



CERTIFICATE OF AMALGAMATION

Canadian and British
Insurance Companies Act

Co-operators General Insurance Company

La Compagnie d'Assurance Générale Co-operators

I hereby certify that
Co-operators General Insurance
Company resulted from the
amalgamation on the date shown
below of the Co-operative Fire
and Casualty Company and
Co-operators Insurance
Association under Section 108
of the Canadian and British
Insurance Companies Act, as
set out in the amalgamation
agreement entered into by the
Companies and sanctioned by
me.

Dated at Ottawa, this 17th
day of February, 1983.

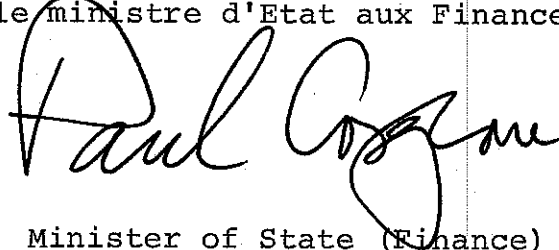
CERTIFICAT DE FUSION

Loi sur les compagnies
d'assurance canadiennes
et britanniques

Je certifie par la présente
que la Compagnie d'Assurance
Générale Co-operators
résulte de la fusion à la
date indiquée ci-bas, de la
Compagnie Coopérative
Incendie et Accidents et
Co-operators Insurance
Association en vertu de
l'article 108 de la Loi sur
les compagnies d'assurance
canadiennes et britanniques,
tel qu'indiqué dans l'accord
de fusion conclu par les
compagnies et dont j'ai
sanctionné.

Daté à Ottawa, le 17^{ième} jour
de février, 1983.

le ministre d'État aux Finances


Minister of State (Finance)

Canada

MEMORANDUM OF AGREEMENT made this 3rd day of January 1983.

CO-OPERATORS INSURANCE ASSOCIATION/ASSOCIATION D'ASSURANCE CO-OPERATORS, a general insurance company continued under the Laws of Canada (hereinafter called CIA)

OF THE FIRST PART

- and -

CO-OPERATIVE FIRE AND CASUALTY COMPANY, a general insurance company incorporated under the Laws of Canada (hereinafter called CF&C)

OF THE SECOND PART

WHEREAS CIA was continued by Letters Patent as a joint-stock general insurance company on January 1, 1983, under the Canadian and British Insurance Companies Act (hereinafter called the Act);

AND WHEREAS the authorized capital of CIA consists of Forty Million, Seven Hundred and Fifty Thousand Dollars (\$40,750,000.00) divided into Ten Thousand (10,000) common shares with a par value of Fifty Dollars (\$50.00) each of which Four Thousand (4,000) common shares are issued and fully paid;

AND Three Hundred and Sixty Thousand (360,000) non-voting, non-cumulative, 5%, participating, first preference shares of a par value of One Hundred Dollars (\$100.00) each of which One Hundred and Nine Thousand, Three Hundred and Twenty-One (109,321) shares are issued and fully paid;

AND One Hundred and Seventy Thousand (170,000) non-voting, non-cumulative, 3%, non-participating, redeemable at amount paid-up thereon, second preference shares of a par value of Twenty-Five Dollars (\$25.00) each of which Fourteen Thousand, Eight Hundred and Eighty-Three (14,883) shares are issued and fully paid;

AND WHEREAS CF&C was incorporated as a general insurance company under the Co-operative Fire and Casualty Act, 1963, enacted by and with the advice and consent of the Senate and the House of Commons; and by Supplementary Letters Patent dated December 3, 1976;

AND WHEREAS the authorized capital of CF&C consists of Twenty-Five Million Dollars (\$25,000,000.00) divided into One Hundred and Fifty Thousand (150,000) common shares of a par value of One Hundred Dollars (\$100.00) each of which One Hundred and Twenty Thousand, Six Hundred and Sixty-Six (120,666) are issued and fully paid;

AND One Hundred Thousand (100,000) non-cumulative, redeemable preferred shares of a par value of One Hundred Dollars (\$100.00) each of which none are issued;

AND WHEREAS each party has made full and complete disclosure to the other party of its assets and liabilities;

AND WHEREAS each party has concluded that it would be in the best interests of their companies and their respective policyholders to amalgamate their companies and continue their operations as one company organized as a joint-stock company incorporated under the Act;

AND WHEREAS authority to seek such an amalgamation is granted to the parties under Section 108 of the Act subject to the terms and conditions thereof including the sanction of The Honourable The Minister of Finance;

AND WHEREAS the parties wish this agreement to be sanctioned by The Honourable The Minister of Finance.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH as follows:

1. CIA and CF&C enter this Agreement under the provisions of Section 108 of the Act. The Agreement shall be effective on the date specified in the Certificate of Amalgamation issued by the Minister pursuant to the provisions of the Act.

2. Upon this Agreement being sanctioned by The Honourable The Minister of Finance the following items shall take place on the Amalgamation Date:

- (a) The assets and liabilities of CF&C shall be amalgamated with the assets and liabilities of CIA.
- (b) The assets and liabilities so amalgamated shall become the assets and liabilities of the continuing company which company shall carry on business under the name of CO-OPERATORS GENERAL INSURANCE COMPANY/COMPAGNIE D'ASSURANCE GENERALE CO-OPERATORS (hereinafter called the Amalgamated Company);
- (c) The purpose of the Amalgamated Company shall be to undertake, transact and make contracts of insurance in any one or more of the classes of insurance from time to time set out in the regulations made pursuant to subsection 2(2) of the Canadian and British Insurance Companies Act except life insurance and annuities, mortgage insurance, and title insurance.
- (d) The reinsurers of both companies have agreed to assume all liability under existing contracts that flow into the Amalgamated Company.
- (e) The Amalgamated Company is to operate in accordance with the Bylaws attached hereto as Appendix A with this Agreement being made a part thereof and with an authorized capital of Forty Million, Seven Hundred and Fifty Thousand Dollars (\$40,750,000.00) divided into Ten Thousand (10,000) common shares of a par value of Fifty Dollars (\$50.00) each; and Three Hundred and Sixty Thousand (360,000) non-voting, non-cumulative, 5%, participating, first preference shares of a par value of One Hundred Dollars (\$100.00) each and One Hundred and Seventy Thousand (170,000) non-voting, non-cumulative, 3%, non-participating, redeemable at amount paid-up thereon, second preference shares of a par value of Twenty-Five Dollars (\$25.00) each;
- (f) The issued and outstanding common shares with a par value of Fifty Dollars (\$50.00) each in the capital stock of CIA shall be converted on a share-for-share basis into an equal number of shares of a par value of Fifty Dollars (\$50.00) each in the capital stock of the Amalgamated Company; and the issued and outstanding first preference shares of a par value of One Hundred Dollars (\$100.00) each in the capital stock of CIA will be converted on a share-for-share basis into an equal number of first preference shares of a par value of One Hundred Dollars (\$100.00) each in the capital stock of the Amalgamated Company with the following provisions:
 - (i) The holders of the first preference shares shall in each year in the discretion of the directors, but always in preference and priority to any payment of dividends on any other shares for such year, be entitled, out of any and all profits or surplus available for dividends, to non-cumulative dividends at the rate of five per cent (5%) per annum on the amount paid up on the first preference shares; if in any year, after providing for the payment of dividends at the rate of five per cent (5%) on the amount paid up on such first preference shares for the then current year, dividends at the rate of three per cent (3%) on the amount paid up on the second preference shares for the then current year and dividends at the rate of five per cent (5%) on the amount paid up on the common shares for the then current year, any and all additional dividends which in the discretion of the directors of the Company may be declared in such financial year shall be declared and paid or set apart for payment at an equal rate on all the first preference shares and common shares at the time outstanding on the basis of the amount paid up on such shares, without preference or priority of one share over another;
 - (ii) The Company may, at any time and from time to time, purchase for cancellation the whole or any part of the first preference shares at the lowest price at which, in the opinion of the directors, such shares are obtainable but not exceeding the amount paid up thereon, together with all dividends declared thereon and unpaid;

- (iii) In the event of the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, the holders of the first preference shares shall be entitled to receive before any distribution of any part of the property or assets of the Company among the holders of any other shares, any non-cumulative dividends declared and unpaid on the first preference shares; thereafter, the holders of the second preference shares shall be entitled to any non-cumulative dividends declared and unpaid on the second preference shares; thereafter, the holders of the common shares shall be entitled to any non-cumulative dividends declared and unpaid on the common shares; and thereafter, the holders of the first preference shares shall rank equally with the holders of the common and second preference shares on the basis of the amount paid up on the common shares, the first preference shares and the second preference shares respectively until the holders of the second preference shares have received an amount equal to the amount paid up on such shares; and thereafter, the holders of the common shares and the first preference shares shall rank equally on the basis of the amount paid up on the common and first preference shares in the distribution of the property or assets of the Company;
- (iv) Subject to clause (v) hereof, the holders of the first preference shares shall not, as such, be entitled to vote at any meetings of the shareholders of the Company but shall be entitled to notice of meetings of shareholders called for the purpose of authorizing the dissolution of the Company or the sale of its undertaking or a substantial part thereof; and
- (v) The authorization to delete or vary any preference, right, condition, restriction, limitation or prohibition attaching to the first preference shares or to create preference shares ranking in priority to or on a parity with the first preference shares, may be given by at least two-thirds (2/3) of the votes cast at a meeting of the holders of the first preference shares duly called for that purpose, provided that, if the authorization sought is,
- (a) to vary the rate of the preferential dividend on the first preference shares;
 - (b) to vary the right of the holders of the first preference shares to participate equally with the holders of the common shares in any dividends in excess of the preferential rate;
 - (c) to provide for the redemption of the whole or any part of the first preference shares;
 - (d) to vary any provision or right contained in clause (iii) hereof; or
 - (e) to vary this clause (v);
- the meeting shall be held on not less than thirty (30) days' written notice to the holders of the first preference shares with at least fifty (50) persons present holding or representing by proxy at least fifty per cent (50%) of the outstanding first preference shares.

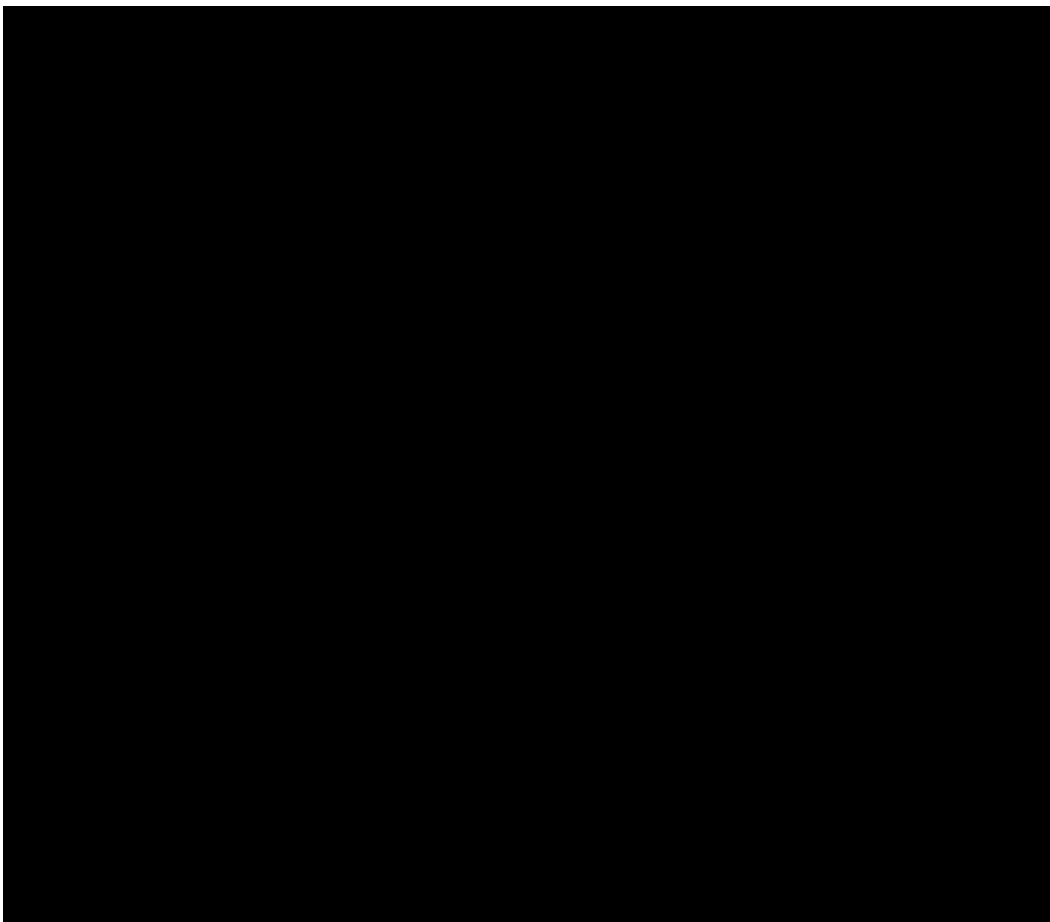
If authorization for any other purposes is sought, the meeting shall be held on not less than fifteen (15) days' written notice to the holders of the first preference shares with at least ten (10) persons present holding or representing by proxy at least one per cent (1%) of the outstanding first preference shares.

- (g) The issued and outstanding second preference shares of a par value of Twenty-Five Dollars (\$25.00) each in the capital stock of CIA will be converted on a share-for-share basis into an equal number of second preference shares of a par value of Twenty-Five Dollars (\$25.00) each in the capital stock of the Amalgamated Company with the following provisions:

- (i) The holders of the second preference shares shall in each year in the discretion of the directors subject to the prior rights of the holders of the first preference shares but always in preference and priority to any payment of dividends on the common shares for such year, be entitled, out of any or all profits or surplus available for dividends, to non-cumulative dividends at the rate of three per cent (3%) per annum on the amount paid up on the second preference shares; the holders of the second preference shares shall not be entitled to any dividend other than or in excess of the non-cumulative dividends at the rate of three per cent (3%) per annum hereinbefore provided for;
- (ii) The Company may, upon giving notice as hereinafter provided, redeem the whole or any part of the second preference shares on payment for each share to be redeemed of the amount paid up thereon, together with all non-cumulative dividends declared thereon and unpaid; not less than thirty (30) days' notice in writing of such redemption shall be given by mailing such notice to the registered holders of the shares to be redeemed, specifying the date and place or places of redemption; if notice of any such redemption be given by the Company in the manner aforesaid and an amount sufficient to redeem the shares be deposited with any trust company or chartered bank in Canada, as specified in the notice, on or before the date fixed for redemption, dividends on the second preference shares to be redeemed shall cease after the date so fixed for redemption and the holders thereof shall thereafter have no rights against the Company in respect thereof except, upon the surrender of the certificates for such shares, to receive payment therefore out of the moneys so deposited;
- (iii) The Company may, at any time and from time to time, purchase for cancellation the whole or any part of the second preference shares at the lowest price at which, in the opinion of the directors, such shares are obtainable but not exceeding the amount paid up thereon, together with all non-cumulative dividends declared thereon and unpaid;
- (iv) In the event of the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, the holders of the second preference shares shall be entitled to receive, before any distribution of any part of the assets of the Company among the holders of any other shares (other than the payment to the holders of first preference shares of any dividends declared and unpaid thereon) any non-cumulative dividends declared and unpaid on the second preference shares; thereafter the holders of the common shares shall be entitled to receive any non-cumulative dividends declared and unpaid on the common shares; and thereafter the holders of the second preference shares shall rank equally with the holders of the common shares and the first preference shares on the basis of the amount paid up on the common shares and the first and second preference shares respectively until the holders of the second preference shares have received an amount equal to the amount paid up on such shares; and thereafter the holders of the second preference shares shall not be entitled to share any further in the distribution of the property or assets of the Company;
- (v) Subject to clause (vi) hereof, the holders of the second preference shares shall not, as such, be entitled to vote at any meetings of the shareholders of the Company but shall be entitled to notice of meetings of shareholders called for the purpose of authorizing the dissolution of the Company or the sale of its undertaking or a substantial part thereof; holders of common shares shall be entitled to one (1) vote for each common share held by them at all meetings of the shareholders of the Company; and

- (vi) The Company may, from time to time, when authorized by a special resolution, apply for the issue of Supplementary Letters Patent to delete or vary any preference, right, condition, restriction, limitation or prohibition attaching to the second preference shares or to create preference shares ranking in priority to or on a parity with the second preference shares but the application shall not be made until further authorized by at least two-thirds (2/3) of the votes cast at a meeting of the holders of the second preference shares duly called for that purpose.
- (h) The issued and outstanding common shares of a par value of One Hundred Dollars (\$100.00) each in the capital stock of CF&C shall be converted into capital stock of the Amalgamated Company as follows: Two Thousand (2,000) common shares converted to Four Thousand (4,000) common shares of a par value of Fifty Dollars (\$50.00) each, and One Hundred and Eighteen Thousand, Six Hundred and Sixty-Six (118,666) common shares converted to an equal number of first preference shares of a par value of One Hundred Dollars (\$100.00) each.
3. The auditors of the Amalgamated Company shall be Deloitte Haskins + Sells who shall hold office until the close of the first annual general meeting of the Amalgamated Company;
 4. The Head Office of the Amalgamated Company shall be in the City of Guelph, in the Province of Ontario.
 5. All lines of business maintained by CF&C shall be merged with the like lines of business maintained by CIA.
 6. The annual statements of the Amalgamated Company for the financial year ending December 31, 1983, shall be prepared as if the amalgamation had taken place January 1, 1983.
 7. The initial Board of Directors of the Amalgamated Company as at the Amalgamation Date shall be:

<u>Name</u>	<u>Postal Address</u>	<u>Profession</u>	<u>Citizenship</u>
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Name

Postal Address

Profession

Citizenship

The first Directors of the Amalgamated Company shall hold office until their successors are elected or appointed at the first annual meeting of the Amalgamated Company pursuant to the Bylaws of the Company.

The Board of Directors may in all things administer the affairs of the Amalgamated Company subject to the provisions of the Act and the Bylaws of the Amalgamated Company as modified from time to time.

8. All rights of creditors against the property, rights and assets of each of CF&C or CIA and all liens upon their property, rights and assets shall be unimpaired by this amalgamation and all debts, contracts, liabilities and duties of each of CF&C or CIA shall thenceforth attach to the Amalgamated Company and may be enforced against it.
9. No action or proceeding, whether civil, criminal or administrative, by or against each of CF&C or CIA shall abate or be effected by this amalgamation but, for all purposes of such action or proceeding, the name of the Amalgamated Company shall be substituted in such action or proceeding in place of either CF&C or CIA.
10. A conviction against, or ruling, order or judgement in favour of or against either of CF&C or CIA may be enforced by or against the Amalgamated Company.
11. Upon the directors of CF&C and of CIA adopting this Agreement, the secretaries of the above companies shall apply within Ninety (90) days to The Honourable The Minister of Finance to sanction this Agreement and to issue a Certificate of Amalgamation and the appropriate officers of all companies are hereby authorized to take any and such action as may be reasonably required to give full effect to this Agreement.

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto under their respective corporate seal on this 3rd day of January 1983.

CO-OPERATORS INSURANCE ASSOCIATION

Secretary

Assistant Secretary

CO-OPERATIVE FIRE AND CASUALTY COMPANY

Treasure

Executive Vice President

W0609c7

LETTERS PATENT

issued to

CO-OPERATORS GENERAL INSURANCE COMPANY
LA COMPAGNIE D'ASSURANCE GENERALE CO-OPERATORS

continuing the Company as a company
incorporated by Letters Patent pursuant
to Section 4.3 of the Canadian and
British Insurance Companies Act.

DATED October 7, 1983

RECORDED October 14, 1983

Film 504 Document 184

G. Grenier

Deputy Registrar General of Canada

CANADA

BY THE MINISTER OF CONSUMER AND CORPORATE AFFAIRS

TO ALL TO WHOM THESE PRESENTS SHALL COME, OR WHOM THE SAME MAY IN ANYWISE CONCERN,

GREETING:

WHEREAS

CO-OPERATORS INSURANCE ASSOCIATION

AND

CO-OPERATIVE FIRE AND CASUALTY COMPANY

have entered into an Agreement on the 3rd day of January, 1983 for their amalgamation and continuance as one company under the name of:

CO-OPERATORS GENERAL INSURANCE COMPANY

and in

French,

LA COMPAGNIE D'ASSURANCE GENERALE CO-OPERATORS

(hereinafter called the "Company");

AND WHEREAS a certificate of amalgamation has been issued to the said companies dated February 17, 1983 pursuant to the provisions of the Canadian and British Insurance Companies Act as a result of which the said companies are continued as one Company in accordance with the terms and conditions set out in the said Agreement;

AND WHEREAS section 4.3 of the Canadian and British Insurance Companies Act authorizes the Minister of Consumer and Corporate Affairs on a petition therefor concurred in by the Minister of Finance to issue under his seal of office letters patent continuing a company as a Company incorporated by letters patent pursuant to the Canadian and British Insurance Companies Act;

AND WHEREAS the Company has by its petition prayed that letters patent under the seal office of the Minister of Consumer and Corporate Affairs be issued continuing the Company resulting from the said Agreement and the said certificate of amalgamation as a letters patent company;

AND WHEREAS the Minister of Finance has concurred in the Company's petition and the Company has satisfactorily established the sufficiency of all proceedings required to be taken by the Canadian and British Insurance Companies Act and the truth of all facts by the said Act required to be established prior to the granting of such letters patent;

AND WHEREAS the Company resulted from the amalgamation pursuant to section 108 of the Canadian British Insurance Companies Act, of
CO-OPERATORS INSURANCE ASSOCIATION
and CO-OPERATIVE FIRE AND CASUALTY COMPANY

NOW KNOW YE that the Minister of Consumer and Corporate Affairs, under authority of the Canadian and British Insurance Companies Act, does, by these letters patent ordain and declare that:

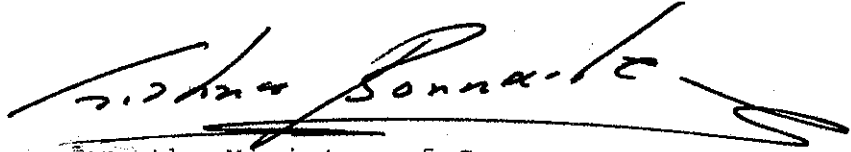
1. CO-OPERATORS GENERAL INSURANCE COMPANY-LA COMPAGNIE D'ASSURANCE GENERALE CO-OPERATORS be continued as a body corporate, as a company incorporated by letters patent pursuant to the Canadian and British Insurance Companies Act under the corporate name in English of CO-OPERATORS GENERAL INSURANCE COMPANY, and under the corporate name in French of LA COMPAGNIE D'ASSURANCE GENERALE CO-OPERATORS.
2. The capital stock of the Company shall be Forty Million, Seven Hundred and Fifty Thousand Dollars (\$40,750,000.00) divided into Ten Thousand (10,000) common shares of a par value of Fifty Dollars (\$50.00) each; and Three Hundred and Sixty Thousand (360,000) non-voting, non-cumulative, five percent (5%), participating, first preference shares of a par value of One Hundred Dollars (\$100.00) each and One Hundred and Seventy Thousand (170,000) non-voting, non-cumulative, three percent (3%), non-participating, redeemable at amount paid up thereon, second preference shares of a par value of Twenty-Five Dollars (\$25.00) each. Such preference shares shall be subject to the preferences, priorities, rights, restrictions, conditions and limitations set forth below:
 - (i) The holders of the first preference shares shall in each year in the discretion of the directors, but always in preference and priority to any payment of dividends on any other shares for such year, be entitled, out of any and all profits or surplus available for dividends, to non-cumulative dividends at the rate of five per cent (5%) per annum on the amount paid up on the first preference shares; if in any year, after providing for the payment of dividends at the rate of five per cent (5%) on the amount paid up on such first preference shares for the then current year, dividends at the rate of three per cent (3%) on the amount paid up on the second preference shares for the then current year and dividends at the rate of five per cent (5%) on the amount paid up on the common shares for the then current year, any and all additional dividends which in the discretion of the directors of the Company may be declared in such financial year shall be declared and paid or set apart for payment at an equal rate on all the first preference shares and common shares at the time outstanding on the basis of the amount paid up on such shares, without preference or priority of one share over another;
 - (ii) The Company may, at any time and from time to time, purchase for cancellation the whole or any part of the first preference shares at the lowest price at which, in the opinion of the directors, such shares are obtainable but not exceeding the amount paid up thereon, together with all dividends declared thereon and unpaid;

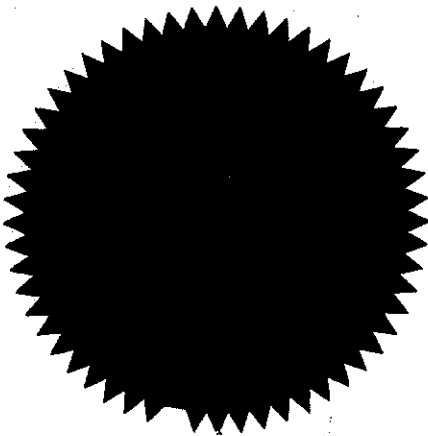
- (iii) In the event of the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, the holders of the first preference shares shall be entitled to receive before any distribution of any part of the property or assets of the Company among the holders of any other shares, any non-cumulative dividends declared and unpaid on the first preference shares; thereafter, the holders of the second preference shares shall be entitled to any non-cumulative dividends declared and unpaid on the second preference shares; thereafter, the holders of the common shares shall be entitled to any non-cumulative dividends declared and unpaid on the common shares; and thereafter, the holders of the first preference shares shall rank equally with the holders of the common and second preference shares on the basis of the amount paid up on the common shares, the first preference shares and the second preference shares respectively until the holders of the second preference shares have received an amount equal to the amount paid up on such shares; and thereafter, the holders of the common shares and the first preference shares shall rank equally on the basis of the amount paid up on the common and first preference shares in the distribution of the property or assets of the Company;
- (iv) Subject to clause (v) hereof, the holders of the first preference shares shall not, as such, be entitled to vote at any meetings of the shareholders of the Company but shall be entitled to notice of meetings of shareholders called for the purpose of authorizing the dissolution of the Company or the sale of its undertaking or a substantial part thereof; and
- (v) The authorization to delete or vary any preference, right, condition, restriction, limitation or prohibition attaching to the first preference shares or to create preference shares ranking in priority to or on a parity with the first preference shares, may be given by at least two-thirds (2/3) of the votes cast at a meeting of the holders of the first preference shares duly called for that purpose, provided that, if the authorization sought is,
- (a) to vary the rate of the preferential dividend on the first preference shares;
 - (b) to vary the right of the holders of the first preference shares to participate equally with the holders of the common shares in any dividends in excess of the preferential rate;
 - (c) to provide for the redemption of the whole or any part of the first preference shares;
 - (d) to vary any provision or right contained in clause (iii) hereof; or
 - (e) to vary this clause (v);
- the meeting shall be held on not less than thirty (30) days' written notice to the holders of the first preference shares with at least fifty (50) persons present holding or representing by proxy at least fifty per cent (50%) of the outstanding first preference shares.
- If authorization for any other purposes is sought, the meeting shall be held on not less than fifteen (15) days' written notice to the holders of the first preference shares with at least ten (10) persons present holding or representing by proxy at least one per cent (1%) of the outstanding first preference shares.

- (vi) The holders of the second preference shares shall in each year in the discretion of the directors subject to the prior rights of the holders of the first preference shares but always in preference and priority to any payment of dividends on the common shares for such year, be entitled, out of any or all profits or surplus available for dividends, to non-cumulative dividends at the rate of three per cent (3%) per annum on the amount paid up on the second preference shares; the holders of the second preference shares shall not be entitled to any dividend other than or in excess of the non-cumulative dividends at the rate of three per cent (3%) per annum hereinbefore provided for;
- (vii) The Company may, without notice, redeem the whole or any part of the Second Preference Shares on payment for each share to be redeemed of the amount paid up thereon, together with all non-cumulative dividends declared thereon and unpaid, by mailing such payment by cheque to the last known address of the shareholder at a date to be determined by the Company. Dividends on the second preference shares to be redeemed shall cease after the date so fixed for redemption and the holders thereof shall have no rights against the Company in respect thereof save only that of receiving the redemption price.
- (viii) The Company may, at any time and from time to time, purchase for cancellation the whole or any part of the second preference shares at the lowest price at which, in the opinion of the directors, such shares are obtainable but not exceeding the amount paid up thereon, together with all non-cumulative dividends declared thereon and unpaid;
- (ix) In the event of the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, the holders of the second preference shares shall be entitled to receive, before any distribution of any part of the assets of the Company among the holders of any other shares (other than the payment to the holders of first preference shares of any dividends declared and unpaid thereon) any non-cumulative dividends declared and unpaid on the second preference shares; thereafter the holders of the common shares shall be entitled to receive any non-cumulative dividends declared and unpaid on the common shares; and thereafter the holders of the second preference shares shall rank equally with the holders of the common shares and the first preference shares on the basis of the amount paid up on the common shares and the first and second preference shares respectively until the holders of the second preference shares have received an amount equal to the amount paid up on such shares; and thereafter the holders of the second preference shares shall not be entitled to share any further in the distribution of the property or assets of the Company;
- (x) Subject to clause (xi) hereof, the holders of the second preference shares shall not, as such, be entitled to vote at any meetings of the shareholders of the Company but shall be entitled to notice of meetings of shareholders called for the purpose of authorizing the dissolution of the Company or the sale of its undertaking or a substantial part thereof; holders of common shares shall be entitled to one (1) vote for each common share held by them at all meetings of the shareholders of the Company; and
- (xi) The Company may, from time to time, when authorized by a special resolution, apply for the issue of Supplementary Letters Patent to delete or vary any preference, right, condition, restriction, limitation or prohibition attaching to the second preference shares or to create preference shares ranking in priority to or on a parity with the second preference shares but the application shall not be made until further authorized by at least two-thirds (2/3) of the votes cast at a meeting of the holders of the second preference shares duly called for that purpose.

3. The Company may undertake, transact and make contracts of insurance in any one or more of the classes of insurance from time to time set out in the regulations made pursuant to subsection 2(2) of the Canadian and British Insurance Companies Act except life insurance and annuities, mortgage insurance, and title insurance.
4. The head office of the Company shall be situated in the City of Guelph, in the Province of Ontario.
5. The Canadian and British Insurance Companies Act shall apply to the Company.

GIVEN under the seal of office of the Minister of Consumer and Corporate Affairs this 7th day of October, 1983.


for the Minister of Consumer
and Corporate Affairs



C A N A D A

BY THE MINISTER OF CONSUMER AND CORPORATE AFFAIRS

To all to whom these presents shall come, or whom the same may in anywise concern,

Greeting:

WHEREAS Section 4.3 of the Canadian and British Insurance Companies Act authorizes the Minister of Consumer and Corporate Affairs, on a petition therefore concurred in by the Minister of Finance, to issue under his seal of office supplementary letters patent to effect in any of the matters contained in the instrument of incorporation of a company any change not inconsistent with the provisions of the said Act and to include or amend any provisions that may be included in the instrument of incorporation of a Company pursuant to Section 4.2 of the Canadian and British Insurance Companies Act;

AND WHEREAS, Co-operators General Insurance Company (herein called the "Company") was continued as a company incorporated by letters patent pursuant to the Canadian and British Insurance Companies Act by letters patent issued to the Company dated the 7th day of October, 1983 (hereinafter referred to as the "instrument of incorporation");

AND WHEREAS the Company has by its petition prayed that supplementary letters patent under the seal of office of the Minister of Consumer and Corporate Affairs be issued to effect in its instrument of incorporation the changes hereinafter set forth;

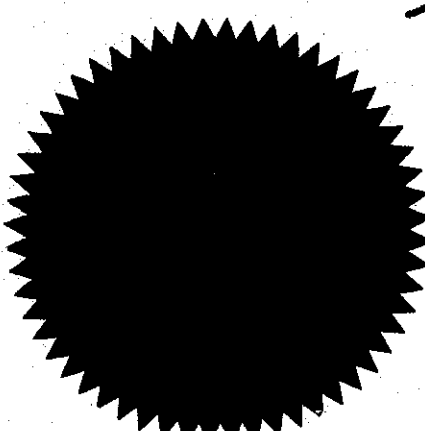
AND WHEREAS the Minister of Finance has concurred in the petition of the Company, and the Company has satisfactorily established the sufficiency of all proceedings by the Canadian and British Insurance Companies Act required to be taken and the truth of all facts by the Act required to be established previous to the granting of such supplementary letters patent;

NOW KNOW YE that the Minister of Consumer and Corporate Affairs, under the authority of the Canadian and British Insurance Companies Act, does, by these supplementary letters patent, effect the following change in the matters contained in the instrument of incorporation of the Company:

Section 2(ii) and 2(viii) of the instrument of incorporation of the Company is hereby changed as follows:

2. (ii) The Company may, at any time and from time to time, purchase or redeem the whole or any part of the first preference shares at the lowest price at which, in the opinion of the directors, such shares are obtainable but not exceeding the amount paid up thereon, together with all dividends declared thereon and unpaid; and shares so purchased or redeemed shall revert to treasury and not reduce the authorized capital;
2. (viii) The Company may, at any time and from time to time, purchase or redeem the whole or any part of the second preference shares at the lowest price at which, in the opinion of the directors, such shares are obtainable but not exceeding the amount paid up thereon, together with all non-cumulative dividends declared thereon and unpaid; and shares so purchased or redeemed shall revert to treasury and not reduce the authorized capital;

GIVEN under the seal of office of the Minister of Consumer and Corporate Affairs at Ottawa this 6th day of August one thousand nine hundred and eighty-five.


Frederick H. Spurling
for the Minister of Consumer
and Corporate Affairs



Canada

LETTRES PATENTES SUPPLÉMENTAIRES

SUPPLEMENTARY LETTERS PATENT

émises à

issued to

CO-OPERATORS GENERAL INSURANCE COMPANY

COMPAGNIE D'ASSURANCE GÉNÉRALE CO-OPERATORS

en vertu de l'article 4.3
de la Loi sur les compagnies
d'assurance canadiennes et
britanniques.

pursuant to Section 4.3
of the Canadian and British
Insurance Companies Act.

DATÉES Le 20 décembre 1988

Dated December 20, 1988



Canada

By the Minister of Finance.

To all to whom these presents shall come, or whom the same may in anywise concern,

Greeting:

WHEREAS CO-OPERATORS GENERAL INSURANCE COMPANY - LA COMPAGNIE D'ASSURANCE GENERAL CO-OPERATORS (hereinafter referred to as the "Company") was continued as a company incorporated by letters patent pursuant to the Canadian and British Insurance Companies Act (hereinafter referred to as the "Act") by letters patent issued to the Company dated the 7th day of October, 1983 (hereinafter referred to as the "instrument of incorporation");

AND WHEREAS supplementary letters patent were issued to the Company dated August 6, 1985 effecting a change to Section 2(ii) and 2(viii) of the Company's instrument of incorporation;

AND WHEREAS section 4.3 of the Act authorizes the Minister of Finance to issue under his seal of office letters patent or supplementary letters patent to effect in any of the matters contained in the Company's instrument of incorporation any change not inconsistent with the provisions of the Act or to include or amend any provision that may be included in its instrument of incorporation;

AND WHEREAS the capital stock of the Company is Forty Million, Seven Hundred and Fifty Thousand Dollars (\$40,750,000) divided into Ten Thousand (10,000) common shares of a par value of Fifty Dollars (\$50.00) each (the "Existing Common Shares"), of which Eight Thousand (8,000) are issued and fully-paid; and Three Hundred and Sixty Thousand (360,000) non-voting, non-cumulative, five percent (5%), participating, first preference shares of a par value of One Hundred Dollars (\$100.00) each (the "Existing First Preference Shares"), of which Two Hundred Ninety Thousand Three Hundred Seventy-Two (290,372) are issued and fully-paid; and One Hundred Seventy Thousand (170,000) non-voting, non-cumulative, three percent (3%), non-participating, redeemable second preference shares of a par value of Twenty-Five Dollars (\$25.00) each (the "Existing Second Preference Shares"), of which Ten Thousand Eight Hundred Forty-Five (10,845) were issued and fully-paid;

AND WHEREAS the Company has from time to time redeemed all of the said Ten Thousand Eight Hundred Forty-Five (10,845) Existing Second Preference Shares which were issued as aforesaid;

AND WHEREAS the Company has by its petition prayed that supplementary letters patent under the seal of the Minister of Finance be issued to effect the changes hereinafter referred to in its instrument of incorporation;

AND WHEREAS the Company has satisfactorily established the sufficiency of all proceedings required to be taken by the Act and the truth of all facts by the Act required to be established prior to the granting of such supplementary letters patent;

AND WHEREAS it is considered necessary and expedient and in the interest of the Company to effect the changes hereinafter referred to in its instrument of incorporation;

NOW KNOW YE that the Minister of Finance, under the authority of the Act, does, by supplementary letters patent, effect the following changes in the matters contained in the instrument of incorporation of the Company:

1. The authorized capital of the Company is hereby decreased by the cancellation of the One Hundred Seventy Thousand (170,000) Existing Second Preference Shares, both issued and unissued.

2. The authorized capital of the Company is hereby increased by the creation of a number of shares the aggregate par value of which shall not exceed One Hundred Million Dollars (\$100,000,000) which shall be designated as Class A preference shares, and which shall, as a class, have attached thereto the following rights, privileges, restrictions and conditions:

(a) Subject to obtaining the prior approval of the Superintendent of Financial Institutions so long as the same is required by applicable legislation, the Class A preference shares may from time to time be issued in one or more series and subject to the following provisions, the board of directors of the Company shall be and is hereby authorized by resolution to fix from time to time before such issue the number of shares which comprise each series and the designation, par value, rights, privileges, preferences, restrictions and conditions attaching to each series of preference shares (save and except the number of shares comprising and the designation, par value, rights, privileges, restrictions and conditions attaching to the Class A preference shares, Series A, which shall be fixed by these supplementary letters patent) including, without limiting the generality of the foregoing, the rate, amount or form of dividends or the method of calculating dividends, the dates of payment thereof, the redemption, purchase and/or conversion prices and terms and conditions of redemption, purchase and/or conversions and any sinking or purchase fund or other provisions.

(b) The Class A preference shares of each series shall, with respect to the payment of dividends and the distribution of assets in the event of liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs, rank on a parity with the Class A preference shares of every other series and rank in priority to the Class A common shares and the Class B preference shares (except as hereinafter set out) and over any other shares of the Company ranking junior to the Class A preference shares. The Class A preference shares of any series may also be given such other preferences, not inconsistent with these supplementary letters patent, over the Class A common shares and the Class B preference shares and over any other shares of the Company ranking junior to such Class A preference shares.

(c) If any cumulative dividends, non-cumulative dividends declared but unpaid, or amounts payable on the return of capital in respect of a series of Class A preference shares are not paid in full, all series of Class A preference shares shall participate rateably in respect of accumulated dividends, non-cumulative dividends declared but unpaid, and return of capital.

(d) Except when entitled to by law or as provided by the rights, privileges, restrictions and conditions attaching to the Class A preference shares of any series, the holders of the Class A preference shares shall not be entitled as such to receive notice of or to attend any meetings of the shareholders of the Company or to vote at any such meeting.

(e) The foregoing provisions and the provisions of this paragraph (e) may be repealed, altered, modified, amended or amplified in any manner permitted by law but only with the approval of the Superintendent of Financial Institutions and the approval of the holders of the Class A preference shares, which approval may be given by resolution passed or by by-law sanctioned at a meeting of holders of Class A preference shares duly called and held as hereinafter provided. Any consent or approval of the holders of Class A preference shares shall be deemed to have been sufficiently given if it shall have been given by a resolution passed at a meeting of holders of Class A preference shares duly called and held upon not less than thirty (30) days' notice to the holders at which the holders of at least twenty per cent (20%) of the outstanding Class A preference shares are present or are represented by proxy and carried by the affirmative vote of not less than two-thirds (2/3) of the votes cast at such meeting. If at any such meeting the holders of at least twenty per cent (20%) of the outstanding Class A preference shares are not present or represented by proxy within one-half hour after the time appointed for such meeting, then the meeting shall be adjourned to such date not less than thirty (30) days thereafter and to such time and place as may be designated by the chairman, and not less than thirty (30) days' written notice shall be given for such adjourned meeting. At such adjourned meeting the holders of Class A preference shares present or represented by proxy may transact the business for which the meeting was originally convened and a resolution passed thereat by the affirmative vote of not less than two-thirds (2/3) of the votes cast at such meeting shall constitute the consent or approval of the holders of Class A preference shares. On every ballot taken at a meeting of the holders of Class A preference shares, every holder of Class A preference shares shall be entitled to one (1) vote in respect of each Class A preference share held.

Subject to the foregoing, the formalities to be observed in respect of the giving or waiving of notice of any such meeting and the conduct thereof shall be those from time to time prescribed by the by-laws of the Company.

3. The first series of Class A preference shares of the Company shall consist of One Million Four Hundred Forty Thousand (1,440,000) Class A preference shares of a par value of Twenty-Five Dollars (\$25.00) each which shall be designated as Class A preference shares, Series A (the "Series A Shares") and which, in addition to the rights, privileges, restrictions and conditions attached to the Class A preference shares as a class, shall have attached thereto the rights, privileges, restrictions and conditions described in Article 10 hereof.
4. The authorized capital of the Company is hereby increased by the creation of an additional Twenty Thousand (20,000) shares of a par value of Twenty-Five Dollars (\$25.00) each which shall be designated as Class B preference shares, and which shall have attached thereto the rights, privileges, restrictions and conditions described in Article 11 hereof.
5. The Three Hundred Sixty Thousand (360,000) Existing First Preference Shares, both issued and unissued, are hereby redesignated, changed and subdivided into One Million Four Hundred Forty Thousand (1,440,000) Series A Shares on the basis of four (4) Series A Shares for each Existing First Preference Share, and all issued Series A Shares resulting from such redesignation, change and subdivision shall be deemed to be fully-paid and non-assessable.
6. The authorized capital of the Company is hereby increased by the creation of One Hundred Thousand (100,000) Class A common shares of a par value of One Hundred Dollars (\$100.00) each which shall have attached thereto the rights, privileges, restrictions and conditions described in Article 9 hereof.
7. The Ten Thousand (10,000) Existing Common Shares, both issued and unissued, are hereby redesignated, changed and subdivided into Twenty Thousand (20,000) Class B preference shares on the basis of two (2) Class B preference shares for each Existing Common Share, and all issued Class B preference shares resulting from such redesignation, change and subdivision shall be deemed to be fully-paid and non-assessable.
8. The authorized capital of the Company, after giving effect to the foregoing, shall thereupon consist of One Hundred Ten Million Five Hundred Thousand Dollars (\$110,500,000.00) divided into One Hundred Thousand (100,000) Class A common shares of a par value of One Hundred Dollars (\$100.00) each; and a number of Class A preference shares the aggregate par value of which shall not exceed One Hundred Million Dollars (\$100,000,000) issuable in series of which One Million Four Hundred Forty Thousand (1,440,000) Series A Shares of a par value of Twenty-Five Dollars (\$25.00) each have been designated; and Twenty Thousand (20,000) Class B preference shares of a par value of Twenty-Five Dollars (\$25.00) each.
9. The rights, privileges, restrictions, conditions and limitations attaching to the said Class A common shares are as follows:
 - (a) Subject to the rights of the holders of Class A preference shares and Class B preference shares and of shares of any other class ranking in priority to the Class A common shares, the holders of Class A common shares shall be entitled to receive, if, as and when declared by the board of directors out of the monies of the Company properly applicable to the payment of dividends, non-cumulative dividends at a rate or amount as declared by the directors from time to time.
 - (b) Subject to the rights of the holders of Class A preference shares and Class B preference shares and of shares of any other class ranking in priority to the Class A common shares, in the event of a liquidation, dissolution or winding-up of the Company or other distribution of the assets of the Company, whether voluntary or involuntary, the holders of Class A common shares shall be entitled to receive the remaining property and assets of the Company.
 - (c) The holders of Class A common shares shall be entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Class A common share shall confer the right to one (1) vote in person or by proxy at all meetings of shareholders of the Company, save and except meetings at which only holders of a specified class or series of shares are entitled to vote.
10. The rights, privileges, restrictions, conditions and limitations attaching to the said Series A Shares are as follows:

(a) For the purposes of this Article 10, the "Redemption Amount" for each Series A Share shall mean the sum of Thirty-Seven Dollars and Fifty Cents (\$37.50) together with all non-cumulative dividends declared thereon and unpaid. The holders of the Series A Shares shall be entitled to receive, as and when declared by the Board of Directors out of the monies of the Company properly applicable to the payment of dividends, but always in preference and priority to any payment of dividends on the Class A common shares and the Class B preference shares and on shares of any other class ranking junior to the Series A Shares, fixed preferential non-cumulative cash dividends at the rate of five per cent (5%) per annum of the Redemption Amount thereof (excluding any non-cumulative dividends declared thereon and unpaid), which dividends may but need not be declared and paid quarterly, half-yearly or annually. If in any fiscal year, after providing for the payment of dividends at the rate of five per cent (5%) per annum of the Redemption Amount thereof on the Series A Shares and dividends at the rate of five per cent (5%) per annum of the Redemption Amount thereof on the Class B preference shares, there shall remain any monies of the Company properly applicable to the payment of dividends, such monies or any part thereof may, in the discretion of the Board of Directors, be applied to additional non-cumulative dividends on the Series A Shares at a rate as declared by the directors from time to time, provided that additional non-cumulative dividends shall be declared and paid or set apart for payment at an equal rate on all the Series A Shares and Class B preference shares at the time outstanding on the basis of the respective Redemption Amounts thereof, without preference or priority of one share over another. Dividends on the Series A Shares shall be payable on such date or dates as the Board of Directors shall determine. Cheques of the Company payable in lawful money of Canada at par at any branch in Canada of the Company's bankers for the time being may be issued in respect of the dividends on the Series A Shares (less any tax required to be withheld or deducted by the Company). The mailing of such cheques to the holders of Series A Shares addressed to each such shareholder at his address as it appears on the books of the Company, or in the event of the address of any such shareholder not so appearing then to the last known address of such shareholder, shall satisfy the dividend represented thereby unless a cheque is not paid upon presentation. A dividend that is represented by a cheque which has not been presented to the Company's bankers for payment or that otherwise remains unclaimed for a period of six (6) years from the date on which it was declared to be payable shall be forfeited to the Company.

(b) The Company, upon giving notice as hereinafter provided, and subject to obtaining the prior consent of the Superintendent of Financial Institutions so long as the same is required by applicable legislation and subject to other applicable laws, may redeem at any time the whole or, from time to time, any part of the then outstanding Series A Shares on payment of the Redemption Amount for each Series A Share to be redeemed (of which an amount equal to the amount paid up on the Series A Shares to be redeemed shall be deducted from the capital account maintained for the Series A Shares and the balance shall be deducted from the retained earnings of the Company or, at the discretion of the board of directors, the balance shall be deducted in part from the retained earnings of the Company and in part from contributed surplus). Any shares so redeemed shall revert to treasury and not reduce the authorized capital of the Company. If a part only of the then outstanding Series A Shares is at any time to be redeemed, the shares so to be redeemed may be selected by lot in such manner as the directors in their discretion shall decide or if the directors so determine may be redeemed pro rata disregarding fractions. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Company.

(c) In any case of redemption of Series A Shares under the provisions of paragraph 10(b) hereof, the Company shall at least ten (10) days before the date specified for redemption, send to each person who at the date of sending is a registered holder of Series A Shares to be redeemed, a notice in writing of the intention of the Company to redeem such Series A Shares; such notice shall be sent addressed to each such shareholder at his address as it appears on the books of the Company or in the event of the address of any such shareholder not so appearing then to the last known address of such shareholder; provided that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Amount per share and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Company shall pay or cause to be paid to or to the order of the registered holders of the Series A Shares to be redeemed the aggregate Redemption Amount thereof on presentation and surrender at the head office of the Company or any other place designated in such notice of the certificates for the Series A

Shares called for redemption. Such Series A Shares shall thereupon be and be deemed to be redeemed. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Company. From and after the date specified in any such notice, the Series A Shares called for redemption shall cease to be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the aggregate Redemption Amount thereof shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Company shall have the right at any time after the sending of notice of its intention to redeem any Series A Shares as aforesaid to deposit the aggregate Redemption Amount of the shares so called for redemption, or of such of the said shares represented by certificates which have not, at the date of such deposit, been surrendered by the holders thereof in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in the notice of redemption to be paid without interest to or to the order of the respective holders of such Series A Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same, and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series A Shares in respect whereof such deposit shall have been made shall be deemed to be redeemed and shall be cancelled, and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Amount so deposited against presentation and surrender of the said certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Company. Any undisbursed balance of such deposit remaining with such chartered bank or trust company thirty-six (36) months after the date on which redemption was to take place, together with all interest thereon, shall be returned to the Company, and thereafter the holders of Series A Shares may receive their proportionate part of the total Redemption Amount only from the Company.

(d) Subject to obtaining the prior consent of the Superintendent of Financial Institutions so long as the same is required by applicable legislation and subject to other applicable laws and to the limitations hereinafter set forth, every holder of Series A Shares may, at his option and in the manner hereinafter provided, require the Company to redeem at any time all or any part of the Series A Shares held by such holder upon payment for each share to be redeemed of the Redemption Amount thereof. Shares so redeemed shall revert to treasury and not reduce the authorized capital of the Company. If any holder of Series A Shares requests that his Series A Shares be redeemed as described above, such holder shall deposit with the Company certificates representing the Series A Shares which such holder wishes to tender and a notice specifying the number of Series A Shares which the holder wishes the Company to redeem and the date of redemption which shall not be less than Thirty (30) days nor more than Sixty (60) days after the date of such deposit with the Company (hereinafter in this paragraph referred to as the "Retraction Date"). Such deposit shall be irrevocable unless payment of the aggregate Redemption Amount for the Series A Shares deposited shall not be duly made by the Company to the holder as hereinafter provided. Within Seven (7) days of the applicable Retraction Date, the Company shall pay or cause to be paid to or to the order of the holders of Series A Shares to be redeemed the aggregate Redemption Amount for such shares; such payment shall be made by cheques payable at par at any branch of the Company's bankers for the time being in Canada. From and after the applicable Retraction Date, the Series A Shares so redeemed shall cease to be entitled to dividends or any other participation in the assets of the Company and the holders thereof shall not be entitled to exercise any of the other rights of shareholders in respect thereof unless payment of the aggregate Redemption Amount shall not be made in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. If after receiving a redemption notice from a holder as contemplated in this clause, the Company determines that it will not be permitted, by insolvency or other provisions of applicable law, to redeem all of the Series A Shares requested to be redeemed by such holder at the applicable Retraction Date, the Company shall be obligated, in respect of that retraction, to purchase Series A Shares only to the extent of the maximum sum of money that may be so applied. In such case the Company shall pay to each holder who has tendered Series A Shares that holder's pro rata share of the monies available as aforesaid and shall issue and deliver to him a new certificate, at the expense of the Company, representing the Series A Shares not so redeemed. If the Company fails to redeem, because of insolvency provisions or other provisions of applicable law, all the Series A Shares required to be redeemed by it on any Retraction Date in accordance with the above privileges, then as soon as reasonably feasible after the Company is from time to time no longer prevented by insolvency or other provisions of applicable law, the Company shall give written notice to all the holders of

Series A Shares that the Company will redeem such Series A Shares previously tendered for redemption and not redeemed, such redemption to take place on a date which is not less than Thirty (30) days subsequent to the date of such notice given by the Company and to be made in accordance with the other provisions of this paragraph not inconsistent with the provisions of this sentence.

(e) In the event of a liquidation, dissolution or winding-up of the Company or other distribution of the assets of the Company, whether voluntary or involuntary, the holders of Series A Shares shall be entitled to receive the aggregate Redemption Amount of such Series A Shares, before any amounts shall be paid or any property or assets of the Company distributed to the holders of any Class A common shares or Class B preference shares or shares of any other class ranking junior to the Series A Shares. After payment to the holders of the Series A Shares of the amounts so payable to them as above provided they shall not be entitled to share in any further distribution of the property or assets of the Company.

(f) The Company may at any time or times, subject to obtaining the prior consent of the Superintendent of Financial Institutions so long as the same is required by applicable legislation and subject to other applicable laws, purchase for cancellation all or any part of the Series A Shares at the lowest price at which, in the opinion of the directors, such shares are obtainable but not exceeding the Redemption Amount per share of such Series A Shares. Shares so purchased shall revert to treasury and not reduce the authorized capital of the Company.

(g) The foregoing provisions and the provisions of this paragraph (g) may be repealed, altered, modified, amended or amplified in any manner permitted by law but only with the approval of the Superintendent of Financial Institutions and the approval of the holders of the Series A Shares, which approval may be given by resolution passed or by by-law sanctioned at a meeting of holders of Series A Shares duly called and held as hereinafter provided. Any consent or approval of the holders of Series A Shares shall be deemed to have been sufficiently given if it shall have been given by a resolution passed at a meeting of holders of Series A Shares duly called and held upon not less than thirty (30) days' notice to the holders at which the holders of at least twenty per cent (20%) of the outstanding Series A Shares are present or are represented by proxy and carried by the affirmative vote of not less than two-thirds (2/3) of the votes cast at such meeting. If at any such meeting the holders of at least twenty per cent (20%) of the outstanding Series A Shares are not present or represented by proxy within one-half hour after the time appointed for such meeting, then the meeting shall be adjourned to such date not less than thirty (30) days thereafter and to such time and place as may be designated by the chairman, and not less than thirty (30) days' written notice shall be given for such adjourned meeting. At such adjourned meeting the holders of Series A Shares present or represented by proxy may transact the business for which the meeting was originally convened and a resolution passed thereat by the affirmative vote of not less than two-thirds (2/3) of the votes cast at such meeting shall constitute the consent or approval of the holders of Series A Shares. On every ballot taken at a meeting of the holders of Series A Shares, every holder of Series A Shares shall be entitled to one (1) vote in respect of each Series A Share held. Subject to the foregoing, the formalities to be observed in respect of the giving or waiving of notice of any such meeting and the conduct thereof shall be those from time to time prescribed by the by-laws of the Company.

11. The rights, privileges, restrictions, conditions and limitations attaching to the said Class B preference shares are as follows:

(a) For the purposes of this Article 11, the "Redemption Amount" for each Class B preference share shall mean the sum of Fifty Dollars (\$50.00) together with all non-cumulative dividends declared thereon and unpaid. The holders of the Class B preference shares shall be entitled to receive, as and when declared by the Board of Directors out of the monies of the Company properly applicable to the payment of dividends, but always in preference and priority to any payment of dividends on the Class A common shares and on shares of any other class ranking junior to the Class B preference shares, fixed preferential non-cumulative cash dividends at the rate of five per cent (5%) per annum of the Redemption Amount thereof (excluding any non-cumulative dividends declared thereon and unpaid), which dividends may but need not be declared and paid quarterly, half-yearly or annually. If in any fiscal year, after providing for the payment of dividends at the rate of five per cent (5%) per annum of the Redemption Amount thereof on the Series A Shares and dividends at the rate of five per cent (5%) per annum of the Redemption Amount thereof on the Class B preference shares, there shall remain any monies of the Company properly applicable to the

payment of dividends, such monies or any part thereof may, in the discretion of the Board of Directors, be applied to additional non-cumulative dividends on the Class B preference shares at a rate as declared by the directors from time to time, provided that additional non-cumulative dividends shall be declared and paid or set apart for payment at an equal rate on all the Series A Shares and Class B preference shares at the time outstanding on the basis of the respective Redemption Amounts thereof, without preference or priority of one share over another. Cheques of the Company payable in lawful money of Canada at par at any branch in Canada of the Company's bankers for the time being may be issued in respect of the dividends on the Class B preference shares (less any tax required to be withheld or deducted by the Company). The mailing of such cheques to the holders of Class B preference shares addressed to each such shareholder at his address as it appears on the books of the Company, or in the event of the address of any such shareholder not so appearing then to the last known address of such shareholder, shall satisfy the dividend represented thereby unless a cheque is not paid upon presentation. A dividend that is represented by a cheque which has not been presented to the Company's bankers for payment or that otherwise remains unclaimed for a period of six (6) years from the date on which it was declared to be payable shall be forfeited to the Company.

(b) The Company, upon giving notice as hereinafter provided, and subject to obtaining the prior consent of the Superintendent of Financial Institutions so long as the same is required by applicable legislation and subject to other applicable laws, may redeem at any time the whole or, from time to time, any part of the then outstanding Class B preference shares on payment of the Redemption Amount for each Class B preference share to be redeemed (of which an amount equal to the amount paid up on the Class B preference shares to be redeemed shall be deducted from the capital account maintained for the Class B preference shares and the balance shall be deducted from the retained earnings of the Company or, at the discretion of the board of directors, the balance shall be deducted in part from the retained earnings of the Company and in part from contributed surplus), provided that the Company shall not redeem any Class B preference shares prior to the earlier of (i) in the event that a right has arisen pursuant to paragraph 11(g) hereof for the exchange of such Class B preference shares for equity shares of the Parent (as hereinafter defined), the next business day following the last date on which a holder of Class B preference shares may exercise such right; and (ii) December 31, 1998. Any shares so redeemed shall revert to treasury and not reduce the authorized capital of the Company. If a part only of the then outstanding Class B preference shares is at any time to be redeemed, the shares so to be redeemed may be selected by lot in such manner as the directors in their discretion shall decide or if the directors so determine may be redeemed pro rata disregarding fractions. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Company.

(c) In any case of redemption of Class B preference shares under the provisions of paragraph 11(b) hereof, the Company shall at least ten (10) days before the date specified for redemption, send to each person who at the date of sending is a registered holder of Class B preference shares to be redeemed, a notice in writing of the intention of the Company to redeem such Class B preference shares; such notice shall be sent addressed to each such shareholder at his address as it appears on the books of the Company or in the event of the address of any such shareholder not so appearing then to the last known address of such shareholder; provided that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Amount per share and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Company shall pay or cause to be paid to or to the order of the registered holders of the Class B preference shares to be redeemed the aggregate Redemption Amount thereof on presentation and surrender at the head office of the Company or any other place designated in such notice of the certificates for the Class B preference shares called for redemption. Such Class B preference shares shall thereupon be and be deemed to be redeemed. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Company. From and after the date specified in any such notice, the Class B preference shares called for redemption shall cease to be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the aggregate Redemption Amount thereof shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Company shall have the right at any time after the sending of notice of its intention to redeem any Class B preference shares as aforesaid to deposit the aggregate Redemption Amount of the shares so called for redemption, or

of such of the said shares represented by certificates which have not, at the date of such deposit, been surrendered by the holders thereof in connection with such redemption, into a special account in any chartered bank or trust company in Canada named in the notice of redemption to be paid without interest to or to the order of the respective holders of such Class B preference shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same, and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Class B preference shares in respect whereof such deposit shall have been made shall be deemed to be redeemed and shall be cancelled, and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Amount so deposited against presentation and surrender of the said certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Company. Any undisbursed balance of such deposit remaining with such chartered bank or trust company thirty-six (36) months after the date on which redemption was to take place, together with all interest thereon, shall be returned to the Company, and thereafter the holders of Class B preference shares may receive their proportionate part of the total Redemption Amount only from the Company.

(d) Subject to obtaining the prior consent of the Superintendent of Financial Institutions so long as the same is required by applicable legislation and subject to other applicable laws and to the limitations hereinafter set forth, every holder of Class B preference shares may, at his option and in the manner hereinafter provided, require the Company to redeem at any time all or any part of the Class B preference shares held by such holder upon payment for each share to be redeemed of the Redemption Amount thereof. Shares so redeemed shall revert to treasury and not reduce the authorized capital of the Company. If any holder of Class B preference shares requests that his Class B preference shares be redeemed as described above, such holder shall deposit with the Company certificates representing the Class B preference shares which such holder wishes to tender and a notice specifying the number of Class B preference shares which the holder wishes the Company to redeem and the date of redemption which shall not be less than Thirty (30) days nor more than Sixty (60) days after the date of such deposit with the Company (hereinafter in this paragraph referred to as the "Retraction Date"). Such deposit shall be irrevocable unless payment of the aggregate Redemption Amount for the Class B preference shares deposited shall not be duly made by the Company to the holder as hereinafter provided. Within Seven (7) days of the applicable Retraction Date, the Company shall pay or cause to be paid to or to the order of the holders of Class B preference shares to be redeemed the aggregate Redemption Amount for such shares; such payment shall be made by cheques payable at par at any branch of the Company's bankers for the time being in Canada. From and after the applicable Retraction Date, the Class B preference shares so redeemed shall cease to be entitled to dividends or any other participation in the assets of the Company and the holders thereof shall not be entitled to exercise any of the other rights of shareholders in respect thereof unless payment of the aggregate Redemption Amount shall not be made in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. If after receiving a redemption notice from a holder as contemplated in this clause, the Company determines that it will not be permitted, by insolvency or other provisions of applicable law, to redeem all of the Class B preference shares requested to be redeemed by such holder at the applicable Retraction Date, the Company shall be obligated, in respect of that retraction, to purchase Class B preference shares only to the extent of the maximum sum of money that may be so applied. In such case the Company shall pay to each holder who has tendered Class B preference shares that holder's pro rata share of the monies available as aforesaid and shall issue and deliver to him a new certificate, at the expense of the Company, representing the Class B preference shares not so redeemed. If the Company fails to redeem, because of insolvency provisions or other provisions of applicable law, all the Class B preference shares required to be redeemed by it on any Retraction Date in accordance with the above privileges, then as soon as reasonably feasible after the Company is from time to time no longer prevented by insolvency or other provisions of applicable law, the Company shall give written notice to all the holders of Class B preference shares that the Company will redeem such Class B preference shares previously tendered for redemption and not redeemed, such redemption to take place on a date which is not less than Thirty (30) days subsequent to the date of such notice given by the Company and to be made in accordance with the other provisions of this paragraph not inconsistent with the provisions of this sentence.

(e) Subject to the rights of the holders of Class A preference shares, in the event of a liquidation, dissolution or winding-up of the Company or other distribution of the assets of the Company, whether voluntary or involuntary, the holders of Class B

preference shares shall be entitled to receive the aggregate Redemption Amount of such Class B preference shares, before any amounts shall be paid or any property or assets of the Company distributed to the holders of any Class A common shares or shares of any other class ranking junior to the Class B preference shares. After payment to the holders of the Class B preference shares of the amounts so payable to them as above provided they shall not be entitled to share in any further distribution of the property or assets of the Company.

(f) The Company may at any time or times, subject to obtaining the prior consent of the Superintendent of Financial Institutions so long as the same is required by applicable legislation and subject to other applicable laws, purchase for cancellation all or any part of the Class B preference shares at the lowest price at which, in the opinion of the directors, such shares are obtainable but not exceeding the Redemption Amount per share of such Class B preference shares. Shares so purchased shall revert to treasury and not reduce the authorized capital of the Company.

(g) If at any time prior to December 31, 1998, a corporation holding the majority of common shares of the Company (herein referred to as the "Parent") intends to make an offering from treasury to the public by prospectus in one or more provinces of Canada of equity shares of the Parent (herein referred to as the "Initial Public Offering"), the Company shall, within five (5) days after the filing of the final prospectus in the Province of Ontario in respect of the Initial Public Offering, give notice to all of the holders of Class B preference shares specifying the expected date of completion of the Initial Public Offering. If prior to such an offering from treasury the holder of the majority of equity shares of the Parent intends to make an offering from its holdings to the public by prospectus in one or more provinces of Canada of equity shares of the Parent, then such an offering shall be considered an Initial Public Offering. Forthwith upon the completion of the Initial Public Offering, the Company shall give a further notice to all of the holders of Class B preference shares that such holders may, subject to compliance with applicable law, exchange their Class B preference shares for equity shares of the Parent in the manner hereinafter set out. The number of equity shares of the Parent to which a holder who desires to exchange such Class B preference shares shall be entitled shall be equal, as nearly as possible disregarding fractions, to the product of (i) the number of Class B preference shares which such holder desires to exchange, multiplied by (ii) Fifty Dollars (\$50.00), and divided by (iii) the issue price (net of commission), expressed in Canadian Dollars, at which each equity share of the Parent was issued pursuant to the Initial Public Offering. In order to exercise such right of exchange such holder shall, within sixty (60) days of the completion of the Initial Public Offering, deliver to the transfer agent of the Parent, acting as agent for the Parent, at its office in Toronto, Canada, or at such other office or offices as may be designated in the aforesaid notice, and surrender the certificates respecting the Class B preference shares which he desires to exchange, together with a written notice exercising such right of exchange, which notice shall state the name or names in which he wishes the certificates for equity shares of the Parent to be issued and the address to which he wishes such certificates for equity shares of the Parent to be sent and shall also pay any governmental or other tax imposed in respect of such transaction. Thereupon there shall be issued to such holder by the Parent, as fully paid and nonassessable, the number of equity shares of the Parent to which he shall be entitled upon such exchange. Notwithstanding any such exchange the holder shall retain the right to receive any non-cumulative dividends declared and unpaid on the said Class B preference shares.

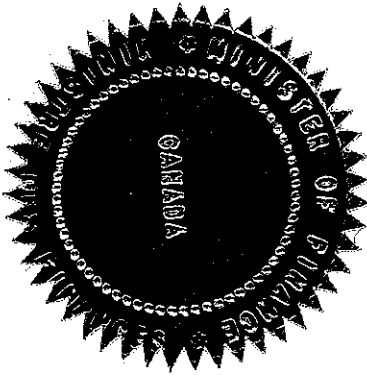
(h) Except when entitled to by law or as provided herein, the holders of the Class B preference shares shall not be entitled as such to receive notice of or to attend at any meetings of the shareholders of the Company or to vote at any such meeting.

(i) The foregoing provisions and the provisions of this paragraph (i) may be repealed, altered, modified, amended or amplified in any manner permitted by law but only with the approval of the Superintendent of Financial Institutions and the approval of the holders of the Class B preference shares, which approval may be given by resolution passed or by by-law sanctioned at a meeting of holders of Class B preference shares duly called and held as hereinafter provided. Any consent or approval of the holders of Class B preference shares shall be deemed to have been sufficiently given if it shall have been given by a resolution passed at a meeting of holders of Class B preference shares duly called and held upon not less than thirty (30) days' notice to the holders at which the holders of at least twenty per cent (20%) of the outstanding Class B preference shares are present or are represented by proxy and carried by the affirmative vote of not less than two-thirds (2/3) of the votes cast at such meeting. If at any such meeting the holders of at least twenty per cent (20%) of the outstanding Class

B preference shares are not present or represented by proxy within one-half hour after the time appointed for such meeting, then the meeting shall be adjourned to such date not less than thirty (30) days thereafter and to such time and place as may be designated by the chairman, and not less than thirty (30) days' written notice shall be given for such adjourned meeting. At such adjourned meeting the holders of Class B preference shares present or represented by proxy may transact the business for which the meeting was originally convened and a resolution passed thereat by the affirmative vote of not less than two-thirds (2/3) of the votes cast at such meeting shall constitute the consent or approval of the holders of Class B preference shares. On every ballot taken at a meeting of the holders of Class B preference shares, every holder of Class B preference shares shall be entitled to one (1) vote in respect of each Class B preference share held. Subject to the foregoing, the formalities to be observed in respect of the giving or waiving of notice of any such meeting and the conduct thereof shall be those from time to time prescribed by the by-laws of the Company.

DATE of Supplementary Letters Patent - Dec 20/89

GIVEN under the seal of office of the Minister of Finance.



Tom Mackin

for the Minister of Finance