  
Province of Alberta

ARTICLES OF AMALGAMATION

1. NAME OF AMALGAMATED CORPORATION.

THE GEORGICUM CORPORATION

2. CORPORATE ACCESS NO.

20376977

3. THE CLASSES AND ANY MAXIMUM NUMBER OF SHARES THAT THE CORPORATION IS AUTHORIZED TO ISSUE.

FILED  
DEC 3 1 1987  
THE REGISTRAR OF CORPORATIONS  
PROVINCE OF ALBERTA

4. RESTRICTIONS IF ANY ON SHARE TRANSFERS.

5. NUMBER (OR MINIMUM AND MAXIMUM NUMBER) OF DIRECTORS

6. RESTRICTIONS IF ANY ON BUSINESS THE CORPORATION MAY CARRY ON.

7. OTHER PROVISIONS IF ANY.

8. NAME OF AMALGAMATING CORPORATIONS.

CORPORATE ACCESS NO.

9 DATE	SIGNATURE	TITLE

FOR DEPARTMENTAL USE ONLY

FILED

87/12/31

**BUSINESS CORPORATIONS ACT  
ARTICLES OF AMALGAMATION**

Form 9

**INSTRUCTIONS**

**FORMAT**

Documents required to be sent to the Registrar pursuant to the Business Corporations Act must conform to Section 1 of the Regulations made under the Act.

**ITEM 1**

Set out a proposed name for the amalgamated corporation that complies with Sections 10 and 12 of the Act. If the proposed name is not the name of one of the amalgamating corporations or if the name has not been searched, the Articles of Amalgamation must be accompanied by a Request for Name Search (Form 23) plus required fees.

**ITEM 2**

The corporate access number is located on the top right hand corner of the Certificate of Incorporation, Continuance or Amalgamation.

**ITEM 3**

Set out the details required by paragraph 6 (1) (b) of the Act, including details of the rights, privileges, restrictions and conditions attached to each class or series of shares. All shares must be without nominal or par value and must comply with the provisions of Part 5 of the Act.

**ITEM 4**

If restrictions are to be placed on the right to transfer shares of the corporation, set out a statement to this effect and the nature of such restrictions.

**ITEM 5**

State the number of directors. It is permissible to specify a minimum and maximum number of directors.

**ITEM 6**

If restrictions are to be placed on the business the corporation may carry on, set out the restrictions.

**ITEM 7**

Set out any provisions permitted by the Act or Regulations to be set out in the by-laws of the corporation that are to form part of the articles.

**ITEM 8**

Set out the complete names and corporate access numbers of all the corporations involved in the amalgamation.

**ITEM 9**

A director or authorized officer of the amalgamated corporation must sign and date the Articles and indicate his/her relationship to the corporation (TITLE).

**OTHER NOTICES AND DOCUMENTS**

- (1) The Articles of Amalgamation must be accompanied by a Notice of Address (Form 3), an Amalgamation Agreement, if any, a Notice of Directors (Form 6), and a Statutory Declaration of a Director or Authorized Officer of each amalgamating corporation in accordance with Section 179(2) of the Act.
- (2) If an amalgamation is effected under Section 177 of the Act, the Articles must be accompanied by a copy of the amalgamation agreement.

Due to limited space, an appropriate attachment adhering to Section 1 of the Regulations will be accepted. Completed documents in duplicate and the \$200.00 amalgamation fee, payable to the Provincial Treasurer, are to be sent to:

CORPORATE REGISTRY  
ALBERTA CONSUMER AND  
CORPORATE AFFAIRS  
14th FLOOR, CENTURY PLACE  
9803 - 102A AVENUE  
EDMONTON, ALBERTA  
T5J 3A3

CORPORATE REGISTRY  
ALBERTA CONSUMER AND  
CORPORATE AFFAIRS  
9th FLOOR, J. J. BOWLEN BLDG.  
620 - 7 AVENUE S.W.  
CALGARY, ALBERTA.  
T2P 0Y8

SCHEDULE I ATTACHED TO THE ARTICLES OF AMALGAMATION  
OF THE CHURCHILL CORPORATION

3. THE CLASSES AND ANY MAXIMUM NUMBER OF SHARES THAT THE CORPORATION IS AUTHORIZED TO ISSUE:

3.1 The Corporation is authorized to issue:

- (a) Ten Million (10,000,000) First Preferred Shares of which Six Million Five Hundred Thousand (6,500,000) have been designated as Series "A" First Preferred Shares;
- (b) Ten Million (10,000,000) Second Preferred Shares; and
- (c) One Hundred Ten Million (110,000,000) Class "A" Common Shares.

3.2 First Preferred Shares

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

- (a) The First Preferred Shares may at any time and from time to time be issued in One (1) or more series, each series to consist of such number of shares as may, before the issue thereof, be determined by resolution of the Board of Directors. The number of shares in any series may be increased by the Directors from time to time upon compliance with the same conditions as are applicable to the issue of First Preferred Shares in a new series.
- (b) The Board of Directors shall, by resolution, duly passed before the issue of any First Preferred Shares of any series, fix the special rights, provisions, restrictions and conditions to be attached to the First Preferred Shares of such series, including, without in any way limiting or restricting the generality of the foregoing, the rate or amount of preferential dividends, the date or dates and place or places of payment thereof, the consideration of any purchase for cancellation or the consideration of any redemption or retraction thereof (the "Redemption Price") and the terms and conditions of any purchase for cancellation, redemption or retraction, conversion rights, share purchase plan or sinking fund or other provisions attaching thereto, the whole subject to the special rights, provisions, restrictions and conditions attaching to the First Preferred Shares as a class and also subject to the filing with the Registrar of Corporations for the Province of Alberta of Articles of Amendment in the prescribed form to designate the series of First Preferred Shares.

- (c) In the event that any fixed cumulative dividends or amounts payable on the return of capital are not paid in full according to the respective terms of each series, the First Preferred Shares of all series shall rank on a parity and shall participate rateably in respect of such dividends including accumulations, if any, in accordance with the sums which would be payable on the First Preferred Shares if all such dividends were declared and paid in full in accordance with their respective terms, and on any return of capital in accordance with the sums which would be payable upon such return of capital if all such sums so payable were paid in full in accordance with their respective terms; PROVIDED FURTHER that in the event that there shall be insufficient assets to satisfy claims for both dividends and the return of capital of the holders of First Preferred Shares then the assets of the Corporation shall be applied as aforesaid firstly in satisfaction of the claims of holders of First Preferred Shares with respect to return of capital and secondly, any assets remaining thereafter shall be applied towards the payment and satisfaction of claims in respect of dividends.
- (d) In the event of a liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of First Preferred Shares shall be entitled to receive, before distribution of any part of the assets of the Corporation among holders of shares of any class in the capital stock of the Corporation ranking junior to the First Preferred Shares, one hundred (100%) per cent of the Redemption Price of each First Preferred Share held plus all unpaid fixed cumulative dividends, but shall not be entitled to participate in any further distribution of the assets of the Corporation.
- (e) Subject to the terms of Section 3.2(c) herein, unless the resolution of the Directors of the Corporation aforesaid establishing any particular series shall expressly provide that such series shall be subordinate in any respect to any prior series of First Preferred Shares then issued and outstanding or to all or any subsequent series, the First Preferred Shares of each series shall rank on a parity with the First Preferred Shares of every other series (except for sinking funds or purchase funds established for a particular series).
- (f) The First Preferred Shares shall be entitled to preference over the Class "A" Common Shares and any other shares of the Corporation ranking junior to the

First Preferred Shares with respect to the payment of dividends and any particular series of the First Preferred Shares or the First Preferred Shares as a class may also be given such other preferences over the Class "A" Common Shares and any other shares of the Corporation ranking junior to the First Preferred Shares as may be determined by the Directors of the Corporation.

- (g) Subject to the special rights, provisions, restrictions and conditions attaching to the First Preferred Shares of any series, the Corporation may at any time or times purchase (if obtainable) for cancellation all or any part of the First Preferred Shares of any series outstanding from time to time in the market (including purchase through or from an investment dealer or firm holding membership on a recognized stock exchange) or by invitation for tenders addressed to all the holders of record of the First Preferred Shares of such series outstanding at the lowest price or prices at which, in the opinion of the Directors, such shares are obtainable but not exceeding the price at which, at the date of purchase, such shares may be redeemed according to the terms of Section 3.2(h). If upon any invitation for tenders under the provisions of this clause the Corporation shall receive tenders for First Preferred Shares of such series at the same lowest price which the Corporation is willing to pay in an aggregate number greater than the number for which the Corporation is prepared to accept tenders, the First Preferred Shares of such series so tendered which the Corporation determines to purchase at such price shall be purchased as nearly as may be pro rata, disregarding fractions, in proportion to the number of First Preferred Shares of such series so tendered by each of the holders of the First Preferred Shares of such series who submitted tenders at the said same lowest price.
- (h) Subject to the special rights, provisions, restrictions and conditions attaching to the First Preferred Shares of any series, the Corporation may upon giving notice as hereinafter provided redeem at any time the whole or from time to time any part of the then outstanding First Preferred Shares of any series on payment for each share to be redeemed of the Redemption Price thereof together with all dividends (if any) accrued thereon up to the date fixed for redemption and then remaining unpaid on such shares.



- (i) In the case of a redemption of First Preferred Shares of any series under the provisions of Section 3.2(h) then at least thirty (30) days before the date specified for redemption, the Corporation shall mail, to each person who at the date of mailing is a registered holder of First Preferred Shares of such series to be redeemed, a notice in writing of the intention of the Corporation to redeem such shares. Such notice shall be mailed in an envelope, postage prepaid, addressed to such shareholder at his address as it appears on the books of the Corporation or in the event of the address of any such shareholder not so appearing then to the last known address of such shareholder; PROVIDED HOWEVER, that accidental failure or omission to give such notice to One (1) or more such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and date on which redemption is to take place and, if part only of the First Preferred Shares of such series held by the person to whom the notice is addressed is to be redeemed, the number thereof to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the First Preferred Shares of such series to be redeemed the Redemption Price thereof upon presentation and surrender, at the head office of the Corporation or any other place within Canada designated in such notice, of the certificates representing the First Preferred Shares of such series so called for redemption. Such payment shall be made by cheques payable at par at any branch of the Corporation's bankers for the time being in Canada. If a part only of the First Preferred Shares of such series 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 for redemption in any such notice the First Preferred Shares of such series 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 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 any time after the mailing of the notice of its intention to redeem any First Preferred Shares of any series as aforesaid to deposit the Redemption Price of such series so called for redemption or of such of the

said shares represented by certificates as have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of the First Preferred Shares of such series called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such notice being made or upon the date specified for redemption in such notice, whichever is the later, the First Preferred Shares of such series in respect whereof such deposit shall have been made shall be redeemed and the rights of the holders thereof after such deposit or redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of said certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation.

- (j) Notwithstanding the provisions of Sections 3.2(g) and 3.2(h) hereof, First Preferred Shares of any series shall not be redeemed nor shall any funds of the Corporation be applied in the purchase of the First Preferred Shares of any series, whether through the operation of a sinking fund or otherwise unless at the time of such redemption or purchase all accrued and unpaid dividends, if any, on all the First Preferred Shares outstanding shall have been declared and paid, or funds in respect thereof set aside for that purpose. The First Preferred Shares redeemed or purchased by the Corporation shall be cancelled and shall not be reissued.
- (k) The holders of the First Preferred Shares shall not, as such, be entitled as of right to subscribe for or purchase or receive any part of any issue of shares or bonds, debentures or other securities of the Corporation now or hereafter authorized except pursuant to conversion rights set forth in the special rights, provisions, restrictions and conditions attaching to the First Preferred Shares of any series.
- (l) Subject always to the provisions of The Business Corporations Act, the holders of the First Preferred Shares, as such, shall not be entitled to:

- (i) receive notice of any meetings of the shareholders of the Corporation; or
- (ii) attend any meetings of the shareholders of the Corporation; or
- (iii) vote at any meetings of the shareholders of the Corporation;

except a meeting at which only holders of a specified class or series of shares are, by the provisions of the Business Corporations Act, entitled to vote, unless and until Two (2) annual dividends on the First Preferred Shares of any One (1) series shall remain unpaid whether or not such dividends have been declared and whether or not consecutive and whether or not there are monies of the Corporation properly applicable to the payment of dividends; THEREAFTER so long as any dividends on any First Preferred Shares remain in arrears the holders of the First Preferred Shares of all series shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation and shall be entitled to One (1) vote in respect of each First Preferred Share held.

- (m) No class of shares may be created ranking as to capital or dividends prior to or on a parity with the First Preferred Shares without the approval of the holders of First Preferred Shares given as herein specified nor shall any additional First Preferred Shares be created without such approval.
- (n) The provisions affecting the First Preferred Shares as a class as provided herein and as may be provided from time to time may be repealed, altered, modified, amended or amplified or otherwise varied only with the sanction of the holders of the First Preferred Shares given either:
  - (i) in writing by the holders of all the outstanding First Preferred Shares; or
  - (ii) by resolution passed at a meeting of such holders duly called for such purpose and held upon at least Twenty One (21) days' notice at which a quorum is present and comprising at least Two (2) persons present holding or representing by proxy at least a majority of the outstanding First Preferred Shares and carried by the affirmative vote of the holders

of not less than Seventy Five (75%) per cent of the First Preferred Shares represented and voted at such meeting. If any such quorum is not present within Half-an-hour (1/2) after the time appointed for the meeting, then the meeting shall be adjourned to a date not less than Fifteen (15) days later and at such time and place as may be appointed by the Chairman. Notwithstanding the foregoing, or any provisions of the Bylaws of the Corporation respecting quorums at meetings of shareholders to transact the business for which the meeting was originally called, at such adjourned meeting at least Two (2) persons present and holding or representing by proxy One Third (1/3) of the outstanding First Preferred Shares shall form a quorum for the transaction of the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of the holders of not less than Seventy Five (75%) per cent of the First Preferred Shares represented and voted at such adjourned meeting shall constitute the sanction of the holders of the First Preferred Shares. The formalities to be observed with respect to the giving of notice of any such meeting or adjourned meeting and the conduct thereof shall be those which may from time to time be described in the Bylaws of the Corporation with respect to meetings of shareholders. On every vote taken at every meeting or adjourned meeting each holder of a First Preferred Share shall be entitled to One (1) vote in respect of each First Preferred Share held.

- (o) For the purpose of the foregoing provisions and the provisions of any particular series of First Preferred Shares the expressions "accrued and unpaid dividends" and "accumulations" mean an amount computed at the rate of fixed cumulative dividends, if any, attaching to the First Preferred Shares of a series as though dividends on such shares had been accruing on a day to day basis in accordance with the terms thereof to the date to which the computation of accrued and unpaid dividends is to be made, after deducting all dividend payments on such First Preferred Shares of such series to such date; and the expressions "prior to", "on parity with" and "junior to" have a reference to the order of priority in payment of dividends and in the distribution of assets in the event of a liquidation, dissolution or winding up of the Corporation or other distribution of its assets among its shareholders for the purpose of winding up its affairs either voluntary or involuntary.

3.3 Series "A" First Preferred Shares

The designation, rights, privileges, restrictions and conditions attached to the 6,500,000 Series "A" cumulative, redeemable, first preferred shares (hereinafter called the "Series "A" Preferred Shares") in the share capital of the Corporation shall be as follows:

- (a) The designated amount (hereinafter called the "Designated Amount") attributed to each Series "A" Preferred Share shall be the sum of \$1.00.
- (b) Each of the registered holders (hereinafter called the "Holders") of the Series "A" Preferred Shares shall be entitled to receive and the Corporation shall pay, out of the moneys of the Corporation properly applicable to the payment of dividends, fixed, preferential, cumulative, cash dividends (hereinafter called the "Dividends") calculated at the rate of 8.0% per annum on the Designated Amount of each Series "A" Preferred Share held by such Holder from and after the closing date (hereinafter called the "Closing Date") defined in the subscription agreement (hereinafter called the "Subscription Agreement") dated for reference November 19, 1986 and made between the Corporation and Vencap Equities Alberta Ltd. (hereinafter called "Vencap"). The Dividends shall be payable quarterly on the last days of March, June, September and December in each year which commenced on March 31, 1987. The first payment of Dividends was due on March 31, 1987 in respect of the time period from January 1, 1987 to March 31, 1987.
- (c) Subject to Section 3.2(c) hereof, no dividend shall at any time be declared and paid or set apart for payment on the Class "A" common shares in the share capital of the Corporation (hereinafter called the "Common Shares") or any other shares in the share capital of the Corporation in any year unless and until all accrued and unpaid Dividends on the Series "A" Preferred Shares have been paid in full.
- (d) In the event of the liquidation, dissolution, winding-up or sale of all or substantially all of the assets of the Corporation or any other distribution of property or assets of the Corporation among its shareholders (other than a dividend paid in the ordinary course) each of the Holders shall be entitled to receive from the assets and property of the Corporation, in preference and in priority to the Common Shares and any other shares in

the capital stock of the Corporation, a sum equal to the Designated Amount of each Series "A" Preferred Share held by such Holder together with all accrued and unpaid Dividends thereon (which for such purpose shall be calculated as if the Dividends were accruing up to the date of such distribution) before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the Common Shares or any other shares in the capital stock of the Corporation.

- (e) After payment to the Holders of the amounts so payable to them as provided in Section 3.3(d) hereof, the Holders shall not be entitled to share in any further distribution of the assets or property of the Corporation.
- (f) Subject to Section 3.2(j) hereof, the Corporation may, upon giving notice as hereinafter provided, redeem at any time the whole or, from time to time, any part of the then outstanding Series "A" Preferred Shares at a price (hereinafter called the "Redemption Price") equal to the Designated Amount of each Series "A" Preferred Share to be redeemed together with all accrued and unpaid Dividends thereon (which for such purpose shall be calculated as if such Dividends were accruing up to the date of such redemption(s)).
- (g) Notwithstanding Section 3.3(f) hereof and subject to Section 3.2(j), the Corporation shall, after giving notice as hereinafter provided, redeem any Series "A" Preferred Shares remaining outstanding as at the end of the fiscal year (hereinafter called the "1991 Fiscal Year") of the Corporation ending in the 1991 calendar year, on the basis that the Corporation shall, as a minimum, in each fiscal year of the Corporation following the 1991 Fiscal year, redeem a number of the then outstanding Series "A" Preferred Shares, the aggregate Redemption Price of which is equal to 20% of the net cash flow from operations of the Corporation, on a consolidated basis, for the immediately preceding fiscal year of the Corporation. (For example, if the 1991 Fiscal Year ends on December 31, 1991, then the number of Series "A" Preferred Shares to be redeemed by the Corporation during the fiscal year of the Corporation ending on December 31, 1992 shall be based upon 20% of the net cash flow from operations of the Corporation, on a consolidated basis, for the 1991 Fiscal Year.) For each Series "A" Preferred Share to be redeemed, the Corporation shall pay to the Holder

thereof the Redemption Price. Any Series "A" Preferred Shares remaining outstanding on December 31, 1995 shall be redeemed on that date. For the purposes of Section 3.3(g) hereof, the phrase "net cash flow from operations" means the net after tax income of the Corporation plus any non-cash expenses minus any non-cash revenues less an amount of \$150,000., as such items are disclosed in the audited consolidated annual financial statements of the Corporation, it being acknowledged that such financial statements shall be prepared in accordance with generally accepted Canadian accounting principles applied on a consistent basis.

- (h) If only a part of the then outstanding Series "A" Preferred Shares is at any time to be redeemed, then the Series "A" Preferred Shares to be redeemed shall be redeemed on a pro-rata basis, disregarding fractions.
- (i) Notwithstanding Sections 3.3(f), 3.3(g), and 3.3(h) hereof, the notice period, procedure and manner of payment for the redemption of any Series "A" Preferred Shares may be modified by agreement between the Corporation and the Holders of the Series "A" Preferred Shares to be redeemed.
- (j) If the Corporation cannot redeem the Series "A" Preferred Shares in accordance with the provisions herein without causing a contravention of the Business Corporations Act (Alberta) (hereinafter called the "Act") or any other applicable legislation, then the Corporation shall redeem such portion of the Series "A" Preferred Shares as can be redeemed without causing such contravention and the Corporation shall redeem the balance of such Series "A" Preferred Shares as soon as it is lawfully permitted to do so.
- (k) The Corporation shall not at any time, other than as required by law or other than with the prior written consent of the Holders, redeem or purchase for cancellation any other shares in the capital stock of the Corporation without first redeeming all of the then outstanding Series "A" Preferred Shares.
- (l) Subject to Section 3.3(m) hereof and the right of the Holders to vote to a meeting of the Holders in accordance with the provisions of the Act, the Holders shall not have any voting rights for the election of directors or for any other purpose.

- (m) For the purposes of Section 3.2(1) hereof which entitles the holders of First Preferred Shares of the Corporation to vote under certain circumstances, two annual dividends shall be deemed to remain unpaid on the Series "A" Preferred Shares if the Corporation has not paid for any two calendar years all quarterly dividends due in each of such calendar years.
- (n) In the event of any conflict between the provisions of Section 3.3 hereof pertaining to the Series "A" Preferred Shares and the rights, privileges, restrictions or conditions, attaching as a class to the First Preferred Shares in the share capital of the Corporation, the class rights, privileges, restrictions or conditions shall prevail.
- (o) In the event of any conflict between the provisions of Section 3.3 hereof pertaining to the Series "A" Preferred Shares and the rights, privileges, restrictions or conditions attaching to any shares in the share capital of the Corporation, other than the rights, privileges, restrictions or conditions attaching, as a class, to the First Preferred Shares in the share capital of the Corporation, the provisions set forth in Section 3.3 hereof shall prevail.
- (p) The provisions of Section 3.3 pertaining to the Series "A" Preferred Shares may be deleted, varied, modified, amended or amplified only with the prior approval of the Holders, in addition to any other approval required by the Act, given by resolution duly passed and carried by not less than  $66 \frac{2}{3}\%$  of the votes cast on a poll at a meeting of the Holders duly called and held for the purpose of considering the subject matter of such resolution and at which Holders of not less than a majority of all Series "A" Preferred Shares then outstanding are present in person or represented by proxy.
- (q) Words importing the singular number only in Section 3.3 hereof shall include the plural number and vice versa and words importing one gender only in Section 3.3 hereof shall include all genders and words importing persons in Article 3.3. hereof shall include individuals, partnerships, corporations and any other entities, legal or otherwise.



3.4 Second Preferred Shares

The Second Preferred Shares shall have attached thereto the same special rights, provisions, restrictions and conditions as are attached to the First Preferred Shares SAVE AND EXCEPT AS HEREINAFTER SET OUT and these provisions shall be read as though the special rights, provisions, restrictions and conditions set out herein with respect to the First Preferred Shares had been repeated with respect to the Second Preferred Shares EXCEPT AS HEREINAFTER SET OUT.

- (a) The Second Preferred Shares shall rank junior to the First Preferred Shares of the Corporation but shall be entitled to preference over the Class "A" Common Shares and any other shares of the Corporation ranking junior to the Second Preferred Shares with respect to the payment of dividends and any particular series of the Second Preferred Shares or the Second Preferred Shares as a class may also be given such other preferences over the Class "A" Common Shares and any other shares of the Corporation ranking junior to the Second Preferred Shares as may be determined by the Directors of the Corporation.
- (b) Except for the First Preferred Shares, no class of shares may be created ranking as to capital or dividends prior to or on a parity with the Second Preferred Shares without the approval of the holders of the Second Preferred Shares given as herein specified nor shall any additional Second Preferred Shares be created without such approval.

3.5 Common Shares

- (a) The Class "A" Common Shares shall be entitled to attend all meetings of shareholders and to receive notice thereof and each such Class "A" Common Share shall carry and the holder thereof shall be entitled to One (1) vote per share at all meetings of the shareholders of the Corporation;
- (b) Subject to the rights of the holders of First Preferred Shares and Second Preferred Shares to participate in a distribution of the assets of the Corporation, in the event of a liquidation, dissolution or winding up of the Corporation, whether voluntarily or involuntarily, the holders of Class "A" Common Shares shall be entitled to participate equally in respect of any Class "A" Common

Share held in any further distribution of the assets of the Corporation.

3.6 Restriction on Redemption

No dividends or distributions of any kind whatsoever shall be declared or made in respect of any share of the Corporation which will have the effect of reducing the net assets including goodwill of the Corporation to an amount insufficient to enable the redemption by the Corporation of all of the issued and outstanding First Preferred Shares and Second Preferred Shares or which will have the effect of reducing the net assets of the Corporation below an amount equal to the aggregate stated capital of all issued and outstanding shares of all classes of the Corporation.

CANADA  
PROVINCE OF ALBERTA  
TO WIT

RECEIVED  
DEC 10 1987

) IN THE MATTER OF THE  
) AMALGAMATION OF THE  
) CHURCHILL CORPORATION and  
) A.I.L. - ALBERTA INVESTMENTS  
) LTD. PURSUANT TO THE  
) BUSINESS CORPORATIONS ACT  
) (ALBERTA)

STATUTORY DECLARATION

I, TERRANCE J. NORMAN, of the City of Edmonton, in Province of Alberta, Businessman, DO SOLEMNLY DECLARE:

1. THAT I am a proposed director of THE CHURCHILL CORPORATION (the "Amalgamated Corporation") and am familiar with the affairs of the Corporation.

2. THAT in my opinion, the Amalgamated Corporation resulting from the amalgamation of THE CHURCHILL CORPORATION and A.I.L. - ALBERTA INVESTMENTS LTD. will be able to pay its liabilities as they become due and the realizable value of such Amalgamated Corporation's assets will not be less than the aggregate of its liabilities and stated capital of all classes of shares.

3. THAT in my opinion, there are reasonable grounds for believing that no creditor will be prejudiced by the amalgamation of THE CHURCHILL CORPORATION and A.I.L. - ALBERTA INVESTMENTS LTD.

DEC 10 1987

DECLARED BEFORE ME at the City of Edmonton, in the Province of Alberta, this 30<sup>th</sup> day of Dec 1987.

Cathy D. Segal  
A COMMISSIONER FOR OATHS  
in and for the Province of Alberta

)  
)  
) Terrance J. Norman  
) TERRANCE J. NORMAN  
)  
)  
)



20262526

Corporate Access No.

BUSINESS CORPORATIONS ACT

Form 5

**CERTIFICATE OF AMENDMENT**

THE CHURCHILL CORPORATION

Name of Corporation

I HEREBY CERTIFY THAT THE ARTICLES OF THE ABOVE-MENTIONED CORPORATION WERE AMENDED.

- UNDER SECTION 13 OF THE BUSINESS CORPORATIONS ACT IN ACCORDANCE WITH THE ATTACHED NOTICE;
- UNDER SECTION 27 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF AMENDMENT DESIGNATING A SERIES OF SHARES;
- UNDER SECTION 171 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF AMENDMENT;
- UNDER SECTION 185 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF REORGANIZATION;
- UNDER SECTION 186 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF ARRANGEMENT.



*M. M. Frachin*

Registrar of Corporations

December 18, 1987

Date of Amendment

/kmj



CONSUMER AND  
CORPORATE AFFAIRS

**FILED**  
**DEC 18 1987**  
Registrar of Corporations  
Province of Alberta

**ARTICLES OF AMENDMENT**

1. NAME OF CORPORATION.

THE CHURCHILL CORPORATION

2. CORPORATE ACCESS NO.

00257526

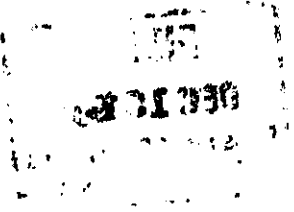
**FILED (1)**  
**DEC 18 1987**

Registry  
of Alberta

3. THE ARTICLES OF THE ABOVE-NAMED CORPORATION ARE AMENDED AS FOLLOWS:

Pursuant to Section 27 of The Business Corporations Act (Alberta) and Articles 3.2(a) and (b) of the Articles of Continuance, the number of Series "A" First Preferred Shares designated is increased from Five Million (5,000,000) to Six Million Five Hundred Thousand (6,500,000) having in all other respects the designation, rights, privileges, restrictions and conditions set forth in the Articles of Amendment dated December 3, 1986.

DATE	SIGNATURE	TITLE
17, 1987		
FOR DEPARTMENTAL USE ONLY		FILED



**BUSINESS CORPORATIONS ACT  
ARTICLES OF AMENDMENT**

Form 4

**INSTRUCTIONS**

**FORMAT**

Documents required to be sent to the Registrar pursuant to the Business Corporations Act must conform to Section 1 of the Regulations made under the Act.

**GENERAL**

- (1) Any change in the Articles of the corporation must be made in accordance with Sections 27 and 171 of the Act. If an amendment is to change a corporate name, the new name must comply with Sections 10 and 12 of the Act. The Articles of Amendment must be accompanied by an Alberta Search Report dated not more than 90 days from the date the documents are received by Corporate Registry.
- (2) Indicate the paragraph and if applicable, the subparagraph of the Articles being amended in No. 3 of this form.
- (3) Indicate the section and if applicable, the subsection of The Business Corporations Act under which the amendment is being made in No. 3 of this form.
- (4) A director or authorized officer of the corporation shall sign and date the Articles and indicate his/her relationship to the corporation (TITLE).

**OTHER NOTICES**

If applicable, the Articles must be accompanied by a copy of a Notice of Change of Address (Form 3) or Notice of Change of Directors (Form 6)

Due to limited space, an appropriate attachment adhering to Section 1 of the Regulations will be accepted. Completed documents in duplicate and an amendment fee of \$50.00 (\$25.00 if changing the name of a society), payable to the Provincial Treasurer, are to be sent to:

<p>CORPORATE REGISTRY ALBERTA CONSUMER AND CORPORATE AFFAIRS 8th FLOOR 10365 - 97 STREET EDMONTON, ALBERTA. T5J 3W7</p>	<p>RED DEER REGIONAL OFFICE ALBERTA CONSUMER AND CORPORATE AFFAIRS 2nd FL. PROV. BLDG. 4920 - 51 STREET RED DEER, ALBERTA T4N 6K8</p>	<p>LETHBRIDGE REGIONAL OFFICE ALBERTA CONSUMER AND CORPORATE AFFAIRS 300 PROFESSIONAL BLDG. 740 - 4 AVENUE SOUTH BAG SERVICE 3014 LETHBRIDGE, ALBERTA. T1J 4C7</p>	<p>PEACE RIVER REGIONAL OFFICE ALBERTA CONSUMER AND CORPORATE AFFAIRS PEACE RIVER PROV. BLDG. 9621 - 96 AVENUE BAG 900 BOX 9 PEACE RIVER, ALBERTA. T0H 2X0</p>
<p>CORPORATE REGISTRY ALBERTA CONSUMER AND CORPORATE AFFAIRS 9th FLOOR 620 - 7th AVENUE S.W CALGARY, ALBERTA T2P 0Y8</p>	<p>FT. McMURRAY REGIONAL OFFICE ALBERTA CONSUMER AND CORPORATE AFFAIRS 5th FLOOR, WEST TOWER 9915 FRANKLIN AVENUE FT. McMURRAY, ALBERTA T9H 2K4</p>	<p>GRANDE PRAIRIE REGIONAL OFFICE ALBERTA CONSUMER AND CORPORATE AFFAIRS GRANDE PRAIRIE PROV. BLDG. 10320 - 99 STREET BOX 7 GRANDE PRAIRIE, ALBERTA T8V 6J4</p>	<p>MEDICINE HAT REGIONAL OFFICE ALBERTA CONSUMER AND CORPORATE AFFAIRS 303 PROV. BLDG. 770 - 6th STREET S.W. MEDICINE HAT, ALBERTA. T1A 4J6</p>



20262526

Corporate Access No.

BUSINESS CORPORATIONS ACT

Form 5

**CERTIFICATE OF AMENDMENT**

THE CHURCHILL CORPORATION

Name of Corporation

I HEREBY CERTIFY THAT THE ARTICLES OF THE ABOVE-MENTIONED CORPORATION WERE AMENDED.

- UNDER SECTION 13 OF THE BUSINESS CORPORATIONS ACT IN ACCORDANCE WITH THE ATTACHED NOTICE;
- UNDER SECTION 27 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF AMENDMENT DESIGNATING A SERIES OF SHARES;
- UNDER SECTION 171 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF AMENDMENT;
- UNDER SECTION 185 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF REORGANIZATION;
- UNDER SECTION 186 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF ARRANGEMENT.



*M. M. Frachin*

Registrar of Corporations

DECEMBER 8, 1986

Date of Amendment

FILED

BUSINESS CORPORATIONS ACT  
(SECTION 27 OR 171)

DEC - 8 1986

FORM 4



CONSUMER AND  
CORPORATE AFFAIRS

THE REGISTRAR OF CORPORATIONS  
PROVINCE OF ALBERTA

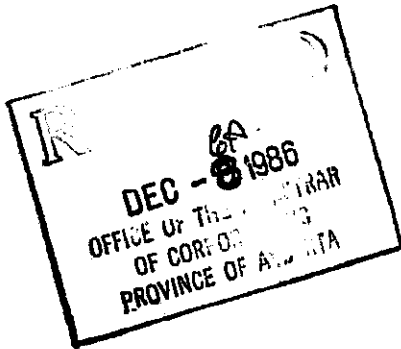
ARTICLES OF AMENDMENT

1. NAME OF CORPORATION

2. CORPORATE ACCESS NO.

3. THE ARTICLES OF THE ABOVE-NAMED CORPORATION ARE AMENDED AS FOLLOWS:

Faint, illegible text describing the amendments to the articles of incorporation.



DATE	SIGNATURE	TITLE

FOR DEPARTMENTAL USE ONLY

FILED



**BUSINESS CORPORATIONS ACT  
ARTICLES OF AMENDMENT**

Form 4

**INSTRUCTIONS**

**FORMAT**

Documents required to be sent to the Registrar pursuant to the Business Corporations Act must conform to Section 1 of the Regulations made under the Act.

**GENERAL**

- (1) Any change in the Articles of the corporation must be made in accordance with Sections 27 and 171 of the Act. If an amendment is to change a corporate name, the new name must comply with Sections 10 and 12 of the Act. The Articles of Amendment must be accompanied by an Alberta Search Report dated not more than 90 days from the date the documents are received by Corporate Registry.
- (2) Indicate the paragraph and if applicable, the subparagraph of the Articles being amended in No. 3 of this form.
- (3) Indicate the section and if applicable, the subsection of The Business Corporations Act under which the amendment is being made in No. 3 of this form.
- (4) A director or authorized officer of the corporation shall sign and date the Articles and indicate his/her relationship to the corporation (TITLE).

**OTHER NOTICES**

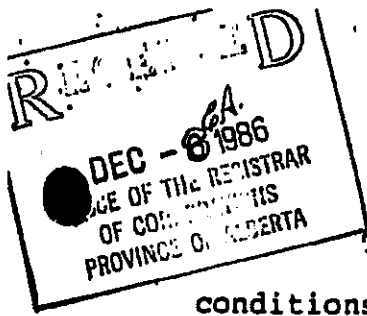
If applicable, the Articles must be accompanied by a copy of a Notice of Change of Address (Form 3) or Notice of Change of Directors (Form 6)

Due to limited space, an appropriate attachment adhering to Section 1 of the Regulations will be accepted. Completed documents in duplicate and an amendment fee of \$50.00 (\$25.00 if changing the name of a society), payable to the Provincial Treasurer, are to be sent to:

CORPORATE REGISTRY  
ALBERTA CONSUMER AND  
CORPORATE AFFAIRS  
8th FLOOR  
10365 - 97 STREET  
EDMONTON, ALBERTA  
T5J 3W7

CORPORATE REGISTRY  
ALBERTA CONSUMER AND  
CORPORATE AFFAIRS  
9th FLOOR, J. J. BOWLEN BLDG.  
620 - 7 AVENUE S.W.  
CALGARY, ALBERTA.  
T2P 0Y8

SCHEDULE "A" TO ARTICLES OF AMENDMENT



The designation, rights, privileges, restrictions and conditions attached to the 5,000,000 Series A cumulative, redeemable, first preferred shares (hereinafter called the "Series A Preferred Shares") in the share capital of the Corporation shall be as follows:

Article I - Designated Amount

1.01 The designated amount (hereinafter called the "Designated Amount") attributed to each Series A Preferred Share shall be the sum of \$1.00.

Article II - Payment of Dividends

2.01 Each of the registered holders (hereinafter called the "Holders") of the Series A Preferred Shares shall be entitled to receive and the Corporation shall pay, out of the moneys of the Corporation properly applicable to the payment of dividends, fixed, preferential, cumulative, cash dividends (hereinafter called the "Dividends") calculated at the rate of 8.0% per annum on the Designated Amount of each Series A Preferred Share held by such Holder from and after the closing date (hereinafter called the "Closing Date") defined in the subscription agreement (hereinafter called the "Subscription Agreement") dated for reference November 19, 1986 and made between the Corporation and Vencap Equities Alberta Ltd. (hereinafter called "Vencap"). The Dividends shall be payable quarterly on the last days of March, June, September and December in each year commencing on March 31,

1987. The first payment of Dividends is due on March 31, 1987 in respect of the time period from the Closing Date to March 31, 1987.

2.02 Subject to Section 3.2(c) of the articles of continuance (hereinafter called the "July Articles") of the Corporation filed on July 30, 1985, no dividend shall at any time be declared and paid or set apart for payment on the Class "A" common shares in the share capital of the Corporation (hereinafter called the "Common Shares") or any other shares in the share capital of the Corporation in any year unless and until all accrued and unpaid Dividends on the Series A Preferred Shares have been paid in full.

Article III - Participation Upon Dissolution or Sale

3.01 In the event of the liquidation, dissolution, winding-up or sale of all or substantially all of the assets of the Corporation or any other distribution of property or assets of the Corporation among its shareholders (other than a dividend paid in the ordinary course) each of the Holders shall be entitled to receive from the assets and property of the Corporation, in preference and in priority to the Common Shares and any other shares in the capital stock of the Corporation, a sum equal to the Designated Amount of each Series A Preferred Share held by such Holder together with all accrued and unpaid Dividends thereon (which for such purpose shall be calculated as if the Dividends were accruing up to the date of such

distribution) before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the Common Shares or any other shares in the capital stock of the Corporation.

3.02 After payment to the Holders of the amounts so payable to them as provided in Section 3.01 hereof, the Holders shall not be entitled to share in any further distribution of the assets or property of the Corporation.

#### Article IV - Redemption Obligation

4.01 Subject to Section 3.2(j) of the July Articles, the Corporation may, upon giving notice as hereinafter provided, redeem at any time the whole or, from time to time, any part of the then outstanding Series A Preferred Shares at a price (hereinafter called the "Redemption Price") equal to the Designated Amount of each Series A Preferred Share to be redeemed together with all accrued and unpaid Dividends thereon (which for such purpose shall be calculated as if such Dividends were accruing up to the date of such redemption).

4.02 Notwithstanding Section 4.01 hereof and subject to Section 3.2(j) of the July Articles, the Corporation shall, after giving notice as hereinafter provided, redeem any Series A Preferred Shares remaining outstanding as at the end of the fiscal year (hereinafter called the "1991 Fiscal Year") of the Corporation ending in the 1991 calendar year, on the basis that

the Corporation shall, as a minimum, in each fiscal year of the Corporation following the 1991 Fiscal Year, redeem a number of the then outstanding Series A Preferred Shares, the aggregate Redemption Price of which is equal to 20% of the net cash flow from operations of the Corporation, on a consolidated basis, for the immediately preceding fiscal year of the Corporation. (For example, if the 1991 Fiscal Year ends on December 31, 1991, then the number of Series A Preferred Shares to be redeemed by the Corporation during the fiscal year of the Corporation ending on December 31, 1992 shall be based upon 20% of the net cash flow from operations of the Corporation, on a consolidated basis, for the 1991 Fiscal Year.) For each Series A Preferred Share to be redeemed, the Corporation shall pay to the Holder thereof the Redemption Price. Any Series A Preferred Shares remaining outstanding on December 31, 1995 shall be redeemed on that date. For the purposes of Section 4.02 hereof, the phrase "net cash flow from operations" means the net after tax income of the Corporation plus any non-cash expenses minus any non-cash revenues less an amount of \$150,000, as such items are disclosed in the audited consolidated annual financial statements of the Corporation, it being acknowledged that such financial statements shall be prepared in accordance with generally accepted Canadian accounting principles applied on a consistent basis.

4.03 If only a part of the then outstanding Series A Preferred Shares is at any time to be redeemed, then the Series A

Preferred Shares to be redeemed shall be redeemed on a pro-rata basis, disregarding fractions.

4.04 Notwithstanding Article IV hereof, the notice period, procedure and manner of payment for the redemption of any Series A Preferred Shares may be modified by agreement between the Corporation and the Holders of the Series A Preferred Shares to be redeemed.

4.05 If the Corporation cannot redeem the Series A Preferred Shares in accordance with Article IV hereof without causing a contravention of the Business Corporations Act (Alberta) (hereinafter called the "Act") or any other applicable legislation, then the Corporation shall redeem such portion of the Series A Preferred Shares as can be redeemed without causing such contravention and the Corporation shall redeem the balance of such Series A Preferred Shares as soon as it is lawfully permitted to do so.

4.06 The Corporation shall not at any time, other than as required by law or other than with the prior written consent of the Holders, redeem or purchase for cancellation any other shares in the capital stock of the Corporation without first redeeming all of the then outstanding Series A Preferred Shares.

#### Article V - Voting Rights

5.01 Subject to Section 5.02 hereof and the right of the

Holders to vote at a meeting of the Holders in accordance with the provisions of the Act, the Holders shall not have any voting rights for the election of directors or for any other purpose.

5.02 For the purposes of Section 2.3(1) of the July Articles which entitles the holders of First Preferred Shares of the Corporation to vote under certain circumstances, two annual dividends shall be deemed to remain unpaid on the Series A Preferred Shares if the Corporation has not paid for any two calendar years all quarterly dividends due in each of such calendar years.

#### Article VI - Conflicting Rights

6.01 In the event of any conflict between the provisions of these articles of amendment pertaining to the Series A Preferred Shares and the rights, privileges, restrictions or conditions, attaching as a class to the First Preferred Shares in the share capital of the Corporation, the class rights, privileges, restrictions or conditions shall prevail.

6.02 In the event of any conflict between the provisions of these articles of amendment pertaining to the Series A Preferred Shares and the rights, privileges, restrictions or conditions attaching to any shares in the share capital of the Corporation, other than the rights, privileges, restrictions or conditions attaching, "as a class, to the First Preferred Shares in the share capital of the Corporation, the provisions set forth in these

articles of amendment shall prevail.

Article VII - Amendment of Rights

7.01 The provisions of these articles of amendment pertaining to the Series A Preferred Shares may be deleted, varied, modified, amended or amplified only with the prior approval of the Holders, in addition to any other approval required by the Act, given by resolution duly passed and carried by not less than 66 2/3% of the votes cast on a poll at a meeting of the Holders duly called and held for the purpose of considering the subject matter of such resolution and at which Holders of not less than a majority of all Series A Preferred Shares then outstanding are present in person or represented by proxy.

Article VIII - Interpretation

8.01 Words importing the singular number only in these articles of amendment shall include the plural number and vice versa and words importing one gender only in these articles of amendment shall include all genders and words importing persons in these articles of amendment shall include individuals, partnerships, corporations and any other entities, legal or otherwise.

8.02 The headings used in these articles of amendment are for ease of reference only and shall not affect the meaning or the interpretation of these articles of amendment.



8.03 Any reference in these articles of amendment to dollars shall be to Canadian dollars.

8.04 Time shall be of the essence of these articles of amendment.



20262526

Corporate Access No.

BUSINESS CORPORATIONS ACT

Form 5

**CERTIFICATE OF AMENDMENT**

THE CHURCHILL CORPORATION

Name of Corporation

I HEREBY CERTIFY THAT THE ARTICLES OF THE ABOVE-MENTIONED CORPORATION WERE AMENDED.

- UNDER SECTION 13 OF THE BUSINESS CORPORATIONS ACT IN ACCORDANCE WITH THE ATTACHED NOTICE;
- UNDER SECTION 27 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF AMENDMENT DESIGNATING A SERIES OF SHARES;
- UNDER SECTION 171 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF AMENDMENT;
- UNDER SECTION 185 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF REORGANIZATION;
- UNDER SECTION 186 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF ARRANGEMENT.



*M. M. Friskie*

Registrar of Corporations

JULY 30, 1985

Date of Amendment

/pld

FILED

JUL 30 1985

ARTICLES OF AMENDMENT THE REGISTRAR OF CORPORATIONS  
PROVINCE OF ALBERTA

- 1. Name of Corporation
- 2. Corporate Access No.

CHURCHILL DEVELOPMENT CORPORATION LTD.

20262526

- 3. The Articles of the above-named Corporation are amended as follows:

RECEIVED (m)  
 JUL 17 1985  
 Corporations Registrar  
 Province of Alberta

Pursuant to paragraph 167(1)(a) of the Business Corporations Act:

- 1. To delete therefrom Article I in its entirety and to substitute therefor the following:

- "1. Name of Corporation

THE CHURCHILL CORPORATION"

DATE

SIGNATURE

TITLE

July 17, 1985

*J. Brown*

PRESIDENT



20262526

Corporate Access No.

BUSINESS CORPORATIONS ACT

Form 12

**CERTIFICATE OF CONTINUANCE**

- CHURCHILL DEVELOPMENT CORPORATION LTD. -

Name of Corporation

I HEREBY CERTIFY THAT THE ABOVE-MENTIONED CORPORATION WAS CONTINUED, AS

SET OUT IN THE ATTACHED ARTICLES OF CONTINUANCE, UNDER SECTION 261

OF THE BUSINESS CORPORATIONS ACT.

Registrar of Corporations

July 30, 1985

Date of Continuance



pb

JUL 17 1985  
Corporate Registry,  
Province of Alberta

ARTICLES OF CONTINUANCE

FILED  
JUL 30 1985  
THE REGISTRAR OF CORPORATIONS  
PROVINCE OF ALBERTA

1. NAME OF CORPORATION

CHURCHILL DEVELOPMENT CORPORATION LTD.

2. CORPORATE ACCESS NO.

20262526

3. THE CLASSES AND ANY MAXIMUM NUMBER OF SHARES THAT THE CORPORATION IS AUTHORIZED TO ISSUE.

3.1 The Corporation is authorized to issue:

- (a) Ten Million (10,000,000) First Preferred Shares; and
- (b) Ten Million (10,000,000) Second Preferred Shares; and
- (c) One Hundred Ten Million (110,000,000) Class "A" Common Shares.

3.2 First Preferred Shares

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

- (a) The First Preferred Shares may at any time and from time to time be issued in One (1) or more series, each series to consist of such number of shares as may, before the issue thereof, be determined by resolution of the Board of Directors. The number of shares in any series may be increased by the Directors from time to time upon compliance with the same conditions as are applicable to the issue of First Preferred Shares in a new series.
- (b) The Board of Directors shall, by resolution, duly passed before the issue of any First Preferred Shares of any series, fix the special rights, provisions, restrictions and conditions to be attached to the First Preferred Shares of such series, including, without in any way limiting or restricting the generality of the foregoing, the rate or amount of preferential dividends, the date or dates and place or places of payment thereof, the consideration of any purchase for cancellation or the consideration of any redemption or retraction thereof (the "Redemption Price") and the terms and conditions of any purchase for cancellation, redemption or retraction, conversion rights, share purchase plan or sinking fund

or other provisions attaching thereto, the whole subject to the special rights, provisions, restrictions and conditions attaching to the First Preferred Shares as a class and also subject to the filing with the Registrar of Corporations for the Province of Alberta of Articles of Amendment in the prescribed form to designate the series of First Preferred Shares.

- (c) In the event that any fixed cumulative dividends or amounts payable on the return of capital are not paid in full according to the respective terms of each series, the First Preferred Shares of all series shall rank on a parity and shall participate rateably in respect of such dividends including accumulations, if any, in accordance with the sums which would be payable on the First Preferred Shares if all such dividends were declared and paid in full in accordance with their respective terms, and on any return of capital in accordance with the sums which would be payable upon such return of capital if all such sums so payable were paid in full in accordance with their respective terms; PROVIDED FURTHER that in the event that there shall be insufficient assets to satisfy claims for both dividends and the return of capital of the holders of First Preferred Shares then the assets of the Corporation shall be applied as aforesaid firstly in satisfaction of the claims of holders of First Preferred Shares with respect to return of capital and secondly, any assets remaining thereafter shall be applied towards the payment and satisfaction of claims in respect of dividends.
- (d) In the event of a liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of First Preferred Shares shall be entitled to receive, before distribution of any part of the assets of the Corporation among holders of shares of any class in the capital stock of the Corporation ranking junior to the First Preferred Shares, one hundred (100%) per cent of the Redemption Price of each First Preferred Share held plus all unpaid fixed cumulative dividends, but shall not be entitled to participate in any further distribution of the assets of the Corporation.
- (e) Subject to the terms of clause 3.2(c) herein, unless the resolution of the Directors of the Corporation aforesaid establishing any particular series shall expressly provide that such series shall be subordinate in any respect to any prior series of First Preferred Shares then issued and outstanding or to all or any subsequent series, the First Preferred Shares of each series shall

rank on a parity with the First Preferred Shares of every other series (except for sinking funds or purchase funds established for a particular series).

- (f) The First Preferred Shares shall be entitled to preference over the Class "A" Common Shares and any other shares of the Corporation ranking junior to the First Preferred Shares with respect to the payment of dividends and any particular series of the First Preferred Shares or the First Preferred Shares as a class may also be given such other preferences over the Class "A" Common Shares and any other shares of the Corporation ranking junior to the First Preferred Shares as may be determined by the Directors of the Corporation.
- (g) Subject to the special rights, provisions, restrictions and conditions attaching to the First Preferred Shares of any series, the Corporation may at any time or times purchase (if obtainable) for cancellation all or any part of the First Preferred Shares of any series outstanding from time to time in the market (including purchase through or from an investment dealer or firm holding membership on a recognized stock exchange) or by invitation for tenders addressed to all the holders of record of the First Preferred Shares of such series outstanding at the lowest price or prices at which, in the opinion of the Directors, such shares are obtainable but not exceeding the price at which, at the date of purchase, such shares may be redeemed according to the terms of clause 3.2(h). If upon any invitation for tenders under the provisions of this clause the Corporation shall receive tenders for First Preferred Shares of such series at the same lowest price which the Corporation is willing to pay in an aggregate number greater than the number for which the Corporation is prepared to accept tenders, the First Preferred Shares of such series so tendered which the Corporation determines to purchase at such price shall be purchased as nearly as may be pro rata, disregarding fractions, in proportion to the number of First Preferred Shares of such series so tendered by each of the holders of the First Preferred Shares of such series who submitted tenders at the said same lowest price.
- (h) Subject to the special rights, provisions, restrictions and conditions attaching to the First Preferred Shares of any series, the Corporation may upon giving notice as hereinafter provided redeem at any time the whole or from time to time any part of the then outstanding First

Preferred Shares of any series on payment for each share to be redeemed of the Redemption Price thereof together with all dividends (if any) accrued thereon up to the date fixed for redemption and then remaining unpaid on such shares.

- (1) In the case of a redemption of First Preferred Shares of any series under the provisions of clause 3.2(h) then at least thirty (30) days before the date specified for redemption, the Corporation shall mail, to each person who at the date of mailing is a registered holder of First Preferred Shares of such series to be redeemed, a notice in writing of the intention of the Corporation to redeem such shares. Such notice shall be mailed in an envelope, postage prepaid, addressed to such shareholder at his address as it appears on the books of the Corporation or in the event of the address of any such shareholder not so appearing then to the last known address of such shareholder; PROVIDED HOWEVER, that accidental failure or omission to give such notice to One (1) or more such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and date on which redemption is to take place and, if part only of the First Preferred Shares of such series held by the person to whom the notice is addressed is to be redeemed, the number thereof to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the First Preferred Shares of such series to be redeemed the Redemption Price thereof upon presentation and surrender, at the head office of the Corporation or any other place within Canada designated in such notice, of the certificates representing the First Preferred Shares of such series so called for redemption. Such payment shall be made by cheques payable at par at any branch of the Corporation's bankers for the time being in Canada. If a part only of the First Preferred Shares of such series 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 for redemption in any such notice the First Preferred Shares of such series 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 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 any time after the mailing of the notice of its intention to redeem any First Preferred Shares of any series as aforesaid to deposit the Redemption Price of such series so called for redemption or of such of the said shares represented by certificates as have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of the First Preferred Shares of such series called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same. Upon such notice being made or upon the date specified for redemption in such notice, whichever is the later, the First Preferred Shares of such series in respect whereof such deposit shall have been made shall be redeemed and the rights of the holders thereof after such deposit or redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of said certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation.

- (j) Notwithstanding the provisions of clauses 3.2(g) and 3.2(h) hereof, First Preferred Shares of any series shall not be redeemed nor shall any funds of the Corporation be applied in the purchase of the First Preferred Shares of any series, whether through the operation of a sinking fund or otherwise unless at the time of such redemption or purchase all accrued and unpaid dividends, if any, on all the First Preferred Shares outstanding shall have been declared and paid, or funds in respect thereof set aside for that purpose. The First Preferred Shares redeemed or purchased by the Corporation shall be cancelled and shall not be reissued.
- (k) The holders of the First Preferred Shares shall not, as such, be entitled as of right to subscribe for or purchase or receive any part of any issue of shares or bonds, debentures or other securities of the Corporation now or hereafter authorized except pursuant to conversion rights set forth in the special rights, provisions, restrictions and conditions attaching to the First Preferred Shares of any series.

(1) Subject always to the provisions of The Business Corporations Act, the holders of the First Preferred Shares, as such, shall not be entitled to:

- (i) receive notice of any meetings of the shareholders of the Corporation; or
- (ii) attend any meetings of the shareholders of the Corporation; or
- (iii) vote at any meetings of the shareholders of the Corporation;

except a meeting at which only holders of a specified class or series of shares are, by the provisions of the Business Corporations Act, entitled to vote, unless and until Two (2) annual dividends on the First Preferred Shares of any One (1) series shall remain unpaid whether or not such dividends have been declared and whether or not consecutive and whether or not there are monies of the Corporation properly applicable to the payment of dividends; THEREAFTER so long as any dividends on any First Preferred Shares remain in arrears the holders of the First Preferred Shares of all series shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation and shall be entitled to One (1) vote in respect of each First Preferred Share held.

- (m) No class of shares may be created ranking as to capital or dividends prior to or on a parity with the First Preferred Shares without the approval of the holders of First Preferred Shares given as herein specified nor shall any additional First Preferred Shares be created without such approval.
- (n) The provisions affecting the First Preferred Shares as a class as provided herein and as may be provided from time to time may be repealed, altered, modified, amended or amplified or otherwise varied only with the sanction of the holders of the First Preferred Shares given either:
  - (i) in writing by the holders of all the outstanding First Preferred Shares; or
  - (ii) by resolution passed at a meeting of such holders duly called for such purpose and held upon at least Twenty One (21) days' notice at which a quorum is present and comprising at least Two (2) persons

present holding or representing by proxy at least a majority of the outstanding First Preferred Shares and carried by the affirmative vote of the holders of not less than Seventy Five (75%) per cent of the First Preferred Shares represented and voted at such meeting. If any such quorum is not present within Half-an-hour (1/2) after the time appointed for the meeting, then the meeting shall be adjourned to a date not less than Fifteen (15) days later and at such time and place as may be appointed by the Chairman. Notwithstanding the foregoing, or any provisions of the Bylaws of the Corporation respecting quorums at meetings of shareholders to transact the business for which the meeting was originally called, at such adjourned meeting at least Two (2) persons present and holding or representing by proxy One Third (1/3) of the outstanding First Preferred Shares shall form a quorum for the transaction of the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of the holders of not less than Seventy Five (75%) per cent of the First Preferred Shares represented and voted at such adjourned meeting shall constitute the sanction of the holders of the First Preferred Shares. The formalities to be observed with respect to the giving of notice of any such meeting or adjourned meeting and the conduct thereof shall be those which may from time to time be described in the Bylaws of the Corporation with respect to meetings of shareholders. On every vote taken at every meeting or adjourned meeting each holder of a First Preferred Share shall be entitled to One (1) vote in respect of each First Preferred Share held.

- (o) For the purpose of the foregoing provisions and the provisions of any particular series of First Preferred Shares the expressions "accrued and unpaid dividends" and "accumulations" mean an amount computed at the rate of fixed cumulative dividends, if any, attaching to the First Preferred Shares of a series as though dividends on such shares had been accruing on a day to day basis in accordance with the terms thereof to the date to which the computation of accrued and unpaid dividends is to be made, after deducting all dividend payments on such First Preferred Shares of such series to such date; and the expressions "prior to", "on parity with" and "junior to" have a reference to the order of priority in payment of dividends and in the distribution of assets

in the event of a liquidation, dissolution or winding up of the Corporation or other distribution of its assets among its shareholders for the purpose of winding up its affairs either voluntary or involuntary.

3.3 Second Preferred Shares

The Second Preferred Shares shall have attached thereto the same special rights, provisions, restrictions and conditions as are attached to the First Preferred Shares SAVE AND EXCEPT AS HEREINAFTER SET OUT and these provisions shall be read as though the special rights, provisions, restrictions and conditions set out herein with respect to the First Preferred Shares had been repeated with respect to the Second Preferred Shares EXCEPT AS HEREINAFTER SET OUT.

- (a) The Second Preferred Shares shall rank junior to the First Preferred Shares of the Corporation but shall be entitled to preference over the Class "A" Common Shares and any other shares of the Corporation ranking junior to the Second Preferred Shares with respect to the payment of dividends and any particular series of the Second Preferred Shares or the Second Preferred Shares as a class may also be given such other preferences over the Class "A" Common Shares and any other shares of the Corporation ranking junior to the Second Preferred Shares as may be determined by the Directors of the Corporation.
- (b) Except for the First Preferred Shares, no class of shares may be created ranking as to capital or dividends prior to or on a parity with the Second Preferred Shares without the approval of the holders of the Second Preferred Shares given as herein specified nor shall any additional Second Preferred Shares be created without such approval.

3.4 Common Shares

- (a) The Class "A" Common Shares shall be entitled to attend all meetings of shareholders and to receive notice thereof and each such Class "A" Common Share shall carry and the holder thereof shall be entitled to One (1) vote per share at all meetings of the shareholders of the Corporation;
- (b) Subject to the rights of the holders of First Preferred Shares and Second Preferred Shares to participate in a distribution of the assets of the Corporation, in the event of a liquidation, dissolution or winding up of the Corporation, whether voluntarily or involuntarily, the

holders of Class "A" Common Shares shall be entitled to participate equally in respect of any Class "A" Common Share held in any further distribution of the assets of the Corporation.

3.4 Restriction on Redemption

No dividends or distributions of any kind whatsoever shall be declared or made in respect of any share of the Corporation which will have the effect of reducing the net assets including goodwill of the Corporation to an amount insufficient to enable the redemption by the Corporation of all of the issued and outstanding First Preferred Shares and Second Preferred Shares or which will have the effect of reducing the net assets of the Corporation below an amount equal to the aggregate stated capital of all issued and outstanding shares of all classes of the Corporation.

4. RESTRICTIONS IF ANY ON SHARE TRANSFERS

Nil

5. NUMBER (OR MINIMUM OR MAXIMUM NUMBER) OF DIRECTORS

The Corporation shall have a minimum number of three (3) directors and a maximum number of 15 directors.

6. RESTRICTIONS IF ANY ON BUSINESSES THE CORPORATION MAY CARRY ON

Nil

7. IF CHANGE OF NAME EFFECTED, PREVIOUS NAME

n/a

8. DETAILS OF INCORPORATION

Incorporation - August 31, 1981 under The Companies Act of Alberta

9. OTHER PROVISIONS IF ANY

Nil

DATE

SIGNATURE

TITLE

July 17, 1985

*J. Rom*

PRESIDENT

63651H/08/48/071085

*no 1 - h - PR*

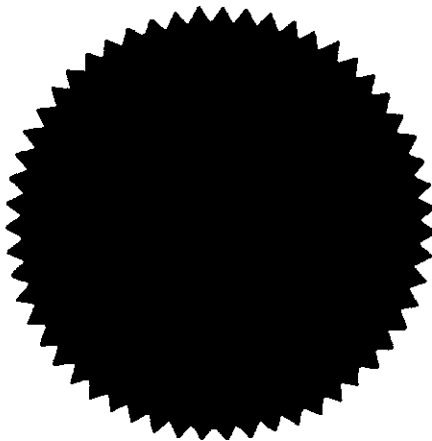
No. 20262526

# CERTIFICATE

I HEREBY CERTIFY THAT THE ATTACHED "SPECIAL RESOLUTION CONFIRMED  
BY COURT ORDER" OF "CHURCHILL DEVELOPMENT CORPORATION LTD." HAS  
THIS DAY BEEN REGISTERED.

GIVEN UNDER HIS SEAL OF OFFICE AT EDMONTON, ALBERTA

THIS twenty-eighth DAY OF June A.D. 1985.

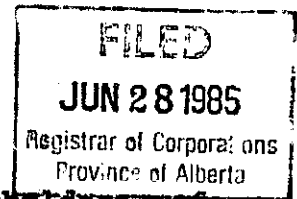


*Pat A. Harris*

Office of the Registrar of Corporations

**Alberta**  
CONSUMER AND  
CORPORATE AFFAIRS

CHURCHILL DEVELOPMENT CORPORATION LTD.



Special Resolution passed by the shareholders of  
Churchill Development Corporation Ltd. on the 17th day of April,  
1985:

RESOLVED;

THAT the shareholders approve a reorganization of the Company's share capital for the consolidation of the Class "A" common shares and Class "B" common shares pursuant to the terms of subparagraph 38(1)(a)(i) of the Companies Act, R.S.A. 1980, Chapter C-20 as amended and to thereby modify the Memorandum of Association of the Company by the deletion therefrom of paragraph 5 in its entirety and the substitution therefor of the following:

'5. The Company is also authorized to issue 110,000,00 shares of a nominal or par value of \$1.00 to be designated as Class "A" shares. The holders of Class "A" common shares shall be entitled to attend all meetings of shareholders and to receive notice thereof and each such Class "A" common share shall carry and the holder thereof shall be entitled to one vote at all meetings of the shareholders of the Company.'

AND FURTHER THAT the shareholders approve and authorize the exchange of all issued and outstanding Class "A" common shares and all issued and outstanding class "B" common shares



for new Class "A" common shares of the reorganized share capital of the Company on the basis of one Class "A" common share for each Class "A" common or Class "B" common share held.

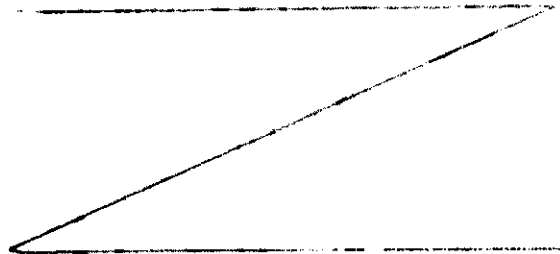
I, DENIS J. HORNE, Secretary of Churchill Development Corporation Ltd., hereby certify that the foregoing is a true copy of the special resolution passed by a majority of not less than 75% of the votes of the members of the Corporation entitled to vote and voting in person or by proxy and also passed by a majority in number of the holders of Class "B" shares, holding 75% of the share capital of that class, on the 17th day of April, 1985.

  
DENIS J. HORNE SECRETARY

No. 20262526

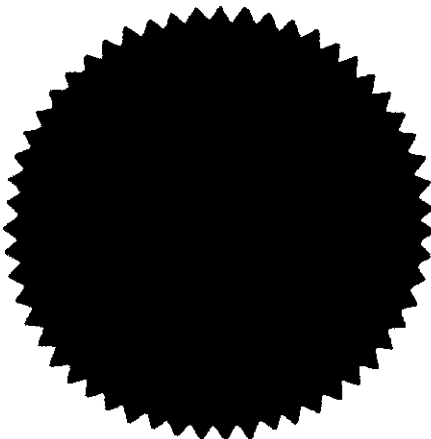
# CERTIFICATE


I HEREBY CERTIFY the registration this day of a certified copy of a Special Resolution confirmed by an Order of The Honourable Mr. Justice J.B. Dea, dated the 29th day of October, A.D., 1981, amending the provisions of the Memorandum of Association of CHURCHILL DEVELOPMENT CORPORATION LTD., so as to alter the rights attached to the Class "B" common shares as set forth in the copy of the Special Resolution so filed.



GIVEN UNDER HIS SEAL OF OFFICE AT EDMONTON, ALBERTA

THIS thirtieth DAY OF October A.D. 19 81



  
Office of the Registrar of Corporations

**Alberta**  
CONSUMER AND  
CORPORATE AFFAIRS

/tyk

REGISTERED

IN THE COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL DISTRICT OF EDMONTON

OCT 30 1981

THE REGISTRAR OF COURTS  
PROVINCE OF ALBERTA

for Clerk of the Court

necessary certify that to be a true copy of the original ORDER  
of which it purports to be a copy and  
referred as 8103 30065  
dated this 30 day of OCT 1981

OCT 30 1981

IN THE MATTER OF THE COMPANIES ACT  
OF ALBERTA

IN THE MATTER OF The Companies Act, being  
Revised Statutes of Alberta, 1970, Chapter 60  
and amendments thereto;

AND IN THE MATTER OF the modification of the  
Memorandum of Association of Churchill  
Development Corporation Ltd.

BEFORE THE HONOURABLE  
MR. JUSTICE J.S. ~~DEA~~ DEA  
IN CHAMBERS, AT THE LAW COURTS  
EDMONTON, ALBERTA

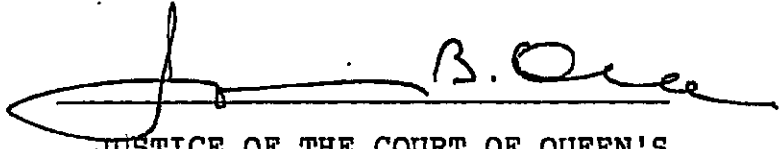
ON <sup>THURS</sup> ~~DAY~~ THE 29<sup>TH</sup> DAY  
OF OCTOBER, A.D. 1981

ORDER

UPON READING the Petition filed herein and the  
Affidavit of Gary G. Campbell, filed herein; AND UPON HEARING  
Counsel for the Petitioner:

THIS COURT DOETH ORDER THAT:

- The Special Resolution of Churchill Development Corporation Ltd. consented to in writing by all the members of the Company, a certified copy of which is attached to this Order and indentified by my signature thereon, be and the same is hereby confirmed.

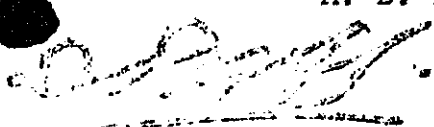


JUSTICE OF THE COURT OF QUEEN'S

BENCH OF ALBERTA

30th

ENTERED THIS DAY OF  
Oct. A. D. 1981



CLERK OF THE COURT OF

OCT 30 1981  
OFFICE OF THE REGISTRAR  
OF COMPANIES  
PROVINCE OF ALBERTA

SPECIAL RESOLUTION

"I. B. DE A"

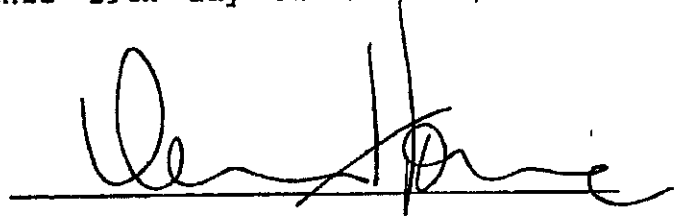
RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The provisions of the Memorandum of Association of the Company be modified by varying the rights attached to the Class "B" common shares, as set out in the following paragraph 2:
2. Paragraph 5 of the Memorandum of Association be amended by adding at the end thereof a sub-paragraph (d) as follows:  
    "(d) Notwithstanding any other provision of this paragraph 5 each class "B" common share, whether issued or not, shall be deemed conclusively and for all purposes, to have been automatically converted on the 30th day of September, A.D. 1986 to one class "A" common share"
3. The proper officers of the Company be authorized to apply to the Court for confirmation hereof.

I Denis Horne, Secretary of Churchill Development Corporation Ltd. hereby certify the foregoing to be a true and correct copy of a Special Resolution duly consented to by all the members of Churchill Development Corporation Ltd. effective the 30th day of September, A.D. 1981 and that the said Resolution is

at the date hereof in full force and effect.

WITNESS my hand and the Corporate Seal of Churchill  
Development Corporation Ltd. this 29th day of October, A. D.  
1981.

A handwritten signature in cursive script, appearing to read 'W. H. ...', is written over a horizontal line.

SECRETARY

8103 30065

NO.

---

IN THE COURT OF QUEEN'S BENCH  
OF ALBERTA  
JUDICIAL DISTRICT OF EDMONTON

---

IN THE MATTER OF The Companies  
Act being Revised Statutes of  
Alberta, 1970, Chapter 60 and  
amendments thereto;

AND IN THE MATTER OF The  
modification of the Memorandum  
of Association of Churchill  
Development Corporation Ltd.

---

ORDER.

---

CORMIE KENNEDY  
BARRISTERS & SOLICITORS  
1600 CAMBRIDGE BUILDING  
EDMONTON, ALBERTA  
T5J 1S3

OCT 30 1981

No. 20262526

# CERTIFICATE of INCORPORATION

I HEREBY CERTIFY THAT

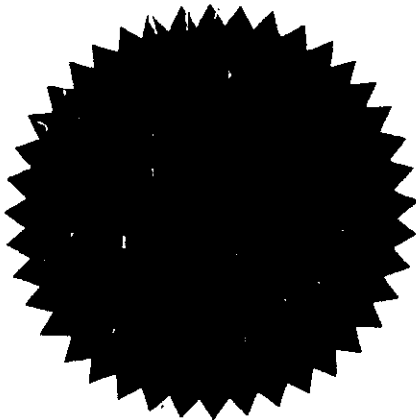
- CHURCHILL DEVELOPMENT CORPORATION LTD. -

IS THIS DAY INCORPORATED UNDER THE COMPANIES ACT OF THE PROVINCE OF ALBERTA  
AS A LIMITED COMPANY.

GIVEN UNDER HIS SEAL OF OFFICE AT EDMONTON THIS  
thirty-first DAY OF August A.D. 19 81.

*Pat H. Schi*

Office of the Registrar of Companies



## Alberta

CONSUMER AND  
CORPORATE AFFAIRS

**SCHEDULE "B"**  
**to the Officer's Certificate of The Churchill Corporation**

**BY-LAWS**



## BY-LAW NO. 2

### Advance Notice By-Law of the Corporation

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#### PART ONE

##### Introduction

The Corporation is committed to: (i) facilitating an orderly and efficient annual or, where the need arises, special meeting, process; (ii) ensuring that all shareholders receive adequate notice of director nominations and sufficient information with respect to all nominees; (iii) allowing the Corporation and shareholders to evaluate all nominees' qualifications and suitability as a director of the Corporation; and (iv) allowing shareholders to cast an informed vote.

The purpose of this Advance Notice By-law (the "By-law") is to provide shareholders, directors and management of the Corporation with guidance on the nomination of directors. This By-law is the framework by which the Corporation seeks to fix a deadline by which holders of record of common shares of the Corporation must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form.

It is the position of the Corporation that this By-law is beneficial to shareholders and other stakeholders. This By-law will be subject to an annual review, and will reflect changes as required by securities regulatory agencies or stock exchanges, or so as to meet industry standards.

#### PART TWO

##### Nominations of Directors

**Section 2.1 Nomination procedures** - Subject only to the Act and the Articles, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board of directors of the Corporation (the "Board") may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called is the election of directors:

- (a) by or at the direction of the Board, including pursuant to a notice of meeting;
- (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act, or a requisition of the shareholders made in accordance with the provisions of the Act; or
- (c) by any person (a "Nominating Shareholder"): (A) who, at the close of business on the date of the giving of the notice provided for below in this By-law and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this By-law.

**Section 2.2 Timely notice** - In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Secretary of the Corporation at the principal executive offices of the Corporation.

**Section 2.3 Manner of timely notice** - To be timely, a Nominating Shareholder's notice to the Secretary of the Corporation must be made:

- (a) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "Notice Date") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
- (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made. In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above.

**Section 2.4 Proper form of timely notice** - To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Corporation must set forth:

- (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
- (b) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below).

The Corporation may require any proposed nominee to furnish such other information, including a written consent to act, as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

**Section 2.5 Eligibility for nomination as a director** - No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this By-law; provided, however, that nothing in this By-law shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The Chairman of the

meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

**Section 2.6 Terms - For purposes of this By-law:**

- (a) "Act" means the Alberta Business Corporations Act, or any statute that may be substituted therefor, as from time to time amended;
- (b) "Applicable Securities Laws" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada;
- (c) "Articles" means the articles attached to the Certificate of Incorporation of the Corporation as from time to time amended or restated;
- (d) "Corporation" means The Churchill Corporation; and
- (e) "public announcement" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com).

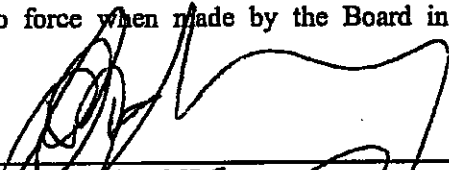
**Section 2.7 Delivery of notice** - Notwithstanding any other provision of this By-law, notice given to the Secretary of the Corporation pursuant to this By-law may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the aforesaid address) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Secretary at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Calgary time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

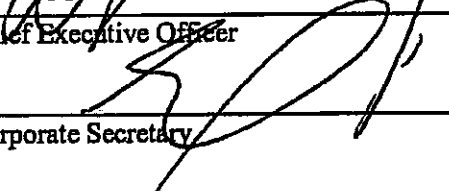
**Section 2.8 Board Discretion** - Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this By-law.

**PART THREE**  
**Effective Date and Repeal**

**Section 3.1 Effective Date** - This by-law shall come into force when made by the Board in accordance with the Act.

**ENACTED** by the Board the 15th day of March 2013.

  
\_\_\_\_\_  
Chief Executive Officer

  
\_\_\_\_\_  
Corporate Secretary

**CONFIRMED** by the shareholders in accordance with the Act the 23rd day of May 2013.

\_\_\_\_\_  
Corporate Secretary



**THE CHURCHILL CORPORATION**

**BY-LAW NO. 1**

**AMENDED (Effective May 20, 1998)  
(See Page 6, Section 4.02)**

**(Note: Section 4.02 was amended by Directors' Resolution on May 20, 1998 and ratified by the Shareholders of the Corporation at an Annual and Special Meeting held on May 19, 1999)**

persons may be admitted only on the invitation of the chairman of the meeting or with the consent of the meeting.

4.02 Quorum. A quorum for the transaction of business at any meeting of shareholders shall be holders of Ten (10) percent (\*) of the shares entitled to vote at the meeting present in person or represented by proxy.

4.03 Chairman. The chairman of any meeting of the shareholders shall be the first mentioned of such of the following officers as has been appointed and who is present at the meeting:

- (a) The Chairman of the Board;
- (b) The President;
- (c) Any Vice-President (and where more than one Vice-President is present at the meeting, then the priority to act as chairman as between them shall be in order of their appointment to the office of Vice-President).

If no such officer is present within fifteen minutes from the time fixed for the holding of the meeting of the shareholders, the persons present and entitled to vote shall choose one of their number then present to be the chairman of that meeting.

4.04 Secretary of Meeting. If the Secretary of the Corporation is absent, the chairman of a meeting of shareholders shall appoint some person, who need not be a shareholder, to act as secretary of the meeting.

4.05 Chairman's Casting Vote. In the case of an equality of votes at a meeting of shareholders, the chairman of the meeting shall be entitled to a second or casting vote in addition to any vote or votes to which he may be entitled as a shareholder.

4.06 Chairman's Declaration. At any meeting of the shareholders, unless a ballot is demanded, a declaration by the chairman of the meeting that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favor of or against the motion.

4.07 Voting by Ballot. If a ballot is demanded by a shareholder or proxy holder entitled to vote at a shareholder's meeting and the demand is not withdrawn, the ballot upon the motion shall be taken in such manner as the chairman of the meeting shall direct. Upon a ballot each shareholder who is present in person or represented by proxy shall be entitled, in respect of the shares which he is entitled to vote at the meeting

THE CHURCHILL CORPORATION

BY-LAW NO. 1

BY-LAW NO. 1

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AND

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Signed for identification this 30th day of July , A.D. 1985.

By: J. J. Roman  
PRESIDENT



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BY-LAW NO. 1

A By-law relating generally to the transaction of the business and affairs of Churchill Development Corporation Ltd.

SECTION ONE - INTERPRETATION

1.01 Definitions. In these and other by-laws of the Corporation, unless the context otherwise requires:

- (a) "Act" means The Business Corporations Act, Statutes of Alberta 1981, Chapter B-15 as amended from time to time, and any Statute that may be substituted therefor, as amended from time to time;
- (b) "appoint" includes "elect" and vice versa;
- (c) "Board" means the Board of directors of the Corporation;
- (d) "By-laws" means this By-law and all other by-laws of the Corporation from time to time in force and effect;
- (e) "Corporation" means Churchill Development Corporation Ltd., the Corporation which has adopted these By-laws and to which the same apply.
- (f) "shareholder" means a shareholder of the Corporation.

1.02 Interpretation. Words and expressions defined in the Act have the same meanings when used in the By-laws. Words importing the singular number include the plural and vice versa and words importing gender include masculine, feminine and neuter genders as required by the context.

1.03 Conflict with Act. The By-laws are subject to the provisions of the Act, unless the Act otherwise specifically provides.

1.04 Conflict with Documents. The By-laws are subject to the provisions of the articles and in the event of conflict between the provisions of any By-laws and the provisions of the articles, the provisions of the articles shall prevail over the By-laws.

1.05 Headings. The headings and indices used in the By-laws are inserted for convenience of reference only and do not affect the interpretation of the By-laws or any part thereof.

SECTION TWO - DIRECTORS AND BOARD

2.01 Calling of Meeting. Either the Chairman or the Secretary shall, upon request of at least two (2) directors, summon a meeting of the Board.

2.02 Notice of Meetings. Notice of the time and place of Board meetings shall be given to each director not less than seven (7) days before the time of the meeting. A notice of a Board meeting need not specify the purpose or the business to be transacted at the meeting, except where the Act requires otherwise. Where a Board meeting is to be summoned on the request of at least two (2) directors, notice shall be given to each director within fourteen (14) days of receipt by the Corporation of the request.

2.03 Telecommunication. A director may participate in a meeting of the Board or of a committee of directors by means of telephone or other communication facilities that permit all directors participating in the meeting to hear each other and a director participating in a meeting by those means is deemed to be present at the meeting.

2.04 Director's Quorum. A quorum for the transaction of business at any meeting of the directors shall consist of five (5) directors (or such greater number of directors as the directors may from time to time determine by resolution).

2.05 Consent Resolution. A resolution or resolutions signed by all of the directors, as such, without meeting together, whether embodied in the form of minutes of a Board meeting or not, shall be valid and effectual as if passed at a Board meeting duly called and constituted and shall be entered into the minute book of the Corporation accordingly, and may relate back to any date therein stated to be the effective date thereof. A director may signify his assent to such resolution or resolutions in writing or by means of telecommunication with respect to which a written record is made.

2.06 Casting Vote. At all Board meetings, every question shall be decided by a majority of votes cast on each question. In the case of an equality of votes, the chairman of the meeting shall be entitled to a second or casting vote in addition to any vote or votes to which he may be entitled as a director.

2.07 Committees of Directors. The Board may, from time to time appoint committees thereof, which may be given such designations and which may exercise such powers and authority (including the power of sub-delegation) and shall perform such

duties as the Board may from time to time prescribe. Unless otherwise ordered by the Board each committee of directors shall have power to fix its quorum at not less than a majority of its members, to elect its chairman and to regulate its procedure.

2.08 Corporate Seal. The Board may adopt and change a corporate seal which shall contain the name of the Corporation and the Board may cause to be created as many duplicates thereof as the Board shall determine.

2.09 Execution of Instruments. The Board may from time to time direct the manner in which, and the person or persons by whom, any particular instrument or class of instruments may or shall be signed and delivered. In the absence of a director's resolution, any particular instrument or class of instruments may be signed and delivered on behalf of the Corporation by any two (2) persons, each of whom shall be a director or hold the office of Chairman of the Board, President, Vice-President, Secretary, Treasurer or Managing director or any other office created by By-law. Any signing officer may affix the corporate seal to any instrument requiring the same.

2.10 Dividends. Subject to the provisions of the Act, the Board may from time to time declare and pay dividends (including interim dividends) payable to the shareholders according to their respective rights and interests in the Corporation and such dividends may be paid in money or property or by issuing fully paid shares of the Corporation, or any combination thereof.

### SECTION THREE - OFFICERS

3.01 Appointment. The Board may from time to time appoint a Chairman of the Board, a President, one or more Vice-Presidents (to which title may be added words indicating seniority or function), a Secretary, a Treasurer, a Managing director, and such other officers as the directors may determine, including one or more assistants to any of the officers so appointed. Subject to those powers and authority which by law may only be exercised by the directors, the officers of the Corporation may exercise respectively such powers and authority and shall perform such duties, in addition to those specified in the By-laws, as may from time to time be prescribed by the Board. Except for the Chairman of the Board, if appointed, and the Managing director, if appointed, an officer may, but need not be, a director. One person may hold more than one office of the Corporation except that the offices of President and Secretary must be held by different persons. The Board may also from time to time appoint other agents, attorneys, officers and employees of the

Corporation within or without Canada, who may be given such titles and who may exercise such powers and authority (including the power of sub-delegation) and shall perform such duties of management or otherwise, as the Board may from time to time prescribe. In case of the absence of any officer or employee of the Corporation or for any other reason that the Board may deem sufficient, the Board may delegate for the time being the powers and authority of such officer or employee to any other officer or employee or to any director of the Corporation.

3.02 Chairman of the Board. The Chairman of the Board, if appointed, shall preside at all meetings of the shareholders and the Board and may exercise such other powers and authority and shall perform such duties as the Board may prescribe from time to time.

3.03 President. Subject to the authority of the Board, the President shall have general supervision of the business and affairs of the Corporation and shall exercise such other powers and authority and shall perform such duties as the Board may prescribe from time to time. In the event no Chairman of the Board has been appointed or during the absence of the Chairman of the Board or inability or failure of the Chairman of the Board to act, the President shall also have the powers and duties of the office of Chairman of the Board.

3.04 Vice-President. The Vice-President, or if more than one Vice-President has been appointed, the Vice-Presidents, may exercise such powers and authority and shall perform such duties as may be prescribed from time to time by the Board. During the absence of the President or the inability or failure of the President to act, the Vice-President, or if more than one Vice-President has been appointed, the Vice-President first appointed, shall also have the powers and duties of the office of President.

3.05 Secretary. The Secretary, if appointed, shall attend and be the secretary to all meetings of the Board, shareholders and committees of the Board and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings at such meetings. The Secretary shall give or cause to be given as and when instructed all notices to shareholders, directors, officers, auditors and members of committees of the Board. The Secretary shall be the custodian of the corporate seal, if any, of the Corporation and shall have charge of all books, papers, reports, certificates, records, documents, registers and instruments belonging to the Corporation. The Secretary shall be responsible for registering or filing of all reports, certificates and all other documents required by law to be registered or filed by the Corporation. The Secretary shall certify any documents of the Corporation except when some other

officer or agent has been appointed for any such purpose and may exercise such other powers and authority and shall perform such other duties as may be prescribed from time to time by the Board or the President.

3.06 Treasurer. The Treasurer, if appointed, shall be responsible for the keeping of proper accounting records in compliance with the Act and shall be responsible for the deposit of monies and other valuable effects of the Corporation in the name and to the credit of the Corporation in such banks or other depositories as the Board may designate from time to time and he shall be responsible for the disbursement of the funds of the Corporation. The Treasurer shall render to the President and the Board whenever so directed an account of all financial transactions and of the financial position of the Corporation. The Treasurer shall be subject to the control of the President and may exercise such other powers and authority and shall perform such other duties as may from time to time be prescribed by the Board or by the President. Whenever the Secretary is also the Treasurer the office may be designated Secretary-treasurer.

3.07 Other Officers. The powers and duties of all other officers shall be such as prescribed by the Board. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the directors otherwise direct.

3.08 Variation of Powers and Duties. The Board from time to time may vary, add to or limit the powers, authority and duties of any officer.

3.09 Removal and Discharge. The Board may remove any officer of the Corporation, with or without cause, at any time, unless the resolution or contract providing for the appointment of such officer stipulates otherwise.

3.10 Term of Office. Each officer appointed by the Board shall hold office until a successor is appointed, or until his earlier resignation or removal by the Board.

#### SECTION FOUR - SHAREHOLDERS AND SHARES

4.01 Persons Entitled to be Present. The only persons entitled to be present at a meeting of the shareholders shall be those persons entitled to vote thereat, the directors and auditor of the Corporation and others who, although not entitled to vote, are entitled or required under any provision of the Act or the articles or By-laws to be present at the meeting. Any other

persons may be admitted only on the invitation of the chairman of the meeting or with the consent of the meeting.

4.02 Quorum. A quorum for the transaction of business at any meeting of shareholders shall be holders of 30% of the shares entitled to vote at the meeting present in person or represented by proxy.

4.03 Chairman. The chairman of any meeting of the shareholders shall be the first mentioned of such of the following officers as has been appointed and who is present at the meeting:

- (a) The Chairman of the Board;
- (b) The President;
- (c) Any Vice-President (and where more than one Vice-President is present at the meeting, then the priority to act as chairman as between them shall be in order of their appointment to the office of Vice-President).

If no such officer is present within fifteen minutes from the time fixed for the holding of the meeting of the shareholders, the persons present and entitled to vote shall choose one of their number then present to be chairman of that meeting.

4.04 Secretary of Meeting. If the Secretary of the Corporation is absent, the chairman of a meeting of shareholders shall appoint some person, who need not be a shareholder, to act as secretary of the meeting.

4.05 Chairman's Casting Vote. In the case of an equality of votes at a meeting of shareholders, the chairman of the meeting shall be entitled to a second or casting vote in addition to any vote or votes to which he may be entitled as a shareholder.

4.06 Chairman's Declaration. At any meeting of shareholders, unless a ballot is demanded, a declaration by the chairman of the meeting that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

4.07 Voting by Ballot. If a ballot is demanded by a shareholder or proxy holder entitled to vote at a shareholder's meeting and the demand is not withdrawn, the ballot upon the motion shall be taken in such manner as the chairman of the meeting shall direct. Upon a ballot each shareholder who is present in person or represented by proxy shall be entitled, in respect of the shares which he is entitled to vote at the meeting

upon the question, to that number of votes provided by the Act or the articles. The declaration by the chairman of the meeting that the vote upon the question has been carried, or carried unanimously or by a particular majority, or lost or not carried by a particular majority and an entry in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of votes recorded in favour of or against any resolution or question.

4.08 Scrutineers. The chairman or the secretary at any meeting of the shareholders or the shareholders then present may appoint one or more scrutineers, who need not be shareholders, to count and report upon the results of the voting which is done by ballot.

4.09 Joint Shareholders. Where any share entitled to be voted at a meeting of shareholders is held by two or more persons jointly, those persons or such of them that attend the meeting of the shareholders shall only constitute one shareholder for purposes of determining whether a quorum of shareholders is present.

4.10 Vote by Joint Shareholders. If two or more persons hold shares jointly, one of those holders present at a meeting of shareholders may, in the absence of the others, vote the shares, but if two or more of those persons who are present in person or by proxy shall fail to vote as one, the vote of such joint shareholders shall not be recognized.

4.11 Proxy. The form of proxy by which a proxy holder may be appointed for any meeting of the shareholders shall be in the form approved by the Board and included in the notice of the meeting or in any other appropriate form accepted by the chairman of the meeting.

#### SECTION FIVE - INDEMNIFICATION

##### 5.01 Indemnification of directors and officers.

- (a) Except in respect of an action by or on behalf of the Corporation or body corporate to procure a judgment in its favour, the Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a Shareholder or creditor, and his heirs and legal



representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of that Corporation or body corporate, if:

- (i) he acted honestly and in good faith with a view to the best interests of the Corporation; and
  - (ii) in the case of a criminal or administrative action or proceeding that is enforced by monetary penalty, he had reasonable grounds for believing that his conduct was lawful.
- (b) The Corporation may with the approval of the Court indemnify a person referred to in subparagraph (a) in respect of an action by or on behalf of the Corporation or body corporate to procure a judgment in its favour, to which he is made a party by reason of being or having been a director or an officer of the Corporation or body corporate, against all costs, charges and expenses reasonably incurred by him in connection with the action if he fulfills the conditions set out in subparagraphs (a) (i) and (ii).

5.02 Indemnification of Others. Subject to subparagraph 5.01(a), the Corporation may from time to time indemnify and save harmless any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, (other than an action by or in the right of the Corporation) by reason of the fact that he is or was an employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director or officer, employee, agent of or participant in another corporation, partnership, joint venture, trust or other enterprise, against expenses (including legal fees), judgments, fines in any amount actually and reasonably incurred by him in connection with such action, suit or proceeding if the Board determines that:

- (a) he acted honestly and in good faith with a view to the best interests of the Corporation; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that his conduct was lawful.

5.03 Right of Indemnity not Exclusive. The provisions for indemnification contained in the By-laws shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under any By-laws, agreement, vote of shareholders or disinterested directors or otherwise both as to an action in his official capacity and as to action in any other capacity while holding such office and shall continue as to a person who has ceased to be a director or officer and shall enure to the benefit of the heirs and legal representatives of such person.

SECTION SIX - GENERAL

6.01 Notices. In addition to any other method of service permitted by the Act any notice or document required by the Act, the regulations, the articles or the By-laws may be sent to any person entitled to receive same in the manner set out in the Act for service upon a shareholder or director and by any means of telecommunication with respect to which a written record is made. A notice sent by means of telecommunication shall be deemed to have been given on the first business day after the date upon which the written record is made.

6.02 Waiver of Notice. Any shareholder (or his duly appointed proxy holder), director, officer, auditor or member of a committee may at any time waive any notice, or waive or abridge the time for any notice required to be given to him under any provision of the Act, the regulations thereunder, the articles, the By-laws or otherwise, and such waiver or abridgment, whether given before or after the meeting or other event of which the notice is required to be given, shall cure any defect in the giving or in the time of such notice as the case may be.

6.03 Notice to Joint Shareholders. If two or more persons hold shares jointly, notice may be given to one of such persons and such notice shall be sufficient notice to all of them.

6.04 Signature on Notice. The signature to any notice to be given by the Corporation may be lithographed, written, printed or otherwise mechanically reproduced.

6.05 Surrender of Shares on Continuance. Where this By-law has become effective on the issue of a Certificate of Continuance for the Corporation the directors may require a member to surrender his share certificate for the purpose of having it cancelled and replaced by a new share certificate that complies with the Act.

**SCHEDULE "C"**  
**to the Officer's Certificate of The Churchill Corporation**

**AUTHORIZING RESOLUTIONS**

**March 20, 2014**

**"WHEREAS** Stuart Olson Dominion Construction (the **Design-Builder**) has entered into the design-build agreement with Interior Health Authority (the **Owner**) in connection with the design, construction and other work relating to the Facility (as defined in the Design-Build Agreement) in Vernon, British Columbia for the project referred to as the "Vernon Jubilee Hospital Inpatient Beds Project" (the **Design-Build Agreement**);

**AND WHEREAS** as a condition to the Owner agreeing to enter into the Design-Build Agreement, the Corporation has agreed to execute and deliver a parent guarantee pursuant to the performance, observance and payment on demand of each and every covenant, agreement, undertaking, representation, warranty and obligation of the Design-Builder in connection with the Design-Build Agreement, including but not limited to the obligation to pay liquidated damages and any other monies owing by the Design-Builder, such guarantee being limited to 50% of the contract price, which, as of the date hereof, is calculated to be \$7,998,992, and is subject to adjustment if the contract price is adjusted under the Design-Build Agreement (the **Guarantee**);

**AND WHEREAS** the limit to the Guarantee shall be exclusive of the liability referred to in Section 57.3 of the Design-Build Agreement, such liability being in connection with: (i) fraud, gross negligence or wilful, fraudulent or criminal misconduct; (ii) bodily injury, sickness, disease or death; (iii) liability to third parties in respect of tangible personal or real property; (iv) breach by the Design-Builder of its obligations of confidentiality under the Design-Build Agreement; and (v) penalties, fines or other liability imposed by a governmental authority, an administrative tribunal or a court of competent jurisdiction for breach of applicable law;

**AND WHEREAS** the directors believe that it is in the best interests of the Corporation to approve such a Guarantee.

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Corporation is authorized to enter into, execute, deliver and perform its obligations under the Guarantee.
2. The Guarantee may be executed and delivered by any one director or officer of the Corporation (the **Signing Officer**).
3. The Signing Officer be, and is hereby authorized to execute and deliver for and on behalf of the Corporation and under its corporate seal or otherwise, all deeds, documents and other writings as may be required by the Owner to give effect to the Guarantee.
4. All prior actions taken by the Corporation related to the Guarantee are hereby confirmed, ratified and approved.
5. This resolution may be executed in separate counterparts and all executed counterparts when taken together shall constitute one resolution. The Corporation shall be entitled to rely on delivery of a PDF or facsimile copy of the executed resolution and such copy shall be legally effective to create a valid and binding resolution."

**SCHEDULE "D"**  
**to the Officer's Certificate of The Churchill Corporation**

**INCUMBENCY CERTIFICATE**

**Name**

**Office**

**Specimen Signature**

Evan Johnston

Vice President, General Counsel  
and Corporate Secretary

