

**SPECIAL RESOLUTIONS OF THE DIRECTORS AND SHAREHOLDERS OF
CORPORATION
AMENDMENT OF ARTICLES AND
REORGANIZATION OF SHARE CAPITAL**

WHEREAS:

- A. The Corporation has now issued and outstanding _____ Class "A" Shares of its capital (all of which shares are hereinafter called the "Existing Class "A" Shares", all of which are owned as follows:

(all of which shareholders are hereinafter called the "Existing Shareholders")

- B. Each Existing Shareholder has decided to reorganize the share capital of the corporation in compliance with Section 86 of the *Income Tax Act* (Canada) such that there will be no immediate income tax cost to either the Corporation or its Shareholder.

- C. That reorganization of the Corporation's share capital requires that:

- (a) the Corporation's authorized capital be amended in conformity with Schedule "A" hereto;
- (b) all the Existing Class "A" Shares be changed into the new Class "A" Shares, in the ratio of 10,000 Class "A" Shares, for each of the Existing Class "A" Shares, pursuant to section 86(1) of the *Income Tax Act* (Canada) and an agreement, a draft copy of which is attached hereto as Schedule "B" (the "Agreement"); and

- D. _____, directors, have advised the board and the Corporation that each is a party to the Agreement with the Corporation.

- E. Pursuant to Section 167 of the *Business Corporations Act*, the Corporation's Articles of Incorporation must be amended to effect such deletion and replacement and such amendment and exchange.

- F. Pursuant to Subsection 171(1) of the *Business Corporations Act*, Articles of Amendment must be filed with the Registrar of Corporations to effect said amendment to the Corporation's Articles of Incorporation.

BE IT RESOLVED, as a special resolution of the Corporation pursuant to section 167 of the *Business Corporations Act*:

1. _____ have disclosed, in compliance with section 115 of the *Business Corporations Act*, the nature and extent of their interest in the Agreement in reasonable detail to the directors and shareholders and the aforesaid transaction be and is hereby approved as being reasonable and fair to the Corporation.

2. The Corporation:
 - (a) amend, pursuant to and in accordance with Paragraphs 167(1)(c), (d), and (e) of the *Business Corporations Act*, the Corporation's authorized capital in conformity with Schedule "A" hereto;
 - (b) pursuant to and in accordance with Paragraph 167(1)(f) of the *Business Corporations Act*, enter into the Agreement with Existing Shareholders for the exchange of all the Existing Class "A" Shares into the new Class "A" Shares, referred to in the said Schedule "A", in the ratio of 10,000 Class "A" Shares, for each of the Existing Class "A" Shares.
 - (c) issue to the Existing Shareholders the following shares:
 - (d) cancel and issue share certificates to give effect to the foregoing resolutions;
 - (e) the paid up capital in respect of the Existing Class "A" Shares in the capital of the Corporation shall be reduced by the amount of stated (i.e., paid up) capital of each Existing Class "A" Share surrendered to the Corporation for cancellation by the Shareholder;
 - (f) the paid up capital with respect to the Class "A" Shares, issued to the Shareholder shall be fixed by the Corporation at the amount of the aggregate stated (i.e., paid up) capital of the Existing Class "A" Shares surrendered for cancellation in the aggregate;
3. The form of share certificate attached hereto as Schedule "C" is hereby adopted for use with respect to the Class "A" Shares, in the capital of the Corporation, and that such certificate issued by the Corporation shall bear the signature of the President.
4. The President of the Corporation be requested and is hereby authorized to execute the Agreement and take such action and steps as may be required to carry out and effect the reorganization of the Corporation's share capital and the amendment hereby resolved to be made, including executing Articles of Amendment, in prescribed form as required pursuant to Subsection 171(1) of the *Business Corporations Act*, and filing the same with the Registrar of Corporations.
6. The Secretary make entries in the Corporation's Securities Register to reflect the cancellation and issue of said Certificates hereby approved.