ROYAL PLASTICS GROUP LIMITED

as issuer of the Multiple Voting Shares
and Subordinate Voting Shares

- and -

THE R-M TRUST COMPANY

as Trustee on behalf of itself and holders of
Subordinate Voting Shares

- and -

VIC DE ZEN

as the site beneficial holder of Multiple Voting Shares

- and -

DE ZEN HOLDINGS LIMITED

as the registered holder of the Multiple Voting Shares
owned beneficially by Vic De Zen

STOCK CONTROL AGREEMENT

Dated as of November 30, 1994

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STOCK CONTROL AGREEMENT

Stock Control Agreement made as of November 30, 1994 among **ROYAL PLASTICS GROUP LIMITED**, as issuer of the Multiple Voting Shares and Subordinate Voting Shares, **THE R-M TRUST COMPANY**, as Trustee, on behalf of itself and holders of Subordinate Voting Shares, **VIC DE ZEN**, as the sole beneficial holder of all of the issued and outstanding Multiple Voting Shares, and **DE ZEN HOLDINGS LIMITED**, as the registered holder of the Multiple Voting Shares owned beneficially by Vic De Zen.

WHEREAS the authorized capital of the Corporation consists of an unlimited number of First Preferred Shares, issuable in series, an unlimited number of Second Preferred Shares, issuable in series, an unlimited number of Multiple Voting Shares, each of which has 20 votes per share, and an unlimited number of Subordinate Voting Shares, each of which has one vote per share;

AND WHEREAS 17,635,444 Multiple Voting Shares, 50,755,793 Subordinate Voting Shares and no First Preferred Shares or Second Preferred Shares are issued and outstanding;

AND WHEREAS the Trustee is the registrar and transfer agent for the Multiple Voting Shares and the Subordinate Voting Shares;

AND WHEREAS as of the date hereof, Vic De Zen is the beneficial owner of all of the outstanding Multiple Voting Shares;

AND WHEREAS as of the date hereof, De Zen Holdings Limited is the registered holder of the Multiple Voting Shares owned beneficially by Vic De Zen, all of De Zen Holdings Limited's shares are beneficially and as of record by Vic De Zen and De Zen Holdings Limited is a De Zen Affiliate.

AND WHEREAS the Trustee holds all of the certificates representing all the outstanding Multiple Voting Shares;

AND WHEREAS the parties hereto are entering into this Agreement, inter alia, for the purpose of ensuring the listing of the Subordinate Voting Shares on The Toronto Stock Exchange and The Montreal Exchange, for the benefit of the holders from time to time of Subordinate Voting Shares and for the purpose of ensuring that the holders of the Subordinate Voting Shares will not be deprived of any rights under applicable take-over bid legislation to which they would have been entitled in the event of a take-over bid if the Multiple Voting Shares and the Subordinate Voting Shares were a single class of shares;

AND WHEREAS the parties hereto wish to constitute the Trustee as a trustee for the holders from time to time of the Subordinate Voting Shares for the purposes hereinafter set forth to the intent that such holders, through the Trustee, will receive the benefit of the covenants contained in this Agreement;

AND WHEREAS the parties hereto have the power and capacity to enter into this Agreement and all things necessary have been done and performed to make this Agreement a valid, binding and legal obligation of the parties in accordance with its terms;

AND WHEREAS the foregoing recitals are made as representations and statements of facts by the Corporation, De Zen Holdings Limited or De Zen, as the case may be, and not by the Trustee;

AND WHEREAS the Trustee has agreed to act as trustee for the holders from time to time of the Subordinate Voting Shares, on the terms and subject to the conditions hereinafter set forth.

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT in consideration of the sum of $10.00 and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby covenant and agree as follows:

ARTICLE 1
INTERPRETATION

Section 1.01. Definitions. In this Agreement and the recitals hereto, the following terms shall have the following meanings:

"Agreement" means this agreement and all instruments supplemental hereto or any amendment or confirmation hereof; "hereof", "hereto", "hereunder" and similar expressions mean and refer to this Agreement and not to any particular Article or Section; "Article" or "Section" means and refers to the specified article or section of this Agreement.

"Appointment Time" has the meaning specified in Section 4.02.

"Assumption Agreement" means an agreement substantially in the form attached hereto as Schedule "A".

"Business Day" means a day other than a Saturday, Sunday or statutory holiday in Toronto, Ontario as set out in the *Interpretation Act* (Canada).

"**Complying Take-Over Bid**" means an offer to purchase all of the Multiple Voting Shares and to purchase all of the Subordinate Voting Shares, with the offers being identical in terms of price per share and in all other material respects and with no conditions attached thereto with respect to the purchase of the Subordinate Voting Shares, other than the right to not take up and pay for tendered Subordinate Voting Shares if no Multiple Voting Shares are purchased pursuant to such offer.

"**Conversion Determination**" has the meaning specified in Section 2.05.

"**Conversion Notice**" has the meaning specified in Section 2.07.

"**Corporation**" means Royal Plastics Group Limited, a corporation incorporated under the laws of Canada, its successors and assigns.

"**De Zen**" means Vic De Zen, of Woodbridge, Ontario.

"**De Zen Affiliate**" means (i) any corporation, partnership or joint venture all of the issued and outstanding shares (or equivalent ownership interests) of which are owned directly or indirectly by one or more of the De Zen Family or a trust, all the beneficiaries of which are as described in the following clause (ii), or a combination thereof; or (ii) any trust, all the beneficiaries of which are members of the De Zen Family or Persons referred to in the preceding clause (i).

"**De Zen Family**" means Vic De Zen, his spouse and his Issue.

"**De Zen Family Representative**" means, (i) if De Zen has been legally declared to be mentally incompetent or incapable of managing his own affairs, the committee appointed to manage his affairs; or (ii) if De Zen is deceased, (y) as long as his executors, trustees or legal personal representatives are holding or administering more than 50% of the outstanding Multiple Voting Shares pursuant to trusts established by his last will and testament, such executors, trustees or legal personal representatives or (z) at such time the circumstances in (y) no longer apply, such Person or Persons as may be appointed in accordance with Section 4.02.

"**Fair Value**" of the Multiple Voting Shares, as at any date means an amount equal to the simple average of the closing price on the published market in Canada on which the greatest volume of trading in the Subordinate Voting Shares of the Corporation occurred during the twenty Business Days preceding the date as of which the market price is being determined, or, if there was trading for fewer than 10 Business Days during such period, the simple average of the following prices established for each Business Day of such period (i) the closing price of Subordinate Voting Shares on the published market in Canada on which the greatest volume of trading occurred on each Business Day during such period on which a trade occurred; and (ii) the average of the bid and asked price quoted by such published market for Subordinate Voting Shares on

each Business Day during such period on which there was no trading, multiplied by the number of Multiple Voting Shares the fair value of which is to be determined.

"**Issue**" means, with respect to any individual, all children of that individual, whether natural or adopted, and shall be deemed to include all issue of any issue, and so on.

"**Multiple Voting Shares**" means the Corporation's Multiple Voting Shares outstanding at any time or from time to time and includes any securities into or for which Multiple Voting Shares may be changed, exchanged, reclassified, redesignated, subdivided or consolidated if such securities have attached thereto voting rights that are greater than the voting rights attaching to the Subordinate Voting Shares and any securities which may be convertible or changed into, exchanged for or reclassified or redesignated as Multiple Voting Shares.

"**Non-Permitted Holder**" has the meaning specified in Section 2.06(2).

"**Permitted Financial Institution**" means a Canadian financial institution, which lends money in the ordinary course of its business and with which a holder of Multiple Voting Shares deals at arm's length (within the meaning of the *Income Tax Act* (Canada)) and to which such holder of Multiple Voting Shares has granted a security interest (by way of pledge, hypothecation or otherwise) in such Multiple Voting Shares in connection with a *bona fide* borrowing, in compliance with Sections 2.03 and 2.04 hereof.

"**Permitted Holder**" means (i) De Zen, any member of the De Zen Family and any De Zen Affiliate; and (ii) a Permitted Financial Institution.

"**Permitted Transfer**" means (i) a Transfer by way of gift, devolution, transmission or otherwise for nominal consideration of Multiple Voting Shares to a Permitted Holder (other than a Permitted Financial Institution) made in compliance with Sections 2.02 and 2.03 hereof; (ii) a Transfer to a Permitted Holder (other than a Transfer (v) referred to in (i) or (w) to a Permitted Financial Institution) which would not require such Permitted Holder to make the same offer or a so-called "follow-up offer", as the case may be, to holders of Subordinate Voting Shares under applicable securities legislation on the following factual assumptions (which shall be deemed for all purposes to be true and correct for purposes of determining such Permitted Holders obligations under such securities legislation and whether the Transfer is a Permitted Transfer), namely, that (x) the Transfer is a Transfer of Subordinate Voting Shares, (y) such Transfer of Subordinate Voting Shares to such Permitted Holder would constitute a take-over bid under such securities legislation and (z) the Transfer of such Subordinate Voting Shares would otherwise be on the same terms and conditions as the Transfer of Multiple Voting Shares; (iii) the granting of a security interest (by way of pledge, hypothecation or otherwise) in Multiple Voting Shares to a Permitted Financial Institution made in compliance with Sections 2.03 and 2.04 hereof; or (iv) a Transfer of Multiple

Voting Shares pursuant to a Complying Take-Over Bid to a Person in accordance, and in compliance with the terms of such Complying Take-Over Bid.

"**Person**" means any individual, body corporate, partnership, unincorporated syndicate, organization or association, trust, trustee, executor, administrator, other legal representative or entity, howsoever designated or constituted.

"**Prohibited Shares**" has the meaning specified in Section 2.05.

"**Prohibited Transfer**" means any Transfer of Multiple Voting Shares which is not a Permitted Transfer.

"**Proposed Transfer**" has the meaning specified in Section 2.03(1).

"**Status Determination**" has the meaning specified in Section 2.06(1).

"**Statutory Declaration**" means a statutory declaration substantially in the form attached as Schedule "B" to be sworn by any Person who is an individual to whom Multiple Voting Shares are to be transferred.

"**Subordinate Voting Shares**" means the Corporation's Subordinate Voting Shares outstanding at any time or from time to time.

"**Transfer**" means any gift, sale, assignment, devolution, transmission, transfer, pledge, mortgage, charge, hypothecation or other encumbrance of, or grant of a security interest in, any shares or interest in a trust or any legal or beneficial ownership therein, whether held directly or indirectly, and including (i) any agreement, arrangement or understanding which has the effect of the foregoing; and (ii) a transaction or the occurrence of an event which has the effect of changing the status of a holder of Multiple Voting Shares so that such holder is no longer a Permitted Holder.

"**Transfer Authorization**" means a power of attorney to transfer Multiple Voting Shares, duly endorsed in blank with signature guaranteed, accompanied by such other evidence of authority to transfer such shares as the Trustee may require.

"**Transferor**" has the meaning specified in Section 2.03(1).

"**Trustee**" means the R-M Trust Company, its successors and assigns.

Section 1.02. Gender and Number. Any reference in the Agreement to gender shall include all genders, and words importing the singular number only shall include the plural and vice versa.

Section 1.03. Certain Terms, etc. In this Agreement (i) the word "aware" with respect to the Trustee means and refers to acts, circumstances or events (y)

which have been notified to the Trustee in writing or (z) which are otherwise within the actual knowledge of the individual administering this Agreement on behalf of the Trustee at the relevant time; (ii) references to any Transfer of any Multiple Voting Shares or Subordinate Voting Shares herein includes any Transfer which results in the direct or indirect acquisition thereof or the acquisition of control or direction with respect thereto; and (iii) the terms "party" or "parties" includes any Person or Persons who becomes a party to this Agreement pursuant to an Assumption Agreement.

Section 1.04. Headings. The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the interpretation of this Agreement.

Section 1.05. Incorporation of Schedules. The schedules attached hereto shall, for all purposes hereof, form an integral part of this Agreement.

ARTICLE 2
RESTRICTIONS ON TRANSFER OF MULTIPLE VOTING SHARES AND CONVERSION OF MULTIPLE VOTING SHARES

Section 2.01. Shares to be Held by Trustee. All Multiple Voting Shares outstanding from time to time shall be registered in the name of the holder thereof and the certificate representing such Multiple Voting Shares, accompanied by a Transfer Authorization with respect thereto, shall be deposited with the Trustee to be held by it in accordance with the provisions of this Agreement.

Section 2.02. Restrictions on Transfer. No transfer of Multiple Voting Shares shall be effected unless such transfer is a Permitted Transfer. De Zen, De Zen Holdings Limited and each other holder of Multiple Voting Shares shall use their respective best efforts to prevent a Prohibited Transfer or other transaction which results in Multiple Voting Shares being transferred to or held by a Person who is not a Permitted Holder.

Section 2.03. Transfer Procedures. (1) Any holder of Multiple Voting Shares (the **"Transferor"**) who proposes to effect a Transfer (other than a Transfer to Permitted Financial Institution pursuant to Section 2.04) of any such shares (the **"Proposed Transfer"**) shall, not less than 10 Business Days prior to the date fixed for the Proposed Transfer, (i) give written notice of the Proposed Transfer to the Corporation, the Trustee and all other holders of record of Multiple Voting Shares (which notice shall contain sufficient information to enable the Trustee to make the Transfer Determination referred to below and to determine which Persons, if any, must execute the Assumption Agreement); and (ii) deliver to the Corporation and the Trustee a copy of the Statutory Declaration, if applicable, duly executed by or on behalf of any

individual to whom the Multiple Voting Shares are to be transferred (the "**Transferee**"), and a copy of the Assumption Agreement duly executed by the Transferee and, if the Transferee is a corporation (other than a Permitted Financial Institution), by all of the shareholders of such corporation. The Trustee may require the Assumption Agreement to be executed by such other parties as it may determine are necessary or desirable to ensure that the Assumption Agreement is complied with.

(2) The Trustee shall be entitled to request such further information regarding the Proposed Transfer as it may reasonably require to enable it to make a determination (the "**Transfer Determination**") as to whether or not the Proposed Transfer would be a Prohibited Transfer. The Trustee shall make the Transfer Determination as soon as practicable (and in any event not more than five Business Days following receipt of all information it requires to enable it to make such determination). The Trustee shall give notice in writing of its Transfer Determination to the Corporation, the Transferor and all other holders of record of Multiple Voting Shares as soon as practicable, and in any event not later than the second Business Day next following the date upon which the Transfer Determination is made. Such Transfer Determination shall be final and binding upon the Transferor and the Transferee.

(3) If the Trustee determines that the Proposed Transfer would be a Permitted Transfer, the Transferor shall be entitled to proceed with the Proposed Transfer and the Trustee, in its capacity as registrar and transfer agent for the Multiple Voting Shares, shall cancel the certificate representing the Multiple Voting Shares so transferred and prepare a new certificate in the name of the Transferee to be issued and held by the Trustee in accordance with the terms of this Agreement, together with the share certificate. Prior to the issue of such new share certificate, the Transferee shall deliver the Transfer Authorization relating thereto to the Trustee to be held by the Trustee pursuant to Section 2.01.

(4) If the Trustee determines that the Proposed Transfer would be a Prohibited Transfer, the Transferor shall not proceed with the Proposed Transfer and the Trustee shall return to the Transferee the executed copy of the Statutory Declaration and of the Assumption Agreement.

Section 2.04. Special Provisions for Transfer to Permitted Financial Institution. The granting of a security interest in Multiple Voting Shares by a Permitted Holder (the "**Transferor**") to a Permitted Financial Institution (by way of pledge, hypothecation or otherwise) shall only be a Permitted Transfer upon satisfaction of the provisions of Sections 2.03(2), (3) and (4) and (without duplication of the requirements thereof) the following additional terms and conditions:

(a) the Transferor shall give the Trustee, the Corporation, and all other holders of Multiple Voting Shares not less than 10 Business Days prior written notice of the Proposed Transfer, which notice shall specify the number of Multiple Voting Shares to be transferred;

(b) the Transferor shall provide to the Trustee evidence, in form and substance satisfactory to the Trustee and its counsel, that the Proposed Transfer is in connection with a *bona fide* ~~borrowing by~~ the Transferor or the Corporation and that the Transferor deals at arm's length with such Permitted Financial Institution; and

(c) such Permitted Financial Institution shall have executed and delivered a copy of the Assumption Agreement.

Section 2.05. Prohibited Transfer. If the Trustee becomes aware, at any time whatsoever, that a Transfer has occurred which, in the Trustee's opinion, constitutes a Prohibited Transfer, the Trustee shall (i) immediately give notice of the Prohibited Transfer to the Corporation, all holders of record of Multiple Voting Shares and the parties to the Prohibited Transfer; and (ii) request forthwith such information as it may require to make a Transfer Determination. If the Transfer Determination is that the Transfer in question was a Prohibited Transfer and the Trustee does not receive evidence satisfactory to it within 10 Business Days of the Transfer Determination that the Multiple Voting Shares have been transferred to a Permitted Holder, the Trustee, on the first Business Day following the expiry of such 10 Business Day period, shall make a Conversion Determination (as defined below) in respect of the Multiple Voting Shares which were the subject of the Prohibited Transfer (the **"Prohibited Shares"**) and immediately give notice of such Conversion Determination to the Corporation and to all holders of Multiple Voting Shares. A **"Conversion Determination"**, for such purpose, means an election by the Trustee, on behalf of the holder of the Prohibited Shares, that such Prohibited Shares shall be converted forthwith into Subordinate Voting Shares as permitted by the Articles of the Corporation. From the time on which the Conversion Determination is made by the Trustee such Prohibited Shares shall be deemed to have been converted to Subordinate Voting Shares. Each holder of Multiple Voting Shares hereby irrevocably constitutes and appoints the Trustee as its attorney to make a Conversion Determination and each Conversion Determination shall be final and binding for all purposes and shall be deemed to be a Conversion Notice by the holder under the terms of the Articles of the Corporation.

Section 2.06. Change of Status of Holder. (1) If, at any time, a holder of Multiple Voting Shares ceases to be a Permitted Holder, such holder shall forthwith give notice of such change of status to the Corporation, the Trustee and all other holders of record of Multiple Voting Shares, which notice shall contain sufficient information to enable the Trustee to make the Status Determination referred to below. The Trustee shall be entitled to request such further information as it may require to make a determination (the **"Status Determination"**) as to whether or not such Person has ceased to be a Permitted Holder. The Trustee shall make the Status Determination as soon as practicable (and in any event not more than five Business Days following receipt of all information it requires to enable it to make such determination). The Trustee shall give notice in writing of its Status Determination to the Corporation, the Person who is the subject of the determination, all other holders of Multiple Voting Shares and, if applicable, the De Zen Family Representative, as soon as practicable, but in any event

not later than the second Business Day next following the date upon which the Status Determination is made. Such Status Determination shall be final and binding upon the Person who is the subject of the determination.

(2) If the Trustee determines that the Person is a Permitted Holder, the Person shall be entitled to continue to hold its Multiple Voting Shares provided that such Person has complied with the other provisions of this Agreement. If the Trustee determines that the Person is not a Permitted Holder (the **"Non-Permitted Holder"**), the Trustee shall, at the direction of De Zen or the De Zen Family Representative, as the case may be, which direction shall be given to the Trustee within two Business Days after notice of the Status Determination is given to De Zen or the De Zen Family Representative, forthwith notify the Non-Permitted Holder that either (i) the Non-Permitted Holder has been deemed to have directed the Trustee to convert all Multiple Voting Shares held by such Non-Permitted Holder to Subordinate Voting Shares and such conversion shall be effective as and from such date; or (ii) the Non-Permitted Holder is required to sell the Multiple Voting Shares held by it to such Permitted Holder as De Zen or the De Zen Family Representative, as the case may be, shall designate in exchange for a certified cheque equal to the Fair Value of such Multiple Voting Shares on the date the sale is completed. The purchase and sale of the Multiple Voting Shares hereunder shall take place within 10 Business Days of the Status Determination. If the Non-Permitted Holder does not promptly execute such documents as the Trustee may reasonably request in connection with such sale, the Trustee may (upon receipt from De Zen, the De Zen Family Representative or any other Permitted Holder, as the case may be, of the necessary funds) deposit the amount to be paid for the shares so sold for the account of the Non-Permitted Holder at a Canadian chartered bank, and thereafter shall execute and deliver on behalf of the Non-Permitted Holder such deeds, transfers, releases and other documents as may be necessary or desirable to complete such sale, and each holder of Multiple Voting Shares hereby irrevocably constitutes and appoints the Trustee as its attorney to take such actions on its behalf in the circumstances contemplated by this Section 2.06.

(3) If De Zen or the De Zen Family Representative, as the case may be, does not within the specified period of two Business Days give the necessary direction to the Trustee as to how the Multiple Voting Shares held by the Non-Permitted Holder are to be dealt with, the Trustee shall be deemed to have been directed to convert such Multiple Voting Shares to Subordinate Voting Shares as provided in Section 2.06(2) above and such conversion shall be effective as and from such date.

Section 2.07. Special Provisions Regarding Conversion of Multiple Voting Shares. If a holder of Multiple Voting Shares wishes to convert all or a portion of such shares into Subordinate Voting Shares such holder shall give written notice (a **"Conversion Notice"**) to the Corporation, the Trustee, all other holders of Multiple Voting Shares and, if applicable, the De Zen Family Representative. Holders of Multiple Voting Shares shall not convert such shares unless within 30 days after the date the Conversion Notice is given De Zen or the De Zen Family Representative, as the case

may be, approves of the proposed conversion in writing. The provisions of this Section 2.07 shall not apply to a conversion pursuant to Section 2.05.

Section 2.08. Voting of Multiple Voting Shares after Status Determination. From and after the time at which (i) a holder of Multiple Voting Shares ceases to be a Permitted Holder or (ii) a Prohibited Transfer occurs, the Multiple Voting Shares held by such holder or which are the subject of the Prohibited Transfer, as the case may be, may not be voted until they have been either converted into Subordinate Voting Shares or transferred to a Permitted Holder in accordance with this Article 2.

Section 2.09. Maintenance of Share Registers. The Trustee, in its capacity as registrar and transfer agent of the Corporation, shall maintain a complete and accurate securities register and register of transfers in respect of the Multiple Voting Shares and the Subordinate Voting Shares of the Corporation.

Section 2.10. Certain Actions by the Trustee. (1) If at any time the Trustee becomes aware that a Person who holds Multiple Voting Shares has ceased to be a Permitted Holder, the Trustee shall immediately give notice of such fact to the Person in question, the Corporation, all other holders of Multiple Voting Shares and, if applicable, the De Zen Family Representative. The Trustee shall request forthwith such information as it may require to make a Status Determination and thereafter the provisions of Section 2.06 shall apply, all as if such Person had given the notice referred to in Section 2.06(1).

(2) The Trustee may at any time require, by 10 days' prior written notice, any Person in whose name Multiple Voting Shares are registered to furnish a Statutory Declaration and such other information as the Trustee may require to permit the Trustee to make a Status Determination pursuant to Section 2.06. If any holder does not provide such Statutory Declaration within such 10 day period, such holder shall be deemed to be a Non-Permitted Holder, as of the date immediately following the expiry of such 10 day period, and thereafter the provisions of Section 2.06 shall apply.

(3) If and whenever the Trustee becomes aware that holders of Multiple Voting Shares may have breached, or may intend to breach, any provision of this Agreement, the Trustee shall make reasonable enquiry to determine whether such a breach has occurred or may occur. If the Trustee determines that there has been, or may be, a breach of this Agreement the Trustee shall forthwith deliver to the Corporation a certificate stating that the Trustee has made such determination. The Trustee shall thereupon be entitled to take, and shall take, promptly upon receipt of the funds and indemnity referred to in the next following sentence, such action as the Trustee considers necessary to enforce its rights under this Agreement on behalf of the holders of the Subordinate Voting Shares. Upon receipt of such determination, the Corporation shall promptly provide such funds and indemnity as the Trustee may reasonably require in connection with any such action.

ARTICLE 3
CONCERNING THE TRUSTEE

Section 3.01. Acceptance by Trustee. The Trustee hereby accepts the appointment as trustee of the Subordinate Voting Shareholders from time to time and the trusts in this Agreement declared and provided for and agrees to perform the same upon the terms and conditions hereinbefore set forth and to hold and exercise the rights, privileges and benefits conferred upon it hereby in trust for the various persons who shall from time to time be Subordinate Voting Shareholders.

Section 3.02. Good Faith. In the exercise of its rights and duties hereunder, the Trustee shall exercise that degree of care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances.

Section 3.03. No Conflict of Interest. The Trustee represents that at the time of the execution and delivery hereof no material conflict of interest exists in the Trustee's role as a fiduciary hereunder and agrees that in the event of a material conflict of interest arising hereafter it will, within three months after ascertaining that it has such material conflict of interest, either eliminate the same or resign its trust hereunder. Subject to the foregoing, the Trustee, in its personal or any other capacity, may buy, lend upon and deal in securities of the Corporation and generally may contract with and enter into financial transactions with the Corporation or any of its subsidiaries or affiliates without being liable to account for any profit made thereby.

Section 3.04. Good Faith and Reliance. In the exercise of its rights and duties hereunder, the Trustee may, if it is acting in good faith, rely as to the truth of the statements and the accuracy of the statements expressed in statutory declarations, opinions, reports, consents, or orders of the Corporation, on certificates of the Corporation or other evidence furnished to the Trustee pursuant to any provisions hereof or pursuant to a request of the Trustee, which it has examined and determined that the form of such evidence complies with the applicable requirements of this Agreement.

Section 3.05. Experts. (1) The Trustee may employ or retain such counsel (who may be counsel to the Corporation), accountants, appraisers or other experts or advisors as it may reasonably require for the purpose of discharging its duties hereunder, may pay reasonable remuneration for all services so performed by any of them, without taxation of costs of any counsel, and shall not be responsible for any misconduct or negligence on the part of any such experts or advisers who have been appointed in good faith by the Trustee.

(2) The Trustee may act and rely, and shall be protected in acting and relying in good faith on the opinion or advice of or information obtained from any counsel, accountant, appraiser or other expert or adviser, whether retained or employed by the

Corporation or by the Trustee, in connection with (i) any Conversion Determination, Status Determination, Transfer Determination, Assumption Agreement; (ii) compliance with any provision of Article II; (iii) matters referred to in Section 4.06(1); or (iv) otherwise in relation to any matter arising in connection with the administration or interpretation of this Agreement or determining the Trustee's obligations, if any, hereunder.

(3) An opinion of counsel may be based, insofar as it related to factual matters of which the Corporation or any other Person has knowledge, upon the certificate or opinion of or representations by an officer or officers of the Corporation or of such other Person, unless such counsel knows that the certificate, opinion or representation upon which such counsel's opinion may be based is erroneous, or in the exercise of reasonable care should have known that the same was erroneous.

Section 3.06. Actions to Protect Interest. The Trustee shall have power to institute and to maintain such actions and proceedings as it may consider necessary or expedient to preserve, protect or enforce its interests and those of the Subordinate Voting Shareholders hereunder. Prior to taking any such action, the Trustee shall be entitled to receive, and the Corporation shall provide, such funding and indemnification as the Trustee may reasonably require.

Section 3.07. Protection of Trustee. (1) By way of supplement to the provisions of any law at the time being relating to persons performing the functions of the Trustee hereunder, it is expressly declared and agreed that the Trustee shall not be liable for or by reason of any statements of fact or recitals in this Agreement or the Assumption Agreement or be required to verify the same. The Trustee shall not incur any liability or responsibility whatever or be in any way responsible for the consequences of any breach on the part of any other party of any of the covenants herein or therein contained or of any acts of any directors, officers, employees, agents or servants of any such party and the parties hereto agree, jointly and severally, to indemnify and save harmless the Trustee from and against all amounts paid by the Trustee pursuant to claims made against it by reason of its acting as Trustee hereunder or of making any determination or election permitted or required hereunder, except if caused by the negligence, reckless disregard or wilful misconduct of the Trustee. The rights of indemnification of the Trustee pursuant to this Section 3.07 or any other provision of this Agreement shall survive the Trustee's resignation or removal pursuant to Section 3.08.

(2) None of the provisions contained in this Agreement shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

Section 3.08. Replacement of Trustee. The Trustee may resign its responsibilities and be discharged from all further duties and liabilities hereunder, subject to this Section 3.08, by giving to the Corporation not less than 60 days prior written notice, or such shorter prior notice as the Corporation may accept as sufficient, and the

Corporation shall have the power at any time to remove the existing Trustee. If the Trustee resigns, is removed or dissolved, becomes bankrupt, goes into liquidation or otherwise becomes incapable of acting hereunder, the Corporation shall appoint a new trustee forthwith (which shall be a corporation authorized to carry on the business of a trust company in Ontario) to assume the responsibilities of the Trustee hereunder. Failing such appointment by the Corporation, the retiring Trustee or one or more of the parties hereto or one or more of the Subordinate Voting Shareholders may apply, at the Corporation's cost and expense, to a justice of a court of competent jurisdiction in Ontario, on such notice as such justice may direct, for the appointment of a new trustee (which shall be a corporation authorized to carry on the business of a trust company in Ontario) to assume the responsibilities of the Trustee hereunder. Any new party so appointed by the Corporation or by the Court shall be subject to removal by the Corporation in accordance with this Section 3.08. On any such appointment and execution of an appropriate instrument evidencing acceptance thereof, the new trustee shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as Trustee without any further assurance, conveyance, act or deed. The resignation or removal of the Trustee shall be effective only upon the effective date of such appointment and execution. There shall be executed immediately, at the expense of the Corporation, all such conveyances or other instruments as, in the opinion of counsel, may be necessary or advisable for the purpose of assuring the same to such new Trustee. At the request of the Corporation, the predecessor Trustee shall execute and deliver to the successor party an instrument in form acceptable to the Corporation and its counsel, acting reasonably, transferring to such successor party all rights and powers of the Trustee hereunder. The failure or refusal of the predecessor Trustee to execute such instrument shall in no way affect or impair the appointment of the successor trustee or its rights and obligations hereunder.

Section 3.09. Successor. Any corporation into or with which the Trustee may be merged or consolidated or amalgamated, or any corporation resulting therefrom, or any corporation succeeding to the Trustee's stock transfer business, which would be eligible for appointment as a successor under Section 3.08, shall be the successor to the Trustee hereunder without the necessity of any further act on its part or on the part of any of the other parties hereto.

Section 3.10. Fees. The Trustee may charge the Corporation such reasonable amount as may be appropriate for the services to be rendered hereunder and shall be entitled to be reimbursed promptly by the Corporation for all remuneration paid pursuant to Section 3.05 and all other costs and expenses properly incurred by it in executing its responsibilities hereunder.

ARTICLE 4
MISCELLANEOUS

Section 4.01. Notation on Share Certificates. The parties hereto covenant and agree that all certificates representing Multiple Voting Shares shall have endorsed thereon a legend to the effect that the Multiple Voting Shares represented by such certificate are subject to the terms of this Agreement and that a copy of this Agreement may be examined at the head office of the Corporation. The Corporation agrees to maintain a true or original copy of this Agreement at its head office.

Section 4.02. Appointment of De Zen Family Representative. As soon as practicable after (i) the death of De Zen and (ii) such time as his executors, trustees or legal personal representatives cease to hold or administer more than 50% of the outstanding Multiple Voting Shares pursuant to trusts established by De Zen's last will and testament (such time being hereinafter referred to as the "**Appointment Time**"), the holders of the Multiple Voting Shares then outstanding shall appoint a person or persons to act as the De Zen Family Representative. The De Zen Family Representative shall be chosen by the holders of not less than 75% of the total number of Multiple Voting Shares outstanding at that time and may be removed by a like percentage. A De Zen Family Representative may resign at any time upon not less than 30 days prior written notice to the Trustee and the holders of the Multiple Voting Shares. At any time subsequent to the Appointment Time during which a De Zen Family Representative has not been appointed in accordance with the foregoing provisions of this Section 4.02, the holder of the largest number of Multiple Voting Shares shall be the De Zen Family Representative.

Section 4.03. Action by Trustee Upon Request of Holders. (1) If and whenever holders of not less than 10% of the then outstanding Subordinate Voting Shares determine that any holder of Multiple Voting Shares has breached, or intends to breach, any provision of this Agreement, such holders may require the Trustee to take action in connection therewith by delivering to the Trustee a requisition in writing signed in one or more counterparts by such holders and setting forth the action to be taken by the Trustee. Upon receipt by the Trustee of such a requisition, and subject to Section 4.03(2), the Trustee shall forthwith take such action as is specified in the requisition and any other action that the Trustee considers necessary to enforce its rights under this Agreement on behalf of the holders of the Subordinate Voting Shares.

(2) The obligation of the Trustee to take any action on behalf of the holders of the Subordinate Voting Shares shall be conditional upon the Trustee receiving from the Corporation (pursuant to Section 2.10(3) or otherwise) or from one or more holders of Subordinate Voting Shares such funds and indemnity as the Trustee may reasonably require in respect of any costs or expenses which it may incur in connection with any such action.

(3) No holder of Subordinate Voting Shares shall have the right, other than through the Trustee, to institute any action or proceeding or to exercise any other remedy for the purpose of enforcing any rights arising from this Agreement, unless and until (i) holders of Subordinate Voting Shares shall have requested (in the manner specified in Section 4.03(1)) that the Trustee act; (ii) such holders or the Corporation shall have provided reasonable funds and indemnity to the Trustee in accordance with Section 4.03(2); and (iii) the Trustee shall have failed to so act within 30 days after receiving such funds and indemnity. In such case, any holder of Subordinate Voting Shares, acting on behalf of such holder and all other holders of Subordinate Voting Shares, shall be entitled to take such proceedings in any court of competent jurisdiction as the Trustee, might otherwise have taken.

Section 4.04. Injunctive Relief. It is acknowledged that damages may not be an adequate remedy if a party bound by this Agreement breaches any of its covenants contained herein and the parties agree that orders of specific performance, injunction and other equitable remedies may be required to protect the parties hereto and the Subordinate Voting Shareholders (in lieu of or in addition to damages) and all defenses and protests with respect to the seeking or granting thereof are hereby waived to the fullest extent permitted by law.

Section 4.05. Term. This Agreement shall take effect on the date hereof and shall remain in full force and effect until there are no Multiple Voting Shares outstanding.

Section 4.06. Amendments. (1) This Agreement may be amended without the approval of the Subordinate Voting Shareholders in order to correct or rectify any errors, ambiguities, defective provisions, inconsistencies or omissions herein or to facilitate the operation of the provisions hereof or to comply with applicable law or the rules and regulations of any stock exchange on which the Subordinate Voting Shares are listed, provided that the Trustee is of the opinion that the rights hereunder of the Subordinate Voting Shareholders are not prejudiced, in any material respect, by such amendment.

(2) This Agreement may not be amended, varied or modified, except as provided in Section 4.06(1), unless the prior approval of the Subordinate Voting Shareholders has first been obtained. For the purposes of this Section 4.06(2) such approval shall be deemed to have been given by (i) an instrument in writing signed by the holders of not less than 66-2/3% of the outstanding Subordinate Voting Shares; or (ii) a resolution passed by the affirmative vote of not less than 66-2/3% of the votes cast thereon, at a meeting of the Subordinate Voting Shareholders duly called and held for the purpose of considering the amendment. Subordinate Voting Shares held by Multiple Voting Shareholders may be taken into account for the purpose of calculating any quorum requirement for the meeting but in no event shall Subordinated Voting Shares held or votes cast by Multiple Voting Shareholders be taken into account in determining whether the foregoing approval has been given.

Section 4.07. Notices to Parties. Any notice or other instrument or mailing required or permitted to be given to any party hereunder shall be in writing and shall be sufficiently given if delivered personally or caused to be delivered personally by same day courier, or if transmitted by telecopier or other form of recorded communication (tested prior to transmission to such party) addressed as follows, if to the **Corporation**, 4945 Steeles Ave. West, Weston, Ontario, M9L 1R4, Telecopier No. (416) 749-0618, Attention: Vic De Zen, to **De Zen Holdings Limited**, 1155 Rene Levesque Blvd. West, Suite 4000, Montreal, Quebec, H3B 3V2, Telecopier No. (514) 397-3222, Attention: Pierre A. Raymond, to the **Trustee, The R-M Trust Company**, 393 University Ave., 5th Floor, Toronto, Ontario, M5G 1E6, Telecopier No. 813-4555, Attention: Assistant Vice-President, Client Services, to **Vic De Zen**, 4945 Steeles Ave. West, Weston, Ontario, M9L 1R4, Telecopier No. (416) 749-0618 or at such other address as the party to whom such writing is to be given shall have last notified the party giving the same in the manner provided in this Section 4.07. Any notice delivered to the party to whom it is addressed as provided herein shall be deemed to have been given and received on the day it is so delivered at such address, provided that if such day is not a Business Day then the notice shall be deemed to have been given and received on the Business Day next following such day. Any notice transmitted by telecopier or other form of recorded communication shall be deemed given and received on the first Business Day after its transmission.

Section 4.08. Notice to Shareholders. (1) Any notice or other instrument or mailing required or permitted to be given to any holder of Multiple Voting Shares hereunder shall be in writing and shall be sufficiently given if delivered personally or caused to be delivered personally by courier, addressed to such holders at their respective addresses appearing on the securities register maintained by the Trustee, in its capacity as registrar and transfer agent for the Corporation.

(2) Any notice or other instrument or mailing required or permitted to be given to Subordinate Voting Shareholders hereunder shall be in writing and shall be sufficiently given if given to such Subordinate Voting Shareholders in accordance with the notice provisions set out in the Corporation's by-laws.

Section 4.09. Further Acts. The parties hereto shall do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement.

Section 4.10. Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. The parties hereto hereby submit to the exclusive jurisdiction of the courts of the Province of Ontario.

Section 4.11. Entire Agreement. This Agreement shall constitute the entire Agreement between the parties hereto with respect to the subject matter hereof.

There are not and shall not be any verbal statements, representations, warranties, undertakings or agreements between the parties with respect to the subject matter hereof.

Section 4.12. Severability. If any provision, or portion thereof, of this Agreement, or of the application thereof to any Person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such provision or portion thereof, to any other Person or circumstance shall not be affected thereby and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 4.13. Enurement. This Agreement shall enure to the benefit of and be binding upon the parties hereto, including Persons who become parties to this Agreement pursuant to the Assumption Agreement, and their respective successors, heirs and personal legal representatives, as applicable.

Section 4.14. Counterparts. This Agreement may be signed in counterparts and each of such counterparts, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above mentioned.

ROYAL PLASTICS GROUP LIMITED

By: _____ c/s
Authorized Signing Officer

THE R-M TRUST COMPANY

By: _____
Authorized Signing Officer

By: _____
Authorized Signing Officer

_____ (seal)
VIC DE ZEN

_____
Witness

(signatures continued on the next following page)

(signatures continued from the preceding page)

VIC DE ZEN HOLDINGS LIMITED

By: _____ c/s
Authorized Signing Officer

SCHEDULE "A"

ASSUMPTION AGREEMENT

This Assumption Agreement made as of •, among • (the **"Holder"**), [•, • and •, the shareholders of the Holder (the **"Holder's Shareholders"**)] **Royal Plastics Group Limited** (the **"Corporation"**), a corporation incorporated under the laws of the Canada on behalf of itself and all other parties (other than the Trustee) to the Stock Control Agreement and **The R-M Trust Company** (the **"Trustee"**), a trust company incorporated under the laws of Canada.

WHEREAS the Corporation, the Trustee, and Vic De Zen are parties to a Stock Control Agreement made as of •, 1994 (the **"Stock Control Agreement"**);

AND WHEREAS all capitalized terms used in this agreement have the meanings attributed to them in the Stock Control Agreement unless the context indicates otherwise;

AND WHEREAS pursuant to the Stock Control Agreement there can be no Transfer of any Multiple Voting Shares of the Corporation by a holder thereof unless such transfer is a Permitted Transfer and the transferee of such shares and any other Person specified in the Stock Control Agreement first enters into this Assumption Agreement;

AND WHEREAS • proposes to transfer Multiple Voting Shares to the Holder;

AND WHEREAS such proposed transfer of Multiple Voting Shares is subject to and conditional upon the execution of this Assumption Agreement by the Holder and the Holder's Shareholders;

AND WHEREAS the Holder and the Holder's Shareholders wish to observe and be bound by the terms of the Stock Control Agreement so that the provisions thereof will govern their rights and obligations in relation to the parties thereto and the Subordinate Voting Shareholders.

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby covenant and agree as follows:

Section 1.01. Recitals. The Holder and the Holder's Shareholders acknowledge and declare that the foregoing recitals, insofar as they relate to such parties, are true and correct.

Section 2.01. Representations and Warranties. The Holder hereby represents and warrants that it:

(a) (i) is a member of the De Zen Family or a De Zen Affiliate; or (ii) is otherwise a Permitted Holder of Multiple Voting Shares pursuant to the Stock Control Agreement; and

(b) has full capacity, power and authority to enter into this Assumption Agreement.

Section 3.01. Covenant to be Bound. The Holder covenants and agrees:

(a) to be bound by the terms of the Stock Control Agreement in the same manner as if it had been an original party thereto;

(b) to deliver promptly to the Trustee all Transfer Authorizations requested by the Trustee;

(c) if an individual, to execute contemporaneously with the execution of this Assumption Agreement, the Statutory Declaration attached hereto as Schedule "A" and deliver or cause to be delivered a copy of such Statutory Declaration to the Corporation and the Trustee.

Section 4.01 Representations and Covenants of Holder's Shareholders. The Holder's Shareholders represent and warrant, jointly and severally, that they are the registered and beneficial owners of all of the outstanding shares of the Holder and that the representations and warranties of the Holder in Section 2.01 hereof are true and correct. Each of the Holder's Shareholders covenant and agree (i) to comply with their obligations under this Assumption Agreement and the Stock Control Agreement; (ii) to cause the Holder to comply with its obligations under this Assumption Agreement and the Stock Control Agreement and (iii) to co-operate with the Trustee in all actions the Trustee may take in carrying out its duties under the Stock Control Agreement.

Section 5.01. Covenants of Permitted Financial Institution. The Holder, if a Permitted Financial Institution, covenants and agrees that it will not transfer its interest in any Multiple Voting Shares other than in accordance with the Stock Control Agreement and the following additional terms and conditions:

(a) If the Permitted Financial Institution, in the course of realizing on its security interest, wishes to transfer Multiple Voting Shares, it shall first offer to sell to De Zen, or at the direction of De Zen or the De Zen Family Representative, as the case may be, to any other Permitted Holder, a sufficient number of Multiple Voting Shares held by it, at a price equal to the Fair Value of such shares, to repay the indebtedness

secured by such security interest. De Zen or the De Zen Family kepresentative, as the case may be, shall, within 30 days of such offer, either accept or decline the offer. If the offer is accepted, the closing of such purchase and sale shall be within 30 days of such acceptance.

(b) If De Zen or the De Zen Family Representative, as the case may be, declines the offer made pursuant to Section 5.01(a), or does not respond to such offer within the specified 30 day period, the Permitted Financial Institution shall, within a period of 10 days after the notice from De Zen or the De Zen Family Representative, as the case may be, that he or it is declining the offer or the expiry of the 30 day period, whichever is applicable, convert to Subordinate Voting Shares that number of Multiple Voting Shares held by it which, when valued at the Fair Value thereof, have a total value equal to the indebtedness secured by such security interest. De Zen or the De Zen Family Representative, as the case may be, shall be deemed to have approved such conversion pursuant to Section 2.07 of the Stock Control Agreement.

Section 6.01. Corporation as Party. It is expressly acknowledged and agreed that notwithstanding that the Corporation has executed this Assumption Agreement on behalf of itself and all other parties to the Stock Control Agreement (other than Trustee), the Corporation and all other parties to the Stock Control Agreement or any one or more of them shall have the right to take all action as may be necessary or desirable to enforce the provisions of the Stock Control Agreement and this Assumption Agreement against the Holder in the same manner as if all such other parties were signatories hereto.

Section 7.01. Survival. The representations, warranties and covenants contained herein shall survive the execution and delivery of this Assumption Agreement and shall continue in full force and effect during the term of the Stock Control Agreement.

Section 8.01. Jurisdiction. This Assumption Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract.

IN WITNESS WHEREOF the parties hereto have duly executed this a Assumption Agreement on the date first above written.

ROYAL PLASTICS GROUP LIMITED

By:_____ c/s

(signatures continued on the next following page)

(signatures continued from the preceding page)

•

By:_____ c/s

•

By:_____ c/s

_____

•

_____

_____

_____

_____

SCHEDULE "B"

STATUTORY DECLARATION	)	IN THE MATTER OF THE TRANSFER
	)	MULTIPLE VOTING SHARES OF
CANADA	)	ROYAL PLASTICS GROUP LIMITED
	)	
PROVINCE OF ONTARIO	)	
	)	
TO WIT:	)	

I, •, of the City of •, in the Province of •, SOLEMNLY DECLARE THAT I (the "Undersigned"):

(d) am a member of the De Zen Family, as that term is defined in the Stock Control Agreement made as of • among Royal Plastics Group Limited, The R-M Trust Company and Vic De Zen;

(e) am at least eighteen years old; and

(f) have full capacity, power and authority to enter into the Assumption Agreement dated • among the undersigned, Royal Plastics Group Limited and The R-M Trust Company.

AND make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

DECLARED before me at the	)	
, in the	)	
this day of	)	
	)	
	)	
	)	
_____	)	_____
A Commissioner, etc.		

SCHEDULE "B"

STATUTORY DECLARATION	)	IN THE MATTER OF THE TRANSFER MULTIPLE VOTING SHARES OF ROYAL PLASTICS GROUP LIMITED
CANADA	)	
PROVINCE OF ONTARIO	)	
TO WIT:	)	

I, ●, of the City of ●, in the Province of ●, SOLEMNLY DECLARE THAT I (the "Undersigned"):

(d) am a member of the De Zen Family, as that term is defined in the Stock Control Agreement made as of ● among Royal Plastics Group Limited, The R-M Trust Company and Vic De Zen;

(e) am at least eighteen years old; and

(f) have full capacity, power and authority to enter into the Assumption Agreement dated ● among the undersigned, Royal Plastics Group Limited and The R-M Trust Company.

AND make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

DECLARED before me at the	)	
, in the	)	
this day of	)	
	)	
	)	
	)	
_____	)	_____

A Commissioner, etc.

ROYAL GROUP TECHNOLOGIES LIMITED

as issuer of the Multiple Voting Shares and
Subordinate Voting Shares

-and-

CIBC MELLON TRUST COMPANY

as Trustee on behalf of itself and holders of
Subordinate Voting Shares

-and-

VIC DE ZEN

as the sole beneficial holder of Multiple Voting Shares

-and-

DE ZEN HOLDINGS LIMITED,
DE ZEN INVESTMENTS CANADA LIMITED,
1260333 ONTARIO LIMITED

-and-

3422453 CANADA INC.

each as a registered holder of certain Multiple Voting Shares
owned beneficially by Vic De Zen

STOCK CONTROL AGREEMENT AMENDMENT No. 1

Dated as of November 3, 1997

STOCK CONTROL AGREEMENT AMENDMENT No. 1

Stock Control Agreement Amendment No. 1 made as of November 3, 1997 among **ROYAL GROUP TECHNOLOGIES LIMITED** (formerly Royal Plastics Group Limited), as issuer of the Multiple Voting Shares and Subordinate Voting Shares, **CIBC MELLON TRUST COMPANY** (formerly The R-M Trust Company), as Trustee, on behalf of itself and holders of Subordinate Voting Shares, **VIC DE ZEN**, as the sole beneficial holder of all of the issued and outstanding Multiple Voting Shares, **DE ZEN HOLDINGS LIMITED, DE ZEN INVESTMENTS CANADA LIMITED, 1260333 ONTARIO LIMITED,** and **3422453 CANADA INC**, each as a registered holder of certain Multiple Voting Shares owned beneficially by Vic De Zen .

WHEREAS the parties to this Stock Control Agreement Amendment No. 1 (the "Agreement") are parties to a stock control agreement dated as of November 30, 1994, as amended to the date hereof by various assumption agreements relating thereto, (the "Stock Control Agreement" and all capitalized terms herein shall have the meaning ascribed thereto in the Stock Control Agreement);

AND WHEREAS under subsection 4.06(1) of the Stock Control Agreement the provisions of the Stock Control Agreement may be amended in accordance with such subsection to, among other things, facilitate the operation of the provisions of the Stock Control Agreement;

AND WHEREAS the Stock Control Agreement permits the pledge of Multiple Voting Shares in circumstances that ensure that upon any disposition thereof or other dealing therewith such Multiple Voting Shares are converted into Subordinate Voting Shares;

AND WHEREAS two of De Zen Affiliates wish to enter into a transaction under which Multiple Voting Shares will be pledged pursuant to an agreement in the form annexed hereto as Schedule "A" (the "Collateral Agency Agreement") which agreement will ensure that such Multiple Voting Shares will be converted into Subordinate Voting Shares immediately prior to any disposition thereof or any other dealing therewith by the secured party thereunder;

AND WHEREAS based on and relying upon the opinion of Ogilvy Renault a copy of which is attached as Exhibit 1 (the "Ogilvy Renault Opinion") the Trustee is satisfied that this Agreement and the Collateral Agency Agreement are not prejudicial to the interests of the holders of the Subordinate Voting Shares in any material respect and that the arrangements are such that no Multiple Voting Shares will be transferred to any Person (other than a DeZen Affiliate) under any circumstances;

AND WHEREAS based on and relying upon the Ogilvy Renault Opinion, the Trustee is satisfied that the entering into of this Agreement and the Collateral Agency Agreement is permitted pursuant to subsection 4.06(1) of the Stock Control Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT, in consideration of the sum of $10.00 and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

Section 1.01. Schedule. The Collateral Agency Agreement and related Collateral Agreement annexed hereto as Schedule "A" shall, for all purposes, form an integral part of this Agreement.

Section 1.02. Definition Amendment. The definition of "Permitted Transfer" in the Stock Control Agreement shall be amended by inserting the following: "(iv) the granting of a security interest (by way of pledge, hypothecation or otherwise) in accordance with the provisions of a certain collateral agreement and collateral agency agreement annexed as Schedule "A" to the stock control agreement amendment no.1 among the parties to this Agreement" and changing the number of the immediately following paragraph from "(iv)" to "(v)".

Section 1.03. Authorization. The Trustee is hereby authorized by each of the other parties to the Stock Control Agreement to execute and deliver the Collateral Agency Agreement.

Section 1.04. Effect, etc. The Collateral Agency Agreement and related Collateral Agreement shall be deemed to be an amendment to the provisions of the Stock Control Agreement that facilitates the provisions of Section 4.06 by permitting the pledging of Multiple Voting Shares in the circumstances and in the manner therein provided., In the event of a conflict between the provisions of the Stock Control Agreement and the Collateral Agency Agreement and related Collateral Agreement, the provisions of the Collateral Agency Agreement and related Collateral Agreement shall prevail. Except as amended by this Agreement and the Collateral Agency Agreement and related Collateral Agreement, the Stock Control Agreement is hereby ratified and confirmed and references to the Stock Control Agreement hereinafter shall be deemed to be references to the Stock Control Agreement as amended by this Agreement. the Collateral Agency Agreement and related Collateral Agreement.

Section 1.05. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. The parties hereto hereby submit to the exclusive jurisdiction of the courts of the Province of Ontario.

Section 1.06. Counterparts. This Agreement may be signed in counterparts and each of such counterparts, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above mentioned.

ROYAL GROUP TECHNOLOGIES LIMITED

By:_____
Authorized Signing Officer

CIBC MELLON TRUST COMPANY

By:_____

By:_____

_____
Witness

_____
Vic De Zen

DE ZEN HOLDINGS LIMITED

By:_____
Authorized Signing Officer

DE ZEN INVESTMENTS CANADA LIMITED

By:_____
Authorized Signing Officer

(signatures continued on the next following page)

Section 1.06. Counterparts. This Agreement may be signed in counterparts and each of such counterparts, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above mentioned.

ROYAL GROUP TECHNOLOGIES LIMITED

By:_____
Authorized Signing Officer

CIBC MELLON TRUST COMPANY

By:_____ ELIZABETH EARLE
AUTHORIZED SIGNATORY

By:_____ SUSAN CLOUGH
AUTHORIZED OFFICER

_____
Witness

_____
Vic De Zen

DE ZEN HOLDINGS LIMITED

By:_____
Authorized Signing Officer

DE ZEN INVESTMENTS CANADA LIMITED

By:_____
Authorized Signing Officer

(signatures continued on the next following page)

(signatures continued from the preceding page)

1260333 ONTARIO LIMITED

By: _____
Authorized Signing Officer

3422453 CANADA INC.

By: _____
Authorized Signing Officer

OGILVY RENAULT

EXHIBIT "1"

BARRISTERS & SOLICITORS

TORONTO
OGILVY RENAULT
SUITE 2100, P.O. BOX 141
ROYAL TRUST TOWER
TD CENTRE
TORONTO, ONTARIO, CANADA M5K 1H1
TELEPHONE (416) 216-4000
FAX (416) 216-3930

DIRECT DIAL: (416) 216-4000

November 3, 1997

CIBC Mellon Trust Company
393 University Avenue
5th Floor
Toronto, Ontario
M5G 2M7

and

Fasken, Campbell and Godfrey
Toronto Dominion Bank Tower
Box 20
Suite 4200
Toronto-Dominion Centre
Toronto, Ontario
M5K 1N6

Dear Ladies and Gentlemen:

Re: Royal Group Technologies Limited and Vic De Zen

We have acted as counsel to Royal Group Technologies Limited ("Royal"), Vic De Zen, 1260333 Ontario Limited ("Canada 1") and 3422453 Canada Inc. ("Canada 2") in connection with the pledge by each of Canada 1 and Canada 2 of Multiple Voting Shares of Royal pursuant to a collateral agency agreement dated as of November 3, 1997 (each, a "Collateral Agency Agreement") among CIBC Mellon Trust Company (in such capacity, "CIBC Mellon") and each of Canada No. 1 and Canada No. 2, respectively, and the other parties thereto.

As such counsel we have reviewed or participated in the preparation of:

(a) each Collateral Agency Agreement;

(b) the Collateral Agreement (as defined and referred to in each Collateral Agency Agreement);

(c) the stock control agreement (including Assumption Agreement (No. 1), Assumption Agreement (No. 2) and Assumption Agreement (No. 3) thereto) dated as of November 30, 1994 (the "Stock Control Agreement" and terms defined therein being used herein as therein defined) among Canada 1, Canada 2, De Zen Investments Limited, De Zen Holdings Limited, Vic De Zen, Royal and CIBC Mellon (collectively the "Stock Control Parties"); and

(d) stock control agreement amendment no.1 ("Amendment No.1) dated as of November 3, 1997 among the Stock Control Parties.

We have also, as such counsel acted on behalf of the Stock Control Parties (other than CIBC Mellon) in connection with the offering of 3,150,000 DECS as described in the prospectus (the "DECS Prospectus") dated October 31, 1997 which has been filed with the United States Securities and Exchange Commission and a copy of which accompanies this opinion. Essentially, the DECS represent an underlying funding by the Trust (as defined in the DECS Prospectus) of an amount sufficient to acquire, in approximately three years, a specified number of Royal Subordinate Voting Shares from Canada 1 and Canada 2. The Collateral Agency Agreement and related security arrangements which are described in the DECS Prospectus ensure the performance by Canada 1 and Canada 2 of their obligations to the Trust. The proceeds from the DECS are, in effect, deposited with Canada 1 and Canada 2 to ensure the Trust's performance of its obligation to acquire Subordinate Voting Shares. Canada 1 and Canada 2 have the right to settle their forward purchase obligations by a cash payment, in lieu of delivering subordinate voting shares. Until the performance date under the forward purchase agreements (unless earlier terminated in the circumstances described in paragraph 3(b) of each Collateral Agency Agreement) all of the economic attributes of the ownership of the pledged Multiple Voting Shares (including voting rights, the right to receive ordinary course dividends and disposition rights) remain with Canada 1 and Canada 2. Upon the occurrence of the events described in Section 3(b), CIBC

OGILVY RENAULT

Mellon has been directed to convert the Multiple Voting Shares to Subordinate Voting Shares. We note that the DECS is not a form of transaction that was an established market technique at the time the Stock Control Agreement was entered into by the Stock Control Parties.

In our view, all of these arrangements have been entered into bona fide and are substantially the same as the kinds of arrangements described in the Stock Control Agreement under which a DeZen Affiliate may deal with Royal Multiple Voting Shares without them being converted to Royal Subordinate Voting Shares. We also are of the view that the arrangements under the Collateral Agency Agreement and Amendment No.1 are such as to preserve in all material respects the scheme of control over Multiple Voting Shares provided under the Stock Control Agreement. Finally, we are of the view that there is a sufficient basis for CIBC Mellon (as trustee under the Stock Control Agreement) to conclude that the holders of Subordinate Voting Shares are not prejudiced by these arrangements. We have assumed for purposes of our opinion expressed below that CIBC Mellon, in its capacity as Stock Trustee, has in good faith so concluded.

Our opinion expressed herein is limited to the laws of the Province of Ontario and the laws of Canada applicable therein.

Based upon and subject to the foregoing, we are of the opinion that:

1. CIBC Mellon, as Stock Trustee has authority, pursuant to Section 4.06(1) of Stock Control Agreement, to enter into each of the Collateral Agency Agreements and Amendment No.1.

2. The Transfer of Multiple Voting Shares by Canada 1 and Canada 2 in accordance with the Collateral Agreement and the Collateral Agency Agreement to which they are a party is a Permitted Transfer.

3. The Stock Control Agreement does not restrict the Transfer or any other disposition of Subordinate Voting Shares.

Yours truly,

Ogilvy Renault

SCHEDULE "A"

Execution Copy

COLLATERAL AGENCY AGREEMENT

THIS COLLATERAL AGENCY AGREEMENT, dated as of this 4th day of November, 1997, among 3422453 Canada Inc. (the "Pledgor"), a corporation organized under the law of the Province of Ontario; DECS Trust II (such trust and the trustees thereof acting in their capacity as such being referred to herein as the "Trust" and the "Trustees," respectively), a statutory business trust organized under the Business Trust Act of the State of Delaware pursuant to a Declaration of Trust dated as of September 4, 1997 (as it may be amended and restated from time to time, the "Trust Agreement"); The Bank of New York, a New York banking corporation, as collateral agent (the "Collateral Agent") for the Trust under the Collateral Agreement (the "Collateral Agreement"), dated as of November 4, 1997, among the Pledgor, the Collateral Agent and the Trust; Royal Group Technologies Limited, a company amalgamated under the laws of Canada (the "Company"); and CIBC Mellon Trust Company, a trust company incorporated under the laws of Canada, as sub-collateral agent (the "Sub-Collateral Agent"), as stock trustee (the "Stock Trustee") under the Stock Control Agreement referred to below and as transfer agent (the "Transfer Agent") of the Company's Subordinate Voting Shares (as defined below).

WITNESSETH:

WHEREAS, the Trust is a non-diversified, closed-end management investment company, as defined in the Investment Company Act of 1940, formed to purchase and hold certain U.S. treasury securities, to enter into and hold forward purchase contracts with one or more existing shareholders of the Company, including the forward purchase contract (the "Contract") to which the Pledgor is a party, to hold security for the performance of such shareholders of their obligations under the forward purchase contracts pursuant to related collateral agreements, including the collateral agreement (the "Collateral Agreement") to which the Pledgor is a party, and to issue DECS in accordance with the terms and conditions of the Trust Agreement;

WHEREAS, the Pledgor may pledge as security under its Contract and Collateral Agreement either subordinate voting shares ("Subordinate Voting Shares") or multiple voting shares ("Multiple Voting Shares" and, together with Subordinate Voting Shares, "Voting Shares") of the Company;

WHEREAS, the Pledgor, CIBC Mellon Trust Company, as Stock Trustee and as Transfer Agent, the Company and other holders from time to time of Multiple Voting Shares have entered into a Stock Control Agreement, dated as of November 30, 1994, as amended from time to time (the "Stock Control Agreement"), governing the holding and transfer of Multiple Voting Shares;

WHEREAS, in order to comply with the terms of the Stock Control Agreement, the Pledgor, the Trust, the Company and the Collateral Agent desire to engage the services of the Sub-Collateral Agent to perform certain duties with respect to the Multiple Voting Shares; and

WHEREAS, the Sub-Collateral Agent is qualified and willing to assume such duties on the terms and conditions hereinafter set forth;

NOW, THEREFORE, the parties hereto agree as follows:

1. *Appointment of Sub-Collateral Agent; Transfer of Multiple Voting Shares.* The Collateral Agent hereby constitutes and appoints the Sub-Collateral Agent, and the Sub-Collateral Agent accepts such appointment, as agent of the Trust and the Collateral Agent and as custodian of all Multiple Voting Shares pledged by the Pledgor as collateral under the Collateral Agreement to secure its obligations under the Contract. The Stock Trustee hereby deposits such Multiple Voting Shares (the particulars of such Multiple Voting Shares being set forth in Schedule A hereto) with the Sub-Collateral Agent, and the Sub-Collateral Agent hereby accepts such Multiple Voting Shares into its custody, and the Stock Trustee shall deliver to the Sub-Collateral Agent all additional Multiple Voting Shares pledged as collateral under the Collateral Agreement that are received by the Stock Trustee at any time during the period of this Agreement, subject to the following terms and conditions. The Sub-Collateral Agent hereby agrees that it shall hold the certificates representing the Multiple Voting Shares in a segregated custody account, separate and distinct from all other accounts. All certificates representing the Multiple Voting Shares held by the Sub-Collateral Agent shall be held in Canada. The Sub-Collateral Agent shall be under no duty or obligation to inspect, review or examine any of the certificates representing the Multiple Voting Shares to determine that they are genuine, enforceable, or appropriate for the represented purpose or that they are other than what they purport to be on their face.

2. *Care and Disposition of Multiple Voting Shares.* (a) The Sub-Collateral Agent shall exercise the same standard of care that it exercises over its own assets in the safekeeping, handling and disposition of the Multiple Voting Shares in accordance with this Agreement. The Sub-Collateral Agent will exercise the due care expected of a prudent trust company with respect to the Multiple Voting Shares in its possession or control.

(b) The Sub-Collateral Agent shall have no power or authority to assign, hypothecate, pledge or otherwise dispose of the Multiple Voting Shares, except pursuant to and in accordance with paragraph 3 below and then only for the account of the Collateral Agent. The Sub-Collateral Agent shall maintain records that identify the Multiple Voting Shares as being held by it in favor of the Trust and the Collateral Agent and not for its own interest or the interest of any of its customers. The Multiple Voting Shares shall be subject to no lien or charge of any kind in favor of the Sub-Collateral Agent for itself or for any other Person claiming through the Sub-Collateral Agent.

(c) The Sub-Collateral Agent shall ensure that adequate policies of insurance in amounts that the Sub-Collateral Agent shall determine to be commercially reasonable (and which

is available) is maintained with recognized insurance carriers, which policies shall cover *inter alia* reasonable potential loss contingencies under this Agreement. The Sub-Collateral Agent shall provide such information regarding such insurance as may reasonably be requested by the Trust.

(d) The Sub-Collateral Agent shall supply to the Trust from time to time as mutually agreed upon reports with respect to all of the Multiple Voting Shares held by the Sub-Collateral Agent hereunder, including, but not limited to, notification of any transfer to or from the Trust's account or a third party account containing assets held for the benefit of the Trust. In the event that the Trust does not inform the Sub-Collateral Agent in writing of any exceptions or objections with thirty (30) days after receipt of such report, the Trust shall be deemed to have approved such report.

(e) The Sub-Collateral Agent shall permit actual examination of the certificates representing the Multiple Voting Shares by the Trust's independent public accountants at the end of each annual and semi-annual fiscal period of the Trust and at least one other time during the fiscal year of the Trust chosen by such independent public accountants and shall permit the inspection of the certificates representing the Multiple Voting Shares by the Commission through its employees or agents during the normal business hours of the Sub-Collateral Agent upon reasonable written request.

3. *Authorized Actions*. The Sub-Collateral Agent shall take no actions with respect to the Multiple Voting Shares except as follows:

(a) Upon receipt of written directions from the Pledgor and the Collateral Agent, the Sub-Collateral Agent shall transfer and deliver to the Stock Trustee any Multiple Voting Shares that have been released from their pledge as collateral under the Collateral Agreement and that have not been converted and are not required at such time to be converted into Subordinate Voting Shares, whether pursuant to clause (b) of this paragraph 3 or otherwise; and

(b) Upon receipt of written directions from the Collateral Agent upon the occurrence of (i) the termination of the Trust, (ii) the Exchange Date, as defined in the Contract, or (iii) any other event requiring the delivery under the Contract and the Collateral Agreement of Subordinate Voting Shares in fulfillment of the obligation of the Pledgor under the Contract, the Sub-Collateral Agent together with the Stock Trustee shall effect the conversion of the Multiple Voting Shares held by the Sub-Collateral Agent into Subordinate Voting Shares, registered as directed in writing by the Collateral Agent, and the Sub-Collateral Agent shall deliver such Subordinate Voting Shares to the Collateral Agent in accordance with an irrevocable direction from the Company to issue Subordinate Voting Shares addressed to the Stock Trustee as Transfer Agent, such direction being attached hereto as Schedule B. The Sub-Collateral Agent shall have no obligation or right to question the validity of any such written directions received from the Collateral Agent. Any written directions provided by the Collateral Agent pursuant to this clause (b) of this paragraph 3 shall be irrevocable. The Sub-Collateral Agent shall

promptly transfer and deliver to the Collateral Agent in the form of Subordinate Voting Shares any Multiple Voting Shares that are otherwise converted by the Stock Trustee into Subordinate Voting Shares at any time during the term of this Agreement.

4. *Income and Voting Rights on Multiple Voting Shares.* (a) The Sub-Collateral Agent shall hold, pay or invest all dividends, distributions and other proceeds of the Multiple Voting Shares in accordance with the written instructions of the Collateral Agent, which shall give such instructions to the Sub-Collateral Agent as are required or permitted by the Collateral Agreement in this regard.

(b) All rights to vote and to give consents, ratifications and waivers with respect to the Multiple Voting Shares shall be governed by the Collateral Agreement, and the Sub-Collateral Agent shall promptly deliver to the Collateral Agent such proxies, powers of attorney, consents, ratifications and waivers in respect of any of the Multiple Voting Shares which are registered in the name of the Sub-Collateral Agent or its nominee and shall further deliver such documents and instruments as shall be specified in a written request by the Collateral Agent.

5. *Sub-Collateral Agent's Actions Taken In Good Faith.* In connection with the performance of its duties under this Agreement, the Sub-Collateral Agent (a) shall have no duties or obligations other than those specifically set forth herein or as may subsequently be agreed in writing by the parties hereto, (b) shall have no liability or responsibility arising under any other agreement, including any agreement referred to in this Agreement to which the Sub-Collateral Agent is not a party, and (c) shall be under no liability to the Pledgor or the Collateral Agent for any action taken in good faith in reliance on any paper, order, certification, list, demand, request, consent, affidavit, notice, opinion, direction, endorsement, assignment, resolution, draft or other document, prima facie properly executed, or for the disposition of the Multiple Voting Shares pursuant to the Collateral Agreement or in respect of any action taken or suffered under the Collateral Agreement in good faith, in accordance with an opinion of counsel or at the direction of the Pledgor or the Collateral Agent pursuant hereto; *provided* that this provision shall not protect the Sub-Collateral Agent against any liability to which it would otherwise be subject by reason of willful misfeasance, bad faith or gross negligence in the performance of its duties or by reason of its reckless disregard of its obligations and duties hereunder. Notwithstanding any other provision of this Agreement, the Sub-Collateral Agent shall under no circumstances be liable for any punitive, exemplary, indirect or consequential damages.

6. *Collateral Agreement Validity.* The Sub-Collateral Agent shall not be responsible for the validity or sufficiency of the Collateral Agreement or the due execution thereof, or for the form, character, genuineness, sufficiency, value or validity of any of the Multiple Voting Shares, and the Sub-Collateral Agent shall in no event assume or incur any liability, duty or obligation to any holder of the DECS issued by the Trust or to the Trustees, other than as expressly provided herein. The Sub-Collateral Agent shall not be responsible for or in respect of the validity of any signature by or on behalf of the Pledgor, the Collateral Agent, the Company or the Trustees.

7. *Sub-Collateral Agent Resignation, Succession.* (a) The Sub-Collateral Agent may resign by executing an instrument in writing resigning as Sub-Collateral Agent and delivering the same to the Pledgor, the Collateral Agent and the Trust, not less than 60 days before the date specified in such instrument when, subject to clause (b) of this paragraph 6, such resignation is to take effect; *provided, however,* that the Sub-Collateral Agent may only resign if at the time of resignation the Multiple Voting Shares held by the Sub-Collateral Agent hereunder may be transferred to a successor Sub-Collateral Agent in accordance with the Stock Control Agreement. Upon receiving such notice of resignation, the Pledgor, the Collateral Agent and the Trust shall use their reasonable efforts promptly to appoint a successor Sub-Collateral Agent in the manner and meeting the qualifications provided in the Stock Control Agreement and the requirements of Rule 17f-5 under the U.S. Investment Company Act of 1940, as amended ("Rule 17f-5"), by written instrument or instruments delivered to the resigning Sub-Collateral Agent and the successor Sub-Collateral Agent.

(b) In case no successor Sub-Collateral Agent shall have been appointed within 30 days after notice of resignation has been received by the Pledgor, the Collateral Agent and the Trustees, the resigning Sub-Collateral Agent may forthwith apply to a court of competent jurisdiction at the Pledgor's cost and expense for the appointment of a successor Sub-Collateral Agent. Such court may thereupon, after such notice, if any, as it may deem proper and prescribed, appoint a successor Sub-Collateral Agent.

8. *Sub-Collateral Agent Removal.* In case at any time the Sub-Collateral Agent shall not meet the requirements set forth in the Stock Control Agreement and of Rule 17f-5 or shall become incapable of acting or if a court having jurisdiction shall enter a decree or order for relief in respect of the Sub-Collateral Agent in an involuntary case, or the Sub-Collateral Agent shall commence a voluntary case, under any applicable bankruptcy, insolvency, or other similar law now or hereafter in effect, or any receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) for the Sub-Collateral Agent or for any substantial part of its property shall be appointed, or the Sub-Collateral Agent shall make any general assignment for the benefit of creditors, or shall generally fail to pay its debts as they become due, either the Trust or the Collateral Agent may remove the Sub-Collateral Agent immediately and appoint a successor Sub-Collateral Agent.

9. *Transfers to Successor Sub-Collateral Agent.* Upon the request of any successor Sub-Collateral Agent and upon compliance with the requirements of the Stock Control Agreement, the Sub-Collateral Agent hereunder shall, upon payment of all amounts due it, execute and deliver an instrument acknowledged by it transferring to such successor Sub-Collateral Agent all the rights and powers of the retiring Sub-Collateral Agent; and the retiring Sub-Collateral Agent shall transfer and deliver to the successor Sub-Collateral Agent the Multiple Voting Shares at the time held by it hereunder, if any, together with all necessary instruments of transfer and assignment or other documents property executed necessary to effect such transfer and such of the records or copies thereof maintained by the retiring Sub-Collateral Agent in the administration hereof as may be requested by the successor Sub-Collateral Agent, and shall thereupon be discharged from all duties and responsibilities hereunder. Any resignation or removal of the Sub-Collateral Agent shall become effective upon such acceptance

of appointment by the successor Sub-Collateral Agent. The indemnification of the resigning Sub-Collateral Agent provided for hereunder shall survive any resignation, discharge or removal of the Sub-Collateral Agent hereunder.

10. *Sub-Collateral Agent Merger, Consolidation.* Any corporation into which the Sub-Collateral Agent may be merged, converted or amalgamated or with which it may be consolidated or combined pursuant to a plan of arrangement, or any corporation resulting from any merger, conversion, amalgamation, consolidation or plan of arrangement to which the Sub-Collateral Agent shall be a party, shall be the successor Sub-Collateral Agent hereunder and under the Collateral Agreement without the execution or filing of any paper, instrument or further act to be done on the part of the parties hereto or thereto, *provided* that such corporation meets the requirements set forth in this Agreement and the requirements set forth for the Stock Trustee under the Stock Control Agreement.

11. *Compensation.* The Sub-Collateral Agent shall receive compensation and reimbursement for reasonable expenses and disbursements from the Pledgor for performing the usual, ordinary, normal and recurring services under this Collateral Agency Agreement, as provided by a separate agreement between the Pledgor and the Sub-Collateral Agent. None of the provisions of this Collateral Agency Agreement shall require the Sub-Collateral Agent to expend its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights and powers. The Sub-Collateral Agent may retain legal counsel and advisors in Canada and/or the State of New York for the purpose of discharging its duties or determining its rights under this Agreement, and may rely and act upon the advice of such counsel or advisors. The Pledgor shall pay or reimburse the reasonable expenses and disbursements of such counsel or advisors.

12. *Regulatory Qualification.* The Sub-Collateral Agent acknowledges that under U.S. regulatory requirements applicable to the Trust, the Sub-Collateral must meet certain requirements in order to be used by the Trust to provide the services contemplated in this Agreement. The Sub-Collateral Agent hereby represents that it is a banking institution or trust company, incorporated or organized under the laws of Canada, that is regulated as a banking institution or trust company by the Office of Superintendent of Financial Institutions, an agency of the federal government of Canada. The Sub-Collateral Agent agrees immediately to notify the Trust in writing of any development or occurrence that would render the Sub-Collateral Agent unable to make the foregoing representation and warranty at any date. Upon such notification, the Trust shall have the right to remove the Sub-Collateral Agent immediately and appoint a successor Sub-Collateral Agent.

13. *Sub-Collateral Agent's Limited Liability.* The Pledgor shall indemnify and hold the Sub-Collateral Agent harmless from and against any loss, damages, cost or expense (including the costs of investigation, preparation for and defense of legal and/or administrative proceedings related to a claim against it and reasonable attorneys' fees and disbursements), liability or claim incurred by reason of any act or omission in the course of, connected with or arising out of any services to be rendered hereunder, provided that the Sub-Collateral Agent shall not be indemnified and held harmless from and against any such loss, damages, cost, expense,

liability or claim arising from its willful misfeasance, bad faith or gross negligence in the performance of its duties, or its reckless disregard of its duties and obligations hereunder. This provision shall survive the resignation or removal of the Sub-Collateral Agent or the termination of this Agreement.

14. *Rights of Set-Off; Banker's Lien.* The Sub-Collateral Agent hereby waives all rights of set-off or banker's liens it may have with respect to the Multiple Voting Shares held by it as Sub-Collateral Agent hereunder. Beneficial ownership of the Multiple Voting Shares held by the Sub-Collateral Agent shall be freely transferable (subject to the provisions of paragraph 3(b)) without payment of money or value.

15. *Termination.* This Agreement shall terminate upon the earlier of the termination of the Trust or the appointment of a successor Sub-Collateral Agent. Upon any termination of the Trust, the Sub-Collateral Agent together with the Stock Trustee shall effect the immediate conversion of all Multiple Voting Shares held by the Sub-Collateral Agent at such time into Subordinate Voting Shares and deliver such Subordinate Voting Shares to the Collateral Agent in accordance with the irrevocable direction of the Company to issue the Subordinate Voting Shares.

16. *Choice of Law; Agent for Service of Process.* (a) The laws or rules of construction of the Province of Ontario shall govern the right of the parties hereto and the interpretation of the provisions hereof.

(b) The Sub-Collateral Agent hereby irrevocably appoints CT Corporation (the "Process Agent"), with an office on the date hereof at 1633 Broadway, New York, New York 10019, United States, as its agent to receive on behalf of the Sub-Collateral Agent service of copies of the summons and complaint and any other process which may be served in any suit, action or proceeding arising out of or relating to this Agreement. Such service may be made (i) by delivering a copy of such process to the Sub-Collateral Agent in care of the Process Agent at the Process Agent's above address, and the Sub-Collateral Agent hereby irrevocably authorizes and directs the Process Agent to accept such service on its behalf, or (ii) by the mailing of copies of such process to the Sub-Collateral Agent at its or his address specified in paragraph 16.

17. *Notices.* Any notice to be given to the Pledgor hereunder shall be in writing and shall be duly given if mailed or delivered to 3422453 Canada Inc., c/o Ogilvy Renault, 1981 McGill College Avenue, Montreal, Quebec, Canada H3A 3C1; to the Sub-Collateral Agent, Stock Control Trustee and Transfer Agent if mailed or delivered to CIBC Mellon Trust Company, 393 University Avenue, 5th Floor, Toronto, Ontario, Canada M5G 1E6, Attention: Manager of Client Services, Tel: (416) 813-4500, Fax: (416) 813-4555; to the Collateral Agent if mailed or delivered to The Bank of New York, 101 Barclay Street, Floor 12E, New York, New York 10286, Attention: Mark G. Walsh, Tel: (212) 815-5228, Fax: (212) 815-7157; to the Company if mailed or delivered to Royal Group Technologies Limited, 1 Royal Gate Boulevard, Woodbridge, Ontario, Canada L4L 8Z7; and to the Trust if mailed or delivered to DECS Trust II,

c/o Puglisi & Associates, 850 Library Avenue, Suite 204, Newark, Delaware 19711; or at such other address as shall be specified by the addressee to the other parties hereto in writing.

18. *No Third Party Beneficiaries.* Nothing herein, express or implied, shall give to any person, other than the Pledgor, the Trust, the Collateral Agent, the Company, the Sub-Collateral Agent and their respective successors and assigns, any benefit of any legal or equitable right, remedy or claim hereunder.

19. *Amendments; Stock Control Agreement Changes; Waiver.* This Agreement shall not be deemed or construed to be modified, amended, rescinded, canceled or waived, in whole or in part, except by a written instrument signed by a duly authorized representative of all parties hereto. The Stock Trustee shall notify the Trust, the Collateral Agent and the Sub-Collateral Agent of any change in the Stock Control Agreement prior to the effective date of any such change. Failure of any party hereto to exercise any right or remedy hereunder in the event of a breach hereof by any other party or parties shall not constitute a waiver of any such right or remedy with respect to any subsequent breach.

20. *No Delegation.* Nothing herein, express or implied, shall be deemed to be a delegation by the Trust to the Collateral Agent of the duties and responsibilities of a "Foreign Custody Manager" within the contemplation of Rule 17f-5 of the U.S. Investment Company Act of 1940, as amended.

21. *Counterparts.* This Agreement may be signed in counterparts with all counterparts constituting one and the same instrument.

22. *Further Acts.* The parties hereto shall do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement.

23. *Severability.* If any provision, or portion thereof, of this Agreement, or of the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such provision or portion thereof, to any other person or circumstance shall not be affected thereby and each provision of this Agreement shall be valid and enforceable to fullest extent permitted by law.

24. *Entire Agreement.* This Agreement shall constitute the entire agreement between the parties hereto with respect to the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

3422453 Canada Inc., as Pledgor

By:_____
Vic De Zen
as Director

DECS Trust II

_____
Donald J. Puglisi
as Managing Trustee

The Bank of New York, as Collateral Agent

By:_____
Name: Mark G. Walsh
Title: Assistant Vice President

Royal Group Technologies Limited

By:_____
Name:
Title:

CIBC Mellon Trust Company, as Sub-Collateral Agent, Stock Trustee and Transfer Agent

By:_____
Name:
Title:

SCHEDULE A

Multiple Voting Shares

[to be provided by Ogilvy Renault or Fasken Campbell Godfrey]

SCHEDULE B

IRREVOCABLE DIRECTION TO ISSUE

TO: CIBC MELLON TRUST COMPANY

The undersigned refers to the collateral agency agreement dated as of November 4, 1997 (the "Collateral Agency Agreement") between the undersigned, you, 3422453 Canada Limited (the "Pledgor"), Bank of New York ("BONY"), DECS Trust II (the "Trust"), a Delaware statutory business trust, providing for the holding of our Multiple Voting Shares pledged as collateral under the collateral agreement dated as of November 4, 1997 between the Trust, BONY and the Pledgor for the benefit of the Trust. Terms defined in the Collateral Agency Agreement are used herein as therein defined.

The undersigned hereby directs you, in your capacity, as Stock Trustee and Transfer Agent, (i) to issue the number of Subordinate Voting Shares and share certificates in respect thereof required in connection with any conversion of Multiple Voting Shares as contemplated by the Collateral Agency Agreement; and (ii) deliver such share certificates, all in accordance with any written direction given by BONY pursuant to and in accordance with paragraph 3(b) of the Collateral Agency Agreement.

This direction, being coupled with an interest, shall be irrevocable.

This direction is supplemental and in addition to, and shall not derogate from, your power and authority as Stock trustee under the Stock Control Agreement.

DATED at Toronto this 4th day of November, 1997.

ROYAL GROUP TECHNOLOGIES LIMITED

Per: _____
Authorized Signing Officer

ROYAL GROUP TECHNOLOGIES LIMITED

as issuer of the Multiple Voting Shares and
Subordinate Voting Shares

- and -

CIBC MELLON TRUST COMPANY

as Trustee on behalf of itself and holders of
Subordinate Voting Shares

- and -

VIC DE ZEN

as the sole beneficial holder of Multiple Voting Shares

- and -

DE ZEN HOLDINGS LIMITED,
DE ZEN INVESTMENTS CANADA LIMITED,
1260333 ONTARIO LIMITED

- and -

3422453 CANADA INC.

each as a registered holder of certain Multiple Voting Shares
owned beneficially by Vic De Zen

- and -

MONTREAL TRUST COMPANY OF CANADA

as Replacement Trustee

STOCK CONTROL AGREEMENT AMENDMENT No. 2

Dated as of December 1, 1999

STOCK CONTROL AGREEMENT AMENDMENT No. 2

Stock Control Agreement Amendment No. 2 made as of December 1, 1999 among ROYAL GROUP TECHNOLOGIES LIMITED (the "Corporation") (formerly Royal Plastics Group Limited), as issuer of the Multiple Voting Shares and Subordinate Voting Shares, CIBC MELLON TRUST COMPANY (formerly The R-M Trust Company), as Trustee, on behalf of itself and holders of Subordinate Voting Shares, VIC DE ZEN, as the sole beneficial holder of all of the issued and outstanding Multiple Voting Shares, DE ZEN HOLDINGS LIMITED, DE ZEN INVESTMENTS CANADA LIMITED, 1260333 ONTARIO LIMITED, and 3422453 CANADA INC., each as a registered holder of certain Multiple Voting Shares owned beneficially by Vic De Zen, and MONTREAL TRUST COMPANY OF CANADA (the "Replacement Trustee"), a trust company incorporated under the laws of Canada.

AND WHEREAS the name of Corporation has been changed from "Royal Plastics Group Limited" to "Royal Group Technologies Limited";

AND WHEREAS the name of the Trustee has been changed from "The R-M Trust Company" to "CIBC Mellon Trust Company";

AND WHEREAS the Corporation, the Trustee, Vic De Zen, De Zen Holdings Limited, De Zen Investments Canada Limited, 1260333 Ontario Limited, and 3422453 Canada Inc. are parties to a Stock Control Agreement made as of November 30, 1994 as amended by a Stock Control Agreement Amendment No. 1 dated as of November 3, 1997 and various Assumption Agreements relating thereto (the "Stock Control Agreement");

AND WHEREAS all capitalized terms used in this agreement have the meanings attributed to them in the Stock Control Agreement unless the context indicates otherwise;

AND WHEREAS the Corporation has appointed the Replacement Trustee as its Registrar and Transfer Agent effective December 1, 1999 in place of the Trustee;

AND WHEREAS, as part of such change, the Replacement Trustee is to replace the Trustee as the trustee under the Stock Control Agreement;

AND WHEREAS, in accordance with the requirements of the Stock Control Agreement, the Replacement Trustee must be bound by the terms of the Stock Control Agreement;

AND WHEREAS the Replacement Trustee wishes to observe and be bound by the terms of the Stock Control Agreement so that the provisions thereof will govern its rights and obligations in relation to the parties thereto and the Subordinate Voting Shareholders.

Section 1.01. Recitals. Each of the parties acknowledge and declare that the foregoing recitals, insofar as they relate to such party, are true and correct.

Section 2.01. Representations and Warranties. Each of the parties hereto represents and warrants that it has full capacity, power and authority to enter into this Stock Control Agreement Amendment No. 2.

Section 3.01. Covenant to be Bound. The Replacement Trustee hereby accepts such appointment, covenants and agrees to be bound by the terms of the Stock Control Agreement in the same manner as if it had been an original party thereto.

Section 4.01. Release of Trustee. The Trustee is hereby discharged and released of all liabilities and obligations as trustee under the Stock Control Agreement effective as of the date hereof.

Section 5.01. Notices to Parties. Any notice or other instrument or mailing required or permitted to be given to any party hereunder shall be in writing and shall be sufficiently given if delivered personally or caused to be delivered personally by same day courier, or if transmitted by telecopier or other form of recorded communication (tested prior to transmission to such party) addressed as follows, if to the Corporation, 1 Royal Gate Boulevard, Vaughan, Ontario, L4L 8Z7, Telecopier No. (905) 264-0702, Attention: Vic De Zen, to De Zen Holdings Limited, c/o Ogilvy Renault, 1981 McGill College Avenue, Montreal, Quebec, H3A 3C1, Telecopier No. (514) 286-5474, Attention: Alain Cote, to the Replacement Trustee, Montreal Trust Company of Canada, 151 Front Street West, Suite 605, Toronto, Ontario, M5J 2N1, Attention: Manager, Corporate Trust Services, Telecopier No. (416) 981-9777, to Vic De Zen, 1 Royal Gate Boulevard, Vaughan, Ontario, 4L 8Z7, Telecopier No. (905) 264-0702 or at such other address as the party to whom such writing is to be given shall have last notified the party giving the same in the manner provided in this Section 5.01. Any notice delivered to the party to whom it is addressed as provided herein shall be deemed to have been given and received on the day it is so delivered at such address, provided that if such day is not a Business Day then the notice shall be deemed to have been given and received on the Business Day next following such day. Any notice transmitted by telecopier or other form of recorded communication shall be deemed given and received on the first Business Day after its transmission.

Section 6.01. Jurisdiction. This Stock Control Agreement Amendment No. 2 shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract.

IN WITNESS WHEREOF the parties hereto have duly executed this Stock Control Agreement Amendment No. 2 as of the date first above written.

ROYAL GROUP TECHNOLOGIES LIMITED

By: _____ (c/s)
Authorized Signing Officer

1260333 ONTARIO INC.

By: _____
Authorized Signing Officer

3422453 CANADA INC.

By: _____
Authorized Signing Officer

DE ZEN INVESTMENTS CANADA LIMITED

By: _____
Authorized Signing Officer

DE ZEN HOLDINGS LIMITED

By: _____
Authorized Signing Officer

VIC DE ZEN

CIBC MELLON TRUST COMPANY

By: _____

By: _____

MONTREAL TRUST COMPANY OF CANADA

By: _____
MORAG ABRAHAM
SENIOR CORPORATE TRUST OFFICER

By: _____
MOHANIE SHIVPRASAD
ASSISTANT CORPORATE TRUST OFFICER

ROYAL GROUP TECHNOLOGIES LIMITED
as issuer of the Multiple Voting Shares and the
Subordinate Voting Shares

- and -

MONTREAL TRUST COMPANY OF CANADA
as Trustee on behalf of itself and the holders of the
Subordinate Voting Shares

- and -

VIC DE ZEN
as holder of Multiple Voting Shares

- and -

DE ZEN HOLDINGS LIMITED
as a holder of Multiple Voting Shares

- and -

3422453 CANADA INC.
as a holder of Multiple Voting Shares

- and -

DE ZEN INVESTMENTS CANADA LIMITED
as a pledgor of Multiple Voting Shares

- and -

THE BANK OF NOVA SCOTIA
as a pledgee of Multiple Voting Shares

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA
as Replacement Trustee

STOCK CONTROL AGREEMENT AMENDMENT No. 3

Dated as of April 16, 2002

STOCK CONTROL AGREEMENT AMENDMENT No. 3

Stock Control Agreement Amendment No. 3 made as of April 16, 2002 among **ROYAL GROUP TECHNOLOGIES LIMITED** (the "Corporation") (formerly Royal Plastics Group Limited), as issuer of the Multiple Voting Shares and the Subordinate Voting Shares, **MONTREAL TRUST COMPANY OF CANADA**, as trustee, on behalf of itself and the holders of the Subordinate Voting Shares, **VIC DE ZEN**, as a holder of Multiple Voting Shares, **DE ZEN HOLDINGS LIMITED**, as a holder of Multiple Voting Shares, and **3422453 CANADA INC.**, as a holder of Multiple Voting Shares, **DE ZEN INVESTMENTS CANADA LIMITED**, as a pledgor of Multiple Voting Shares, **THE BANK OF NOVA SCOTIA**, as a pledgee of Multiple Voting Shares and **COMPUTERSHARE TRUST COMPANY OF CANADA** (the "Replacement Trustee"), a trust company organized under the laws of Canada.

AND WHEREAS the Corporation, Montreal Trust Company of Canada, Vic De Zen, De Zen Holdings Limited, De Zen Investments Canada Limited, 3422453 Canada Inc. and The Bank of Nova Scotia are parties to a Stock Control Agreement made as of November 30, 1994 as amended by a Stock Control Agreement Amendment No. 1 dated as of November 3, 1997 and Stock Control Agreement Amendment No. 2 dated as of December 1, 1999 and various Assumption Agreements relating thereto (the "Stock Control Agreement");

AND WHEREAS (i) Computershare Investor Services Inc. ("CISC") acquired the stock transfer and corporate trust business of Montreal Trust Company of Canada pursuant to an asset purchase agreement dated as of June 30, 2000; (ii) CISC was continued as a trust company under the *Trust and Loan Companies Act* (Canada) effective January 9, 2001; and (iii) the continued company, Computershare Trust Company of Canada, has now received all regulatory approvals required to conduct the business of a trust company in each of the provinces and territories of Canada;

AND WHEREAS the Corporation has appointed the Replacement Trustee as the registrar and transfer agent for its Subordinate Voting Shares and its Multiple Voting Shares effective March 16, 2001 in place of Montreal Trust Company of Canada;

AND WHEREAS, as part of such changes, the Replacement Trustee is to replace Montreal Trust Company of Canada as the trustee under the Stock Control Agreement;

AND WHEREAS, in accordance with the requirements of the Stock Control Agreement, the Replacement Trustee must be bound by the terms of the Stock Control Agreement;

AND WHEREAS, the Replacement Trustee wishes to observe and be bound by the terms of the Stock Control Agreement so that the provisions thereof will govern its rights and obligations in relation to the parties thereto and the Subordinate Voting Shareholders;

AND WHEREAS the other parties to the Stock Control Agreement are prepared to accept the resignation of Montreal Trust Company of Canada and the appointment of the

Replacement Trustee as the successor trustee under the Stock Control Agreement, and the Replacement Trustee is prepared to accept such appointment.

NOW THEREFORE, for good and reasonable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby covenant and agree as follows:

Section 1. Recitals. Each of the parties acknowledge and declare that the foregoing recitals, insofar as they relate to such party, are true and correct.

Section 2. Defined Terms. All capitalized terms used in this Agreement have the meanings attributed to them in the Stock Control Agreement unless the context indicates otherwise.

Section 3. Representations and Warranties. Each of the parties thereto represents and warrants that it has full capacity, power and authority to enter into this Stock Control Agreement Amendment No. 3.

Section 4. Appointment and Covenant to be Bound. Effective as of the date hereof, (i) Montreal Trust Company of Canada hereby resigns as trustee under the Stock Control Agreement; (ii) the Corporation hereby appoints the Replacement Trustee as trustee under the Stock Control Agreement; and (iii) the Replacement Trustee hereby accepts the appointment as trustee under the Stock Control Agreement and, covenants and agrees to be bound by the terms of the Stock Control Agreement in the same manner as if it had been an original party thereto.

Section 5. Release of Trustee. Effective as of the date hereof, Montreal Trust Company of Canada is hereby discharged and released of all liabilities and obligations as trustee under the Stock Control Agreement.

Section 6. Release of 1260333 Ontario Limited. The parties acknowledge that 1260333 Ontario Limited ceased to own any Multiple Voting Shares on November 10, 2000. The parties confirm that, effective as of November 10, 2000, 1260333 Ontario Limited was released of all liabilities and obligations as a party under the Stock Control Agreement.

Section 7. Notices to Parties. The Stock Control Agreement is amended to delete Section 4.07 and substitute the following therefor:

"**Section 4.07. Notices to Parties.** Any notice or other instrument or mailing required or permitted to be given to any party hereunder shall be in writing and shall be sufficiently given if delivered personally or caused to be delivered personally by same day courier, or if transmitted by telecopier or other form of recorded communication (tested prior to transmission to such party) addressed as follows:

(a) if to the Corporation at:
Royal Group Technologies Limited

1 Royal Gate Boulevard
Woodbridge, ON L4L 8Z7

Attention: Vic De Zen
Telecopier No.: (905) 264-0702

With a copy to:

Ogilvy Renault
Suite 2100, P.O. Box 141
Royal Trust Tower, TD Centre
Toronto, ON M5K 1H1

Attention: James Riley
Telecopier No.: (416) 216-3930

(b) if to De Zen Holdings Limited at:

De Zen Holdings Limited
1825 Lionel-Bertrand Boulevard
Boisbriand, Quebec
J7H 1N8

Attention: Dayle Brands
Telecopier No.: (514) 286-5474

(c) if to 3422453 Canada Inc. at:

3422453 Canada Inc.
c/o Ogilvy Renault
Suite 110, 1981 McGill College Avenue
Montreal, Quebec
H3A 3C1

Attention: Dayle Brands
Telecopier No.: (514) 286-5474

(d) if to De Zen Investments Canada Limited at:

De Zen Investments Canada Limited
1 Royal Gate Boulevard
Woodbridge, ON L4L 8Z7

Attention: Vic De Zen
Telecopier No.: (905) 264-0702

(e) if to the Bank of Nova Scotia at:

The Bank of Nova Scotia
Vaughan Commercial Banking Centre
7000 Pine Valley Drive
Woodbridge, ON L4L 4Y8

Attention: The Manager

Telecopier No. (905) 850-6445

(f) if to the Replacement Trustee at:

Computershare Trust Company of Canada
100 University Avenue
11th Floor
Toronto, ON M5J 2Y1

Attention: Manager, Corporate Trust Services
Telecopier No.: (416) 981-9777

(g) if to Vic De Zen at:

Vic De Zen
1 Royal Gate Boulevard
Woodbridge, ON L4L 8Z7

Telecopier No.: (905) 264-0702

or at such other address as the party to whom such writing is to be given shall have last notified the party giving the same in the manner provided in this Section 4.07. Any notice delivered to the party to whom it is addressed as provided herein shall be deemed to have been given and received on the day it is so delivered at such address, provided that if such day is not a Business Day then the notice shall be deemed to have been given and received on the Business Day next following such day. Any notice transmitted by telecopier or other form of recorded communication shall be deemed given and received on the first Business Day after its transmission."

Section 8. Effect, etc. Except as amended by this Agreement, the Stock Control Agreement is hereby ratified and confirmed and references to the Stock Control Agreement hereinafter shall be deemed to be references to the Stock Control Agreement as amended by this Agreement.

Section 9. Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. The parties hereto hereby submit to the exclusive jurisdiction of the courts of the Province of Ontario.

Section 10. Enurement. This Agreement shall enure to the benefit of and be binding upon the parties hereto, including Persons who become parties to this Agreement pursuant to an Assumption Agreement, and their respective successors, heirs and personal legal representatives, as applicable.

Section 11. Counterparts. This Agreement may be signed in counterparts and each of such counterparts, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above mentioned.

ROYAL GROUP TECHNOLOGIES LIMITED

By: _____
Authorized Signing Officer

By: _____
Authorized Signing Officer

3422453 CANADA INC.

By: _____
Authorized Signing Officer

DE ZEN INVESTMENTS CANADA LIMITED

By: _____
Authorized Signing Officer

DE ZEN HOLDINGS LIMITED

By: _____
Authorized Signing Officer

_____
Witness

_____
VIC DE ZEN

MONTREAL TRUST COMPANY OF CANADA

By: _____
Authorized Signatory

By: _____
Authorized Signatory

THE BANK OF NOVA SCOTIA

By: _____
Authorized Signing Officer

By: _____
Authorized Signing Officer

COMPUTERSHARE TRUST COMPANY OF CANADA

By: _____
Authorized Signing Officer

By: _____
Authorized Signing Officer

MONTREAL TRUST COMPANY OF CANADA

By:_____
Authorized Signatory

By:_____
Authorized Signatory

THE BANK OF NOVA SCOTIA

By:_____
Authorized Signing Officer

By:_____
Authorized Signing Officer

COMPUTERSHARE TRUST COMPANY OF CANADA

By:_____
Authorized Signing Officer

By:_____
Authorized Signing Officer

ROYAL GROUP TECHNOLOGIES LIMITED
as issuer of the Multiple Voting Shares and the
Subordinate Voting Shares

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA
as Replacement Trustee on behalf of itself and the holders
of the Subordinate Voting Shares

- and -

VIC DE ZEN
as a holder of Multiple Voting Shares

- and -

DE ZEN HOLDINGS LIMITED,
3422453 CANADA INC. AND 3901602 CANADA INC.
each as a holder of Multiple Voting Shares

- and -

DE ZEN INVESTMENTS CANADA LIMITED
as a pledgor of Multiple Voting Shares

- and -

THE BANK OF NOVA SCOTIA
as a pledgee of Multiple Voting Shares

STOCK CONTROL AGREEMENT AMENDMENT No. 4

Dated as of April 17, 2002

STOCK CONTROL AGREEMENT AMENDMENT No. 4

Stock Control Agreement Amendment No. 4 made as of April 17, 2002 among **ROYAL GROUP TECHNOLOGIES LIMITED** (the "Corporation"), as issuer of the Multiple Voting Shares and the Subordinate Voting Shares, **COMPUTERSHARE TRUST COMPANY OF CANADA**, as replacement trustee (the "Replacement Trustee"), on behalf of itself and the holders of the Subordinate Voting Shares, **VIC DE ZEN** ("De Zen"), as a holder of Multiple Voting Shares, **DE ZEN HOLDINGS LIMITED** ("De Zen Holdings"), **3422453 CANADA INC.** ("342") and **3901602 CANADA INC.** (the "Holder"), each as a holder of Multiple Voting Shares, **DE ZEN INVESTMENTS CANADA LIMITED** as a pledgor of Multiple Voting Shares and **THE BANK OF NOVA SCOTIA** ("Scotia"), as a pledgee of Multiple Voting Shares.

WHEREAS the Corporation (then known as Royal Plastics Group Limited), The R-M Trust Company, De Zen, and De Zen Holdings entered into a Stock Control Agreement made as of November 30, 1994 (such agreement as amended, restated or supplemented, as the case may be, from time to time, the "Stock Control Agreement");

AND WHEREAS by Assumption Agreement (No. 1) dated as of November 30, 1994, between De Zen Investments, De Zen Holdings, De Zen, the Corporation and The R-M Trust Company, De Zen Investments, as a holder of multiple voting shares of the Corporation, agreed to be bound by the Stock Control Agreement;

AND WHEREAS by Assumption Agreement (No. 2) dated as of November 3, 1997 between 1260333 Ontario Limited ("126"), De Zen Investments, De Zen Holdings, De Zen, the Corporation and CIBC Mellon Trust Company (formerly The R-M Trust Company which changed its name to CIBC Mellon Trust Company) ("CIBC Mellon"), 126, as a holder of multiple voting shares of the Corporation, agreed to be bound by the Stock Control Agreement;

AND WHEREAS by Assumption Agreement (No. 3) dated as of November 3, 1997 between 342, De Zen Investments, De Zen Holdings, De Zen, the Corporation and CIBC Mellon, 342, as a holder of multiple voting shares of the Corporation, agreed to be bound by the Stock Control Agreement;

AND WHEREAS the Stock Control Agreement was amended by Stock Control Agreement Amendment No. 1 dated of a November 3, 1997 between the Corporation, CIBC Mellon, De Zen Investments, De Zen Holdings, De Zen, 126 and 342, in order to amend the definition of "Permitted Transfer" in the Stock Control Agreement;

AND WHEREAS the Stock Control Agreement was amended by Stock Control Agreement Amendment No. 2 dated as of December 1, 1999 between the Corporation, De Zen, De Zen Investments, De Zen Holdings, 126, 342, CIBC Mellon and Montreal Trust Company of Canada in order to formally replace CIBC Mellon as trustee under the Stock Control Agreement with Montreal Trust Company of Canada;

AND WHEREAS 126 ceased to own any Multiple Voting Shares on November 10, 2000;

AND WHEREAS by Assumption Agreement (No. 4) dated as of June 27, 2001 between 342, De Zen Investments, De Zen Holdings, De Zen, the Corporation and Montreal Trust Company of Canada, De Zen Investments, as holder of an additional 2,500,000 Multiple Voting Shares of the Corporation agreed to be bound by the Stock Control Agreement in respect of those additional 2,500,000 Multiple Voting Shares;

AND WHEREAS by Assumption Agreement (No. 5) dated July 19, 2001 between Scotia, De Zen Investments, De Zen Holdings, 342, De Zen, the Corporation and Montreal Trust Company of Canada, Scotia, as pledgee of 2,500,000 Multiple Voting Shares of the Corporation pledged as security under a hypothecation agreement made between Scotia and De Zen Investments, agreed to be bound by the Stock Control Agreement;

AND WHEREAS the Stock Control Agreement was amended by Stock Control Agreement Amendment No. 3 dated as of April 16, 2002 between the Corporation, Montreal Trust Company of Canada, De Zen, De Zen Holdings, De Zen Investments, Scotia, 342 and Computershare Trust Company of Canada (known as the Replacement Trustee under this Agreement) in order to formally replace Montreal Trust Company of Canada as trustee under the Stock Control Agreement with Computershare Trust Company of Canada;

AND WHEREAS by Assumption Agreement (No. 6) dated as of April 17, 2002 between Holder, De Zen Holdings, 342, De Zen Investments, Scotia, De Zen, the Corporation and Computershare Trust Company of Canada (known as the Replacement Trustee under this Agreement), Holder, as holder of Multiple Voting Shares of the Corporation, agreed to be bound by the Stock Control Agreement;

AND WHEREAS under subsection 4.06(l) of the Stock Control Agreement the provisions of the Stock Control Agreement may be amended in accordance with such subsection to, among other things, facilitate the operation of the provisions of the Stock Control Agreement;

AND WHEREAS the Stock Control Agreement permits the pledge of Multiple Voting Shares in circumstances that ensure that upon any disposition thereof or other dealing therewith such Multiple Voting Shares are converted into Subordinate Voting Shares;

AND WHEREAS the Holder wishes to enter into a transaction under which Multiple Voting Shares will be pledged pursuant to a trust indenture between the Replacement Trustee (the Replacement Trustee in such capacity, the "Indenture Trustee") and the Holder dated the date hereof and in the form annexed hereto as Schedule "A" (the "Trust Indenture"), and pursuant to the Trust Indenture and an irrevocable direction and waiver delivered to the Replacement Trustee as of the date hereof and annexed hereto as Schedule "B" (the "Irrevocable Direction and Waiver") such Multiple Voting Shares will be converted into Subordinate Voting Shares immediately prior to any disposition thereof or any other dealing therewith by the Indenture Trustee, the secured party under the Trust Indenture on behalf of the holders of debentures issued pursuant to the Trust Indenture;

AND WHEREAS based on and relying upon the opinion of Ogilvy Renault, a copy of which is attached hereto as Exhibit 1 (the "Ogilvy Renault Opinion"), the Replacement Trustee is satisfied that this Agreement, the Trust Indenture and the Irrevocable Direction and Waiver are not prejudicial to the interests of the holders of the Subordinate Voting Shares in any material respect and that pursuant to the Trust Indenture and the Irrevocable Direction and Waiver no Multiple Voting Shares will be transferred to any Person other than the Holder under any circumstances;

AND WHEREAS based on and relying upon the Ogilvy Renault Opinion, the Replacement Trustee is satisfied that the entering into of this Agreement, the Trust Indenture and the Irrevocable Direction and Waiver is permitted pursuant to subsection 4.06(l) of the Stock Control Agreement.

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby covenant and agree as follows:

Section 1. Recitals. Each of the parties acknowledge and declare that the foregoing recitals, insofar as they relate to such party, are true and correct.

Section 2. Defined Terms. All capitalized terms used in this Agreement have the meanings attributed to them in the Stock Control Agreement unless the context indicates otherwise.

Section 3. Schedule. The Trust Indenture and the Irrevocable Direction and Waiver annexed hereto as Schedules "A" and "B" shall, for all purposes, form an integral part of this Agreement.

Section 4. Definition Amendment. The definition of "Permitted Transfer" in Section 1.01 of the Stock Control Agreement is amended by:

(a) inserting the following therein as clause (v):

"(v) the granting of a security interest (by way of pledge, hypothecation or otherwise) in accordance with the provisions of the trust indenture annexed as Schedule "A" to the stock control agreement amendment no. 4 among the parties to this Agreement; and

(b) changing the number of the immediately following clause in such definition from "(v)" to "(vi)".

Section 5. De Zen Family Representative. Section 2.07 of the Stock Control Agreement is amended by adding the following sentence at the end of Section 2.07:

"However, such notice shall not be required to be given to the De Zen Family Representative in the event of a conversion into Subordinate Voting Shares of any Multiple Voting Shares held by 3901602 Canada Inc. pursuant to the irrevocable

direction and waiver annexed as Schedule "B" to the Stock Control Agreement Amendment No. 4 among the parties to this Agreement."

Section 6. Authorization. The Replacement Trustee is hereby authorized by each of the other parties to the Stock Control Agreement to execute and deliver the Trust Indenture.

Section 7. Effect, etc. This Agreement, including the Trust Indenture, shall be deemed to be an amendment to the provisions of the Stock Control Agreement pursuant to Section 4.06 thereof for the purpose of facilitating the operation of the provisions of the Stock Control Agreement by permitting the pledging of Multiple Voting Shares in the circumstances and in the manner provided in the Trust Indenture. In the event of a conflict between the provisions of the Stock Control Agreement and the Trust Indenture, the provisions of the Trust Indenture shall prevail provided that nothing in this Section 7 shall be construed to permit Multiple Voting Shares to be transferred to the Trustee under the Trust Indenture or a holder of debentures under the Trust Indenture. Except as amended by this Agreement, the Stock Control Agreement is hereby ratified and confirmed and references to the Stock Control Agreement hereinafter shall be deemed to be references to the Stock Control Agreement as amended by this Agreement (including the Trust Indenture).

Section 8. Notice to Parties. The Stock Control Agreement is amended to add the following to the end of Section 4.07:

"(h) if to 3901602 Canada Inc.,

3901602 Canada Inc.
1 Royal Gate Boulevard
Woodbridge, ON L4L 8Z7
Attention: Lu Galasso
Telecopier No: (905) 264-0702

With a copy to:

Ogilvy Renault
Suite 2100, P.O. Box 141
Royal Trust Tower, TD Centre
Toronto, ON M5K 1H1
Attention: James Riley
Telecopier No: (416) 216-3930"

Section 9. Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. The parties hereto hereby submit to the exclusive jurisdiction of the courts of the Province of Ontario.

Section 10. Enurement. This Agreement shall enure to the benefit of and be binding upon the parties hereto, including Persons who become parties to this Agreement pursuant to an Assumption Agreement, and their respective successors, heirs and personal legal representatives, as applicable.

Section 11. Counterparts. This Agreement may be signed in counterparts and each of such counterparts, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above mentioned.

ROYAL GROUP TECHNOLOGIES LIMITED

By:_____
Authorized Signing Officer

By:_____
Authorized Signing Officer

3422453 CANADA INC.

By:_____
Authorized Signing Officer

3901602 CANADA INC.

By:_____
Authorized Signing Officer

DE ZEN INVESTMENTS CANADA LIMITED

By:_____
Authorized Signing Officer

DE ZEN HOLDINGS LIMITED

By:_____
Authorized Signing Officer

_____
Witness

_____
VIC DE ZEN

THE BANK OF NOVA SCOTIA

By:_____
Authorized Signing Officer

By:_____
Authorized Signing Officer

COMPUTERSHARE TRUST COMPANY OF CANADA

By:_____
Authorized Signing Officer

By:_____
Authorized Signing Officer

DE ZEN HOLDINGS LIMITED

By:_____
Authorized Signing Officer

_____
Witness

_____
VIC DE ZEN

THE BANK OF NOVA SCOTIA

By:_____
Authorized Signing Officer

By:_____
Authorized Signing Officer

COMPUTERSHARE TRUST COMPANY OF CANADA

By:_____
Authorized Signing Officer

By:_____
Authorized Signing Officer

DE ZEN HOLDINGS LIMITED

By: _____
Authorized Signing Officer

_____
Witness

_____
VIC DE ZEN

THE BANK OF NOVA SCOTIA

By: _____
Authorized Signing Officer

By: _____
Authorized Signing Officer

COMPUTERSHARE TRUST COMPANY OF CANADA

By: _____
Authorized Signing Officer

By: _____
Authorized Signing Officer

EXHIBIT 1

Opinion of Ogilvy Renault

[OGILVY RENAULT LETTERHEAD]

April 17, 2002

Computershare Trust Company of Canada
100 University Avenue, 11th Floor
Toronto, ON M5J 2Y1

Dear Sirs/Mesdames:

Re: Royal Group Technologies Limited

We have acted as counsel to Royal Group Technologies Limited ("Royal"), Vic De Zen ("De Zen"), De Zen Holdings Limited, De Zen Investments Canada Limited, 3422453 Canada Inc. and 3901602 Canada Inc. (the "Corporation") in connection with (i) the pledge (the "Pledge") by the Corporation of multiple voting shares of Royal (the "RGT Multiple Voting Shares") and other property pursuant to a trust indenture dated as of the date hereof (the "Trust Indenture") between the Corporation and Computershare Trust Company of Canada ("Computershare Trust"), as trustee on behalf of the holders of the $106,857,000 principal amount of Exchangeable Debentures, 2002 Series (the "Debentures") issued today under the Trust Indenture, and (ii) the amendment today of the stock control agreement dated as of November 30, 1994 (as amended by various stock control amendment agreements and by various assumption agreements) pursuant to the stock control agreement amendment agreement no.4 (the "Stock Control Agreement Amendment") dated as of the date hereof among Royal, Computershare Trust, De Zen, De Zen Holdings Limited, De Zen Investments Canada Limited, 3422453 Canada Inc., The Bank of Nova Scotia and the Corporation (such parties other than Computershare Trust, the "Stock Control Parties", and such agreement as so amended, the "Stock Control Agreement"). Capitalized terms used and not defined in this opinion shall have the meanings ascribed thereto in the Trust Indenture.

As such counsel we have reviewed or participated in the preparation of:

(a) the Trust Indenture;

(b) the irrevocable direction and waiver to Computershare Trust dated as of April 17, 2002 issued by the Stock Control Parties (the "Irrevocable Direction and Waiver"); and

(c) the Stock Control Agreement, including the Stock Control Amendment Agreement.

Under the Trust Indenture, the Corporation has the right in certain circumstances to satisfy certain of its obligations to Debentureholders upon an exercise of the Right of Exchange, a redemption, or an Event of Default and Acceleration by delivering to them RGT Subordinate Voting Shares. The RGT Multiple Voting Shares and other property that the Corporation has delivered to Computershare Trust today (the "Collateral") was pledged pursuant to the Trust Indenture to secure the Corporation's obligations under the Trust Indenture. Except upon the enforcement by Computershare Trust pursuant to Sections 3.11 and 11.2 of the Trust Indenture of the Collateral, all of the economic attributes of the ownership of the pledged RGT Multiple Voting Shares (including voting rights, the right to receive ordinary course dividends and disposition rights) remain with the Corporation. Under the Trust Indenture, in the circumstances described in Section 6.1.3 thereof, the Corporation is obligated upon a request by Computershare Trust in writing to convert RGT Multiple Voting Shares into RGT Subordinate Voting Shares. Pursuant to the Irrevocable Direction and Waiver, Computershare Trust has been irrevocably directed to convert the RGT Multiple Voting Shares held by the Corporation into RGT Subordinate Voting Shares upon the occurrence of the circumstances described in Section 6.1.3 of the Trust Indenture, and notice of such conversion by the Stock Control Parties and their successors, and approval of such conversion by Vic De Zen or his successors has been irrevocably waived.

In our view, all of these arrangements have been entered into are bona fide and are substantially the same as the kinds of arrangements described in the Stock Control Agreement under which a De Zen Affiliate (as defined in the Stock Control Agreement) may deal with RGT Multiple Voting Shares without them being converted into RGT Subordinate Voting Shares. We also are of the view that the arrangements under the Trust Indenture are such as to preserve in all material respects the scheme of control over RGT Multiple Voting Shares provided under the Stock Control Agreement. Finally, we are of the view that there is a sufficient basis for Computershare Trust, as trustee under the Stock Control Agreement, to conclude that the holders of RGT Subordinate Voting Shares are not prejudiced by these arrangements. We have assumed for purposes of our opinion expressed below that Computershare Trust, in its capacity as trustee under the Stock Control Agreement, has in good faith so concluded.

Our opinion expressed herein is limited to the laws of the Province of Ontario and the laws of Canada applicable therein.

Based upon and subject to the foregoing, we are of the opinion that:

1. Computershare Trust, as trustee under the Stock Control Agreement, has authority, pursuant to Section 4.06(l) of the Stock Control Agreement, to enter into the Trust Indenture and the Stock Control Amendment Agreement.

2. The granting by the Corporation to Computershare Trust of a security interest in the RGT Multiple Voting Shares in accordance with the Trust Indenture is a "Permitted Transfer" under the Stock Control Agreement, as amended by the Stock Control Amendment Agreement.

This opinion is provided solely for the benefit of the party to whom it is addressed, relates exclusively to the transactions outlined above and may not be used or relied upon by any such party for any other purpose or relied upon by any other person whatsoever without our prior written consent.

Yours truly,

SCHEDULE "A"

Trust Indenture

TRUST INDENTURE entered into in the City of Toronto as of April 17, 2002.

BETWEEN: **3901602 CANADA INC.**, a corporation duly incorporated under the *Canada Business Corporations Act*, having its registered office in Toronto, Ontario;

(hereinafter referred to as the "**Corporation**")

AND:

COMPUTERSHARE TRUST COMPANY OF CANADA, a trust company organized under the laws of Canada (hereinafter referred to as the "**Trustee**"), having a place of business in Toronto, Ontario;

(the Trustee and the Corporation are sometimes hereinafter referred to as the "**Parties**")

WHEREAS the Corporation wishes to borrow money for its corporate purposes and to create and issue the Debentures (as hereinafter defined), the issuance of which is provided for by this Indenture;

WHEREAS the Corporation, pursuant to the laws by which it is governed and its by-laws, is authorized to borrow money by the creation and issue of the Debentures and to secure the same by this Indenture;

WHEREAS pursuant to the provisions of this Indenture and the Debentures, Debentureholders have the right to exchange Debentures for RGT Subordinate Voting Shares (as defined below);

WHEREAS all necessary resolutions of the Board of Directors of the Corporation have been duly adopted and/or passed and all other necessary proceedings taken and conditions complied with to make the creation and issue of the Debentures proposed to be issued hereunder and this Indenture and the execution thereof legal, valid and binding on the Corporation and to constitute this Indenture a valid agreement constituting, among other things, a valid pledge and security interest in favour of the Trustee as trustee for the Holders of the Debentures issued hereunder;

WHEREAS the foregoing recitals and any statements of fact relating to the Corporation in this Indenture or in the Debentures are made as representations and statements of fact by the Corporation and not by the Trustee;

NOW THEREFORE THE PARTIES HAVE AGREED AS FOLLOWS:

ARTICLE 1

INTERPRETATION

1.1 Definitions. In this Indenture and in the Debentures, unless there is something in the subject matter or context inconsistent therewith, the following expressions shall have the following meanings, namely :

1.1.1 "**Acceleration Event**" means a declaration by the Trustee in accordance with Section 11.2 that all amounts due under all Debentures then outstanding and all other moneys payable hereunder are immediately due and payable;

1.1.2 "**Accredited Investor**" has the meaning ascribed to it in OSC Rule 45-501 Exempt Distributions made under the *Securities Act* (Ontario);

1.1.3 "**Additional General Collateral**" means all present and after acquired personal property of the Corporation other than the Collateral;

1.1.4 "**Additional Interest Rate**" means, (i) for the First Interest Period, 0% per annum; and (ii) for each subsequent Interest Period, the percentage per annum obtained by dividing (x) the product of (a) the Ordinary Dividends per 33.689998 RGT Subordinate Voting Shares for which the record date is during the immediately preceding Interest Period; and (b) one divided by the fraction of the year represented by the Interest Period; by (y) $1,000; and multiplying the quotient by 100;

1.1.5 "**Additional RGT Shares**" means (i) any shares, Securities and other property substituted or issued in replacement for the Initial Pledged Shares, on the purchase, redemption, conversion or cancellation or any other transformation thereof; (ii) additional RGT Shares owned by the Corporation and delivered to the Trustee by the Corporation pursuant to the provisions of Section 3.13 and charged under the provisions of this Indenture; iii) any shares, Securities or other property substituted or issued in replacement for the shares, Securities or other property mentioned in (i) or (ii) on the purchase, redemption, conversion or cancellation or any other transformation thereof; and (iv) any Distributed Assets;

1.1.6 "**Additional Stock Exchange**" means, at any time, each stock exchange in Canada or in the United States (other than the TSE and NYSE) on which RGT Subordinate Voting Shares are listed for trading and on which at least 10% of the total volume of all RGT Subordinate Voting Shares traded in the six months immediately preceding such time have been traded, as determined by an Independent Investment Dealer selected by the Directors for such purpose;

1.1.7 "**Affiliate**" or "**Affiliates**" means any Person directly or indirectly controlling, controlled by or under direct or indirect common control with, the Corporation. A Person shall be deemed to control a body corporate if

such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such body corporate, whether through the ownership of voting Securities, by contract, or otherwise;

1.1.8 "**Alternative Trading System**" means any trading or quotation system other than the NYSE, TSE or an Additional Stock Exchange in respect of which trading prices and volumes are publicly accessible for RGT Subordinate Voting Shares;

1.1.9 "**Book Entry Holder**" means a beneficial owner of an interest in a Debenture that holds such interest through or as a Participant;

1.1.10 "**Book Entry System**" means the system by which Debentures are issued in global certificates to the Clearing Agency to hold on behalf of the Participants and Book Entry Holders (provided that all such Book Entry Holders or their authorized agents maintain accounts for Securities, including the Debentures, with the Clearing Agency) and by which transfers of interests in the Debentures are effected only through the records maintained by the Clearing Agency (with respect to the interests of Participants) and the records of Participants (with respect to the interests of Persons other than Participants);

1.1.11 "**Business Day**" when used herein with respect to the determination of the closing price or closing bid or ask price of shares means a day on which the TSE is open for trading, and in all other cases means a day which is not a Saturday, Sunday or a civic or statutory holiday on which banks are generally open for business in the City of Toronto;

1.1.12 "**Charge**" means any hypothec, lien, pledge, security interest, conditional sale, prior claim, right of retention, capital lease, encumbrance or similar right under the laws of any applicable jurisdiction;

1.1.13 "**Clearing Agency**" means The Canadian Depository For Securities Limited or any successor or substitute clearing agency;

1.1.14 "**Close of Business**" means the normal closing hour of the office of the Trustee on the relevant Business Day;

1.1.15 "**Closing Market Price**" means a price per RGT Subordinate Voting Share equal to the closing price of a RGT Subordinate Voting Share on the TSE on the Trading Day preceding the Exchange Date, the Purchase Date, the Redemption Date or the Maturity Date, as the case may be, or on the relevant Trading Day where any other determination is required hereunder, or, if the market only gives the bid and ask prices on the relevant day, the arithmetic average between the bid and ask prices on such day.

For purposes of this definition and the definition of "Current Market Price", (i) if, on such date, RGT Subordinate Voting Shares are not listed on the

TSE, then the reference to the TSE in the immediately preceding paragraph shall be instead to the NYSE. If RGT Subordinate Voting Shares are not on such date listed on the NYSE, then the reference to the TSE in the immediately preceding paragraph shall be instead to the Additional Stock Exchange on which the greatest number of RGT Subordinate Voting Shares were traded in the immediately preceding six months. If RGT Subordinate Voting Shares are not on such date listed on any Additional Stock Exchange, but are traded in the Alternative Trading System in Canada or the United States, then the reference to the TSE in the immediately preceding paragraph shall be instead to the Alternative Trading System on which the greatest number of RGT Subordinate Voting Shares were traded in the immediately preceding six months, and (ii) prices on any Additional Stock Exchange or Alternative Trading System (if such exchange or system is quoted in the U.S. dollars) on any particular day will be converted to Canadian dollars on the basis of noon spot buying rates in Ottawa for wire transfers in U.S. dollars as announced by the Bank of Canada;

1.1.16 **"Collateral"** means the Underlying RGT Shares and all other or additional Securities delivered to the Trustee as pledgee of Underlying RGT Shares or to which it is entitled pursuant hereto, including without limitation any and all Extraordinary Dividends, together with all accretions thereto, income therefrom, all Proceeds thereof (in the form of cash, Securities or otherwise) and all privileges, indemnities and other rights now or in the future connected therewith, appertaining or accessory thereto, and the Initial Cash Investment as well as all Proceeds, investments, Securities, revenues and interest generated by, made, purchased or acquired with such moneys;

1.1.17 **"Corporation"** means 3901602 Canada Inc. and includes any Successor Corporation which shall have complied with the provisions of Article 13;

1.1.18 **"Counsel"** means a barrister or solicitor or firm of barristers or solicitors or other legal counsel retained or employed by the Trustee or retained or employed by the Corporation and acceptable to the Trustee;

1.1.19 **"Current Exchange Basis"** means, at any particular time, the number of RGT Subordinate Voting Shares into which a Debenture may be exchanged, calculated by dividing each $1,000 of the Face Value of the Debentures presented for exchange pursuant to Article 6 or called for redemption pursuant to Article 8, as the case may be, by 33.689998 and multiplying the result by the then-applicable Exchange Ratio, subject to the interpretative provisions in the second paragraph of Subsection 6.7.2 for the purposes of dealing with the Distributed Assets;

1.1.20 **"Current Market Price"** means (i) regarding any portion of the Debentures to be exchanged, redeemed or otherwise repaid hereunder (other than on the Maturity Date, if the provisions of Section 12.1 have been complied with and such Debentureholder has not elected to exercise its Right of Exchange) in

respect of which a Debentureholder, Book Entry Holder or one of their respective affiliates (such Debentureholder or Book Entry Holder being herein called a "**Hedge Position Holder**") has entered into a Stock Lending Agreement in order to effect a hedge position on RGT Subordinate Voting Shares in connection with the purchase of the Debentures substantially at the same time as the initial purchase thereof (the "**Hedge Position**"), a price per RGT Subordinate Voting Share equal to, at the option of the Corporation to be exercised in accordance with the provisions of Section 6.3 hereof, (a) the weighted average purchase price per RGT Subordinate Voting Share, including all associated costs or expenses incurred by the Hedge Position Holder or its affiliate in repurchasing the Hedge Position, or (b) 105% of the daily volume weighted average price per RGT Subordinate Voting Share on the TSE for the twelve (12) consecutive Trading Days ending two (2) Trading Days prior to the Exchange Date or Redemption Date; and (ii) regarding any other portion of the Debentures, the Closing Market Price at the relevant date;

1.1.21 "**Debentures**" means the debentures of the Corporation issued or to be issued hereunder;

1.1.22 "**Debentureholders**" or "**Holders**" means those persons at present or in the future entered in the registers hereinafter mentioned as Holders of Debentures;

1.1.23 "**De Zen Affiliate**" means (i) any corporation, partnership or joint venture, all of the issued and outstanding shares (or equivalent ownership interests) of which are owned directly or indirectly by one or more of the De Zen Family or a trust, all the beneficiaries of which are as described in the following clause (ii), or a combination thereof; or (ii) any trust, all the beneficiaries of which are members of the De Zen Family or Persons referred to in the preceding clause (i);

1.1.24 "**De Zen Family**" means Vic De Zen, his spouse and his Issue;

1.1.25 "**Director**" means a director of the Corporation for the time being and "**Directors**" or "**Board of Directors**" means the board of directors of the Corporation or, if duly constituted and whenever duly empowered, an executive committee of the board of directors of the Corporation for the time being, and reference to action by the directors means action by the directors of the Corporation as a board or action by the said executive committee as such committee;

1.1.26 "**Distributed Assets**" has the meaning attributed to such term in Subsection 6.7.2;

1.1.27 "**Election Notice**" has the meaning attributed to such term in Section 6.3;

1.1.28 "**Election Payment Date**" has the meaning attributed to such term in Section 6.3;

1.1.29 "**Event of Default**" means any event specified in Section 11.1;

1.1.30 "**Exchange Date**" has the meaning attributed to such term in Section 6.4;

1.1.31 "**Exchange Notice**" has the meaning attributed to such term in Subsection 6.4.1 hereof;

1.1.32 "**Exchange Ratio**" means the number one (1), subject to the adjustments provided for in Section 6.5 hereof;

1.1.33 "**Exchange Security**" has the meaning attributed to such term in Section 6.3;

1.1.34 "**Exchange Value**" has the meaning attributed to such term in Section 6.3;

1.1.35 "**Extraordinary Dividend**" means any dividend, or portion thereof, paid per RGT Subordinate Voting Share at any time to the extent that the aggregate of such dividends, or portion thereof, and all other dividends previously paid per share within the same calendar year would result in the Interest Rate hereunder exceeding the maximum interest rate permissible under the *Criminal Code* (Canada);

1.1.36 "**Extraordinary Resolution**" has the meaning attributed to such term in Section 14.14 hereof;

1.1.37 "**Face Value**" means the face value of each Debenture to be issued pursuant hereto, which shall only be in multiples of $1,000;

1.1.38 "**Fair Market Value**", for the purposes of Subsection 6.5.3, as at any date, means:

(i) for RGT Subordinate Voting Shares, the Current Market Price; or

(ii) for a Security listed on a stock exchange, the simple average of the last sale prices or, failing any sale, the simple average of the closing bid and ask prices, on each of the three Trading Days next preceding such date, according to the official price quotations of such stock exchange, provided that, for a Security listed on more than one stock exchange, the price quotations used shall be those of the stock exchange on which the greatest volume of trading in the Security occurs as determined by an Independent Investment Dealer selected by the Corporation for such purpose and approved by the Trustee, acting reasonably; or

(iii) for a Security not listed on a stock exchange, but traded in an Alternative Trading System, the simple average of the closing bid and ask prices, on each of the three Trading Days, or such lesser number of days in which a market exists for the Securities, next preceding such date, as determined and furnished to the Corporation by an Independent Investment Dealer selected by the Corporation for such purpose and approved by the Trustee, acting reasonably; or

(iv) for Permitted Investments, the amount thereof; or

(v) for any other Security or property that is not cash, the fair market value thereof at such date as determined by an Independent Investment Dealer or an independent appraiser selected by the Corporation for such purpose and approved by the Trustee, acting reasonably; or

(vi) for any property that is cash, the amount thereof;

each such determination by an Independent Investment Dealer or independent appraiser being conclusive;

1.1.39 "**Global Certificate**" has the meaning attributed to such term in subsection 2.12.1 hereof;

1.1.40 "**Hedge Position**" has the meaning ascribed to it in the definition of "Current Market Price";

1.1.41 "**Hedge Termination Event**" means a notice by a Hedge Position Holder to the Trustee stating that such Hedge Position Holder is unable to maintain its Hedge Position on terms acceptable to it, such that its Hedge Position must be unwound and repurchased;

1.1.42 "**Independent Investment Dealer**" means a member of the Investment Dealer's Association of Canada or any successor (or, if the Investment Dealer's Association of Canada no longer exists and has no successor, any other similar organization) which, in all circumstances, can reasonably be regarded as independent of the Corporation;

1.1.43 "**Initial Cash Investment**" has the meaning attributed to such term in Section 3.10;

1.1.44 "**Initial Pledged Shares**" means the RGT Multiple Voting Shares described in paragraph (i) of the definition of "Underlying RGT Shares";

1.1.45 "**Interest Payment Date**" means the 16th day of the months of April and October of each year, provided that, if any Interest Payment Date would

otherwise fall on a day which is not a Business Day, it shall be postponed to the next following Business Day. The first Interest Payment Date shall be October 16th, 2002, in respect of interest accrued during the First Interest Period;

1.1.46 "**Interest Period**" means, for any Debenture, the period from and including the date of issuance of such Debenture to and including the day preceding the first Interest Payment Date (the "**First Interest Period**") and each period thereafter from and including the previous Interest Payment Date to and including the day preceding the next following Interest Payment Date. "Interest Period" also includes, in reference to Debentures in respect of which the Right of Exchange or the Right of Redemption is exercised, a relevant Stub Period;

1.1.47 "**Interest Rate**" means the annual rate of interest at which the Face Value of any outstanding Debenture will bear interest, such annual rate of interest being equal to the sum of 1.20% plus the Additional Interest Rate;

1.1.48 "**Issue**" means, with respect to any individual, all children of that individual, whether natural or adopted, and shall be deemed to include all issue of any issue, and so on;

1.1.49 "**Maturity Date**" means April 16, 2022, as same may be extended in the circumstances described in Section 6.17;

1.1.50 "**Maturity Notice**" means the notice (or multiple notices) referred to in Section 10.23 to be sent by the Corporation on the last Interest Payment Date prior to the Maturity Date specifying the intention of the Corporation to repay the Debentures at the Face Value if the Debentureholder or Book Entry Holders identified in Schedule 7 does not exercise its Right of Exchange prior to the Maturity Date;

1.1.51 "**Moody's**" means Moody's Investors Service, Inc. and includes any successor thereof;

1.1.52 "**NYSE**" means the New York Stock Exchange Inc. or any successor exchange;

1.1.53 "**Officers' Certificate**" means a certificate or an instrument in writing signed by the Chairman of the Board, the President, any Vice-President, the Secretary or the Treasurer of the Corporation;

1.1.54 "**Ordinary Dividends**" means dividends declared payable in cash on the RGT Subordinate Voting Shares from time to time, but excluding any Extraordinary Dividend;

1.1.55 "**OSC Notice**" means the notice contemplated in subparagraph 35(1)14.ii and subclause 72(1)(h)(ii) of the *Securities Act* (Ontario) and Section 2.7 of OSC Rule 45-501 Exempt Distributions made under the *Securities Act* (Ontario),

all supplements thereto and any letter or notice providing additional information in respect of such notice filed in respect of the proposed distribution of RGT Subordinate Voting Shares pursuant hereto to Debentureholders in Ontario;

1.1.56 "**Overdue Interest Rate**" means an annual rate of interest equal to the Prime Rate of The Bank of Nova Scotia plus 3% per annum, and "Prime Rate" means, on any day, the rate of interest, expressed as an annual rate, publicly announced or posted from time to time by The Bank of Nova Scotia as being its reference rate then in effect for determining interest rates on demand commercial loans granted in Canada in Canadian Dollars to its clients (whether or not any such loans are actually made);

1.1.57 "**Participant**" means a financial institution or any other Person that maintains an account for holding securities, including the Debentures, with the Clearing Agency;

1.1.58 "**Permitted Investments**" means:

(i) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the government of Canada or the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of Canada or the United States of America), in each case maturing within one year of the date such investment is made;

(ii) marketable general obligations issued by any province of Canada or by any state of the United States of America or any political subdivision of any such province or state or any corporation or public instrumentality thereof maturing within one year of the date such investment is made and, at the time of such investment, having a credit rating of A from S&P or its equivalent from Moody's;

(iii) investments in commercial paper or other similar marketable promissory notes maturing no longer than twelve (12) months from the date such investment is made and, at the time of such investment, having a credit rating of P1 from S&P or A1 from Moody's;

(iv) investments in Canadian, US or Eurodollar certificates of deposit, banker's acceptances and time deposits maturing within twelve (12) months of the date such investment is made, issued, guaranteed by or placed with, and money market deposit accounts issued or offered by any commercial bank or trust company organized or licensed

under the laws of Canada or the United States of America, or any province or state thereof, having a credit rating of A from S&P or its equivalent from Moody's; and

(v) investments in money market funds or other mutual funds that invest in, or repurchase obligations that are comprised of the types of Permitted Investments described in clauses (i) to (iv) above;

1.1.59 "**Person**" means any natural person, corporation, limited liability company, body corporate, other legal person, partnership, association, joint venture, trust, foundation, government or governmental authority;

1.1.60 "**Pledge Agreement**" means the pledge agreement entered into by the shareholders of the Corporation pursuant to which all of the shares of the Corporation are pledged to the Trustee for the benefit of the Debentureholders to secure the obligations of such shareholders as set out in Section 10.3 and subsection 11.1.5;

1.1.61 "**PPSA**" means the *Personal Property Security Act* (Ontario) as amended from time to time, and any act substituted therefor and amendments thereto;

1.1.62 "**Proceeds**" has the meaning attributed to such term in the PPSA as in force on the date hereof;

1.1.63 "**Regulatory Notice**" means any notice similar to the OSC Notice or any filing or application for exemptive relief required under applicable securities legislation in the provinces of Canada (other than Ontario and Quebec) so that trades in the RGT Subordinate Voting Shares from the Corporation to Debentureholders pursuant hereto (including trades through the Trustee, if an Event of Default should occur) are exempt from the prospectus and registration requirements of such legislation;

1.1.64 "**Redemption Date**" has the meaning attributed to such term in Section 8.1 hereof;

1.1.65 "**RGT**" means Royal Group Technologies Limited and any successor corporation thereof. In addition, when Distributed Assets include Securities of a Person other than RGT, any reference to RGT in this Indenture shall also refer to and include said Person or any successor thereof in respect of such Securities or any event relevant to such Securities;

1.1.66 "**RGT Multiple Voting Shares**" means the multiple voting shares of RGT, as such shares may be reclassified or changed from time to time as contemplated by Sections 6.5 and 6.7, each RGT Multiple Voting Share being convertible at any time at the option of the holder thereof and in certain other circumstances into one (1) RGT Subordinate Voting Share, as well as any Distributed Assets attributable to the RGT Multiple Voting Shares that

are also attributable to the RGT Subordinate Voting Shares in accordance with the provisions hereof;

1.1.67 "**RGT Shares**" means, collectively, the RGT Multiple Voting Shares and the RGT Subordinate Voting Shares and, for the purposes of Sections 6.5 and 6.7, means any other shares of any class of the capital stock of RGT;

1.1.68 "**RGT Subordinate Voting Shares**" means the subordinate shares of RGT, as such shares may be reclassified or changed from time to time as contemplated by Section 6.5 and 6.7 and, as a result of the adjustments provided for herein, any Distributed Assets attributable to such shares;

1.1.69 "**Right of Exchange**" means the right of a Debentureholder or the Trustee to require the Corporation to exchange the Debentures for RGT Subordinate Voting Shares, as provided for in Article 6 and Article 11;

1.1.70 "**Right of Redemption**" means the right of the Corporation to redeem the Debentures, as provided in Article 8;

1.1.71 "**S&P**" means Standard & Poor's Corporation and includes any successor thereof;

1.1.72 "**Security**" or "Securities" has the meaning attributed to such term in the PPSA as in force on the date hereof;

1.1.73 "**Secured Obligations**" has the meaning ascribed to it in Section 3.1;

1.1.74 "**Stock Control Agreement**" means the Stock Control Agreement dated as of November 30, 1994 among the holders of the RGT Multiple Voting Shares, RGT and Computershare Trust Company of Canada, as replacement trustee, as amended, including an assumption agreement between the Corporation, De Zen Holdings Limited, 3422453 Canada Inc., De Zen Investments Canada Limited, The Bank of Nova Scotia, Vic De Zen and RGT and the Trustee dated April 17, 2002;

1.1.75 "**Stock Lending Agreement**" means any stock lending agreement in the form of the Global Master Securities Lending Agreement or the Overseas Securities Lender's Agreement of the International Securities Lenders Association entered into by a Hedge Position Holder for the purposes of hedging its holdings of Debentures;

1.1.76 "**Stub Period**" means, in respect of Debentures as to which the Right of Exchange or the Right of Redemption is exercised, the period commencing on the immediately preceding Interest Payment Date and ending on the Exchange Date or the Redemption Date that is not an Interest Payment Date;

1.1.77 "**Successor Corporation**" has the meaning attributed to such term in Section 13.1;

1.1.78 "**Taxes**" means any present or future tax, duty, levy, impost, withholding, assessment or other governmental charge, including penalties, interest and other liabilities related thereto, imposed or levied by or on behalf of the Government of Canada or any province or territory thereof or by any authority or agency thereof or therein having power to tax;

1.1.79 "**this Indenture**", "**hereto**", "**herein**", "**hereby**", "**hereunder**", "**hereof**" and similar expressions refer to this Indenture and its accompanying Schedules and include any and every instrument supplemental or ancillary hereto or thereto or in implementation hereof and thereof;

1.1.80 "**Trading Day**" means a day when the stock exchange or other market reference to which Current Market Price is determined is open for trading;

1.1.81 "**Trustee**" means Computershare Trust Company of Canada and any successor thereof in the trusts hereby created;

1.1.82 "**TSE**" means The Toronto Stock Exchange Inc. or any successor exchange;

1.1.83 "**Underlying RGT Shares**" save as otherwise expressly stated, means and includes (i) the 3,600,000 RGT Multiple Voting Shares owned by the Corporation, evidenced by share certificates N^{os} RMV-32 (representing 3,172,500 shares) and RMV-22 (representing 427,500 shares), forming an aggregate of 3,600,000 RGT Multiple Voting Shares, as such shares exist at the time of execution and delivery of this Indenture; and (ii) the Additional RGT Shares;

1.1.84 "**United States**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

1.2 Meaning of "Outstanding". Unless otherwise provided herein, every Debenture certified and delivered by the Trustee hereunder shall be deemed to be outstanding until it shall be cancelled by or delivered to the Trustee for cancellation, or moneys for the payment thereof shall have been set aside under Article 7 and Article 12, or until same have been exchanged or redeemed under Article 6 and Article 8 as the case may be, provided that:

1.2.1 Debentures which may have been partially purchased, exchanged or redeemed shall be deemed to be outstanding only to the extent of the unpurchased, unexchanged and unredeemed part of the Face Value thereof;

1.2.2 when a new Debenture has been issued in substitution for a Debenture which has been lost, stolen or destroyed, only one of such Debentures shall be counted for the purpose of determining the Face Value of Debentures outstanding; and

1.2.3 for the purposes of any provision of this Indenture entitling Holders of outstanding Debentures to vote, sign consents, requisitions or other instruments or take any other action under this Indenture, Debentures owned

directly or indirectly by the Corporation or any Affiliate shall be disregarded except that:

(i) for the purpose of determining whether the Trustee shall be protected in relying on any such vote, consent, requisition or other instrument or action only the Debentures which the Trustee knows are so owned shall be so disregarded; and

(ii) Debentures so owned which have been pledged or hypothecated in good faith other than to the Corporation or an Affiliate shall not be so disregarded if the secured creditor shall establish to the satisfaction of the Trustee the secured creditor's right to vote such Debentures in its discretion free from the control of the Corporation or any Affiliate.

1.3 Gender, Etc. Words importing the singular number only shall include the plural and vice-versa and words importing any gender shall include all genders.

1.4 Headings, Etc. The division of this Indenture into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Indenture or of the Debentures.

1.5 Applicable Law. This Indenture and the Debentures shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

1.6 Time of the Essence. Time shall be of the essence of this Indenture. The Corporation shall be in default by the mere lapse of time, or may be put in default by any other method provided by law.

1.7 Day Not a Business Day. Unless otherwise provided herein, including as provided under Subsection 1.1.45, if the day on which (a) any amount is payable by the Corporation hereunder, or (b) any action is required to be taken hereunder, is not a Business Day, then such amount shall be payable and such action shall be required to be taken on or before the requisite time on the next succeeding day that is a Business Day.

1.8 Currency and Payment. All references to currency and dollar amounts herein shall refer to lawful money of Canada and whenever a payment is specified to be made by cheque pursuant to this Indenture or the Debentures, the Corporation may, at its option, make such payment on the relevant payment date by wire transfer of moneys in the appropriate amount to such financial institution and account number as last provided by a Holder to the Corporation, in lieu of sending a cheque for such amount, subject to the provisions of Sections 2.7 and 2.9 with respect to Debentures held under the Book Based System.

1.9 Invalidity of Provisions. Each of the provisions contained in this Indenture is distinct and severable and a declaration of invalidity or unenforceability of any such provision by a court of competent jurisdiction shall not affect the validity or enforceability of any other provisions hereof.

1.10 Language. The parties hereto expressly request and require that this Trust Indenture and all other documents related thereto be drawn up in English. Les parties aux présentes conviennent et exigent que cet acte de fiducie et tous les documents qui s'y rattachent soient rédigés en anglais.

1.11 Meaning of Day. Unless otherwise expressly provided herein, any reference in this Trust Indenture to anything to be calculated or recorded, on or before, by, as of or after any date shall mean such thing is to be calculated or recorded, on or before, by, as of or after 5:00 p.m. (Toronto time) on that date.

1.12 Entire Agreement. This Indenture (together with the Debentures issued hereunder, the Stock Control Agreement (as amended) and the Irrevocable Direction and Waiver annexed to Amendment No. 4 thereof) constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there are no other agreements between the parties in connection with the subject matter hereof. No supplement, modification or termination of this Indenture shall be binding unless executed in writing by both of the parties hereto.

1.13 Deliveries to Trustee. Whenever anything hereunder is to be delivered to, deposited with or kept by the Trustee, or made available at the office of the Trustee, the reference is to the principal office of the Trustee in the City of Toronto, Ontario, which at the date hereof is at the address indicated in Section 15.3.

ARTICLE 2

THE DEBENTURES

2.1 Terms of Debentures. The Face Value of Debentures authorized to be issued and certified under this Indenture shall consist of and be limited to $106,857,000, in lawful money of Canada.

The Debentures shall be designated as "Exchangeable Debentures, 2002 Series", shall be dated as of the date of their issuance, shall mature on the Maturity Date and shall bear interest in accordance with Section 2.6.

The Face Value of the Debentures, interest thereon and all other amounts payable in respect thereof shall be payable in lawful money of Canada.

2.2 Form and Signature of Debentures. The Debentures shall be issued only as fully registered Debentures in denominations of integral multiples of $1,000. No Debenture or beneficial interest in a Debenture shall be issued or transferred to any Person who is within the United States or is a U.S. Person (within the meaning of Regulation S under the United States Securities Act of 1933, as amended), or is not an Accredited Investor (unless the issuance or transfer is (a) to a Person pursuant to an exemption from the prospectus and registration requirements under applicable securities legislation, (b) to a Person pursuant to an exemption from the prospectus requirements and through a dealer

registered under applicable securities legislation, or (c) not subject to the prospectus or registration requirements of applicable securities legislation). The Debentures shall be substantially in the form set forth in Schedule 1, together with the certificate of the Trustee, the transfer and exchange forms in respect of the Debentures substantially in the form set forth in Schedules 3, 4 and 5 (unless a Global Certificate is issued, in which case the Debentures shall be substantially in the form of the Global Certificate, together with the certificate of the Trustee, the transfer and exchange forms in respect of the Debentures substantially in the form set forth in Schedules 3, 4 and 5), and all shall be in the English language, with such appropriate insertions, omissions, substitutions and variations as the Trustee may approve, subject to compliance with applicable law. The Debentures shall bear such distinguishing letters and numbers as the Trustee may approve.

The Debentures may be engraved, typewritten, printed or lithographed, or partly in one form and partly in another, as the Corporation may determine and may be held in a Global Certificate.

The Debentures shall be signed (either manually or by facsimile signature) by any one of the Chairman, the President or the Secretary of the Corporation. A facsimile signature of such a person upon any of the Debentures shall for all purposes of this Indenture be deemed to be the signature of the person whose signature it purports to be and to have been signed at the time such facsimile signature is reproduced.

2.3 Issue of Debentures. The Debentures shall forthwith be executed by the Corporation and delivered to the Trustee. Upon the Trustee ascertaining that all legal requirements in respect of the issuance of Debentures have been met, Debentures in a maximum Face Value equal to the amount stipulated in Section 2.1 hereof may be certified by the Trustee and delivered to or to the order of the Corporation pursuant to a written direction duly executed by an officer of the Corporation, without the Trustee receiving any consideration therefor.

2.4 Debentures to rank *pari passu*. All Debentures shall be direct unsubordinated senior obligations of the Corporation secured by the Collateral and the Additional General Collateral in accordance with Article 3 and by the Pledge Agreement, and shall rank *pari passu* without discrimination, preference or priority whatever may be the actual date or terms of issue of same.

2.5 Certification. No Debenture shall be issued or, if issued, shall be obligatory, or shall entitle the Holder to the benefits of this Indenture, until it has been certified by or on behalf of the Trustee substantially in the form provided in Schedule 3 or in some other form approved by the Trustee. Such certification on any Debenture shall be conclusive evidence that such Debenture is duly issued, is a valid obligation of the Corporation and is entitled to the benefits hereof.

The certificate of the Trustee on the Debentures shall not be construed as a representation or warranty by the Trustee as to the validity of this Indenture or of the Debentures or as to the issuance of the Debentures and the Trustee shall in no respect be liable or answerable

for the use made of the Debentures or any of them or the Proceeds thereof. The certification of the Trustee signed on the Debentures shall, however, be a representation and warranty by the Trustee that the Debentures have been duly certified by or on behalf of the Trustee pursuant to the provisions of this Indenture.

2.6 Interest. Each Debenture issued hereunder, whether issued originally or in substitution for another Debenture, shall bear interest at the Interest Rate, calculated semi-annually, not in advance, on its Face Value and payable on each Interest Payment Date, from and including the date of issuance thereof or from and including the last Interest Payment Date on which interest shall have been paid or made available for payment with respect to the outstanding Debentures, whichever shall be the later, up to and including the day preceding the earliest of: (i) the Maturity Date; (ii) if exchanged or redeemed for RGT Subordinate Voting Shares pursuant to Article 6 or Article 8, the Exchange Date or Redemption Date provided therein; and (iii) if purchased pursuant to Section 6.3, the Purchase Date; provided that if upon due presentation, payment of the amount mentioned in Section 12.1 at the Maturity Date, transfer of the RGT Subordinate Voting Shares at the Exchange Date or redemption at the Redemption Date or payment of the Purchase Price at the Purchase Date is improperly withheld or refused (together with accrued and unpaid interest), interest shall be calculated to and including the day preceding the actual date of payment or exchange (together with payment of accrued and unpaid interest), as the case may be. Any accrued and unpaid interest on the Debentures shall bear interest at the Overdue Interest Rate.

2.7 Payment of Interest. As interest on the Debentures becomes due (except interest payable at maturity, on exchange, redemption or purchase, which shall be paid on the Maturity Date, Exchange Date, Redemption Date or Purchase Date, as the case may be), at least one Business Day prior to each date on which interest on such Debentures becomes due, the Corporation shall forward or cause to be forwarded by prepaid post to the Holder for the time being of such Debenture at its address appearing on the register of Holders hereinbefore mentioned, or in the case of joint Holders to the one whose name appears first on such register, a cheque for such interest (less any Taxes required by law to be deducted) payable to the order of such Holder or Holders and negotiable at par at each of the places at which interest upon such Debentures is expressed to be payable on the date on which such interest becomes due. The forwarding of such cheque shall satisfy and discharge the liability for the interest on such Debentures to the extent of the sum or sums represented thereby (plus the amount of any Taxes deducted as aforesaid) unless such cheque is not paid on presentation; provided that in the event of the non-receipt of such cheque by the Holder, or the loss or destruction thereof, the Corporation, upon being furnished with reasonable evidence of such non-receipt, loss or destruction and indemnity reasonably satisfactory to it, shall issue to such Holder a replacement cheque for the amount of such cheque. With respect to Debentures held in a Global Certificate under the Book Entry System, payments of interest shall be discharged by the Corporation remitting the required amount to the Clearing Agency for distribution through Participants to all Book Entry Holders on each Interest Payment Date, all in accordance with the procedures of the Clearing Agency.

2.8 Registration of Debentures. The Corporation hereby appoints the Trustee as registrar of the Debentures. The Corporation may hereafter, with the consent of the Trustee, appoint one or more other or additional registrars of the Debentures.

The Corporation shall, at all times while any Debentures are outstanding, cause to be kept (i) by and at the principal office of the Trustee in Toronto, a register of Debentureholders and particulars of the Debentures held by them respectively, and (ii) by and at the principal office of the Trustee in Toronto and in such other place or places and by the Trustee or by such other registrar or registrars, if any, as the Corporation with the approval of the Trustee may designate, a register or registers of Debentures, as well as the names and latest addresses of the Debentureholders from time to time. No transfer of a Debenture shall be binding on the Corporation or the Trustee unless made in accordance with the provisions of Article 5 and in the appropriate registers by the Holder or his executors, administrators or other legal representatives, or his or their trustee duly appointed by an instrument in writing in form and substance satisfactory to the Trustee, upon compliance with such requirements as the Trustee or other registrar may prescribe, and unless such transfers are noted on such Debenture by the Trustee or other registrar. The registers referred to in this Section shall at all reasonable times be open for inspection by the Corporation, by the Trustee and by any Debentureholder. In the event of any contradiction between the information contained in or provided by the different registers, the register located at the principal office of the Trustee in Toronto shall prevail.

The Debentureholders may at any time and from time to time have the registration of such Debentures transferred from the register in which the registration thereof appears to another register maintained in another place authorized for that purpose under the provisions of this Indenture, upon payment of a reasonable fee to be fixed by the Trustee.

None of the Trustee, any registrar for any of the Debentures or the Corporation shall be charged with notice of, or be bound to see to, the execution of any trust, whether express, implied or constructive, in respect of any Debentures, and the Trustee, any registrar for any of the Debentures or the Corporation may transfer any Debentures on the direction of the registered Holder thereof, whether named as trustee or otherwise, as though that Person were the beneficial owner thereof.

Except in the case of the central registers required to be kept in Toronto, the Corporation, with the approval of the Trustee, shall have the power at any time to close any branch register of transfers and in that event shall transfer the records thereof to another existing register or to a new register and thereafter such Debentures shall be deemed to be registered on such existing or new register, as the case may be. In the event that the register in any place is closed and the records transferred to a register kept in another place, notice of such change shall be given in the manner provided in Article 15, to the Holders of the Debentures registered in the register so closed and in addition the particulars of such change shall be recorded in the central register required to be kept in the City of Toronto.

The Trustee and any registrar shall, when requested so to do by the Corporation, furnish the Corporation with a list of names and addresses of the Debentureholders showing the Face Value and serial numbers of such Debentures held by each Holder or such other report as may be available showing the requested information.

2.9 Persons Entitled to Payment. The Person in whose name any Debentures shall be registered shall be deemed and regarded as the owner thereof for all purposes of this Indenture and payment of or on account of any amount payable on such Debentures shall be made only to or upon the order in writing of such Holder thereof and such payment shall be a good and sufficient discharge to the Trustee and any registrar and to the Corporation and any paying agent for the amounts so paid.

The Holder for the time being of any Debentures shall be entitled to the amounts payable under such instrument, free from all equities or rights of set-off or counterclaim between the Corporation and the original or any intermediate Holder thereof and all persons may act accordingly and a transferee of Debentures shall, after an appropriate form of transfer is lodged with the Trustee or other registrar and upon compliance with all other conditions contained in such Debentures or by law, be entitled to be entered in any one of the appropriate registers of Holders as the owner of such Debentures free from all equities or rights of set-off or counterclaim between the Corporation and such Holder's transferor or any previous Holder thereof, save in respect of equities of which the Corporation is required to take notice by statute or by order of a court of competent jurisdiction.

Delivery to the Corporation by a Debentureholder or the receipt of such Holder for amounts payable under such instrument shall be a good discharge to the Corporation, which shall not be bound to enquire into the title of such Holder, save as ordered by a court of competent jurisdiction or as required by statute. Neither the Corporation, the Trustee nor any registrar shall be bound to see to the execution of any trust, whether express, implied or constructive, affecting the ownership of any Debentures.

Where Debentures are registered in more than one name the amounts from time to time payable in respect thereof may be paid by cheque payable to the order of the one whose name appears first on the register, failing written instruction from them to the contrary, and such payment shall be a valid discharge to the Trustee and any registrar and to the Corporation and any paying agent for the amounts so paid. Notwithstanding the foregoing and any other similar provision, with respect to Debentures held in a Global Certificate under the Book Based System, payments of principal and interest shall be discharged by the Corporation remitting the required amount to the Clearing Agency for distribution through Participants to all Book Entry Holders on each Interest Payment Date and each other relevant date, all in accordance with the procedures of the Clearing Agency.

2.10 Mutilation, Loss, Theft or Destruction. In case any of the Debentures issued hereunder are mutilated or are lost, stolen or destroyed, the Corporation may issue, and thereupon the Trustee shall certify and deliver, a new Debenture upon surrender and cancellation of the mutilated Debenture or, in the case of a lost, stolen or destroyed Debenture, in lieu of

and in substitution for the same, and the substituted Debenture shall be in a form approved by the Trustee and shall be entitled to the benefits of this Indenture equally with all other Debentures issued or to be issued hereunder without preference or priority one over another. In case of loss, theft or destruction the applicant for a substituted Debenture shall provide to the Corporation and to the Trustee such evidence of loss, theft or destruction as shall be satisfactory to them in their discretion and shall also provide an indemnity satisfactory to them in their discretion.

2.11 Substitution of Debentures. Subject to Section 2.8, Debentures of any authorized denomination may be substituted for Debentures of any other authorized denomination or denominations, bearing the same interest rate and of an equivalent Face Value (in integral multiples of $1,000). Any substitution of Debentures may be made at the offices of the Trustee or at such other place or places (if any) as the Corporation may designate from time to time with the approval of the Trustee. The Corporation shall execute and the Trustee shall certify all Debentures necessary to carry out any such substitution. Any Debentures tendered for substitution shall be surrendered to the Trustee and shall be cancelled. For greater certainty, any substituted Debentures issued under this Section 2.11 must be registered in the name of the Holder who tendered the original Debentures for substitution. Any transfer of Debentures into the name of another Person must comply with the provisions of Section 5.1.

Except as herein otherwise provided, upon any substitution of Debentures of any denomination for other Debentures pursuant to this Section 2.11 and upon any transfer of Debentures pursuant to Section 5.1, the Trustee or other registrar may make a sufficient charge to reimburse it for any stamp or security transfer taxes or other governmental charge required to be paid and, in addition, a reasonable charge for its services, and payment of the said charge shall be made by the party requesting such substitution or transfer as a condition precedent thereto.

2.12 Book Entry Debentures.

2.12.1 The Debentures shall, upon the request of the initial Holder, be re-issued in the form of a global Debenture certificate or certificates in the form contained in Schedule 2 hereto (the "Global Certificate"), together with Schedules 3, 4 and 5 representing the issued Debentures and delivered by or on behalf of the Trustee to the Clearing Agency, to be held by the Clearing Agency for Participants. The Debentures shall, in this regard, be registered on the Register in the name of the Clearing Agency or its nominee and no Book Entry Holder will receive a Debenture certificate representing such Book Entry Holder's interest in the Debentures, except as provided in Section 2.12.2. Unless and until certificated Debentures have been issued to the applicable Book Entry Holders pursuant to Section 2.12.2:

(i) the provisions of this Section 2.12 shall be in full force and effect;

(ii) the Corporation and the Trustee may deal with the Clearing Agency for all purposes (including the making of payments and the delivery of any notice, report or other communication) as the registered Holder of Debentures;

(iii) to the extent that the provisions of this Section 2.12 conflict with any other provisions of this Indenture, the provisions of this Section 2.12 shall prevail;

(iv) the rights of the respective Book Entry Holders shall be exercised only through the Clearing Agency (directly or by proxy in favour of their respective Participants) and shall be limited to those established herein and by law;

(v) all transfers of beneficial interests in Debentures represented by the Global Certificate will be effected only (a) with respect to the interests of Participants, through the records maintained by the relevant Clearing Agency or its nominee for the Global Certificate, and (b) with respect to persons other than Participants, through records maintained by Participants; and

(vi) for purposes of any provisions of this Indenture requiring or permitting actions with the consent of, or at the direction of, Holders of Debentures evidencing a specified percentage of the aggregate unpaid principal amount of Debentures then outstanding, the Trustee is entitled to act and rely upon the instructions of the Clearing Agency that it has received instructions, to such effect from Participants on behalf of Book Entry Holders owning or representing, respectively, the requisite percentage of Debentures.

2.12.2 If the Debentures have been re-issued in the form of a Global Certificate and the Corporation advises the Trustee that the Clearing Agency is no longer willing or able to discharge properly its responsibilities as a Clearing Agency with respect to the Debentures and such Clearing Agency is unable to locate a qualified successor, or if each of the Book Entry Holders advises the Trustee of its desire to obtain certificated Debentures, the Trustee shall deliver notice to the relevant Clearing Agency for its Participants and all of their Book Entry Holders, of the occurrence of any such event and of the availability of certificated Debentures to Book Entry Holders requesting such certificates. Upon surrender by the relevant Clearing Agency of the Global Certificate or certificates representing the Debentures and accompanied by registration instructions from the Clearing Agency for re-registration, the Trustee shall authenticate and deliver such certificated Debentures in the form contained in

Schedule 1 hereto, together with Schedules 3, 4 and 5. None of the Corporation, the Trustee or any paying agent shall be liable for any delay in delivery of such instructions and may conclusively act and rely on, and shall be protected in acting and relying on, such instructions. Upon the issuance of such certificated Debentures, the Corporation and the Trustee shall recognize the registered Holders of such certificated Debentures as Holders hereunder.

2.12.3 If the Debentures in certificate form have been issued pursuant to Section 2.12.2 and thereafter the Corporation learns of the availability of the Book Entry System in regard to such Debentures, the Trustee and the Corporation may agree to allow for the re-registration of such Debentures under the Book Entry System and the Trustee shall forthwith deliver notice thereof to each Holder accompanied by instructions for re-registration of the Debentures under the Book Entry System. Such Debentures shall thereafter be re-issued under the Book Entry System and be subject to Sections 2.12.1, 2.12.2, *mutatis mutandis*.

2.12.4 It is acknowledged that a transfer of RGT Subordinate Voting Shares by the Corporation to a Holder who is resident in a Province of Canada other than Ontario or Quebec may require that the Corporation file a Regulatory Notice with the relevant securities regulatory authority and obtain any required acceptance or approval with respect thereto or otherwise rely on an exemption from the prospectus and registration requirements under applicable securities legislation for such transfer of RGT Subordinate Voting Shares. Notwithstanding anything to the contrary herein, if the Trustee or the Corporation receives a direction from the Clearing Agency to transfer RGT Subordinate Voting Shares or any other securities to the name of a Book Entry Holder, or where a Holder which receives a certificated Debenture pursuant to Section 2.12.2 is otherwise entitled to receive from the Trustee or the Corporation RGT Subordinate Voting Shares or any other securities pursuant hereto, unless such RGT Subordinate Voting Shares or other securities may be transferred to such Holder pursuant to an exemption from the prospectus and registration requirements under applicable securities legislation (including exemptions in respect of which a Regulatory Notice is required to be filed), such Holder shall be entitled only to receive, and the Corporation shall be required only to deliver, the Exchange Value of such RGT Subordinate Voting Shares or other securities, as the case may be, to such Holder, provided that nothing herein contained shall relieve the Corporation from complying with its obligations under the provisions of Section 6.3. If such an exemption from the prospectus and registration requirements under applicable securities legislation is available for use for the delivery of RGT Subordinate Voting Shares in respect of Debentures beneficially owned by a Book Entry Holder, an Exchange Form (substantially in the form of Schedule 5) and a Form of Transfer (substantially in the form of Schedule 4) shall be completed by the Holder of the Global Certificate so that the Debentures beneficially owned by the Book Entry Holder are first

registered in the name of the Book Entry Holder before any RGT Subordinate Voting Shares are transferred to such Person.

2.12.5 The Corporation and the Trustee understand that the Clearing Agency acts as the agent and depository for Book Entry Holders and neither the Trustee nor the Corporation assume any liability or responsibility for: (a) any records relating to the beneficial ownership of the Debentures held by the Clearing Agency or payments by the Clearing Agency relating to such Debentures; (b) maintaining, supervising or reviewing any records relating to the beneficial ownership of Debentures held by the Clearing Agency; or (c) any advice or representation made by or with respect to the Clearing Agency herein or any indenture supplemental hereto and relating to the rules governing the Clearing Agency or any action to be taken by the Clearing Agency or at the direction of the Book Entry Holders.

2.13 Option of Holder as to Place of Payment. Except as herein otherwise provided, all sums which may at any time become payable, or any certificates representing RGT Shares to be delivered, whether at maturity, on an exchange or otherwise, on account of the Face Value of any Debentures, interest thereon and any amounts payable in respect thereof shall be payable, or delivered, as the case may be, at the option of the Holder to any of the places at which the Debentures, interest thereon and any amounts payable in respect thereof are payable.

2.14 Trustee Not Bound to Make Enquiries. The Trustee, prior to the certification and delivery of any Debentures under any of the provisions of this Article, shall not be bound to make any enquiry or investigation as to the correctness of the matters set out in any of the resolutions, opinions, certificates or other documents required by the provisions of this Indenture, but shall be entitled to accept and act upon the said resolutions, opinions, certificates and other documents. The Trustee may nevertheless, in its discretion, require further proof in cases where it deems further proof desirable.

2.15 Withholding Taxes.

2.15.1 All payments under or with respect to the Debentures shall be subject to the deduction and withholding of Taxes required by law or administrative practice by the relevant government authority to be deducted or withheld by the Corporation or the Trustee or any other person.

2.15.2 Each of the Corporation and the Trustee is hereby authorized and directed, for and on behalf of any Holder, and agrees to deduct and remit to the appropriate receiving officer all Taxes required by law to be deducted or withheld by the Corporation or the Trustee or any other person within the time required by law or administrative practice by the relevant government authority. If such deduction and withholding is required, the Corporation or the Trustee will furnish to the Holders, within 30 days after the date the payment of any Taxes is due pursuant to applicable law, certified copies of tax receipts evidencing such payment. To the extent that any such Taxes are

payable in connection with the delivery to the Holder of any property other than cash, each of the Corporation and the Trustee is authorized and directed to hold back a portion of such property, including RGT Subordinate Voting Shares, and sell such property or shares on behalf of the Holder through the facilities of a stock exchange or otherwise (but in a manner to maximize proceeds and in accordance with applicable securities legislation and stock exchange requirements), remit to the appropriate receiving officer from the net proceeds of any such sale the amount the Corporation is required to remit on account of Taxes and pay the balance of such net proceeds not remitted on account of Taxes to the Holder.

2.15.3 In the event that deduction or withholding on account of Taxes is required by law or administrative practice by the relevant government authority, the Corporation or the Trustee will notify the Holders thereof and shall co-operate with the Holders with a view to determining the availability to Holders of any reduced rate of withholding under the terms of a relevant tax treaty.

2.16 Closing of Register at Certain Times. Neither the Corporation nor the Trustee shall be required to make transfers pursuant to Section 5.1 or substitutions pursuant to Section 2.11 of any Debentures on any Interest Payment Date, on the Maturity Date or on a Redemption Date or during the five Business Days preceding any such date, provided, for greater certainty, that the foregoing shall not restrict the ability of any Debentureholder to exercise the Right of Exchange at any time permitted under the terms hereof.

ARTICLE 3

CHARGING PROVISIONS

3.1 Security. As security, in the following order of priority, for (i) the Right of Exchange provided for in Article 6 and the rights provided in Article 11, (ii) the obligations of the Corporation following its exercise of the Right of Redemption provided for in Article 8, (iii) the payment of the amount payable with respect to the Debentures pursuant to Section 12.1 and of the interest on the Debentures and of all other amounts payable in respect thereof, (iv) the payment of all other sums, if any, from time to time due hereunder or under the Debentures to the Debentureholders, and (v) the performance by the Corporation of all its obligations hereunder and under the Debentures (collectively referred to herein as the "**Secured Obligations**"), the Corporation hereby pledges the Collateral to the Trustee, for the benefit of the Debentureholders, in accordance with the provisions hereof, and grants a security interest to and in favour of the Trustee, for the benefit of the Debentureholders, upon the Collateral and the Additional General Collateral (including, for greater certainty, all Distributed Assets).

3.2 Possession. The Collateral (other than the Initial Cash Investment) together with certificates, documents or other evidence representing same shall be delivered to and remain in the possession of the Trustee in the Province of Ontario unless otherwise

provided for in this Indenture. The Initial Cash Investment as well as all Proceeds, investments, Securities, revenues and interests generated by, made, purchased or acquired with such moneys shall be held by the Trustee in an account in its name in its capacity as trustee on behalf of the Debentureholders.

3.3 Rights of the Corporation in Underlying RGT Shares. The Corporation shall, at all times, remain the registered owner of the Underlying RGT Shares until they are converted into RGT Subordinate Voting Shares, and transferred to the Debentureholders pursuant to the provisions of Article 6, Article 8 or Article 11 and Section 3.11, and no disposition shall be deemed to have occurred until any such date of conversion and transfer.

The Corporation shall deliver to the Trustee certificates representing the Underlying RGT Shares registered in the name of the Corporation endorsed in blank for transfer, together with the direction referred to in subsection 6.1.3, and shall notify the transfer agent of the pledge of the Underlying RGT Shares; the share transfer ledger shall be annotated with a stop transfer in accordance with the policies of the registrar and transfer agent of the RGT Multiple Voting Shares..

If any Underlying RGT Shares that are RGT Multiple Voting Shares are to be applied to satisfy the Corporation's obligation to deliver RGT Subordinate Voting Shares hereunder, any applicable Underlying RGT Shares that are RGT Multiple Voting Shares shall first be converted into RGT Subordinate Voting Shares and registered in the name of the Corporation. Immediately after such registration, the RGT Subordinate Voting Shares shall then be re-registered for delivery to a Holder.

3.4 Sale in Specific Circumstances. The Corporation shall not sell or otherwise dispose of Collateral and the Trustee shall not release the same (or the Additional General Collateral from the Charges to which it is subjected unless specifically provided for in this Indenture.

3.5 Moneys and Property Received by Trustee. All moneys and property received by the Trustee in respect of any expropriation of the Collateral or the Additional General Collateral shall be held by it as part of the Collateral or the Additional General Collateral, as the case may be, unless specifically provided for hereunder. The receipt or use by the Trustee of all such sums and property shall not be deemed to constitute payment or novation of the Secured Obligations nor shall it diminish the security hereby constituted, notwithstanding any law, custom or usage to the contrary.

3.6 Attachment and Value. The Corporation acknowledges and agrees that:

3.6.1 value has been given; and

3.6.2 the security interests created hereby attach to the Collateral and the Additional General Collateral immediately upon execution of this Indenture and the Trustee and the Corporation have not agreed to postpone the time of attachment of the security interest in respect of, and the pledge of, the Collateral or the Additional General Collateral by the Corporation;

this Indenture, the security interests created hereby shall attach to such Collateral or Additional General Collateral at the time the Corporation acquires rights or interests therein.

3.7 Validity of Charge. The Charges created hereunder shall be and be deemed to be effective whether or not the consideration for the Secured Obligations shall have been received in whole or in part or shall have been in existence before, after, or upon the execution of this Indenture or before, after or upon the issue of the Debentures.

3.8 Further Assurances. The Corporation shall forthwith, and from time to time, execute all deeds and documents and do all things which in the opinion of the Trustee are necessary or advisable for giving the Trustee a valid Charge of the nature herein specified on the Collateral and the Additional General Collateral in order that such Charge serves the purpose for which it has been granted and for conferring upon the Trustee, with respect to such property, all power and rights provided for by these presents and by law.

3.9 Right to Retain. The Corporation and the Trustee acknowledge and agree that the Trustee will be holding certificates representing the Underlying RGT Shares registered in the name of the Corporation and other Collateral and Additional General Collateral pursuant to the provisions hereof. The Trustee shall have the right to retain such certificates representing the Underlying RGT Shares and other Collateral and the Additional General Collateral which comes into its possession against full performance of the Corporation's obligations to exchange Debentures provided herein, subject to the Trustee's obligation to release any such certificates representing Underlying RGT Shares and other Collateral, as well as the Additional General Collateral, upon a release and discharge of the Charges provided for herein in accordance with the terms of this Indenture.

3.10 Deposit of Moneys with Trustee. Concurrently with its execution hereof, the Corporation shall deposit with the Trustee in an account maintained by the Trustee an amount of $641,141 (the "**Initial Cash Investment**"). Such Initial Cash Investment and all Proceeds, investments, Securities, revenues and interest generated by, made, purchased or acquired with such moneys shall be held by the Trustee as continuing collateral security for the payment of the Secured Obligations. So long as no Event of Default has occurred and is continuing hereunder, the Trustee shall invest the moneys held by it from time to time under this Section in accordance with the instructions received from time to time by the Corporation, provided, however that such investments constitute Permitted Investments. On the 10th Business Day following each Interest Payment Date, provided no Event of Default shall have then occurred and be continuing, and provided that the Debentureholders have not advised the Trustee during any such six-month period that they believe that an event has occurred or a circumstance exists that with the passage of time, giving a notice or similar action, will constitute an Event of Default, and subject to Section 4.2, the Trustee shall pay to the Corporation from the moneys held by the Trustee under this Section an amount equal to the difference between (i) the aggregate amount then held by it under this Section and (ii) the Initial Cash Investment. Upon such payment to the Corporation, the amount so paid over shall automatically cease to be Collateral. Notwithstanding the foregoing, the Corporation shall ensure that the Trustee

payment to the Corporation, the amount so paid over shall automatically cease to be Collateral. Notwithstanding the foregoing, the Corporation shall ensure that the Trustee holds an amount equal to not less than the Initial Cash Investment, at all times, as continuing collateral security for the payment of the Secured Obligations. Accordingly, the Corporation shall be responsible to provide the Trustee with all necessary funds to ensure that the Trustee continues to hold the requisite amount even if any Permitted Investment results in a loss.

3.11 Enforcement.

3.11.1 In addition to the rights and remedies available to the Trustee under Article 11, the Trustee shall be entitled to enforce, for the purposes therein set forth, the security constituted in this Article 3 upon an Event of Default.

3.11.2 In connection with the enforcement of the security constituted in this Article 3 and without limiting the rights and remedies available to the Trustee under Article 11, the Trustee may:

(i) complete the blanks in any conversion notice so as to cause the conversion of the RGT Multiple Voting Shares into RGT Subordinate Voting Shares, registered in the name of the Corporation, and complete any blanks in any transfer in blank or power of attorney in respect of any such RGT Subordinate Voting Shares (to effect a change in the registration of such RGT Subordinate Voting Shares from the Corporation to the Trustee, its agent, the Debentureholders or any Person designated by the Debentureholders provided that a Transfer Notice has been delivered in respect of such Person, and that the RGT Subordinate Voting Shares may be transferred to such Person pursuant to an exemption from the prospectus and registration requirements under applicable securities legislation) or any other Collateral or Additional General Collateral with such names and in such manner as the Trustee may determine and seal and deliver the same after such blanks have been filled in. In this regard, the Corporation hereby appoints the Trustee as the Corporation's attorney, with full power of substitution, in the name and on behalf of the Corporation, to execute, deliver and do all such acts, deeds, documents, transfers, demands, conveyances, assignments, contracts, assurances, consents, financing statements and things as the Corporation has herein agreed to execute, deliver and do or as may be required by the Trustee to give effect to this Agreement or in the exercise of any rights, powers or remedies hereby conferred on the Trustee, and generally to use the name of the Corporation in the exercise of all or any

of the rights, powers or remedies hereby conferred on the Trustee. This appointment, coupled with an interest, shall not be revoked by the death, insolvency, bankruptcy, dissolution, liquidation or other termination of the existence of the Corporation or for any other reason. The Trustee agrees that it will not use the rights granted in this subsection 3.11.2 (i) except in connection with the preservation of the Collateral or the Additional General Collateral or following the occurrence of an Event of Default;

(ii) realize upon the Collateral, the Additional General Collateral, or any part of either or both, by selling the RGT Subordinate Voting Shares held as Collateral (the "**SVS Collateral**") following conversion from the RGT Multiple Voting Shares, or by exercising its rights pursuant to subsection 3.11.2 (i) to register the SVS Collateral (following conversion from the RGT Multiple Voting Shares) in the name of the Trustee, its agent, the Debentureholders, or any Person designated by the Debentureholders, if such registration has not already occurred, to enable it to enforce the security hereof. Any sale of the SVS Collateral by the Trustee must be made in compliance with applicable law, including the provisions of Section 2.8 of Multilateral Instrument 45-102 made under the *Securities Act* (Ontario) or another exemption from the prospectus requirements under applicable securities legislation. For greater certainty, it is acknowledged that where the SVS Collateral is not being sold but instead delivered to the Debentureholders upon an Event of Default pursuant to Article 11, the SVS Collateral must be registered in the name of the Corporation, and not the Trustee, prior to being re-registered in the name of, and delivered to, a Debentureholder upon an Event of Default pursuant to Article 11 in order for the exemptions from the prospectus and registration requirements referred to in the OSC Notice to be available for use;

(iii) make payments to Persons having prior Charges on the Collateral or the Additional General Collateral;

(iv) demand, commence, continue or defend proceedings in the name of the Trustee or in the name of the Corporation for the purpose of protecting, seizing, collecting, realizing or obtaining possession or payment of, or otherwise enforcing rights, powers or remedies with respect to, the Collateral

and the Additional General Collateral and to give effectual receipts and discharges therefor;

(v) exercise all rights of ownership of and all other rights attaching to the Collateral and the Additional General Collateral, or any part thereof, as if the Trustee were the absolute owner thereof, all in such manner and at such time or times as may seem to it advisable, without notice to the Corporation except as required by law;

(vi) subject to any applicable laws, sell the Collateral, the Additional General Collateral or any part of either or both, by public or private sale, upon such terms (including as to time and method of payment and security or otherwise) as the Trustee may prescribe; and

(vii) exercise any other right or remedy available to the Trustee at law or equity,

provided that in circumstances in which the Trustee is entitled to enforce the security hereunder and wishes to sell or otherwise realize on, or to exercise the votes attached to, or to direct the voting of, any RGT Multiple Voting Shares that then form part of the Collateral, before commencing any such sale or other realization, exercise or direction, the provisions of Subsection 6.1.3 with respect to the conversion of RGT Multiple Voting Shares to RGT Subordinate Voting Shares will apply. For greater certainty, any Underlying RGT Shares shall remain registered in the name of the Corporation until the Trustee has enforcement rights hereunder.

3.11.3 The Trustee may exercise any of its rights and remedies independently or in combination and at any time and from time to time. The failure to exercise any particular right or remedy shall not preclude the future exercise of that or any right or remedy.

3.12 Sale of Collateral and Additional General Collateral. Any sale referred to in Section 3.11 may be a sale of all or any portion of the Collateral or the Additional General Collateral and may be by way of public auction, public tender, private contract or otherwise, provided that the Trustee shall give to the Corporation written notice at least three Business Days prior to the day of such sale, except in the case of a Hedge Termination Event, in which case the provisions of Subsection 11.1.2 shall apply. Any sale pursuant to Section 3.11 may be made with or without any special condition as to the upset price, reserve bid, title or evidence of title or other matter and may be made from time to time as the Trustee in its sole discretion deems fit, with power to vary or rescind any such sale or buy in at any public sale and resell without being answerable for any loss. The Corporation acknowledges and agrees that any private sale may result in prices and other terms less favourable than if such sale were a public sale, and notwithstanding such circumstances, agrees that any such private sale shall not be deemed to have been made

in a commercially unreasonable manner solely by reason of its being a private sale. The Trustee shall be under no obligation to delay a sale of any of the Collateral or of the Additional General Collateral for the period of time necessary to permit the issuer of such Securities to register or qualify such Securities for public sale under applicable securities laws, or otherwise, even if the issuer would agree to do so (provided that the Trustee complies with applicable securities legislation and stock exchange requirements in connection with the sale that it proposes to conduct, including the provisions of Section 2.8 of Multilateral Instrument 45-102 made under the *Securities Act* (Ontario)) or another exemption from the prospectus requirements under applicable securities legislation. The Trustee may sell the Collateral and/or the Additional General Collateral for a consideration payable by instalments either with or without taking security for the payment of such instalments and may make and deliver to any purchaser thereof good and sufficient deeds, assurances and conveyances of the Collateral and/or the Additional General Collateral and give receipts for the purchase money, and any such sale shall be a perpetual bar, both at law and in equity, against the Corporation and those claiming an interest by, from, through or under the Corporation. In the event of any sale pursuant to Section 3.11 the Corporation hereby covenants and agrees to provide all information, certificates and consents required under applicable securities laws or under the rules, by-laws or policies of the exchange(s) on which any of the Collateral or Additional General Collateral may be listed and posted for trading to permit the due and valid sale of the Collateral and/or the Additional General Collateral in compliance with such laws, rules, by-laws or policies. For greater certainty, nothing in this Section 3.12 obligates the Corporation to cause RGT to file a prospectus in respect of the distribution of RGT Subordinate Voting Shares.

3.13 Additional RGT Shares to be Charged and Released. The Corporation shall calculate, as of each Interest Payment Date and as of the date at which an event giving rise to an adjustment of the Exchange Ratio in accordance with Section 6.5 or 6.7 is effective and at such other times as the Corporation may deem appropriate, acting reasonably, the aggregate of the number of Underlying RGT Subordinate Voting Shares which would, following any adjustment of the Exchange Ratio in accordance with Section 6.5 or 6.7, be required to be delivered to the Holders of the then outstanding Debentures if all such Holders had exercised a Right of Exchange on such date (the "**Required RGT Shares**").

Should the number of Underlying RGT Shares charged under this Indenture and held by the Trustee be or be convertible into, on the date of such calculation, less than the sum of the number of Underlying RGT Subordinate Voting Shares calculated pursuant to the preceding paragraph, the Corporation shall pledge and deliver to the Trustee within five (5) Business Days following the relevant effective date that number of Additional RGT Shares, and the certificates representing the same with stock transfer powers endorsed in blank, which is required so that the number of Underlying RGT Shares charged under this Indenture and held by the Trustee shall be equal to the number of Required RGT Shares on such date and the Trustee shall deliver and transfer to the Corporation all other cash, RGT Shares, Securities or other assets held by the Trustee pursuant hereto (other than shares and Securities received upon a reclassification or change of the Underlying RGT Shares that does not result from a subdivision or consolidation described in

Subsection 6.5.1 or upon amalgamation), concurrently with the delivery to the Trustee of the said required Additional RGT Shares.

Should the number of Underlying RGT Shares charged under this Indenture be or be convertible into, on the date of such calculation, a number of RGT Subordinate Voting Shares greater than the number of Required RGT Shares on such date, the Trustee shall cancel and discharge the Charges created hereunder over that number of Underlying RGT Shares so that the number of Underlying RGT Shares charged under this Indenture held by the Trustee shall not exceed or shall not be convertible into a number of RGT Subordinate Voting Shares greater than the number of Required RGT Subordinate Voting Shares on such date and the Trustee shall release and transfer unto the Corporation the number of Underlying RGT Shares as well as the other cash, RGT Shares, Securities or other assets held by the Trustee pursuant hereto which are not required to be charged under this Indenture pursuant to the foregoing. The Corporation shall have the right to sell, transfer or otherwise dispose of such released Collateral.

The Corporation shall deliver to the Trustee and to each Debentureholder, on each Interest Payment Date and within five Business Days of the date at which an event giving rise to an adjustment pursuant to Section 6.5 or 6.7 is effective, a notice containing the calculation contemplated in the first paragraph above.

ARTICLE 4

DIVIDENDS AND VOTING OF UNDERLYING RGT SHARES

4.1 Maintenance of Rights of the Corporation. Subject to the provisions of this Indenture, it is acknowledged that until an Event of Default has occurred or such shares are transferred pursuant to any provisions hereof, the Corporation shall be permitted to exercise, in respect of the Underlying RGT Shares, all of the rights and privileges of ownership set forth in this Article 4 in the same manner and to the same extent as if this Indenture had not been executed.

4.2 Dividends and Distributions. All Ordinary Dividends, Extraordinary Dividends and all other distributions on or in respect of the Underlying RGT Shares as provided in Section 6.7 which do not require an adjustment to the Exchange Ratio in accordance with Section 6.5 hereof shall be paid to the Corporation and immediately upon receipt delivered to the Trustee to be held by the Trustee as additional Collateral for the Debentures. Subject to Section 3.13, any dividend or distribution which does require an adjustment to the Exchange Ratio in accordance with Section 6.5 hereof shall also be paid to the Corporation and immediately following receipt shall be delivered to the Trustee, who shall retain same as additional Collateral for the obligations of the Corporation under the Debentures. Failure to remit any of such Ordinary Dividends, Extraordinary Dividends or other distributions to the Trustee within three (3) Business Days from receipt thereof shall constitute an Event of Default hereunder.

The Corporation hereby directs the Trustee to hold any sums paid to the Trustee by the Corporation which the latter received as Ordinary Dividends and to invest said sums in Permitted Investments, in accordance with the instructions received from time to time from the Corporation, until the next Interest Payment Date. The Corporation agrees to provide the Trustee with sufficient funds by the second Business Day prior to each Interest Payment Date which, together with the amounts received by the Trustee on account of Ordinary Dividends and invested in accordance with the foregoing together with any revenues generated therefrom, will permit the full payment of all interest payable on such Interest Payment Date. Following receipt of same, on the relevant Interest Payment Date, the Trustee shall make the interest payments on behalf of the Corporation in accordance with Section 2.7.

4.3 Voting of Underlying RGT Shares. Until such time as an Event of Default (other than a Hedge Termination Event) has occurred and is then continuing, the Corporation shall have the right to vote the Underlying RGT Shares. Following the occurrence of an Acceleration Event and the immediate conversion of the Underlying RGT Shares into RGT Subordinate Voting Shares pursuant to Article 11, voting rights in respect of RGT Subordinate Voting Shares shall be exercised by the Trustee on behalf of the Holders, and the Corporation shall do all things reasonably necessary to permit the Trustee to exercise such right.

ARTICLE 5

TRANSFER OF DEBENTURES

5.1 Transfer of Debentures. Subject to the provisions of this Article (in particular Sections 5.3, 5.4 and 5.5), any Debentureholder may, at its option, sell, transfer or otherwise dispose of its Debentures, in whole or in part, by remitting to the Trustee a duly completed Form of Transfer in the form set forth in Schedule 3, provided, however, that no Debentures may be transferred pursuant to this Article (a) to a Person who is not an Accredited Investor unless such transfer is (i) to a Person pursuant to an exemption from the prospectus and registration requirements under applicable securities legislation, or (ii) to a Person pursuant to an exemption from the prospectus requirements and through a dealer registered under applicable securities legislation or (iii) not subject to the prospectus or registration requirements of applicable securities legislation) nor (b) to any Holder or any beneficial holder within the United States or to a U.S. Person (within the meaning of Regulation S under the United States Securities Act of 1933, as amended). Accordingly, any Debenture registered in any transferee's name will contain the following legend:

> **"THIS DEBENTURE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING THIS DEBENTURE, AGREES FOR THE BENEFIT OF THE**

CORPORATION THAT THE DEBENTURE MAY NOT BE OFFERED OR SOLD INCLUDING IN CONNECTION WITH ANY RESALE OR OTHER TRANSFER IN THE UNITED STATES OR TO ANY U.S. PERSON AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT."

Nothing herein contained shall prevent a Debentureholder from pledging, or granting a security interest in, the Debentures held by it at any time and from time to time. However, any transfer of Debentures into the name of a pledgee must comply with the above provisions of this Section 5.1.

5.2 Right of First Offer. If a Debentureholder wishes to accept an offer to purchase or make an offer to sell or transfer (in this Section 5.2, the "**Offer**") all or part of its Debentures, the Debentureholder shall first send to the Corporation a written offer (the "**Debentureholder's Offer**") for the Corporation to purchase such Debentures at the price and upon the same terms and conditions as set forth in the Offer. The Debentureholder's Offer will be sent at the same time as the Transfer Notice defined in Section 5.3, and will be open for acceptance for a period of three (3) Business Days. If the Debentureholder making the Debentureholder's Offer is not in receipt of the Corporation's written acceptance within such period of three (3) Business Days, the Debentureholder shall (subject to Section 5.1, 5.4 and 5.5) be free to sell the Debentures to (a) an Accredited Investor, (b) a Person pursuant to an exemption from the prospectus and registration requirements under applicable securities legislation, or (c) to a Person pursuant to an exemption from the prospectus requirements and through a dealer registered under applicable securities legislation unless such issuance or transfer is not subject to the prospectus or registration requirements of applicable securities legislation, in which case it may be made to any Person. If the Debentureholder receives the aforesaid acceptance notice from the Corporation within said delay, the Debentureholder will be required to sell the Debentures to the Corporation or to one or more other Persons designated by the Corporation, at the said price and upon the same terms and conditions as contained in the Offer.

5.3 Transfer Notice. A Debentureholder desiring to sell, transfer or otherwise dispose of its Debentures or wishing to syndicate any portion of its holdings of Debentures shall deliver, at least 5 Business Days prior to the date of such sale, transfer, disposition or syndication, to the Trustee and to the Corporation in the manner provided in Sections 15.1 and 15.3, a notice of intention to sell, transfer or otherwise dispose of the Debentures or syndicate its holdings of Debentures (the "**Transfer Notice**"). The Transfer Notice shall, unless all the Debentures outstanding are to be sold, transferred or otherwise disposed of or syndicated, specify the distinguishing letters and numbers and Face Value of the Debentures which are to be sold, transferred or otherwise disposed of (in multiples of $1,000), and shall specify the date fixed for such sale, transfer or disposition. The Trustee shall deliver to the Corporation a copy of such Transfer Notice in the manner provided in Section 15.1 on the Business Day next following its receipt by the Trustee, provided however that the failure by the Trustee to deliver such copy shall not affect the validity of the Transfer Notice. The Debentures may not be transferred without the consent of the Corporation, which shall not be unreasonably withheld or

delayed and shall in any event be provided within three (3) Business Days following delivery by the Debentureholder of the Transfer Notice, unless the Corporation has accepted the Debentureholder's Offer, in which case the provisions of Section 5.2 shall apply or unless the proposed transfer is to a resident of a province of Canada other than Quebec or Ontario, in which case the provisions of Section 5.4 shall apply or unless the proposed transfer is to a resident of any jurisdiction outside a province of Canada and the United States, in which case the provisions of Section 5.5 shall apply.

5.4 Regulatory Notice. Where the filing of a Regulatory Notice is necessary in order that the RGT Subordinate Voting Shares can be transferred to a resident of the relevant province of Canada pursuant to an exemption from the prospectus and registration requirements under applicable securities legislation of such province, no Debenture may be transferred to a person who is in a province of Canada other than Ontario and Quebec until the Corporation has filed the Regulatory Notice under the securities legislation of the relevant province and, where required under such legislation, such notice or filing has been accepted or approved by the relevant securities authority or the requisite waiting period has passed without the securities authority having informed the Corporation that it objects to the proposed trade. The Corporation shall, forthwith upon receiving a Transfer Notice with respect to a transfer of the Debentures in a province where the filing of a Regulatory Notice is necessary in order that the RGT Subordinate Voting Shares can be transferred to a resident of such province pursuant to an exemption from the prospectus and registration requirements under applicable securities legislation of such province, file the Regulatory Notice with the relevant securities authorities and use its reasonable best efforts to obtain any required acceptance or approval with respect thereto. For greater certainty, the Corporation may refuse to consent to such transfer if the relevant securities authorities refuse to give any required acceptance or approval with respect thereto, unless an exemption from the prospectus and registration requirements under applicable securities legislation is available for use for any and all trades of RGT Subordinate Voting Shares from the Corporation to a Debentureholder in such province that may occur hereunder.

5.5 Transfers to Persons Outside of Canada and the United States. No Debenture may be transferred to a resident of any jurisdiction outside a province of Canada and the United States unless the Corporation has received an opinion of counsel, in form and substance satisfactory to the Corporation, that the transfer of the Debenture and the RGT Subordinate Voting Shares to a resident of such jurisdiction is exempt from any prospectus or registration requirements under any applicable securities legislation of the jurisdiction.

5.6 Legend. RGT Subordinate Voting Shares to be delivered hereunder will not be delivered to a Holder within four months and a day after the date hereof unless such certificates for such shares contain the following legend:

> "Unless permitted under securities legislation, the holder of the securities represented by this certificate shall not trade the securities before August 18, 2002."

ARTICLE 6

EXCHANGE OF DEBENTURES

6.1 Right of Exchange.

6.1.1 Notwithstanding the delivery of a Maturity Notice, upon and subject to the provisions of this Article, each of the Debentureholders shall have the right (provided that such Debentureholder or any holder of a beneficial interest in such Debenture is not within the United States and is not a U.S. Person (within the meaning of Regulation S under the United States Securities Act of 1933, as amended)), at its option, at any time during the period beginning on and including April 17, 2002 and ending at the Close of Business on the Business Day prior to the Maturity Date (provided that such right shall be extended beyond the Maturity Date if the principal of all such Debentureholder's Debentures is not paid on the Maturity Date), to exchange the whole (at any time) or any part (from time to time) of the Debentures for fully paid and non-assessable RGT Subordinate Voting Shares on the Current Exchange Basis (the **"Right of Exchange"**), or, at the option of the Corporation as set out in Section 6.3, but subject to the conditions contained therein, cash or some combination of RGT Subordinate Voting Shares and cash as more particularly described therein, plus accrued and unpaid interest at the Interest Rate up to but excluding the Exchange Date.

6.1.2 In circumstances where the Corporation is obliged to deliver RGT Subordinate Voting Shares, and in other circumstances hereunder where the Corporation elects to deliver RGT Subordinate Voting Shares, in whole or in part, in satisfaction of any of its obligations hereunder to any Holder that is within a province of Canada, the Corporation shall, subject to subsection 2.12.4 and Section 5.4, take all necessary steps to ensure that Holders receive RGT Subordinate Voting Shares that may be resold in any of the provinces of Canada immediately without the need for a prospectus or a prospectus exemption under applicable Canadian securities law provided that:

(a) in case of a resale of RGT Subordinate Voting Shares transferred to a Holder in a province of Canada other than Quebec;

(i) RGT is and shall have been a reporting issuer in a jurisdiction listed in Appendix B of Multilateral Instrument 45-102 made under the *Securities Act* (Ontario) for the four (4) months immediately preceding such trade of RGT Subordinate Voting Shares;

(ii) at least four months have elapsed from the date hereof;

(iii) the certificates for any RGT Subordinate Voting Shares transferred to a Holder or any subsequent purchaser of such shares within four months and a day after the date hereof contain the legend set out in

Section 5.6, which is the legend required by Section 2.5(2)3 of Multilateral Instrument 45-102 made under the *Securities Act* (Ontario);

(iv) the trade is not a control distribution within the meaning of Multilateral Instrument 45-102 made under the *Securities Act* (Ontario);

(v) no unusual effort is made to prepare the market or create a demand for the securities that are the subject of the trade;

(vi) no extraordinary commission or consideration is paid to a person or company in respect of the trade;

(vii) if the Holder making the first trade is an insider or officer of RGT, such Holder has no reasonable grounds to believe that RGT is in default of applicable securities legislation;

(viii) in the case of trading to which Ontario law applies, the Holder making the first trade files Form 45-501F2 in accordance with OSC Rule 45-501 made under the *Securities Act* (Ontario) together with the required filing fees;

(ix) in the case of trading to which the laws of a province other than Ontario applies, the Holder making the first trade files any required forms in accordance with applicable securities legislation together with any required filing fees; and

(b) the resale of RGT Subordinate Voting Shares transferred to a Holder in a province of Canada is made through a broker or dealer properly registered in the appropriate category of registration under applicable securities legislation who has complied with applicable securities legislation or in circumstances in which there is an exemption from the registration requirements of applicable securities legislation;

subject to restrictions under applicable Canadian securities legislation that are the direct and particular result of the Holder's status or activities, whether individually or together with its affiliates and associates, as an owner of RGT Shares. The provisions of Subsection 6.1.3 shall also apply in this case. Notwithstanding the foregoing and for greater certainty, this covenant does not obligate the Corporation to cause RGT to file a prospectus in respect of the distribution of RGT Subordinate Voting Shares..

6.1.3 On the Exchange Date, but subject to the exercise by the Corporation of its option set out in Section 6.3, or at any time following an Event of Default (but, in the case of an Event of Default described in Section 11.2 alone, subject to the exercise by the Corporation of its option set out in Section 6.3), the Corporation

shall forthwith convert the RGT Multiple Voting Shares into RGT Subordinate Voting Shares. The Trustee is hereby authorized, directed and instructed, as agent for the Corporation and pursuant to the amendment to the Stock Control Agreement to be entered into contemporaneously herewith, to provide notice to RGT to effect such conversion of RGT Multiple Voting Shares into RGT Subordinate Voting Shares. The Trustee acknowledges that it has received from the Corporation and from RGT a direction directing it, in its capacity as stock trustee under the Stock Control Agreement, to convert into RGT Subordinate Voting Shares any RGT Multiple Voting Shares required by the Trustee to be so converted in accordance with this subsection 6.1.3 and further directing it, in its capacity as transfer agent of RGT, to issue the number of RGT Subordinate Voting Shares and share certificates in respect thereof to the Corporation and immediately transfer same to the relevant Debentureholders required in connection with any such conversion of RGT Multiple Voting Shares effected in accordance with this subsection 6.1.3. The Corporation acknowledges and agrees that the conversion, exchange and transfer contemplated hereby will happen automatically on the Exchange Date, unless it exercises its option under Section 6.3, without any need to resort to any measures under the PPSA.

6.2 Adjustments. If, following the delivery of the Exchange Notice or the Notice of Redemption and prior to the Exchange Date or Redemption Date, the Exchange Ratio is required to be adjusted as contemplated by Section 6.5, the aggregate number of RGT Subordinate Voting Shares to be delivered to such Debentureholder shall be adjusted in the same proportion as the Exchange Ratio would be adjusted, in accordance with this Article 6, as between the date of the Exchange Notice or the Notice of Redemption and the Exchange Date. However, if such adjustment would, as a result of this Section 6.2, require the Corporation to deliver more RGT Subordinate Voting Shares but the event causing the adjustment to the Exchange Ratio did not result in the issuance or distribution of any Additional RGT Shares to the Corporation, the Corporation, in lieu of delivering to the Holder such Additional RGT Shares, may deliver an amount in cash, calculated on the Current Exchange Basis, of such Additional RGT Shares not so delivered. Where such event has or will result in the issuance or distribution of Additional RGT Shares, after the applicable Exchange Date or Redemption Date, the Corporation shall, on the date on which the Additional RGT Shares are received by it, deliver such Additional RGT Shares to the Trustee in trust for the Debentureholder, and the Trustee shall deliver such Additional RGT Shares to the Debentureholder as soon as practicable thereafter.

6.3 Option of the Corporation in Lieu of Exchange. If a Debentureholder exercises the Right of Exchange pursuant to Section 6.1 above, but not in the case of an exchange pursuant to Article 11, and provided (i) no Event of Default has occurred hereunder (other than an Event of Default described in Section 11.2 alone, which will not prevent the Corporation from exercising its right set out herein) which has not been waived, and (ii) the Corporation is not in default in respect of any debt obligation that is in excess of an amount of $50,000, the Corporation (or any Person designated by the Corporation) shall have the right, at its option, to settle the exchange, in respect of all or any portion of the Debentures tendered for exchange, by delivery of cash or by delivery of any combination of cash and RGT Subordinate Voting Shares, plus accrued and unpaid interest, no later

than the Close of Business on the Business Day preceding the Exchange Date (the "**Election Payment Date**"). In order to do so, the Corporation shall provide a written notice of its intention to exercise its option (an "**Election Notice**") to the Holder having exercised its Right of Exchange within one (1) Business Day of receiving an Exchange Notice. Within the next three (3) Business Days, an addendum to the Election Notice shall be provided to the Holder which shall (a) provide evidence that the Corporation has the required amount of cash, RGT Subordinate Voting Shares (other than those which would result from the conversion of the Underlying RGT Shares), or cash and RGT Subordinate Voting Shares, to pay the Exchange Value (as defined below); (b) contemplate a mechanism (in form and substance satisfactory to the Debentureholder exercising its Right of Exchange, acting reasonably) to provide security for payment of the Exchange Value ("**Exchange Security**"); (c) specify the portion of the Debentures to be paid by delivery of RGT Subordinate Voting Shares, if any, and the portion of the Debentures to be paid in cash, if any; and (d) specify the Corporation's election with respect to the determination of "Current Market Price". The purchase price payable in these circumstances shall be in an amount equal to the result obtained by multiplying (x) the number of RGT Shares that the Debentureholder would have been entitled to receive pursuant to the Right of Exchange in respect of such Debentures if the Corporation had not exercised its option under this Section 6.3 by (y) the Current Market Price, plus any accrued and unpaid interest at the Interest Rate, and plus all amounts that when paid were Extraordinary Dividends (and thus were and continue to be held by the Trustee) but that with the passage of time until the Exchange Date or the Redemption Date would no longer cause the Interest Rate to exceed the maximum rate permitted under the *Criminal Code* (Canada) (the "**Exchange Value**"). Payment of the Exchange Value shall be made by the Corporation (or a Person designated by the Corporation, as the case may be) by remitting to the Trustee a certified cheque in the amount of the Exchange Value payable to the Trustee for the benefit of the tendering Debentureholder. In such case, the Trustee shall, upon receipt of the Exchange Value for the Debentures being so purchased, release and discharge the Charges applicable thereto and release the Corporation and discharge its security interest in the number of Underlying RGT Shares from the Collateral determined pursuant to the then-applicable Current Exchange Basis, but only to the extent that the aggregate number of Underlying RGT Shares held by the Trustee immediately following such release and discharge shall not be less than the Required RGT Shares (as defined in Section 3.13).

The right of any Debentureholder to exchange tendered Debentures for RGT Subordinate Voting Shares as herein provided shall cease and terminate if the Corporation (or any Person designated by the Corporation, as the case may be) exercises its option pursuant to this Section 6.3. However, should the Corporation (or such Person designated by the Corporation, as the case may be) fail to pay or make available for payment, as provided for hereinabove, the Exchange Value by the Close of Business on the Business Day preceding the Exchange Date, the Right of Exchange shall thereupon revive in respect of such Debentures and the exchange requested by the Debentureholders shall be implemented with effect on the Exchange Date as if the Corporation (or any other person designated by the Corporation, as the case may be) had not exercised its option under Section 6.3, saving the right of the Debentureholder to recover any losses, costs and expenses it may incur by closing out its Hedge Position, if applicable, following receipt

of, and in reliance upon, the Election Notice and any addendum thereto; in this regard, the Debentureholder may have recourse to the Exchange Security if such losses, costs and expenses are not otherwise promptly paid by the Corporation.

Notwithstanding the foregoing, where the Corporation exercises the aforesaid option to purchase by cash settlement and selects option (a) under the definition of "Current Market Price", any portion of the Debentures in respect of which a Hedge Position was effected, each Hedge Position Holder of such Debentures shall cooperate with the Corporation to repurchase and unwind said Hedge Position on the RGT Subordinate Voting Shares in an orderly fashion and with a view to minimizing the repurchase price and associated costs. To the extent that said orderly repurchase cannot be concluded by the Purchase Date as specified in this Article 6 or in Article 8, the ultimate settlement of the payment of the Purchase Price shall be postponed to a date by which said orderly repurchases may be effected, but no later than 21 Business Days following the initial Exchange Notice, and such settlement of portions of the Purchase Price shall occur daily in respect of the number of RGT Subordinate Voting Shares repurchased on that day. The Underlying RGT Shares shall be released once settlement of the Purchase Price has been paid in full.

6.4 Manner of Exercise of Right of Exchange.

6.4.1 Exchange Notice. A Debentureholder desiring to exercise any Right of Exchange shall deliver a notice of intention to exchange Debentures in the form set forth on the certificate of Debentures or any additional form (as determined from time to time by the Corporation with the approval of the Trustee) or any other similar written notice in a form satisfactory to the Trustee (the "**Exchange Notice**") to the Trustee and the Corporation in the manner provided in Sections 15.1 and 15.3, at least sixteen (16) Business Days prior to the Exchange Date. The Exchange Notice shall specify the date fixed for the exchange (the "**Exchange Date**"), and unless all the Debentures then outstanding are to be exchanged, shall specify the distinguishing letters and numbers and Face Value of the Debentures which are to be exchanged (in multiples of $1,000).

6.4.2 Surrender of Debentures and Delivery of RGT Shares. The Debentureholders desiring to exchange their Debentures in whole or in part for RGT Subordinate Voting Shares shall, concurrently with the remittance of the Exchange Notice, surrender such Debentures to the Trustee at its principal office in Toronto, together with the completed exchange form on the back of such Debentures or any other written notice in form satisfactory to the Trustee, in either case duly executed by the Holder or his executors or administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing, in form and executed in a manner satisfactory to the Trustee. Unless the Corporation has delivered an Election Notice under Section 6.3, the Corporation shall deliver to such Debentureholder or, subject to payment of all applicable stamp or security transfer taxes or other governmental charges and compliance with all

reasonable requirements of the Trustee, its nominee or successor, subject to the provisions of Section 6.15 hereof, the number of RGT Subordinate Voting Shares for which such Debentures are exchangeable in accordance with the provisions of this Indenture and shall deliver, if applicable, a cheque for any amount payable under Section 6.9. Subject to Section 6.3, the provisions of subsection 6.1.3 shall apply to cause the conversion of RGT Multiple Voting Shares into RGT Subordinate Voting Shares and to cause the registration of such RGT Subordinate Voting Shares to be immediately changed (on the Exchange Date) from the Corporation to the Debentureholders.

6.4.3 Payment of Interest. Concurrently with the payment of amounts, or delivery of property, to a Debentureholder in accordance with such Holder's exercise of the Right of Exchange, the Corporation will also pay in cash to such Holder interest at the Interest Rate accrued but unpaid to but excluding the Exchange Date or the Redemption Date, as applicable.

6.4.4 Registration Upon Surrender. For the purposes of this Article, Debentures shall be deemed to be surrendered for exchange and, unless the Corporation has delivered an Election Notice pursuant to Section 6.3, the Holder thereof shall be registered as the holder of the appropriate number of RGT Subordinate Voting Shares on the later of the Exchange Date and the date on which such Debenture is actually so surrendered in accordance with the provisions of this Article, and in the case of a Debenture so surrendered by mail or other means of transmission, on the date on which the Debenture is received by the Trustee at its principal office in Toronto; provided that if Debentures are surrendered for exchange on a day on which the register of RGT Shares is closed, such Debenture shall be deemed to be surrendered on the next date on which such register is reopened.

6.4.5 Exchange of Part of Debentures. Any part, being $1,000 or an integral multiple thereof, of the Debentures may be exchanged as provided in this Article and all references in this Indenture to the exchange of Debentures shall be deemed to include the exchange of such parts.

6.4.6 Remaining Debentures. The Holder of any Debentures of which part only are exchanged shall, upon the exercise of its Right of Exchange, surrender the said Debentures to the Trustee, and the Trustee shall cancel the same and shall without charge forthwith certify and deliver to the Holder a new Debenture or Debentures in a Face Value equal to the unexchanged part of the Face Value of the Debentures so surrendered.

6.5 Adjustment of Exchange Ratio. The Exchange Ratio shall be subject to adjustment from time to time in the events and in the manner following:

6.5.1 In case RGT shall (i) issue RGT Shares to all or substantially all the holders of its RGT Subordinate Voting Shares by way of a stock dividend or

otherwise (including by way of any dividend or distribution, other than Ordinary Dividends), or (ii) subdivide its outstanding RGT Subordinate Voting Shares into a greater number of RGT Subordinate Voting Shares, or (iii) consolidate its outstanding RGT Subordinate Voting Shares into a smaller number of RGT Subordinate Voting Shares (each of the events described in (i), (ii) or (iii) above is referred to as a "**Share Restructuring Event**" for the purposes of this Subsection 6.5.1), the then applicable Exchange Ratio in effect at the time of the record date for such dividend or distribution or the effective date of such subdivision or consolidation shall be adjusted by multiplying the Exchange Ratio immediately prior to such adjustment by the aggregate number of RGT Subordinate Voting Shares outstanding immediately after such Share Restructuring Event and dividing such amount by the aggregate number of RGT Subordinate Voting Shares outstanding immediately prior to such Share Restructuring Event. Any dividend or distribution on the RGT Subordinate Voting Shares in RGT Subordinate Voting Shares shall be deemed to have been issued or made immediately prior to the time of the record date for such dividend or distribution for purposes of calculating the number of outstanding RGT Subordinate Voting Shares under Subsections 6.5.2 and 6.5.3 below. Such adjustments shall be made successively whenever any event listed above shall occur. Notwithstanding the foregoing, if at any time the conversion ratio for the conversion from RGT Multiple Voting Shares to RGT Subordinate Voting Shares is proposed to change, or if a Share Restructuring Event occurs with respect to either, but not both, of the RGT Multiple Voting Shares and the RGT Subordinate Voting Shares, the Corporation will promptly advise the Holder of same and of the changes to the Exchange Ratio that will be required to ensure that (a) such Share Restructuring Event has no adverse impact on the rights of the Holder, and (b) conversion of the Underlying RGT Shares would result in sufficient RGT Subordinate Voting Shares to satisfy the Corporation's obligations on an exercise of a Right of Exchange. For greater certainty, in no circumstances will the Share Restructuring Event described in paragraph (i) above result in an Extraordinary Dividend; rather, an adjustment will be made to the Exchange Ratio so as to ensure that the Holders benefit from such Share Restructuring Event in the same manner as would any holder of RGT Subordinate Voting Shares, and the property issued as described in the said paragraph shall be held as part of the Collateral.

6.5.2 In case RGT shall fix a record date for the issuance of options, rights or warrants (including by way of any dividend or distribution other than Ordinary Dividends) to all or substantially all the holders of its RGT Subordinate Voting Shares entitling them (for a period expiring within 45 days after such record date) to subscribe for or purchase RGT Subordinate Voting Shares (or Securities convertible into or exchangeable for RGT Subordinate Voting Shares) at a price per share (or having a conversion or exchange price per share) less than 95% of the Closing Market Price of an RGT Subordinate Voting Share on such record date, the Exchange Ratio shall

be adjusted immediately thereafter so that it shall equal the ratio determined by multiplying the Exchange Ratio in effect on such record date by a factor, of which (a) the numerator shall be: (i) the total number of RGT Subordinate Voting Shares outstanding on such record date on a fully diluted basis (but excluding the additional RGT Shares so offered) plus (ii) the total number of additional RGT Shares offered for subscription or purchase (or into which the convertible or exchangeable Securities so offered are convertible or exchangeable, as the case may be) and (b) the denominator shall be: (i) the total number of RGT Subordinate Voting Shares outstanding on such record date on a fully diluted basis (but excluding the additional RGT Shares so offered) plus (ii) a number of RGT Subordinate Voting Shares equal to the number arrived at by dividing the aggregate price of the total number of additional RGT Shares so offered (or the aggregate conversion or exchange price of the convertible or exchangeable Securities so offered) by such Closing Market Price. RGT Subordinate Voting Shares owned by or held for the account of RGT shall be deemed not to be outstanding for the purpose of any such computation. Such adjustment shall be made successively whenever such a record date is fixed. To the extent that such options, rights or warrants are not so issued or such options, rights or warrants are not exercised prior to the expiration thereof, the Exchange Ratio shall be readjusted to the Exchange Ratio which would then be in effect based upon the number of RGT Subordinate Voting Shares (or Securities convertible into or exchangeable for RGT Subordinate Voting Shares), if any, actually delivered upon the exercise of such options, rights or warrants.

6.5.3 In the event of (i) any amalgamation, arrangement, merger or similar transaction of RGT, which does not result in holders of RGT Subordinate Voting Shares receiving RGT Shares, (ii) a take-over bid or similar transaction which results in not less than 90% of the outstanding RGT Subordinate Voting Shares being owned by a single person or group of persons acting jointly or in concert, (iii) any sale, lease or other disposition involving all or substantially all of the assets of RGT, all or substantially all of the Proceeds of which are distributed to holders of RGT Subordinate Voting Shares, or (iv) any liquidation, dissolution or winding-up of RGT (any such event being herein referred to as a **"Reorganization Event"**), the Exchange Ratio will be adjusted to provide that each Debentureholder, upon exchange of Debentures pursuant to the Right of Exchange or the Right of Redemption where the Corporation exercises the option referred to in Section 6.3, will receive, with respect to each $1,000 in outstanding principal amount, cash in an amount equal to the product of the Exchange Ratio and the Transaction Value (as defined below). For this purpose, **"Transaction Value"** means (a) for any cash received in any such Reorganization Event, the amount of cash received per RGT Subordinate Voting Share, (b) for any property other than cash or Securities received in any such Reorganization Event, an amount equal to the Fair Market Value of such property received per RGT Subordinate Voting Share, and (c) for any Securities received in any such Reorganization Event, an amount equal to the Fair Market Value of such

Securities received per RGT Subordinate Voting Share, determined, in the case of each of clauses (b) and (c) as of the Exchange Date or the Redemption Date, as the case may be.

6.5.4 Notwithstanding the foregoing, if the Corporation does not exercise its option under Section 6.3, the Corporation shall deliver the Securities or other property received per RGT Subordinate Voting Share in such Reorganization Event. If the Corporation delivers Securities or other property as aforesaid, the Debentureholders will be responsible for the payment of any and all brokerage and other transaction costs upon the subsequent transfer of such Securities or other property. The kind and amount of Securities into which the Debentures shall be so exchangeable after a Reorganization Event shall be (i) the same Securities and other property as the Securities and other property into which the RGT Subordinate Voting Share are converted into as a result of such Reorganization Event, and (ii) subject to adjustment as described in this Section 6.5 *mutatis mutandis* following the date of completion of such Reorganization Event.

6.6 Rules Regarding Calculation of Adjustment of Exchange Ratio

6.6.1 Nothing contained in Section 6.5 or elsewhere herein shall be construed as requiring any adjustment to the Exchange Ratio in any of the following cases:

(a) where an increase in the number of issued RGT Subordinate Voting Shares results from the exercise of any non-transferable right, option or warrant extended or given to employees of RGT, or any affiliate of RGT, from time to time to subscribe for or purchase RGT Subordinate Voting Shares or other shares of RGT pursuant to the terms of a stock option or purchase plan or any similar plan complying with the rules of the TSE or pursuant to any such right, option or warrant outstanding as at the date hereof, whether or not it is issued pursuant to a plan and complies with the foregoing rules; or

(b) where the increase in the number of issued RGT Subordinate Voting Shares results from the exercise of a right already or in future extended or given to all or substantially all of the holders of RGT Subordinate Voting Shares to purchase additional RGT Subordinate Voting Shares pursuant to any shareholder dividend reinvestment and stock purchase plan of RGT, or any similar plan.

6.7 Reclassification, Changes and Distributed Assets

6.7.1 In case of any reclassification or change of the Underlying RGT Shares (other than a change as a result of a subdivision or consolidation described in Subsection 6.5.1), or in case of any amalgamation of RGT with, or merger of RGT into, any other corporation (other than an amalgamation or merger in which RGT is the continuing corporation and which does not result in any

reclassification or change, other than as aforesaid, of the Underlying RGT Shares), the Debentureholders shall be entitled to receive, upon the exercise of the Right of Exchange or the Right of Redemption (paid by way of exchange), at the Exchange Date or the Redemption Date or upon the acceleration of the Maturity Date following the occurrence of an Event of Default, the kind and amount of shares and other Securities which it would have a right to receive upon such reclassification, change, amalgamation or merger in respect of the RGT Subordinate Voting Shares of which it would have been the holder (or would have been entitled to be the holder) if the Debenture held by such Debentureholder had been exchanged into RGT Subordinate Voting Shares pursuant to this Indenture immediately prior to the record date for any such reclassification, change, amalgamation or merger. The above provisions of this paragraph shall similarly apply to successive reclassifications, changes, amalgamations or mergers.

6.7.2 In case RGT shall fix a record date for the declaration of a dividend or the making of a distribution (other than Ordinary Dividends and dividends and distributions provided for in Subsections 6.5.1 and 6.5.2) to all or substantially all the holders of its RGT Subordinate Voting Shares (A) of (i) shares of any class of the share capital of RGT other than RGT Subordinate Voting Shares; (ii) evidences of indebtedness; (iii) options, rights or warrants for a period expiring more than 45 days after such record date or (iv) other Securities or other assets, and (B) that do not otherwise give rise to an adjustment pursuant to this Section 6.7 (in each case, the "**Distributed Assets**") then, in each such case, the Debentureholders shall be entitled to receive, upon the exercise of the Right of Exchange or the Right of Redemption (paid by way of exchange), at the Exchange Date or the Redemption Date or upon the acceleration of the Corporation's obligations following the occurrence of an Event of Default, in addition to the RGT Subordinate Voting Shares to which it is otherwise entitled, the type and number of Distributed Assets which it would have a right to receive in respect of the RGT Subordinate Voting Shares of which it would have been the holder (or would have been entitled to be the holder) if the Debenture held by such Debentureholder had been exchanged into RGT Subordinate Voting Shares pursuant to this Indenture immediately prior to the record date, plus any income payable on such Distributed Assets and any Proceeds therefrom (except Ordinary Dividends) from such date until the settlement of the exchange, redemption or other payment of said Debentures. Until such time as the Right of Exchange or the Right of Redemption is exercised, all Distributed Assets attributable to the RGT Multiple Voting Shares that are also attributable to the RGT Subordinate Voting Shares shall form part of the Collateral and shall be held by the Trustee in accordance with the provisions of Section 3.

For the purposes of determining the rights of a Debentureholder pursuant to this Indenture in respect of the application of this Indenture to Distributed Assets, all provisions hereof shall be applied to the Distributed Assets in

addition to RGT Subordinate Voting Shares with all necessary adjustments to give effect to the principles set forth in the preceding paragraph. To the extent that before or after a distribution of Distributed Assets is effected, such application appears impractical to the Corporation or any Debentureholder, acting reasonably, the Corporation and the Debentureholders shall promptly execute all such further documentation that may be necessary to facilitate the application of this Indenture to all such Distributed Assets, or shall divide this Indenture into two or more instruments which would respectively apply only to a particular type of underlying asset.

6.8 No Adjustment of Exchange Ratio Required in Certain Circumstances. The adjustments provided for in Sections 6.5 and 6.7 are cumulative and shall apply to successive subdivisions, reductions, consolidations, distributions, issues or other events resulting in any adjustment under such provisions. However, no adjustment of the Exchange Ratio shall be made if the amount of such adjustment would be less than one percent of the Exchange Ratio, but in such case any adjustment that would otherwise be required then to be made shall be carried forward and shall be made at the time of and together with the next subsequent adjustment which, together with all adjustments so carried forward, shall amount to not less than one percent of the Exchange Ratio.

6.9 Payment for Fractional RGT Subordinate Voting Shares. The Corporation shall not be required to deliver fractional RGT Subordinate Voting Shares upon the exchange of Debentures pursuant to this Article. Upon the surrender of any Debentures for exchange, the number of full RGT Subordinate Voting Shares issuable upon the exchange thereof shall be computed on the basis of the aggregate number of such Debentures to be exchanged; in any case where a fraction of an RGT Subordinate Voting Share is involved the Corporation shall adjust such fractional interest by paying an amount in cash equal to that relevant fractional interest times the Closing Market Price.

6.10 Charges on Exchange. The issuance and delivery of certificates for RGT Subordinate Voting Shares upon the exchange of Debentures shall be made without charge to the exchanging Debentureholders, provided that a Holder shall only be entitled to one such certificate without charge. For each other certificate for RGT Subordinate Voting Shares requested by a Holder upon the exchange of Debentures, the Trustee shall, subject to any limitation prescribed by law, make a charge payable by the Debentureholder not exceeding the reasonable cost of providing such service.

6.11 Cancellation of Exchanged Debentures. All Debentures exchanged in whole or in part under the provisions of this Article shall be forthwith delivered to and cancelled by the Trustee and, subject to the provisions of Subsection 6.4.6, no Debenture shall be issued in substitution therefor.

6.12 Certificate as to Adjustment. The Corporation shall, from time to time, immediately after the occurrence of any event which requires an adjustment or readjustment as provided in Section 6.5 or 6.7, deliver an Officer's Certificate to the Trustee specifying the nature of the event requiring the same and the amount of the adjustment necessitated thereby and setting forth in reasonable detail the method of calculation and the facts upon which such

calculation is based. Neither the transfer agent nor the Trustee shall be under any duty to make any investigation or inquiry as to the statements contained in any such certificate or the manner in which any computation was made, but any such transfer agent and the Trustee may (but shall not be obliged to) accept such certificate as conclusive evidence of the statement therein contained and shall be fully protected with respect to any and all acts done or actions taken or suffered by it in reliance thereon. The Corporation may, with the approval of the Debentureholders and the Trustee (which shall not be unreasonably withheld), and shall, upon the request of the Trustee if required by the Debentureholders, retain a firm of independent chartered accountants (who may be the auditors of the Corporation) to make any computation required under Section 6.5 and 6.7 hereof, and any such Officers' Certificate and the computation of the adjustment specified therein so verified by said firm shall be, once approved by the Trustee, absent manifest error, final and binding on all parties in interest and all transfer agents. Such firm of independent chartered accountants may, as to questions of law, request and rely upon an opinion of Counsel (who may be solicitors for the Corporation). The Corporation shall forthwith give notice to the Debentureholders in the manner provided in Section 15.2 specifying the event requiring such adjustment or readjustment and the results thereof, provided that, if the Corporation has given notice under Section 6.13 covering all the relevant facts in respect of such event, no such notice need be given under this Section 6.12.

6.13 Notice of Special Matters. The Corporation covenants with the Trustee that, so long as any Debenture remains outstanding, it will promptly give notice to the Trustee and the Debentureholders in the manner provided in Sections 15.2 and 15.3, of (i) RGT's announcement of a record date or an effective date for any event referred to in Subsections 6.5.1 to 6.5.3 (other than the subdivision or consolidation of its RGT Subordinate Voting Shares) and in Section 6.7 and, (ii) the making of a Non-Exempt Take-over Bid (other than through the facilities of a stock exchange), as defined in Section 8.1, or non-exempt issuer bid (other than through the facilities of a stock exchange) for some or all of the outstanding RGT Shares. In each case, such notice shall specify the particulars of such event and the record date (if any) and the effective date for such event, provided that the Corporation shall only be required to specify in such notice such particulars of such event as shall have been fixed and determined on the date on which such notice is given. Such notice shall be given promptly prior to such applicable record date or effective date so that a Debentureholder shall be afforded an opportunity to exercise its Right of Exchange if otherwise available and to participate in such event.

6.14 Release of Collateral by Trustee. The Trustee shall, upon exchange of the Debentures, cancel and discharge the Charges created under this Indenture over a number of Underlying RGT Shares equal to the number of Underlying RGT Shares convertible into the number of RGT Subordinate Voting Shares to be delivered to Debentureholders on the Exchange Date pursuant to the exercise of a Right of Exchange. Upon receiving a direction from the Corporation with respect to releasing Underlying RGT Shares to enable the Corporation to satisfy, in whole or in part, its obligations:

(i) pursuant to the Right of Exchange that has been exercised by Debentureholders or the Right of Redemption where the Corporation has delivered a Notice of Redemption, or

(ii) upon the Maturity Date,

and upon receiving an Officer's Certificate to the effect that the Underlying RGT Shares thereafter remaining in the possession of the Trustee are sufficient to enable the obligations that will remain outstanding after completion of the obligations in clause (i) or (ii) above, as the case may be, to be satisfied in full, and provided that the Trustee is satisfied with the accuracy of such Officer's Certificate (in respect of which determination the Trustee may have recourse to professionals or to one or more of the Debentureholders), the Trustee shall take such steps and execute such documents and assignments as shall be necessary to release the required number of Underlying RGT Shares from the charges hereby created, to release and discharge the security interest therein, and to deliver such shares to Debentureholders in accordance with the direction.

The Charges under this Indenture to be cancelled as contemplated in the preceding paragraph shall be cancelled by the Trustee upon receipt by the Trustee of the certificates of Debentures as contemplated in Section 6.10 and Subsection 6.4.2 and upon delivery by the Trustee of the certificates representing the requisite number of RGT Subordinate Voting Shares, and such cancellation shall be effective as of the Exchange Date, save as provided in the last paragraph of Section 6.3.

6.15 Protection of Trustee. Subject to Section 16.3, the Trustee:

6.15.1 shall not at any time be under any duty or responsibility to any Debentureholder to determine whether any facts exist which may require any adjustment in the Exchange Ratio, or with respect to the nature or extent of any such adjustment when made, or with respect to the method employed in making the same;

6.15.2 shall not be accountable with respect to the validity or value (or the kind or amount) of any Underlying RGT Shares or of any shares or other Securities or property which may at any time be issued or delivered upon the exchange of any Debenture; and

6.15.3 shall not be responsible for any failure of the Corporation to make any cash payment or to issue, transfer or deliver RGT Subordinate Voting Shares (as applicable) or share certificates upon the surrender of any Debenture for the purpose of exchange, or to comply with any of the covenants contained in this Article.

6.16 Revival of Right of Exchange. If payment of any Debenture which has been tendered in acceptance of an offer by the Corporation to purchase Debentures for cancellation pursuant to Section 7.1 is not made on the date on which such purchase is required to be

made, the Right of Exchange of such Debentures shall revive and continue as if such Debentures had not been tendered in acceptance of the Corporation's offer to purchase.

6.17 Maturity Notice and Right of Exchange. Notwithstanding any provision hereof to the contrary, the Corporation acknowledges and agrees that: (a) if a Debentureholder provides the Corporation with an Exchange Notice at any time prior to the Maturity Date, whether before or after a Maturity Notice was received by a Debentureholder, and the Corporation is unable to deliver RGT Subordinate Voting Shares to such Debentureholder for reasons beyond its reasonable control, including any judicial, regulatory, administrative or legal impediment, the Corporation shall be deemed to have exercised its option to pay in cash in accordance with the provisions of Section 6.3 hereof; and (b) if, at any time after a Maturity Notice was received by a Debentureholder or Book Entry Holder, (i) such Debentureholder was unable to send an Exchange Notice with respect to such Debentures and thus exercise its Right of Exchange, or (ii) such Book Entry Holder was unable to send a notice to the Clearing Agency advising it to send an Exchange Notice, in either case for reasons beyond its reasonable control, including any judicial, regulatory, administrative or legal impediment to such Debentureholder sending an Exchange Notice to the Corporation or Book Entry Holder sending a notice to the Clearing Agency and provides notice of such to the Trustee and the Corporation prior to the Maturity Date; then, the Maturity Date shall be extended to a date which is six months after the date upon which the judicial, regulatory, administrative or legal impediment is removed, provided that such date may not extend beyond April 16, 2032, and the Corporation shall have no right to repay such Debentures at their Face Value prior to such Maturity Date. For greater certainty, all of the terms and conditions hereof (including, without limitation, payment of interest) shall apply unchanged during such extended term.

ARTICLE 7

PURCHASE AND CANCELLATION OF DEBENTURES

7.1 Purchase of Debentures for Cancellation. Subject to compliance with all applicable regulatory requirements, the Corporation may at any time offer to purchase for cancellation by invitation for tenders or by private contract all or any of the Debentures, in any denomination of $1,000 or multiple thereof, at the price indicated in such invitation for tenders or private contract together, in all cases, with accrued and unpaid interest to the date of purchase and costs of purchase at the date fixed for purchase in such invitation.

If, upon any invitation for tenders, more Debentures are tendered than the Corporation is prepared to accept, the Debentures to be purchased by the Corporation will be selected on a *pro rata* basis (to the limit of the amount tendered) in accordance with the Face Value of Debentures registered in the name of each tendering Debentureholder. Nothing herein contained shall oblige any Debentureholder to accept any such offer.

ARTICLE 8

RIGHT OF REDEMPTION OF THE CORPORATION

8.1 Right of Redemption of the Corporation. The Corporation shall, upon giving, at least fifteen (15) Business Days prior to the date on which it proposes to redeem the Debentures (the "**Redemption Date**"), written notice of its intention to the Debentureholders and the Trustee in the manner provided in Article 15 and containing the information mentioned in paragraphs (a), (b), (c) and (d) of Section 6.3 and in Subsection 6.4 (a "**Notice of Redemption**"), have the right, at its option (except where a Hedge Termination Event occurs prior to the Redemption Date) to call for redemption, either in whole at any time or in part from time to time and before the Maturity Date, any or all outstanding Debentures issued hereunder by proceeding to an exchange of Debentures for RGT Subordinate Voting Shares on the then-applicable Current Exchange Basis or by paying a cash amount equal to the result obtained by multiplying the number of RGT Subordinate Voting Shares that the Debentureholder would have been entitled to receive on the then-applicable Current Exchange Basis in respect of such Debentures by the Current Market Price, or any combination thereof in accordance with the foregoing, plus, if the Redemption Date is within 6 months from the date hereof, a prepayment fee (the "**Prepayment Fee**") equal to all interest, calculated at the Interest Rate, that would have been paid in respect of the remaining balance of such 6 month period had the Redemption Date occurred on a date which was more than 6 months from the date hereof. The Notice of Redemption must be received by the Debentureholder no later than 10:00 a.m. Toronto time on the fifteenth (15th) Business Day prior to the Redemption Date.

Notwithstanding the above, if the exercise by the Corporation of the Right of Redemption and the delivery to the Debentureholder of the relevant number of RGT Subordinate Voting Shares upon such exchange would constitute a take-over bid by the Debentureholder or the relevant Book Entry Holder as the beneficial holder of the Debentures being redeemed under applicable securities or corporate legislation or the requirements of a stock exchange on which the RGT Subordinate Voting Shares are listed and such take-over bid is not an exempt take-over bid (a "**Non-Exempt Take-Over Bid**"), the Debentureholder shall notify the Corporation within four Business Days of receipt of the Corporation's Redemption Notice of such situation and of the maximum number of RGT Subordinate Voting Shares that may be remitted to the Holder without triggering a Non-Exempt Take-Over Bid, whereupon the Corporation shall have the right to withdraw its Redemption Notice or reduce the number of RGT Subordinate Voting Shares contemplated by its Redemption Notice to the number of RGT Subordinate Voting Shares which does not trigger a Non-Exempt Take-Over Bid, as specified by the Holder or Book Entry Holder (the "**Permitted Number of Shares**"). If the Corporation does not withdraw its Redemption Notice or reduce it according to the foregoing within two Business Days of receiving such notice from the Debentureholder, then the Debentureholder shall have the right to demand a cash payment in an amount equal to the Purchase Price calculated in accordance with the provisions of Section 6.3 *mutatis mutandis* in exchange for the Debentures that would be exchanged for a number of RGT Subordinate Voting Shares in excess of the Permitted Number of Shares.

8.2 Provisions of Article 6 applicable. Any redemption pursuant to this Article shall be deemed to be an exchange or a purchase pursuant to Article 6 as if the Debentureholder had given an Exchange Notice to the Corporation pursuant to said Article 6 or the Corporation had exercised any of its options pursuant to Section 6.3, and the provisions of Article 6 pertaining to exchanges shall apply *mutatis mutandis* to such redemption hereunder.

8.3 Revival of Right of Exchange. The Right of Exchange of any Holder shall cease and terminate on the Redemption Date; provided, however, that should the Corporation fail to deliver to the Debentureholder the number of RGT Subordinate Voting Shares, cash, or combination of both cash and RGT Subordinate Voting Shares, the whole as specified in the Notice of Redemption, to which the Debentureholder is entitled under this Article 8 by the Close of Business on the Exchange Date, the Right of Exchange shall thereupon revive in respect of such Debentures.

ARTICLE 9

REPRESENTATIONS AND WARRANTIES OF THE CORPORATION

The Corporation represents and warrants to the Trustee and to the Holders (all of which representations and warranties the Corporation hereby acknowledges are being relied upon by the Holders) that on the date hereof:

9.1 Incorporation. The Corporation is a corporation duly incorporated, organized and validly existing under the laws of Canada.

9.2 Power and Authority. The Corporation has full corporate power and authority to borrow money and to issue the Debentures and to perform its obligations under the Debentures and this Indenture and the Debentures, and the borrowing of money in connection therewith, have been duly authorized by all necessary corporate action on the part of the Corporation.

9.3 Name. The Corporation does not have or use a French form of name or a combined English and French form of name.

9.4 No Conflicts. Neither the execution and delivery by the Corporation of this Indenture nor compliance by the Corporation with the provisions hereof: (i) conflicts with, violates or results in a breach of any of the terms, conditions or provisions of any law of the Province of Ontario or Canada applicable to the Corporation or, to the extent that the Corporation is aware thereof, in any other jurisdiction provided that a transfer of RGT Subordinate Voting Shares by the Corporation to a holder of Debentures must be made pursuant to an exemption from the prospectus and registration requirements under applicable securities legislation in Ontario and certain other provinces of Canada; or (ii) conflicts with, violates, results in a breach of, or constitutes a default under, any provision of the constating documents, by-laws or resolutions of the Corporation or of any mortgage, note, indenture, contract, agreement, lease, instrument or other document to which the Corporation is a party or by which it is bound; or (iii) will result in the creation

of any Charge upon any of the assets of the Corporation pursuant to any agreement or documents, other than the pledge and security interest in favour of the Trustee.

9.5 Due Execution and Delivery. This Indenture has been and the Debentures will be duly executed and delivered by or on behalf of the Corporation, and the obligations under this Indenture and the Debentures constitute legal, valid and binding obligations of the Corporation enforceable against the Corporation in accordance with their respective terms, subject to the usual qualifications as to the laws of general application relating to creditors' rights and equitable remedies.

9.6 No Further Acts. No registration, publication, reporting to, order, permit, filing, consent, license, decree or approval of, from or with any Person in the Province of Ontario or Canada (or, to the extent that the Corporation is aware, in any other jurisdiction), including any governmental authority, securities commission, stock exchange, or in any public office or any other place is necessary in order to make this Indenture or the Debentures to be issued hereunder legal, valid, binding and enforceable and not in contravention of all applicable securities legislation, other than the filing of a financing statement under the PPSA and, in certain provinces, filings in respect of the sale of the Debentures under relevant provincial securities legislation, provided that a transfer of RGT Subordinate Voting Shares by the Corporation to a holder of Debentures must be made pursuant to an exemption from the prospectus and registration requirements under applicable securities legislation in Ontario and certain of the other provinces of Canada.

9.7 Title to Initial Pledged Shares, Securities Matters. The Corporation is the sole and beneficial owner of record of the Initial Pledged Shares and the balance of the Collateral with a good and marketable title thereto, free and clear of any Charges or demands (except for the Stock Control Agreement) whatsoever other than as set forth in Article 3 hereof in favour of the Trustee, and all the Initial Pledged Shares have been issued and are outstanding as fully paid and non-assessable. The Initial Pledged Shares are, at the date hereof, part of the holdings of a combination of persons and companies holding a sufficient number of RGT Shares to affect materially the control of RGT and, as such, any trade in the Initial Pledged Shares would be a "distribution" for the purposes of the *Securities Act* (Ontario) and securities legislation in certain other provinces of Canada. As of January 1, 2002, the Initial Pledged Shares represent approximately 22.59% of the issued and outstanding RGT Multiple Voting Shares and 3.88% of the equity of RGT based on the RGT Multiple Voting Shares and RGT Subordinate Voting Shares taken together as a class.

9.8 No Default. No Event of Default has occurred and not been waived and no other event has occurred and is continuing which, with the giving of notice or the lapse of time, or both, would constitute an Event of Default. No default has occurred and is continuing under any agreement to which the Corporation is a party or by which its properties are bound that may reasonably be expected have a material adverse effect on the Corporation's ability to perform its obligations hereunder.

9.9 No Litigation. No litigation, proceeding or investigation of or before any arbitrator or governmental authority is pending or, to the best of the knowledge of the Corporation,

threatened, by or against the Corporation or against any of its respective properties or revenues, in which there is a reasonable likelihood of a determination which would have a material adverse effect on : (i) the ability of the Corporation to perform and discharge its obligations under this Indenture; or (ii) the rights and remedies of the Trustee or the Holder under the Debentures or this Indenture.

9.10 Hold Periods and Transfers of RGT Shares.

(a) The Underlying RGT Shares were transferred from Affiliates of the Corporation to the Corporation on April 17, 2002 and, prior to such transfer, were held by such Affiliates of the Corporation, for a period of not less than 4 months;

(b) the transfer of the Underlying RGT Shares from such Affiliates of the Corporation was exempt from the prospectus and registration requirements under Quebec securities legislation pursuant to an exemption order of the Commission des valeurs mobilières du Québec (in respect of trading to which Québec securities legislation applies) and was exempt from the prospectus and registration requirements under Ontario securities legislation pursuant to the exemption in Section 2.3 of OSC Rule 45-501 made under the *Securities Act* (Ontario) (in respect of trading to which Ontario securities legislation applies).

(c) RGT is and has been during a period of not less than the preceding 4 months, a "qualifying issuer" within the meaning of the Multilateral Instrument 45-102 of the Canadian Securities Administrators and the RGT Subordinate Voting Shares are listed and posted for trading on the TSE;

(d) subject to subsection 2.12.4 and Section 5.4, the RGT Subordinate Voting Shares received by a Debentureholder (i) upon the exercise of its Right of Exchange will be freely tradable in jurisdictions which have adopted Multilateral Instrument 45-102 following a hold period of four (4) months from the date hereof provided that the conditions in Section 2.5(2) of Multilateral Instrument 45-102 have been met, and (ii) upon an Event of Default will be freely tradable in jurisdictions which have adopted Multilateral Instrument 45-102 following a hold period of four (4) months from the date hereof provided that the conditions in Section 2.5(2) of Multilateral Instrument 45-102 have been met;

(e) (i) the purchase price of the Debentures issued to the original Holder, the principal amount of the Debentures, the Current Exchange Basis, and the number of Underlying RGT Shares was determined prior to the commencement of any blackout or other restricted period under insider trading policies of RGT applicable to Vic De Zen and the Corporation in respect of the issuance of the Debentures and the pledge of the Collateral and, at the time of such determination, the Corporation and Vic De Zen had no knowledge of a material fact or material change with respect to

RGT that had not been generally disclosed, and (ii) the issuance of the Debentures to the original Holder and the pledge of the Collateral to the Trustee does not contravene, breach or violate any insider trading policies of RGT applicable to Vic De Zen or the Corporation in respect of the issuance of the Debentures and the pledge of the Collateral;

(f) RGT is not in default of its obligations under the *Securities Act* (Ontario) or other applicable securities laws;

(g) no transfer restrictions (other than those restrictions set out in the Stock Control Agreement) exist with respect to or otherwise apply to the assignment of, or transfer by the Corporation of possession of, any RGT Subordinate Voting Shares forming part of the Collateral to the Trustee hereunder, or the subsequent sale or transfer of any such RGT Subordinate Voting Shares by the Trustee to a Person in a province of Canada pursuant to the terms hereof, other than

(i) transfer restrictions which apply as a result of the Initial Pledged Shares and any Additional RGT Shares being part of the holdings of a combination of persons and companies holding a sufficient number of RGT Shares to affect materially the control of RGT and, as such, any trade in the Initial Pledged Shares and any Additional RGT Shares would be a "distribution" for the purposes of the *Securities Act* (Ontario) and securities legislation in certain other provinces of Canada;

(ii) the registration requirements in the *Securities Act* (Ontario) and securities legislation in certain other provinces of Canada which require that any trade in securities of a company be made through a broker or dealer properly registered in the appropriate category of registration under applicable securities legislation who has complied with applicable securities legislation or in circumstances in which there is an exemption from the registration requirements of applicable securities legislation;

(iii) any restriction which apply to control block shares under applicable stock exchange requirements;

(iv) any restrictions under applicable securities legislation that are the direct and particular result of a Holder's status or activities, whether individually or together with its affiliates and associates, as an owner of RGT Shares;

however, the Trustee may sell such RGT Subordinate Voting Shares pursuant to, and in compliance with, the prospectus exemption in Section

2.8 of Multilateral Instrument 45-102 made under the *Securities Act* (Ontario) or another exemption from the prospectus requirements under applicable securities legislation; and

(h) the Corporation and its Affiliates have all authorizations and approvals required under the Stock Control Agreement to pledge all RGT Multiple Voting Shares pledged as security hereunder.

For purposes of this Section, "transfer restriction" means with respect to any Collateral, any condition to or restriction on the ability of the Trustee to sell, assign or otherwise transfer any Collateral or to enforce the provisions thereof or of any document related thereto whether set forth in such Collateral itself or in any document related thereto, including, without limitation, (i) any requirement that any sale, assignment or other transfer or enforcement of such Collateral be consented to or approved by any Person, including, without limitation the issuer thereof or any other obligor thereon, (ii) any limitations on the type or status, financial or otherwise, of any purchaser, pledgee, assignee or transferee of such Collateral, (iii) any requirement for the delivery of any certificate, consent, agreement, opinion of counsel, notice or any other document of any Person to the issuer of, any other obligor on or any registrar or transfer agent for, such Collateral, prior to the sale, pledge, assignment or other transfer or enforcement of such Collateral, (iv) any registration or qualification requirement for such Collateral pursuant to any Canadian or provincial securities law, and (v) any escrow requirements, whether contractual or in respect of any securities commission or stock exchange; provided that the required delivery of any assignment from the seller, pledgor, assignor or transferor of such Collateral, together with any evidence of the corporate or other authority of such Person, shall not constitute a "transfer restriction".

9.11 Options, Commitments, Etc. Save and except for the rights provided under this Indenture, no person has any contract or option or any right or privilege (whether by law, pre-emptive right, agreement or otherwise) capable of becoming a contract, including warrants or convertible obligations of any nature, for the purchase, transfer or sale of any of the Debentures or the Underlying RGT Shares or any right, title, benefit or interest therein or thereto, or for the purchase, subscription, allotment or issuance of any additional Debentures or Underlying RGT Shares or any other Securities convertible into or exchangeable for any of the Debentures or the Underlying RGT Shares. The Corporation is not a party to or bound by any contracts or any other obligation whatsoever which would prevent completion of the transactions contemplated herein as of the date hereof.

ARTICLE 10

COVENANTS OF THE CORPORATION

The Corporation hereby covenants and agrees with the Trustee, for the benefit of the Trustee and the Debentureholders, as follows:

10.1 To Pay Relevant Amounts and Interest. The Corporation will duly and punctually pay or cause to be paid to every Debentureholder the amounts of interest payable in respect of the Debentures of which it is the Holder, on the dates, at the places, in the moneys, and in the manner mentioned herein and in the Debentures and will duly and punctually pay all other amounts owing by the Corporation and perform all its obligations (including its obligations upon any exercise of a Right of Exchange or a Right of Redemption, or upon the occurrence of a Hedge Termination Event) under or in respect of each Debenture and this Indenture.

10.2 To Perform all Obligations. The Corporation will at all times perform all of its obligations hereunder and comply with all of the provisions of this Indenture to be complied with by the Corporation.

10.3 To Cause its Shareholders to Pledge the Corporation's Shares. The Corporation shall cause its shareholders to covenant not to transfer any shares of the Corporation other than to Vic De Zen, any member of the De Zen Family and any De Zen Affiliate, and to pledge 100% of the shares of the Corporation to the Trustee for the benefit of the Debentureholders to secure such covenant by entering into the Pledge Agreement and delivering certificates representing all of the Corporation's shares to the Trustee.

10.4 To Pay Trustee's Remuneration. The Corporation will pay the Trustee reasonable remuneration for its services as Trustee hereunder and will repay to the Trustee on demand all moneys which shall have been paid by the Trustee pursuant to this Indenture with interest on all amounts due and unpaid calculated at the Trustee's customary rate from 30 days after the date of the invoice from the Trustee to the Corporation in respect of such expenditure until repayment, and such moneys and the interest thereon, including the Trustee's remuneration, shall be payable out of any funds coming into the possession of the Trustee prior to all payments of any amounts payable to Debentureholders, whether pursuant to Article 6, Article 7, Article 8, Article 11 or otherwise, and prior to the payment of all interest due on the Debentures and any other relevant amounts payable in respect of the Debentures (other than principal, unless any Holder has exercised its Right of Exchange, or the Corporation has exercised its Right of Redemption or has sent a Maturity Notice). The said remuneration shall continue to be payable until the Charges provided for in this Indenture are released and discharged.

10.5 Not To Extend Time for Payment of Interest. The Corporation, in order to prevent any accumulation after maturity of unpaid interest or of unpaid Debentures, will not directly or indirectly extend or assent to the extension of time for payment of any amount upon any Debentures and will not directly or indirectly be or become a party to or approve any such arrangement by purchasing or funding any interest on Debentures or any amount thereof or in any other manner. In case the time for the payment of any such amount shall be so extended, whether or not such extension be by or with the consent of the Corporation, notwithstanding anything herein or in the Debentures contained, such amount shall be so entitled in case of default hereunder to the benefits of this Indenture, subject to the prior payment in full of the amounts payable under all the Debentures the payment of which has not been so extended.

10.6 Trustee May Perform Covenants. If the Corporation shall fail to perform any covenant on its part herein contained, the Trustee may, in its discretion, but (subject to Section 11.7) need not, notify the Debentureholders of such failure or itself may perform any of such covenants capable of being performed by it and, if any such covenant requires the payment or expenditure of money, it may make such payment or expenditure with its own funds, or with money borrowed by or advanced to it for such purposes, but shall be under no obligation so to do; and all sums so expended or advanced shall be repayable by the Corporation on demand, but no such performance or payment shall be deemed to relieve the Corporation from any default hereunder.

10.7 Compliance Certificate. At any time upon request of the Trustee, and not less frequently than on each anniversary date hereof, the Corporation will deliver to the Trustee an Officer's Certificate stating that the Corporation has complied with all covenants, conditions or other requirements contained in this Indenture, specifically including certification that the Corporation has complied with any and all regulatory and reporting requirements, that, if not complied with, would, with the giving of notice, lapse of time or both, or otherwise, constitute an Event of Default or, if such is not the case, specifying the covenant, condition or other requirement which has not been complied with and giving particulars of such non-compliance.

10.8 Sale by the Corporation of the Underlying RGT Shares. The Corporation shall not sell or otherwise dispose of any of its interest in, nor create or suffer to exist any Charge of any nature upon, the Underlying RGT Shares, for so long as they remain subject to the Charges created herein. Upon any exercise of a Right of Exchange or a Right of Redemption, the relevant RGT Subordinate Voting Shares shall be delivered free and clear of any and all Charges of any nature, subject only to the Charges created hereunder if the Underlying RGT Shares were converted into the RGT Subordinate Voting Shares that are delivered at such time.

10.9 Books and Records. The Corporation will keep proper books of account in accordance with accounting practice generally accepted in Canada or other relevant jurisdictions and will, if and whenever it is so required in writing by the Trustee, file with the Trustee a copy of each annual or other regular periodic report of the Corporation furnished to its shareholders after the date hereof.

10.10 Regulatory Matters. Subject to subsection 2.12.4 and Section 5.4, the Corporation will, at its own expense, file or cause to be filed with the Ontario Securities Commission and any other applicable securities regulatory authority in Canada such reports and pay such fees that are required to be filed and paid by it in connection with the issue and sale of the Debentures to the original Holder on the date hereof (including Form 45-501F1 under OSC Rule 45-501 made under the *Securities Act* (Ontario)) and such reports or applications for exemption from the prospectus requirements under applicable securities legislation (including the OSC Notice), and take all such action and execute and deliver such documents, as may be required in a province of Canada which, in the opinion of Counsel to the Trustee, are necessary or of advantage in order to permit the distribution of RGT Subordinated Voting Shares to a Holder in accordance with the provisions hereof, which RGT Subordinate Voting Shares shall thereupon not be subject to any

restrictions on resale, escrow requirements or hold period under the securities legislation of any province of Canada upon their receipt by such Holder (other than as the direct and particular result of the Holder's status or activities, whether individually or together with its affiliates and associates, as an owner of RGT Shares) , provided that:

(a) in the case of a resale of RGT Subordinate Voting Shares transferred to a Holder in a province of Canada (other than Quebec or a province of Canada in which Section 2.5 of Multilateral Instrument 45-102 does not apply), the conditions in Section 2.5(2) of Multilateral Instrument 45-102 have been met; and

(b) the resale of RGT Subordinate Voting Shares transferred to a Holder in a province of Canada is made through a broker or dealer properly registered in the appropriate category of registration under applicable securities legislation who has complied with applicable securities legislation or in circumstances in which there is an exemption from the registration requirements of applicable securities legislation.

For greater certainty, nothing in this Section 10.10 obligates the Corporation to (a) cause RGT to file a prospectus in respect of the distribution of RGT Subordinate Voting Shares, or (b) file or cause to be filed with any applicable securities regulatory authority such reports of trade, or pay any fees in connection with such reports of trade, that are required to be filed by a Holder in connection with the transfer of the Debentures from a Holder to another Person or in connection with the resale of RGT Subordinate Voting Shares received by a Holder hereunder.

10.11 Reporting Issuer Status of RGT. In the event that (i) RGT shall contemplate or propose to enter into (a) a statutory amalgamation or arrangement; (b) a statutory procedure under which another Person would take title to RGT's assets and RGT would lose its existence by operation of law; or (c) a statutory procedure under which RGT and another Person would merge into a new company; (ii) any Person shall make or announce its intention to make an offer to acquire voting or equity securities of RGT and such offer would constitute a "take-over bid" (as such term is defined in the *Securities Act* (Ontario)); or (iii) any other transaction or event is proposed or contemplated by RGT or any other Person (the transactions, procedures, offers and events enumerated in items (i), (ii) and (iii) are collectively referred to herein as a "**Reporting Issuer Transaction**"), and such Reporting Issuer Transaction may result in RGT ceasing to be a "reporting issuer" (as such term is defined in the *Securities Act* (Ontario)) in any of the jurisdictions listed in Appendix B of Multilateral Instrument 45-102, the Corporation shall forthwith provide notice of such Reporting Issuer Transaction to the Trustee and the Holders upon the Corporation becoming aware of RGT or any Person publicly filing with any applicable securities regulatory authority in respect of a Reporting Issuer Transaction (i) a press release; (ii) a material change report; (iii) a notice of record date relating to a shareholders' meeting; (iv) a notice of a shareholders' meeting; (v) an information or proxy circular; (vi) a take-over bid circular; or (vii) any other disclosure document.

In the event that the Corporation becomes aware at any time, from time to time, that RGT will not comply, or that it has not complied with, or RGT or the Corporation or any of its

officers or directors has been advised or informed by a securities regulatory authority that RGT has not complied with, its continuous disclosure obligations (a "**Continuous Disclosure Requirement**") under applicable securities laws (including without limitation, its obligation to issue and file a press release and/or a material change report, file interim and annual financial statements, deliver financial statements to its security holders, file and deliver an information circular and file an annual information form and management's discussion and analysis of financial condition and results of operations or any similar or replacement disclosure document), the Corporation shall forthwith after the Corporation becomes aware (i) that RGT has publicly disclosed its failure, to comply with a Continuous Disclcsure Requirement; (ii) that RGT has publicly disclosed that it will not comply with a Continuous Disclosure Requirement; or (iii) that a securities regulatory authority has publicly disclosed that it has provided notice to RGT that it has not complied with a Continuous Disclosure Requirement; provide notice to the Trustee and the Holders of the occurrence of an event described in items (i), (ii) or (iii) above. For greater certainty, the Corporation shall not be required to provide such notice to the Trustee and the Holders if the delivery of such notice would be a breach of the prohibitions on tipping in Subsection 76(2) of the *Securities Act* (Ontario) (and the equivalent provisions in any other applicable securities legislation). In the event that RGT has failed to comply with the Financial Statement Filing Requirement (as such term is defined in Ontario Securities Commission Policy 57-603) the Corporation will use its reasonable best efforts to cause RGT to provide the information required by the Alternate Information Guidelines (as such term is defined in Ontario Securities Commission Policy 57-603).

10.12 Registration of RGT Subordinate Voting Shares. If the Corporation shall at any time have an obligation to deliver RGT Subordinate Voting Shares pursuant to this Indenture, or if the Trustee shall exercise its rights under subsection 3.11.2 (ii) by selling SVS Collateral, the Corporation shall cause RGT to forthwith take all necessary steps to register such RGT Subordinate Voting Shares or SVS Collateral in the name of the Trustee, its agent, the Debentureholders or any Person designated by the Debentureholders (provided that a Transfer Notice has been delivered in respect of such Person, and the RGT Subordinate Voting Shares may be transferred to such Person pursuant to an exemption from the prospectus and registration requirements under applicable securities legislation) and shall cause RGT to cause the transfer agent for the RGT Subordinate Voting Shares or SVS Collateral to forthwith take all necessary steps to register such RGT Subordinate Voting Shares or SVS Collateral in the name of the Trustee, its agent, the Debentureholders or any Person designated by the Debentureholders. However, any sale of the SVS Collateral by the Trustee must be made in compliance with applicable law, including the provisions of Section 2.8 of Multilateral Instrument 45-102 made under the *Securities Act* (Ontario) or another exemption from the prospectus requirements under applicable securities legislation. For greater certainty, it is acknowledged that where the SVS Collateral is not being sold but instead delivered to the Debentureholders upon an Event of Default pursuant to Article 11, the SVS Collateral must be registered in the name of the Corporation, and not the Trustee, prior to being re-registered in the name of, and delivered to, a Debentureholder upon an Event of Default pursuant to Article 11 in order for the exemptions from the prospectus and registration requirements referred to in the OSC Notice to be available for use.

10.13 Filing Requirements. The Corporation will comply with all applicable filing requirements under the rules and regulations of the *Securities Act* (Ontario) and all other applicable securities legislation, to the extent applicable. However, the Corporation shall not be required to file a report under applicable securities legislation if Vic De Zen or another Affiliate of the Corporation has filed such a report disclosing or incorporating the RGT Shares held by the Corporation and such filing relieves the Corporation of its obligation to file such report under all applicable securities legislation.

10.14 Title Matters. The Corporation shall defend the Trustee's right, title and security interest in and to all the Collateral and the Additional General Collateral against the claims and demands of all Persons whomsoever and the Corporation will have good title to any other Securities or property that become Collateral or Additional General Collateral.

10.15 Release of Charge. Unless an Event of Default has occurred and is then continuing, the Trustee shall release and discharge the Charges constituted under this Indenture on any Securities or other property (other than Underlying RGT Shares and other Securities that are receivable upon a reclassification or change of the Underlying RGT Shares or upon an amalgamation of RGT envisaged in Section 6.7) that have been distributed on or in respect of Underlying RGT Shares, and are charged pursuant to this Indenture, concurrently with the pledge and delivery to the Trustee of Additional RGT Shares pursuant to the provisions of Section 3.13 and the Trustee shall deliver to the Corporation said shares, Securities or other property in respect of which the Charges are released and discharged.

10.16 Payment of Taxes. The Corporation shall promptly pay all Taxes owing by it from time to time, except insofar as it contests the assessment or reassessment of such Taxes in good faith and within prescribed delays and diligently prosecutes such contestation.

10.17 Charges, Priority. The Corporation will not : (i) create any Charge (or permit same to occur or suffer such to exist) upon any of its assets or property other than pursuant to this Trust Indenture, (ii) permit the validity or effectiveness of this Indenture or the grant of security hereunder to be impaired, or permit the Charges under this Indenture to be amended, hypothecated, subordinated, terminated or discharged, or permit any Person to be released from any covenants or obligations with respect to this Indenture or the Debentures, except, in each case, as may be expressly permitted hereby, (iii) permit any Charge (other than the Charges under this Indenture) to be created on or extend to or otherwise arise upon or burden the subject of the security hereby created including without limitation, the Initial Pledged Shares, the other Collateral or Additional General Collateral, if any, or any replacements thereof, or any part thereof, any interest therein or the Proceeds thereof, or (iv) take action that would permit the Charges under this Trust Indenture not to constitute a valid first-priority perfected Charge on the Initial Pledged Shares and the other Collateral and Additional General Collateral.

10.18 Limitation on Indebtedness. The Corporation is a special purpose vehicle established in order to conclude the transactions contemplated by this Indenture. Accordingly, the Corporation shall not incur, assume or suffer to exist any indebtedness other than

indebtedness under the terms of this Indenture and the Debentures and other than an aggregate amount of indebtedness outstanding at any time not to exceed $50,000.

10.19 Loans and Investments. The Corporation will not make any loan to or investment in, or give any guarantee on behalf of, or other financial assistance to, any Person except that the Corporation may lend the proceeds of sale of the Debentures to one or more Affiliates of the Corporation.

10.20 Acquisitions. Business. The Corporation will not, directly or indirectly, acquire any assets or carry on any business (including any investment activities) other than the issuance, sale, redemption and exchange of the Debentures and the performance of its obligations under this Trust Indenture or the Debentures, in each case, as may be expressly permitted hereby.

10.21 Amendment of Corporate Documents. The Corporation will not amend, modify or change any of the terms, conditions or provisions of its articles of incorporation or by-laws, copies of which are annexed hereto as Schedule 5, or enact any resolution authorizing any such amendment, modification or change without the prior written consent of the Trustee and it will not issue, or permit the transfer of, its shares where to do so would result in a breach hereof or of its articles of incorporation.

10.22 Distributions. The Corporation will not pay dividends, distributions or payments other than in accordance with the terms of this Trust Indenture.

10.23 Notice Prior to Maturity. The Corporation covenants to give written notice (the "**Maturity Notice**") to each of the Debentureholders, the Book Entry Holders identified in Schedule 7 and to the Trustee of the impending maturity of the Debentures on the last Interest Payment Date prior to the Maturity Date, specifying its intention to repay the Debentures at the Face Value thereof, and will re-send a Maturity Notice each month thereafter until each of the Debentureholders and the Book Entry Holders identified in Schedule 7 has responded by return notice. The Corporation may not repay the Debentures at the Face Value thereof until a Maturity Notice has been received by each Debentureholder. Nothing herein contained will prevent a Debentureholder or Book Entry Holder identified in Schedule 7 from exercising its Right of Exchange at any time prior to the Maturity Date, before or after receipt of a Maturity Notice.

10.24 Covenant to Notify Trustee of Change of Name. The Corporation shall not change its name or amalgamate with another corporation under a different name without giving at least ten (10) days' prior notice to the Trustee of the new name and the date upon which such change of name or amalgamation is to take effect and, within five (5) Business Days of the change of name or amalgamation, the Corporation shall provide the Trustee with :

(a) a certified copy of the articles of amendment or articles of amalgamation (which must conform to Schedule 5 hereof) effecting the change of name; and

(b) an opinion from Counsel satisfactory to the Trustee as to the correct name of the Corporation and confirming that all appropriate registrations, filings

or recordings have been made to ensure the continued validity and enforceability of this Indenture and the Debentures, including the pledge and security interest created hereunder.

10.25 Further Documentation. The Corporation shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, all other acts and deeds as the Trustee may reasonably require for better accomplishing and effecting the intentions and provisions of this Indenture.

ARTICLE 11

DEFAULT

11.1 Events of Default. Any one or more of the following events shall constitute an Event of Default, namely:

11.1.1 if the Corporation makes default in payment of the principal of any Debenture at maturity or in the payment it is required to make on an Exchange Date or a Redemption Date;

11.1.2 if a Hedge Termination Event occurs within the 4 months immediately following the date hereof, except that if, on the second Business Day following the date the Hedge Termination Event occurs, the Corporation provides or arranges for the provision of a replacement share lending arrangement to enable the Hedge Position Holder to maintain its Hedge Position on terms acceptable to such Hedge Position Holder and such Hedge Position Holder enters into such Stock Lending Agreement on or before 5:00 p.m. (Toronto time) on such second Business Day, no Event of Default shall be deemed to have occurred, and the Hedge Termination Event shall be terminated without any further action on the part of the Hedge Position Holder;

11.1.3 if the Corporation fails to remit the full amount of any Ordinary Dividend, Extraordinary Dividend or other distribution to the Trustee as contemplated by Section 4.2 hereof within three (3) Business Days from receipt thereof;

11.1.4 if the Corporation makes default in payment of any amount other than principal due and payable under any provision hereof or of the Debentures if such default shall not have been remedied within 2 days following notice thereof by any Debentureholder or the Trustee to the Corporation;

11.1.5 if the Corporation fails to honour the Right of Exchange of a Debentureholder on any applicable date;

11.1.6 if the Corporation is in default in respect of indebtedness of $50,000 or more, or if any shareholder of the Corporation is in default in respect of indebtedness of $500,000 or more, if any such shareholder breaches any of its

obligations under the Pledge Agreement, or if any of the representations and warranties of any such shareholder are incorrect or untrue at any time;

11.1.7 if any representation or warranty hereunder is untrue in any material respect;

11.1.8 if the Corporation shall neglect to observe or perform any other covenant or condition hereunder on its part to be observed or performed, if such default shall not have been remedied within 5 Business Days following notice thereof by the Trustee to the Corporation;

11.1.9 if a decree or order of a court having jurisdiction in the premises is entered adjudging the Corporation as bankrupt or insolvent under the *Bankruptcy and Insolvency Act* (Canada), as amended from time to time, or any other bankruptcy, insolvency or analogous laws, or issuing sequestration or process of execution against, or against any substantial part of, the property of the Corporation or the Underlying RGT Shares, or appointing a receiver of, or of any substantial part of, the property of the Corporation, or ordering the winding-up or liquidation of its affairs, and any such decree or order is not contested or appealed and continues unstayed and in effect for a period of 10 days;

11.1.10 if a creditor shall take possession of, register a prior notice of hypothecary right, withdraw authorization to collect claims or issue a notice of its intention to realize upon any Charge or security interest with respect to the property of the Corporation or any part thereof, or if a creditor shall take or purport to take possession or assert a Charge in respect of any Collateral or any Additional General Collateral, or if a distress or execution or any similar process be levied or enforced against any such property or part thereof and remain unsatisfied for such period as would permit such property or such part thereof to be sold thereunder; or

11.1.11 if a resolution is passed or a petition filed for the winding-up or liquidation of the Corporation except in the course of carrying out or pursuant to a transaction in respect of which the conditions of Section 13.1 are duly observed and performed or if the Corporation institutes proceedings under the *Companies Creditors' Arrangement Act* (Canada) or any other bankruptcy, insolvency or analogous law or is adjudicated a bankrupt or insolvent, or consents to (or fails to contest in good faith) the institution of bankruptcy or insolvency proceedings against it or makes (or serves notice of intention to make) any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any other bankruptcy, insolvency or analogous laws, or consents (or fails to contest in good faith) to the filing of any such petition or to the appointment of a receiver of, or of any substantial part of, the property of the Corporation or makes a general assignment for the benefit of creditors, or admits in writing its inability to pay its debts generally as they become due or takes corporate action in furtherance of any of the aforesaid purposes.

11.2 Acceleration of Maturity. Upon the occurrence of any Event of Default (and upon written notice of the Trustee to the Corporation unless such notice had been previously given and the default in question had not been remedied within the applicable period) which has not been waived (an "**Acceleration Event**"), the aggregate amount payable pursuant to Section 6.3, which shall apply *mutatis mutandis* as if and as though the Exchange Date were the date on which such Acceleration Event occurred, on all Debentures then outstanding, including accrued and unpaid interest thereon, and all other amounts payable in respect thereof and all other moneys outstanding hereunder with respect to the Debentures to be due and payable shall automatically and without further notice become due and payable to the Trustee for the benefit of the Holders, anything therein or herein to the contrary notwithstanding. Any such written notice shall also notify the Corporation of the Trustee's intention to exercise the rights and recourses pursuant to Section 11.3 on behalf of the Debentureholders, without any further notice but subject to any other formality required by law. Any notice referred to in this Section 11.2 which purports to accelerate the amounts referred to above shall only be sent by the Trustee upon receipt of a request in writing signed by the Holders of not less than 25% of the Face Value of the Debentures then outstanding. The Trustee shall give the Debentureholders three days prior notice of such Acceleration Event, or such shorter period of notice as may be prudent given the nature of such Event of Default or other circumstance, which notice will also state that the Trustee, on behalf of all Debentureholders from whom the Trustee has not received contrary written instructions by 5:00 p.m. (Toronto time) on the Business Day preceding the date of such intended Acceleration Event, shall exercise the Right of Exchange of such Debentureholders as contemplated by Section 11.3. The Trustee shall also provide a copy of such notice to the Corporation, but any failure by the Trustee to do so shall not affect the recourses of the Debentureholders, nor shall the Trustee have any liability to the Corporation of any nature whatsoever resulting from such failure.

11.3 Failure to Pay. If an Acceleration Event occurs, the Trustee will exercise the Right of Exchange pursuant to Section 6.1, in the absence of written instructions to the contrary as from any Debentureholder as contemplated in Section 11.2, and all outstanding Debentures will be deemed to have been deposited for exchange together with a duly completed and executed election form on the date the Acceleration Event occurs, and such Debentures will be exchanged on the basis described in Article 6. Upon the occurrence of an Event of Default under Section 11.1.2, the above provisions of this Section 11.2 shall apply *mutatis mutandis* only with respect to the Debentures of the Hedge Position Holder experiencing the Hedge Termination Event.

11.4 Distribution of Underlying RGT Shares. Following the exercise of the Right of Exchange on behalf of the Debentureholders by the Trustee referred to in Section 11.3, but subject nevertheless to the prior delivery to the Trustee of the certificates representing the Debentures held by each Debentureholder respectively, the Trustee shall forthwith distribute to the Debentureholders the RGT Subordinate Voting Shares into which the Underlying RGT Shares were converted in accordance with the provisions of subsection 6.1.3, the whole in proportion to the number of RGT Subordinate Voting Shares that each Debentureholder would have been entitled to receive if it had exercised its Right of Exchange at the time of such exercise by the Trustee.

11.5 No Suits by Debentureholders. No Holder of any Debentures shall have any right to institute any action, suit or proceeding for the purpose of enforcing payment of any amounts on the Debentures or for the execution of any obligation hereunder or for the appointment of a liquidator or receiver or for a receiving order under the *Bankruptcy and Insolvency Act* (Canada), as amended from time to time, or to have the Corporation wound up or to file or prove a claim in any liquidation or bankruptcy proceeding or for any other remedy hereunder, unless:

11.5.1 such Holder shall previously have given to the Trustee written notice of the happening of an Event of Default hereunder;

11.5.2 the Debentureholders by an Extraordinary Resolution or by written instrument signed by at least a simple majority of the Face Value of the Debentures then outstanding shall have made a request to the Trustee and the Trustee shall have been afforded reasonable opportunity either itself to proceed to exercise the powers hereinbefore granted or to institute an action, suit or proceeding in its name for such purposes;

11.5.3 the Debentureholders or any of them shall have furnished to the Trustee, when so requested by the Trustee, sufficient funds and security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby; and

11.5.4 the Trustee shall have failed to act within a reasonable time after such notification, request and offer of indemnity and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to any such proceeding.

11.6 Waiver of Default. Upon the happening of any Event of Default hereunder except default in payment of any amount of money payable to Debentureholders or failure to deliver RGT Subordinate Voting Shares or other assets to Debentureholders pursuant to Article 6, Article 11 and Article 8 hereof:

11.6.1 the Holders of not less than a simple majority of the Face Value of the Debentures then outstanding shall have the power (in addition to the powers exercisable by Extraordinary Resolution as hereinafter provided), by requisition in writing, to instruct the Trustee to waive the Event of Default and/or to cancel any declaration made by the Trustee pursuant to Section 11.2 and/or cancel such declaration upon such terms and conditions prescribed in such requisition; and

11.6.2 the Trustee, so long as it has not become bound to declare all amounts payable in respect of the Debentures then outstanding to be due and payable, or to obtain or enforce payment of the same, shall have power to waive any Event of Default if, in the Trustee's opinion, the same shall have been cured or adequate satisfaction made therefor, and in such event, to cancel any such

declaration theretofore made by the Trustee in the exercise of its discretion, upon such terms and conditions as the Trustee may deem advisable;

provided that no act or omission either of the Trustee or of the Debentureholders with respect to such Event of Default shall extend to or be taken in any manner whatsoever to affect any subsequent Event of Default or the rights resulting therefrom. Any such waiver shall be in writing and executed by the Trustee.

11.7 Notice of Events of Default. If an Event of Default shall occur and be continuing, the Corporation shall promptly give notice thereof to the Trustee and the Trustee shall, promptly but not exceeding 10 days after it becomes aware of the occurrence of such Event of Default, give notice of such Event of Default to the Debentureholders in the manner provided in Section 15.2.

Where notice of the occurrence of an Event of Default has been given and the Event of Default is thereafter cured, notice that the Event of Default is no longer continuing shall be given by the Trustee to the Debentureholders in the manner provided in Section 15.2 within a reasonable time, but not exceeding 10 days after the Trustee becomes aware that the Event of Default has been cured.

11.8 Trustee Appointed Attorney. The Corporation hereby irrevocably appoints the Trustee to be the attorney of the Corporation in the name and on behalf of the Corporation to execute any instruments and do any acts and things which the Corporation ought to execute and do, and has not executed or done, under the covenants and provisions contained in this Indenture and generally to use the name of the Corporation in the exercise of all or any of the powers hereby conferred on the Trustee, with full powers of substitution and revocation.

ARTICLE 12

SATISFACTION AND DISCHARGE

12.1 Repayment of Debentures on Maturity Date. Provided that on or prior to such date, (a) the Corporation has complied with all of its obligations under Section 10.23, (b) no Event of Default has occurred and (c) the Holder of the relevant Debentures has not exercised its Right of Exchange, each of the outstanding Debentures on the Maturity Date shall be repaid on such date for an amount equal to its Face Value, together with accrued and unpaid interest to that date. Payment of such amounts shall discharge the Corporation of all of its obligations hereunder and the Trustee shall cancel and discharge the Charges created hereunder and release and deliver the certificates representing the Underlying RGT Shares to the Corporation. The Corporation acknowledges and agrees that it has no right to prepay any Debenture at its Face Value, but may repay same only on the Maturity Date subject to the conditions set out in this Section. In particular, the Corporation acknowledges and agrees that if an Event of Default occurs, the amount payable by it shall be determined in accordance with the provisions of Section 11.2 as it modifies the provisions of this Section.

12.2 Cancellation. All Debentures shall forthwith after payment of all amounts and delivery of property due thereunder and hereunder be delivered to the Trustee and cancelled by it, and no Debentures shall be issued in substitution thereof.

12.3 Non-Presentation of Debentures. In case the Holder of any Debenture shall fail to present the same for payment on the date on which the principal amount of such Debenture, interest on such Debenture or other relevant amounts payable in respect thereof become payable, either at maturity, on the date fixed for delivery thereof pursuant to the Right of Exchange or the Right of Redemption or otherwise or shall not accept payment on account thereof and give such receipt therefor, if any, as the Trustee may require:

12.3.1 the Corporation shall be entitled to pay to the Trustee and direct it to set aside or make provision in form satisfactory to the Trustee in its discretion for the payment of; or

12.3.2 in respect of moneys in the hands of the Trustee which may or should be applied to the payment of the Debentures, the Corporation shall be entitled to direct the Trustee to set aside or make provision in form satisfactory to the Trustee in its discretion for the payment of; or

12.3.3 the Corporation shall be entitled to pay the Trustee and direct it to set aside or make provision in form satisfactory to the Trustee in its discretion for the payment of any monies payable on, and direct the Trustee to set aside the RGT Subordinate Voting Shares deliverable on, the exercise of the Right of Redemption or the Right of Exchange in satisfaction of; or

12.3.4 if the redemption was pursuant to notice given by the Trustee, the Trustee may itself set aside;

the amount payable under such Debenture, interest on such Debenture or other relevant amount payable in respect thereof, as the case may be, in trust to be paid to the Holder of such Debenture upon due presentation or surrender thereof in accordance with the provisions of this Indenture, provided that in all cases all applicable withholding taxes shall be withheld. Thereupon the said amounts payable on or in respect of or represented by each Debenture in respect whereof such moneys have been set aside shall be deemed to have been paid and the Holder thereof shall thereafter have no right in respect thereof except that of receiving payment of the moneys so set aside by the Trustee (with interest thereon at the rate obtained by the Trustee) upon due presentation and surrender thereof.

12.4 Repayment of Unclaimed Moneys to Corporation. Subject to the last sentence of this Section 12.4, any non-cash property set aside or provided under Section 12.3 in respect of any Debenture (and any property distributed thereon) and not claimed by and given over to the Holder of such Debenture, as provided in Section 12.3, within six years after the date of such setting aside or provision shall be paid to the Corporation by the Trustee on demand, and thereupon the Trustee shall be released from all further liability with respect to such property. Such property shall be sold by the Corporation on behalf of such

Holder in the open market, by tender or by private contract on such date or dates and at such price or prices as the Corporation may consider appropriate. Subject to the last sentence of this Section 12.4, any moneys set aside or provided under Section 12.3 in respect of any Debenture and not claimed by and paid to the Holder of such Debenture, as provided in Section 12.3, within six years after the date of such setting aside or provision shall be paid to the Corporation by the Trustee on demand, and thereupon the Trustee shall be released from all further liability with respect to such moneys. Thereafter such Holder shall have no rights in respect of such Debenture except to obtain payment of the cash proceeds of such sale and such moneys (without interest) from the Corporation, subject to any applicable period of limitation provided by law and to any escheats law. The Trustee shall from time to time deduct from such moneys prior to paying the same to the Corporation or any Holder (a) all the fees and disbursements of the Trustee paid by the Corporation during the said six-year period and shall pay the same to the Corporation; and (b) all taxes payable with respect to any property distributed on such non-cash property and any property distributed thereon.

12.5 Discharge. The Trustee shall at the request of the Corporation release and discharge this Indenture and execute and deliver such instruments as it shall be advised by Counsel are requisite for that purpose and shall release the Corporation from its covenants herein contained (other than the provisions relating to the indemnification of the Trustee), upon proof being given to the reasonable satisfaction of the Trustee that the said amounts and interest (including interest on amounts in default, if any), on all the Debentures and all other moneys payable hereunder have been paid or satisfied or that, all the Debentures having matured, payment of the said amounts and interest (including interest on amounts in default, if any) on such Debentures and of all other moneys payable hereunder has been duly and effectually provided for in accordance with the provisions hereof.

ARTICLE 13

SUCCESSOR CORPORATIONS

13.1 Reorganization, Consolidation, Amalgamation and Merger. The Corporation shall not reorganize, consolidate, amalgamate or merge with or into any corporation (such other corporation being herein referred to as an "**Successor Corporation**") unless

13.1.1 the Successor Corporation is a corporation incorporated under the laws of Canada or any province thereof or of any state of the United States of America;

13.1.2 the Successor Corporation shall execute, prior to or contemporaneously with the consummation of any such transaction, an Indenture supplemental hereto together with such other instruments as are satisfactory to the Trustee and in the opinion of Counsel are necessary or advisable to evidence (a) the assumption by the Successor Corporation of the due and punctual payment of all the Debentures and the interest thereon and all other moneys payable hereunder, and (b) the covenant of the Successor Corporation to pay the same

and its agreement to observe and perform all the covenants and obligations of the Corporation under this Indenture;

13.1.3 such transactions shall, to the satisfaction of the Trustee in reliance upon an opinion of Counsel, be upon such terms as substantially to preserve and not to impair in any material respect any of the rights and powers of the Trustee or of the Debentureholders hereunder; and

13.1.4 no condition or event shall exist in respect of the Successor Corporation at the time of such transaction and after giving full effect thereto which constitutes or would, after notice or lapse of time or both, constitute an Event of Default hereunder (as to which the Trustee shall be entitled to rely on an Officer's Certificate).

13.2 Vesting of Powers in Successor. In case of a reorganization, consolidation, amalgamation or merger pursuant to Section 13.1, the Successor Corporation shall possess and from time to time may exercise each and every right and power of the Corporation under this Indenture in the name of the Corporation or otherwise and any act or proceeding by any provision of this Indenture required to be done or performed by any of the directors or officers of the Corporation may be done and performed with like force and effect by any of the directors or officers of such Successor Corporation and thereupon the Corporation may be released and discharged from liability under this Indenture and the Trustee may execute any document or documents which it may be advised is or are necessary or advisable for effecting or evidencing such release and discharge.

ARTICLE 14

MEETINGS OF DEBENTUREHOLDERS

14.1 Right to Convene Meeting. The Trustee may at any time and from time to time, and the Trustee shall on receipt of a written request of the Corporation or a written request signed by the Holders of more than 50% of the Face Value of the Debentures then outstanding and upon being indemnified to its reasonable satisfaction by the Corporation or by the Debentureholders signing such request against the costs which may be incurred in connection with the calling and holding of such meeting, convene a meeting of the Debentureholders. If the Trustee fails, within 30 days after receipt of any such request and such indemnity, to give notice convening a meeting, the Corporation or such Debentureholders, as the case may be, may convene such meeting. Every such meeting shall be held in the City of Toronto or at such other place as may be selected by the Trustee.

14.2 Notice of Meetings. At least 21 days' notice of any meeting shall be given to the Debentureholders in the manner provided in Section 15.2 and a copy thereof shall be sent by post or telecopier to the Trustee, unless the meeting has been called by it, and to the Corporation, unless the meeting has been called by it. Such notice shall state the time

when and the place where the meeting is to be held and shall state briefly the general nature of the business to be transacted thereat and it shall not be necessary for any such notice to set out the terms of any resolution to be proposed or any of the provisions of this Article. The accidental omission to give notice of a meeting to any Debentureholders shall not invalidate any resolutions passed at any such meeting.

14.3 Chairman. Some individual, who need not be a Debentureholder, nominated in writing by the Trustee, shall be chairman of the meeting and if no individual is so nominated, or if the individual so nominated is not present within 15 minutes from the time fixed for the holding of the meeting, the Debentureholders present in person or by proxy shall choose an individual present to be chairman.

14.4 Quorum – Ordinary Resolution. Subject to the provisions of Section 14.14, at any meeting of the Debentureholders other than a meeting at which an Extraordinary Resolution is proposed to be passed, a quorum shall consist of Debentureholders present in person or by proxy and representing at least a simple majority (50% + 1) of the Face Value of the outstanding Debentures. If such a quorum shall not be present within 30 minutes from the time fixed for holding any such meeting, the meeting, if convened by the Debentureholders or pursuant to a request of the Debentureholders, shall be dissolved; but in any other case, the meeting shall be adjourned without notice to the same day in the next week (unless such day is not a Business Day, in which case it shall be adjourned to the next following Business Day thereafter) thereafter at the same time and place, unless the Chairman shall appoint some other day, time or place of which not less than 7 days' notice shall be given in the manner provided in Article 15, and those present at the adjourned meeting shall form a quorum. At the adjourned meeting, the Debentureholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened, notwithstanding that they may represent less than a simple majority (50% + 1) of the Face Value of the outstanding Debentures. Any business may be brought before or dealt with at an original meeting in accordance with the notice calling the same. No business shall be transacted at any meeting unless the required quorum be present at the commencement of the meeting.

14.5 Quorum – Extraordinary Resolution. A quorum for a meeting at which an Extraordinary Resolution is proposed to be passed shall consist of Holders of at least 66 2/3% of the Face Value of the outstanding Debentures. If, at any such meeting, the Holders of 66 2/3% of the Face Value of Debentures outstanding are not present in person or by proxy within 30 minutes after the time appointed for the meeting, then the meeting, if convened by or at the request of Debentureholders, shall be dissolved. In any other case, it shall stand adjourned to such date, being not less than 21 nor more than 60 days later, and to such place and time as may be appointed by the Chairman. Not less than 10 days' notice shall be given of the time and place of such adjourned meeting in the manner provided in Section 15.2. Such notice shall state that at the adjourned meeting the Debentureholders present in person or by proxy shall form a quorum but it shall not be necessary to set forth the purposes for which the meeting was originally called or any other particulars. At the adjourned meeting the Debentureholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened and a resolution proposed at such adjourned meeting and passed by

the requisite vote as provided in this Article shall be an Extraordinary Resolution within the meaning of this Indenture, notwithstanding that the Holders of 66 2/3% of the Face Value of the Debentures then outstanding are not present in person or by proxy at such adjourned meeting.

14.6 Poll. On every Extraordinary Resolution, and on any other question submitted to a meeting when demanded by the chairman or by one or more Debentureholders and/or proxies for Debentureholders, a poll shall be taken in such manner and either at once or after an adjournment as the chairman shall direct. Questions other than matters requiring an Extraordinary Resolution shall, if a poll be taken, be decided by the votes of the Holders of a majority of the Face Value of the Debentures represented at the meeting and voted on the poll.

14.7 Power to Adjourn. The chairman of any meeting at which a quorum of the Debentureholders is present may, with the consent of the Holders of a majority of the Face Value of the Debentures represented thereat, adjourn any such meeting and no notice of such adjournment need be given except such notice, if any, as the meeting may prescribe.

14.8 Show of Hands. Every question submitted to a meeting shall be decided in the first place by a majority of the votes given on a show of hands except that votes on Extraordinary Resolutions shall be given in the manner hereinafter provided. At any such meeting, unless a poll is duly demanded as herein provided, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence thereof. The chairman of any meeting shall be entitled, both on a show of hands and on a poll, to vote in respect of the Debentures, if any, held by him.

14.9 Voting. On a show of hands, every individual Person who is present and entitled to vote, whether as a Debentureholder or as proxy for one or more Debentureholder or both, shall have one vote. On a poll, each Debentureholder present in person or represented by a proxy duly appointed by an instrument in writing shall be entitled to one vote in respect of each $1,000 Face Value Debenture of which he shall then be the Holder. A proxy need not be a Debentureholder. In the case of joint registered Holders of a Debenture, any one of them present in person or by proxy at the meeting may vote in the absence of the other or others; but in case more than one of them be present in person or by proxy, they shall vote together in respect of the Debenture of which they are joint registered Holders.

14.10 Regulations. The Trustee may from time to time make and from time to time vary or revoke such regulations as it shall from time to time think fit providing for and governing:

14.10.1 the form of the instrument appointing a proxy, which shall be in writing, and the manner in which the same shall be executed and for the production of the authority of any person signing on behalf of the Debentureholder;

14.10.2 the deposit of instruments appointing proxies at such place as the Trustee, the Corporation or the Debentureholders convening the meeting, as the case may be, may, in the notice convening the meeting, direct and the time, if any, before the holding of the meeting of any adjournment thereof by which the same shall be deposited; and

14.10.3 the deposit of instruments appointing proxies at some approved place or places other than the place at which the meeting is to be held and enabling particulars of such instruments appointing proxies to be mailed, cabled, telegraphed, telecopied or sent by electronic mail before the meeting to the Corporation or to the Trustee at the place where the same is to be held and for voting of proxies so deposited as though the instruments themselves were produced at the meeting.

Any regulations so made shall be binding and effective and the votes given in accordance therewith shall be valid and shall be counted. Save as such regulations may provide, the only Persons who shall be recognized at any such meeting as the Holders of Debentures, or as entitled to vote or be at the meeting in respect thereof, shall be Debentureholders and the Persons whom Debentureholders have by instrument in writing duly appointed proxies.

Subject to the provisions of this Article, the provisions of the *Canada Business Corporations Act* and the Corporation's by-laws regarding the calling of meetings of shareholders of the Corporation, and the conduct thereof, the voting thereat and any other matters relating thereto shall be applied as nearly as may be to the calling of meetings of Debentureholders, the conduct thereof, the voting thereat and any other matters relating thereto.

14.11 Corporation and Trustee May be Represented. The Corporation and the Trustee, by their respective officers and directors, and the legal advisors of the Corporation, the Trustee and the Debentureholders, may attend any meeting of the Debentureholders, but shall have no vote as such.

14.12 Powers Exercisable by Extraordinary Resolution. In addition to the powers conferred upon them by any other provisions of this Indenture or by law, but in all cases subject to Section 14.12 a meeting of the Debentureholders shall have the following powers exercisable from time to time by Extraordinary Resolution:

14.12.1 power to sanction any modification, abrogation, alteration, compromise or arrangement of the rights of the Debentureholders or the Trustee against the Corporation, or against its property, whether such rights arise under this Indenture or the Debentures or otherwise;

14.12.2 power to assent to any modification of or change in or addition to or omission from the provisions contained in this Indenture or in any Debenture which shall be agreed to by the Corporation and to authorize the Trustee to concur

in and execute an Indenture supplemental hereto embodying any such modification, change, addition or omission;

14.12.3 power to direct or authorize the Trustee to exercise any power, right, remedy or authority given to it by this Indenture in any manner specified in any such Extraordinary Resolution or to refrain from exercising any such power, right, remedy or authority;

14.12.4 power to waive and direct the Trustee to waive any default hereunder or cancel any declaration made by the Trustee pursuant to Section 11.2 either unconditionally or upon any condition specified in such Extraordinary Resolution;

14.12.5 power to restrain any Debentureholder from taking or instituting any suit, action or proceeding for the purpose of enforcing payment of the Debentures, interest on the Debentures and all other relevant amounts payable in respect thereof, or for the execution of any trust or power hereunder or for a receiving order under the *Bankruptcy and Insolvency Act* (Canada) or for the purpose of having the Corporation wound up or to file or prove a claim in any liquidation or bankruptcy proceeding or for any other remedy hereunder;

14.12.6 power to direct any Debentureholder who, as such, has brought any action, suit or proceeding to stay or discontinue or otherwise deal with the same upon payment, if the taking of such suit, action or proceeding shall have been permitted by Section 11.5, of the costs, charges and expenses reasonably and properly incurred by such Debentureholder in connection therewith;

14.12.7 power to assent to any compromise or arrangement with any creditor or creditors or any class or classes of creditors, whether secured or otherwise, and with Holders of any shares or other Securities of the Corporation;

14.12.8 power to appoint a committee with power and authority (subject to such limitations, if any, as may be prescribed in the resolution) to exercise, and to direct the Trustee to exercise, on behalf of the Debentureholders, such of the powers of the Debentureholders as are exercisable by extraordinary or other resolution as shall be included in the resolution appointing the committee. The resolution making such appointment may provide for payment of the expenses and disbursements of and compensation to such committee at Corporation's expense. Such committee shall consist of such number of persons as shall be prescribed in the resolution appointing it and the members need not be themselves Debentureholders. Every such committee may elect its chairman and may make regulations respecting its quorum, the calling of its meetings, the filling of vacancies occurring in its number and its procedure generally. Such regulations may provide that the committee may act at a meeting at which a quorum is present or may act by minutes signed by the number of members thereof necessary to constitute a quorum. All acts of any such committee within the authority delegated to it shall be binding upon

Debentureholders. Neither the committee nor any member thereof shall be liable for any loss arising from or in connection with any action taken or omitted to be taken by them in good faith;

14.12.9 power to authorize the Trustee or any other Person or Persons to bid at any sale of the Corporation's properties or assets or any part thereof and to borrow the moneys required to make any deposit at said sale or pay the balance of the purchase price and to Charge the property or assets so purchased as security for the repayment of the moneys so borrowed and interest thereon, or itself, himself or themselves, as the case may be, to advance such moneys (in which event it, he or they shall have a Charge upon the property or assets so purchased for the amount so advanced and interest thereon) and to hold any property or assets so purchased (subject to any Charge to secure any moneys so borrowed or advanced) on behalf of all the Holders of the Debentures outstanding at the time of such sale in proportion to the amounts due to them thereon respectively for the aggregate value, interest on the Debentures and all other amounts payable in respect thereof before such sale, and to sell, transfer and convey the whole or any part or parts of the property or assets so purchased for such consideration in cash or in the shares, bonds, debentures or other Securities or obligations of any Corporation formed or to be formed, or partly in cash and partly in such Securities or obligations and upon such terms and conditions as may be determined by such Extraordinary Resolutions of the Debentureholders and, subject to such terms and conditions, to dispose of such shares, bonds, debentures or other Securities or obligations, and until the sale, transfer or conveyance of the whole of such property or assets so purchased to maintain and operate such part of said property and assets as has not been disposed of, and for such purposes to borrow moneys and to Charge the property and assets so purchased or any part thereof, as security for the repayment of moneys so borrowed with interest thereon, or itself, himself or themselves, as the case may be, to advance such moneys (in which event it, he or they shall have a Charge upon the property and assets so purchased for the amounts so advanced and interest thereon) and otherwise deal with such property and assets and the Proceeds of any sale, transfer or conveyance thereof as the Debentureholders may by such Extraordinary Resolution direct;

14.12.10 power to remove the Trustee from office and to appoint a new Trustee or Trustees;

14.12.11 power, notwithstanding Section 10.5, to authorize the Corporation and the Trustee to grant extensions of time for payment of interest on any of the Debentures, whether or not the interest, the payment in respect of which is extended, is at the time due or overdue;

14.12.12 power to amend, alter or repeal any Extraordinary Resolution passed or sanctioned by the Debentureholders or by any committee appointed pursuant to Subsection 14.12.8; and

14.12.13 power to assent to any modification of or change in or addition to or omission from the provisions contained in this Indenture or in any Debenture with respect to the rights and obligations of Holders in meetings of Debentureholders, including, without restrictions, in connection with the right to convene, notices of meetings, quorum, adjournment, voting and the powers exercisable by Debentureholders.

14.13 Powers not Exercisable by Extraordinary Resolution. For greater certainty, no modification or abrogation of this Indenture, whether or not purported to be authorized by Extraordinary Resolution, may, without the consent of each Debentureholder affected thereby:

14.13.1 Modify the amount, currency or timing of payments of principal of or interest on the Debentures, the terms of the Right of Redemption, Right of Exchange or the security for the obligation of the Corporation to deliver cash or RGT Subordinate Voting Shares upon the exercise of the Right of Exchange;

14.13.2 Reduce the stated percentage of Face Value of Debentures necessary to modify or amend this Indenture; or

14.13.3 Subordinate the indebtedness evidenced by the Debentures to any other indebtedness of the Corporation.

14.14 Meaning of "Extraordinary Resolution". The expression "**Extraordinary Resolution**", when used in this Indenture, means a resolution proposed to be passed as an Extraordinary Resolution at a meeting of Debentureholders (including an adjourned meeting) duly convened for the purpose and held in accordance with the provisions of this Article by the votes cast by the Holders of not less than 66 2/3 of the Face Value of Debentures represented at such meeting. All actions which may be taken and all powers that may be exercised by the Debentureholders at a meeting held as hereinbefore in this Article provided may also be taken and exercised by the Holders of 66 2/3% of the Face Value of all outstanding Debentures by an instrument in writing signed in one or more counterparts and the expression "Extraordinary Resolution" when used in this Indenture shall include an instrument so signed.

14.15 Powers Cumulative. It is hereby declared and agreed that any one or more of the powers or any combination of the powers in this Indenture stated to be exercisable by the Debentureholders by Extraordinary Resolution or otherwise may be exercised from time to time and the exercise of any one or more of such powers or any combination of powers from time to time shall not be deemed to exhaust the rights of the Debentureholders to exercise the same or any other such power or powers or combination of powers thereafter from time to time.

14.16 Minutes. Minutes of all resolutions and proceedings at every meeting as aforesaid shall be made and duly entered in the records of the Corporation and any such minutes as aforesaid, if signed by the Chairman of the meeting at which such resolutions were passed or proceedings taken, or by the Chairman of the next succeeding meeting of the

Debentureholders, shall be *prima facie* evidence of the matters therein stated and, until the contrary is proven, every such meeting, in respect of the proceedings of which minutes shall have been made, shall be deemed to have been duly held and convened, and all resolutions passed thereat or proceedings taken thereat, to have been duly passed and taken.

14.17 Binding Effect of Resolutions. Every resolution and every Extraordinary Resolution passed in accordance with the provisions of this Article at a meeting of Debentureholders shall be binding upon all Debentureholders, whether present at or absent from such meeting, and every instrument in writing signed by Debentureholders in accordance with Section 14.14 shall be binding upon all Debentureholders, whether signatories thereto or not, and each and every Debentureholder and the Trustee (subject to the provisions for its indemnity herein contained) shall be bound to give effect accordingly to every such resolution, Extraordinary Resolution and instrument in writing.

14.18 Evidence of Rights of Debentureholders. Any request, direction, notice, consent or other instrument which this Indenture may require or permit to be signed or executed by the Debentureholders may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Debentureholders in person or by Trustee duly appointed in writing. Proof of the execution of any such request or other instrument or of a writing appointing any such Trustee or (subject to the provisions of this Article with regard to voting at meetings of Debentureholders) of the holding by any Person of Debentures shall be sufficient for any purpose of this Indenture if made in the following manner, namely, the fact and date of execution by any person of such request or other instrument or writing may be proved by a certificate of any notary or other officer authorized to take acknowledgements of deeds to be recorded at the place where such certificate is made, that the person signing such request or other instrument in writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution or in any other manner which the Trustee may consider adequate.

The Trustee may, nevertheless, in its discretion require further proof in cases where it deems further proof desirable or may accept such other proof as it shall consider proper.

ARTICLE 15

NOTICES

15.1 Notice to Corporation. Any notice to the Corporation under the provisions of this Indenture shall be valid and effective if given by hand delivery or registered letter, postage prepaid, addressed to the Corporation at 3901602 Canada Inc., c/o Royal Gate Blvd., Woodbridge, Ontario, L4L 8Z7, Attention: Lu Galasso or if given by telecopier to (905) 264-0702 with a copy to Ogilvy Renault, Suite 2100, P.O. Box 141, Royal Trust Tower, TD Centre, 77 King Street West, Toronto, Ontario, M5K 1H1, Attention: Jim Riley or to such firm at telecopier (416) 216-3930 (provided however that failure to deliver such copy shall not affect the validity of the notice). Notice shall be deemed to have been received on the day given if given by telecopier or hand delivered, and on the

fifth day of uninterrupted postal service following the day of mailing, if mailed. The Corporation may from time to time notify the Trustee in writing of a change of address which thereafter, until changed by like notice, shall be the address of the Corporation for all purposes of this Indenture.

15.2 Notice to Debentureholders. Other than in the case of a general disruption or interruption in postal services provided for below, all notices to be given hereunder with respect to the Debentures (other than a Maturity Notice as contemplated by Section 10.23, which must be received by the Debentureholders and Persons identified in Schedule 7 in accordance with the procedures and methods set out in Schedule 7, as same may be modified, which modifications shall be acceptable to the Corporation, acting reasonably, with respect to any future Holder other than the Clearing Agency, and in respect of which no deemed receipt shall apply) shall be deemed to be validly given to the Holders thereof if delivered by hand or if sent by telecopier or by ordinary mail, postage prepaid, addressed to such Holders at their postal addresses appearing in any of the registers hereinbefore mentioned and shall be deemed to have been received on the day given if by telecopier, and on the fifth Business Day of uninterrupted postal service following the day of mailing or at the time of actual delivery, if hand delivered. Accidental error or omission in giving notice or accidental failure to mail a notice to any Debentureholder or the inability of the Corporation to give or mail any notice due to anything beyond the reasonable control of the Corporation shall not invalidate any action or proceeding founded thereon.

All notices with respect to any jointly-held Debenture may be given to whichever one of the Holders thereof (if more than one) is named first in the registers hereinbefore mentioned, and any notice so given shall be sufficient notice to all Holders of or persons interested in such Debenture.

If by reason of any general interruption or disruption of postal services in Canada, actual or reasonably apprehended, any notice to be given hereunder with respect to the Debentures would reasonably be unlikely to reach its destination within the usual delivery period if sent by mail as provided above in this Section 15.2, such notice (other than a Maturity Notice, in respect of which no deemed receipt shall apply) shall be deemed to have been given to the Holders of the Debentures if such notice is sent by telecopier and delivered by personal messenger to the last-known address of each Debentureholder, or in circumstances where the Corporation has reason to believe that the delivered or telecopied notice would not be received by the Holder, is published once in the business section of a widely-circulated newspaper in Toronto. Notice (other than a Maturity Notice, in respect of which no deemed receipt shall apply) shall be deemed to have been received on the day if given by telecopier, and at the time of actual delivery, if delivered. In the case of notice convening a meeting of Debentureholders, the Trustee may require such additional publication of such notice as it may deem necessary for the reasonable protection of the Holders. Any notice so given shall be deemed to have been given on the day on which it has been published in all of the cities in which publication was required (or first published in all such cities if more than one publication in any such city is required).

15.3 Notice to the Trustee. Any notice to the Trustee under the provisions of this Indenture shall be valid and effective if given by telecopier (416) 981-9777 or by hand delivery or by registered letter, postage prepaid, addressed to the Trustee at 100 University Avenue, 11th Floor, Toronto, Ontario, M5J 2Y1, Attention: Manager, Client Services, and shall be deemed to have been received at the time effectively received if given by telecopier, and on the fifth Business Day of uninterrupted postal service following the day of mailing, if mailed, unless by reason of a general disruption or interruption in postal services it would be unreasonable to deem notice to have been given whereupon it shall be deemed given when it has been delivered. A copy of each such notice shall be provided to Heenan Blaikie, Suite 2500, 1250 René Lévesque Boulevard West, Montreal, Quebec, H3B 4Y1, Attention Ken Atlas, telecopier number (514) 846-3427 (provided however that failure to deliver such copy shall not affect the validity of the notice).

15.4 Trust Indenture Legislation.

(a) In this Trust Indenture, the term "Indenture Legislation" means the provisions, if any, of the *Canada Business Corporations Act* and any other statute of Canada or a province thereof, and the respective regulations thereunder relating to trust indentures and/or to the rights, duties and obligations of trustees under trust indentures and of corporations issuing debt obligations under trust indentures, to the extent that such provisions are at the time in force and applicable to this Trust Indenture.

(b) If and to the extent that any provision of this Trust Indenture limits, qualifies or conflicts with a mandatory requirement of the Indenture Legislation, such mandatory requirement shall prevail.

(c) The Corporation and the Trustee agree that each will at all times in relation to this Trust Indenture and any action to be taken hereunder observe and comply with and be entitled to the benefits of the Indenture Legislation.

ARTICLE 16

CONCERNING THE TRUSTEE

16.1 No Conflict of Interest. The Trustee represents to the Corporation that at the date of execution and delivery by it of this Indenture there exists no material conflict of interest in the role of the Trustee as a fiduciary hereunder. The Trustee shall, within 90 days after it becomes aware that such a material conflict of interest exists, either eliminate such material conflict of interest or resign in the manner and with the effect specified in Section 16.2. If, notwithstanding the foregoing provisions of this Section 16.1, the Trustee has such a material conflict of interest, the validity and enforceability of this Indenture and of the Debentures issued hereunder shall not be affected in any manner whatsoever by reason only of the existence of such material conflict of interest. If the Trustee contravenes the foregoing provisions of this Section 16.1, any interested party

may apply to the Ontario Superior Court of Justice for an order that the Trustee be replaced as trustee hereunder.

16.2 Replacement of Trustee. The Trustee may resign and be discharged from all further duties and liabilities hereunder by giving to the Corporation three months' notice in writing or such shorter notice as the Corporation may accept as sufficient. In the event of the Trustee resigning or being removed or being dissolved, becoming bankrupt, going into liquidation or otherwise becoming incapable of acting hereunder, the Corporation shall forthwith appoint a new Trustee unless a new Trustee has already been appointed by the Debentureholders; failing such appointment by the Corporation, the retiring Trustee or any Debentureholder may apply to a judge of the Ontario Superior Court of Justice, on such notice as such judge may direct, for the appointment of a new Trustee; but any new Trustee so appointed by the Corporation or by the Court shall be subject to removal as aforesaid by the Debentureholders. Any new Trustee appointed under any provision of this Section shall be a corporation authorized to carry on the business of a trust company in the Province of Ontario. On any new appointment the new Trustee shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as Trustee.

Any corporation into which the Trustee may be merged or with which it may be consolidated or amalgamated or any corporation resulting from any consolidation or amalgamation to which the Trustee shall be a party or any corporation which succeeds to the Corporate Trust Services business of the Trustee, shall be the successor Trustee under this Indenture without the execution of any instrument or any further act. Nevertheless, upon the written request of the successor Trustee or of the Corporation, the Trustee ceasing to act shall execute and deliver an instrument assigning and transferring to such successor all the rights and powers of the Trustee so ceasing to act, and shall duly assign, transfer and deliver all property and money held by such Trustee to the successor Trustee so appointed in its place. Should any deed, conveyance or instrument in writing from the Corporation be required by a new Trustee for more fully and certainly vesting in and confirming to it such assignment, transfer and delivery, any such deed, conveyance or instruments in writing shall on request of such new Trustee, be made, executed, acknowledged and delivered by the Corporation.

16.3 Duties of Trustee. The Trustee, in exercising its powers and discharging its duties hereunder, shall:

16.3.1 act honestly and faithfully in the best interests of the Debentureholders; and

16.3.2 act with prudence and diligence.

16.4 Reliance Upon Declarations. The Trustee shall not be in contravention of the provisions of Section 16.3 if it relies in good faith upon statutory declarations, certificates, opinions or reports furnished to it in the exercise of its rights and duties hereunder if such statutory declarations, certificates, opinions or reports comply with the provisions of Section 16.5, if applicable, and with any other applicable provisions of this Indenture.

16.5 Evidence and Authority to Trustee. The Corporation shall furnish to the Trustee evidence of compliance with the conditions provided for in this Indenture relating to any action or step required or permitted to be taken by the Corporation or the Trustee under this Indenture, including, without limitation, the issue, certification and delivery of Debentures hereunder, the satisfaction and discharge of this Indenture and the taking of any other action to be taken by the Trustee at the request of or on the application of the Corporation, forthwith and when:

16.5.1 such evidence is required by any other Section of this Indenture to be furnished to the Trustee in accordance with the terms of this Section 16.5; or

16.5.2 the Trustee, in the exercise of its rights and duties under this Indenture, gives the Corporation written notice requiring it to furnish such evidence in relation to any particular action or obligation specified in such notice.

Such evidence shall consist of:

16.5.3 a statutory declaration or an Officer's Certificate made by the Chairman of the Board, the President or a Vice-President of the Corporation stating that any such condition has been complied with in accordance with the terms of this Indenture.

16.6 Officer's Certificate is Evidence. Except as otherwise specified, provided or prescribed by this Indenture, whenever in the administration of the provisions of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or omitting an action hereunder, the Trustee, if acting in good faith, may rely upon an Officer's Certificate.

16.7 Experts, Advisers and Agents. The Trustee may in the administration of the provisions of this Indenture:

16.7.1 act on the opinion or advice of or information obtained from any solicitor, auditor, valuer, engineer, surveyor, appraiser or other expert, whether obtained by the Trustee or by the Corporation, or otherwise, and may employ such assistants as may be necessary for the proper discharge of its duties and may pay proper and reasonable compensation for all such legal and other advice or assistance as aforesaid; and

16.7.2 employ such agents and other assistants as it may reasonably require for the proper discharge of its duties hereunder and may pay reasonable remuneration for all services performed for it (and shall be entitled to receive reasonable remuneration for all services performed by it) in the discharge of its duties hereunder and compensation for all disbursements, costs and expenses made or incurred for it in the discharge of its duties hereunder. Any solicitors employed or consulted by the Trustee may, but need not be, solicitors for the Corporation.

16.8 Trustee May Deal in Debentures. The Trustee may, in its personal or other capacity, buy, sell, lend upon and deal in the Debentures and generally contract and enter into financial transactions with the Corporation or otherwise, without being liable to account for any profits made thereby.

16.9 Investment of Moneys Held by Trustee. Unless otherwise provided in this Indenture, any moneys held by the Trustee which under this Indenture may or ought to be invested or which may be on deposit with the Trustee or which may be in the hands of the Trustee may be invested and reinvested in the name or under the control of the Trustee in Permitted Investments in which, under the laws of the Province of Ontario, trustees are authorized to invest trust moneys, and unless and until the Trustee shall have declared the Debentures, interest thereon and other relevant amounts payable in respect thereof to be due and payable, the Trustee shall so invest such moneys at the direction of the Corporation.

Pending the investment of any moneys as hereinbefore provided, such moneys may be deposited in the name of the Trustee in any chartered bank of Canada or, with the consent of the Corporation, in the deposit department of the Trustee or any other loan or trust company authorized to accept deposits under the laws of Canada or any province thereof at the rate of interest then current on similar deposits.

The Trustee shall accrue all interest received by the Trustee in respect of any investment or deposits made pursuant to the provisions of this Section and add such amounts to the capital of the sums held by the Trustee pursuant to Section 3.1 hereof.

16.10 Trustee Not Ordinarily Bound. Except as provided in Section 11.7 and as otherwise specifically provided herein, the Trustee shall not, subject to Section 16.3, be bound to give notice to any person of the execution hereof, nor to do, observe or perform or see to the observance or performance by the Corporation of the covenants on the part of the Corporation herein contained, nor in any way to supervise or interfere with the conduct of the Corporation's business, unless the Trustee shall have been required to do so by any Extraordinary Resolution of the Debentureholders passed in accordance with the provisions contained in Article 14, and then only after it shall have been indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages and expenses which it may incur by so doing.

16.11 Trustee Not Required to Give Security. The Trustee shall not be required to give any bond or security in respect of the execution of the rights and powers of this Indenture or otherwise in respect of the premises or to make any inventory or take out insurance with respect thereto.

16.12 Trustee Not Bound to Act on Corporation's Request. Except as in this Indenture otherwise specifically provided, the Trustee shall not be bound to act in accordance with any direction or request of the Corporation or of the Directors until a duly authenticated copy of the instrument or resolution containing such direction or request shall have been

delivered to the Trustee, and the Trustee shall be empowered to act upon any such copy purporting to be authenticated and believed by the Trustee to be genuine.

16.13 Conditions Precedent to Trustee's Obligations to Act Hereunder. The obligation of the Trustee to commence or continue any act, action or proceedings for the purpose of enforcing the rights of the Trustee and of the Debentureholders hereunder shall be conditional upon the Debentureholders furnishing, when required by notice in writing by the Trustee, sufficient funds to commence or continue such act, action or proceeding and indemnity reasonably satisfactory to the Trustee to protect and hold harmless the Trustee against the costs, charges and expenses and liabilities to be incurred thereby and any loss and damage it may suffer by reason thereof.

None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified as aforesaid.

The Trustee may, before commencing or at any time during the continuance of any such act, action or proceeding, require the Debentureholders at whose instance it is acting to deposit with the Trustee the Debentures held by them for which Debentures the Trustee shall issue receipts.

16.14 Authority to Carry on Business. The Trustee represents to the Corporation that at the date of execution and delivery by it of this Indenture it is authorized to carry on the business of a trust company in the Province of Ontario but if, notwithstanding the provisions of this Section 16.14, it ceases to be so authorized to carry on business, the validity and enforceability of the Indenture and the Debentures issued hereunder shall not be affected in any manner whatsoever by reason only of such event but the Trustee shall, within 90 days after ceasing to be authorized to carry on the business of a trust corporation in the Province of Ontario, either become so authorized or resign in the manner and with the effect specified in Section 16.3.

16.15 Acceptance of Duties. The Trustee hereby accepts the appointment as Trustee under this Indenture and agrees to perform its duties upon the terms and conditions herein set forth and to hold all right, privileges and benefits conferred hereby and by the law in trust for the various persons who shall from time to time be Debentureholders, subject to all the terms and conditions herein set forth.

16.16 Indemnification and exercise of reasonable Diligence. The Trustee and its directors, officers, employees and agents will at all times be indemnified and saved harmless by the Corporation from and against all claims, demands, losses, actions, causes of action, costs, charges, expenses, damages and liabilities whatsoever arising in connection with this Indenture including, without limitation, those arising out of or related to actions taken or omitted to be taken by the Trustee contemplated hereby, legal fees and disbursements on a solicitor and client basis and costs and expenses incurred in connection with the enforcement of this indemnity, which the Trustee may suffer or incur, whether at law or in equity, in any way caused by or arising, directly or indirectly, in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in

relation to the execution of its duties as Trustee. The foregoing provisions of this Section do not apply to the extent that in any circumstances the Trustee or its directors, officers employees or agents have been negligent or there has been a failure by such Persons to act honestly and in good faith. This indemnity will survive the termination and discharge of this Indenture and the resignation or removal of the Trustee.

ARTICLE 17

SUPPLEMENTAL INDENTURES

17.1 Supplemental Indentures. From time to time the Trustee and, when authorized by a resolution of the Directors, the Corporation may, and they shall, when required by this Indenture, execute, acknowledge and deliver by their proper officers deeds or Indentures supplemental hereto, which thereafter shall form part hereof, for any one or more of the following purposes:

17.1.1 making such provisions not inconsistent with this Indenture as may be necessary or desirable with respect to matters or questions arising hereunder, including the making of any modifications in the form of Debentures which do not affect the substance thereof and which, in the opinion of the Trustee, it may be expedient to make, provided that the Trustee shall be of the opinion that such provisions and modifications will not be prejudicial to the interests of the Debentureholders;

17.1.2 evidencing the succession, or successive successions, of other corporations to the Corporation and the covenants of and obligations assumed by any successor in accordance with the provisions of this Indenture;

17.1.3 giving effect to any Extraordinary Resolution passed as provided in Article 14;

17.1.4 making any additions to, deletions from or alterations of the provisions of this Indenture or the Debentures which, in the opinion of the Trustee upon the advice of Counsel, will not be prejudicial to the interest of the Holders of the Debentures or are in the opinion of Counsel necessary or advisable in order to incorporate, reflect or comply with any legislation the provisions of which apply to the Corporation, the Trustee or this Indenture; and

17.1.5 for any other purpose not inconsistent with the terms of this Indenture.

The Trustee may also, with or without the consent or concurrence of the Debentureholders, by supplemental Indenture or otherwise, concur with the Corporation in making any changes or corrections in this Indenture which it shall have been advised by Counsel are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provisions or clerical omissions or mistakes or manifest errors contained herein or in any deed or Indenture supplemental or ancillary hereto, provided

that in the opinion of the Trustee the rights of the Trustee and of the Debentureholders are in no way prejudiced thereby.

ARTICLE 18

EVIDENCE OF OWNERSHIP

18.1 Evidence of Ownership. The Corporation and the Trustee may treat the registered holder of any Debentures as the owner thereof without actual production of such Debentures for the purpose of any request, requisition, direction, consent, instrument or other document to be made, signed or given by the holder of the Debentures.

ARTICLE 19

EXECUTION AND FORMAL DATE

19.1 Execution. This Indenture may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

19.2 Formal Date. For the purpose of convenience this Indenture may be referred to as bearing formal date of April 17, 2002 irrespective of the actual date of execution hereof.

IN WITNESS WHEREOF the parties have caused this Indenture to be signed by their respective authorized officers as of the date and at the place first hereinabove indicated.

3901602 CANADA INC.

Per: _____
Vic De Zen

COMPUTERSHARE TRUST COMPANY OF CANADA

Per: _____

Per: _____

SCHEDULES

The following are Schedules 1 to 7 herein referred to:

SCHEDULE 1

FORM OF CERTIFICATE OF DEBENTURES

THIS DEBENTURE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**") OR ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING THIS DEBENTURE, AGREES FOR THE BENEFIT OF THE CORPORATION THAT THE DEBENTURES MAY NOT BE OFFERED OR SOLD INCLUDING IN CONNECTION WITH ANY RESALE OR OTHER TRANSFER IN THE UNITED STATES OR TO ANY U.S. PERSON AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT.

A PROSPECTUS HAS NOT BEEN AND WILL NOT BE FILED UNDER THE SECURITIES LAWS OF ANY PROVINCE OR TERRITORY OF CANADA TO QUALIFY THE SALE OF DEBENTURES MADE IN SUCH JURISDICTIONS. ANY RESALE OF THE DEBENTURES IN CANADA MUST BE MADE (A) THROUGH AN APPROPRIATELY REGISTERED DEALER OR IN ACCORDANCE WITH AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF APPLICABLE SECURITIES LEGISLATION AND (B) IN ACCORDANCE WITH, OR PURSUANT TO AN EXEMPTION FROM, THE PROSPECTUS REQUIREMENTS OF SUCH LAWS WHICH VARY DEPENDING ON THE HOLDER'S JURISDICTION OF RESIDENCE, AND (C) WITH THE CONSENT OF THE CORPORATION.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITIES SHALL NOT TRADE THE SECURITIES BEFORE THE EARLIER OF (i) THE DATE THAT IS 12 MONTHS AND A DAY AFTER THE DATE THE ISSUER FIRST BECAME A REPORTING ISSUER IN ANY OF ALBERTA, BRITISH COLUMBIA, MANITOBA, NOVA SCOTIA, ONTARIO, QUEBEC AND SASKATCHEWAN, IF THE ISSUER IS A SEDAR FILER; AND (ii) THE DATE THAT IS 12 MONTHS AND A DAY AFTER THE LATER OF (A) THE DISTRIBUTION DATE, AND (B) THE DATE THE ISSUER BECAME A REPORTING ISSUER IN THE LOCAL JURISDICTION OF THE PURCHASER OF THE SECURITIES THAT ARE THE SUBJECT OF THE TRADE.

Number:_____ Cdn $

3901602 CANADA INC.

incorporated under the *Canada Business Corporations Act*

EXCHANGEABLE DEBENTURES, 2002 SERIES DUE April 16, 2022

3901602 CANADA INC. (the "**Corporation**") for value received, hereby agrees to pay to _____ _____ at _____, upon presentation and surrender to Computershare Trust Company of Canada at its principal office in the city of Toronto of this certificate of Debentures, a sum equal to (a) if such payment is made on April 16, 2022 (the "**Maturity Date**") and the requirements of Section 10.23 of the Indenture hereinafter mentioned have been complied with, the Face Value hereof, or (b) if such amount becomes due

at any other time, or following the exercise of the Right of Exchange or Right of Redemption, in accordance with the provisions of the Indenture hereinafter mentioned, the result obtained by multiplying (A) the number of RGT Subordinate Voting Shares that the Debentureholders would have been entitled to receive for such outstanding Debentures pursuant to the Right of Exchange by (B) the Current Market Price, plus all accrued and unpaid interest to that date, in lawful money of Canada, together with such further amounts, if any, as may be payable in respect thereof and to pay interest on the Face Value hereof at an annual rate equal to the sum of 1.2%, plus, (i) for the First Interest Period, 0% per annum; and (ii) for each subsequent Interest Period, the percentage per annum obtained by dividing (x) the product of (a) the Ordinary Dividends per 33.689998 RGT Subordinate Voting Shares for which the record date is during the immediately preceding Interest Period; and (b) one divided by the fraction of the year represented by the Interest Period; by (y) $1,000; and multiplying the quotient by 100, calculated and paid semi-annually, not in advance (the "**Interest Rate**") at any of the said places, in like money on the 16th day of the months of April and October in each year (the "**Interest Payment Date**"), from and including the date of these Debentures or from and including the last Interest Payment Date on which interest shall have been paid or made available for payment with respect to the outstanding Debentures, whichever shall be the later, up to and including the Business Day preceding the earliest of: (i) the Maturity Date, (ii) if exchanged for RGT Subordinate Voting Shares pursuant to Article 6 or Article 8 of the Indenture, the Exchange Date provided therein, or (iii) if purchased pursuant to Section 6.3 of the Indenture, subject to the applicable provisions of the Indenture, the Purchase Date, the first such payment to fall due on October 16, 2002. If upon due presentation, payment of any amount payable at the Maturity Date as provided hereinabove, exchange of RGT Subordinate Voting Shares at the Exchange Date or payment of the Purchase Price at the Purchase Date (together with accrued and unpaid interest as provided in the Indenture) is improperly withheld or refused, interest shall be calculated, at the Overdue Interest Rate, to and including the day preceding the actual date of payment or exchange together with payment of accrued and unpaid interest, as the case may be. As interest on the Debentures becomes due (except interest payable at maturity or on exchange, redemption or purchase, which shall be paid on the Maturity Date, Exchange Date, Redemption Date or, subject to the applicable provisions of the Indenture, Purchase Date, as the case may be, and which may be paid upon presentation and surrender of the Debentures for payment), the Corporation, at least five days prior to each date on which interest on such Debentures becomes due, shall forward or cause to be forwarded by prepaid post, to the registered Holder of these Debentures at its address appearing on the register of Holders referred to hereafter, or in the case of joint Holders to the one whose name appears first on such register, a cheque for such interest (less any tax required by law to be deducted) payable to the order of such Holder or Holders and negotiable at par at each of the places at which interest upon these Debentures is expressed to be payable. The forwarding of such cheque shall satisfy and discharge the liability for interest on the Debentures to the extent of the sum or sums represented thereby (plus the amount of any tax deducted as aforesaid) unless such cheque be not paid on presentation.

This certificate of Debentures represents Exchangeable Debentures 2002 Series (the "**Debentures**") of the Face Value of $_____ in lawful money of Canada issued pursuant to and secured by an Indenture (the "**Indenture**") dated as of April 17, 2002 and entered into between the Corporation and Computershare Trust Company of Canada, as trustee for all present and future Debentureholders (the "**Trustee**"), to which Indenture and all instruments supplemental thereto or in implementation thereof reference is hereby made for a

description of the rights of the Holders of the Debentures and of the terms and conditions upon which the Debentures are issued and held and for the definition of capitalized terms used herein and not otherwise defined herein, all to the same effect as if the provisions of the Indenture and such instruments supplemental thereto or in implementation thereof were herein set forth, to all of which provisions the Holder of these Debentures, by acceptance hereof, assents. In the event of a conflict between the terms of the Indenture and this Debenture, the Indenture shall govern.

The Debentures are issuable as fully registered Debentures in denominations of integral multiples of $1,000. Debentures of any denominations may be substituted for Debentures of any other denominations, but only for an equivalent Face Value (in multiples of $1,000).

The Corporation may at any time purchase for cancellation all or any of the Debentures by invitation for tenders or by private contract, at prices determined in such invitation for tenders or private contract together, in all cases, with accrued and unpaid interest to the date of purchase and costs of purchase as provided in the Indenture.

Each of the Debentureholders shall have the right, at its option, at any time during the period beginning on and including April 17, 2002 and ending on the Business Day immediately preceding the Maturity Date, to exchange the whole at any time or any part from time to time of the Debentures for fully paid and non-assessable RGT Subordinate Voting Shares of Royal Group Technologies Limited pursuant to the then applicable Current Exchange Basis, the whole subject to the terms and conditions and in the manner set forth in the Indenture. The Indenture makes provision for the adjustment of the Exchange Ratio in the events therein specified. The Right of Exchange is subject to the right of the Corporation (or any person designated by the Corporation), at its option, to purchase before the Close of Business on the day preceding the Exchange Date all the Debentures or any part thereof tendered for exchange, the whole upon the terms and conditions set forth in the Indenture.

The Corporation shall have the right, at its option, at any time, to call for redemption the whole at any time or any part from time to time of the Debentures: for fully paid and non-assessable RGT Subordinate Voting Shares of Royal Group Technologies Limited pursuant to the then applicable Current Exchange Basis or for a cash amount equal to the result obtained by multiplying the number of RGT Subordinate Voting Shares that the Debentureholder would have been entitled to receive pursuant to the Current Exchange Basis in respect of such Debentures by the Current Market Price or any combination thereof plus, in the circumstances described in Section 8.1 of the Indenture, the Prepayment Fee, the whole subject to the terms and conditions and in the manner set forth in the Indenture.

The Debentures may also become or be declared due and payable before the stated Maturity Date on the conditions, in the manner, with the effect and at the time set forth in the Indenture.

The Corporation has pledged and granted a security interest in favour of the Trustee, in each case on the Underlying RGT Shares and all other or additional Securities received by the Trustee as pledgee of Underlying RGT Shares or to which it is entitled in such capacity, together with all accretions thereto, income therefrom, Proceeds thereof (in the form of cash, Securities or otherwise) and all privileges, indemnities and other rights now or in the future connected therewith, appertaining or accessory thereto and on the Initial Cash Investment as well as all

Proceeds, investments, Securities, revenues and interest generated by, made, purchased or acquired with such moneys, as security for the Secured Obligations, the whole pursuant to the terms and conditions of the Indenture.

The purchase or subscription of any Debenture by any Debentureholder shall constitute an acknowledgement and ratification by such Debentureholder of the power of attorney constituted under the Indenture.

The Indenture provides that certain modifications and alterations thereto and to the Debentures may be made if authorized by Extraordinary Resolution which is a resolution passed by the votes cast by the Holders of not less than 66 2/3% of the Face Value of Debentures represented at a meeting of Holders of Debentures or by instruments in writing signed by the Holders of not less than 66 2/3% of the Face Value of the Debentures at that time. The Indenture also provides that certain modifications and alterations thereto and to the Debentures may be made without the consent of the Debentureholders.

The Debentures are subject to restrictions on transfer and may only be transferred, upon compliance with the conditions prescribed in the Indenture, on the register to be kept at the principal office of the Trustee in the city of Toronto and at such other place or places, if any, and by such other registrar or registrars, if any, as the Corporation, with the approval of the Trustee, may designate, by the registered Holder thereof or his executors or administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and execution satisfactory to the Trustee, and upon compliance with such reasonable requirements as the Trustee or other registrar may prescribe. A Debenture may not be transferred by the Holder to any Person who is not an Accredited Investor (unless the issuance or transfer is (a) to a Person pursuant to an exemption from the prospectus and registration requirements under applicable securities legislation, or (b) to a Person pursuant to an exemption from the prospectus requirements and through a dealer registered under applicable securities legislation, or (c) not subject to the prospectus or registration requirements of applicable securities legislation). Nothing herein contained shall prevent a Debentureholder from pledging, or granting a security interest in, the Debentures held by it at any time and from time to time.

No Holder or transferee may require any transfer to be made on or during the Five Business Days (as defined in the Trust Indenture) prior to an Interest Payment Date, the Maturity Date or a Redemption Date.

The Debentures shall not become obligatory for any purpose until they shall have been certified by or on behalf of the Trustee.

DATED as of the ____ day of _____, _____.

3901602 CANADA INC.

Per: _____

SCHEDULE 2

FORM OF GLOBAL CERTIFICATE

THIS DEBENTURE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**") OR ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING THIS DEBENTURE, AGREES FOR THE BENEFIT OF THE CORPORATION THAT THE DEBENTURES MAY NOT BE OFFERED OR SOLD INCLUDING IN CONNECTION WITH ANY RESALE OR OTHER TRANSFER IN THE UNITED STATES OR TO ANY U.S. PERSON AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT.

A PROSPECTUS HAS NOT BEEN AND WILL NOT BE FILED UNDER THE SECURITIES LAWS OF ANY PROVINCE OR TERRITORY OF CANADA TO QUALIFY THE SALE OF DEBENTURES MADE IN SUCH JURISDICTIONS. ANY RESALE OF THE DEBENTURES IN CANADA MUST BE MADE (A) THROUGH AN APPROPRIATELY REGISTERED DEALER OR IN ACCORDANCE WITH AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF APPLICABLE SECURITIES LEGISLATION AND (B) IN ACCORDANCE WITH, OR PURSUANT TO AN EXEMPTION FROM, THE PROSPECTUS REQUIREMENTS OF SUCH LAWS WHICH VARY DEPENDING ON THE HOLDER'S JURISDICTION OF RESIDENCE, AND (C) WITH THE CONSENT OF THE CORPORATION.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITIES SHALL NOT TRADE THE SECURITIES BEFORE THE EARLIER OF (i) THE DATE THAT IS 12 MONTHS AND A DAY AFTER THE DATE THE ISSUER FIRST BECAME A REPORTING ISSUER IN ANY OF ALBERTA, BRITISH COLUMBIA, MANITOBA, NOVA SCOTIA, ONTARIO, QUEBEC AND SASKATCHEWAN, IF THE ISSUER IS A SEDAR FILER; AND (ii) THE DATE THAT IS 12 MONTHS AND A DAY AFTER THE LATER OF (A) THE DISTRIBUTION DATE, AND (B) THE DATE THE ISSUER BECAME A REPORTING ISSUER IN THE LOCAL JURISDICTION OF THE PURCHASER OF THE SECURITIES THAT ARE THE SUBJECT OF THE TRADE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE CANADIAN DEPOSITORY FOR SECURITIES LIMITED ("CDS") TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN RESPECT THEREOF IS REGISTERED IN THE NAME OF CDS & CO., OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS (AND ANY PAYMENT IS MADE TO CDS & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED HOLDER HEREOF, CDS & CO., HAS AN INTEREST HEREIN.

Number:_____ Cdn $

3901602 CANADA INC.

incorporated under the *Canada Business Corporations Act*

EXCHANGEABLE DEBENTURES, 2002 SERIES DUE April 16, 2022

3901602 CANADA INC. (the "**Corporation**") for value received, hereby agrees to pay to _____ _____ at _____, upon presentation and surrender to Computershare Trust Company of Canada at its principal office in the city of Toronto of this certificate of Debentures, a sum equal to (a) if such payment is made on April 16, 2022 (the "**Maturity Date**") and the requirements of Section 10.23 of the Indenture hereinafter mentioned have been complied with, the Face Value hereof, or (b) if such amount becomes due at any other time, or following the exercise of the Right of Exchange or Right of Redemption, in accordance with the provisions of the Indenture hereinafter mentioned, the result obtained by multiplying (A) the number of RGT Subordinate Voting Shares that the Debentureholders would have been entitled to receive for such outstanding Debentures pursuant to the Right of Exchange by (B) the Current Market Price, plus all accrued and unpaid interest to that date, in lawful money of Canada, together with such further amounts, if any, as may be payable in respect thereof and to pay interest on the Face Value hereof at an annual rate equal to the sum of 1.2%, plus, (i) for the First Interest Period, 0% per annum; and (ii) for each subsequent Interest Period, the percentage per annum obtained by dividing (x) the product of (a) the Ordinary Dividends per 33.689998 RGT Subordinate Voting Shares for which the record date is during the immediately preceding Interest Period; and (b) one divided by the fraction of the year represented by the Interest Period; by (y) $1,000; and multiplying the quotient by 100, calculated and paid semi-annually, not in advance (the "**Interest Rate**") at any of the said places, in like money on the 16th day of the months of April and October in each year (the "**Interest Payment Date**"), from and including the date of these Debentures or from and including the last Interest Payment Date on which interest shall have been paid or made available for payment with respect to the outstanding Debentures, whichever shall be the later, up to and including the Business Day preceding the earliest of: (i) the Maturity Date, (ii) if exchanged for RGT Subordinate Voting Shares pursuant to Article 6 or Article 8 of the Indenture, the Exchange Date provided therein, or (iii) if purchased pursuant to Section 6.3 of the Indenture, subject to the applicable provisions of the Indenture, the Purchase Date, the first such payment to fall due on October 16, 2002. If upon due presentation, payment of any amount payable at the Maturity Date as provided hereinabove, exchange of RGT Subordinate Voting Shares at the Exchange Date or payment of the Purchase Price at the Purchase Date (together with accrued and unpaid interest as provided in the Indenture) is improperly withheld or refused, interest shall be calculated, at the Overdue Interest Rate, to and including the day preceding the actual date of payment or exchange together with payment of accrued and unpaid interest, as the case may be. As interest on the Debentures becomes due (except interest payable at maturity or on exchange, redemption or purchase, which shall be paid on the Maturity Date, Exchange Date, Redemption Date or, subject to the applicable provisions of the Indenture, Purchase Date, as the case may be, and which may be paid upon presentation and surrender of the Debentures for payment), the Corporation, at least

five days prior to each date on which interest on such Debentures becomes due, shall forward or cause to be forwarded by prepaid post, to the registered Holder of these Debentures at its address appearing on the register of Holders referred to hereafter, or in the case of joint Holders to the one whose name appears first on such register, a cheque for such interest (less any tax required by law to be deducted) payable to the order of such Holder or Holders and negotiable at par at each of the places at which interest upon these Debentures is expressed to be payable. The forwarding of such cheque shall satisfy and discharge the liability for interest on the Debentures to the extent of the sum or sums represented thereby (plus the amount of any tax deducted as aforesaid) unless such cheque be not paid on presentation.

This certificate of Debentures represents Exchangeable Debentures 2002 Series (the "**Debentures**") of the Face Value of $_____ in lawful money of Canada issued pursuant to and secured by an Indenture (the "**Indenture**") dated as of April 17, 2002 and entered into between the Corporation and Computershare Trust Company of Canada, as trustee for all present and future Debentureholders (the "**Trustee**"), to which Indenture and all instruments supplemental thereto or in implementation thereof reference is hereby made for a description of the rights of the Holders of the Debentures and of the terms and conditions upon which the Debentures are issued and held and for the definition of capitalized terms used herein and not otherwise defined herein, all to the same effect as if the provisions of the Indenture and such instruments supplemental thereto or in implementation thereof were herein set forth, to all of which provisions the Holder of these Debentures, by acceptance hereof, assents. In the event of a conflict between the terms of the Indenture and this Debenture, the Indenture shall govern.

The Debentures are issuable as fully registered Debentures in denominations of integral multiples of $1,000. Debentures of any denominations may be substituted for Debentures of any other denominations, but only for an equivalent Face Value (in multiples of $1,000).

The Corporation may at any time purchase for cancellation all or any of the Debentures by invitation for tenders or by private contract, at prices determined in such invitation for tenders or private contract together, in all cases, with accrued and unpaid interest to the date of purchase and costs of purchase as provided in the Indenture.

Each of the Debentureholders shall have the right, at its option, at any time during the period beginning on and including April 17, 2002 and ending on the Business Day immediately preceding the Maturity Date, to exchange the whole at any time or any part from time to time of the Debentures for fully paid and non-assessable RGT Subordinate Voting Shares of Royal Group Technologies Limited pursuant to the then applicable Current Exchange Basis, the whole subject to the terms and conditions and in the manner set forth in the Indenture. The Indenture makes provision for the adjustment of the Exchange Ratio in the events therein specified. The Right of Exchange is subject to the right of the Corporation (or any person designated by the Corporation), at its option, to purchase before the Close of Business on the day preceding the Exchange Date all the Debentures or any part thereof tendered for exchange, the whole upon the terms and conditions set forth in the Indenture.

The Corporation shall have the right, at its option, at any time, to call for redemption the whole at any time or any part from time to time of the Debentures: for fully paid and non-assessable RGT Subordinate Voting Shares of Royal Group Technologies Limited pursuant to the then

applicable Current Exchange Basis or for a cash amount equal to the result obtained by multiplying the number of RGT Subordinate Voting Shares that the Debentureholder would have been entitled to receive pursuant to the Current Exchange Basis in respect of such Debentures by the Current Market Price or any combination thereof plus, in the circumstances described in Section 8.1 of the Indenture, the Prepayment Fee, the whole subject to the terms and conditions and in the manner set forth in the Indenture.

The Debentures may also become or be declared due and payable before the stated Maturity Date on the conditions, in the manner, with the effect and at the time set forth in the Indenture.

The Corporation has pledged and granted a security interest in favour of the Trustee, in each case on the Underlying RGT Shares and all other or additional Securities received by the Trustee as pledgee of Underlying RGT Shares or to which it is entitled in such capacity, together with all accretions thereto, income therefrom, Proceeds thereof (in the form of cash, Securities or otherwise) and all privileges, indemnities and other rights now or in the future connected therewith, appertaining or accessory thereto and on the Initial Cash Investment as well as all Proceeds, investments, Securities, revenues and interest generated by, made, purchased or acquired with such moneys, as security for the Secured Obligations, the whole pursuant to the terms and conditions of the Indenture.

The purchase or subscription of any Debenture by any Debentureholder shall constitute an acknowledgement and ratification by such Debentureholder of the power of attorney constituted under the Indenture.

The Indenture provides that certain modifications and alterations thereto and to the Debentures may be made if authorized by Extraordinary Resolution which is a resolution passed by the votes cast by the Holders of not less than 66 2/3% of the Face Value of Debentures represented at a meeting of Holders of Debentures or by instruments in writing signed by the Holders of not less than 66 2/3% of the Face Value of the Debentures at that time. The Indenture also provides that certain modifications and alterations thereto and to the Debentures may be made without the consent of the Debentureholders.

The Debentures are subject to restrictions on transfer and may only be transferred, upon compliance with the conditions prescribed in the Indenture, on the register to be kept at the principal office of the Trustee in the city of Toronto and at such other place or places, if any, and by such other registrar or registrars, if any, as the Corporation, with the approval of the Trustee, may designate, by the registered Holder thereof or his executors or administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and execution satisfactory to the Trustee, and upon compliance with such reasonable requirements as the Trustee or other registrar may prescribe. A Debenture may not be transferred by the Holder to any Person who is not an Accredited Investor (unless the issuance or transfer is (a) to a Person pursuant to an exemption from the prospectus and registration requirements under applicable securities legislation, or (b) to a Person pursuant to an exemption from the prospectus requirements and through a dealer registered under applicable securities legislation, or (c) not subject to the prospectus or registration requirements of applicable securities legislation). Nothing herein contained shall prevent a Debentureholder from pledging, or granting a security interest in, the Debentures held by it at any time and from time to time.

No Holder or transferee may require any transfer to be made on or during the Five Business Days (as defined in the Trust Indenture) prior to an Interest Payment Date, the Maturity Date or a Redemption Date.

The Debentures shall not become obligatory for any purpose until they shall have been certified by or on behalf of the Trustee.

DATED as of the ____ day of _____, _____.

3901602 CANADA INC.

Per: _____

SCHEDULE TO THE CDS BOOK-ENTRY ONLY (BEO) CERTIFICATE

CUSIP: CA 885623AA68 **CLOSING DATE:** 04/17/2002

3901602 CANADA INC EXCHANGEABLE DEBENTURE 2002 SERIES

Initial Principal Amount: 106,857,000

Adjustments

Date	Amount of Decrease	New Principal Amount	Corporate Authorization	Certification

SCHEDULE 3

FORM OF TRUSTEE'S CERTIFICATE

This Debenture is one of the Exchangeable Debentures, 2002 Series of 3901602 Canada Inc. referred to in the Indenture within mentioned.

Date of Certification: _____

COMPUTERSHARE TRUST COMPANY OF CANADA, as Trustee

_____

Authorized Signature

SCHEDULE 4

FORM OF TRANSFER

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

_____

(PLEASE PRINT NAME AND ADDRESS OF TRANSFEREE AND SIN IF APPLICABLE)

_____

the within Debentures (or $ _____ of the Face Value thereof) of 3901602 Canada Inc. (the "Corporation") together with interest thereon and all other amounts payable in respect thereof, and hereby irrevocably constitutes and appoints _____ attorney to transfer the said Debentures on the register for the Exchangeable Debentures, Series 2002 of the Corporation, with full power of substitution in the premises.

The undersigned hereby represents and warrants that it is not transferring said Debentures or any beneficial interest in said Debentures within the United States or to a U.S. Person (within the meaning of Regulation S under the United States Securities Act of 1933, as amended) and is complying with the transfer restrictions set forth in the Indenture governing the Debentures.

If less than the Face Value of the within Debentures is to be transferred, indicate in the space provided the amount of the Face Value (which must be $1,000 or integral multiples thereof) to be transferred.

Dated: _____

_____

SIGNATURE OF TRANSFEROR

(The signature of the transferor of the within Debentures authorizing this transfer must be guaranteed by an authorized officer of a Canadian chartered bank, by a major Canadian trust corporation or by a Medallion signature guarantee from a member firm of a recognized Medallion Guarantee Program).

SCHEDULE 5

EXCHANGE FORM

TO: COMPUTERSHARE TRUST COMPANY OF CANADA AND 3901602 CANADA INC.

The undersigned, registered Holder of the within Debentures of 3901602 Canada Inc. (the "Corporation"), hereby irrevocably elects to exchange the within Debentures (or $_____ of the Face Value thereof) for Subordinate Voting Shares of Royal Group Technologies Limited on the prevailing Current Exchange Basis in accordance with the terms and conditions of the Indenture referred to in the within Debentures and directs that the Subordinate Voting Shares of Royal Group Technologies Limited to be delivered upon exchange be transferred and delivered to the person indicated below. (If Subordinate Voting Shares of Royal Group Technologies Limited are to be transferred to a person other than the Holder, all requisite transfer taxes must be tendered by the undersigned).

The undersigned hereby represents and warrants that neither it nor any holder of a beneficial interest in the Debentures of which it is the registered holder is within the United States or is a U.S. Person (within the meaning of Regulation S under the United States Securities Act of 1933, as amended).

If less than the Face Value of the within Debentures is to be exchanged, indicate in the space provided the amount of the Face Value (which must be $1,000 or integral multiples thereof) to be exchanged.

Dated: _____

_____

SIGNATURE OF REGISTERED HOLDER

(If Subordinate Voting Shares of Royal Group Technologies Limited are to be transferred to a person other than the registered Holder, a form of transfer substantially in the form of the above Form of Transfer must be completed and the registered Holder's signature must be guaranteed by an authorized officer of a Canadian chartered bank, by a major Canadian trust corporation, or by a Medallion signature guarantee from a member firm of a recognized Medallion Guarantee Program).

Name: _____
(Print name in which Subordinate Voting Shares of Royal Group Technologies Limited transferable upon exchange are to be transferred, delivered and registered)

(ADDRESS)

(CITY, PROVINCE AND POSTAL CODE, AND SIN, IF APPLCIABLE)

SCHEDULE 6

ARTICLES OF INCORPORATION AND BY-LAWS

SCHEDULE 7

APPLICABLE MATURITY NOTICE PROVISIONS

Any Maturity notice sent to the initial Holder or any of its Affiliates shall be sent to the initial Holder at the following address, by registered mail or by personal delivery, return receipt requested. In the event of a general disruption or interruption in postal services, such Maturity Notice must be physically delivered, with a return receipt, and a copy sent by telecopier to the same addresses:

The Canadian Depository for Securities Limited
85 Richmond Street West
Toronto, Ontario M5H 2C9

Attention: Securities Eligibility Co-ordinator

Facsimile: (416) 365-7691

With a copy to:

The Bank of Nova Scotia
720 King Street West, 4th Floor
Toronto, ON M5V 2T3

Attention: Vice-President, Global Trading Operation

Fax: (416) 933-2291

Scotiabank (Ireland) Ltd.
I.F.S.C. House
Custom House Dock
Dublin 1
Ireland

Fax: 3531 670 0684

A copy of each such Maturity Notice (while The Bank of Nova Scotia or any Affiliate thereof is a Book Entry Holder) shall be provided to Heenan Blaikie, Suite 2500, 1250 René Lévesque Boulevard West, Montreal, Quebec, H3B 4Y1, Attention Ken Atlas, telecopier number (514) 846-3427.

Any of the addresses and the identity of the addressees may be changed by notice in writing from the Debentureholder or Book Entry Holder to the Corporation, with a copy to the Trustee.

THE FOREGOING NOTICE PROVISIONS WILL APPLY AS LONG AS THE BANK OF NOVA SCOTIA OR ANY OF ITS AFFILIATES IS A BOOK ENTRY HOLDER OF DEBENTURES.

SCHEDULE "B"

Irrevocable Direction and Waiver

IRREVOCABLE DIRECTION AND WAIVER

TO: COMPUTERSHARE TRUST COMPANY OF CANADA

The undersigned refer to the trust indenture dated as of April 17, 2002 (the "Trust Indenture") between you and 3901602 Canada Inc. (the "Pledgor"), providing for the pledge as collateral under the Trust Indenture of Multiple Voting Shares of Royal Group Technologies Limited ("Royal") owned by the Pledgor, and to the Stock Control Agreement dated as of November 30, 1994 as amended (the "Stock Control Agreement"), providing for certain restrictions on the transfer and conversion of such Multiple Voting Shares. All capitalized terms used herein have the meanings attributed to them in the Trust Indenture unless the context indicates otherwise.

Royal and the Pledgor hereby direct you, in your capacity as trustee under the Stock Control Agreement, to convert into RGT Subordinate Voting Shares any RGT Multiple Voting Shares held by the Pledgor and required by the Trustee to be so converted in accordance with Section 6.1.3 of the Trust Indenture (but subject to the exercise by the Corporation of its option set out in Section 6.3 of the Trust Indenture). The undersigned hereby waive any right they may have under the Stock Control Agreement to notice, and Vic De Zen waives any right he may have of approval, of any such conversion effected in accordance with Section 6.1.3 of the Trust Indenture.

Royal hereby directs you, in your capacity as transfer agent for the RGT Multiple Voting Shares and the RGT Subordinate Voting Shares, to issue and deliver the number of RGT Subordinate Voting Shares and share certificates in respect thereof required in connection with any such conversion of RGT Multiple Voting Shares effected in accordance with Section 6.1.3 of the Trust Indenture.

This direction and waiver, being coupled with an interest, shall be irrevocable.

This direction and waiver is supplemental and in addition to, and shall not derogate from, your power and authority as trustee under the Stock Control Agreement.

This direction and waiver shall enure to the benefit of and be binding upon the undersigned and their successors, legal and personal representatives and permitted assigns, including any future transferee of RGT Multiple Voting Shares.

DATED at Toronto this 17th day of April, 2002.

ROYAL GROUP TECHNOLOGIES LIMITED

By:_____
Authorized Signing Officer

By:_____
Authorized Signing Officer

3422453 CANADA INC.

By:_____
Authorized Signing Officer

DE ZEN INVESTMENTS CANADA LIMITED

By:_____
Authorized Signing Officer

DE ZEN HOLDINGS LIMITED

By:_____
Authorized Signing Officer

_____ _____

Witness **VIC DE ZEN**

THE BANK OF NOVA SCOTIA

By: _____
Authorized Signing Officer

By: _____
Authorized Signing Officer

COMPUTERSHARE TRUST COMPANY OF CANADA

By:_____
Authorized Signing Officer

By:_____
Authorized Signing Officer

3901602 CANADA INC.

By:_____
Authorized Signing Officer

ROYAL GROUP TECHNOLOGIES LIMITED
as issuer of the Multiple Voting Shares and the
Subordinate Voting Shares

- and -

VIC DE ZEN
as a holder of Multiple Voting Shares
and as the holder of a majority of the voting shares of De Zen Holdings Limited

- and -

3422453 CANADA INC.
as a holder of shares of 3901602 Canada Inc.

- and -

DE ZEN INVESTMENTS CANADA LIMITED
as holder of the shares of 3422453 Canada Inc.
and as a holder and pledgor of Multiple Voting Shares

- and -

3901602 CANADA INC.
as a holder of Multiple Voting Shares

- and -

DE ZEN HOLDINGS LIMITED
as a holder of shares of 3901602 Canada Inc.
and as a holder and pledgor of Multiple Voting Shares

- and -

THE BANK OF NOVA SCOTIA
as a pledgee of Multiple Voting Shares

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA
as Replacement Trustee on behalf of itself and the holders
of the Subordinate Voting Shares

STOCK CONTROL AGREEMENT AMENDMENT No. 5

Dated as of October 31, 2002

STOCK CONTROL AGREEMENT AMENDMENT No. 5

Stock Control Agreement Amendment No. 5 made as of October 31, 2002 among ROYAL GROUP TECHNOLOGIES LIMITED (the **"Corporation"**) as issuer of the Multiple Voting Shares and the Subordinate Voting Shares, VIC DE ZEN (**"De Zen"**) as a holder of Multiple Voting Shares and as the holder of a majority of the voting shares of De Zen Holdings Limited, DE ZEN HOLDINGS LIMITED (**"De Zen Holdings"**) as a holder of shares of 3901602 Canada Inc. and as a holder and pledgor of Multiple Voting Shares, 3422453 CANADA INC. (**"342"**) as a holder of shares of 3901602 Canada Inc. and 3901602 CANADA INC. (**"390"**) as a holder of Multiple Voting Shares, DE ZEN INVESTMENTS CANADA LIMITED (**"De Zen Investments"**) as the holder of the shares of 342 and as a holder and pledgor of Multiple Voting Shares, THE BANK OF NOVA SCOTIA (**"Scotia"**) as a pledgee of Multiple Voting Shares and COMPUTERSHARE TRUST COMPANY OF CANADA, as replacement trustee (the **"Trustee"**), on behalf of itself and the holders of the Subordinate Voting Shares.

WHEREAS the Corporation, 342, De Zen Investments, De Zen, 390, De Zen Holdings, Scotia and the Trustee are bound by a Stock Control Agreement made as of November 30, 1994 as amended by Stock Control Agreement Amendment No. 1 dated as of November 3, 1997, Stock Control Agreement No. 2 dated as of December 1, 1999, Stock Control Agreement Amendment No. 3 dated as of April 16, 2002 and Stock Control Agreement Amendment No. 4 dated as of April 17, 2002 (such agreement, as amended, the **"Stock Control Agreement"**);

AND WHEREAS certain of the parties hereto have agreed to be bound by the Stock Control Agreement under Assumption Agreement (No. 1) dated as of November 30, 1994, Assumption Agreement (No. 2) dated as of November 3, 1997, Assumption Agreement (No. 3) dated as of November 3, 1997, Assumption Agreement (No. 4) dated June 27, 2001, Assumption Agreement (No. 5) dated as of July 19, 2001 and Assumption Agreement (No. 6) dated as of April 17, 2002;

AND WHEREAS the Stock Control Agreement may be amended pursuant to section 4.06(1) thereof to, among other things, facilitate the operation of the provisions of the Stock Control Agreement;

AND WHEREAS the Stock Control Agreement permits the pledge of Multiple Voting Shares in circumstances that ensure that upon any disposition thereof or other dealing therewith such Multiple Voting Shares are converted into Subordinate Voting Shares;

AND WHEREAS pursuant to a commitment letter dated April 4, 2002 (as amended, restated or replaced from time to time, the **"Commitment"**) Scotia has made certain credit available to Fortunato Bordin Investments Canada Limited (**"Bordin"**) and De Zen Holdings has provided a limited recourse guarantee in the form annexed as Schedule A dated October 31, 2002 (the **"Guarantee"**) of payment of Bordin's obligations to Scotia under the Committment;

AND WHEREAS De Zen Holdings proposes to pledge 2,000,000 Multiple Voting Shares (the **"Pledged MVS"**) under a hypothecation agreement in the form annexed as Schedule B dated October 31, 2002 (the **"Hypothecation"**) as security for payment of the obligations of De Zen Holdings under the Guarantee;

AND WHEREAS pursuant to an irrevocable direction and waiver delivered to the Trustee as of the date hereof and in the form annexed as Schedule C (the "**Direction**"), such Pledged MVS will be converted into Subordinate Voting Shares immediately prior to any disposition thereof or any other dealing therewith by Scotia as the secured party under the Guarantee and the Hypothecation;

AND WHEREAS based and relying on the opinion of Ogilvy Renault, a copy of which is attached as Exhibit 1 (the "**Ogilvy Renault Opinion**"), the Trustee is satisfied that this Agreement, the Guarantee, the Hypothecation and the Direction are not prejudicial to the interests of the holders of the Subordinate Voting Shares in any material respect and that pursuant to the Guarantee, the Hypothecation and the Direction no Multiple Voting Shares will be transferred to any Person other than a Permitted Holder under any circumstances;

AND WHEREAS based and relying on the Ogilvy Renault Opinion, the Trustee is satisfied that the entering into of this Agreement, the Guarantee, the Hypothecation and the Direction is permitted pursuant to section 4.06(l) of the Stock Control Agreement;

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties covenant and agree as follows:

Section 1. Recitals. Each of the parties acknowledge and declare that the foregoing recitals, insofar as they relate to such party, are true and correct.

Section 2. Defined Terms. All capitalized terms used in this Agreement have the meanings attributed to them in the Stock Control Agreement unless the context indicates otherwise.

Section 3. Schedules. The Guarantee, the Hypothecation and the Direction annexed as Schedules A, B and C respectively shall, for all purposes, form an integral part of this Agreement.

Section 4. Amendment. The Stock Control Agreement is amended by:

(a) inserting the following therein as clause (vi) of the definition of "Permitted Transfer" in section 1.01 thereof:

> "(vi) the granting of a security interest (by way of pledge, hypothecation or otherwise) in accordance with the Guarantee, the Hypothecation Agreement and the Irrevocable Direction and Waiver annexed as Schedules A, B and C, respectively, to Stock Control Agreement Amendment No. 5 among the parties to this Agreement;

and changing the number of the immediately following clause in such definition from "(vi)" to "(vii)";

(b) changing the words "a bona fide borrowing by" in section 2.04(b) thereof to "bona fide obligations of"; and

(c) adding the following sentence at the end of section 2.07 thereof:

> "However, such notice shall not be required to be given to the De Zen Family Representative in the event of a conversion into Subordinate Voting Shares of any Multiple Voting Shares held by De Zen Holdings Limited pursuant to the irrevocable direction and waiver annexed as Schedule C to Stock Control Agreement Amendment No. 5 among the parties to this Agreement."

Section 5. Effect, etc. This Agreement, including the Guarantee, the Hypothecation and the Direction, shall be deemed to be an amendment to the Stock Control Agreement pursuant to section 4.06 thereof for the purpose of facilitating the operation of the provisions of the Stock Control Agreement by permitting the pledge of the Pledged MVS in the circumstances and in the manner provided in the Guarantee, the Hypothecation and the Direction. In the event of a conflict between the provisions of the Stock Control Agreement and the Guarantee, the Hypothecation or the Direction, the provisions of the Guarantee, the Hypothecation and the Direction shall prevail provided that nothing in this section 5 shall be construed to permit the Pledged MVS to be transferred as Multiple Voting Shares to Scotia upon realization of its security interest under the Hypothecation unless such shares have been converted to Subordinate Voting Shares. Except as amended by this Agreement, the Stock Control Agreement is hereby ratified and confirmed and references to the Stock Control Agreement hereinafter shall be deemed to be references to the Stock Control Agreement as amended by this Agreement.

Section 6. Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. The parties hereto hereby submit to the exclusive jurisdiction of the courts of the Province of Ontario.

Section 7. Enurement. This Agreement shall enure to the benefit of and be binding upon the parties hereto, including Persons who become parties to this Agreement pursuant to an Assumption Agreement, and their respective successors, heirs and personal legal representatives, as applicable.

Section 8. Counterparts. This Agreement may be signed in counterparts and each of such counterparts, taken together, shall constitute one and the same instrument.

Section 9. Delivery. The parties hereto agree that the delivery of a facsimile executed copy of this Agreement shall be valid execution and delivery of this Agreement and agree to deliver any original executed copy of this Agreement as soon as possible after delivering the facsimile copy.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above mentioned.

ROYAL GROUP TECHNOLOGIES LIMITED

By:_____
Authorized Signing Officer

By:_____
Authorized Signing Officer

_____
Witness

_____
VIC DE ZEN

3422453 CANADA INC.

By:_____
Authorized Signing Officer

DE ZEN INVESTMENTS CANADA LIMITED

By:_____
Authorized Signing Officer

3901602 CANADA INC.

By:_____
Authorized Signing Officer

DE ZEN HOLDINGS LIMITED

By:_____
Authorized Signing Officer

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above mentioned.

ROYAL GROUP TECHNOLOGIES LIMITED

By:_____
Authorized Signing Officer

By:_____
Authorized Signing Officer

_____
Witness

_____
VIC DE ZEN

3422453 CANADA INC.

By:_____
Authorized Signing Officer

DE ZEN INVESTMENTS CANADA LIMITED

By:_____
Authorized Signing Officer

3901602 CANADA INC.

By:_____
Authorized Signing Officer

DE ZEN HOLDINGS LIMITED

By:_____
Authorized Signing Officer

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above mentioned.

ROYAL GROUP TECHNOLOGIES LIMITED

By:_____
Authorized Signing Officer

By:_____
Authorized Signing Officer

_____
Witness

_____
VIC DE ZEN

3422453 CANADA INC.

By:_____
Authorized Signing Officer

DE ZEN INVESTMENTS CANADA LIMITED

By:_____
Authorized Signing Officer

3901602 CANADA INC.

By:_____
Authorized Signing Officer

DE ZEN HOLDINGS LIMITED

By:_____
Authorized Signing Officer

THE BANK OF NOVA SCOTIA

By: _____
Authorized Signing Officer

COMPUTERSHARE TRUST COMPANY OF CANADA

By: _____
Authorized Signing Officer

By: _____
Authorized Signing Officer

SCHEDULE A

Guarantee

GUARANTEE

TO: THE BANK OF NOVA SCOTIA

IN CONSIDERATION OF THE BANK OF NOVA SCOTIA (herein called the "Bank") agreeing to deal with or to continue to deal with Fortunato Bordin Investments Canada Limited (herein called the "Customer") the undersigned hereby guarantees payment to the Bank of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Customer to the Bank or remaining unpaid by the Customer to the Bank under, pursuant to or in connection with a commitment letter of the Bank addressed to the Customer and dated April 4, 2002 (as amended, restated or replaced from time to time (the "Commitment Letter")(such debts and liabilities being herein called the "guaranteed liabilities"), the liability of the undersigned hereunder being limited to the sum of twenty-five million ($25,000,000) dollars with interest from the date of demand for payment at the rate set out in paragraph 5 hereof.

AND THE UNDERSIGNED hereby jointly and severally agrees with the Bank as follows:

1. In this Guarantee the word "Guarantor" shall mean De Zen Holdings Limited.

2. This Guarantee shall be a continuing guarantee of all the guaranteed liabilities and shall apply to and secure any ultimate balance due or remaining unpaid to the Bank; and this Guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to the Bank.

3. The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities or other guarantees it may at any time hold before being entitled to payment from the Guarantor, and the Guarantor renounces all benefits of discussion and division.

4. The Guarantor's liability to make payment under this Guarantee shall arise forthwith after demand for payment has been made in writing on the Guarantor and such demand shall be deemed to have been effectually made when an envelope containing such demand addressed to the Guarantor is delivered to the address of the Guarantor last known to the Bank; and the Guarantor's liability shall bear interest from the date of such demand at the rate set out in paragraph 5 hereof.

5. The rate of interest payable by the Guarantor from the date of a demand for payment under this Guarantee shall be the Bank's prime rate applicable at the time of demand, PLUS 2% per annum.

6. Upon default in payment of any sum owing by the Customer to the Bank at any time under, pursuant to or in connection with the Commitment Letter, the Bank may treat all guaranteed liabilities as due and payable and may forthwith collect from the Guarantor the total amount hereby guaranteed and may apply the sum so collected upon the guaranteed liabilities or may place it to the credit of a special account. A written statement of a Manager or Acting Manager of a branch of the Bank at which an account of the Customer is kept or of a General Manager of the Bank as to the amount remaining unpaid to the Bank at any time by the Customer under, pursuant to or in connection with the Commitment Letter shall, if agreed to by the Customer, be conclusive evidence and shall, in any event, be prima facie evidence against the Guarantee as to the amount remaining unpaid to the Bank at such time by the Customer under, pursuant to or in connection with the Commitment Letter.

7. This Guarantee shall be in addition to and not in substitution for any other guarantees or other securities which the Bank may now or hereafter hold in respect of the guaranteed liabilities and the Bank shall be under no obligation to marshal in favour of the Guarantor any other guarantees or other securities or any moneys or other assets which the Bank may be entitled to receive or may have a claim upon; and no loss of or in respect of or enforceability of any other guarantees or other securities which the Bank may now or hereafter hold in respect of the guaranteed liabilities, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the Guarantor's liability.

8. Without prejudice to or in any way limiting or lessening the Guarantor's liability and without obtaining the consent of or giving notice to the Guarantor, the Bank may amend, restate or replace the Commitment Letter and the terms and conditions contained therein, discontinue, reduce, increase or otherwise vary the credit of the Customer, may grant time, renewals, extensions, indulgences, releases and discharges to and accept compositions from or otherwise deal with the Customer and others, including the Guarantor and any other guarantor as the Bank may see fit and the Bank may take, abstain from taking or perfecting, vary, exchange, renew, discharge, give up, realize on or otherwise deal with securities and guarantees in such manner as the Bank may see fit, and the Bank may apply all moneys received from the Customer or others or from securities or guarantees upon such parts of the guaranteed liabilities as the Bank may see fit and change any such application in whole or in part from time to time.

9. Until repayment in full of all the guaranteed liabilities, all dividends, compositions, proceeds of securities, securities valued or payments received by the Bank from the Customer or others or from estates in respect of the guaranteed liabilities shall be regarded for all purposes as payments in gross without any right on the part of the Guarantor to claim the benefit thereof in reduction of the liability under this Guarantee, and the Guarantor shall not claim any set-off or counterclaim against the Customer in respect of any liability of the Customer to the Guarantor, claim or prove in the bankruptcy or insolvency of the Customer in competition with the Bank or have any right to be subrogated to the Bank.

10. This Guarantee shall not be discharged or otherwise affected by the death or loss of capacity of the Customer, by any change in the name of the Customer, or in the membership of the Customer, if a partnership, or in the objects, capital structure or constitution of the Customer, if a corporation, or by the sale of the Customer's business or any part thereof or by the Customer being amalgamated with a corporation, but shall, notwithstanding any such event, continue to apply to all guaranteed liabilities whether theretofore or thereafter incurred; and in the case of a change in the membership of a Customer which is a partnership or in the case of the Customer being amalgamated with a corporation, this Guarantee shall apply to the liabilities of the resulting partnership or corporation that are guaranteed liabilities and the term "Customer" shall include each such resulting partnership and corporation.

11. All advances, renewals and credits made or granted by the Bank under, pursuant to or in connection with the Commitment Letter purportedly to or for the Customer after the death, loss of capacity, bankruptcy or insolvency of the Customer, but before the Bank has received notice thereof shall be deemed to form part of the guaranteed liabilities; and all advances, renewals and credits obtained from the Bank under, pursuant to or in connection with the Commitment Letter purportedly by or on behalf of the Customer shall be deemed to form part of the guaranteed liabilities, notwithstanding any lack or limitation of power, incapacity or disability of the Customer or of the directors, partners or agents thereof, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the obtaining of such advances, renewals or credits, whether or not the Bank had knowledge thereof; and any such advance, renewal or credit which may not be recoverable from the Guarantor as guarantor shall be recoverable from the Guarantor as principal debtor in respect thereof and shall be paid to the Bank on demand with interest at the rate set out in paragraph 5 hereof.

12. Until this Guarantee has been discharged or terminated, all debts and liabilities, present and future, of the Customer to the Guarantor are hereby assigned to the Bank and postponed to the guaranteed liabilities, and all moneys received by the Guarantor in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way lessening or limiting the liability of the Guarantor under this Guarantee.

13. The Guarantor by giving thirty days' notice in writing to the branch of the Bank at which the main account of the Customer is kept, may terminate his or their further liability under this Guarantee in respect of liabilities of the Customer incurred or arising after the expiration of such thirty days, but not in respect of any guaranteed liabilities incurred or arising before the expiration of such thirty days even though not then matured; provided that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the expiration of such thirty days and any resulting liabilities shall be covered by this Guarantee.

14. This Guarantee embodies all the agreements between the parties hereto relative to the guarantee, assignment and postponement and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not

embodied herein; and it is specifically agreed that the Bank shall not be bound by any representations or promises made by the Customer to the Guarantor. Possession of this instrument by the Bank shall be conclusive evidence against the Guarantor that the instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with and this Guarantee shall be operative and binding notwithstanding the non-execution thereof by any proposed signatory.

15. This Guarantee shall be governed in all respects by the laws of the Province or jurisdiction in which the Customer's main account with the Bank is kept.

16. This Guarantee shall enure to the benefit of and be binding upon the Bank, its successors and assigns, and the Guarantor, its administrators, successors and assigns.

17. Except as set forth below, notwithstanding any other provision of this Guarantee, no recourse shall be had against the Guarantor or any successor or assign thereof for the guaranteed liabilities and the Bank shall, as between the securities described in the Hypothecation Agreement (the "Securities") dated as of the date hereof by the Guarantor in favour of the Bank (as the same may be amended, supplemented or restated from time to time, the "Hypothecation Agreement") and the Guarantor, look solely to the Securities for the payment and satisfaction of the guaranteed liabilities. Nothing contained herein, however, shall (i) prevent recourse to and the enforcement against the Securities for payment of the guaranteed liabilities (ii) prevent the bringing of an action or obtaining of a judgment against the Guarantor to the extent necessary for the enforcement of the Bank's rights against the Securities provided, however, that the Guarantor and its successors and assigns shall have no personal or corporate liability for the guaranteed liabilities with regard to such action or judgment and the satisfaction thereof shall be limited, solely to the Securities; (iii) prevent foreclosure of the lien of the Hypothecation Agreement; or (iv) relieve the Guarantor from liability for any damages sustained by the Bank on account of the Guarantor's breach of any representation, warranty or covenant contained herein or in the Hypothecation Agreement or made by the Guarantor in writing in connection with this Guarantee or the Hypothecation Agreement.

18. The Guarantor agrees that the delivery of a facsimile executed copy of this Guarantee shall be valid execution and delivery of this Guarantee and agrees to deliver an original executed copy of this Guarantee as soon as possible after delivering the facsimile copy.

Agreed to at Toronto, Ontario as of this day of , 2002.

DE ZEN HOLDINGS LIMITED

By: _____
Name: Mario Cadorette
Title: President and Secretary

SCHEDULE B

Hypothecation

HYPOTHECATION AGREEMENT

IT IS HEREBY AGREED between the Undersigned and THE BANK OF NOVA SCOTIA (hereinafter called "the Bank") as follows:

1. The following securities now lodged with the Bank (or with a third party, acceptable to the Bank for and on behalf of the Bank), by or on behalf of the Undersigned:

2,000,000 multiple voting shares of Royal Group Technologies Limited

and any substitutions therefor and proceeds thereof and all interest, dividends, income and revenue therefrom (collectively, the "Securities") shall be held by or for the Bank as security for the payment to the Bank of the following (collectively, the "Obligations"):

> the present and future indebtedness and liability of the Undersigned to the Bank under, pursuant to or in connection with the guarantee of the Undersigned in favour of the Bank dated as of October 31, 2002 of payment of the obligations of Fortunato Bordin Investments Canada Limited to the Bank (as amended, restated or replaced from time to time, the "Guarantee")

and the Undersigned hereby also creates a security interest in favour of the Bank in the Securities as security for payment of the Obligations (collectively, the "Security Interest").

2. The Undersigned hereby represents and warrants that the Undersigned is the beneficial owner of the said 2,000,000 multiple voting shares of Royal Group Technologies Limited referred to in paragraph 1 hereof free and clear of any liens or encumbrances of any kind except the Security Interest and pledge herein.

3. If default is made in payment of any of the Obligations, the pledge herein and the Security Interest shall become immediately enforceable and the Bank, subject to the provisions of paragraph 9 hereof and with prior written notice to the Undersigned, but otherwise without advertisement or any other formalities (all of which are hereby waived), may sell by public or private sale or otherwise deal with the Securities in such manner as it thinks fit and may hold the proceeds in lieu of any Securities realized and appropriate the same on account of such parts of the Obligations as the Bank thinks fit. All costs and expenses incurred by the Bank in respect of the Securities and the realization thereof shall be added to the Obligations and shall be a first charge upon the moneys received.

4. The Bank shall not be bound to realize any of the Securities or to allow any of the Securities to be sold and shall not be responsible for any loss occasioned by any sale or failure to sell or enforce any of the Securities; and the Bank shall not be bound to protest any of the Securities nor to perform any act to prevent prescription thereof nor to protect any of the Securities from depreciating in value or becoming worthless; and the Bank shall not be bound to examine lists of drawn or redeemed bonds or notices relating to coupons or dividends nor to advise the Undersigned of the expiry of rights or warrants in connection with any of the Securities.

5. The Bank shall not be bound to collect any interest, dividends, income or revenue payable in respect of any of the Securities. Until the Security Interest becomes enforceable, the Undersigned shall be entitled to vote the Securities and to receive all interest, dividends, income or revenue payable in respect of any of the Securities.

Whenever the Security Interest becomes enforceable, all rights of the Undersigned to vote or to receive interest, cash, dividends, income or revenue payable in respect of the Securities shall cease and all such rights shall continue to be exclusively the Bank's rights.

6. The Bank may grant extensions, take and give up Securities, accept compositions, grant releases and discharges and otherwise deal with the Securities and all parties thereto as the Bank thinks fit without affecting the Obligations and without prejudice to the rights of the Bank in respect of the Securities.

7. The Bank may have any of the Securities registered in its name or in the name of its nominee. If default is made in payment of any of the Obligations, the Bank, subject to the provisions of paragraph 9 hereof and with prior written notice to the Undersigned but otherwise without any other formalities (all of which are hereby waived), shall be entitled but not bound or required to vote in respect of the Securities at any meeting at which the holder thereof is entitled to vote and, generally, to exercise any of the rights which the holder of the Securities may at any time have; but the Bank shall not be responsible for any loss occasioned by the exercise of any of such rights or by failure to exercise the same within the time limited for the exercise thereof.

8. The Undersigned hereby irrevocably constitutes and appoints any officer of the Bank the true and lawful attorney of the Undersigned in the name and on behalf of the Undersigned from time to time to endorse and transfer to the Bank or its nominee any of the Securities which may require endorsement or transfer, in order that full title to the same may be vested in the Bank or its nominee.

9. The Bank by its acceptance of this Agreement, agrees to comply with the provisions of this Agreement applicable to it and with the provisions of the Assumption Agreement No. 7 dated as of October , 2002 made between The Bank of Nova Scotia, De Zen Investments Canada Limited, 3901602 Canada Inc., De Zen Holdings Limited, Vic De Zen, Royal Group Technologies Limited, 3422453 Canada Inc. and Computershare Trust Company of Canada in respect of the Securities, in the Bank's exercise of its rights under this Agreement.

10. The undersigned agrees that the delivery of a facsimile executed copy of this Agreement shall be valid execution and delivery of this Agreement and agrees to deliver an original executed copy of this Agreement as soon as possible after delivering the facsimile copy.

IN WITNESS WHEREOF this Agreement has been executed as of this day of , 2002.

DE ZEN HOLDINGS LIMITED

By: _____
Name: Mario Cadorette
Title: President and Secretary

SCHEDULE C

IRREVOCABLE DIRECTION AND WAIVER

TO: COMPUTERSHARE TRUST COMPANY OF CANADA

The undersigned refer to the guarantee dated as of October 31, 2002 (the "**Guarantee**") of De Zen Holdings Limited (the "**Pledgor**") of payment of the obligations of Fortunato Bordin Investments Canada Limited to The Bank of Nova Scotia ("**Scotia**") and to the hypothecation agreement dated October 31, 2002 (the "**Hypothecation**") providing for the pledge to Scotia of 2,000,000 Multiple Voting Shares (the "**Pledged MVS**") of Royal Group Technologies Limited (the "**Corporation**") owned by the Pledgor, and to the Stock Control Agreement dated as of November 30, 1994, as amended and supplemented, (the "**Stock Control Agreement**") including, without limitation, as supplemented by Assumption Agreement (No. 7) dated October 31, 2002 ("**Assumption Agreement (No. 7)**") providing for certain restrictions on the transfer and conversion of Multiple Voting Shares.

The Corporation and the Pledgor hereby direct you, in your capacity as trustee under the Stock Control Agreement, to convert into Subordinate Voting Shares of the Corporation any Pledged MVS realized upon by Scotia pursuant to the Hypothecation in accordance with the Stock Control Agreement, including, without limitation, in compliance with Assumption Agreement (No. 7). The undersigned hereby waive any right they may have under the Stock Control Agreement to notice of, and Vic De Zen waives any right he may have of approval of, any such conversion effected in accordance with the Stock Control Agreement.

The Corporation hereby directs you, in your capacity as transfer agent for the Multiple Voting Shares and the Subordinate Voting Shares, to issue and deliver the number of Subordinate Voting Shares and share certificates in respect thereof required in connection with any such conversion of the Pledged MVS effected in accordance with the Hypothecation and the Stock Control Agreement.

This direction and waiver, being coupled with an interest, shall be irrevocable.

This direction and waiver is supplemental and in addition to, and shall not derogate from, your power and authority as trustee under the Stock Control Agreement.

This direction and waiver shall enure to the benefit of and be binding upon the undersigned and their successors, legal and personal representatives and permitted assigns including any future transferee of Multiple Voting Shares.

This direction and waiver may be signed in counterparts and each of such counterparts, taken together, shall constitute one and the same instrument.

The undersigned agree that the delivery of a facsimile executed copy of this direction and waiver shall be valid execution and delivery of this direction and waiver and agree to deliver an original executed copy of this document as soon as possible after delivering the facsimile copy.

DATED _____, 2002.

ROYAL GROUP TECHNOLOGIES LIMITED

By:_____
Authorized Signing Officer

By:_____
Authorized Signing Officer

_____
Witness

_____
VIC DE ZEN

3422453 CANADA INC.

By:_____
Authorized Signing Officer

DE ZEN INVESTMENTS CANADA LIMITED

By:_____
Authorized Signing Officer

3901602 CANADA INC.

By:_____
Authorized Signing Officer

DE ZEN HOLDINGS LIMITED

By:_____
Authorized Signing Officer

THE BANK OF NOVA SCOTIA

By: _____
Authorized Signing Officer

COMPUTERSHARE TRUST COMPANY OF CANADA

By: _____
Authorized Signing Officer

By: _____
Authorized Signing Officer

EXHIBIT 1

Opinion of Ogilvy Renault

OGILVY
RENAULT

October 31, 2002

The Bank of Nova Scotia
7000 Pine Valley Drive
Woodbridge, Ontario
L4L 4Y8

Borden Ladner Gervais LLP
Scotia Plaza, 40 King Street West
Toronto, Ontario
M5H 3Y4

Dear Sirs:

Re: De Zen Holdings Limited

We have acted as counsel to De Zen Holdings Limited (the "**Guarantor**") in connection with the preparation, authorization, execution and delivery of the following documents (collectively, the "**Documents**"):

1. the guarantee dated the date hereof (the "**Guarantee**") by the Guarantor of certain obligations of Fortunato Bordin Investments Canada Limited to The Bank of Nova Scotia (the "**Bank**");

2. the hypothecation agreement dated the date hereof (the "**Hypothecation Agreement**") providing for the pledge by the Guarantor of 2,000,000 multiple voting shares (the "**Pledged MVS**") of Royal Group Technologies Limited (the "**Corporation**") to the Bank as security for the obligations of the Guarantor under the Guarantee;

3. the undated Irrevocable Power of Attorney to Transfer Securities of the Guarantor relating to the Pledged MVS;

4. Stock Control Agreement Amendment No. 7 dated the date hereof among the Corporation, Vic De Zen, 3901602 Canada Inc., the Guarantor, 3422453 Canada Inc., De Zen Investments Canada Limited, the Bank and Computershare Trust Company of Canada (the "**Trustee**") amending the Stock Control Agreement dated November 30, 1994, as amended and supplemented from time to time, among such parties;

5. the Irrevocable Direction and Waiver dated the date hereof issued by the parties to the

Stock Control Agreement and addressed to the Trustee;

6. the Agreement to Hold Shares dated the date hereof issued by the Trustee to the Bank and consented to by all other parties to the Stock Control Agreement; and

7. Assumption Agreement No. 7 dated the date hereof between the Corporation, Vic De Zen, 3901602 Canada Inc., the Guarantor, 3422453 Canada Inc., De Zen Investments Canada Limited, the Bank and the Trustee.

We have examined originals or photocopies certified to our satisfaction of the articles of incorporation, by-laws and such other corporate proceedings and records of the Guarantor, governmental authorizations and orders, certificates of public officials and other records, agreements, documents and proceedings and have made such other investigations of fact and law as we have deemed relevant and necessary as to the basis for the opinions herein expressed. In such examination we have assumed and, in giving this opinion, we assume the genuineness of all signatures and the authenticity of all documents submitted to us as originals and the conformity to originals of all documents submitted to us as copies thereof. As to certain matters of fact, we have relied upon a certificate of the sole director of the Guarantor dated October 30, 2002, a copy of which has been delivered to you. In giving this opinion we have also assumed that each party to the Documents, other than the Guarantor, has executed the Documents and that each such document constitutes a valid and legally binding obligation of each party thereto, other than the Guarantor, enforceable against such party in accordance with its respective terms.

In expressing the opinion set forth in paragraph 1 below, in respect of the corporate existence of the Guarantor, we have obtained and relied on a Certificate of Compliance dated October 28, 2002 issued by Industry Canada and have assumed, with your concurrence, that such certificate evidences the existence of the Guarantor.

The opinions expressed herein are based upon and limited to the laws of Ontario and the laws of Canada applicable therein in effect at the date hereof.

Based upon the foregoing and subject to the qualifications hereinafter set forth, we are of the opinion that:

1. the Guarantor is a corporation incorporated and validly subsisting under the laws of Canada;

2. the Guarantor has full power and authority to enter into the Documents and to observe and perform the obligations on its part to be observed and performed thereunder, including without limitation, to create the security therein provided for in favour of the Bank and to secure its obligations under the Guarantee;

3. all consents, approvals, licences, permits, authorizations, exemptions, filings, registrations, notarizations and other requirements of governmental, judicial or public bodies or authorities, required or advisable to be obtained to permit the Guarantor to enter into the Documents and to observe and perform the obligations on its part to be observed

and performed thereunder, and to ensure the validity and enforceability of the Documents to which it is a party, have been obtained and are in full force and effect;

4. the entering into of the Documents and the observance and performance by the Guarantor of its obligations under the Documents, has been duly authorized by all necessary actions and will not conflict with or contravene any law, regulation or by-law applicable to the Guarantor; and

5. the Documents have been duly authorized by all necessary corporate action on the part of the Guarantor, have been duly executed and delivered by the Guarantor and constitute valid and legally binding obligations of the Guarantor, enforceable by the Bank in accordance with their respective terms.

Our opinions set forth above are subject to the following qualifications:

(a) the enforceability of the Documents may be limited by bankruptcy, insolvency, arrangement, liquidation, reorganization, moratorium and other laws of general application relating to or affecting the rights of creditors generally;

(b) the enforceability of the Documents is subject to general principles of equity, including the fact that the availability of equitable remedies, such as specific performance and injunctive relief, is in the discretion of a court;

(c) if the Bank were to demand payment of the indebtedness of the Guarantor under the Guarantee or Hypothecation Agreement, the Bank may be required to give the Guarantor a reasonable time in which to pay that indebtedness prior to taking any action to enforce the Bank's right to payment or exercising any of the rights and remedies expressed to be exercisable by the Bank in the Guarantee or the Hypothecation as a result of that demand;

(d) we express no opinion as to the enforceability of any provisions of the Documents which provide that the Guarantor is to be liable as principal debtor and not surety only;

(e) the recoverability of costs and expenses may be limited to those a court considers to be reasonably incurred and the court has the discretion to determine by whom and to what extent costs and expenses incidental to court proceedings shall be paid;

(f) notwithstanding any term or condition contained in the Documents, including, without limitation, the right of any party to exercise its sole discretion, a court of competent jurisdiction may retain the discretion to determine when the actions of the Bank or their agents have been conducted in good faith and in a "commercially reasonable" manner;

(g) the enforceability of any provisions of the Documents entitling the Bank to exercise rights and remedies may be limited by applicable law requiring creditors to give borrowers a reasonable time to rectify any default or to repay as demanded prior to taking any action to exercise such rights and remedies;

(h) the Guarantor's obligations in respect of the payment of interest under the Guarantee or the Hypothecation may not be enforceable if those provisions provide for the receipt of interest by the Bank at a "criminal rate" within the meaning of section 347 of the *Criminal Code* (Canada);

(i) a court may decline to hear an action if it determines, in its discretion, that it is not the proper forum or if concurrent proceedings are brought elsewhere;

(j) a court may decline to accept the factual and legal determinations of a party notwithstanding that a contract or instrument provides that the determinations of that party shall be conclusive;

(k) we express no opinion as to the enforceability of any provision of the Documents providing for the severance of illegal or unenforceable provisions from the remaining provisions of the Documents; and

(l) we express no opinion as to the enforceability of any provision of the Documents which purports to waive any or all defences which might be available to, or constitute a discharge of the liability of, the Guarantor or which states that modifications, amendments or waivers are not binding unless in writing.

Yours very truly,

ROYAL GROUP TECHNOLOGIES LIMITED
as issuer of the Multiple Voting Shares and the
Subordinate Voting Shares

- and -

VIC DE ZEN
as a holder of Multiple Voting Shares
and as the holder of a majority of the voting shares of De Zen Holdings Limited

- and -

3422453 CANADA INC.
as a holder of shares of 3901602 Canada Inc.

- and -

DE ZEN INVESTMENTS CANADA LIMITED
as holder of the shares of 3422453 Canada Inc.
and as a holder and pledgor of Multiple Voting Shares

- and -

3901602 CANADA INC.
as a holder of Multiple Voting Shares

- and -

DE ZEN HOLDINGS LIMITED
as a holder of shares of 3901602 Canada Inc.
and as a holder and pledgor of Multiple Voting Shares

- and -

THE BANK OF NOVA SCOTIA
as a pledgee of Multiple Voting Shares

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA
as Replacement Trustee on behalf of itself and the holders
of the Subordinate Voting Shares

STOCK CONTROL AGREEMENT AMENDMENT No. 5

(Consolidates, Amends, Restates and Replaces Stock Control Agreement Amendment No. 5 dated as of October 31, 2002)

Dated as of March 7, 2003

STOCK CONTROL AGREEMENT AMENDMENT No. 5
(Consolidates, Amends and Restates and Replaces Stock Control Agreement Amendment No. 5 dated as of October 31, 2002)

Stock Control Agreement Amendment No. 5 (consolidated, amended and restated) made as of March 7, 2003 among ROYAL GROUP TECHNOLOGIES LIMITED (the "**Corporation**") as issuer of the Multiple Voting Shares and the Subordinate Voting Shares, VIC DE ZEN ("**De Zen**") as a holder of Multiple Voting Shares and as the holder of a majority of the voting shares of De Zen Holdings Limited, DE ZEN HOLDINGS LIMITED ("**De Zen Holdings**") as a holder of shares of 3901602 Canada Inc. and as a holder and pledgor of Multiple Voting Shares, 3422453 CANADA INC. ("**342**") as a holder of shares of 3901602 Canada Inc. and 3901602 CANADA INC. ("**390**") as a holder of Multiple Voting Shares, DE ZEN INVESTMENTS CANADA LIMITED ("**De Zen Investments**") as the holder of the shares of 342 and as a holder and pledgor of Multiple Voting Shares, THE BANK OF NOVA SCOTIA ("**Scotia**") as a pledgee of Multiple Voting Shares and COMPUTERSHARE TRUST COMPANY OF CANADA, as replacement trustee (the "**Trustee**"), on behalf of itself and the holders of the Subordinate Voting Shares.

WHEREAS the Corporation, 342, De Zen Investments, De Zen, 390, De Zen Holdings, Scotia and the Trustee are bound by a Stock Control Agreement made as of November 30, 1994 (such agreement, as amended, the "**Stock Control Agreement**") as amended by Stock Control Agreement Amendment No. 1 dated as of November 3, 1997, Stock Control Agreement Amendment No. 2 dated as of December 1, 1999, Stock Control Agreement Amendment No. 3 dated as of April 16, 2002, Stock Control Agreement Amendment No. 4 dated as of April 17, 2002 and Stock Control Agreement Amendment No. 5 dated as of October 31, 2002;

AND WHEREAS certain of the parties hereto have agreed to be bound by the Stock Control Agreement under Assumption Agreement (No. 1) dated as of November 30, 1994, Assumption Agreement (No. 2) dated as of November 3, 1997, Assumption Agreement (No. 3) dated as of November 3, 1997, Assumption Agreement (No. 4) dated June 27, 2001, Assumption Agreement (No. 5) dated as of July 19, 2001, Assumption Agreement (No. 6) dated as of April 17, 2002, Assumption Agreement (No. 7) dated October 31, 2002 and Assumption Agreement (No. 8) dated as of November 28, 2002;

AND WHEREAS the Stock Control Agreement may be amended pursuant to section 4.06(1) thereof to, among other things, facilitate the operation of the provisions of the Stock Control Agreement;

AND WHEREAS the Stock Control Agreement permits the pledge of Multiple Voting Shares in circumstances that ensure that upon any disposition thereof or other dealing therewith such Multiple Voting Shares are converted into Subordinate Voting Shares;

AND WHEREAS in accordance with the Stock Control Agreement guarantees have been given by certain parties hereto and Multiple Voting Shares have been pledged to secure such guarantees all as provided pursuant to Stock Control Agreement Amendment No. 5 dated as of October 31, 2002 and Assumption Agreements (Nos. 5, 7 and 8);

AND WHEREAS pursuant to a commitment letter dated November 25, 2002 (as amended, restated or replaced from time to time, including, without limitation, an amending letter dated March 7, 2003, the "**Amended De Zen Commitment**") Scotia has made certain credit available to De Zen Investments and pursuant to commitment letter dated April 4, 2002 (as amended, restated or replaced from time to time, including, without limitation, amending letters dated December 17, 2002, January 30, 2003 and March 7, 2003, the "**Amended Bordin Commitment**") Scotia has made certain credit available to Fortunato Bordin Investments Canada Limited ("**Bordin Investments**");

AND WHEREAS the Amended De Zen Commitment and the Amended Bordin Commitment require certain amendments to be made to the guarantees and hypothecations referred to in Stock Control Agreement Amendment No. 5 dated as of October 31, 2002 and Assumption Agreements (Nos. 5, 7 and 8);

AND WHEREAS pursuant to the Amended De Zen Commitment and the Amended Bordin Commitment the following guarantees have been or will be given:

A. a guarantee dated as of July 19, 2001 of De Zen Holdings guaranteeing payment of the obligations of De Zen Investments to Scotia;

B. a guarantee of De Zen Holdings dated as of October 31, 2002 guaranteeing payment of obligations of Bordin Investments to Scotia;

C. a guarantee of De Zen Holdings dated as of November 28, 2002 guaranteeing payment of obligations of De Zen Investments to Scotia;

D. a guarantee of De Zen dated as of November 28, 2002 guaranteeing payment of obligations of De Zen Investments to Scotia;

E. a guarantee of De Zen Investments dated as of March 7, 2003 guaranteeing payment of obligations of Bordin Investments to Scotia;

F. a guarantee of De Zen dated as of March 7, 2003 guaranteeing payment of obligations of Bordin Investments to Scotia;

(such guarantees referred to in paragraphs (A) through (F) above are hereinafter collectively referred to as the "**Guarantees**", copies of which are attached as Schedules I through VI, respectively);

AND WHEREAS:

G. 9,000,000 Multiple Voting Shares of the Corporation ("**MVS**") were pledged to Scotia by De Zen Holdings pursuant to hypothecation agreements dated as of October 31, 2002 and November 28, 2002, which hypothecation agreements are replaced by an amended and restated hypothecation agreement dated as of March 7, 2003;

H. 2,500,000 MVS were pledged to Scotia by De Zen Investments pursuant to a hypothecation agreement dated as of July 19, 2001, which hypothecation agreement is replaced by an amended and restated hypothecation agreement dated as of March 7, 2003;

I. 799,905 MVS are to be pledged to Scotia by De Zen Holdings pursuant to a hypothecation agreement dated as of March 7, 2003; and

J. 35,539 MVS are to be pledged to Scotia by De Zen pursuant to a hypothecation agreement dated as of March 7, 2003;

(such hypothecation agreements described in paragraphs G through J above are referred to collectively as the "**Hypothecations**", copies of which are attached as Schedules VII through X, respectively, and the pledged MVS referred to in paragraphs G through J above are referred to collectively as the "**Pledged MVS**");

AND WHEREAS this Agreement is a consolidation, amendment and restatement of, and replaces, Stock Control Agreement Amendment No. 5 dated as of October 31, 2002;

AND WHEREAS Assumption Agreement (No. 9) dated as of March 7, 2003 will constitute a consolidation, amendment and restatement of, and will replace, Assumption Agreements (Nos. 5, 7 and 8);

AND WHEREAS pursuant to an irrevocable direction and waiver delivered to the Trustee as of the date hereof and in the form annexed as Schedule XI (the "**Direction**"), Pledged MVS will be converted into Subordinate Voting Shares immediately prior to any disposition thereof or any other dealing therewith by Scotia as the secured party under the Hypothecations;

AND WHEREAS based and relying on the opinion of Ogilvy Renault, a copy of which is attached as Exhibit 1 (the "**Ogilvy Renault Opinion**"), the Trustee is satisfied that this Agreement, the Guarantees, the Hypothecations and the Direction are not prejudicial to the interests of the holders of the Subordinate Voting Shares in any material respect and that pursuant to the Guarantees, the Hypothecations and the Direction no MVS will be transferred to any Person other than a Permitted Holder under any circumstances;

AND WHEREAS based and relying on the Ogilvy Renault Opinion, the Trustee is satisfied that the entering into of this Agreement, the Guarantees, the Hypothecations and the Direction is permitted pursuant to section 4.06(l) of the Stock Control Agreement;

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties covenant and agree as follows:

Section 1. Recitals. Each of the parties acknowledge and declare that the foregoing recitals, insofar as they relate to such party, are true and correct.

Section 2. Defined Terms. All capitalized terms used in this Agreement have the meanings attributed to them in the Stock Control Agreement unless the context indicates otherwise.

Section 3. Schedules. The Guarantees, the Hypothecations and the Direction annexed as Schedules I through XI respectively, shall, for all purposes, form an integral part of this Agreement.

Section 4. Amendment. The Stock Control Agreement is amended by:

(a) inserting the following therein as clause (vi) of the definition of "Permitted Transfer" in section 1.01 thereof:

> "(vi) the granting of a security interest (by way of pledge, hypothecation or otherwise) in accordance with the Guarantees, the Hypothecation Agreements and the Irrevocable Direction and Waiver annexed as Schedules I through XI, respectively, to Stock Control Agreement Amendment No. 5 (as consolidated, amended and restated) among the parties to this Agreement;

and changing the number of the immediately following clause in such definition from "(vi)" to "(vii)";

(b) changing the words "a bona fide borrowing by" in section 2.04(b) thereof to "bona fide obligations of"; and

(c) adding the following sentence at the end of section 2.07 thereof:

> "However, such notice shall not be required to be given to the De Zen Family Representative in the event of a conversion into Subordinate Voting Shares of any Multiple Voting Shares held by De Zen Holdings Limited pursuant to the irrevocable direction and waiver annexed as Schedule XI to Stock Control Agreement Amendment No. 5 (as consolidated, amended and restated) among the parties to this Agreement."

Section 5. Effect, etc. This Agreement, including the Guarantees, the Hypothecations and the Direction, shall be deemed to be an amendment to the Stock Control Agreement pursuant to section 4.06 thereof for the purpose of facilitating the operation of the provisions of the Stock Control Agreement by permitting the pledge of the Pledged MVS in the circumstances and in the manner provided in the Guarantees, the Hypothecations and the Direction. In the event of a conflict between the provisions of the Stock Control Agreement and any of the Guarantees, the Hypothecations or the Direction, the provisions of the relevant Guarantee, the relevant Hypothecation or the Direction, as the case may be, shall prevail provided that nothing in this section 5 shall be construed to permit any Pledged MVS to be transferred as MVS to Scotia upon realization of its security interest under any of the Hypothecations unless such shares have been converted to Subordinate Voting Shares. Except as amended by this Agreement, the Stock Control Agreement is hereby ratified and confirmed and references to the Stock Control Agreement hereinafter shall be deemed to be references to the Stock Control Agreement as amended by this Agreement.

Section 6. Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. The parties hereto hereby submit to the exclusive jurisdiction of the courts of the Province of Ontario.

Section 7. Enurement. This Agreement shall enure to the benefit of and be binding upon the parties hereto, including Persons who become parties to this Agreement pursuant to an Assumption Agreement, and their respective successors, heirs and personal legal representatives, as applicable.

Section 8. Counterparts. This Agreement may be signed in counterparts and each of such counterparts, taken together, shall constitute one and the same instrument.

Section 9. Consolidation, Amendment, Restatement. The Parties hereto agree that this Agreement is a consolidation, amendment and restatement of, and replaces, Stock Control Agreement Amendment No. 5 dated as of October 31, 2002.

Section 10. Delivery. The parties hereto agree that the delivery of a facsimile executed copy of this Agreement shall be valid execution and delivery of this Agreement and agree to deliver any original executed copy of this Agreement as soon as possible after delivering the facsimile copy.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above mentioned.

ROYAL GROUP TECHNOLOGIES LIMITED

By:_____
Authorized Signing Officer

By:_____
Authorized Signing Officer

_____
Witness

_____
VIC DE ZEN

3422453 CANADA INC.

By:_____
Authorized Signing Officer

DE ZEN INVESTMENTS CANADA LIMITED

By:_____
Authorized Signing Officer

3901602 CANADA INC.

By:_____
Authorized Signing Officer

DE ZEN HOLDINGS LIMITED

By:_____
Authorized Signing Officer

THE BANK OF NOVA SCOTIA

By:_____
Authorized Signing Officer

COMPUTERSHARE TRUST COMPANY OF CANADA

By:_____
Authorized Signing Officer

By:_____
Authorized Signing Officer

SCHEDULE I

SCHEDULE II

SCHEDULE III

SCHEDULE IV

SCHEDULE V

SCHEDULE VI

SCHEDULE VII

SCHEDULE VIII

SCHEDULE IX

SCHEDULE X

SCHEDULE XI

EXHIBIT 1

Opinion of Ogilvy Renault