

**RESOLUTION OF THE DIRECTORS OF  
[CORPORATION]  
(the "Corporation")**

**SALE OF SHARES**

- A. [shareholder name] holds \_\_\_\_\_ (\_\_\_\_\_) Class "\_\_\_\_\_" Common Shares (the "Common Shares") of the Corporation and wishes to sell the Common Shares to the Corporation for Preferred Shares of the Corporation in accordance with the terms and conditions set forth in the Share Purchase Agreement (the "Agreement") a copy of which is attached as Schedule "B", to be dealt with by these Resolutions in Writing (the "Agreement").
- B. [shareholder name], Director, advised the Board and the Corporation that (s)he is a director and shareholder of the Corporation and that (s)he is the vendor of property to be sold to the Corporation pursuant to the Agreement to be dealt with by these Resolutions in Writing.

**BE IT RESOLVED THAT:**

1. [shareholder name] has disclosed, in compliance with Section [section #] of the *Business Corporations Act*, the nature and extent of his/her interest in the Agreement.
2. The Corporation's entering of the Agreement also be submitted to the Shareholders for their consideration and approval.
3. The President be and is hereby authorized for and on behalf of the Corporation (whether under the corporate seal or otherwise) to execute and deliver the Agreement substantially in the forms attached hereto, with such alternations, additions and amendments thereto and deletions therefrom as the President shall determine to be necessary or appropriate and the Agreement so executed shall be the Agreement authorized hereby.
4. Upon the execution of the Agreement and receipt by the Corporation of the Common Shares, there be issued to [shareholder name] as fully paid and non-assessable, \_\_\_\_\_ Preferred Shares of the Corporation and certificates for such shares be issued in the name of [shareholder name].
5. The non-cumulative dividend rate for the Preferred Shares shall be \_\_\_\_\_% of the Redemption Amount per Preferred Share, payable monthly.
6. Each of the Preferred Shares shall have a redemption amount, as defined in the Articles of Incorporation and as designated by the directors of the Corporation, equal to the amount that:
  - (i) the fair market value of the Common Shares at 10:15 a.m. on the date hereof, is of
  - (ii) [number of preferred shares being received].
7. There be added to the stated capital account that is maintained by the Corporation in respect of its Preferred Shares the aggregate amount elected by the Corporation pursuant to subsection 85(1) of the *Income Tax Act* (Canada) (the "Act"), less any adjustment required by paragraph 84.1(1)(a) or subsection 85(2.1) of the Act.
8. The President be and is hereby authorized and directed for and on behalf of the Corporation (whether under the corporate seal or otherwise) to execute and deliver all agreements, notices, consents, acknowledgments, certificates and other instruments and do all such acts and things as he may consider necessary, desirable or useful for the purpose of giving effect to the foregoing.

**INCOME TAX ELECTION**

**BE IT RESOLVED THAT:**

9. The Corporation execute an election under subsection 85(1) of the Act in accordance with the terms of the Agreement with respect to the Common Shares purchased by the Corporation from [shareholder name].
10. The President is authorized to execute the said election on behalf of the Corporation.
11. The said election be filed within the appropriate time stated in subsection 85(6) of the Act with Canada Customs and Revenue Agency, and the President be and is hereby authorized to arrange for the filing of the said election.

**THIS IS A 7-PAGE PACKAGE.**