

SCHEDULE "A"

C. NON-VOTING SHARES

The Corporation is authorized to issue, as a series of preference shares, 10,000,000 non-voting shares (the "Non-Voting Shares") with the rights, privileges, restrictions and conditions set out below:

1. Dividends

The holders of the Non-Voting Shares shall be entitled to receive dividends, *pari passu* with the holders of the common shares (the "Common Shares") in the capital of the Corporation. The holders of the Non-Voting Shares and the holders of the Common Shares shall be entitled to participate equally, share for share, at the same time, in any dividend, whether in cash, in shares of the Company or otherwise, which may be declared or paid on either class of such shares, including, without limitation, with respect to the amount per share of the dividend.

2. Participation in Assets on Dissolution

In the event of the liquidation, dissolution, or winding up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Non-Voting Shares shall be entitled to receive, in priority to any distribution to the holders of the Common Shares or any other shares ranking junior to the Non-Voting Shares, an amount equal to \$0.01 per share, and thereafter shall participate *pari passu* with the holders of the Common Shares in all remaining property and assets of the Corporation.

3. Voting Rights

The holders of the Non-Voting Shares shall not be entitled as such (except as otherwise provided by the *Business Corporations Act* (Ontario)) to vote at any meeting of the shareholders of the Corporation; the holders of the Non-Voting Shares shall, however, be entitled to notice of meetings of shareholders and be permitted to attend in person or by proxy, and to speak at all shareholders' meetings to the extent that a holder of Common Shares would be entitled to attend and to speak at a meeting of shareholders.

4. Rights Preserved

In the event that either the Common Shares or the Non-Voting Shares are at any time subdivided, consolidated or otherwise changed in number or reclassified or exchanged for the shares of another class, the rights, privileges and restrictions attaching to the shares of the other class shall be amended at the same time so as to preserve the rights conferred hereby on each class in relation to the other class.

5. Conversion of Non-Voting Shares at the Option of the Holder

Commencing on August 21, 2011 and for a period of 90 days thereafter, upon and subject to the terms and conditions hereinafter set forth, provided that at such time the Corporation is a reporting issuer (as such term is defined in the *Securities Act* (Ontario)) in Ontario with securities

listed on The Toronto Stock Exchange or its successor (the "TSE") or an equivalent stock exchange (together with the TSE, the "Exchange"), the holders of Non-Voting Shares shall have the right (the "Conversion Right"), at any time to notify the Corporation that they wish to exchange or convert all of their Non-Voting Shares into fully paid and non-assessable Common Shares, as provided hereunder.

The Conversion Right may be exercised by completing and executing a notice of conversion (the "Conversion Notice") addressed and delivered to the Corporation substantially in the form set out below:

CONVERSION NOTICE

The undersigned hereby notifies you that in accordance with the terms attached to the Non-Voting Shares, the Non-Voting Shares shall be converted into Common Shares of the Corporation on _____ (the "Issue Date").

A certificate representing the Common Shares to be issued on the Issue Date shall be issued to

(Print name as name is to appear on Common Share certificate to be the same as name which appears on the Non-Voting Shares certificate)

Please deliver this certificate to the following address:

DATED this _____ day of _____, 20__.

Non-Voting Shares Shareholder

The Conversion Notice shall be signed by the holder or by his duly authorized attorney or agent. The Issue Date (as defined in the Conversion Notice) shall be no earlier than ten (10) days and no later than thirty (30) business days after the date of delivery of the Conversion Notice to the Corporation (the "Notice Date"). The Corporation shall issue the Common Shares attributable to the exercise of the Conversion Right to the holder of Non-Voting Shares who delivers the Conversion Notice.

Upon the exercise of the Conversion Right, the Corporation shall issue that number of Common Shares (the “**Converted Shares**”) equal to the number of Non-Voting Shares converted multiplied by the conversion ratio (the “**Conversion Ratio**”) as such ratio is determined in accordance with the following formula:

$$CR = \frac{BV}{TP}$$

where:

- CR** is the conversion ratio which shall in no event be less than one and, if on the Notice Date the Corporation has securities listed on the TSE, shall not be greater than 1.976;
- BV** is the book value (on a fully-diluted basis) for each Common Share determined at the end of the fiscal quarter of the Corporation that has been most recently completed prior to the Notice Date; and
- TP** is the weighted average trading price of the Common Shares on the Exchange determined for the days on which the Common Shares traded during the 90 day period ending on the last business day prior to the Notice Date.

The number of Converted Shares to be issued in accordance with this Section 5 shall be issued to the holder (that party so named shall be referred to as the “**Converted Share Registrant**”) on the Issue Date.

Subject to any qualifications contained herein, on exercise of the Conversion Right, the Converted Share Registrant shall be deemed to have become the holder of record of the Converted Shares into which the corresponding Non-Voting Shares are converted, for all purposes, on the Issue Date, notwithstanding any delay in the delivery of the certificate or certificates representing the Converted Shares into which the Non-Voting Shares have been converted and, effective as of and throughout such respective dates, a Non-Voting Share holder shall cease to be registered as the holder of record of the Non-Voting Shares so converted. To the extent that any determinations are required to give effect to the Conversion Right in this Section 5, such determination shall be made by the board of directors of the Corporation which determination shall be final, conclusive and binding.

6. Coat-tail Provisions

- (a) For the purposes of this Section 6:

“**Conversion Period**” means the period of time commencing on the 13th day after the Offer Date and terminating on the Expiry Date;

“**Converted Shares**” means the Common Shares resulting from the conversion of Non-Voting Shares into Common Shares pursuant to Section 6(b);

“Exclusionary Offer” means an offer to purchase Common Shares that:

- (i) must, pursuant to applicable securities legislation or the requirements of a stock exchange on which the Common Shares are then listed, be made to all or substantially all of the holders of the Common Shares in a province of Canada to which the requirement applies; and
- (ii) is not made concurrently with an offer to purchase Non-Voting Shares at a price per share equal to the offer price for each Common Share multiplied by the Conversion Ratio (as adjusted under Section 6(b)) and that is otherwise identical to the offer to purchase Common Shares with respect to percentage of outstanding shares for which the offer is made (exclusive of shares owned by the Offeror immediately prior to the offer) and in all other material respects, except in respect of the conditions, if any, to which the offer to purchase Common Shares may be subject, and that is unconditional except in respect of the right not to take up and pay for Non-Voting Shares tendered if no shares are purchased pursuant to the offer for the Common Shares,

and for the purposes of this definition, if an offer to purchase Common Shares would be an Exclusionary Offer except for the application of sub-clause 6(a)(ii), the varying of any term of such offer shall be deemed to constitute the making of a new offer unless an identical variation concurrently is made to the corresponding offer to purchase Non-Voting Shares;

“Expiry Date” means the last date upon which holders of Common Shares may accept an Exclusionary Offer;

“Joint Actor” means a person or company acting jointly or in concert with an Offeror, as the phrase “acting jointly or in concert” is defined in the *Securities Act* (Ontario);

“Offer Date” means the date on which an Exclusionary Offer is mailed by the Offeror;

“Offeror” means a person or company that makes an offer to purchase Common Shares, and includes any Joint Actor;

“Transfer Agent” means the transfer agent for the time being of the Common Shares and if no transfer agent has been appointed for the Non-Voting Shares, means the Corporation.

- (b) Subject to Section 6(e), upon an Exclusionary Offer being made, the holders of the Non-Voting Shares shall be entitled to convert the Non-Voting Shares into Common Shares at the Conversion Ratio at the option of the holder during the Conversion Period save and except that the Conversion Ratio shall be adjusted as follows:
 - (i) TP, as defined in Section 5, shall equal the consideration offered pursuant to the Exclusionary Offer for each Common Share calculated in Canadian dollars; and
 - (ii) the Notice Date, as defined in Section 5, shall be the Offer Date.

To exercise such conversion right a holder of Non-Voting Shares or such holder's attorney duly authorized in writing shall:

- (i) give written notice to the Transfer Agent of the exercise of such right in respect of all of the Non-Voting Shares held by such holder;
- (ii) deliver to the Transfer Agent the share certificate or certificates representing all of the Non-Voting Shares held by such holder;
- (iii) pay any governmental or other tax imposed on or in respect of such conversion.

Upon due exercise of the conversion right set out in this Section 6(b), a shareholder shall be issued, in accordance with Section 6(d), a share certificate representing fully-paid and non-assessable Common Shares.

- (c) A holder of Converted Shares shall be deemed to have irrevocably elected to deposit all such shares pursuant to the Exclusionary Offer subject to such holder's right to subsequently withdraw the Converted Shares from the offer. If Converted Shares are subsequently withdrawn from an offer, the holder of such shares shall be deemed to have irrevocably elected to convert the withdrawn shares back into that number of Non-Voting Shares by multiplying the number of Converted Shares by the inverse of the Conversion Ratio (or by one if that was the deemed Conversion Rate at which the Non-Voting Shares were converted into Common Shares pursuant to Section 6(b)), and the deemed election shall be effective from the time such shares are withdrawn. The holder of Converted Shares deposited pursuant to an Exclusionary Offer shall be deemed to have irrevocably elected to convert into Non-Voting Shares, on the same basis as set out in this paragraph, such Converted Shares as are not taken up pursuant to the Exclusionary Offer. The deemed election to convert into Non-Voting Shares shall be effective from the time immediately following that prescribed by applicable securities legislation for the Offeror to take up and pay for such shares as are to be acquired pursuant to the Exclusionary Offer. If, however, Converted Shares are not taken up as a result of the abandonment or withdrawal of an Exclusionary Offer, the deemed election in respect of such shares shall be effective from the time of the abandonment or withdrawal of the offer.
- (d) The Transfer Agent, on behalf of the holders of the Converted Shares, shall deposit pursuant to the Exclusionary Offer a share certificate or certificates representing the Converted Shares. No share certificate representing Converted Shares shall be delivered to the holders of the Converted Shares before such shares are deposited pursuant to the Exclusionary Offer. Upon completion of the offer, the Transfer Agent shall deliver to the holders entitled thereto all consideration paid by the Offeror for their Converted Shares pursuant to the offer. If Converted Shares are converted into Non-Voting Shares pursuant to Section 6(c), the Transfer Agent shall deliver to the holders entitled thereto share certificates representing the Non-Voting Shares resulting from the conversion. The Corporation shall make all arrangements with the Transfer Agent necessary or desirable to give effect to this Section 6(d).

- (e) (A) For the purposes of this Section 6(e):

“Certificate of Non-Participation” means a certificate signed by or on behalf of a holder of Common Shares, confirming:

- (i) the number of Common Shares owned by the shareholder;
- (ii) that neither such shareholder nor a Joint Actor has made an Exclusionary Offer;
- (iii) that such shareholder shall not tender any shares in acceptance of any Exclusionary Offer which has been made, including any varied form of such offer, without giving the Transfer Agent and the Secretary of the Corporation written notice of such acceptance or intended acceptance at least seven days prior to the Expiry Date; and
- (iv) that such shareholder shall not transfer any Common Shares, directly or indirectly, prior to the Expiry Date of any Exclusionary Offer which has been made without at least seven days prior to the Expiry Date giving the Transfer Agent and the Secretary of the Corporation written notice of such transfer or intended transfer, stating the names of the transferees, if known to the transferor, and the number of Common Shares transferred or to be transferred to each transferee;

“Certificate of Retention” means a certificate signed by or on behalf of a holder of Common Shares confirming the number of Common Shares then owned by the holder and that such holder of Common Shares shall not:

- (i) tender any shares in acceptance of any Exclusionary Offer without giving the Transfer Agent and the Secretary of the Corporation written notice of such acceptance or intended acceptance at least seven days prior to the Expiry Date;
- (ii) make any Exclusionary Offer;
- (iii) act jointly or in concert with any person or company that makes any Exclusionary Offer; or
- (iv) transfer any Common Shares, directly or indirectly, during the time at which any Exclusionary Offer is outstanding without at least seven days prior to the Expiry Date giving the Transfer Agent and the Secretary of the Corporation written notice of such transfer or intended transfer, stating the names of the transferees, if known to the transferor, and the number of Common Shares transferred or to be transferred to each transferee;

“Notice of Tender” means a written notice given to the Transfer Agent and to the Secretary of the Corporation at least seven days prior to the Expiry Date of an Exclusionary Offer by a holder of Common Shares, which notice states that such shareholder has or intends to tender shares in acceptance of an Exclusionary Offer; and

“Notice of Transfer” means a written notice given to the Transfer Agent and to the Secretary of the Corporation at least seven days prior to the Expiry Date of an Exclusionary Offer by a holder of Common Shares, which notice states that such shareholder intends to transfer or has transferred Common Shares, directly or indirectly, during the time when the Exclusionary Offer is outstanding and which states the names of the transferees, if known to the transferor, and the number of Common Shares transferred or to be transferred to each transferee.

- (B) Subject to Section 6(e)(C), the holders of Non-Voting Shares shall not be entitled to convert such shares into Common Shares if one or more Certificates of Retention or one or more Certificates of Non-Participation or a combination of the foregoing, representing, in the aggregate, more than fifty percent (50%) of the then outstanding Common Shares, exclusive of shares owned immediately prior to the Exclusionary Offer by the Offeror and any Joint Actor, have been duly delivered to the Transfer Agent and to the Secretary of the Corporation. A Certificate of Retention shall be duly delivered to the Transfer Agent and to the Secretary of the Corporation if delivered before any Exclusionary Offer has been made. A Certificate of Retention may be withdrawn at any time by written notice to the Transfer Agent and to the Secretary of the Corporation (a “Notice of Withdrawal”). A Certificate of Non-Participation shall be duly delivered to the Transfer Agent and to the Secretary of the Corporation if delivered before the end of the 12th day after any Exclusionary Offer has been made.
- (C) When, by reason of the application of Section 6(e)(B), the holders of Non-Voting Shares are not entitled to convert such shares into Common Shares, should a Notice of Tender, Notice of Withdrawal or a Notice of Transfer be given by a holder having previously provided a Certificate of Retention or a Certificate of Non-Participation, the Transfer Agent shall forthwith upon receipt of such notice or forthwith after the 12th day following the Offer Date, whichever is later, deduct the number of Common Shares to which the notice relates from the number of Common Shares represented by Certificates of Retention and Certificates of Non-Participation.

In the case of a Notice of Transfer, where the Transfer Agent is advised of the identity of the transferee, either by the Notice of Transfer or by the transferee in writing and the transferee is a person or company from whom the Transfer Agent has a subsisting Certificate of Retention or subsisting Certificate of Non-Participation, no such deduction shall be made.

If after any deduction made by the Transfer Agent in accordance with this Section 6(e)(C), the number of Common Shares represented by Certificates of Retention and Certificates of Non-Participation does not exceed 50% of the number of then outstanding Common Shares, exclusive of shares owned immediately prior to the offer by the Offeror and any Joint Actor, Section 6(e)(B) shall cease to apply and the right to convert Non-Voting Shares into Common Shares shall arise and be in effect for the remainder of the Conversion Period.

- (D) As soon as reasonably possible after the 12th day following the Offer Date, the Corporation shall send to each holder of Non-Voting Shares a notice advising each such holder whether a right to convert Non-Voting Shares into Common Shares has arisen and the reasons such a right has or has not arisen, as the case may be. If no right to convert Non-Voting Shares into Common Shares has arisen, but subsequently arises, by virtue of Section 6(e)(C) or otherwise, the Corporation shall forthwith send to the holders of Non-Voting Shares a notice advising such holders that such a right has arisen, and the reasons therefor.
- (E) If a notice referred to in Section 6(e)(D) discloses that the holders of Non-Voting Shares are entitled to convert such shares into Common Shares, the notice shall, in addition:
- (i) disclose the Conversion Ratio (as adjusted under Section 6(b)) and the procedure to be followed to effect the conversion and to have the Converted Shares tendered under the offer;
 - (ii) contain the information set out in Section 6(c); and
 - (iii) be accompanied by a copy of the offer and all other material sent to holders of Common Shares in respect of the offer.

As soon as reasonably possible after any additional material, including any notice of variation, is sent to the holders of Common Shares in respect of the offer, the Corporation shall send a copy of such additional material to each holder of Non-Voting Shares.

- (F) To the extent that any determinations are required to give effect to the coat-tail provision in this Section 6, such determination shall be made by the board of directors of the Corporation which determination shall be final, conclusive and binding.

7. Right to Purchase Non-Voting Shares

Subject to the provisions of the *Business Corporations Act* (Ontario) with the agreement of the holder, the Corporation may purchase or otherwise acquire any of its issued and outstanding Non-Voting Shares.

8. Variation

The holders of Non-Voting Shares shall not be entitled to vote separately as a class or series upon a proposal to amend the articles to:

- (a) increase or decrease the maximum number of authorized Non-Voting Shares, or increase any maximum number of authorized shares of a class or series having rights or privileges equal or superior to the Non-Voting Shares; and
- (b) effect an exchange, reclassification or cancellation of the Non-Voting Shares which would not be prejudicial to the holders of the Non-Voting Shares.

5. The amendment has been duly authorized as required by Sections 168 & 170 (as applicable) of the Business Corporations Act.

La modification a été dûment autorisée conformément aux articles 168 et 170 (selon le cas) de la Loi sur les sociétés par actions.

6. The resolution authorizing the amendment was approved by the shareholders/directors (as applicable) of the corporation on

Les actionnaires ou les administrateurs (selon le cas) de la société ont approuvé la résolution autorisant la modification le

2001,08,09

(Year, Month, Day)
(année, mois, jour)

These articles are signed in duplicate.

Les présents statuts sont signés en double exemplaire.

CLAIRVEST GROUP INC.

(Name of Corporation)
(Dénomination sociale de la société)



By/Par:

(Signature) **KENNETH B. ROTMAN**
(Signature)

CO-CHIEF EXECUTIVE OFFICER

(Description of Office)
(Fonction)