



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Superior Plus Corp.

Corporate name / Dénomination sociale

248019-1

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Raymond Edwards

Director / Directeur

2020-07-13

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

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- 1 Corporate name  
Dénomination sociale  
Superior Plus Corp.
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- 2 Corporation number  
Numéro de la société  
248019-1
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

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- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par

Darren Hribar

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Darren Hribar

4165230042

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Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250 (1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

Pursuant to section 27(4) of the *Canada Business Corporations Act*, the Articles of the Corporation are amended to create an unlimited number of Series 1 Special Voting Preferred shares and 260,000 Series 2 Preferred shares, the rights, privileges, restrictions and conditions attaching to such classes of shares being set out in Schedule "A" attached hereto.

**SCHEDULE A**

**THIS SCHEDULE IS INCORPORATED INTO AND FORMS  
PART OF THE ARTICLES OF SUPERIOR PLUS CORP. (THE  
“CORPORATION”)**

**TERMS OF SERIES 1 SPECIAL VOTING PREFERRED SHARES**

1. **Designation and Number of Shares**

There shall hereby be created and established the first series of preferred shares of the Corporation designated as Series 1 Special Voting Preferred Shares (“**Series 1 Special Shares**”). The authorized number of Series 1 Special Shares shall be unlimited. In addition to the rights, privileges, restrictions and conditions attached to the Preferred Shares of the Corporation as a class, the rights, privileges, restrictions and conditions of the Series 1 Special Shares shall be as set forth in this Schedule.

2. **Definitions**

In this Schedule, the following terms shall, unless there is something in the context otherwise inconsistent therewith, have the meanings set out below and grammatical variations of such terms shall have corresponding meanings:

- (a) “**Common Shareholders**” means the holders from time to time of Common Shares;
- (b) “**Common Shares**” means the common shares in the capital of the Corporation;
- (c) “**holder**” means the holder of record of the Series 1 Special Shares, which holder of record shall be the Trustee;
- (d) “**Redemption Amount**” means the sum of CAD\$0.00001 per Series 1 Special Share;
- (e) “**Trustee**” means Computershare Trust Company of Canada, in its capacity as trustee pursuant to the terms of Voting Trust Agreement, and any successor trustee thereunder; and
- (f) “**Voting Trust Agreement**” means the voting trust agreement dated as of July 13, 2020 among the Corporation, Superior Plus US Holdings Inc., Computershare Trust Company of Canada, in its capacity as the Trustee and the investor signatory thereto, pursuant to which the Trustee holds the Series 1 Special Shares for the benefit of holders of shares of Series 1 Preferred Stock in the share capital of Superior Plus US Holdings Inc. and holders of Parent Preferred Shares in the share capital of the Corporation, as such agreement may be amended, restated, succeeded or replaced from time to time.

Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Voting Trust Agreement.

3. **Dividends**

No dividends shall be payable to the holder of the Series 1 Special Shares.

4. **Voting Rights**

- (a) Except as otherwise provided by law or herein, the holder of the Series 1 Special Shares shall be entitled to attend all shareholder meetings of the Corporation which the Common Shareholders are entitled to attend (a “**Meeting**”) and to vote on all matters submitted to a vote of the Common Shareholders at any such Meeting. Each Series 1 Special Share shall entitle the holder thereof to one vote for each Series 1 Special Share held. Except as otherwise provided by law, holders of the Series 1 Special Shares and the Common Shares shall vote together as a single class.
- (b) The holder of the Series 1 Special Shares shall be entitled to receive copies of all notices and other materials sent by the Corporation to its Common Shareholders relating to Meetings. All such notices and other materials shall be sent to the holder of the Series 1 Special Shares concurrently with delivery to the Common Shareholders.
- (c) Notwithstanding Section(a) 4(a), the number of votes attaching to the Series 1 Special Shares which may be exercised or cast by the holder shall be restricted in accordance with the terms of the Voting Trust Agreement. For certainty, unless the Requisite Shareholder Approval (as defined in the Voting Trust Agreement) has been obtained, any Beneficiary Votes or Voting Rights cast or exercised in excess of a Voting Cap or otherwise in breach of such restrictions will be invalid and will not be counted or recognized for any purposes.

5. **Redemption and Issuances**

The Corporation shall redeem all or part of the Series 1 Special Shares issued and outstanding, from time to time, at the Redemption Amount, in accordance with the terms and conditions of the Voting Trust Agreement. Any Series 1 Special Shares so redeemed shall be cancelled. The Corporation shall issue and deposit with the Trustee additional Series 1 Special Shares, in accordance with the terms and conditions of the Voting Trust Agreement.

6. **Liquidation**

In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other return of capital or distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holder of the Series 1 Special Shares shall be entitled to receive the Redemption Amount from the assets and property of the Corporation before any amount shall be paid or any property or assets of the Corporation distributed to the holders of the Common Shares or shares of any other class ranking junior to the Preferred Shares of the Corporation.

7. **Amendments**

Any amendment, modification or alteration of the rights, preferences, privileges or voting powers of the Series 1 Special Shares shall, solely to the extent required by the applicable rules and regulations of the Toronto Stock Exchange, be subject to the approval of the Toronto Stock Exchange for as long as the Common Shares are listed for trading thereon.

**THIS SCHEDULE IS INCORPORATED INTO  
AND FORMS PART OF THE ARTICLES OF  
SUPERIOR PLUS CORP. (the “Corporation”)**

TERMS OF SERIES 2 PREFERRED SHARES

There shall hereby be created and established the first series of preferred shares of the Corporation designated as “Series 2 Preferred Shares”. The authorized number of Series 2 Preferred Shares shall be 260,000. In addition to the rights, privileges, restrictions and conditions attached to the Preferred Shares of the Corporation as a class, the rights, privileges, restrictions and conditions of the Series 2 Preferred Shares shall be as set forth in this Schedule.

The Corporation shall issue the Series 2 Preferred Shares in accordance with the terms and conditions of the Exchange Agreement (as defined below).

1. Definitions. In this Schedule, the following terms shall have the following meanings:
  - 1.1. “**Accrued Dividends**” shall mean, with respect to any Series 2 Preferred Share, as of any date, the amount equal to (a) the Subsidiary Accrued Dividends as of the date immediately prior to the Issue Date, plus (b) the dividends that have accrued on such share pursuant to Section 2.1 or Section 2.2, less (c) any dividends paid in cash pursuant to Section 2.1, from the Issue Date up to, but not including, such date;
  - 1.2. “**Acquiring Person**” shall have the meaning given to it in the Shareholder Rights Plan;
  - 1.3. “**acting together**” shall mean acting together to influence the outcome of a vote of securityholders as such concept is used in the context of the definition of “materially affect control” in Part I of the TSX Company Manual;
  - 1.4. “**Affiliate**” shall mean a Person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Person specified; provided, however, that (i) the Corporation and its Subsidiaries shall not be deemed to be Affiliates of any Holder or any of its Affiliates, (ii) a Holder’s Affiliates shall not include any such Holder’s Disaggregated Affiliates, and (iii) a Holder’s Affiliates shall not include Brookfield Public Securities Group LLC, Oaktree Capital Group LLC, Oaktree Capital Group Holdings, L.P., Atlas OCM Holdings LLC and their respective Subsidiaries. For the purposes of this definition, “control” when used with respect to any Person, means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract, or otherwise;
  - 1.5. “**Articles of Incorporation**” means the “articles” of the Corporation within the meaning of the CBCA;
  - 1.6. “**Bankruptcy**” means, with respect to any Person, the occurrence of any of the following events: (i) the filing of an application by such Person for, or a consent to, the appointment of a trustee or custodian of such Person’s assets; (ii) the filing by such Person of a voluntary petition in bankruptcy or the seeking of relief under Title 11 of the United States Code, the *Bankruptcy and Insolvency Act* (Canada) or any other similar bankruptcy, insolvency or analogous applicable laws, as now constituted or hereafter amended, or the filing of a pleading in any court of record admitting in writing such Person’s inability to pay its debts as they become due; (iii) the making by such Person of a general assignment for the benefit of creditors; (iv) the filing by such Person of an answer admitting the material allegations

of, or such Person's consenting to, or defaulting in answering, a bankruptcy petition filed against it in any bankruptcy proceeding or petition seeking relief under Title 11 of the United States Code, the *Bankruptcy and Insolvency Act* (Canada) or any other similar bankruptcy, insolvency or analogous applicable laws, as now constituted or as hereafter amended; or (v) the entry of an order, judgment or decree by any court of competent jurisdiction adjudicating such Person a bankrupt or insolvent or for relief in respect of such Person or appointing a trustee or custodian of such Person's assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive calendar days;

- 1.7. “**Beneficial Ownership Cap**” shall have the meaning set forth in Section 9;
- 1.8. “**Board of Directors**” shall mean the board of directors of the Corporation or, with respect to any action to be taken by the Board of Directors, any committee of the Board of Directors duly authorized to take such action;
- 1.9. “**Business Day**” means any day, other than: (a) a Saturday, Sunday or statutory holiday in the Provinces of Ontario or Alberta or the State of New York; or (b) a day on which banks are generally closed in the Provinces of Ontario or Alberta or the State of New York;
- 1.10. “**Capital Reorganization**” shall have the meaning set forth in Section 5.5(e);
- 1.11. “**Cash Dividends**” shall have the meaning set forth in Section 2.1;
- 1.12. “**CBCA**” means the *Canada Business Corporations Act*;
- 1.13. “**Change of Control**” shall mean the occurrence of any of the following:
  - (a) (i) the direct or indirect sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the properties or assets of the Corporation and its Subsidiaries, taken as a whole, to any Person (other than to the Corporation or to any wholly-owned Subsidiary of the Corporation), or (ii) a plan or scheme of arrangement, merger, amalgamation, consolidation, share sale or other transaction or series of related transactions, in which all of the Common Shares are exchanged for, converted into, acquired for, or constitute solely the right to receive, other securities, cash or other property, in each case of (i) or (ii), that would result in the Persons who beneficially own, directly or indirectly, the Common Shares (or other voting shares of the Corporation, on an as-converted basis) as of immediately prior to such transaction ceasing to beneficially own, directly or indirectly, a majority of the outstanding Common Shares (or other voting shares of the Corporation or outstanding common equity securities of the surviving entity, in each case, on an as-converted basis) immediately following the completion of such transaction;
  - (b) the consummation of any transaction or series of related transactions (including, without limitation, pursuant to a merger, amalgamation or consolidation), the result of which is that any Person, including any Persons acting jointly or in concert with such Person, becomes the beneficial owner, directly or indirectly, of shares of the Corporation's common equity representing more than 50% of the voting power of all of the Corporation's then-outstanding common equity, on an as-



converted basis (this clause (b), together with clause (a) of this definition, a **“Change of Control Call Event”**); or

- (c) the Corporation voluntarily causes the Common Shares to cease to be listed or quoted on a Stock Exchange, other than in connection with any event in clause (a) or (b) above.

- 1.14. **“Change of Control Redemption Call Right”** shall have the meaning set forth in Section 7.4;
- 1.15. **“Change of Control Redemption Date”** shall have the meaning set forth in Section 7.1;
- 1.16. **“Change of Control Redemption Notice”** shall have the meaning set forth in Section 7.3;
- 1.17. **“Change of Control Redemption Premium”** shall mean, without duplication, as to each Series 2 Preferred Share on a Change of Control Redemption Date, an amount equal to (i) 1.4 times the Liquidation Preference less (ii) the Liquidation Preference less (iii) the aggregate Subsidiary Cash Dividends and any cash dividends pursuant to section 2.4 of Part B of Section 4 of the Subsidiary Certificate of Incorporation paid in respect of the Subsidiary Preferred Stock less (iv) the aggregate Cash Dividends and any cash dividends pursuant to Section 2.4 paid in respect of such Series 2 Preferred Share from the Issue Date up to and including the Change of Control Redemption Date, which shall include the amount of Accrued Dividends as at the Change of Control Redemption Date to be paid as part of the Change of Control Redemption Price in accordance with Section 7.2; and, for certainty, if the foregoing results in zero or a negative amount, the Change of Control Redemption Premium shall be zero dollars (\$0.00);
- 1.18. **“Change of Control Redemption Price”** shall have the meaning set forth in Section 7.2;
- 1.19. **“close of business”** shall mean 5:00 p.m. (Toronto time);
- 1.20. **“Closing Sale Price”** of the Common Shares shall mean, as of any date, the closing sale price per share (or if no closing sale price is reported, the average of the closing bid and ask prices or, if more than one in either case, the average of the average closing bid and the average closing ask prices) on such date as reported on the Stock Exchange or, if the Common Shares are not traded on a Stock Exchange, then in the over-the-counter market as reported by OTC Markets Group Inc. or a similar organization. In the absence of such a quotation, the Closing Sale Price shall be an amount determined to be the fair market value of a Common Share by an Independent Financial Advisor retained by the Corporation for such purpose, acting reasonably. If the Common Shares are traded on more than one Stock Exchange, the volume and price information used to determine the Closing Sale Price shall be the volume and price information in respect of the Stock Exchange on which the aggregate trading volume was the highest as of such date (converted to Canadian dollars);
- 1.21. **“Common Shares”** shall mean the common shares in the capital of the Corporation;
- 1.22. **“Conversion Cap”** shall have the meaning set forth in Section 5.10;
- 1.23. **“Conversion Date”** shall mean the Optional Conversion Date or the Forced Conversion Date, as applicable;

- 1.24. “**Conversion Price**” shall mean the dollar amount equal to the “Exchange Price” defined under and determined in accordance with the terms of the Subsidiary Preferred Stock as adjusted and as in effect as of the Issue Date, as may be adjusted from time to time from and after the Issue Date in the manner set forth herein;
- 1.25. “**Conversion Rate**” shall have the meaning set forth in Section 5.1;
- 1.26. “**Converting Holder**” shall mean (a) a Holder that has provided an Optional Conversion Notice and (b) where the Corporation has provided a Forced Conversion Notice, each Holder of Series 2 Preferred Shares;
- 1.27. “**Disaggregated Affiliate**” means, in respect of any Person, an Affiliate of such Person which may be disaggregated in accordance with the principles in National Instrument 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*;
- 1.28. “**Dividend Payment Date**” shall mean the date that is fifteen (15) days after the end of each applicable Payment Period of the Corporation, unless the Board of Directors designates an earlier date;
- 1.29. “**Dividend Rate**” shall mean:
- (a) the rate of 7.25% per annum for the period from the Subsidiary Preferred Stock Issue Date through to, but excluding, July 1, 2027 (the “**First Dividend Change Date**”),
  - (b) the rate of 8.00% per annum for the period from, and including, the First Dividend Change Date through to, but excluding, July 1, 2028 (the “**Second Dividend Change Date**”),
  - (c) the rate of 8.75% per annum for the period from, and including, the Second Dividend Change Date through to, but excluding, July 1, 2029 (the “**Third Dividend Change Date**”),
  - (d) the rate of 9.50% per annum for the period from, and including, the Third Dividend Change Date through to, but excluding, July 1, 2030 (the “**Fourth Dividend Change Date**”), and
  - (e) the rate of 10.25% per annum from and after the Fourth Dividend Change Date;

provided, however, in the event that either (x) prior to the Issue Date, Superior US did not pay a Subsidiary Cash Dividend for any Subsidiary Preferred Stock Payment Period commencing on or after the First Dividend Change Date, or (y) following the Issue Date, the Corporation does not pay a Cash Dividend for any Payment Period commencing on or after the First Dividend Change Date (such Subsidiary Preferred Stock Payment Period or Payment Period hereunder, whichever first occurs, the “**Initial PIK Payment Period**”), the rate for the Initial PIK Payment Period and any subsequent Payment Period during the 12-month period following the first day of the Initial PIK Payment Period in which Superior US does not pay a Subsidiary Cash Dividend or the Corporation does not pay a Cash Dividend shall be the rate then in effect (as set out in clauses (a) through (e) above) plus 1.00% (the “**PIK Premium**”); provided, further, that the PIK Premium applicable to subsequent Payment Periods in which Superior US does not pay a Subsidiary Cash

Dividend or the Corporation does not pay a Cash Dividend shall increase by 1.00% on a cumulative basis on each anniversary of the date upon which the Initial PIK Payment Period commenced; provided, further, that in no event shall the Dividend Rate exceed 14.25%. For the avoidance of doubt, the PIK Premium is not applicable to any Payment Period in respect of which a Cash Dividend is paid by the Corporation;

- 1.30. **“Dividend Record Date”** shall mean, with respect to any Payment Period and applicable Dividend Payment Date, the record date (which shall be a Business Day) fixed by the Board of Directors for holders eligible to receive any dividend declared for such Payment Period, which shall not be more than thirty (30) days nor less than fifteen (15) days preceding the applicable Dividend Payment Date;
- 1.31. **“DRIP”** shall mean the Corporation’s Dividend Reinvestment and Optional Share Purchase Plan or any similar dividend reinvestment plan approved by the Board of Directors;
- 1.32. **“DRIP Participation Percentage”** shall mean that fraction expressed as a percentage, (a) the numerator of which shall be the aggregate number of Common Shares issued by Corporation in any Payment Period pursuant to the DRIP, and (b) the denominator of which shall be the aggregate number of Common Shares issuable by Corporation in such Payment Period pursuant to the DRIP, assuming for purposes of this clause (b) participation in the DRIP by all holders of Common Shares eligible to participate in the DRIP;
- 1.33. **“Ex-Date”** means the first date on which the Common Shares trade on the applicable exchange or in the applicable market, regular way, without the right to receive the issuance, dividend or distribution in question, from the Corporation or, if applicable from the seller of Common Shares on such exchange or market (in the form of due bills or otherwise) as determined by such exchange or market;
- 1.34. **“Exchange Agreement”** shall mean the Exchange and Support Agreement, dated as of July 13, 2020, by and among the Corporation, Superior US and the holders of Subsidiary Preferred Stock, as amended, supplemented, restated, exchanged or replaced from time to time;
- 1.35. **“Forced Conversion Date”** shall have the meaning set forth in Section 5.2;
- 1.36. **“Forced Conversion Notice”** shall have the meaning set forth in Section 5.2;
- 1.37. **“Forced Conversion Notice Date”** shall have the meaning set forth in Section 5.2;
- 1.38. **“FX Rate”** means the foreign exchange rate between the U.S. dollar and the Canadian dollar published by Thomson Reuters (or any successor) as the Thomson Reuters Intraday Spot Rate (or any successor rate) at approximately 12:00 p.m. Eastern Time on the Business Day immediately preceding the applicable date of redemption, payment or other determination, as applicable; provided, however, that:
  - (a) if such rate ceases to be published, then the “FX Rate” shall be deemed to be the foreign exchange rate between the U.S. dollar and the Canadian dollar published by the Bank of Canada each day at approximately 4:30 p.m. Eastern Time;

- (b) should Thomson Reuters (or any successor) or the Bank of Canada, as applicable, publish the exchange rate only once per day, the exchange rate published at such time will be used; and
  - (c) if all of the foregoing exchange rates cease to be published, then the exchange rate will be such replacement exchange rate as may be selected by the Board of Directors in good faith;
- 1.39. “**Holder**” and, unless the context requires otherwise, “**holder**” shall each mean a holder of record of a Series 2 Preferred Share;
- 1.40. “**Independent Financial Advisor**” shall mean an accounting, appraisal, investment banking firm or consultant of nationally recognized standing; provided, however, that such a firm or consultant shall not be an Affiliate of the Corporation and shall be reasonably acceptable to the Holders of at least a majority of the Series 2 Preferred Shares outstanding at the time of engagement by the Corporation;
- 1.41. “**Investor Rights Agreement**” means the Investor Rights Agreement, dated as of July 13, 2020, entered into among SPC PIPE L.P., the Corporation and Superior US, as amended, supplemented, restated, exchanged or replaced from time to time;
- 1.42. “**Issue Date**” shall mean the original date of issuance of the Series 2 Preferred Shares;
- 1.43. “**Junior Shares**” shall mean the Common Shares and each other class of shares in the capital of the Corporation or series of preferred shares of the Corporation established after the Subsidiary Preferred Stock Issue Date, by the Board of Directors, the terms of which do not expressly provide that such class or series ranks senior to or on a parity with the Series 2 Preferred Shares as to dividend rights or rights upon the liquidation, winding-up or dissolution of the Corporation;
- 1.44. “**Liquidation Preference**” shall mean, with respect to each Series 2 Preferred Share, \$1,000;
- 1.45. “**Liquidation Premium**” shall mean, as to each Series 2 Preferred Share on the date a distribution is made to Holders in accordance with Section 4.1 (the “**Distribution Date**”), an amount equal to (i) 1.4 times the Liquidation Preference less (ii) the Liquidation Preference less (iii) the aggregate Subsidiary Cash Dividends and any cash dividends pursuant to section 2.4 of Part B of Section 4 of the Subsidiary Certificate of Incorporation paid in respect of the Subsidiary Preferred Stock less (iv) the aggregate Cash Dividends and any cash dividends pursuant to Section 2.4 paid in respect of such Series 2 Preferred Share from the Issue Date up to and including the Distribution Date, which shall include the amount of Accrued Dividends as at the Distribution Date to be paid as part of the distribution on such share in accordance with Section 4.1; and, for certainty, if the foregoing results in zero or a negative amount, or if no Voluntary Bankruptcy Event has occurred, the Liquidation Premium shall be zero dollars (\$0.00);
- 1.46. “**Market Value**” shall mean the VWAP during a ten (10) consecutive Trading Day period ending on, and including, the Trading Day immediately prior to the date of determination;
- 1.47. “**NI 45-106**” shall mean National Instrument 45-106 – *Prospectus Exemptions* implemented by the members of the Canadian Securities Administrators;

- 1.48. “**NI 62-104**” shall mean National Instrument 62-104 *Take-Over Bids and Issuer Bids* implemented by the members of the Canadian Securities Administrators;
- 1.49. “**Officer**” shall mean any officer of the Corporation;
- 1.50. “**opening of business**” shall mean 9:00 a.m. (Toronto time);
- 1.51. “**Optional Conversion Date**” shall have the meaning set forth in Section 5.1;
- 1.52. “**Optional Conversion Notice**” shall have the meaning set forth in Section 5.1;
- 1.53. “**Optional Conversion Notice Date**” shall have the meaning set forth in Section 5.1;
- 1.54. “**Optional Redemption Date**” shall have the meaning set forth in Section 6.1;
- 1.55. “**Optional Redemption Notice**” shall have the meaning set forth in Section 6.3;
- 1.56. “**Optional Redemption Price**” shall have the meaning set forth in Section 6.2;
- 1.57. “**Ordinary Course Dividend Amount**” shall mean a dividend of CAD\$0.06 per Common Share per month (and for certainty, shall mean a dividend of CAD\$0.18 per Common Share per fiscal quarter, if such dividend is paid quarterly), as such amount may be adjusted to account for any subsequent share split, share consolidation or similar transaction in respect of the Common Shares;
- 1.58. “**Parity Shares**” shall mean any class of shares in the capital of the Corporation or series of preferred shares of the Corporation established after the Subsidiary Preferred Stock Issue Date by the Board of Directors, the terms of which expressly provide that such class or series will rank on a parity with the Series 2 Preferred Shares as to dividend rights or rights upon the liquidation, winding-up or dissolution of the Corporation;
- 1.59. “**Paying Agent**” shall mean the Transfer Agent, acting in its capacity as paying agent for the Series 2 Preferred Shares, and its successors and assigns, or any other Person appointed to serve as paying agent by the Corporation;
- 1.60. “**Payment Period**” shall mean (a) the period commencing on the Issue Date and ending on the last day of the calendar month in which the Issue Date occurs, and (b) each calendar month thereafter; provided that in the event the Corporation is declaring and paying dividends on the Common Shares in cash on a quarterly basis (or on the basis of any longer period) or is not declaring and paying dividends on the Common Shares, then following written notice thereof by the Corporation to the Investors, the Payment Period shall mean a fiscal quarter (with the Payment Period reverting to a calendar month in the event the Corporation is declaring and paying dividends on the Common Shares in cash on a monthly basis);
- 1.61. “**Person**” shall include any individual, corporation, general partnership, limited partnership, limited liability partnership, joint venture, association, trust, limited liability company, unincorporated organization or government or any agency or political subdivision thereof;
- 1.62. “**Redeeming Party**” shall have the meaning set forth in Section 7.1;

- 1.63. **“Redemption Date”** shall mean an Optional Redemption Date or a Change of Control Redemption Date, as applicable;
- 1.64. **“Reference Property”** shall have the meaning set forth in Section 5.5(e);
- 1.65. **“Requisite Shareholder Approval”** shall have the meaning set forth in Section 5.10;
- 1.66. **“Securities Act”** shall mean the U.S. Securities Act of 1933, as amended;
- 1.67. **“Securities Representations”** shall mean, for a prospective conversion of Preferred Shares for Common Shares by a Holder, written representations by such Holder in favor of the Corporation that such Holder: (i) is resident in Canada at the time of the conversion; or (ii) is resident in a jurisdiction outside of Canada, is not exercising the conversion in the United States or by or on behalf of a U.S. Person and will acquire Common Shares upon such conversion pursuant to an exemption from any prospectus or securities registration or similar requirements under the applicable securities laws of such jurisdiction or any other securities laws to which such Holder is otherwise subject and such conversion would not result in any obligation of the Corporation to prepare and file a prospectus, an offering memorandum or similar document or any obligation of the Corporation to make any filings with or seek any approvals of any kind from any regulatory body in such jurisdiction or any other ongoing reporting requirements with respect to such conversion or otherwise; or (iii) if in the United States or a U.S. Person on whose behalf such conversion is being made, is an “accredited investor” within the meaning of Rule 501(a) of Regulation D under the Securities Act or is otherwise permitted to acquire Common Shares upon such conversion pursuant to an available exemption from registration under the Securities Act and applicable state securities laws at the time of such conversion;
- 1.68. **“Senior Shares”** shall mean each class of shares in the capital of the Corporation or series of preferred shares of the Corporation established after the Subsidiary Preferred Stock Issue Date by the Board of Directors, the terms of which expressly provide that such class or series will rank senior to the Series 2 Preferred Shares as to dividend rights or rights upon the liquidation, winding-up or dissolution of the Corporation;
- 1.69. **“Series 2 Preferred Shares”** shall mean the Series 2 Preferred shares of the Corporation authorized pursuant to this Schedule;
- 1.70. **“Shareholder Rights Plan”** shall mean the amended and restated shareholder rights plan agreement dated as of February 16, 2012 between the Corporation and Computershare Trust Corporation of Canada, as rights agent, as amended and restated on March 30, 2012, May 1, 2015 and May 8, 2018, as further amended, restated, succeeded or replaced from time to time;
- 1.71. **“Stock Exchange”** shall mean the Toronto Stock Exchange or, if the Common Shares are not listed on the Toronto Stock Exchange, such other major securities exchange or market on which the Common Shares are then listed and posted for trading;
- 1.72. **“Subsidiary”** shall mean, as to any Person, any corporation or other entity of which: (a) such Person or a Subsidiary of such Person is a general partner or, in the case of a limited liability company, the managing member or manager thereof; (b) at least a majority of the outstanding equity interest having by the terms thereof ordinary voting power to elect a majority of the board of directors or similar governing body of such corporation or other

entity (irrespective of whether or not at the time any equity interest of any other class or classes of such corporation or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more of its Subsidiaries; or (c) any corporation or other entity as to which such Person consolidates for accounting purposes;

- 1.73. “**Subsidiary Accrued Dividends**” means the “Accrued Dividends” as defined under and determined in accordance with the terms of the Subsidiary Preferred Stock;
- 1.74. “**Subsidiary Cash Dividends**” means “Cash Dividends” as defined under and determined in accordance with the terms of the Subsidiary Preferred Stock;
- 1.75. “**Subsidiary Certificate of Incorporation**” means the Certificate of Incorporation of Superior US, as it may be amended or restated from time to time;
- 1.76. “**Subsidiary Preferred Stock**” means the Series 1 Preferred Stock of Superior US authorized pursuant to the Subsidiary Certificate of Incorporation;
- 1.77. “**Subsidiary Preferred Stock Issue Date**” means the original date of issuance of the Subsidiary Preferred Stock;
- 1.78. “**Subsidiary Preferred Stock Payment Period**” means a “Payment Period” in respect of Subsidiary Cash Dividends as defined under and determined in accordance with the terms of the Subsidiary Preferred Stock;
- 1.79. “**Superior US**” means Superior Plus US Holdings Inc.;
- 1.80. “**Trading Day**” shall mean a day during which trading in securities generally occurs on the Stock Exchange and if the Common Shares are not so traded, “**Trading Day**” shall mean a Business Day;
- 1.81. “**Transfer Agent**” shall mean, as applicable, Computershare Trust Corporation of Canada, acting as the Corporation’s duly appointed transfer agent, registrar, conversion agent and dividend disbursing agent for the Common Shares, or the Corporation’s duly appointed transfer agent, registrar, conversion agent and dividend disbursing agent for the Series 2 Preferred Shares, if any, or if none, an Officer, and in each case their successors and assigns, or any other person appointed to serve as transfer agent, registrar, conversion agent and dividend disbursing agent by the Corporation;
- 1.82. “**Trigger Event**” shall have the meaning set forth in Section 5.5(g);
- 1.83. “**Voluntary Bankruptcy Event**” shall mean a Bankruptcy of the Corporation, any Subsidiary of the Corporation or Superior US that is voluntarily commenced by the Corporation, Superior US or any such Subsidiary;
- 1.84. “**Voting Trust Agreement**” shall mean the voting trust agreement dated as of July 13, 2020, by and among the trustee named therein, the Corporation, Holders and Superior US, as amended, supplemented, restated, exchanged or replaced from time to time; and

- 1.85. “VWAP” shall mean the volume weighted average trading price of the Common Shares on the Stock Exchange, calculated by dividing the total value by the total volume of Common Shares traded for the relevant period.

## 2. Dividends

- 2.1. Holders shall be entitled to receive, and the Corporation shall pay thereon, if, as and when declared by the Board of Directors, with respect to each Series 2 Preferred Share prior to any distributions made in respect of any Junior Shares in respect of the same Payment Period, out of funds legally available for payment, cash dividends (“**Cash Dividends**”) on the sum of (i) the Liquidation Preference plus (ii) any Accrued Dividends, in each case, as of immediately after the last day of the immediately prior fiscal quarter (or if there has been no prior full fiscal quarter, the Subsidiary Accrued Dividends as of immediately after the last day of the immediately prior fiscal quarter), computed on the basis of a 360-day year consisting of twelve 30-day months, at the applicable Dividend Rate. To the extent the Board of Directors so declares, Cash Dividends shall be payable in arrears on the Dividend Payment Date for each Payment Period to the Holders as they appear on the Corporation’s share register at the close of business on the relevant Dividend Record Date. Dividends on the Series 2 Preferred Shares shall accrue and become Accrued Dividends on a day-to-day basis from the last day of the most recent fiscal quarter, or if there has been no prior full fiscal quarter, from the Issue Date, until Cash Dividends are declared and paid pursuant to this Section 2.1 in respect of such accrued amounts. For the avoidance of doubt and notwithstanding anything to the contrary set forth herein, in the event that the Payment Periods within any fiscal quarter are a calendar month, the Cash Dividends payable with respect to each Series 2 Preferred Share shall be an equal amount for each such Payment Period.
- 2.2. If the Board of Directors does not declare and pay a Cash Dividend in accordance with Section 2.1 for any Payment Period, the amount of such Cash Dividend shall automatically without any action of the Board of Directors continue to accrue as Accrued Dividends in lieu of paying the applicable Cash Dividend; provided, that the Board of Directors must provide written notice to the Holders on or prior to the last day of the applicable Payment Period (and in no event later than five (5) Business Days prior to the applicable Dividend Payment Date) of its intention to not pay Cash Dividends for such Payment Period. For the avoidance of doubt, without the consent of Holders representing at least a majority of the then-issued and outstanding Series 2 Preferred Shares, the Corporation shall not make a cash payment to Holders in respect of any such Cash Dividends following the applicable Dividend Payment Date thereof pursuant to Section 2.1 (except for any dividends payable on Accrued Dividends for subsequent Payment Periods in accordance with the terms of Section 2.1) or this Section 2.2 and the value associated with such Accrued Dividends shall be delivered to Holders through payment or conversion in accordance with Section 4, Section 5, Section 6 and Section 7.
- 2.3. Notwithstanding anything herein to the contrary, no dividend shall be paid in respect of any Junior Shares or Parity Shares for any Payment Period in which Cash Dividends have not been declared and paid in full in respect of such Payment Period.
- 2.4. In the event that the Corporation declares a dividend on the Common Shares to be paid in cash or other property (other than Common Shares), other than a cash dividend no greater than the Ordinary Course Dividend Amount, the Holders shall be entitled to receive, and the Corporation shall pay thereon, if, as and when declared by the Board of Directors with



respect to each Series 2 Preferred Share, an amount equal to the product of (a) the amount or value of the dividend, as applicable, paid on each Common Share less the Ordinary Course Dividend Amount, converted to U.S. dollars at the applicable FX Rate, multiplied by (b) the Conversion Rate then in effect. Such dividends shall be payable to the Holders as they appear on the Corporation's share register at the close of business on the applicable record date for the payment of such Common Share dividends and shall be paid concurrently with the payment to the holders of Common Shares.

3. Voting and Protective Provisions.

- 3.1. The Holders shall not have any rights to notice of, to attend at or to vote at any meetings of the shareholders of the Corporation except as set forth in the Voting Trust Agreement, this Section 3 or as otherwise from time to time specifically required by the CBCA or the Articles of Incorporation.
- 3.2. So long as any Series 2 Preferred Shares are outstanding, in addition to any other vote or consent of shareholders required by the CBCA or the Articles of Incorporation or otherwise set forth herein, the affirmative vote or consent of the Holders representing at least a two-thirds majority of the outstanding Series 2 Preferred Shares, which may be withheld in their sole discretion, voting together as a separate class, given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, shall be necessary for effecting or validating the actions set forth below, whether by amendment to the Articles of Incorporation, by merger, consolidation or otherwise:
  - (a) any issuance, authorization or creation of, or any increase by the Corporation in the issued or authorized amount of, any (i) specific class or series of Parity Shares or Senior Shares, or (ii) any note, bond, debenture or other debt security that is convertible into or exchangeable for any specific class or series of Parity Shares or Senior Shares;
  - (b) any increase in the number of issued or authorized amount of Preferred Shares, including issuing additional Series 2 Preferred Shares or any reissuance thereof;
  - (c) any exchange, reclassification or cancellation of the Series 2 Preferred Shares, other than as provided in the Articles of Incorporation; or
  - (d) any amendment, modification or alteration of, or supplement to, the Articles of Incorporation that would materially and adversely affect the rights, preferences, privileges or voting powers of the Series 2 Preferred Shares or any Holder.
- 3.3. Prior to the actual delivery of such Common Shares on the applicable Conversion Date, the Common Shares due upon conversion of the Series 2 Preferred Shares shall not be deemed to be delivered and Holders shall have no voting rights with respect to such Common Shares solely by virtue of holding the Series 2 Preferred Shares; provided however that Holders of such Series 2 Preferred Shares shall retain their voting rights as provided for herein and in the Voting Trust Agreement until such time as the Common Shares are delivered on the applicable Conversion Date.
- 3.4. In exercising the voting rights set forth in Section 3.2, each Series 2 Preferred Share shall be entitled to one vote.

- 3.5. The rules and procedures for calling and conducting any meeting of the Holders (including the fixing of a record date in connection therewith), the solicitation and use of proxies at such a meeting, the obtaining of written consents and any other procedural aspect or matter with regard to such a meeting or such consents shall be governed by any rules the Board of Directors, in its discretion, may adopt from time to time, which rules and procedures shall conform to the requirements of the Articles of Incorporation, the bylaws of the Corporation and applicable law.

#### 4. Liquidation Rights.

- 4.1. In the event of any liquidation, winding-up or dissolution of the Corporation, whether voluntary or involuntary, each Holder shall be entitled to receive, in respect of each Series 2 Preferred Share, and to be paid out of the assets of the Corporation available for distribution to its shareholders, in preference to the holders of, and before any payment or distribution is made on, any Junior Shares, an amount equal to the greater of (a) the sum of the Liquidation Preference plus the Accrued Dividends plus, if a Voluntary Bankruptcy Event has preceded such event, the Liquidation Premium, and (b) the amount such Holder would have received had such Holder, immediately prior to such liquidation, winding-up or dissolution of the Corporation, converted such Series 2 Preferred Shares into Common Shares in accordance with Section 5.1 (without regard to the Conversion Cap).
- 4.2. Neither the sale, conveyance, exchange or transfer (for cash, shares, securities or other consideration) of all or substantially all the assets or business of the Corporation (other than in connection with the liquidation, winding-up or dissolution of its business), nor the merger or consolidation of the Corporation into or with any other Person shall be deemed to be a liquidation, winding-up or dissolution, voluntary or involuntary, for the purposes of this Section 4.
- 4.3. After the payment in full to the Holders of the amounts provided for in Section 4.1, the Holders of Series 2 Preferred Shares as such shall have no right or claim to any of the remaining assets of the Corporation in respect of their ownership of such Series 2 Preferred Shares.
- 4.4. In the event the assets of the Corporation available for distribution to the Holders upon any liquidation, winding-up or dissolution of the Corporation, whether voluntary or involuntary, shall be insufficient to pay in full all amounts to which such Holders are entitled pursuant to Section 4.1, no such distribution shall be made on account of any Parity Shares upon such liquidation, dissolution or winding-up unless proportionate distributable amounts shall be paid on account of the Series 2 Preferred Shares, equally and ratably, in proportion to the full distributable amounts for which Holders of all Series 2 Preferred Shares and of any Parity Shares are entitled upon such liquidation, winding-up or dissolution and, for the avoidance of doubt, no such distribution shall be made on account of any Junior Shares.

#### 5. Conversion.

- 5.1. The Holders shall have the right, subject to the Conversion Cap (unless the Requisite Shareholder Approval has been obtained), to convert their Series 2 Preferred Shares, in whole or in part, into that number of whole Common Shares for each Series 2 Preferred Share equal to the quotient of (i) the sum of (A) the Liquidation Preference then in effect plus (B) Accrued Dividends, divided by (ii) the Conversion Price then in effect (such

quotient, the “**Conversion Rate**”), with such adjustment or cash payment for fractional shares as the Corporation may elect pursuant to Section 8. To convert Series 2 Preferred Shares into Common Shares pursuant to this Section 5.1, such Holder shall give written notice (the “**Optional Conversion Notice**”) to the Corporation, which Optional Conversion Notice may be conditioned on the completion of a Change of Control or other corporate transaction as such Holders may specify, signed by such Holder or its duly authorized attorney or agent, stating that such Holder elects to so convert Series 2 Preferred Shares and shall state therein: (A) the number of Series 2 Preferred Shares to be converted, (B) if prior to the Corporation obtaining the Requisite Shareholder Approval, a representation by such Holder in favor of the Corporation (and enforceable by the Corporation against such Holder) that the conversion of such number of shares will not cause such Holder to exceed the Conversion Cap; provided that should a Holder require the Corporation to provide the current number of issued and outstanding Common Shares in order for such Holder to accurately provide such representation, the Corporation shall promptly provide the Holder with the current number of issued and outstanding Common Shares, (C) the name or names in which such Holder wishes the Common Shares to be delivered, (D) the Holder’s computation of the number of Common Shares to be received by such Holder, (E) the conversion date (the “**Optional Conversion Date**”), being a Business Day not less than three (3) nor more than five (5) Business Days after the date upon which the Optional Conversion Notice is received by the Corporation (the “**Optional Conversion Notice Date**”), (F) the Conversion Price on the Optional Conversion Date, and (G) the Securities Representations; and deliver with such notice the certificates and other documents, if any, required pursuant to Section 5.3. If no Optional Conversion Date is specified in the Optional Conversion Notice, the Optional Conversion Date shall be deemed to be the fifth Business Day after the Optional Conversion Notice Date. If a Holder delivers the Optional Conversion Notice and accompanying certificates and other documents in accordance with this Section 5.1, the Corporation shall deliver or cause to be delivered the Common Shares as soon as reasonably practicable, but not later than five (5) Business Days after the Optional Conversion Date. Notwithstanding the foregoing, an Optional Conversion Date may not be the same date as a Redemption Date. Where the Optional Conversion Date would otherwise be the same date as a Redemption Date, the Optional Conversion Date shall be deemed to be the Business Day immediately preceding such Redemption Date.

- 5.2. On or after the third anniversary of the Subsidiary Preferred Stock Issue Date, the Corporation shall have the right to cause all but not less than all of the outstanding Series 2 Preferred Shares, to be converted into that number of whole Common Shares for each Series 2 Preferred Share equal to the Conversion Rate then in effect, subject to the Conversion Cap (unless the Requisite Shareholder Approval has been obtained) and with such adjustment or cash payment for fractional shares as the Corporation may elect pursuant to Section 8; provided, however that in order for the Corporation to exercise such right: (i) the VWAP per Common Share during a 30 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the Forced Conversion Notice Date, converted to U.S. dollars at the applicable FX Rate, shall be greater than 145% of the Conversion Price then in effect; and (ii) on the Forced Conversion Date, the Common Shares are listed and posted for trading on a Stock Exchange and no order ceasing or suspending trading in the Common Shares or prohibiting the sale or issuance of the Common Shares has been issued and no (formal or informal) proceedings for such purpose are pending or, to the knowledge of the Corporation, have been threatened. To convert Series 2 Preferred Shares for Common Shares pursuant to this Section 5.2, the Corporation shall give not less than thirty (30) days’ written notice (the “**Forced Conversion Notice**”

and the date of such notice, the “**Forced Conversion Notice Date**”) to each Holder stating that the Corporation elects to force the conversion of such Series 2 Preferred Shares pursuant to this Section 5.2 and shall state therein (A) the conversion date (the “**Forced Conversion Date**”), (B) the number of such Holder’s Series 2 Preferred Shares to be converted, if known, (C) the Conversion Price on the Forced Conversion Date, (D) the Corporation’s computation of the number of Common Shares to be received by the Holder, and (E) the surrender locations specified in Section 5.3. Following receipt of a Forced Conversion Notice, each Holder shall deliver to the Corporation a representation by such Holder in favor of the Corporation (and enforceable by the Corporation against such Holder) as to the number of Common Shares beneficially owned or over which control is exercised by such Holder, together with its Affiliates and other Persons acting together with such Holder, for the purpose of the Conversion Cap, within three Business Days of the Forced Conversion Notice, and again upon each change (other than any *de minimis* change that would not result in the Conversion Cap being exceeded on the conversion) in such number of shares preceding the Forced Conversion Date. If the Corporation delivers a Forced Conversion Notice to a Holder in accordance with this Section 5.2, the Corporation shall deliver or cause to be delivered the Common Shares as soon as reasonably practicable, but not later than the tenth (10th) Business Day after the later of: (i) the Forced Conversion Date and (ii) receipt by the Transfer Agent of the certificates and other documents, if any, required pursuant to Section 5.3. In the event that the Requisite Shareholder Approval has not been obtained in accordance with the Investor Rights Agreement and the Conversion Cap prevents the issuance of all or any part of the Common Shares otherwise required to be delivered to a Holder pursuant to this Section 5.2, then in lieu of delivering such Common Shares to the Holder, the Corporation shall make a cash payment to such Holder equal to the Market Value as of the Forced Conversion Date, converted to U.S. dollars at the applicable FX Rate, for each such whole Common Share which is not able to be issued.

- 5.3. Upon conversion, each Holder shall surrender to the Corporation the certificates representing any Series 2 Preferred Shares to be converted (including any shares in respect of which payment is to be made in lieu of conversion pursuant to Section 5.2) during usual business hours at its principal place of business or the offices of its duly appointed Transfer Agent maintained by it, accompanied by (a) (if so required by the Corporation or its duly appointed Transfer Agent) a written instrument or instruments of transfer in form reasonably satisfactory to the Corporation or its duly appointed Transfer Agent duly executed by the Holder or its duly authorized legal representative; and (b) transfer tax stamps or funds therefor, if required pursuant to Section 5.9. If less than all of the Series 2 Preferred Shares represented by a certificate or certificates surrendered by a Holder pursuant to Section 5.3 are to be converted, the Holder shall be entitled to receive, at the expense of the Corporation, a new certificate representing the Series 2 Preferred Shares represented by the surrendered certificate or certificates that are not to be converted.
- 5.4. As of the time immediately prior to the close of business on the applicable Conversion Date, dividends shall cease to accrue on the Series 2 Preferred Shares so converted (including any shares in respect of which payment is to be made in lieu of conversion pursuant to Section 5.2) and all other rights with respect to the Series 2 Preferred Shares so converted (including any shares in respect of which payment is to be made in lieu of conversion pursuant to Section 5.2), including the rights, if any, to receive notices, will terminate, except only the right of Holders thereof to receive the number of whole Common Shares for which such Series 2 Preferred Shares have been converted, any cash payment in respect of fractional shares in accordance with Section 8, any cash payment required by

Section 5.2 as a result of the applicable Conversion Cap. The Series 2 Preferred Shares so converted (including any shares in respect of which payment is to be made in lieu of conversion pursuant to Section 5.2) shall be deemed to be converted, and the Holder shall be deemed to be the holder of the Common Shares for which such Series 2 Preferred Shares have been converted, as of the time immediately prior to the close of business on the Conversion Date. The Corporation shall deliver or cause to be delivered, in accordance with Section 5.1 or Section 5.2, as applicable, to the applicable Holder certificates for the number of whole Common Shares to which such Holder is entitled, any cash payment in respect of fractional shares in accordance with Section 8, and any cash payment required by Section 5.2 as a result of the applicable Conversion Cap.

5.5. The Conversion Price shall be subject to the following adjustments (except as provided in Section 5.6):

- (a) If, subsequent to the Issue Date, the Corporation pays a dividend (or other distribution) in Common Shares to holders of the Common Shares, in their capacity as holders of Common Shares, then the Conversion Price in effect immediately following the record date for such dividend (or distribution) shall be divided by the following fraction:

$$\frac{OSI}{OSO}$$

Where

*OSO* = the number of Common Shares outstanding immediately prior to the record date for such dividend or distribution; and

*OSI* = the sum of (i) the number of Common Shares outstanding immediately prior to the record date for such dividend or distribution and (ii) the total number of Common Shares constituting such dividend

- (b) If, subsequent to the Issue Date, the Corporation issues to holders of Common Shares, in their capacity as holders of Common Shares, rights, options or warrants entitling them to subscribe for or purchase Common Shares at less than Market Value determined on the Ex-Date for such issuance, then the Conversion Price in effect immediately following the close of business on the Ex-Date for such issuance shall be divided by the following fraction:

$$\frac{OS0 + X}{OS0 + Y}$$

where

*OS0* = the number of Common Shares outstanding at the close of business on the record date for such issuance;

*X* = the total number of Common Shares issuable pursuant to such rights, options or warrants; and

*Y* = the quotient of (i) the aggregate price payable to exercise such rights, options or warrants divided by (ii) the Market Value determined as of the Ex-Date for such issuance.

To the extent that such rights, options or warrants are not exercised prior to their expiration or Common Shares are otherwise not delivered pursuant to such rights, options or warrants upon the exercise of such rights, options or warrants, the Conversion Price shall be readjusted to such Conversion Price that would have then been in effect had the adjustment made upon the issuance of such rights, options or warrants been made on the basis of the delivery of only the number of Common Shares actually delivered. If such rights, options or warrants are only exercisable upon the occurrence of certain triggering events, then the Conversion Price shall not be adjusted until such triggering events occur. In determining the aggregate offering price payable for such Common Shares, the Corporation shall take into account any consideration received for such rights, options or warrants and the value of such consideration (if other than cash, to be determined by the Board of Directors).

- (c) If, subsequent to the Issue Date, the Corporation subdivides, consolidates, combines or reclassifies the Common Shares into a greater or lesser number of Common Shares, then the Conversion Price in effect immediately following the effective date of such share subdivision, consolidation, combination or reclassification shall be divided by the following fraction:

$$\frac{OSI}{OS0}$$

where

*OS0* = the number of Common Shares outstanding immediately prior to the effective date of such share subdivision, consolidation, combination or reclassification; and

*OSI* = the number of Common Shares outstanding immediately after the opening of business on the effective date of such share subdivision, consolidation, combination or reclassification.

- (d) If, subsequent to the Issue Date, the Corporation issues any Common Shares under the DRIP (i) at less than 97% of the Market Value determined as of the date of such issuance or (ii) when the DRIP Participation Percentage is greater than 35%, then on each such occurrence the Conversion Price in effect immediately following such issuance of Common Shares shall be divided by the following fraction:

$$\frac{OS0 + X}{OS0 + Y}$$

where

*OS0* = the number of Common Shares outstanding at the close of business on the record date for such issuance under the DRIP;

*X* = the total number of Common Shares issued pursuant to such issuance under the DRIP; and

*Y* = the quotient of (i) the aggregate price payable to acquire such Common Shares (including the amount of the cash dividends otherwise payable) under the DRIP divided by (ii) the Market Value determined as of the date of such issuance

provided, that in the event that the DRIP Participation Percentage is greater than 35% but the Common Shares are issued under the DRIP at 97% or more of the Market Value determined as of the date of such issuance, then the fraction set forth above shall be calculated only taking into account the portion of such Common Shares issued pursuant to such issuance under the DRIP in excess of the DRIP Participation Percentage of 35%.

- (e) In the case of: (i) any recapitalization, reclassification or change of the Common Shares (other than changes provided for in Section 5.5(c)), (ii) any consolidation, merger or combination involving the Corporation, (iii) any sale, lease or other transfer to a third party of the consolidated assets of the Corporation and its Subsidiaries substantially as an entirety, or (iv) any statutory share conversion, as a result of which the Common Shares are converted into, or exchanged for, shares, other securities, other property or assets (including cash or any combination thereof) subsequent to the Issue Date (any such transaction or event, a “**Capital Reorganization**”), then, at and after the effective time of such Capital Reorganization, the right to convert each Series 2 Preferred Share shall be changed into a right to convert such share into the kind and amount of shares, other securities or other property or assets (or any combination thereof) that a holder of a number of Common Shares equal to the Conversion Rate immediately prior to such Capital Reorganization would have owned or been entitled to receive upon such Capital Reorganization (such shares, securities or other property or assets, the “**Reference Property**”). If the Capital Reorganization causes the Common Shares to be converted into, or exchanged for, the right to receive more than a single type of consideration (determined based in part upon any form of shareholder election), then the Reference Property into which the Series 2 Preferred Shares will be convertible shall be deemed to be the weighted average of the types and amounts of consideration received by the holders of Common Shares that affirmatively make such an election. The Corporation shall notify Holders of such weighted average as soon as practicable after such determination is made. None of the foregoing provisions shall affect the right of a Holder of Series 2 Preferred Shares to convert its Series 2 Preferred Shares into Common Shares pursuant to Section 5.1 prior to the effective time of such Capital Reorganization. Notwithstanding Sections 5.5(a) to (c), no adjustment to the Conversion Price shall be made for any Capital Reorganization to the extent shares, securities or other property or assets become the Reference Property receivable upon conversion of Series 2 Preferred Shares. The Corporation shall provide reasonable advance notice of any Capital Reorganization to each Holder prior to the consummation of such Capital Reorganization and the anticipated effective time thereof.
- (f) Notwithstanding anything herein to the contrary, no adjustment under this Section 5.5 need be made to the Conversion Price unless such adjustment would require an increase or decrease of at least \$0.01. Any lesser adjustment shall be carried forward and shall be made and given effect immediately upon the earliest of the following: (i) at the time of and together with the next subsequent adjustment, if any, which, together with any adjustment or adjustments so carried forward, shall amount to an increase or decrease of at least \$0.01 of the Conversion Price, (ii) any Optional Conversion Notice Date or Forced Conversion Notice Date, (iii) the date of notice by the Corporation to the Holders of any Capital Reorganization as required by

Section 5.5(e), (iv) the date of any Change of Control Redemption Notice or (v) the date of any Optional Redemption Notice.

- (g) Notwithstanding any other provisions of this Section 5.5, rights or warrants distributed by the Corporation to holders of Common Shares, in their capacity as holders of Common Shares, entitling the holders thereof to subscribe for or purchase shares in the capital of the Corporation (either initially or under certain circumstances), which rights or warrants, until the occurrence of a specified event or events (“**Trigger Event**”): (i) are deemed to be transferred with such Common Shares; (ii) are not exercisable; and (iii) are also issued in respect of future issuances of Common Shares, shall be deemed not to have been distributed for purposes of this Section 5.5 (and no adjustment to the Conversion Price under this Section 5.5 will be required) until the occurrence of the earliest Trigger Event, whereupon such rights and warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Conversion Price shall be made under Section 5.5(b). In addition, in the event of any distribution (or deemed distribution) of rights or warrants, or any Trigger Event or other event with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to an Conversion Price under this Section 5.5 was made and (A) any such rights or warrants shall all have been redeemed, repurchased or forfeited at a price per right or warrant of less than CAD\$0.0001 without exercise by any holders thereof or (B) any such rights or warrants shall all have expired or been terminated without exercise thereof, such Conversion Price shall be readjusted as if such redeemed, repurchased, forfeited, expired or terminated rights and warrants had not been issued. To the extent that the Corporation has a rights plan or agreement in effect upon conversion of the Series 2 Preferred Shares, which rights plan provides for rights or warrants of the type described in this clause, then upon conversion of Series 2 Preferred Shares the Holder will receive, in addition to the Common Shares to which the Holder is entitled, a corresponding number of rights in accordance with the rights plan, unless a Trigger Event has occurred and the adjustments to the Conversion Price with respect thereto have been made in accordance with the foregoing. Notwithstanding anything to the contrary in Section 5.5(c) or this Section 5.5(g), if the Holder is an Acquiring Person or otherwise would have had its rights or warrants voided pursuant to the terms of the applicable shareholder rights plan if it was the holder of such rights or warrants at the time of the Trigger Event, then no adjustments shall be made to the Conversion Price or otherwise pursuant to Section 5.5(b) or this Section 5.5(g).
- (h) Notwithstanding anything to the contrary herein, in no event will the Conversion Price be increased pursuant to this Section 5.5, other than pursuant to Section 5.5(c).

5.6. Notwithstanding anything to the contrary in Section 5.5, if the Holders are entitled to participate in a distribution or transaction to which Section 5.5(b) applies as if they held a number of Common Shares issuable upon conversion of the Series 2 Preferred Shares immediately prior to such event, without having to convert their Series 2 Preferred Shares, then no adjustment under Section 5.5 need be made to the Conversion Price.

5.7. If the Corporation shall fix a record date for the purpose of determining the holders of its Common Shares entitled to receive a dividend or other distribution, and shall thereafter (and before the dividend or distribution has been paid or delivered to shareholders) abandon



its plan to pay or deliver such dividend or distribution, then thereafter no adjustment in any Conversion Price then in effect shall be required by reason of the fixing of such record date.

- 5.8. Upon any increase or decrease in the Conversion Price, then, and in each such case, the Corporation promptly (but in any event within ten (10) Business Days of any such adjustment) shall deliver to each Holder a certificate signed by an Officer, setting forth in reasonable detail the event requiring the adjustment and the method by which such adjustment was calculated and specifying the increased or decreased Conversion Price then in effect following such adjustment and the effective time thereof.
- 5.9. The delivery of certificates for Common Shares upon the conversion of Series 2 Preferred Shares shall each be made without charge to the Holder or recipient of Series 2 Preferred Shares for such certificates or for any stock transfer or similar tax (other than income, withholding or similar taxes) in respect of the issuance or delivery of such certificates, and such certificates shall be delivered in the respective names of, or in such names as may be directed by, the applicable Holder; provided, however, that the Corporation shall not be required to pay any tax which may be payable in respect of any transfer involved in the delivery of any such certificate in a name other than that of the Holder of the shares of the relevant Series 2 Preferred Shares and the Corporation shall not be required to deliver any such certificate unless or until the Person or Persons requesting the delivery thereof shall have paid to the Corporation the amount of such tax or shall have established to the reasonable satisfaction of the Corporation that such tax has been paid.
- 5.10. Unless the Corporation has obtained the requisite approval of the holders of the Common Shares (the “**Requisite Shareholder Approval**”), which the Corporation shall not be obligated to obtain other than pursuant to its obligations under the Investor Rights Agreement, no Series 2 Preferred Shares may be converted pursuant to Section 5.1 or Section 5.2 if and to the extent that, as a result of the delivery to the Holder of Common Shares upon such conversion such Holder, together with its Affiliates and other Persons acting together with such Holder, would beneficially own or exercise control or direction over in excess of 19.9% of the number of Common Shares outstanding immediately after giving effect to such conversion or would become an Acquiring Person (such limit, the “**Conversion Cap**”). For purposes of the foregoing sentence, “beneficial ownership” shall be calculated in accordance with NI 62-104. Any purported delivery of Common Shares upon conversion of Series 2 Preferred Shares shall be void ab initio and have no effect if such delivery would result in the applicable Holder exceeding the Conversion Cap, and each Holder shall, upon becoming aware of any such Common Shares so delivered, immediately notify the Corporation of same, and thereafter, or otherwise upon written demand from the Corporation, immediately surrender to the Corporation the certificates representing such Common Shares, and the Corporation shall deliver to the applicable Holder the Series 2 Preferred Shares in respect thereof (including any certificates representing such shares) or cash in lieu thereof in the case of a conversion pursuant to Section 5.2.

## 6. Redemption.

- 6.1. On or after the first Business Day that is seven years after the Subsidiary Preferred Stock Issue Date, the Corporation shall have the right, subject to applicable law, to redeem all but not less than all of the Series 2 Preferred Shares from any source of funds legally available for such purpose. Any such redemption shall occur on a date set by the

Corporation on not less than thirty (30) days' prior written notice to the Holders (the "**Optional Redemption Date**").

- 6.2. Subject to applicable law, the Corporation shall effect any such redemption pursuant to this Section 6 by paying cash for each Series 2 Preferred Share to be redeemed in an amount equal to the Liquidation Preference plus the Accrued Dividends (such amount, the "**Optional Redemption Price**").
- 6.3. The Corporation shall give notice of its election to redeem the Series 2 Preferred Shares pursuant to this Section 6 to the Holders of Series 2 Preferred Shares as such Holders' names appear (as of the close of business on the Business Day next preceding the day on which notice is given) on the Corporation's share register at the address of such Holders shown therein. Such notice (the "**Optional Redemption Notice**") shall state: (a) the Optional Redemption Date, (b) the number of Series 2 Preferred Shares to be redeemed from such Holder, (c) the Optional Redemption Price, and (d) the place where any Series 2 Preferred Shares are to be redeemed and shall be presented and surrendered for payment of the Optional Redemption Price therefor.
- 6.4. If the Corporation gives the Optional Redemption Notice, the Corporation shall deposit with or otherwise make available to the Paying Agent funds sufficient to redeem the Series 2 Preferred Shares, no later than the open of business on the Optional Redemption Date, and the Corporation shall give the Paying Agent instructions and authority to pay the Optional Redemption Price to the Holders to be redeemed upon surrender or deemed surrender of the certificates therefor as set forth in the Optional Redemption Notice. If the Optional Redemption Notice shall have been given, then from and after the time immediately prior to the close of business on the Optional Redemption Date, unless the Corporation defaults in providing funds sufficient for such redemption at the time and place specified for payment pursuant to the Optional Redemption Notice, all dividends on such Series 2 Preferred Shares to be redeemed shall cease to accrue and all other rights with respect to the Series 2 Preferred Shares to be redeemed, including the rights, if any, to receive notices, will terminate, except only the rights of Holders thereof to receive the Optional Redemption Price. The Corporation shall be entitled to receive from the Paying Agent the interest income, if any, earned on any such funds deposited with the Paying Agent (to the extent that such interest income is not required to pay the Optional Redemption Price of the Series 2 Preferred Shares to be redeemed), and the holders of any Series 2 Preferred Shares so redeemed shall have no claim to any such interest income. Any funds deposited with the Paying Agent hereunder by the Corporation for any reason, including redemption of Series 2 Preferred Shares, that remain unclaimed or unpaid after two years after the Optional Redemption Date or other payment date, shall be, to the extent permitted by applicable law, repaid to the Corporation upon its written request, after which repayment the Holders entitled to such redemption or other payment shall have recourse only to the Corporation.

## 7. Change of Control.

- 7.1. The Corporation shall give notice to the Holders of a proposed Change of Control no later than fifteen (15) Business Days prior to the anticipated effective date (as determined in good faith by the Corporation) of such Change of Control or, if not practicable, as soon as reasonably practicable but in any event no later than five (5) Business Days after the Corporation becomes aware of such proposed Change of Control.

In the event of a Change of Control, the Corporation or a third party with the prior written consent of the Corporation (such party, as applicable, the “**Redeeming Party**”) shall, in compliance with applicable law and within ten (10) days following the effective date of a Change of Control, make an offer to each Holder to redeem all but not less than all of such Holder’s outstanding Series 2 Preferred Shares. Any such redemption shall occur on a date set by the Redeeming Party in its sole discretion, but no earlier than ten (10) Business Days from the date of the Change of Control Redemption Notice and no later than thirty (30) days after consummation of the Change of Control (the “**Change of Control Redemption Date**”). Each Holder may elect to accept such offer from the Redeeming Party by providing written notice of its intent to accept such offer not later than two (2) Business Days prior to the Change of Control Redemption Date. Notwithstanding anything to the contrary herein, the Change of Control Redemption Date may be on the date of such Change of Control, and any redemption pursuant to this Section 7 may be made simultaneously with such Change of Control.

- 7.2. Subject to applicable law, the Redeeming Party shall effect any such redemption pursuant to this Section 7 by paying cash for each Series 2 Preferred Share to be redeemed in an amount (such amount, the “**Change of Control Redemption Price**”) equal to the greater of (a) the sum of the Liquidation Preference plus the Change of Control Redemption Premium plus the Accrued Dividends as at the Change of Control Redemption Date, and (b) either (i) in the case of a Change of Control that constitutes a Capital Reorganization in which the Common Shares are not converted or exchanged solely for cash, the cash amount equal to the product of the Conversion Rate as at the Change of Control Redemption Date multiplied by the Closing Sale Price of the Common Shares on the Trading Day immediately prior to the effective date of such Capital Reorganization, such amount to be converted to U.S. dollars at the applicable FX Rate or (ii) in any other case, the cash amount that a holder of a number of Common Shares equal to the Conversion Rate as at the Change of Control Redemption Date would have received in such Change of Control.
- 7.3. The Redeeming Party shall give notice of such redemption offer to the Holders as such Holders’ names appear (as of the close of business on the Business Day next preceding the day on which notice is given) on the Corporation’s share register at the address of such Holders shown therein. Such notice (the “**Change of Control Redemption Notice**”) shall state: (a) the Change of Control Redemption Date, (b) the Change of Control Redemption Price, (c) the place where any Series 2 Preferred Shares are to be redeemed and shall be presented and surrendered for payment of the Change of Control Redemption Price therefor, and (d) the deadline for presenting and surrendering the certificates in order to accept the redemption offer and receive payment, which shall be no earlier than two (2) Business Days prior to the Change of Control Redemption Date.
- 7.4. Solely in the event of a Change of Control Call Event, the Redeeming Party shall have the right, at its option, to redeem on the Change of Control Redemption Date at the Change of Control Redemption Price all but not less than all of the Series 2 Preferred Shares held by any Holder that does not accept such redemption offer (the “**Change of Control Redemption Call Right**”). If the Redeeming Party elects to exercise its Change of Control Redemption Call Right upon a Change of Control Call Event, it shall give a Change of Control Redemption Notice thereof not later than ten (10) Business Days prior to the Change of Control Redemption Date to the Holders as such Holders’ names appear (as of the close of business on the Business Day next preceding the day on which notice is given) on the Corporation’s share register at the address of such Holders shown therein.

- 7.5. If the Redeeming Party gives a Change of Control Redemption Notice, the Redeeming Party shall deposit with the Paying Agent funds sufficient to redeem (a) the Series 2 Preferred Shares for which certificates have been presented and surrendered for payment or (b) all of the Series 2 Preferred Shares if the Change of Control Redemption Call Right has been exercised upon a Change of Control Call Event, no later than the open of business on the Change of Control Redemption Date, and the Redeeming Party shall give the Paying Agent irrevocable instructions and authority to pay the applicable Change of Control Redemption Price to the Holders to be redeemed upon surrender or deemed surrender of the certificates therefor as set forth in the Change of Control Redemption Notice. From and after the time immediately prior to the close of business on the Change of Control Redemption Date, unless the Corporation defaults in providing funds sufficient for such redemption in full at the time and place specified for payment pursuant to the Change of Control Redemption Notice, all dividends on such Series 2 Preferred Shares to be redeemed shall cease to accrue and all other rights with respect to the Series 2 Preferred Shares to be redeemed, including the rights, if any, to receive notices, will terminate, except only the rights of Holders thereof to receive the Change of Control Redemption Price. The Corporation shall be entitled to receive from the Paying Agent the interest income, if any, earned on any such funds deposited with the Paying Agent (to the extent that such interest income is not required to pay the Change of Control Redemption Price of the Series 2 Preferred Shares to be redeemed), and the holders of any Series 2 Preferred Shares so redeemed shall have no claim to any such interest income. Any funds deposited with the Paying Agent hereunder by the Corporation for any reason, including redemption of Series 2 Preferred Shares, that remain unclaimed or unpaid after two years after the Change of Control Redemption Date or other payment date, shall be, to the extent permitted by applicable law, repaid to the Corporation upon its written request, after which repayment the Holders entitled to such redemption or other payment shall have recourse only to the Corporation.
8. No Fractional Shares. No fractional Common Shares or securities representing fractional Common Shares shall be delivered upon conversion, whether voluntary or mandatory, or in respect of dividend payments made in Common Shares on the Series 2 Preferred Shares. Instead, the Corporation may elect to either make a cash payment to each Holder that would otherwise be entitled to a fractional share (based on the Closing Sale Price of such fractional share determined as of the Trading Day immediately prior to the payment thereof, converted to U.S. dollars at the applicable FX Rate) or, in lieu of such cash payment, round up to the next whole share the number of Common Shares to be delivered to any particular Holder upon conversion.
9. Transfer Restriction. Other than in connection with a Change of Control, no Series 2 Preferred Share may be transferred, without the prior written consent of the Board of Directors, if and to the extent that as a result of the transfer, the transferee (based on written representations to such effect made by such transferee which the transferring Holder reasonably believes are true after reasonable inquiry), together with its Affiliates and other Persons acting together with such transferee, would beneficially own or exercise control or direction over in excess of 19.9% of the issued and outstanding Common Shares (such limit, the “**Beneficial Ownership Cap**”). For purposes of this Section 9, “beneficial ownership” shall be calculated in accordance with NI 62-104 without giving effect to any applicable Conversion Cap. Any purported transfer of Series 2 Preferred Shares shall be void ab initio and have no effect, if such transfer would result in the transferee, together with its Affiliates and other Persons acting together with such transferee, becoming the beneficial owner of or exercising control or direction over more than the Beneficial Ownership Cap and the Corporation shall not recognize or be bound by any such purported transfer nor shall it recognize the transferee as a Holder hereunder.

10. Miscellaneous.

- 10.1. With respect to any notice to a Holder required to be provided hereunder, neither failure to mail such notice, nor any defect therein or in the mailing thereof, to any particular Holder shall affect the sufficiency of the notice or the validity of the proceedings referred to in such notice with respect to the other Holders or affect the legality or validity of any vote upon any such action (assuming due and proper notice to such other Holders). Any notice which was mailed in the manner herein provided shall be conclusively presumed to have been duly given whether or not the Holder receives the notice.
- 10.2. Series 2 Preferred Shares that have been issued and reacquired by the Corporation in any manner (upon compliance with any applicable provisions of the CBCA or other applicable laws) shall upon such reacquisition be automatically cancelled by the Corporation and shall not be reissued.
- 10.3. The Series 2 Preferred Shares shall be issuable only in whole shares.
- 10.4. The Corporation shall elect, in the manner and within the time provided, under subsection 191.2(1) of the Income Tax Act (Canada) and shall take any other necessary action thereunder, to pay or cause the payment of tax under Part VI.1 of the Income Tax Act (Canada) at a rate such that no holder of Series 2 Preferred Shares would be required to pay tax on dividends received on the Series 2 Preferred Shares under Part IV.1 of the Income Tax Act (Canada).
- 10.5. All notice periods referred to herein shall commence (i) on the day on which notice was delivered or transmitted by email or personally by hand (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. (Toronto time) at the place of receipt, then on the next following Business Day) or, (ii) if mailed by internationally recognized overnight courier, on the Business Day following the date of mailing; provided, however, that if at the time of mailing or within two Business Days thereafter there is or occurs a labour dispute or other event which might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of recorded electronic communication as aforesaid. Notice to any Holder shall be given to the registered address set forth in the Corporation's records for such Holder.
- 10.6. Unless otherwise stated, all references herein to dollar amounts, "dollars" or "\$" are references to United States dollars.
- 10.7. Any payments required to be made hereunder on any day that is not a Business Day shall be made on the next succeeding Business Day without interest or additional payment for such delay. All payments required hereunder shall be made by wire transfer of immediately available funds to the Holders in accordance with the payment instructions as such Holders may deliver by written notice to the Corporation or the Transfer Agent from time to time.
- 10.8. Notwithstanding anything to the contrary herein, whenever the Board of Directors is permitted or required to determine fair market value, such determination shall be made in good faith.
- 10.9. Notwithstanding any other provision hereof, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made

pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a Holder pursuant to this Schedule shall be considered to be the amount of the payment, distribution, issuance or delivery received by such Holder plus any amount deducted or withheld pursuant to this Section 10.9.

- 10.10. Any amendment, modification or alteration of the rights, preferences, privileges or voting powers of the Series 2 Preferred Shares shall, solely to the extent required by the applicable rules and regulations of the Toronto Stock Exchange, be subject to the approval of the Toronto Stock Exchange for as long as the Common Shares are listed for trading thereon.