THIS AMALGAMATION AGREEMENT is made this 13th day of May, 2010

BETWEEN

> **WORLD POINT TERMINALS INC.**, a corporation governed by the *Canada Business Corporations Act*
> (hereinafter referred to as the "**Corporation**")

AND

> **WORLD POINT INC.**, a company governed by the *Companies Act* (Nova Scotia)
> (hereinafter referred to as "**Newco**")
>
> (each a "**Party**" and collectively, the "**Parties**")

RECITALS:

A. The Corporation intends to continue as a company governed by the laws of the Province of Nova Scotia;

B. The Corporation and Newco wish to amalgamate pursuant to the *Companies Act* (Nova Scotia) upon the terms and conditions hereinafter set forth;

C. The authorized capital of the Corporation is described in Appendix A attached hereto; and

D. The authorized capital of Newco is described in Appendix B attached hereto;

NOW THEREFORE in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties agree as follows:

1 INTERPRETATION

In this Agreement, unless there is something in the context or subject matter, inconsistent therewith, the following defined terms shall have the meanings hereinafter set forth:

1.1 "**Act**" means the *Companies Act* (Nova Scotia), as now in effect and as it may be amended from time to time prior to the Effective Date;

1.2 "**Affiliate**" means an affiliated body corporate within the meaning of Section 2(2) of the Act;

1.3 "**Agreement**" means this amalgamation agreement, and the expressions "**hereof**", "**herein**", "**hereto**", "**hereunder**", "**hereby**" and similar expressions refer to this agreement;

1.4 "**Amalco**" means the company amalgamated under the Act and continuing as a result of the Amalgamation, to be named "World Point Inc.";

1.5 "**Amalco Redeemable Preferred Shares**" means the redeemable preferred shares in the share capital of Amalco having the rights, privileges, restrictions and conditions set forth in Appendix E;

1.6 "**Amalco Shares**" means the common shares in the share capital of Amalco having the rights, privileges, restrictions and conditions set forth in Appendix E;

1.7 "**Amalgamating Corporations**" means, collectively, the Corporation and Newco;

1.8 "**Amalgamation**" means the amalgamation under the Act of the Amalgamating Corporations as contemplated in this Agreement;

1.9 "**Business Day**" means any day other than a Saturday, Sunday or a day when banks in the Halifax Regional Municipality, Nova Scotia, are not generally open for business;

1.10 "**Canadian Holdco**" means World Point HoldCo Inc., a wholly-owned subsidiary of Holdco and sole shareholder of Newco, incorporated under the Act for the purpose of effecting the Amalgamation;

1.11 "**CBCA**" means the *Canada Business Corporations Act*, as now in effect and as it may be amended from time to time prior to the Effective Date;

1.12 "**Circular**" means the management information circular to be used in connection with the Meeting and all amendments or supplements thereto, if any, together with any other required documents;

1.13 "**Consideration**" means $19.90 in cash for each Share held (payable upon redemption of each Amalco Redeemable Preferred Share issued by Amalco to Shareholders in connection with the Amalgamation) less any dividends paid on Shares held by Minority Shareholders after the date of the circular and prior to the Effective Date;

1.14 "**Continuance**" means the proposed continuance of the Corporation into Nova Scotia under the Act in order to facilitate the Amalgamation;

1.15 "**Corporation**" means World Point Terminals Inc.;

1.16 "**Depositary**" means CIBC Mellon Trust Company who will be depositary for payment of funds to Shareholders;

1.17 "**Dissenting Shareholder**" means a registered Shareholder who has exercised his or her dissent rights under Section 190 of the CBCA in respect of the Continuance or under Section 2 of the Third Schedule to the Act in respect of the Amalgamation, as applicable;

1.18 "**Effective Date**" means the date shown on the certificate of amalgamation to be issued under the Act, giving effect to the Amalgamation;

1.19 "**Effective Time**" means the time immediately after the Amalgamation shall have become effective;

1.20 **"Fairness Opinion"** means the opinion of Crosbie & Company Inc. dated April 9, 2010, that the value of the Consideration offered as part of the Proposed Transaction is fair, from a financial point of view, to the Minority Shareholders;

1.21 "**GAAP**" means Canadian generally accepted accounting principles;

1.22 "**Holdco**" means World Point Holdings, Inc.;

1.23 "**Independent Committee**" means the independent committee of the Board of Directors comprised of Paul F. Little, Robert G. Jennings, Paul M. Manheim and Alain Louvel, which was established on November 30, 2009, in order to, *inter alia*, consider the proposed Amalgamation;

1.24 "**Knowledge of Senior Management**" means to the knowledge of the Chief Executive Officer or other executive officers of the Corporation, in each case after due inquiry in the minute books and registers of the Corporation and with the appropriate executives and managers of the Corporation which have a knowledge of the subject;

1.25 "**Material Adverse Change**" or "**Material Adverse Effect**", means, when used in connection with the Corporation or Newco, any event, condition or change which individually or in the aggregate constitutes, or could reasonably be expected to have, a material and adverse effect on their respective business assets, liabilities, condition (financial or otherwise) or results of operations on a consolidated basis; provided, however, that the determination of whether a Material Adverse Effect has occurred shall be made ignoring any event, change, fact or effect resulting from: (i) any change in GAAP or Laws or interpretation thereof; (ii) any generally applicable change or development in economic, regulatory, business or financial market conditions; (iii) any acts of terrorism or war; (iv) the execution or announcement of this Agreement; (v) in respect of the Corporation, any breach of this Agreement by Newco; and (vi) in respect of Newco, any breach of this Agreement by the Corporation;

1.26 "**Meeting**" means the special meeting of Shareholders to be held on June 10, 2010, and all adjournments and postponements thereof, to consider the approval of the Continuance, the Amalgamation, and such other matters as may properly come before the Meeting;

1.27 "**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

1.28 "**Minority Shareholders**" means all holders of Shares other than Newco, Canadian Holdco, Holdco and their respective directors, officers, shareholders, affiliates and associates, the persons acting jointly or in concert with them, and any interested parties within the meaning of MI 61-101;

1.29 "**Newco**" means World Point Inc., a wholly-owned subsidiary of Canadian Holdco incorporated under the Act for the purpose of effecting the Amalgamation;

1.30 "**Newco Shareholder**" means a holder of Newco Shares;

1.31 "**Newco Shares**" means the common shares of Newco;

1.32 **"Proposed Transaction"** means the proposed Continuance, Amalgamation and related transactions;

1.33 "**Record Date**" means May 10, 2010, the record date for the Meeting;

1.34 "**Redemption Price**" means $19.90 in cash per Amalco Redeemable Preferred Share (less the amount of any dividends paid on Shares held by Minority Shareholders after the date of the Circular and prior to the Effective Date);

1.35 "**Registrar**" means the Registrar of Joint Stock Companies under the Act;

1.36 "**Shareholder**" means a holder of Shares;

1.37 "**Shares**" means the issued and outstanding common shares of the Corporation;

1.38 "**Subsidiaries**" means the active subsidiaries of the Corporation, namely, West Point Holdings ULC, Dagenstated Investments B.V., Old SRPH, Ltd., Center Point Terminal Company Holding, L.L.C., Center Point Terminal Company, North Albany Terminal Company, L.L.C., Center Point Terminal Baltimore, L.L.C., Center Point Newark, L.L.C. and Pelican Island Storage Terminal, Inc;

1.39 "**TSX**" means the Toronto Stock Exchange; and

1.40 "**Valuation**" means the independent valuation delivered by Crosbie & Company Inc. dated April 9, 2010 and prepared in accordance with MI 61-101.

Words and phrases used but not defined in this Agreement and defined in the Act shall have the same meaning in this Agreement as in the Act, unless the context or subject matter otherwise requires.

2 CONTINUANCE UNDER THE ACT AND AMALGAMATION

2.1 Continuance

Immediately prior to the Effective Time and conditional upon Shareholder approval being obtained at the Meeting, the Corporation will continue into Nova Scotia under the

Act and thereupon shall adopt a memorandum and articles of association substantially in the form annexed to this Agreement as Appendices C and D, respectively.

2.2 Amalgamation

The Amalgamating Corporations hereby agree to amalgamate as of the Effective Date and to continue as one corporation pursuant to the provisions of the Act and on and subject to the terms and conditions set out in this Agreement.

2.3 Name

The name of Amalco shall be "World Point Inc."

2.4 Registered Office

The registered office of Amalco shall be located at 1959 Upper Water Street, Suite 900, Halifax, Nova Scotia, B3J 2X2.

2.5 Authorized Capital

The authorized capital of Amalco shall consist of an unlimited number of Amalco Shares and an unlimited number of Amalco Redeemable Preferred Shares. The rights, privileges, restrictions and conditions attaching to each class of shares of Amalco shall be as described in Appendix E.

2.6 Restrictions on the Transfer of Securities

Effective immediately upon the redemption of the Amalco Redeemable Preferred Shares, no securities of Amalco, other than non-convertible debt securities, will be transferable except with the prior consent of the board of directors of Amalco.

2.7 Restrictions on Business

There shall be no restrictions on the business which Amalco will be authorized to carry on.

2.8 Number of Directors

The board of directors of Amalco shall, until otherwise changed in accordance with the Act, consist of a minimum number of one and a maximum number of ten directors. The number of directors of Amalco shall initially be two.

2.9 Initial Directors

The first directors of Amalco shall be the persons whose name and address appears below:

Name	Address	Canadian Resident (Yes/No)
Paul A. Novelly	200 West Coconut Palm Road, Boca Raton, Florida 33432	No
Bernard A. Roy	8 Redpath Row, Montreal, Quebec H3G 1E6	Yes

Such directors shall hold office until the next annual meting of shareholders of Amalco or resolutions in lieu of such meeting or until their successors are elected or appointed.

2.10 Initial Officers

Concurrently upon the Amalgamation becoming effective, the following persons will be the initial officers of Amalco:

Name	Title
Paul A. Novelly	Chairman
Bernard A. Roy	President
Steven G. Twele	Secretary and Treasurer

2.11 Memorandum of Association

The memorandum of association of Amalco, including its objects, shall be as set out in Appendix E attached hereto.

2.12 Articles of Association

The articles of association of Amalco shall be those attached and marked Appendix F to this Agreement until repealed, amended, altered or added to in accordance with the Act.

2.13 Fiscal Year

The fiscal year end of Amalco shall be December 31.

2.14 First Auditors

The first auditors of Amalco shall be Deloitte & Touche LLP.

2.15 Effect of Certificate of Amalgamation

Subject to the terms and conditions set out in this Agreement, on the Effective Date:

(a) the Amalgamation of Newco and the Corporation as one corporation shall become effective;

(b) the property of each of Newco and the Corporation shall continue to be the property of Amalco;

(c) Amalco shall continue to be liable for the obligations of each of Newco and the Corporation;

(d) any existing cause of action, claim or liability to prosecution of either Newco or the Corporation shall be unaffected;

(e) any civil, criminal or administrative action or proceeding pending by or against either Newco or the Corporation may be continued to be prosecuted by or against Amalco; and

(f) a conviction against, or ruling, order or judgment in favour of or against, either Newco or the Corporation may be enforced by or against Amalco.

2.16 Manner of Conversion of Issued Securities

Subject to the terms and conditions set out in this Agreement, on the Effective Date:

(a) each issued and outstanding Share (other than those held by Dissenting Shareholders, if any, and Newco) will be converted into one Amalco Redeemable Preferred Share, each of which will be redeemed following the Amalgamation for the Redemption Price; provided that under no circumstances will interest on the Redemption Price accrue or be paid by Amalco or the Depositary by reason of any delay in paying the Redemption Price or otherwise;

(b) each issued and outstanding Share held by Newco will be cancelled without any repayment of capital in respect thereof;

(c) each issued and outstanding Newco Share will be converted into one Amalco Share; and

(d) Dissenting Shareholders, if any, will be entitled to be paid the fair value of their Shares, in accordance with the CBCA or the Act, as applicable.

2.17 Share Certificates

No certificates shall be issued in respect of the Amalco Redeemable Preferred Shares and such shares shall be evidenced instead by the certificates representing the Shares.

2.18 Paid-Up Capital Accounts

The paid-up capital account in the records of Amalco shall be:

(a) for the Amalco Redeemable Preferred Shares, an amount equal to the number of Amalco Redeemable Preferred Shares issued on the Amalgamation multiplied by the Consideration; and

(b) for the Amalco Shares, an amount, if any, equal to the amount by which the aggregate paid-up capital (as defined in the *Income Tax Act* (Canada)) attributable to the Shares (other than those held by Newco) and the Newco Shares exceeds the amounts allocated to the paid-up capital account maintained for the Amalco Redeemable Preferred Shares in accordance with this section.

The amount of paid-up capital attributable to the Amalco Shares shall be adjusted to reflect payments that may be made to Dissenting Shareholders.

3 COVENANTS

3.1 Covenants of the Corporation

The Corporation covenants and agrees that from the date hereof until the earlier of Effective Date and termination of this Agreement, except with the prior written consent of Newco (which shall not be unreasonably delayed or withheld) and except as otherwise expressly permitted or specifically contemplated by this Agreement or as is otherwise required by applicable law:

3.1.1 the Corporation's business shall be conducted only in the usual and ordinary course of business consistent with past practices and the Corporation shall use all commercially reasonable efforts to maintain and preserve intact its present business organization, goodwill, assets, employees and advantageous business relationships and the Corporation up to the Effective Date shall keep Newco apprised of all material developments relating thereto;

3.1.2 the Corporation shall use its reasonable commercial efforts to cause its current insurance (or re-insurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or reinsurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect;

3.1.3 as promptly as practicable after the execution of this Agreement, the Corporation will prepare the Circular and will ensure that the Circular provides the Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters before them, and the Circular shall include the unanimous determination of the independent committee of the board of directors of the Corporation appointed to advise such board in relation to the Amalgamation that the Amalgamation is fair to the Shareholders, is in the best interests of the Corporation and the Shareholders, and include the unanimous recommendation of the independent members of the board of directors of the

Corporation that the Shareholders vote in favour of the Amalgamation unless such recommendation has been withdrawn, modified or amended in accordance with the terms of this Agreement;

3.1.4 the Corporation shall:

(a) use its reasonable commercial efforts to fulfill or cause fulfillment of the conditions relating to the Corporation set forth in Section 5 as soon as reasonably possible to the extent that the fulfillment of the same is within the control of the Corporation;

(b) mail to the Shareholders the Circular and other documentation required in connection with the Meeting on or before May 18, 2010 (or such other date that the Corporation and Newco may agree to) and file the Circular and other documentation as required by law;

(c) convene and hold the Meeting on or prior to June 10, 2010 (or such other date that the Corporation and Newco may agree upon) for the purpose of considering, inter alia, the Continuance and the Amalgamation;

(d) provide notice to Newco of the Meeting and allow Newco's representatives to attend such meeting unless such attendance is prohibited by rules governing the Meeting; and

(e) conduct the Meeting in accordance with the articles, by-laws, memorandum of association, articles of association or other governing documents of the Corporation and any instrument governing such meeting, as applicable, and as otherwise required by law.

3.1.5 except for proxies and other non-substantive communications with Shareholders, the Corporation will give timely opportunity to Newco or Newco's counsel, to review and comment on each notice, report, schedule or other document delivered, filed or received by the Corporation in connection with: (i) the Amalgamation; (ii) the Meeting; (iii) any filings under applicable laws in connection with the transaction contemplated by this Agreement; and (iv) any dealings with regulatory agencies in connection with the transactions contemplated by this Agreement;

3.1.6 the Corporation will make all necessary filings and applications under Canadian federal and provincial laws and regulations required to be made on the part of the Corporation in connection with the transactions contemplated herein and shall take all commercially reasonable action necessary to be in compliance with such laws and regulations; and

3.1.7 the Corporation shall promptly advise Newco of the number of Shares for which the Corporation receives notices of dissent or written objections to the

Amalgamation and provide Newco with copies of such notices and written objections.

3.2 Covenants of Newco

3.2.1 Newco covenants and agrees that from the date hereof until the earlier of the Effective Date or termination of this Agreement, except with the prior written consent of the Corporation (which shall not be unreasonably delayed or withheld) and except as otherwise expressly permitted or specifically contemplated by this Agreement:

(a) Newco shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect at any time prior to completion of the Amalgamation;

(b) Newco shall promptly notify the Corporation in writing of any Material Adverse Change or of any change in any representation or warranty provided by Newco in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and Newco shall in good faith discuss with the Corporation any change in circumstances (actual, anticipated, contemplated, or to the knowledge of Newco threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to the Corporation pursuant to this provision.

3.2.2 Newco shall use its reasonable commercial efforts to fulfill or cause fulfillment of the conditions relating to Newco set forth in Section 5 as soon as reasonably possible to the extent that the fulfillment of the same is within the control of Newco;

3.2.3 Newco will make all necessary filings and applications under applicable laws and regulations required to be made on the part of Newco in connection with the transactions contemplated herein and take all commercially reasonable action necessary to be in compliance with such laws and regulations;

3.2.4 Newco will use all reasonable commercial efforts to conduct its affairs so that all of its representations and warranties contained herein, insofar as the accuracy of such representations and warranties constitutes a condition of closing under Section 5, are true and correct on and as of the Effective Date as if made at such time; and

3.2.5 Newco will provide the Corporation with all relevant information relating to Newco, its business and property and its shares for inclusion in the Circular to enable the Corporation to meet the standard referred to in Section 3.1.3 in respect of Newco.

3.3 Mutual Covenants

From the date hereof until the earlier of the Effective Date and termination of this Agreement, Newco and the Corporation will do, take or perform or refrain from doing, taking and performing such actions and steps as may be necessary or advisable to ensure compliance with the following:

(a) each of the Corporation and Newco will use its reasonable commercial efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under applicable laws and regulations to complete the Amalgamation:

(i) to obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other contracts;

(ii) to obtain all necessary consents, approvals and authorizations as are required to be obtained by it under any Canadian or foreign law or regulation;

(iii) to effect all necessary registrations and filings with, and submissions of information requested by, governmental authorities required to be effected by it in connection with the Amalgamation;

and each of the Corporation and Newco will use its reasonable commercial efforts to cooperate with the other in connection with the performance by the other of its obligations under this Section including, without limitation, continuing to provide reasonable access to information and to maintain ongoing communications as between officers of Newco and the Corporation;

(b) Newco and the Corporation will assist each other in the preparation of the Circular and provide to the other Party, in a timely and expeditious manner, all information as may be reasonably requested by a Party or is required by the TSX or applicable law for inclusion in the Circular and any amendments or supplements to the Circular, in each case complying in all material respects with all applicable legal and TSX requirements on the date of issue thereof;

(c) neither the Corporation nor Newco will take any action that would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect at any time prior to completion of the Amalgamation;

(d) neither the Corporation nor Newco will take action of any kind which may interfere or delay the Amalgamation;

(e) the Corporation and Newco shall promptly notify the other Party in writing of any Material Adverse Change or of any change in any representation or warranty provided in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect;

(f) the Corporation and Newco shall use reasonable commercial efforts to defend all lawsuits or other legal, regulatory or other proceedings to which it is a party challenging or affecting this Agreement or the consummation of the Amalgamation;

(g) the Corporation and Newco shall use reasonable commercial efforts to have lifted or rescinded any injunction or restraining order or other order which may adversely affect the ability of the Parties to consummate the Amalgamation;

(h) neither the Corporation nor Newco will effect any distributions or payments, directly or indirectly, to its shareholders, directors, officers or other persons not at arms length to it, except as contemplated herein, otherwise in the ordinary course of business or as is necessary to comply with applicable laws or contracts; and

(i) the Corporation and Newco shall use their reasonable commercial efforts to cause the Shares to be de-listed from the TSX promptly following the completion of the Amalgamation and to cause Amalco to cease to be a reporting issuer under applicable provincial securities laws.

4 REPRESENTATIONS AND WARRANTIES

4.1 Mutual Representations and Warranties

Newco represents and warrants to the Corporation and the Corporation represents and warrants to Newco and each acknowledges that such other Party is relying upon such representations and warranties in connection with the matters contemplated by this Agreement that:

4.1.1 it has been duly incorporated and organized and is validly existing under the laws of the jurisdiction of its incorporation and has the corporate power and authority to own or lease its property and assets and to carry on any business currently conducted by it and is duly qualified to carry on business and in good standing in each jurisdiction in which the nature of its business or the property or assets owned or leased by it makes such qualification necessary except where the failure to be so registered or in good standing would not have a Material Adverse Effect on it;

4.1.2 it has the corporate power and authority to enter into this Agreement and, in the case of the Corporation, subject to obtaining the requisite approvals contemplated hereby, to perform its obligations hereunder;

4.1.3 the execution and delivery of this Agreement by it and the completion of the transactions contemplated hereby and by the Amalgamation and the fulfillment and compliance with the terms and provisions hereof and thereof do not and will not:

(a) result in the breach of, or violate any term or provision of its articles, by-laws, memorandum of association, articles of association or other governing documents, as applicable;

(b) in the case of the Corporation, subject to and to the extent of the Knowledge of Senior Management, conflict with, result in a breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, licence, permit or authority to which it is a party or by which it is bound and which is material to it, or result in the creation of any encumbrance upon any of its material assets under any such agreement or instrument, or give to others any material interest or right, including rights of purchase, termination, cancellation or acceleration, under any such agreement, instrument, licence, permit or authority (other than disclosed in writing by the Corporation to Newco as of the date hereof); or

(c) in the case of the Corporation, subject to and to the extent of the Knowledge of Senior Management, violate or contravene any provision of any law or regulation or any judicial or administrative award, judgment or decree applicable and known to it (after due inquiry) except to the extent that such breach, violation or contravention would not have a Material Adverse Effect on it or could not reasonably be expected to prevent or hinder the consummation of the transactions contemplated by this Agreement or the Amalgamation;

4.1.4 in the case of the Corporation, subject to and to the extent of the Knowledge of Senior Management and except as may have been disclosed to the other Party in writing prior to the date hereof, there are no actions, suits, proceedings or investigations commenced, contemplated or threatened against or affecting it, at law or in equity, before or by any governmental department, commission, board, bureau, court, agency, arbitrator or instrumentality, domestic, or foreign, of any kind, nor are there any existing facts or conditions which may reasonably be expected to be a proper basis for any actions, suits, proceedings or investigations, which in any case would prevent or hinder the consummation of the transactions contemplated by this Agreement or the Amalgamation or which may reasonably be expected to have a Material Adverse Effect on it;

4.1.5 in the case of the Corporation, subject to and to the extent of the Knowledge of Senior Management, its corporate records and minute books are true and correct, in all material respects, and contain the minutes of all meetings and all resolutions of the directors and shareholders thereof;

4.1.6 in the case of the Corporation, subject to and to the extent of the Knowledge of Senior Management, it is not:

(a) in breach or violation of any term or provision of its articles, by-laws or other governing documents;

(b) in breach or violation of any term or provision of, or in default under any agreement, instrument, licence, permit or authority to which it is a party or by which it is bound and which is material to it; or

(c) in violation or contravention of any provision of any law or regulation or any judicial or administrative award, judgment or decree applicable and known to it except to the extent that such breach, violation or contravention would not have a Material Adverse Effect on it or could not reasonably be expected to prevent or hinder the consummation of the transactions contemplated by this Agreement or the Amalgamation;

4.1.7 in the case of the Corporation, subject to and to the extent of the Knowledge of Senior Management, it has conducted and is conducting its business in accordance with normal industry practices and in compliance in all material respects with all applicable laws and, in particular, all applicable licensing and environmental legislation, regulations or by-laws or other lawful requirements of any governmental or regulatory bodies applicable to it in each jurisdiction in which it carries on business and, to its knowledge, holds all material licences, registrations and qualifications material to its business and assets in all jurisdictions in which it carries on business, except where the failure to so conduct business or be in such compliance would not have a Material Adverse Effect on it and, to its knowledge, none of such licences, registrations or qualifications contains any burdensome term, provision, condition or limitation which has or is likely to have any Material Adverse Effect;

4.1.8 in the case of the Corporation, subject to and to the extent of the Knowledge of Senior Management, it is not aware of any defects, failures or impairments in the title to its assets, properties or facilities, whether or not an action, suit, proceeding or inquiry is pending or threatened and whether or not discovered by any third party, which in the aggregate could have a Material Adverse Effect on it;

4.1.9 in the case of the Corporation, subject to and to the extent of the Knowledge of Senior Management, it is not aware of:

(a) any order or directive which relates to environmental matters and which requires any material work, repairs, construction, or capital expenditures; or

(b) any demand or notice with respect to the material breach of any environmental, health or safety law applicable to it or any of its business undertakings, including, without limitation, any regulations respecting the use, storage, treatment, transportation, or disposition of environmental contaminants; or

(c) existing facts or conditions which may reasonably be expected to be a proper basis for any actions, suits, proceedings or investigations which relate to environmental matters.

which the failure to comply with would have a Material Adverse Effect on it.

4.2 Representations and Warranties of the Corporation

The Corporation represents and warrants to Newco and acknowledges that Newco is relying upon such representations and warranties in connection with the matters contemplated by this Agreement that:

4.2.1 the authorized and issued capital of the Corporation is described in Appendix A attached hereto and all outstanding Shares have been duly authorized and validly issued and are fully paid and non assessable Shares of the Corporation;

4.2.2 no person will have, immediately prior to the Effective Date, any agreement or option, or any right capable of becoming an agreement or option, for the purchase of any unissued Shares or any securities convertible into such Shares;

4.2.3 the Corporation has filed all tax returns required to be filed by it in all applicable jurisdictions and, except as may be stated in its financial statements, has paid all taxes, levies, assessments, reassessments, penalties, interest and fines due or payable by it on the basis of such tax returns or demands from taxation authorities;

4.2.4 the board of directors of the Corporation, upon consultation with its financial advisors and having considered the Fairness Opinion, the Valuation and the favourable recommendation of the Independent Committee, has determined that the Consideration offered to Shareholders pursuant to the Proposed Transaction is fair and that the Amalgamation is in the best interests of the Corporation and its Shareholders, has unanimously approved the Amalgamation and the entering into of this Agreement and has resolved to unanimously recommend that the Shareholders vote in favour of the Amalgamation, subject to the withdrawal, modification or amendment of such recommendation in accordance with the terms of this Agreement; and

4.2.5 the completion of the Amalgamation will not result in any payment (including retention and severance) becoming due to any director, officer or employee of the Corporation or any of its Subsidiaries or increase under any benefit plan.

4.3 Representations and Warranties of Newco

Newco represents and warrants to the Corporation and acknowledges that the Corporation is relying upon such representations and warranties in connection with the matters contemplated by this Agreement that:

4.3.1 the authorized capital of Newco is described in Appendix B attached hereto and all outstanding Newco Shares have been duly authorized and validly issued and are fully paid and non assessable common shares of Newco.

5 CONDITIONS PRECEDENT

5.1 Mutual Conditions Precedent

The respective obligations of the Parties to consummate the transactions contemplated hereby, and in particular the Amalgamation, are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

5.1.1 the Continuance Resolution shall have been approved by not less than two-thirds of the votes cast in respect thereof by Shareholders attending the Meeting in person or represented by proxy;

5.1.2 the Amalgamation Resolution shall have been approved by not less than two-thirds of the votes cast in respect thereof by Shareholders attending the Meeting in person or represented by proxy;

5.1.3 the Continuance under the Act shall have been effected;

5.1.4 there shall not be in force any injunction, order or decree restraining or enjoining the consummation of the transactions contemplated in the Agreement and there shall be no proceeding, of a judicial or an administrative nature or otherwise, brought by a governmental entity in progress or threatened in writing that relates to or results from the transactions contemplated by the Agreement that would, if successful, result in an order or ruling that would preclude completion of the Amalgamation in accordance with its terms; and

5.1.5 all regulatory, governmental and other third party consents necessary for the consummation of the Amalgamation shall have been obtained.

The foregoing conditions are for the mutual benefit of the Corporation and Newco and may be asserted by the Corporation or Newco regardless of the circumstances and, if permitted by law, may be waived by the mutual consent of Corporation and Newco in their sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Corporation or Newco may have.

5.2 Conditions to Obligations of the Corporation

The obligations of the Corporation to consummate the transactions contemplated hereby, and in particular the Amalgamation, is subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

5.2.1 each of the acts and undertakings of Newco to be performed on or before the Effective Date pursuant to the terms of this Agreement shall have been duly performed by Newco in all material respects and the Corporation shall have received a certificate of Newco addressed to the Corporation and dated on the Effective Date confirming the same as at the Effective Date;

5.2.2 except as affected by the transactions contemplated by this Agreement, the representations and warranties of Newco contained under this Agreement shall be true in all material respects immediately prior to the Effective Date with the same effect as though such representations and warranties had been made at and as of such time in Section 5.2.1 and the Corporation shall have received a certificate to that effect dated the Effective Date from the President of Newco (or another senior officer thereof acceptable to the Corporation, acting reasonably), acting solely on behalf of Newco and not in his personal capacity, to the best of his information and belief having made reasonable inquiry and the Corporation shall have no knowledge to the contrary;

5.2.3 between the date hereof and the Effective Date, there shall have occurred no Material Adverse Change in respect of Newco;

5.2.4 on the Effective Date, Newco shall deposit the total cash purchase price payable for all of the Amalco Redeemable Preferred Shares with the Depositary; and

5.2.5 immediately prior to the Effective Date, Newco shall own at least 93% of the issued and outstanding Shares

The conditions in this Section 5.2 are for the exclusive benefit of the Corporation and may be asserted by the Corporation regardless of the circumstances or may be waived by the Corporation in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Corporation may have.

5.3 Conditions to Obligations of Newco

The obligations of Newco to consummate the transactions contemplated hereby, and in particular the Amalgamation, are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

5.3.1 each of the acts and undertakings of the Corporation to be performed on or before the Effective Date pursuant to the terms of this Agreement shall have been duly performed by the Corporation in all material respects and Newco shall have received a certificate of the Corporation addressed to Newco and dated on the Effective Date confirming the same as at the Effective Date;

5.3.2 except as affected by the transactions contemplated by this Agreement, the representations and warranties of the Corporation contained under this Agreement shall be true in all material respects immediately prior to the Effective Date with the same effect as though such representations and warranties had been made at and as of such time in Section 5.3.1 and Newco shall have received a certificate to that effect, dated the Effective Date, from an officer of the Corporation acceptable to Newco acting reasonably, acting solely on behalf of the Corporation and not in his personal capacity, to the best of his information and belief having made reasonable inquiry and Newco shall have no knowledge to the contrary;

5.3.3 between the date hereto and the Effective Date, there shall not have occurred any Material Adverse Change in respect of the Corporation; and

5.3.4 immediately prior to the Effective Date, Newco shall own at least 93% of the issued and outstanding Shares.

The conditions in this Section 5.3 are for the exclusive benefit of Newco and may be asserted by Newco regardless of the circumstances or may be waived by Newco in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Newco may have.

5.4 Notice and Cure Provisions and Effect of Failure to Comply with Conditions

5.4.1 Each of the Corporation and Newco shall give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof to the Effective Date of any event or state of facts which occurrence or failure would, or would be likely to, (i) cause any of the representations or warranties of any Party contained herein to be untrue or inaccurate in any material respect, such that the conditions set forth in Section 5, would not be satisfied as of the Effective Time, or (ii) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any Party prior to the Effective Time such that the conditions set forth in Section 5 would not be satisfied as of the Effective Time hereunder provided, however, that no such notification will affect the representations or warranties of the Parties or the conditions to the obligations of the Parties hereunder.

5.4.2 No Party may elect not to complete the transactions contemplated by this Agreement pursuant to the conditions set forth herein or any termination right arising therefrom unless forthwith and in any event prior to the Effective Time, the Party intending to rely thereon has delivered a written notice to the other Party specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Party delivering such notice is asserting as the basis for the non-fulfillment or the applicable condition or termination right, as the case may be. If any such notice is delivered, provided that a Party is proceeding diligently to cure such matter and such matter is capable of being cured, no Party may terminate this Agreement until the expiration of a period of 10 business days from such notice, if such matter has not been cured by such date. If such notice has been delivered prior to the date of the Meeting, the Meeting shall, unless the Parties agree otherwise, be postponed or adjourned until the expiry of such period. If such notice has been delivered prior to the filing of the Agreement with the Registrar, such filing shall be postponed until two Business Days after the expiry of such period. Notwithstanding the provisions of this Section, the Meeting shall not be held later than July 31, 2010.

5.5 Satisfaction of Conditions

The conditions set out in this Section 5 are conclusively deemed to have been satisfied, waived or released when, with the agreement of the Parties, the Agreement is filed under the Act to give effect to the Amalgamation.

6 AMENDMENT AND TERMINATION OF AGREEMENT

6.1 Amendment

This Agreement may, at any time and from time to time before or after the holding of the Meeting, be amended by written agreement of the Parties hereto without, subject to applicable law, further notice to or authorization on the part of their respective shareholders and any such amendment may, without limitation:

(a) change the time for performance of any of the obligations or acts of the Parties hereto;

(b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;

(c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the Parties hereto; or

(d) waive compliance with or modify any other conditions precedent contained herein.

6.2 Termination

(a) This Agreement may, prior to the filing of this Agreement and other required documentation at the Registry of Joint Stock Companies in Nova Scotia in accordance with the Act, be terminated by mutual agreement of Newco and the Corporation without further action on the part of the shareholders of the Corporation or Newco.

(b) Notwithstanding any other rights contained herein, Newco may terminate this Agreement upon written notice to the Corporation if:

   (i) either the Continuance or the Amalgamation is not approved by the Shareholders at the Meeting, as set out in Section 5.1;

   (ii) the Amalgamation has not become effective on or before July 31, 2010;

   (iii) the board of directors of the Corporation fails to recommend or withdraws or modifies its recommendation to the Shareholders to vote in favour of the Amalgamation; or

(iv) subject to compliance with Section 5.4, in the event a condition precedent set forth in Section 5.1 or 5.3 shall not be complied with by the Corporation on or before the date required for the performance thereof.

(c) Notwithstanding any other rights contained herein, the Corporation may terminate this Agreement upon written notice to Newco if;

(i) either the Continuance or the Amalgamation is not approved by the Shareholders at the Meeting, as set out in Section 5.1;

(ii) the Amalgamation has not become effective on or before July 31, 2010; or

(iii) subject to compliance with Section 5.4, in the event a condition precedent set forth in Section 5.1 or 5.2 shall not be complied with by Newco on or before the date required for the performance thereof.

(d) The exercise by any Party of any right of termination hereunder shall be without prejudice to any other remedy available to such Party as described in this Agreement.

(e) If this Agreement is terminated pursuant to any provision of this Agreement, the Parties shall return all materials and copies of all materials delivered to the Corporation or Newco, as the case may be, or their agents, and no Party shall have any further obligations to any other Party hereunder with respect to this Agreement. Nothing contained in this Section 6.2 shall relieve any Party from any liability for any breach of any provision of this Agreement.

6.3 Expenses

Each Party shall pay all fees, costs and expenses incurred by such Party in connection with this Agreement and the Amalgamation.

7 MISCELLANEOUS

7.1 Dissenting Shareholders

Shares which are held by a Dissenting Shareholder shall not be exchanged for the Consideration. However, in the event that a Shareholder fails to perfect or effectively withdraws that Shareholder's claim under Section 190 of the CBCA in respect of the Continuance or under Section 2 of the Third Schedule to the Act, as applicable, or forfeits that Shareholder's right to make a claim under Section 190 of the CBCA in respect of the Continuance or under Section 2 of the Third Schedule to the Act, as applicable, or his or her rights as a Shareholder are otherwise reinstated, each Share held by that Shareholder shall thereupon be deemed to have been exchanged as of the Effective Date for the Consideration (by way of Amalco Redeemable Preferred Shares).

7.2 Filing of Documents

Upon satisfaction of the conditions set out in Section 5, the Amalgamating Corporations shall jointly file with the Registrar under the Act this Agreement and such other documents as may be required. A copy of the memorandum of association of Amalco is attached hereto as Appendix E, and a copy of the articles of association of Amalco is attached hereto as Appendix F.

7.3 Insurance and Indemnification

7.3.1 Prior to the Effective Time, the Corporation shall obtain and pay for a directors' and officers' liability insurance "tail" policy for the Corporation (the "**D&O Policy**") with a term of six years following the Effective Time and providing for coverage and amounts, and containing terms and conditions, which are no less favourable to the Corporation and the directors and officers of the Corporation than the current policies of directors' and officers' liability insurance maintained by the Corporation. Proper provision shall be made so that Amalco and any other successors and assigns of the Corporation shall assume the obligations set forth in this Section 7.3.

7.3.2 Newco agrees that all rights to indemnification or exculpation existing in favour of the directors or officers of the Corporation or any subsidiary of the Corporation as provided in the Corporation's articles or by-laws as at the date of this Agreement shall survive the transactions contemplated hereby and shall continue in full force and effect for a period of not less than six years from the Effective Time.

7.4 Fiduciary Duties of Directors

No provision of this Agreement shall require the Corporation to cause any of its directors to take any action, or refrain from taking any action, that is required by such individual to fulfill his fiduciary legal obligations as a director of the Corporation. The foregoing shall not be interpreted to diminish, limit, restrict or otherwise affect in any way any covenant or agreement of the Corporation under this Agreement or be construed as a forgiveness or waiver of any breach.

7.5 Governing Laws

This Agreement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia and the laws of Canada applicable therein.

7.6 Execution and Counterparts

This Agreement may be executed by the parties in counterparts and may be executed and delivered by facsimile and all such counterparts and facsimiles shall together constitute one and the same agreement.

7.7 Further Assurances

Each Party hereto shall, from time to time, and at all times hereafter, at the request of the other Party hereto, but without further consideration, do all such further acts and execute and deliver all such further documents and instruments as shall be reasonably required in order to fully perform and carry out the terms and intent hereof.

7.8 Entire Agreement

This Agreement constitutes the entire agreement among the parties to this Agreement relating to the Amalgamation and supersedes all prior agreements and understandings, oral and written, between such parties with respect to the subject matter hereof, including the binding letter of intent between the Corporation and Holdco dated April 9, 2010.

7.9 Currency

All sums of money referred to in this Agreement, unless otherwise specified herein, are expressed in United States dollars.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Amalgamation Agreement been executed as of the date first above written.

WORLD POINT TERMINALS INC.

Per: ______________________
Name: Steven G. Twele
Title: Vice President & CFO

WORLD POINT INC.

Per: ______________________
Name: Steven G. Twele
Title: Vice President & CFO

APPENDIX "A"
CAPITALIZATION OF WORLD POINT TERMINALS INC.

The authorized capital of the Corporation consists of an unlimited number of common shares, of which 25,527,361 are issued and outstanding as at the date hereof.

APPENDIX "B"
CAPITALIZATION OF WORLD POINT INC.

The authorized capital of Newco consists of an unlimited number of common shares, of which one is issued and outstanding as at the date hereof.

APPENDIX "C"
MEMORANDUM OF ASSOCIATION OF THE CORPORATION UPON EFFECTING THE CONTINUANCE

Memorandum of Association

of

World Point Terminals Inc.

1. The name of the Company is **World Point Terminals Inc.**

2. There are no restrictions on the objects and powers of the Company and the Company shall expressly have the following powers:

   (a) To sell or dispose of its undertaking, or a substantial part thereof;

   (b) To distribute any of its property *in specie* among its members; and

   (c) To amalgamate with any company or other body of persons.

3. The liability of the members is limited.

4. The Company is authorized to issue unlimited number of common shares without nominal or par value, all having the rights, restrictions, conditions and limitations set out in the articles of association of the Company located below with power to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferred, deferred or qualified rights, privileges or conditions, including restrictions on voting rights and including redemption and purchase of such shares, subject, however, to the provisions of the *Companies Act* of Nova Scotia

APPENDIX "D"
ARTICLES OF ASSOCIATION OF THE CORPORATION
UPON EFFECTING THE CONTINUANCE

Articles of Association

of

World Point Terminals Inc.

Interpretation

1. In these Articles, unless there be something in the subject or context inconsistent therewith:

(1) “Act” means the *Companies Act* (Nova Scotia);

(2) “Articles” means these Articles of Association of the Company and all amendments hereto;

(3) “Company” means the company named above;

(4) “director” means a director of the Company;

(5) “Memorandum” means the Memorandum of Association of the Company and all amendments thereto;

(6) “month” means calendar month;

(7) “Office” means the registered office of the Company;

(8) “person” includes a body corporate;

(9) “proxyholder” includes an alternate proxyholder;

(10) “Register” means the register of members kept pursuant to the Act, and where the context permits includes a branch register of members;

(11) “Registrar” means the Registrar as defined in the Act;

(12) “Secretary” includes any person appointed to perform the duties of the Secretary temporarily;

(13) “shareholder” means member as that term is used in the Act in connection with a company limited by shares;

(14) “special resolution” has the meaning assigned by the Act;

(15) "in writing" and "written" includes printing, lithography and other modes of representing or reproducing words in visible form;

(16) words importing number or gender include all numbers and genders unless the context otherwise requires;

2. The regulations in Table A in the First Schedule to the Act shall not apply to the Company.

3. The directors may, out of the funds of the Company, pay all expenses incurred for the continuance of the Company.

SHARES

4. The directors shall control the shares and, subject to the provisions of these Articles, may allot or otherwise dispose of them to such person at such times, on such terms and conditions and, if the shares have a par value, either at a premium or at par, as they think fit.

5. The directors may pay on behalf of the Company a reasonable commission to any person in consideration of subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company, or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company. Subject to the Act, the commission may be paid or satisfied in shares of the Company.

6. On the issue of shares the Company may arrange among the holders thereof differences in the calls to be paid and in the times for their payment.

7. If the whole or part of the allotment price of any shares is, by the conditions of their allotment, payable in instalments, every such instalment shall, when due, be payable to the Company by the person who is at such time the registered holder of the shares.

8. Shares may be registered in the names of joint holders not exceeding three in number.

9. Joint holders of a share shall be jointly and severally liable for the payment of all instalments and calls due in respect of such share. On the death of one or more joint holders of shares the survivor or survivors of them shall alone be recognized by the Company as the registered holder or holders of the shares.

10. Save as herein otherwise provided, the Company may treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a court of competent jurisdiction or required by statute, be bound to recognize any equitable or other claim to or interest in such share on the part of any other person.

PRIVATE ISSUER

11. No security issued by the Company, other than a non-convertible debt security, may be transferred, except

(a) with the consent of the directors of the Company expressed by a resolution of the directors or by a document in writing signed by a majority of the directors; or

(b) with the consent of the holders of the shares entitled to vote at an ordinary general meeting expressed by a resolution of the holders of those shares or by a document in writing signed by the holders of the majority of those shares.

The Company shall not register any other purported transfer of securities. In this Article the term "security" includes any security within the meaning of such term in the *Securities Act* (Nova Scotia) or regulations or rules made pursuant thereto, as the same may be amended from time to time.

CERTIFICATES

12. Certificates of title to shares shall comply with the Act and may otherwise be in such form as the directors may from time to time determine. Unless the directors otherwise determine, every certificate of title to shares shall be signed manually by at least one of the Chairman, President, Secretary, Treasurer, a vice-president, an assistant secretary, any other officer of the Company or any director of the Company or by or on behalf of a share registrar transfer agent or branch transfer agent appointed by the Company or by any other person whom the directors may designate. When signatures of more than one person appear on a certificate all but one may be printed or otherwise mechanically reproduced. All such certificates when signed as provided in this Article shall be valid and binding upon the Company. If a certificate contains a printed or mechanically reproduced signature of a person, the Company may issue the certificate, notwithstanding that the person has ceased to be a director or an officer of the Company and the certificate is as valid as if such person were a director or an officer at the date of its issue. Any certificate representing shares of a class publicly traded on any stock exchange shall be valid and binding on the Company if it complies with the rules of such exchange whether or not it otherwise complies with this Article.

13. Except as the directors may determine, each shareholder's shares may be evidenced by any number of certificates so long as the aggregate of the shares stipulated in such certificates equals the aggregate registered in the name of the shareholder.

14. Where shares are registered in the names of two or more persons, the Company shall not be bound to issue more than one certificate or set of certificates, and such certificate or set of certificates shall be delivered to the person first named on the Register.

15. Any certificate that has become worn, damaged or defaced may, upon its surrender to the directors, be cancelled and replaced by a new certificate. Any certificate that has become lost or destroyed may be replaced by a new certificate upon proof of such loss or destruction to the satisfaction of the directors and the furnishing to the Company of such undertakings of indemnity as the directors deem adequate.

16. The sum of one dollar or such other sum as the directors from time to time determine shall be paid to the Company for every certificate other than the first certificate issued to any holder in respect of any share or shares.

17. The directors may cause one or more branch Registers of shareholders to be kept in any place or places, whether inside or outside of Nova Scotia.

CALLS

18. The directors may make such calls upon the shareholders in respect of all amounts unpaid on the shares held by them respectively and not made payable at fixed times by the conditions on which such shares were allotted, and each shareholder shall pay the amount of every call so made to the person and at the times and places appointed by the directors. A call may be made payable by instalments.

19. A call shall be deemed to have been made at the time when the resolution of the directors authorizing such call was passed.

20. At least 14 days' notice of any call shall be given, and such notice shall specify the time and place at which and the person to whom such call shall be paid.

21. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for the payment thereof, the holder for the time being of the share in respect of which the call has been made or the instalment is due shall pay interest on such call or instalment at the rate of 9% per year or such other rate of interest as the directors may determine from the day appointed for the payment thereof up to the time of actual payment.

22. At the trial or hearing of any action for the recovery of any amount due for any call, it shall be sufficient to prove that the name of the shareholder sued is entered on the Register as the holder or one of the holders of the share or shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book and that such notice of such call was duly given to the shareholder sued in pursuance of these Articles. It shall not be necessary to prove the appointment of the directors who made such call or any other matters whatsoever and the proof of the matters stipulated shall be conclusive evidence of the debt.

23. The directors may receive from any shareholder willing to advance it all or any part of the amount due upon shares held by such shareholder beyond the sums called for; and upon the amount so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made the Company may pay interest at such rate or permit such participation in profits upon the amount so paid or satisfied in advance as the shareholder paying such sum in advance and the directors agree.

FORFEITURE OF SHARES

24. If any shareholder fails to pay any call or instalment on or before the day appointed for payment, the directors may at any time thereafter while the call or instalment remains unpaid serve a notice on such shareholder requiring payment thereof together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

25. The notice shall name a day (not being less than 14 days after the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses are to be paid. The notice shall also state that, in the event of non-payment on or before the day and at the place or one of the places so named, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

26. If the requirements of any such notice are not complied with, any shares in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

27. When any share has been so forfeited, notice of the resolution shall be given to the shareholder in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall be made in the Register.

28. Any share so forfeited shall be deemed the property of the Company and the directors may sell, re-allot or otherwise dispose of it in such manner as they think fit.

29. The directors may at any time before any share so forfeited has been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit.

30. Any shareholder whose shares have been forfeited shall nevertheless be liable to pay and shall forthwith pay to the Company all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon at the rate of 9% per year or such other rate of interest as the directors may determine from the time of forfeiture until payment. The directors may enforce such payment if they think fit, but are under no obligation to do so.

31. A certificate signed by the Secretary stating that a share has been duly forfeited on a specified date in pursuance of these Articles and the time when it was forfeited shall be conclusive evidence of the facts therein stated as against any person who would have been entitled to the share but for such forfeiture.

LIEN ON SHARES

32. The Company shall have a first and paramount lien upon all shares (other than fully paid-up shares) registered in the name of a shareholder (whether solely or jointly with others) and upon the proceeds from the sale thereof for debts, liabilities and other engagements

of the shareholder, solely or jointly with any other person, to or with the Company, whether or not the period for the payment, fulfilment or discharge thereof has actually arrived, and such lien shall extend to all dividends declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of any lien of the Company on such shares.

33. For the purpose of enforcing such lien the directors may sell the shares subject to it in such manner as they think fit, but no sale shall be made until the period for the payment, fulfilment or discharge of such debts, liabilities or other engagements has arrived, and until notice in writing of the intention to sell has been given to such shareholder or the shareholder's executors or administrators and default has been made by them in such payment, fulfilment or discharge for seven days after such notice.

34. The net proceeds of any such sale after the payment of all costs shall be applied in or towards the satisfaction of such debts, liabilities or engagements and the residue, if any, paid to such shareholder.

VALIDITY OF SALES

35. Upon any sale after forfeiture or to enforce a lien in purported exercise of the powers given by these Articles the directors may cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after the purchaser's name has been entered in the Register in respect of such shares the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

TRANSFER OF SHARES

36. The instrument of transfer of any share in the Company shall be signed by the transferor. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof and shall be entitled to receive any dividend declared thereon before the registration of the transfer.

37. The instrument of transfer of any share shall be in writing in the following form or to the following effect:

> For value received, ________ hereby sell, assign, and transfer unto ______, _____ shares in the capital of the Company represented by the within certificate, and do hereby irrevocably constitute and appoint ________ attorney to transfer such shares on the books of the Company with full power of substitution in the premises.
>
> Dated the ____ day of ____________, _____
>
> Witness:

38. The directors may, without assigning any reason therefor, decline to register any transfer of shares

    (1) not fully paid-up or upon which the Company has a lien, or

    (2) the transfer of which is restricted by any agreement to which the Company is a party.

39. Every instrument of transfer shall be left for registration at the Office of the Company, or at any office of its transfer agent where a Register is maintained, together with the certificate of the shares to be transferred and such other evidence as the Company may require to prove title to or the right to transfer the shares.

40. The directors may require that a fee determined by them be paid before or after registration of any transfer.

41. Every instrument of transfer shall, after its registration, remain in the custody of the Company. Any instrument of transfer that the directors decline to register shall, except in case of fraud, be returned to the person who deposited it.

TRANSMISSION OF SHARES

42. The executors or administrators of a deceased shareholder (not being one of several joint holders) shall be the only persons recognized by the Company as having any title to the shares registered in the name of such shareholder. When a share is registered in the names of two or more joint holders, the survivor or survivors or the executors or administrators of the deceased survivor, shall be the only persons recognized by the Company as having any title to, or interest in, such share.

43. Notwithstanding anything in these Articles, if the Company has only one shareholder (not being one of several joint holders) and that shareholder dies, the executors or administrators of the deceased shareholder shall be entitled to register themselves in the Register as the holders of the shares registered in the name of the deceased shareholder whereupon they shall have all the rights given by these Articles and by law to shareholders.

44. Any person entitled to shares upon the death or bankruptcy of any shareholder or in any way other than by allotment or transfer, upon producing such evidence of entitlement as the directors require, may be registered as a shareholder in respect of such shares, or may, without being registered, transfer such shares subject to the provisions of these Articles respecting the transfer of shares. The directors shall have the same right to refuse registration as if the transferee were named in an ordinary transfer presented for registration.

SURRENDER OF SHARES

45. The directors may accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof. Any share so surrendered may be disposed of in the same manner as a forfeited share.

SHARE WARRANT

46. The Company, with respect to any fully paid-up shares, may issue warrants ("Share Warrants") stating that the bearer is entitled to the shares therein specified, and may provide, by coupons or otherwise, for the payment of future dividends on the shares included in the Share Warrants.

47. The directors may determine and vary the conditions upon which Share Warrants will be issued and, without limiting the generality of the foregoing, may determine the conditions upon which

(1) a new Share Warrant or coupon will be issued in the place of one worn out, defaced, lost or destroyed, or

(2) the bearer of a Share Warrant will be entitled to attend and vote at general meetings, or

(3) a Share Warrant may be surrendered and the name of the bearer entered in the Register in respect of the shares therein specified.

Subject to such conditions and to these Articles the bearer of a Share Warrant shall be a shareholder to the full extent. The bearer of a Share Warrant shall be subject to the conditions for the time being in force, whether made before or after the issue of the Share Warrant.

INCREASE AND REDUCTION OF CAPITAL

48. Subject to the Act, the Company may by resolution of its shareholders increase its share capital by the creation of new shares of such amount as it thinks expedient.

49. Subject to the Act, the new shares may be issued upon such terms and conditions and with such rights, privileges, limitations, restrictions and conditions attached thereto as the Company by resolution of its shareholders determines or, if no direction is given, as the directors determine.

50. The Company by resolution of its shareholders may, before the issue of any new shares, determine that such shares or any of them shall be offered in the first instance to all the then shareholders or to the holders of any class or series of shares in proportion to the amount of the capital held by them, or make any other provisions as to the issue and allotment of such shares. In default of any such determination or to the extent that it does not apply, the directors shall control the new shares.

51. Except as otherwise provided by the conditions of issue , or by these Articles, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to payment of calls and instalments, transfer and transmission, forfeiture, lien and otherwise.

52. The Company may, by special resolution where required, reduce its share capital in any way and with subject to any incident authorized and consent required by law.

ALTERATION OF CAPITAL

53. Subject to the Act, the Company may by resolution of its shareholders:

(1) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(2) convert all or any of its paid-up shares into stock and reconvert that stock into paid-up shares of any denomination;

(3) exchange shares of one denomination for another; or

(4) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

54. Subject to the Act, the Company may by special resolution:

(1) subdivide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so, however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived and the special resolution whereby any share is subdivided may determine that as between the holders of the shares resulting from such subdivision, one or more of such shares shall have some preference or special advantage as regards dividend, capital, voting or otherwise, over, or as compared with, the others or other;

(2) convert any part of its issued or unissued share capital into preference shares redeemable or purchasable by the Company;

(3) provide for the issue of shares without any nominal or par value provided that, upon any such issue, a declaration executed by the Secretary must be filed with the Registrar stating the number of shares issued and the amount received therefor;

(4) convert all or any of its previously authorized, unissued or issued, fully paid-up shares, other than preferred shares, with nominal or par value into the same number of shares without any nominal or par value, and reduce, maintain or increase accordingly its liability on any of its shares so converted; provided that the power to reduce its liability on any of its shares so converted may, where it

results in a reduction of capital, only be exercised subject to confirmation by the court as provided by the Act; or

(5) convert all or any of its previously authorized, unissued or issued, fully paid-up shares without nominal or par value into the same or a different number of shares with nominal or par value, and for such purpose the shares issued without nominal or par value and replaced by shares with a nominal or par value shall be considered as fully paid, but their aggregate par value shall not exceed the value of the net assets of the Company as represented by the shares without par value issued before the conversion.

55. Subject to the Act and any provisions attached to such shares, the Company may redeem, purchase or acquire any of its shares and the directors may determine the manner and the terms for redeeming, purchasing or acquiring such shares and may provide a sinking fund on such terms as they think fit for the redemption, purchase or acquisition of shares of any class or series.

INTEREST ON SHARE CAPITAL

56. The Company may pay interest at a rate not exceeding 6% per year on share capital issued and paid-up for the purpose of raising funds to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be operated profitably for a lengthy period of time. Such interest may be paid for such period and may be charged to capital as part of the cost of construction of the work or building or of the provision of the plant. The payment of the interest shall not operate to reduce the amount paid-up on the shares in respect of which it is paid. The accounts of the Company shall show full particulars of the payment during the period to which the accounts relate.

CLASSES AND SERIES OF SHARES

57. Subject to the Act and the Memorandum, and without prejudice to any special rights previously conferred on the holders of existing shares, any share may be issued with such preferred, deferred or other special rights, or with such restrictions, whether in regard to dividends, voting, return of share capital or otherwise, as the Company may from time to time determine by special resolution.

MEETINGS AND VOTING BY CLASS OR SERIES

58. Where the holders of shares of a class or series have, under the Act, the Memorandum, the terms or conditions attaching to such shares or otherwise, the right to vote separately as a class in respect of any matter then, except as provided in the Act, the Memorandum, these Articles or such terms or conditions, all the provisions in these Articles concerning general meetings (including, without limitation, provisions respecting notice, quorum and procedure) shall, mutatis mutandis, apply to every meeting of holders of such class or series of shares convened for the purpose of such vote.

59. Unless the rights, privileges, terms or conditions attached to a class or series of shares provide otherwise, such class or series of shares shall not have the right to vote separately as a class or series upon an amendment to the Memorandum or Articles to:

(1) increase or decrease any maximum number of authorized shares of such class or series, or increase any maximum number of authorized shares of a class or series having rights or privileges equal or superior to the shares of such class or series;

(2) effect an exchange, reclassification or cancellation of all or part of the shares of such class or series; or

(3) create a new class or series of shares equal or superior to the shares of such class or series.

BORROWING POWERS

60. The directors on behalf of the Company may:

(1) raise or borrow money for the purposes of the Company or any of them;

(2) secure, subject to the sanction of a special resolution where required by the Act, the repayment of funds so raised or borrowed in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the execution and delivery of mortgages of the Company's real or personal property, or by the issue of bonds, debentures or other securities of the Company secured by mortgage or other charge upon all or any part of the property of the Company, both present and future including its uncalled capital for the time being;

(3) sign or endorse bills, notes, acceptances, cheques, contracts, and other evidence of or securities for funds borrowed or to be borrowed for the purposes aforesaid;

(4) pledge debentures as security for loans;

(5) guarantee obligations of any person.

61. Bonds, debentures and other securities may be made assignable, free from any equities between the Company and the person to whom such securities were issued.

62. Any bonds, debentures and other securities may be issued at a discount, premium or otherwise and with special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of directors and other matters.

GENERAL MEETINGS

63. Ordinary general meetings of the Company shall be held at least once in every calendar year at such time and place as may be determined by the directors and not later than 15 months after the preceding ordinary general meeting. All other meetings of the Company

shall be called special general meetings. Ordinary or special general meetings may be held either within or without the Province of Nova Scotia.

64. The President, a vice-president or the directors may at any time convene a special general meeting, and the directors, upon the requisition of shareholders in accordance with the Act shall forthwith proceed to convene such meeting or meetings to be held at such time and place or times and places as the directors determine.

65. The requisition shall state the objects of the meeting requested, be signed by the requisitionists and deposited at the Office of the Company. It may consist of several documents in like form each signed by one or more of the requisitionists.

66. At least seven clear days' notice, or such longer period of notice as may be required by the Act, of every general meeting, specifying the place, day and hour of the meeting and, when special business is to be considered, the general nature of such business, shall be given to the shareholders entitled to be present at such meeting by notice given as permitted by these Articles. With the consent in writing of all the shareholders entitled to vote at such meeting, a meeting may be convened by a shorter notice and in any manner they think fit, or notice of the time, place and purpose of the meeting may be waived by all of the shareholders.

67. When it is proposed to pass a special resolution, the two meetings may be convened by the same notice, and it shall be no objection to such notice that it only convenes the second meeting contingently upon the resolution being passed by the requisite majority at the first meeting.

68. The accidental omission to give notice to a shareholder, or non-receipt of notice by a shareholder, shall not invalidate any resolution passed at any general meeting.

RECORD DATES

69. (1) The directors may fix in advance a date as the record date for the determination of shareholders

(a) entitled to receive payment of a dividend or entitled to receive any distribution;

(b) entitled to receive notice of a meeting; or

(c) for any other purpose.

(2) If no record date is fixed, the record date for the determination of shareholders

(d) entitled to receive notice of a meeting shall be the day immediately preceding the day on which the notice is given, or, if no notice is given, the day on which the meeting is held; and

(e) for any other purpose shall be the day on which the directors pass the resolution relating to the particular purpose.

PROCEEDINGS AT GENERAL MEETINGS

70. The business of an ordinary general meeting shall be to receive and consider the financial statements of the Company and the report of the directors and the report, if any, of the auditors, to elect directors in the place of those retiring and to transact any other business which under these Articles ought to be transacted at an ordinary general meeting.

71. No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business. A corporate shareholder of the Company that has a duly authorized agent or representative present at any such meeting shall for the purpose of this Article be deemed to be personally present at such meeting.

72. One person, being a shareholder, proxyholder or representative of a corporate shareholder, present and entitled to vote shall constitute a quorum for a general meeting, and may hold a meeting.

73. The Chairman shall be entitled to take the chair at every general meeting or, if there be no Chairman, or if the Chairman is not present within fifteen 15 minutes after the time appointed for holding the meeting, the President or, failing the President, a vice-president shall be entitled to take the chair. If the Chairman, the President or a vice-president is not present within 15 minutes after the time appointed for holding the meeting or if all such persons present decline to take the chair, the shareholders present entitled to vote at the meeting shall choose another director as chairman and if no director is present or if all the directors present decline to take the chair, then such shareholders shall choose one of their number to be chairman.

74. If within half an hour from the time appointed for a general meeting a quorum is not present, the meeting, if it was convened pursuant to a requisition of shareholders, shall be dissolved; if it was convened in any other way, it shall stand adjourned to the same day, in the next week, at the same time and place. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the shareholders present shall be a quorum and may hold the meeting.

75. Subject to the Act, at any general meeting a resolution put to the meeting shall be decided by a show of hands unless, either before or on the declaration of the result of the show of hands, a poll is demanded by the chairman, a shareholder or a proxyholder; and unless a poll is so demanded, a declaration by the chairman that the resolution has been carried, carried by a particular majority, lost or not carried by a particular majority and an entry to that effect in the Company's book of proceedings shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.

76. When a poll is demanded, it shall be taken in such manner and at such time and place as the chairman directs, and either at once or after an interval or adjournment or otherwise.

The result of the poll shall be the resolution of the meeting at which the poll was demanded. The demand of a poll may be withdrawn. When any dispute occurs over the admission or rejection of a vote, it shall be resolved by the chairman and such determination made in good faith shall be final and conclusive.

77. The chairman shall not have a casting vote in addition to any vote or votes that the chairman has as a shareholder.

78. The chairman of a general meeting may with the consent of the meeting adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting that was adjourned.

79. Any poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith without adjournment.

80. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

VOTES OF SHAREHOLDERS

81. Subject to the Act and to any provisions attached to any class or series of shares concerning voting rights

(1) on a show of hands every shareholder present in person, every duly authorized representative of a corporate shareholder, and, if not prevented from voting by the Act, every proxyholder, shall have one vote; and

(2) on a poll every shareholder present in person, every duly authorized representative of a corporate shareholder, and every proxyholder, shall have one vote for every share held;

whether or not such representative or proxyholder is a shareholder.

82. Any person entitled to transfer shares upon the death or bankruptcy of any shareholder or in any way other than by allotment or transfer may vote at any general meeting in respect thereof in the same manner as if such person were the registered holder of such shares so long as the directors are satisfied at least 48 hours before the time of holding the meeting of such person’s right to transfer such shares.

83. Where there are joint registered holders of any share, any of such holders may vote such share at any meeting, either personally or by proxy, as if solely entitled to it. If more than one joint holder is present at any meeting, personally or by proxy, the one whose name stands first on the Register in respect of such share shall alone be entitled to vote it. Several executors or administrators of a deceased shareholder in whose name any share stands shall for the purpose of this Article be deemed joint holders thereof.

84. Votes may be cast either personally or by proxy or, in the case of a corporate shareholder by a representative duly authorized under the Act.

85. A proxy shall be in writing and executed in the manner provided in the Act. A proxy or other authority of a corporate shareholder does not require its seal. Holders of Share Warrants shall not be entitled to vote by proxy in respect of the shares included in such warrants unless otherwise expressed in such warrants.

86. A shareholder of unsound mind in respect of whom an order has been made by any court of competent jurisdiction may vote by guardian or other person in the nature of a guardian appointed by that court, and any such guardian or other person may vote by proxy.

87. A proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Office of the Company or at such other place as the directors may direct. The directors may, by resolution, fix a time not exceeding 48 hours excluding Saturdays and holidays preceding any meeting or adjourned meeting before which time proxies to be used at that meeting must be deposited with the Company at its Office or with an agent of the Company. Notice of the requirement for depositing proxies shall be given in the notice calling the meeting. The chairman of the meeting shall determine all questions as to validity of proxies and other instruments of authority.

88. A vote given in accordance with the terms of a proxy shall be valid notwithstanding the previous death of the principal, the revocation of the proxy, or the transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, revocation or transfer is received at the Office of the Company before the meeting or by the chairman of the meeting before the vote is given.

89. Every form of proxy shall comply with the Act and its regulations and subject thereto may be in the following form:

> I, _________________ of __________ being a shareholder of __________________ hereby appoint ___________________ of ______________________________ (or failing him/her _____________ of ______________________) as my proxyholder to attend and to vote for me and on my behalf at the ordinary/special general meeting of the Company, to be held on the day of
> and at any adjournment thereof, or at any meeting of the Company which may be held prior to [insert specified date or event].
>
> [If the proxy is solicited by or behalf of the management of the Company, insert a statement to that effect.]
>
> Dated this ____ day of ___________________ _____.
>
> _________________________________
> Shareholder

90. Subject to the Act, no shareholder shall be entitled to be present or to vote on any question, either personally or by proxy, at any general meeting or be reckoned in a quorum while any call is due and payable to the Company in respect of any of the shares of such shareholder.

91. Any resolution passed by the directors, notice of which has been given to the shareholders in the manner in which notices are hereinafter directed to be given and which is, within one month after it has been passed, ratified and confirmed in writing by shareholders entitled on a poll to three-fifths of the votes, shall be as valid and effectual as a resolution of a general meeting. This Article shall not apply to a resolution for winding up the Company or to a resolution dealing with any matter that by statute or these Articles ought to be dealt with by a special resolution or other method prescribed by statute.

92. A resolution, including a special resolution, in writing and signed by every shareholder who would be entitled to vote on the resolution at a meeting is as valid as if it were passed by such shareholders at a meeting and satisfies all of the requirements of the Act respecting meetings of shareholders.

DIRECTORS

93. Unless otherwise determined by resolution of shareholders, the number of directors shall not be less than one or more than ten.

94. Notwithstanding anything herein contained the directors of the Company on the date of its continuance shall continue to be the directors of the Company until their successors are appointed or they otherwise cease to be directors in accordance with these Articles.

95. The directors may be paid out of the funds of the Company as remuneration for their service such sums, if any, as the Company may by resolution of its shareholders determine, and such remuneration shall be divided among them in such proportions and manner as the directors determine. The directors may also be paid their reasonable travelling, hotel and other expenses incurred in attending meetings of directors and otherwise in the execution of their duties as directors.

96. The continuing directors may act notwithstanding any vacancy in their body, but if their number falls below the minimum permitted, the directors shall not, except in emergencies or for the purpose of filling vacancies, act so long as their number is below the minimum.

97. A director may, in conjunction with the office of director, and on such terms as to remuneration and otherwise as the directors arrange or determine, hold any other office or place of profit under the Company or under any company in which the Company is a shareholder or is otherwise interested.

98. The office of a director shall *ipso facto* be vacated, if the director:

(1) becomes bankrupt or makes an assignment for the benefit of creditors;

(2) is, or is found by a court of competent jurisdiction to be, of unsound mind;

(3) by notice in writing to the Company, resigns the office of director; or

(4) is removed in the manner provided by these Articles.

99. No director shall be disqualified by holding the office of director from contracting with the Company, either as vendor, purchaser, or otherwise, nor shall any such contract, or any contract or arrangement entered into or proposed to be entered into by or on behalf of the Company in which any director is in any way interested, either directly or indirectly, be avoided, nor shall any director so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such director holding that office or of the fiduciary relations thereby established, provided the director makes a declaration or gives a general notice in accordance with the Act. No director shall, as a director, vote in respect of any contract or arrangement in which the director is so interested, and if the director does so vote, such vote shall not be counted. This prohibition may at any time or times be suspended or relaxed to any extent by a resolution of the shareholders and shall not apply to any contract by or on behalf of the Company to give to the directors or any of them any security for advances or by way of indemnity.

ELECTION OF DIRECTORS

100. At the dissolution of every ordinary general meeting at which their successors are elected, all the directors shall retire from office and be succeeded by the directors elected at such meeting. Retiring directors shall be eligible for re-election.

101. If at any ordinary general meeting at which an election of directors ought to take place no such election takes place, or if no ordinary general meeting is held in any year or period of years, the retiring directors shall continue in office until their successors are elected.

102. The Company may by resolution of its shareholders elect any number of directors permitted by these Articles and may determine or alter their qualification.

103. The Company may, by special resolution or in any other manner permitted by statute, remove any director before the expiration of such director's period of office and may, if desired, appoint a replacement to hold office during such time only as the director so removed would have held office.

104. The directors may appoint any other person as a director so long as the total number of directors does not at any time exceed the maximum number permitted. No such appointment, except to fill a casual vacancy, shall be effective unless two-thirds of the directors concur in it. Any casual vacancy occurring among the directors may be filled by the directors, but any person so chosen shall retain office only so long as the vacating director would have retained it if the vacating director had continued as director.

MANAGING DIRECTOR

105. The directors may appoint one or more of their body to be managing directors of the Company, either for a fixed term or otherwise , and may remove or dismiss them from office and appoint replacements.

106. Subject to the provisions of any contract between a managing director and the Company, a managing director shall be subject to the same provisions as to resignation and removal as the other directors of the Company. A managing director who for any reason ceases to hold the office of director shall ipso facto immediately cease to be a managing director.

107. The remuneration of a managing director shall from time to time be fixed by the directors and may be by way of any or all of salary, commission and participation in profits.

108. The directors may from time to time entrust to and confer upon a managing director such of the powers exercisable under these Articles by the directors as they think fit, and may confer such powers for such time, and to be exercised for such objects and purposes and upon such terms and conditions, and with such restrictions as they think expedient; and they may confer such powers either collaterally with, or to the exclusion of, and in substitution for, all or any of the powers of the directors in that behalf; and may from time to time revoke, withdraw, alter or vary all or any of such powers.

CHAIRMAN OF THE BOARD

109. The directors may elect one of their number to be Chairman and may determine the period during which the Chairman is to hold office. The Chairman shall perform such duties and receive such special remuneration as the directors may provide.

PRESIDENT AND VICE-PRESIDENTS

110. The directors shall elect the President of the Company, who need not be a director, and may determine the period for which the President is to hold office. The President shall have general supervision of the business of the Company and shall perform such duties as may be assigned from time to time by the directors.

111. The directors may also elect vice-presidents, who need not be directors, and may determine the periods for which they are to hold office. A vice-president shall, at the request of the President or the directors and subject to the directions of the directors, perform the duties of the President during the absence, illness or incapacity of the President, and shall also perform such duties as may be assigned by the President or the directors.

SECRETARY AND TREASURER

112. The directors shall appoint a Secretary of the Company to keep minutes of shareholders' and directors' meetings and perform such other duties as may be assigned by the directors. The directors may also appoint a temporary substitute for the Secretary who shall, for the purposes of these Articles, be deemed to be the Secretary.

113. The directors may appoint a treasurer of the Company to carry out such duties as the directors may assign.

OFFICERS

114. The directors may elect or appoint such other officers of the Company, having such powers and duties, as they think fit.

115. If the directors so decide the same person may hold more than one of the offices provided for in these Articles.

116. Notwithstanding anything herein contained the officers of the Company on the date of its continuance shall continue to hold office until their successors are appointed or they otherwise cease to hold office in accordance with these Articles.

PROCEEDINGS OF DIRECTORS

117. The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings, as they think fit, and may determine the quorum necessary for the transaction of business. Until otherwise determined, one director shall constitute a quorum and may hold a meeting.

118. If all directors of the Company entitled to attend a meeting either generally or specifically consent, a director may participate in a meeting of directors or of a committee of directors by means of such telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a director participating in such a meeting by such means is deemed to be present at that meeting for purposes of these Articles.

119. Meetings of directors may be held either within or without the Province of Nova Scotia and the directors may from time to time make arrangements relating to the time and place of holding directors' meetings, the notices to be given for such meetings and what meetings may be held without notice. Unless otherwise provided by such arrangements:

(1) A meeting of directors may be held at the close of every ordinary general meeting of the Company without notice.

(2) Notice of every other directors' meeting may be given as permitted by these Articles to each director at least 48 hours before the time fixed for the meeting.

(3) A meeting of directors may be held without formal notice if all the directors are present or if those absent have signified their assent to such meeting or their consent to the business transacted at such meeting.

120. The President or any director may at any time, and the Secretary, upon the request of the President or any director, shall summon a meeting of the directors to be held at the Office of the Company. The President, the Chairman or a majority of the directors may at any

time, and the Secretary, upon the request of the President, the Chairman or a majority of the directors, shall summon a meeting to be held elsewhere.

121. (a) Questions arising at any meeting of directors shall be decided by a majority of votes. The chairman of the meeting may vote as a director but shall not have a second or casting vote.

(b) At any meeting of directors the chairman shall receive and count the vote of any director not present in person at such meeting on any question or matter arising at such meeting whenever such absent director has indicated by telegram, letter or other writing lodged with the chairman of such meeting the manner in which the absent director desires to vote on such question or matter and such question or matter has been specifically mentioned in the notice calling the meeting as a question or matter to be discussed or decided thereat. In respect of any such question or matter so mentioned in such notice any director may give to any other director a proxy authorizing such other director to vote for such first named director at such meeting, and the chairman of such meeting, after such proxy has been so lodged, shall receive and count any vote given in pursuance thereof notwithstanding the absence of the director giving such proxy.

122. If no Chairman is elected, or if at any meeting of directors the Chairman is not present within five minutes after the time appointed for holding the meeting, or declines to take the chair, the President, if a director, shall preside. If the President is not a director, is not present at such time or declines to take the chair, a vice-president who is also a director shall preside. If no person described above is present at such time and willing to take the chair, the directors present shall choose some one of their number to be chairman of the meeting.

123. A meeting of the directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions for the time being vested in or exercisable by the directors generally.

124. The directors may delegate any of their powers to committees consisting of such number of directors as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the directors.

125. The meetings and proceedings of any committee of directors shall be governed by the provisions contained in these Articles for regulating the meetings and proceedings of the directors insofar as they are applicable and are not superseded by any regulations made by the directors.

126. All acts done at any meeting of the directors or of a committee of directors or by any person acting as a director shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of the director or person so acting, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.

127. A resolution in writing and signed by every director who would be entitled to vote on the resolution at a meeting is as valid as if it were passed by such directors at a meeting.

128. If any one or more of the directors is called upon to perform extra services or to make any special exertions in going or residing abroad or otherwise for any of the purposes of the Company or the business thereof, the Company may remunerate the director or directors so doing, either by a fixed sum or by a percentage of profits or otherwise. Such remuneration shall be determined by the directors and may be either in addition to or in substitution for remuneration otherwise authorized by these Articles.

REGISTERS

129. The directors shall cause to be kept at the Company's Office in accordance with the provisions of the Act a Register of the shareholders of the Company, a register of the holders of bonds, debentures and other securities of the Company and a register of its directors. Branch registers of the shareholders and of the holders of bonds, debentures and other securities may be kept elsewhere, either within or without the Province of Nova Scotia, in accordance with the Act.

MINUTES

130. The directors shall cause minutes to be entered in books designated for the purpose:

(1) of all appointments of officers;

(2) of the names of directors present at each meeting of directors and of any committees of directors;

(3) of all orders made by the directors and committees of directors; and

(4) of all resolutions and proceedings of meetings of shareholders and of directors.

Any such minutes of any meeting of directors or of any committee of directors or of shareholders, if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting, shall be receivable as prima facie evidence of the matters stated in such minutes.

POWERS OF DIRECTORS

131. The management of the business of the Company is vested in the directors who, in addition to the powers and authorities by these Articles or otherwise expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by statute expressly directed or required to be exercised or done by the shareholders, but subject nevertheless to the provisions of any statute, the Memorandum or these Articles. No modification of the Memorandum or these Articles shall invalidate any prior act of the directors that would have been valid if such modification had not been made.

132. Without restricting the generality of the terms of any of these Articles and without prejudice to the powers conferred thereby, the directors may:

(1) take such steps as they think fit to carry out any agreement or contract made by or on behalf of the Company;

(2) pay costs, charges and expenses preliminary and incidental to the promotion, formation, establishment, and registration of the Company;

(3) purchase or otherwise acquire for the Company any property, rights or privileges that the Company is authorized to acquire, at such price and generally on such terms and conditions as they think fit;

(4) pay for any property, rights or privileges acquired by, or services rendered to the Company either wholly or partially in cash or in shares (fully paid-up or otherwise), bonds, debentures or other securities of the Company;

(5) subject to the Act, secure the fulfilment of any contracts or engagements entered into by the Company by mortgaging or charging all or any of the property of the Company and its unpaid capital for the time being, or in such other manner as they think fit;

(6) appoint, remove or suspend at their discretion such experts, managers, secretaries, treasurers, officers, clerks, agents and servants for permanent, temporary or special services, as they from time to time think fit, and determine their powers and duties and fix their salaries or emoluments and require security in such instances and to such amounts as they think fit;

(7) accept a surrender of shares from any shareholder insofar as the law permits and on such terms and conditions as may be agreed;

(8) appoint any person or persons to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested, execute and do all such deeds and things as may be required in relation to such trust, and provide for the remuneration of such trustee or trustees;

(9) institute, conduct, defend, compound or abandon any legal proceedings by and against the Company, its directors or its officers or otherwise concerning the affairs of the Company, and also compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company;

(10) refer any claims or demands by or against the Company to arbitration and observe and perform the awards;

(11) make and give receipts, releases and other discharges for amounts payable to the Company and for claims and demands of the Company;

(12) determine who may exercise the borrowing powers of the Company and sign on the Company’s behalf bonds, debentures or other securities, bills, notes, receipts, acceptances, assignments, transfers, hypothecations, pledges, endorsements, cheques, drafts, releases, contracts, agreements and all other instruments and documents;

(13) provide for the management of the affairs of the Company abroad in such manner as they think fit, and in particular appoint any person to be the attorney or agent of the Company with such powers (including power to sub-delegate) and upon such terms as may be thought fit;

(14) invest and deal with any funds of the Company in such securities and in such manner as they think fit; and vary or realize such investments;

(15) subject to the Act, execute in the name and on behalf of the Company in favour of any director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company’s property, present and future, as they think fit;

(16) give any officer or employee of the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company;

(17) set aside out of the profits of the Company before declaring any dividend such amounts as they think proper as a reserve fund to meet contingencies or provide for dividends, depreciation, repairing, improving and maintaining any of the property of the Company and such other purposes as the directors may in their absolute discretion think in the interests of the Company; and invest such amounts in such investments as they think fit, and deal with and vary such investments, and dispose of all or any part of them for the benefit of the Company, and divide the reserve fund into such special funds as they think fit, with full power to employ the assets constituting the reserve fund in the business of the Company without being bound to keep them separate from the other assets;

(18) make, vary and repeal rules respecting the business of the Company, its officers and employees, the shareholders of the Company or any section or class of them;

(19) enter into all such negotiations and contracts, rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;

(20) provide for the management of the affairs of the Company in such manner as they think fit.

SOLICITORS

133. The Company may employ or retain solicitors any of whom may, at the request or on the instruction of the directors, the Chairman, the President or a managing director, attend meetings of the directors or shareholders, whether or not the solicitor is a shareholder or a director of the Company. A solicitor who is also a director may nevertheless charge for services rendered to the Company as a solicitor.

THE SEAL

134. The directors shall arrange for the safe custody of the common seal of the Company (the "Seal"). The Seal may be affixed to any instrument in the presence of and contemporaneously with the attesting signature of (i) any director or officer acting within such person's authority or (ii) any person under the authority of a resolution of the directors or a committee thereof. For the purpose of certifying documents or proceedings the Seal may be affixed by any director or the President, a vice-president, the Secretary, an assistant secretary or any other officer of the Company without the authorization of a resolution of the directors.

135. The Company may have facsimiles of the Seal which may be used interchangeably with the Seal.

DIVIDENDS

136. The directors may from time to time declare such dividend as they deem proper upon shares of the Company according to the rights and restrictions attached to any class or series of shares, and may determine the date upon which such dividend will be payable and that it will be payable to the persons registered as the holders of the shares on which it is declared at the close of business upon a record date. No transfer of such shares registered after the record date shall pass any right to the dividend so declared.

137. No dividends shall be payable except out of the profits, retained earnings or contributed surplus of the Company and no interest shall be payable on any dividend except insofar as the rights attached to any class or series of shares provide otherwise.

138. The declaration of the directors as to the amount of the profits, retained earnings or contributed surplus of the Company shall be conclusive.

139. The directors may from time to time pay to the shareholders such interim dividends as in their judgment the position of the Company justifies.

140. Subject to the Memorandum, these Articles and the rights and restrictions attached to any class or series of shares, dividends may be declared and paid to the shareholders in proportion to the amount of capital paid-up on the shares (not including any capital paid-up bearing interest) held by them respectively.

141. The directors may deduct from the dividends payable to any shareholder amounts due and payable by the shareholder to the Company on account of calls, instalments or

otherwise, and may apply the same in or towards satisfaction of such amounts so due and payable.

142. The directors may retain any dividends on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

143. The directors may retain the dividends payable upon shares to which a person is entitled or entitled to transfer upon the death or bankruptcy of a shareholder or in any way other than by allotment or transfer, until such person has become registered as the holder of such shares or has duly transferred such shares.

144. When the directors declare a dividend on a class or series of shares and also make a call on such shares payable on or before the date on which the dividend is payable, the directors may retain all or part of the dividend and set off the amount retained against the call.

145. The directors may declare that a dividend be paid by the distribution of cash, paid-up shares (at par or at a premium), debentures, bonds or other securities of the Company or of any other company or any other specific assets held or to be acquired by the Company or in any one or more of such ways.

146. The directors may settle any difficulty that may arise in regard to the distribution of a dividend as they think expedient, and in particular without restricting the generality of the foregoing may issue fractional certificates, may fix the value for distribution of any specific assets, may determine that cash payments will be made to any shareholders upon the footing of the value so fixed or that fractions may be disregarded in order to adjust the rights of all parties, and may vest cash or specific assets in trustees upon such trusts for the persons entitled to the dividend as may seem expedient to the directors.

147. Any person registered as a joint holder of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

148. Unless otherwise determined by the directors, any dividend may be paid by a cheque or warrant delivered to or sent through the post to the registered address of the shareholder entitled, or, when there are joint holders, to the registered address of that one whose name stands first on the register for the shares jointly held. Every cheque or warrant so delivered or sent shall be made payable to the order of the person to whom it is delivered or sent. The mailing or other transmission to a shareholder at the shareholder's registered address (or, in the case of joint shareholders at the address of the holder whose name stands first on the register) of a cheque payable to the order of the person to whom it is addressed for the amount of any dividend payable in cash after the deduction of any tax which the Company has properly withheld, shall discharge the Company's liability for the dividend unless the cheque is not paid on due presentation. If any cheque for a dividend payable in cash is not received, the Company shall issue to the shareholder a replacement cheque for the same amount on such terms as to indemnity and evidence of non-receipt as the directors may impose. No shareholder may recover by action or other

legal process against the Company any dividend represented by a cheque that has not been duly presented to a banker of the Company for payment or that otherwise remains unclaimed for 6 years from the date on which it was payable.

ACCOUNTS

149. The directors shall cause proper books of account to be kept of the amounts received and expended by the Company, the matters in respect of which such receipts and expenditures take place, all sales and purchases of goods by the Company, and the assets, credits and liabilities of the Company.

150. The books of account shall be kept at the head office of the Company or at such other place or places as the directors may direct.

151. The directors shall from time to time determine whether and to what extent and at what times and places and under what conditions the accounts and books of the Company or any of them shall be open to inspection of the shareholders, and no shareholder shall have any right to inspect any account or book or document of the Company except as conferred by statute or authorized by the directors or a resolution of the shareholders.

152. At the ordinary general meeting in every year the directors shall lay before the Company such financial statements and reports in connection therewith as may be required by the Act or other applicable statute or regulation thereunder and shall distribute copies thereof at such times and to such persons as may be required by statute or regulation.

AUDITORS AND AUDIT

153. Except in respect of a financial year for which the Company is exempt from audit requirements in the Act, the Company shall at each ordinary general meeting appoint an auditor or auditors to hold office until the next ordinary general meeting. If at any general meeting at which the appointment of an auditor or auditors is to take place and no such appointment takes place, or if no ordinary general meeting is held in any year or period of years, the directors shall appoint an auditor or auditors to hold office until the next ordinary general meeting.

154. The first auditors of the Company may be appointed by the directors at any time before the first ordinary general meeting and the auditors so appointed shall hold office until such meeting unless previously removed by a resolution of the shareholders, in which event the shareholders may appoint auditors.

155. The directors may fill any casual vacancy in the office of the auditor but while any such vacancy continues the surviving or continuing auditor or auditors, if any, may act.

156. The Company may appoint as auditor any person, including a shareholder, not disqualified by statute.

157. An auditor may be removed or replaced in the circumstances and in the manner specified in the Act.

158. The remuneration of the auditors shall be fixed by the shareholders, or by the directors pursuant to authorization given by the shareholders, except that the remuneration of an auditor appointed to fill a casual vacancy may be fixed by the directors.

159. The auditors shall conduct such audit as may be required by the Act and their report, if any, shall be dealt with by the Company as required by the Act.

NOTICES

160. A notice (including any communication or document) shall be sufficiently given, delivered or served by the Company upon a shareholder, director, officer or auditor by personal delivery at such person's registered address (or, in the case of a director, officer or auditor, last known address) or by prepaid mail, telegraph, telex, facsimile machine or other electronic means of communication addressed to such person at such address.

161. Shareholders having no registered address shall not be entitled to receive notice.

162. The holder of a share warrant shall not, unless otherwise expressed therein, be entitled in respect thereof to notice of any general meeting of the Company.

163. All notices with respect to registered shares to which persons are jointly entitled may be sufficiently given to all joint holders thereof by notice given to whichever of such persons is named first in the Register for such shares.

164. Any notice sent by mail shall be deemed to be given, delivered or served on the earlier of actual receipt and the third business day following that upon which it is mailed, and in proving such service it shall be sufficient to prove that the notice was properly addressed and mailed with the postage prepaid thereon. Any notice given by electronic means of communication shall be deemed to be given when entered into the appropriate transmitting device for transmission. A certificate in writing signed on behalf of the Company that the notice was so addressed and mailed or transmitted shall be conclusive evidence thereof.

165. Every person who by operation of law, transfer or other means whatsoever becomes entitled to any share shall be bound by every notice in respect of such share that prior to such person's name and address being entered on the Register was duly served in the manner hereinbefore provided upon the person from whom such person derived title to such share.

166. Any notice delivered, sent or transmitted to the registered address of any shareholder pursuant to these Articles, shall, notwithstanding that such shareholder is then deceased and that the Company has notice thereof, be deemed to have been served in respect of any registered shares, whether held by such deceased shareholder solely or jointly with other persons, until some other person is registered as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice on the heirs, executors or administrators of the deceased shareholder and all joint holders of such shares.

167. Any notice may bear the name or signature, manual or reproduced, of the person giving the notice written or printed.

168. When a given number of days' notice or notice extending over any other period is required to be given, the day of service and the day upon which such notice expires shall not, unless it is otherwise provided, be counted in such number of days or other period.

INDEMNITY

169. Every director or officer, former director or officer, or person who acts or acted at the Company's request, as a director or officer of the Company, a body corporate, partnership or other association of which the Company is or was a shareholder, partner, member or creditor, and the heirs and legal representatives of such person, in the absence of any dishonesty on the part of such person, shall be indemnified by the Company against, and it shall be the duty of the directors out of the funds of the Company to pay, all costs, losses and expenses, including an amount paid to settle an action or claim or satisfy a judgment, that such director, officer or person may incur or become liable to pay in respect of any claim made against such person or civil, criminal or administrative action or proceeding to which such person is made a party by reason of being or having been a director or officer of the Company or such body corporate, partnership or other association, whether the Company is a claimant or party to such action or proceeding or otherwise; and the amount for which such indemnity is proved shall immediately attach as a lien on the property of the Company and have priority as against the shareholders over all other claims.

170. No director or officer, former director or officer, or person who acts or acted at the Company's request, as a director or officer of the Company, a body corporate, partnership or other association of which the Company is or was a shareholder, partner, member or creditor, in the absence of any dishonesty on such person's part, shall be liable for the acts, receipts, neglects or defaults of any other director, officer or such person, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Company through the insufficiency or deficiency of title to any property acquired for or on behalf of the Company, or through the insufficiency or deficiency of any security in or upon which any of the funds of the Company are invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any funds, securities or effects are deposited, or for any loss occasioned by error of judgment or oversight on the part of such person, or for any other loss, damage or misfortune whatsoever which happens in the execution of the duties of such person or in relation thereto.

REMINDERS

171. The directors shall comply with the following provisions of the Act or the *Corporations Registration Act* (Nova Scotia) where indicated:

(1) Keep a current register of shareholders (Section 42).

(2) Keep a current register of directors, officers and managers, send to the Registrar a copy thereof and notice of all changes therein (Section 98).

(3) Keep a current register of holders of bonds, debentures and other securities (Section 111 and Third Schedule).

(4) Send notice to the Registrar of any redemption or purchase of preference shares (Section 50).

(5) Send notice to the Registrar of any consolidation, division, conversion or reconversion of the share capital or stock of the Company (Section 53).

(6) Send notice to the Registrar of any increase of capital (Section 55).

(7) Call a general meeting every year within the proper time (Section 83). Meetings must be held not later than 15 months after the preceding general meeting.

(8) Send to the Registrar copies of all special resolutions (Section 88).

(9) Send to the Registrar notice of the address of the Company's registered Office and of all changes in such address (Section 79).

(10) Keep proper minutes of all shareholders' meetings and directors' meetings in the Company's minute book kept at the Company's registered Office (Sections 89 and 90).

(11) Obtain a certificate under the *Corporations Registration Act* (Nova Scotia) as soon as business is commenced.

(12) Send notice of recognized agent to the Registrar under the *Corporations Registration Act* (Nova Scotia).

APPENDIX "E"
MEMORANDUM OF ASSOCIATION OF AMALCO

MEMORANDUM OF ASSOCIATION

of

World Point Inc.

1. The name of the Company is **World Point Inc.**

2. There are no restrictions on the objects and powers of the Company and the Company shall expressly have the following powers:

   (a) To sell or dispose of its undertaking, or a substantial part thereof;

   (b) To distribute any of its property *in specie* among its members; and

   (c) To amalgamate with any company or other body of persons.

3. The liability of the members is limited.

4. The Company is authorized to issue unlimited number of common shares without nominal or par value, all having the rights, restrictions, conditions and limitations set out in Annex 1 hereto, with power to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferred, deferred or qualified rights, privileges or conditions, including restrictions on voting rights and including redemption and purchase of such shares, subject, however, to the provisions of the *Companies Act* of Nova Scotia.

ANNEX 1 TO MEMORANDUM OF ASSOCIATION

OF

WORLD POINT INC.

(THE "COMPANY")

SHARE TERMS AND CONDITIONS

COMMON SHARES

1. *Voting Rights*: Each holder of Common Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Company and to vote thereat, except meetings at which only holders of a specified class of shares (other than Common Shares) or specified series of shares are entitled to vote. At all meetings of which notice must be given to the holders of the Common Shares, each holder of Common Shares shall be entitled to one vote in respect of each Common Share held by him or her.

2. *Dividends*: The holders of the Common Shares shall be entitled, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Company, to receive any dividend declared by the Company. For greater certainty, dividends may be declared to holders of any or all other classes of shares of the Company to the exclusion of the holders of the Common Shares.

3. *Rights on Dissolution*: The holders of the Common Shares shall be entitled, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Company, to receive the remaining property of the Company on a liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary.

REDEEMABLE PREFERRED SHARES

The Redeemable Preferred Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

1. *Redemption*: The Company shall, subject to the requirements of the *Companies Act* (Nova Scotia), as amended (the "**Act**"), immediately after the amalgamation forming the Company becoming effective (the "**Time of Redemption**") redeem all of the Redeemable Preferred Shares in accordance with the following provisions of this section. Except as hereinafter provided, no notice of redemption or other act or formality on the part of the Company shall be required to call the Redeemable Preferred Shares for redemption.

   At or before the Time of Redemption, the Company shall deliver or cause to be delivered to CIBC Mellon Trust Company (the "**Depositary**") at its principal office in the City of Toronto US$19.90 less the amount of any dividends declared and paid on the common shares in the capital of World Point Terminals Inc. prior to the amalgamation forming the Company becoming effective (the "**Redemption Amount**") in respect of each Redeemable Preferred Share to be redeemed. Delivery of the aggregate Redemption

Amount in such a manner, shall be a full and complete discharge of the Company's obligation to deliver the aggregate Redemption Amount to the holders of Redeemable Preferred Shares.

From and after the Time of Redemption, (i) the Depositary shall pay and deliver or cause to be paid and delivered to the order of the respective holders of the Redeemable Preferred Shares, by way of cheque, on presentation and surrender at the principal office of the Depositary in the City of Toronto of the certificates representing the shares of the Company's predecessor, World Point Terminals Inc., which were converted into Redeemable Preferred Shares upon the amalgamation, the total Redemption Amount payable and deliverable to such holders, respectively, and (ii) the holders of Redeemable Preferred Shares shall not be entitled to exercise any of the rights of shareholders in respect thereof except to receive the Redemption Amount therefor, provided that if satisfaction of the Redemption Amount for any Redeemable Preferred Shares is not duly made by or on behalf of the Company in accordance with the provisions hereof, then the rights of such holders shall remain unaffected.

From the Time of Redemption, the Redeemable Preferred Shares in respect of which deposit of the Redemption Amount is made shall be deemed to be redeemed and cancelled, the Company shall be fully and completely discharged from its obligations with respect to the payment of the Redemption Amount to such holders of Redeemable Preferred Shares, and the rights of such holders shall be limited to receiving the Redemption Amount payable to them on presentation and surrender of the said certificates held by them respectively as specified above. Subject to the requirements of applicable law with respect to unclaimed property, if the Redemption Amount has not been fully paid in accordance with the provisions hereof within six years of the Time of Redemption, the Redemption Amount shall be forfeited to the Company.

2. *Priority*: The Common Shares shall rank junior to the Redeemable Preferred Shares and shall be subject in all respects to the rights, privileges, restrictions and conditions attaching to the Redeemable Preferred Shares.

3. *Dividends:* The holders of the Redeemable Preferred Shares shall not be entitled to receive any dividends thereon.

4. *Voting Rights:* Except as otherwise provided in the Act, the holders of the Redeemable Preferred Shares shall not be entitled to receive notice of, to attend or to vote at any meeting of the shareholders of the Company.

5. *Liquidation, Dissolution or Winding Up:* In the event of the liquidation or winding-up of the Company or any other distribution of the property or assets of the Company among its shareholders for the purpose of winding-up its affairs, and subject to the extinguishment of the rights of holders of Redeemable Preferred Shares upon payment of the Redemption Amount in respect of each Redeemable Preferred Share, the holders of Redeemable Preferred Shares shall be entitled to receive and the Company shall pay to such holders, before any amount shall be paid or any property or assets of the Company shall be distributed to the holders of Common Shares or any other class of shares ranking junior to the Redeemable Preferred Shares as to such entitlement, an amount equal to the Redemption Amount for each Redeemable Preferred Share held by them respectively and

no more. After payment to the holders of the Redeemable Preferred Shares of the amounts so payable to them as hereinbefore provided, they shall not be entitled to share in any further distribution of the property or assets of the Company.

APPENDIX "F"
ARTICLES OF ASSOCIATION OF AMALCO

ARTICLES OF ASSOCIATION

of

World Point Inc.

Interpretation

1. In these Articles, unless there be something in the subject or context inconsistent therewith:

(1) "Act" means the *Companies Act* (Nova Scotia);

(2) "Articles" means these Articles of Association of the Company and all amendments hereto;

(3) "Company" means the company named above;

(4) "director" means a director of the Company;

(5) "Memorandum" means the Memorandum of Association of the Company and all amendments thereto;

(6) "month" means calendar month;

(7) "Office" means the registered office of the Company;

(8) "person" includes a body corporate;

(9) "proxyholder" includes an alternate proxyholder;

(10) "Register" means the register of members kept pursuant to the Act, and where the context permits includes a branch register of members;

(11) "Registrar" means the Registrar as defined in the Act;

(12) "Secretary" includes any person appointed to perform the duties of the Secretary temporarily;

(13) "shareholder" means member as that term is used in the Act in connection with a company limited by shares;

(14) "special resolution" has the meaning assigned by the Act;

(15) "in writing" and "written" includes printing, lithography and other modes of representing or reproducing words in visible form;

(16) words importing number or gender include all numbers and genders unless the context otherwise requires;

2. The regulations in Table A in the First Schedule to the Act shall not apply to the Company.

3. The directors may, out of the funds of the Company, pay all expenses incurred for the continuance of the Company.

SHARES

4. The directors shall control the shares and, subject to the provisions of these Articles, may allot or otherwise dispose of them to such person at such times, on such terms and conditions and, if the shares have a par value, either at a premium or at par, as they think fit.

5. The directors may pay on behalf of the Company a reasonable commission to any person in consideration of subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company, or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company. Subject to the Act, the commission may be paid or satisfied in shares of the Company.

6. On the issue of shares the Company may arrange among the holders thereof differences in the calls to be paid and in the times for their payment.

7. If the whole or part of the allotment price of any shares is, by the conditions of their allotment, payable in instalments, every such instalment shall, when due, be payable to the Company by the person who is at such time the registered holder of the shares.

8. Shares may be registered in the names of joint holders not exceeding three in number.

9. Joint holders of a share shall be jointly and severally liable for the payment of all instalments and calls due in respect of such share. On the death of one or more joint holders of shares the survivor or survivors of them shall alone be recognized by the Company as the registered holder or holders of the shares.

10. Save as herein otherwise provided, the Company may treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a court of competent jurisdiction or required by statute, be bound to recognize any equitable or other claim to or interest in such share on the part of any other person.

PRIVATE ISSUER

11. No security issued by the Company, other than a non-convertible debt security, may be transferred, except

(a) with the consent of the directors of the Company expressed by a resolution of the directors or by a document in writing signed by a majority of the directors; or

(b) with the consent of the holders of the shares entitled to vote at an ordinary general meeting expressed by a resolution of the holders of those shares or by a document in writing signed by the holders of the majority of those shares.

The Company shall not register any other purported transfer of securities. In this Article the term "security" includes any security within the meaning of such term in the *Securities Act* (Nova Scotia) or regulations or rules made pursuant thereto, as the same may be amended from time to time.

CERTIFICATES

12. Certificates of title to shares shall comply with the Act and may otherwise be in such form as the directors may from time to time determine. Unless the directors otherwise determine, every certificate of title to shares shall be signed manually by at least one of the Chairman, President, Secretary, Treasurer, a vice-president, an assistant secretary, any other officer of the Company or any director of the Company or by or on behalf of a share registrar transfer agent or branch transfer agent appointed by the Company or by any other person whom the directors may designate. When signatures of more than one person appear on a certificate all but one may be printed or otherwise mechanically reproduced. All such certificates when signed as provided in this Article shall be valid and binding upon the Company. If a certificate contains a printed or mechanically reproduced signature of a person, the Company may issue the certificate, notwithstanding that the person has ceased to be a director or an officer of the Company and the certificate is as valid as if such person were a director or an officer at the date of its issue. Any certificate representing shares of a class publicly traded on any stock exchange shall be valid and binding on the Company if it complies with the rules of such exchange whether or not it otherwise complies with this Article.

13. Except as the directors may determine, each shareholder's shares may be evidenced by any number of certificates so long as the aggregate of the shares stipulated in such certificates equals the aggregate registered in the name of the shareholder.

14. Where shares are registered in the names of two or more persons, the Company shall not be bound to issue more than one certificate or set of certificates, and such certificate or set of certificates shall be delivered to the person first named on the Register.

15. Any certificate that has become worn, damaged or defaced may, upon its surrender to the directors, be cancelled and replaced by a new certificate. Any certificate that has become lost or destroyed may be replaced by a new certificate upon proof of such loss or destruction to the satisfaction of the directors and the furnishing to the Company of such undertakings of indemnity as the directors deem adequate.

16. The sum of one dollar or such other sum as the directors from time to time determine shall be paid to the Company for every certificate other than the first certificate issued to any holder in respect of any share or shares.

17. The directors may cause one or more branch Registers of shareholders to be kept in any place or places, whether inside or outside of Nova Scotia.

CALLS

18. The directors may make such calls upon the shareholders in respect of all amounts unpaid on the shares held by them respectively and not made payable at fixed times by the conditions on which such shares were allotted, and each shareholder shall pay the amount of every call so made to the person and at the times and places appointed by the directors. A call may be made payable by instalments.

19. A call shall be deemed to have been made at the time when the resolution of the directors authorizing such call was passed.

20. At least 14 days' notice of any call shall be given, and such notice shall specify the time and place at which and the person to whom such call shall be paid.

21. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for the payment thereof, the holder for the time being of the share in respect of which the call has been made or the instalment is due shall pay interest on such call or instalment at the rate of 9% per year or such other rate of interest as the directors may determine from the day appointed for the payment thereof up to the time of actual payment.

22. At the trial or hearing of any action for the recovery of any amount due for any call, it shall be sufficient to prove that the name of the shareholder sued is entered on the Register as the holder or one of the holders of the share or shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book and that such notice of such call was duly given to the shareholder sued in pursuance of these Articles. It shall not be necessary to prove the appointment of the directors who made such call or any other matters whatsoever and the proof of the matters stipulated shall be conclusive evidence of the debt.

23. The directors may receive from any shareholder willing to advance it all or any part of the amount due upon shares held by such shareholder beyond the sums called for; and upon the amount so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made the Company may pay interest at such rate or permit such participation in profits upon the amount so paid or satisfied in advance as the shareholder paying such sum in advance and the directors agree.

FORFEITURE OF SHARES

24. If any shareholder fails to pay any call or instalment on or before the day appointed for payment, the directors may at any time thereafter while the call or instalment remains unpaid serve a notice on such shareholder requiring payment thereof together with any

interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

25. The notice shall name a day (not being less than 14 days after the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses are to be paid. The notice shall also state that, in the event of non-payment on or before the day and at the place or one of the places so named, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

26. If the requirements of any such notice are not complied with, any shares in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

27. When any share has been so forfeited, notice of the resolution shall be given to the shareholder in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall be made in the Register.

28. Any share so forfeited shall be deemed the property of the Company and the directors may sell, re-allot or otherwise dispose of it in such manner as they think fit.

29. The directors may at any time before any share so forfeited has been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit.

30. Any shareholder whose shares have been forfeited shall nevertheless be liable to pay and shall forthwith pay to the Company all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon at the rate of 9% per year or such other rate of interest as the directors may determine from the time of forfeiture until payment. The directors may enforce such payment if they think fit, but are under no obligation to do so.

31. A certificate signed by the Secretary stating that a share has been duly forfeited on a specified date in pursuance of these Articles and the time when it was forfeited shall be conclusive evidence of the facts therein stated as against any person who would have been entitled to the share but for such forfeiture.

LIEN ON SHARES

32. The Company shall have a first and paramount lien upon all shares (other than fully paid-up shares) registered in the name of a shareholder (whether solely or jointly with others) and upon the proceeds from the sale thereof for debts, liabilities and other engagements of the shareholder, solely or jointly with any other person, to or with the Company, whether or not the period for the payment, fulfilment or discharge thereof has actually arrived, and such lien shall extend to all dividends declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of any lien of the Company on such shares.

33. For the purpose of enforcing such lien the directors may sell the shares subject to it in such manner as they think fit, but no sale shall be made until the period for the payment, fulfilment or discharge of such debts, liabilities or other engagements has arrived, and until notice in writing of the intention to sell has been given to such shareholder or the shareholder's executors or administrators and default has been made by them in such payment, fulfilment or discharge for seven days after such notice.

34. The net proceeds of any such sale after the payment of all costs shall be applied in or towards the satisfaction of such debts, liabilities or engagements and the residue, if any, paid to such shareholder.

VALIDITY OF SALES

35. Upon any sale after forfeiture or to enforce a lien in purported exercise of the powers given by these Articles the directors may cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after the purchaser's name has been entered in the Register in respect of such shares the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

TRANSFER OF SHARES

36. The instrument of transfer of any share in the Company shall be signed by the transferor. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof and shall be entitled to receive any dividend declared thereon before the registration of the transfer.

37. The instrument of transfer of any share shall be in writing in the following form or to the following effect:

> For value received, ________ hereby sell, assign, and transfer unto ______, _____ shares in the capital of the Company represented by the within certificate, and do hereby irrevocably constitute and appoint ________ attorney to transfer such shares on the books of the Company with full power of substitution in the premises.
>
> Dated the ____ day of ____________, _____
>
> Witness:

38. The directors may, without assigning any reason therefor, decline to register any transfer of shares

    (1) not fully paid-up or upon which the Company has a lien, or

    (2) the transfer of which is restricted by any agreement to which the Company is a party.

39. Every instrument of transfer shall be left for registration at the Office of the Company, or at any office of its transfer agent where a Register is maintained, together with the certificate of the shares to be transferred and such other evidence as the Company may require to prove title to or the right to transfer the shares.

40. The directors may require that a fee determined by them be paid before or after registration of any transfer.

41. Every instrument of transfer shall, after its registration, remain in the custody of the Company. Any instrument of transfer that the directors decline to register shall, except in case of fraud, be returned to the person who deposited it.

TRANSMISSION OF SHARES

42. The executors or administrators of a deceased shareholder (not being one of several joint holders) shall be the only persons recognized by the Company as having any title to the shares registered in the name of such shareholder. When a share is registered in the names of two or more joint holders, the survivor or survivors or the executors or administrators of the deceased survivor, shall be the only persons recognized by the Company as having any title to, or interest in, such share.

43. Notwithstanding anything in these Articles, if the Company has only one shareholder (not being one of several joint holders) and that shareholder dies, the executors or administrators of the deceased shareholder shall be entitled to register themselves in the Register as the holders of the shares registered in the name of the deceased shareholder whereupon they shall have all the rights given by these Articles and by law to shareholders.

44. Any person entitled to shares upon the death or bankruptcy of any shareholder or in any way other than by allotment or transfer, upon producing such evidence of entitlement as the directors require, may be registered as a shareholder in respect of such shares, or may, without being registered, transfer such shares subject to the provisions of these Articles respecting the transfer of shares. The directors shall have the same right to refuse registration as if the transferee were named in an ordinary transfer presented for registration.

SURRENDER OF SHARES

45. The directors may accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof. Any share so surrendered may be disposed of in the same manner as a forfeited share.

SHARE WARRANT

46. The Company, with respect to any fully paid-up shares, may issue warrants ("Share Warrants") stating that the bearer is entitled to the shares therein specified, and may

provide, by coupons or otherwise, for the payment of future dividends on the shares included in the Share Warrants.

47. The directors may determine and vary the conditions upon which Share Warrants will be issued and, without limiting the generality of the foregoing, may determine the conditions upon which

(1) a new Share Warrant or coupon will be issued in the place of one worn out, defaced, lost or destroyed, or

(2) the bearer of a Share Warrant will be entitled to attend and vote at general meetings, or

(3) a Share Warrant may be surrendered and the name of the bearer entered in the Register in respect of the shares therein specified.

Subject to such conditions and to these Articles the bearer of a Share Warrant shall be a shareholder to the full extent. The bearer of a Share Warrant shall be subject to the conditions for the time being in force, whether made before or after the issue of the Share Warrant.

INCREASE AND REDUCTION OF CAPITAL

48. Subject to the Act, the Company may by resolution of its shareholders increase its share capital by the creation of new shares of such amount as it thinks expedient.

49. Subject to the Act, the new shares may be issued upon such terms and conditions and with such rights, privileges, limitations, restrictions and conditions attached thereto as the Company by resolution of its shareholders determines or, if no direction is given, as the directors determine.

50. The Company by resolution of its shareholders may, before the issue of any new shares, determine that such shares or any of them shall be offered in the first instance to all the then shareholders or to the holders of any class or series of shares in proportion to the amount of the capital held by them, or make any other provisions as to the issue and allotment of such shares. In default of any such determination or to the extent that it does not apply, the directors shall control the new shares.

51. Except as otherwise provided by the conditions of issue , or by these Articles, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to payment of calls and instalments, transfer and transmission, forfeiture, lien and otherwise.

52. The Company may, by special resolution where required, reduce its share capital in any way and with subject to any incident authorized and consent required by law.

ALTERATION OF CAPITAL

53. Subject to the Act, the Company may by resolution of its shareholders:

(1) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(2) convert all or any of its paid-up shares into stock and reconvert that stock into paid-up shares of any denomination;

(3) exchange shares of one denomination for another; or

(4) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

54. Subject to the Act, the Company may by special resolution:

(1) subdivide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so, however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived and the special resolution whereby any share is subdivided may determine that as between the holders of the shares resulting from such subdivision, one or more of such shares shall have some preference or special advantage as regards dividend, capital, voting or otherwise, over, or as compared with, the others or other;

(2) convert any part of its issued or unissued share capital into preference shares redeemable or purchasable by the Company;

(3) provide for the issue of shares without any nominal or par value provided that, upon any such issue, a declaration executed by the Secretary must be filed with the Registrar stating the number of shares issued and the amount received therefor;

(4) convert all or any of its previously authorized, unissued or issued, fully paid-up shares, other than preferred shares, with nominal or par value into the same number of shares without any nominal or par value, and reduce, maintain or increase accordingly its liability on any of its shares so converted; provided that the power to reduce its liability on any of its shares so converted may, where it results in a reduction of capital, only be exercised subject to confirmation by the court as provided by the Act; or

(5) convert all or any of its previously authorized, unissued or issued, fully paid-up shares without nominal or par value into the same or a different number of shares with nominal or par value, and for such purpose the shares issued without nominal or par value and replaced by shares with a nominal or par value shall be considered as fully paid, but their aggregate par value shall not exceed the value

of the net assets of the Company as represented by the shares without par value issued before the conversion.

55. Subject to the Act and any provisions attached to such shares, the Company may redeem, purchase or acquire any of its shares and the directors may determine the manner and the terms for redeeming, purchasing or acquiring such shares and may provide a sinking fund on such terms as they think fit for the redemption, purchase or acquisition of shares of any class or series.

INTEREST ON SHARE CAPITAL

56. The Company may pay interest at a rate not exceeding 6% per year on share capital issued and paid-up for the purpose of raising funds to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be operated profitably for a lengthy period of time. Such interest may be paid for such period and may be charged to capital as part of the cost of construction of the work or building or of the provision of the plant. The payment of the interest shall not operate to reduce the amount paid-up on the shares in respect of which it is paid. The accounts of the Company shall show full particulars of the payment during the period to which the accounts relate.

CLASSES AND SERIES OF SHARES

57. Subject to the Act and the Memorandum, and without prejudice to any special rights previously conferred on the holders of existing shares, any share may be issued with such preferred, deferred or other special rights, or with such restrictions, whether in regard to dividends, voting, return of share capital or otherwise, as the Company may from time to time determine by special resolution.

MEETINGS AND VOTING BY CLASS OR SERIES

58. Where the holders of shares of a class or series have, under the Act, the Memorandum, the terms or conditions attaching to such shares or otherwise, the right to vote separately as a class in respect of any matter then, except as provided in the Act, the Memorandum, these Articles or such terms or conditions, all the provisions in these Articles concerning general meetings (including, without limitation, provisions respecting notice, quorum and procedure) shall, mutatis mutandis, apply to every meeting of holders of such class or series of shares convened for the purpose of such vote.

59. Unless the rights, privileges, terms or conditions attached to a class or series of shares provide otherwise, such class or series of shares shall not have the right to vote separately as a class or series upon an amendment to the Memorandum or Articles to:

(1) increase or decrease any maximum number of authorized shares of such class or series, or increase any maximum number of authorized shares of a class or series having rights or privileges equal or superior to the shares of such class or series;

(2) effect an exchange, reclassification or cancellation of all or part of the shares of such class or series; or

(3) create a new class or series of shares equal or superior to the shares of such class or series.

BORROWING POWERS

60. The directors on behalf of the Company may:

(1) raise or borrow money for the purposes of the Company or any of them;

(2) secure, subject to the sanction of a special resolution where required by the Act, the repayment of funds so raised or borrowed in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the execution and delivery of mortgages of the Company's real or personal property, or by the issue of bonds, debentures or other securities of the Company secured by mortgage or other charge upon all or any part of the property of the Company, both present and future including its uncalled capital for the time being;

(3) sign or endorse bills, notes, acceptances, cheques, contracts, and other evidence of or securities for funds borrowed or to be borrowed for the purposes aforesaid;

(4) pledge debentures as security for loans;

(5) guarantee obligations of any person.

61. Bonds, debentures and other securities may be made assignable, free from any equities between the Company and the person to whom such securities were issued.

62. Any bonds, debentures and other securities may be issued at a discount, premium or otherwise and with special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of directors and other matters.

GENERAL MEETINGS

63. Ordinary general meetings of the Company shall be held at least once in every calendar year at such time and place as may be determined by the directors and not later than 15 months after the preceding ordinary general meeting. All other meetings of the Company shall be called special general meetings. Ordinary or special general meetings may be held either within or without the Province of Nova Scotia.

64. The President, a vice-president or the directors may at any time convene a special general meeting, and the directors, upon the requisition of shareholders in accordance with the Act shall forthwith proceed to convene such meeting or meetings to be held at such time and place or times and places as the directors determine.

65. The requisition shall state the objects of the meeting requested, be signed by the requisitionists and deposited at the Office of the Company. It may consist of several documents in like form each signed by one or more of the requisitionists.

66. At least seven clear days' notice, or such longer period of notice as may be required by the Act, of every general meeting, specifying the place, day and hour of the meeting and, when special business is to be considered, the general nature of such business, shall be given to the shareholders entitled to be present at such meeting by notice given as permitted by these Articles. With the consent in writing of all the shareholders entitled to vote at such meeting, a meeting may be convened by a shorter notice and in any manner they think fit, or notice of the time, place and purpose of the meeting may be waived by all of the shareholders.

67. When it is proposed to pass a special resolution, the two meetings may be convened by the same notice, and it shall be no objection to such notice that it only convenes the second meeting contingently upon the resolution being passed by the requisite majority at the first meeting.

68. The accidental omission to give notice to a shareholder, or non-receipt of notice by a shareholder, shall not invalidate any resolution passed at any general meeting.

RECORD DATES

69. (1) The directors may fix in advance a date as the record date for the determination of shareholders

(a) entitled to receive payment of a dividend or entitled to receive any distribution;

(b) entitled to receive notice of a meeting; or

(c) for any other purpose.

(2) If no record date is fixed, the record date for the determination of shareholders

(d) entitled to receive notice of a meeting shall be the day immediately preceding the day on which the notice is given, or, if no notice is given, the day on which the meeting is held; and

(e) for any other purpose shall be the day on which the directors pass the resolution relating to the particular purpose.

PROCEEDINGS AT GENERAL MEETINGS

70. The business of an ordinary general meeting shall be to receive and consider the financial statements of the Company and the report of the directors and the report, if any, of the auditors, to elect directors in the place of those retiring and to transact any other business which under these Articles ought to be transacted at an ordinary general meeting.

71. No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business. A corporate shareholder of the Company that has a duly authorized agent or representative present at any such meeting shall for the purpose of this Article be deemed to be personally present at such meeting.

72. One person, being a shareholder, proxyholder or representative of a corporate shareholder, present and entitled to vote shall constitute a quorum for a general meeting, and may hold a meeting.

73. The Chairman shall be entitled to take the chair at every general meeting or, if there be no Chairman, or if the Chairman is not present within fifteen 15 minutes after the time appointed for holding the meeting, the President or, failing the President, a vice-president shall be entitled to take the chair. If the Chairman, the President or a vice-president is not present within 15 minutes after the time appointed for holding the meeting or if all such persons present decline to take the chair, the shareholders present entitled to vote at the meeting shall choose another director as chairman and if no director is present or if all the directors present decline to take the chair, then such shareholders shall choose one of their number to be chairman.

74. If within half an hour from the time appointed for a general meeting a quorum is not present, the meeting, if it was convened pursuant to a requisition of shareholders, shall be dissolved; if it was convened in any other way, it shall stand adjourned to the same day, in the next week, at the same time and place. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the shareholders present shall be a quorum and may hold the meeting.

75. Subject to the Act, at any general meeting a resolution put to the meeting shall be decided by a show of hands unless, either before or on the declaration of the result of the show of hands, a poll is demanded by the chairman, a shareholder or a proxyholder; and unless a poll is so demanded, a declaration by the chairman that the resolution has been carried, carried by a particular majority, lost or not carried by a particular majority and an entry to that effect in the Company's book of proceedings shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.

76. When a poll is demanded, it shall be taken in such manner and at such time and place as the chairman directs, and either at once or after an interval or adjournment or otherwise. The result of the poll shall be the resolution of the meeting at which the poll was demanded. The demand of a poll may be withdrawn. When any dispute occurs over the admission or rejection of a vote, it shall be resolved by the chairman and such determination made in good faith shall be final and conclusive.

77. The chairman shall not have a casting vote in addition to any vote or votes that the chairman has as a shareholder.

78. The chairman of a general meeting may with the consent of the meeting adjourn the meeting from time to time and from place to place, but no business shall be transacted at

any adjourned meeting other than the business left unfinished at the meeting that was adjourned.

79. Any poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith without adjournment.

80. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

VOTES OF SHAREHOLDERS

81. Subject to the Act and to any provisions attached to any class or series of shares concerning voting rights

(1) on a show of hands every shareholder present in person, every duly authorized representative of a corporate shareholder, and, if not prevented from voting by the Act, every proxyholder, shall have one vote; and

(2) on a poll every shareholder present in person, every duly authorized representative of a corporate shareholder, and every proxyholder, shall have one vote for every share held;

whether or not such representative or proxyholder is a shareholder.

82. Any person entitled to transfer shares upon the death or bankruptcy of any shareholder or in any way other than by allotment or transfer may vote at any general meeting in respect thereof in the same manner as if such person were the registered holder of such shares so long as the directors are satisfied at least 48 hours before the time of holding the meeting of such person's right to transfer such shares.

83. Where there are joint registered holders of any share, any of such holders may vote such share at any meeting, either personally or by proxy, as if solely entitled to it. If more than one joint holder is present at any meeting, personally or by proxy, the one whose name stands first on the Register in respect of such share shall alone be entitled to vote it. Several executors or administrators of a deceased shareholder in whose name any share stands shall for the purpose of this Article be deemed joint holders thereof.

84. Votes may be cast either personally or by proxy or, in the case of a corporate shareholder by a representative duly authorized under the Act.

85. A proxy shall be in writing and executed in the manner provided in the Act. A proxy or other authority of a corporate shareholder does not require its seal. Holders of Share Warrants shall not be entitled to vote by proxy in respect of the shares included in such warrants unless otherwise expressed in such warrants.

86. A shareholder of unsound mind in respect of whom an order has been made by any court of competent jurisdiction may vote by guardian or other person in the nature of a

guardian appointed by that court, and any such guardian or other person may vote by proxy.

87. A proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Office of the Company or at such other place as the directors may direct. The directors may, by resolution, fix a time not exceeding 48 hours excluding Saturdays and holidays preceding any meeting or adjourned meeting before which time proxies to be used at that meeting must be deposited with the Company at its Office or with an agent of the Company. Notice of the requirement for depositing proxies shall be given in the notice calling the meeting. The chairman of the meeting shall determine all questions as to validity of proxies and other instruments of authority.

88. A vote given in accordance with the terms of a proxy shall be valid notwithstanding the previous death of the principal, the revocation of the proxy, or the transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, revocation or transfer is received at the Office of the Company before the meeting or by the chairman of the meeting before the vote is given.

89. Every form of proxy shall comply with the Act and its regulations and subject thereto may be in the following form:

> I, _________________ of __________ being a shareholder of __________________ hereby appoint __________________ of ____________________________ (or failing him/her ____________ of ______________________) as my proxyholder to attend and to vote for me and on my behalf at the ordinary/special general meeting of the Company, to be held on the day of and at any adjournment thereof, or at any meeting of the Company which may be held prior to [insert specified date or event].
>
> [If the proxy is solicited by or behalf of the management of the Company, insert a statement to that effect.]
>
> Dated this ____ day of ___________________ _____.
>
> _______________________________
> Shareholder

90. Subject to the Act, no shareholder shall be entitled to be present or to vote on any question, either personally or by proxy, at any general meeting or be reckoned in a quorum while any call is due and payable to the Company in respect of any of the shares of such shareholder.

91. Any resolution passed by the directors, notice of which has been given to the shareholders in the manner in which notices are hereinafter directed to be given and which is, within one month after it has been passed, ratified and confirmed in writing by shareholders entitled on a poll to three-fifths of the votes, shall be as valid and effectual

as a resolution of a general meeting. This Article shall not apply to a resolution for winding up the Company or to a resolution dealing with any matter that by statute or these Articles ought to be dealt with by a special resolution or other method prescribed by statute.

92. A resolution, including a special resolution, in writing and signed by every shareholder who would be entitled to vote on the resolution at a meeting is as valid as if it were passed by such shareholders at a meeting and satisfies all of the requirements of the Act respecting meetings of shareholders.

DIRECTORS

93. Unless otherwise determined by resolution of shareholders, the number of directors shall not be less than one or more than ten.

94. Notwithstanding anything herein contained the directors of the Company on the date of its continuance shall continue to be the directors of the Company until their successors are appointed or they otherwise cease to be directors in accordance with these Articles.

95. The directors may be paid out of the funds of the Company as remuneration for their service such sums, if any, as the Company may by resolution of its shareholders determine, and such remuneration shall be divided among them in such proportions and manner as the directors determine. The directors may also be paid their reasonable travelling, hotel and other expenses incurred in attending meetings of directors and otherwise in the execution of their duties as directors.

96. The continuing directors may act notwithstanding any vacancy in their body, but if their number falls below the minimum permitted, the directors shall not, except in emergencies or for the purpose of filling vacancies, act so long as their number is below the minimum.

97. A director may, in conjunction with the office of director, and on such terms as to remuneration and otherwise as the directors arrange or determine, hold any other office or place of profit under the Company or under any company in which the Company is a shareholder or is otherwise interested.

98. The office of a director shall *ipso facto* be vacated, if the director:

(1) becomes bankrupt or makes an assignment for the benefit of creditors;

(2) is, or is found by a court of competent jurisdiction to be, of unsound mind;

(3) by notice in writing to the Company, resigns the office of director; or

(4) is removed in the manner provided by these Articles.

99. No director shall be disqualified by holding the office of director from contracting with the Company, either as vendor, purchaser, or otherwise, nor shall any such contract, or any contract or arrangement entered into or proposed to be entered into by or on behalf of

the Company in which any director is in any way interested, either directly or indirectly, be avoided, nor shall any director so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such director holding that office or of the fiduciary relations thereby established, provided the director makes a declaration or gives a general notice in accordance with the Act. No director shall, as a director, vote in respect of any contract or arrangement in which the director is so interested, and if the director does so vote, such vote shall not be counted. This prohibition may at any time or times be suspended or relaxed to any extent by a resolution of the shareholders and shall not apply to any contract by or on behalf of the Company to give to the directors or any of them any security for advances or by way of indemnity.

ELECTION OF DIRECTORS

100. At the dissolution of every ordinary general meeting at which their successors are elected, all the directors shall retire from office and be succeeded by the directors elected at such meeting. Retiring directors shall be eligible for re-election.

101. If at any ordinary general meeting at which an election of directors ought to take place no such election takes place, or if no ordinary general meeting is held in any year or period of years, the retiring directors shall continue in office until their successors are elected.

102. The Company may by resolution of its shareholders elect any number of directors permitted by these Articles and may determine or alter their qualification.

103. The Company may, by special resolution or in any other manner permitted by statute, remove any director before the expiration of such director's period of office and may, if desired, appoint a replacement to hold office during such time only as the director so removed would have held office.

104. The directors may appoint any other person as a director so long as the total number of directors does not at any time exceed the maximum number permitted. No such appointment, except to fill a casual vacancy, shall be effective unless two-thirds of the directors concur in it. Any casual vacancy occurring among the directors may be filled by the directors, but any person so chosen shall retain office only so long as the vacating director would have retained it if the vacating director had continued as director.

MANAGING DIRECTOR

105. The directors may appoint one or more of their body to be managing directors of the Company, either for a fixed term or otherwise , and may remove or dismiss them from office and appoint replacements.

106. Subject to the provisions of any contract between a managing director and the Company, a managing director shall be subject to the same provisions as to resignation and removal as the other directors of the Company. A managing director who for any reason ceases to hold the office of director shall ipso facto immediately cease to be a managing director.

107. The remuneration of a managing director shall from time to time be fixed by the directors and may be by way of any or all of salary, commission and participation in profits.

108. The directors may from time to time entrust to and confer upon a managing director such of the powers exercisable under these Articles by the directors as they think fit, and may confer such powers for such time, and to be exercised for such objects and purposes and upon such terms and conditions, and with such restrictions as they think expedient; and they may confer such powers either collaterally with, or to the exclusion of, and in substitution for, all or any of the powers of the directors in that behalf; and may from time to time revoke, withdraw, alter or vary all or any of such powers.

CHAIRMAN OF THE BOARD

109. The directors may elect one of their number to be Chairman and may determine the period during which the Chairman is to hold office. The Chairman shall perform such duties and receive such special remuneration as the directors may provide.

PRESIDENT AND VICE-PRESIDENTS

110. The directors shall elect the President of the Company, who need not be a director, and may determine the period for which the President is to hold office. The President shall have general supervision of the business of the Company and shall perform such duties as may be assigned from time to time by the directors.

111. The directors may also elect vice-presidents, who need not be directors, and may determine the periods for which they are to hold office. A vice-president shall, at the request of the President or the directors and subject to the directions of the directors, perform the duties of the President during the absence, illness or incapacity of the President, and shall also perform such duties as may be assigned by the President or the directors.

SECRETARY AND TREASURER

112. The directors shall appoint a Secretary of the Company to keep minutes of shareholders' and directors' meetings and perform such other duties as may be assigned by the directors. The directors may also appoint a temporary substitute for the Secretary who shall, for the purposes of these Articles, be deemed to be the Secretary.

113. The directors may appoint a treasurer of the Company to carry out such duties as the directors may assign.

OFFICERS

114. The directors may elect or appoint such other officers of the Company, having such powers and duties, as they think fit.

115. If the directors so decide the same person may hold more than one of the offices provided for in these Articles.

116. Notwithstanding anything herein contained the officers of the Company on the date of its continuance shall continue to hold office until their successors are appointed or they otherwise cease to hold office in accordance with these Articles.

PROCEEDINGS OF DIRECTORS

117. The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings, as they think fit, and may determine the quorum necessary for the transaction of business. Until otherwise determined, one director shall constitute a quorum and may hold a meeting.

118. If all directors of the Company entitled to attend a meeting either generally or specifically consent, a director may participate in a meeting of directors or of a committee of directors by means of such telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a director participating in such a meeting by such means is deemed to be present at that meeting for purposes of these Articles.

119. Meetings of directors may be held either within or without the Province of Nova Scotia and the directors may from time to time make arrangements relating to the time and place of holding directors' meetings, the notices to be given for such meetings and what meetings may be held without notice. Unless otherwise provided by such arrangements:

(1) A meeting of directors may be held at the close of every ordinary general meeting of the Company without notice.

(2) Notice of every other directors' meeting may be given as permitted by these Articles to each director at least 48 hours before the time fixed for the meeting.

(3) A meeting of directors may be held without formal notice if all the directors are present or if those absent have signified their assent to such meeting or their consent to the business transacted at such meeting.

120. The President or any director may at any time, and the Secretary, upon the request of the President or any director, shall summon a meeting of the directors to be held at the Office of the Company. The President, the Chairman or a majority of the directors may at any time, and the Secretary, upon the request of the President, the Chairman or a majority of the directors, shall summon a meeting to be held elsewhere.

121. (a) Questions arising at any meeting of directors shall be decided by a majority of votes. The chairman of the meeting may vote as a director but shall not have a second or casting vote.

(b) At any meeting of directors the chairman shall receive and count the vote of any director not present in person at such meeting on any question or matter arising at such meeting whenever such absent director has indicated by telegram, letter or other writing lodged with the chairman of such meeting the manner in which the absent director desires to vote on such question or matter and such question or matter has been specifically mentioned in the notice calling the meeting as a question or matter to be discussed or decided thereat. In respect of any such question or matter so mentioned in such notice any director may give to any other director a proxy authorizing such other director to vote for such first named director at such meeting, and the chairman of such meeting, after such proxy has been so lodged, shall receive and count any vote given in pursuance thereof notwithstanding the absence of the director giving such proxy.

122. If no Chairman is elected, or if at any meeting of directors the Chairman is not present within five minutes after the time appointed for holding the meeting, or declines to take the chair, the President, if a director, shall preside. If the President is not a director, is not present at such time or declines to take the chair, a vice-president who is also a director shall preside. If no person described above is present at such time and willing to take the chair, the directors present shall choose some one of their number to be chairman of the meeting.

123. A meeting of the directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions for the time being vested in or exercisable by the directors generally.

124. The directors may delegate any of their powers to committees consisting of such number of directors as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the directors.

125. The meetings and proceedings of any committee of directors shall be governed by the provisions contained in these Articles for regulating the meetings and proceedings of the directors insofar as they are applicable and are not superseded by any regulations made by the directors.

126. All acts done at any meeting of the directors or of a committee of directors or by any person acting as a director shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of the director or person so acting, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.

127. A resolution in writing and signed by every director who would be entitled to vote on the resolution at a meeting is as valid as if it were passed by such directors at a meeting.

128. If any one or more of the directors is called upon to perform extra services or to make any special exertions in going or residing abroad or otherwise for any of the purposes of the Company or the business thereof, the Company may remunerate the director or directors so doing, either by a fixed sum or by a percentage of profits or otherwise. Such remuneration shall be determined by the directors and may be either in addition to or in substitution for remuneration otherwise authorized by these Articles.

REGISTERS

129. The directors shall cause to be kept at the Company's Office in accordance with the provisions of the Act a Register of the shareholders of the Company, a register of the holders of bonds, debentures and other securities of the Company and a register of its directors. Branch registers of the shareholders and of the holders of bonds, debentures and other securities may be kept elsewhere, either within or without the Province of Nova Scotia, in accordance with the Act.

MINUTES

130. The directors shall cause minutes to be entered in books designated for the purpose:

(1) of all appointments of officers;

(2) of the names of directors present at each meeting of directors and of any committees of directors;

(3) of all orders made by the directors and committees of directors; and

(4) of all resolutions and proceedings of meetings of shareholders and of directors.

Any such minutes of any meeting of directors or of any committee of directors or of shareholders, if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting, shall be receivable as prima facie evidence of the matters stated in such minutes.

POWERS OF DIRECTORS

131. The management of the business of the Company is vested in the directors who, in addition to the powers and authorities by these Articles or otherwise expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by statute expressly directed or required to be exercised or done by the shareholders, but subject nevertheless to the provisions of any statute, the Memorandum or these Articles. No modification of the Memorandum or these Articles shall invalidate any prior act of the directors that would have been valid if such modification had not been made.

132. Without restricting the generality of the terms of any of these Articles and without prejudice to the powers conferred thereby, the directors may:

(1) take such steps as they think fit to carry out any agreement or contract made by or on behalf of the Company;

(2) pay costs, charges and expenses preliminary and incidental to the promotion, formation, establishment, and registration of the Company;

(3) purchase or otherwise acquire for the Company any property, rights or privileges that the Company is authorized to acquire, at such price and generally on such terms and conditions as they think fit;

(4) pay for any property, rights or privileges acquired by, or services rendered to the Company either wholly or partially in cash or in shares (fully paid-up or otherwise), bonds, debentures or other securities of the Company;

(5) subject to the Act, secure the fulfilment of any contracts or engagements entered into by the Company by mortgaging or charging all or any of the property of the Company and its unpaid capital for the time being, or in such other manner as they think fit;

(6) appoint, remove or suspend at their discretion such experts, managers, secretaries, treasurers, officers, clerks, agents and servants for permanent, temporary or special services, as they from time to time think fit, and determine their powers and duties and fix their salaries or emoluments and require security in such instances and to such amounts as they think fit;

(7) accept a surrender of shares from any shareholder insofar as the law permits and on such terms and conditions as may be agreed;

(8) appoint any person or persons to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested, execute and do all such deeds and things as may be required in relation to such trust, and provide for the remuneration of such trustee or trustees;

(9) institute, conduct, defend, compound or abandon any legal proceedings by and against the Company, its directors or its officers or otherwise concerning the affairs of the Company, and also compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company;

(10) refer any claims or demands by or against the Company to arbitration and observe and perform the awards;

(11) make and give receipts, releases and other discharges for amounts payable to the Company and for claims and demands of the Company;

(12) determine who may exercise the borrowing powers of the Company and sign on the Company's behalf bonds, debentures or other securities, bills, notes, receipts, acceptances, assignments, transfers, hypothecations, pledges, endorsements, cheques, drafts, releases, contracts, agreements and all other instruments and documents;

(13) provide for the management of the affairs of the Company abroad in such manner as they think fit, and in particular appoint any person to be the attorney or agent of

the Company with such powers (including power to sub-delegate) and upon such terms as may be thought fit;

(14) invest and deal with any funds of the Company in such securities and in such manner as they think fit; and vary or realize such investments;

(15) subject to the Act, execute in the name and on behalf of the Company in favour of any director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property, present and future, as they think fit;

(16) give any officer or employee of the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company;

(17) set aside out of the profits of the Company before declaring any dividend such amounts as they think proper as a reserve fund to meet contingencies or provide for dividends, depreciation, repairing, improving and maintaining any of the property of the Company and such other purposes as the directors may in their absolute discretion think in the interests of the Company; and invest such amounts in such investments as they think fit, and deal with and vary such investments, and dispose of all or any part of them for the benefit of the Company, and divide the reserve fund into such special funds as they think fit, with full power to employ the assets constituting the reserve fund in the business of the Company without being bound to keep them separate from the other assets;

(18) make, vary and repeal rules respecting the business of the Company, its officers and employees, the shareholders of the Company or any section or class of them;

(19) enter into all such negotiations and contracts, rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;

(20) provide for the management of the affairs of the Company in such manner as they think fit.

SOLICITORS

133. The Company may employ or retain solicitors any of whom may, at the request or on the instruction of the directors, the Chairman, the President or a managing director, attend meetings of the directors or shareholders, whether or not the solicitor is a shareholder or a director of the Company. A solicitor who is also a director may nevertheless charge for services rendered to the Company as a solicitor.

THE SEAL

134. The directors shall arrange for the safe custody of the common seal of the Company (the "Seal"). The Seal may be affixed to any instrument in the presence of and

contemporaneously with the attesting signature of (i) any director or officer acting within such person's authority or (ii) any person under the authority of a resolution of the directors or a committee thereof. For the purpose of certifying documents or proceedings the Seal may be affixed by any director or the President, a vice-president, the Secretary, an assistant secretary or any other officer of the Company without the authorization of a resolution of the directors.

135. The Company may have facsimiles of the Seal which may be used interchangeably with the Seal.

DIVIDENDS

136. The directors may from time to time declare such dividend as they deem proper upon shares of the Company according to the rights and restrictions attached to any class or series of shares, and may determine the date upon which such dividend will be payable and that it will be payable to the persons registered as the holders of the shares on which it is declared at the close of business upon a record date. No transfer of such shares registered after the record date shall pass any right to the dividend so declared.

137. No dividends shall be payable except out of the profits, retained earnings or contributed surplus of the Company and no interest shall be payable on any dividend except insofar as the rights attached to any class or series of shares provide otherwise.

138. The declaration of the directors as to the amount of the profits, retained earnings or contributed surplus of the Company shall be conclusive.

139. The directors may from time to time pay to the shareholders such interim dividends as in their judgment the position of the Company justifies.

140. Subject to the Memorandum, these Articles and the rights and restrictions attached to any class or series of shares, dividends may be declared and paid to the shareholders in proportion to the amount of capital paid-up on the shares (not including any capital paid-up bearing interest) held by them respectively.

141. The directors may deduct from the dividends payable to any shareholder amounts due and payable by the shareholder to the Company on account of calls, instalments or otherwise, and may apply the same in or towards satisfaction of such amounts so due and payable.

142. The directors may retain any dividends on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

143. The directors may retain the dividends payable upon shares to which a person is entitled or entitled to transfer upon the death or bankruptcy of a shareholder or in any way other than by allotment or transfer, until such person has become registered as the holder of such shares or has duly transferred such shares.

144. When the directors declare a dividend on a class or series of shares and also make a call on such shares payable on or before the date on which the dividend is payable, the directors may retain all or part of the dividend and set off the amount retained against the call.

145. The directors may declare that a dividend be paid by the distribution of cash, paid-up shares (at par or at a premium), debentures, bonds or other securities of the Company or of any other company or any other specific assets held or to be acquired by the Company or in any one or more of such ways.

146. The directors may settle any difficulty that may arise in regard to the distribution of a dividend as they think expedient, and in particular without restricting the generality of the foregoing may issue fractional certificates, may fix the value for distribution of any specific assets, may determine that cash payments will be made to any shareholders upon the footing of the value so fixed or that fractions may be disregarded in order to adjust the rights of all parties, and may vest cash or specific assets in trustees upon such trusts for the persons entitled to the dividend as may seem expedient to the directors.

147. Any person registered as a joint holder of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

148. Unless otherwise determined by the directors, any dividend may be paid by a cheque or warrant delivered to or sent through the post to the registered address of the shareholder entitled, or, when there are joint holders, to the registered address of that one whose name stands first on the register for the shares jointly held. Every cheque or warrant so delivered or sent shall be made payable to the order of the person to whom it is delivered or sent. The mailing or other transmission to a shareholder at the shareholder's registered address (or, in the case of joint shareholders at the address of the holder whose name stands first on the register) of a cheque payable to the order of the person to whom it is addressed for the amount of any dividend payable in cash after the deduction of any tax which the Company has properly withheld, shall discharge the Company's liability for the dividend unless the cheque is not paid on due presentation. If any cheque for a dividend payable in cash is not received, the Company shall issue to the shareholder a replacement cheque for the same amount on such terms as to indemnity and evidence of non-receipt as the directors may impose. No shareholder may recover by action or other legal process against the Company any dividend represented by a cheque that has not been duly presented to a banker of the Company for payment or that otherwise remains unclaimed for 6 years from the date on which it was payable.

ACCOUNTS

149. The directors shall cause proper books of account to be kept of the amounts received and expended by the Company, the matters in respect of which such receipts and expenditures take place, all sales and purchases of goods by the Company, and the assets, credits and liabilities of the Company.

150. The books of account shall be kept at the head office of the Company or at such other place or places as the directors may direct.

151. The directors shall from time to time determine whether and to what extent and at what times and places and under what conditions the accounts and books of the Company or any of them shall be open to inspection of the shareholders, and no shareholder shall have any right to inspect any account or book or document of the Company except as conferred by statute or authorized by the directors or a resolution of the shareholders.

152. At the ordinary general meeting in every year the directors shall lay before the Company such financial statements and reports in connection therewith as may be required by the Act or other applicable statute or regulation thereunder and shall distribute copies thereof at such times and to such persons as may be required by statute or regulation.

AUDITORS AND AUDIT

153. Except in respect of a financial year for which the Company is exempt from audit requirements in the Act, the Company shall at each ordinary general meeting appoint an auditor or auditors to hold office until the next ordinary general meeting. If at any general meeting at which the appointment of an auditor or auditors is to take place and no such appointment takes place, or if no ordinary general meeting is held in any year or period of years, the directors shall appoint an auditor or auditors to hold office until the next ordinary general meeting.

154. The first auditors of the Company may be appointed by the directors at any time before the first ordinary general meeting and the auditors so appointed shall hold office until such meeting unless previously removed by a resolution of the shareholders, in which event the shareholders may appoint auditors.

155. The directors may fill any casual vacancy in the office of the auditor but while any such vacancy continues the surviving or continuing auditor or auditors, if any, may act.

156. The Company may appoint as auditor any person, including a shareholder, not disqualified by statute.

157. An auditor may be removed or replaced in the circumstances and in the manner specified in the Act.

158. The remuneration of the auditors shall be fixed by the shareholders, or by the directors pursuant to authorization given by the shareholders, except that the remuneration of an auditor appointed to fill a casual vacancy may be fixed by the directors.

159. The auditors shall conduct such audit as may be required by the Act and their report, if any, shall be dealt with by the Company as required by the Act.

NOTICES

160. A notice (including any communication or document) shall be sufficiently given, delivered or served by the Company upon a shareholder, director, officer or auditor by personal delivery at such person's registered address (or, in the case of a director, officer or auditor, last known address) or by prepaid mail, telegraph, telex, facsimile machine or other electronic means of communication addressed to such person at such address.

161. Shareholders having no registered address shall not be entitled to receive notice.

162. The holder of a share warrant shall not, unless otherwise expressed therein, be entitled in respect thereof to notice of any general meeting of the Company.

163. All notices with respect to registered shares to which persons are jointly entitled may be sufficiently given to all joint holders thereof by notice given to whichever of such persons is named first in the Register for such shares.

164. Any notice sent by mail shall be deemed to be given, delivered or served on the earlier of actual receipt and the third business day following that upon which it is mailed, and in proving such service it shall be sufficient to prove that the notice was properly addressed and mailed with the postage prepaid thereon. Any notice given by electronic means of communication shall be deemed to be given when entered into the appropriate transmitting device for transmission. A certificate in writing signed on behalf of the Company that the notice was so addressed and mailed or transmitted shall be conclusive evidence thereof.

165. Every person who by operation of law, transfer or other means whatsoever becomes entitled to any share shall be bound by every notice in respect of such share that prior to such person's name and address being entered on the Register was duly served in the manner hereinbefore provided upon the person from whom such person derived title to such share.

166. Any notice delivered, sent or transmitted to the registered address of any shareholder pursuant to these Articles, shall, notwithstanding that such shareholder is then deceased and that the Company has notice thereof, be deemed to have been served in respect of any registered shares, whether held by such deceased shareholder solely or jointly with other persons, until some other person is registered as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice on the heirs, executors or administrators of the deceased shareholder and all joint holders of such shares.

167. Any notice may bear the name or signature, manual or reproduced, of the person giving the notice written or printed.

168. When a given number of days' notice or notice extending over any other period is required to be given, the day of service and the day upon which such notice expires shall not, unless it is otherwise provided, be counted in such number of days or other period.

INDEMNITY

169. Every director or officer, former director or officer, or person who acts or acted at the Company's request, as a director or officer of the Company, a body corporate, partnership or other association of which the Company is or was a shareholder, partner, member or creditor, and the heirs and legal representatives of such person, in the absence of any dishonesty on the part of such person, shall be indemnified by the Company against, and it shall be the duty of the directors out of the funds of the Company to pay, all costs, losses and expenses, including an amount paid to settle an action or claim or satisfy a judgment, that such director, officer or person may incur or become liable to pay in respect of any claim made against such person or civil, criminal or administrative action or proceeding to which such person is made a party by reason of being or having been a director or officer of the Company or such body corporate, partnership or other association, whether the Company is a claimant or party to such action or proceeding or otherwise; and the amount for which such indemnity is proved shall immediately attach as a lien on the property of the Company and have priority as against the shareholders over all other claims.

170. No director or officer, former director or officer, or person who acts or acted at the Company's request, as a director or officer of the Company, a body corporate, partnership or other association of which the Company is or was a shareholder, partner, member or creditor, in the absence of any dishonesty on such person's part, shall be liable for the acts, receipts, neglects or defaults of any other director, officer or such person, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Company through the insufficiency or deficiency of title to any property acquired for or on behalf of the Company, or through the insufficiency or deficiency of any security in or upon which any of the funds of the Company are invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any funds, securities or effects are deposited, or for any loss occasioned by error of judgment or oversight on the part of such person, or for any other loss, damage or misfortune whatsoever which happens in the execution of the duties of such person or in relation thereto.

REMINDERS

171. The directors shall comply with the following provisions of the Act or the *Corporations Registration Act* (Nova Scotia) where indicated:

(1) Keep a current register of shareholders (Section 42).

(2) Keep a current register of directors, officers and managers, send to the Registrar a copy thereof and notice of all changes therein (Section 98).

(3) Keep a current register of holders of bonds, debentures and other securities (Section 111 and Third Schedule).

(4) Send notice to the Registrar of any redemption or purchase of preference shares (Section 50).

(5) Send notice to the Registrar of any consolidation, division, conversion or reconversion of the share capital or stock of the Company (Section 53).

(6) Send notice to the Registrar of any increase of capital (Section 55).

(7) Call a general meeting every year within the proper time (Section 83). Meetings must be held not later than 15 months after the preceding general meeting.

(8) Send to the Registrar copies of all special resolutions (Section 88).

(9) Send to the Registrar notice of the address of the Company's registered Office and of all changes in such address (Section 79).

(10) Keep proper minutes of all shareholders' meetings and directors' meetings in the Company's minute book kept at the Company's registered Office (Sections 89 and 90).

(11) Obtain a certificate under the *Corporations Registration Act* (Nova Scotia) as soon as business is commenced.

(12) Send notice of recognized agent to the Registrar under the *Corporations Registration Act* (Nova Scotia).