TRUST INDENTURE

DATED AS OF THE 22nd DAY OF SEPTEMBER, 2010

AMONG

ARMTEC HOLDINGS LIMITED, AS ISSUER

AND

THE PARTIES THAT HAVE EXECUTED THIS INDENTURE AS NOTE GUARANTORS

AND

COMPUTERSHARE TRUST COMPANY OF CANADA, AS TRUSTEE

PROVIDING FOR THE ISSUE OF 8.875% SENIOR UNSECURED GUARANTEED NOTES

DUE SEPTEMBER 22, 2017

TABLE OF CONTENTS

ARTICLE 1 INTERPRETATION 2
1.1 Definitions 2
1.2 Meaning of "Outstanding" 24
1.3 Interpretation 24
1.4 Headings, Etc 25
1.5 Time of Essence 25
1.6 Monetary References 25
1.7 Invalidity, Etc. 25
1.8 Language 25
1.9 Successors and Assigns 25
1.10 Severability 25
1.11 Entire Agreement 25
1.12 Benefits of Indenture 26
1.13 Applicable Law and Attornment 26
1.14 Currency of Payment 26
1.15 Non-Business Days 26
1.16 Accounting Terms 26
1.17 Calculations 26
1.18 Schedules 27
ARTICLE 2 THE NOTES 27
2.1 Limit of Notes 27
2.2 Terms of Notes of any Series 27
2.3 Form of Notes 28
2.4 Form and Terms of Series A Notes 29
2.5 Certification and Delivery of Additional Notes 33
2.6 Issue of Global Notes 34
2.7 Execution of Notes 35
2.8 Certification 35
2.9 Interim Notes or Certificates 36
2.10 Mutilation, Loss, Theft or Destruction 36
2.11 Concerning Interest 36
2.12 Notes to Rank *Pari Passu* With One Another 37
2.13 Payments of Amounts Due on Maturity 37
2.14 Payment of Interest 38
ARTICLE 3 REGISTRATION, TRANSFER, EXCHANGE AND OWNERSHIP 38
3.1 Fully Registered Notes 38
3.2 Global Notes 39
3.3 Transferee Entitled to Registration 40
3.4 No Notice of Trusts 41
3.5 Registers Open for Inspection 41
3.6 Exchanges of Notes 41
3.7 Closing of Registers 41
3.8 Charges for Registration, Transfer and Exchange 42
3.9 Ownership of Notes 42
ARTICLE 4 REDEMPTION AND PURCHASE OF DEBENTURES 43
4.1 Redemption of Notes 43
4.2 Places of Payment 44
4.3 Notice of Redemption 44

4.4 Notes Due on Redemption Dates 44
4.5 Deposit of Redemption Monies 44
4.6 Failure to Surrender Notes Called for Redemption....45
4.7 Cancellation of Notes Redeemed 45
4.8 Purchase of Notes by the Issuer 45
4.9 Non-Application 46
ARTICLE 5 COVENANTS OF THE ISSUER 46
5.1 Payment of Principal, Premium, If Any, and Interest 46
5.2 Limitation on Restricted Payments 46
5.3 Incurrence of Indebtedness and Issuance of Disqualified Capital Stock 48
5.4 Limitation on Contractual Restrictions 49
5.5 Limitation on Liens 50
5.6 Designation of Affiliates as Restricted or Unrestricted 50
5.7 Future Note Guarantees 52
5.8 Limitation on Transactions with Affiliates 52
5.9 Provision of Financial Information 53
5.10 Limitation on Asset Dispositions 54
5.11 Limitation on Investments 55
5.12 Limitation on Business Activities 56
5.13 Consolidation, Merger, or Sale of Assets....56
5.14 Payments for Consents....57
ARTICLE 6 DEFAULT....57
6.1 Events of Default 57
6.2 Acceleration of Maturity; Rescission and Annulment 58
6.3 Notice of Events of Default 59
6.4 Waiver of Default 59
6.5 Enforcement by the Trustee 60
6.6 No Suits by Noteholders 61
6.7 Application of Monies by Trustee 62
6.8 Notice of Payment by Trustee....62
6.9 Trustee May Demand Production of Notes....63
6.10 Remedies Cumulative 63
6.11 Judgment Against the Issuer 63
6.12 Immunity of Directors, Officers and Others 63
6.13 Control by Noteholders....63
ARTICLE 7 SATISFACTION AND DISCHARGE 64
7.1 Cancellation and Destruction 64
7.2 Release from Covenants....64
7.3 Non-Presentation of Notes 64
7.4 Repayment of Unclaimed Monies....65
7.5 Discharge 65
ARTICLE 8 LEGAL DEFEASANCE AND COVENANT DEFEASANCE 65
8.1 Option to Effect Legal Defeasance or Covenant Defeasance 65
8.2 Legal Defeasance and Discharge 65
8.3 Covenant Defeasance....66
8.4 Conditions to Legal or Covenant Defeasance.....66
8.5 Deposited Cash and Securities to Be Held in Trust; Other Miscellaneous Provisions. 67
8.6 Repayment to Issuer....68
8.7 Reinstatement....68
ARTICLE 9 SUCCESSORS....68
9.1 Successor Substituted....68

ARTICLE 10 MEETINGS OF NOTEHOLDERS 69
10.1 Right to Convene Meeting 69
10.2 Notice of Meetings 69
10.3 Chairperson 70
10.4 Quorum 70
10.5 Power to Adjourn 71
10.6 Show of Hands 71
10.7 Poll 71
10.8 Voting 71
10.9 Proxies 72
10.10 Persons Entitled to Attend Meetings 72
10.11 Powers Exercisable by Extraordinary Resolution 72
10.12 Unanimous Approval 74
10.13 Meaning of "Extraordinary Resolution" 75
10.14 Powers Cumulative 75
10.15 Minutes 76
10.16 Instruments in Writing 76
10.17 Binding Effect of Resolutions 76
10.18 Evidence of Rights of Noteholders 76
10.19 Concerning Serial Meetings 76
ARTICLE 11 NOTICES 77
11.1 Notice to Issuer 77
11.2 Notice to Noteholders 77
11.3 Notice to Trustee 78
11.4 Mail Service Interruption 78
ARTICLE 12 CONCERNING THE TRUSTEE 78
12.1 No Conflict of Interest 78
12.2 Replacement of Trustee 78
12.3 Duties of Trustee 79
12.4 Reliance Upon Declarations, Opinions, etc. 79
12.5 Evidence and Authority to Trustee, Opinions, etc. 79
12.6 Officers' Certificates Evidence 80
12.7 Experts, Advisers and Agents 81
12.8 Trustee May Deal in Notes 81
12.9 Investment of Monies Held by Trustee 81
12.10 Trustee Not Ordinarily Bound 82
12.11 Trustee Not Required to Give Security 82
12.12 Trustee Not Bound to Act on Issuer's Request 82
12.13 Conditions Precedent to Trustee's Obligations to Act Hereunder 82
12.14 Authority to Carry on Business 83
12.15 Compensation and Indemnity 83
12.16 Acceptance of Trust 83
12.17 Third Party Interests 84
12.18 Anti-Money Laundering 84
12.19 Privacy Laws 84
12.20 Force Majeure 84
ARTICLE 13 SUPPLEMENTAL INDENTURES 85
13.1 Supplemental Indentures 85
ARTICLE 14 GUARANTEE 86
14.1 Application 86
14.2 Guarantees 86

14.3 Guarantee Absolute ... 87
14.4 Waivers ... 89
14.5 Subrogation ... 89
14.6 No Waiver; Remedies ... 89
14.7 Continuing Guarantee; No Right of Set-Off; Independent Obligation ... 89
14.8 Guarantors May Consolidate, Etc., on Certain Terms ... 90
14.9 Releases ... 90
14.10 Severability ... 91
14.11 Limitation of Liability of Trustees and Unitholders of Armtec Operating Trust and the Fund ... 91
ARTICLE 15 EXECUTION AND FORMAL DATE ... 91
15.1 Execution ... 91
15.2 Contracts of the Parent ... 92
15.3 Formal Date ... 92

Schedule "A" - Form of Series A Note

Schedule "B" - Form of Redemption Notice

THIS INDENTURE made as of the 22nd day of September, 2010.

AMONG:

ARMTEC HOLDINGS LIMITED, a corporation continued under the laws of the Province of Ontario and having its head office in the City of Guelph, in the Province of Ontario (hereinafter called the "**Issuer**")

AND

THE PARTIES HERETO THAT HAVE EXECUTED THIS INDENTURE AS NOTE GUARANTORS

AND

COMPUTERSHARE TRUST COMPANY OF CANADA, a trust company organized under the laws of Canada having an office in the City of Toronto, in the Province of Ontario (hereinafter called the "**Trustee**")

WITNESSETH THAT:

WHEREAS the Issuer wishes to create and issue the Notes (defined herein) in the manner and subject to the terms and conditions of this Indenture;

AND WHEREAS the Issuer, under the laws relating thereto, is duly authorized to create and issue the Notes to be issued as herein provided;

AND WHEREAS, when certified by the Trustee and issued as in this Indenture provided, all necessary steps in relation to the Issuer have been duly enacted, passed and/or confirmed and other proceedings taken and conditions complied with to make the creation and issue of the Notes proposed to be issued hereunder legal, valid and binding on the Issuer in accordance with the laws relating to the Issuer;

AND WHEREAS the foregoing recitals are made as representations and statements of fact by the Issuer and not by the Trustee;

AND WHEREAS each Note Guarantor (defined herein) has agreed to Guarantee the punctual payment and performance when due of all Indenture Obligations (defined herein) in accordance with the terms of Article 13;

NOW THEREFORE THIS INDENTURE WITNESSES that in consideration of the respective covenants and agreements contained herein and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged), the Issuer, the Note Guarantors and the Trustee covenant and agree, for the benefit of each other and for the equal and rateable benefit of the holders, as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

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

(a) "**this Indenture**", "**this Trust Indenture**", "**hereto**", "**herein**", "**hereby**", "**hereunder**", "**hereof**" and similar expressions refer to this Indenture and not to any particular Article, Section, subsection, clause, subdivision or other portion hereof and include any and every instrument supplemental or ancillary hereto;

(b) "**Acquired Debt**" means Indebtedness, including any acquired Capital Lease Obligations, of a Person that is in existence at the time such Person becomes a Subsidiary of the Issuer or any Restricted Affiliate, provided that such Indebtedness is not Incurred by such Person in contemplation of the Acquisition of such Person by the Issuer or any Restricted Affiliate;

(c) "**Acquisition**" means, as to any Person:

(i) any purchase or other acquisition of all of the voting securities of such Person; and

(ii) any purchase or other acquisition of all or substantially all of the assets of such Person or of assets consisting of a line of business of such Person;

(d) "**Additional Notes**" means Notes of any one or more series, other than the first series of Notes, being the Series A Notes, issued under this Indenture;

(e) "**Affiliate**" means, at any time, and with respect to any Person, any other Person that at such time directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such first Person;

(f) "**Affiliate Transaction**" has the meaning ascribed thereto in Section 5.8;

(g) "**Applicable Redemption Premium**" means, with respect to any Note on any redemption date, the greater of:

(i) 1.0% of the principal amount of the Note; and

(ii) the excess of

(A) the Discounted Value at such redemption date of the Remaining Scheduled Payments of such Note, determined by discounting, on a semi-annual basis, such amounts from the dates on which they would have been payable at a rate equal to the Reinvestment Yield, over

(B) the principal amount of the Note;

(h) "**Applicable Securities Legislation**" means applicable securities laws (including rules, regulations, policies and instruments) in each of the applicable Provinces of Canada;

(i) "**Armtec Group**" means the Issuer and all of its Restricted Affiliates;

(j) "**Armtec Newco**" means Armtec Infrastructure Inc.;

(k) "**Asset Disposition**" means, in any one transaction or series of transactions, any transfer, conveyance, sale, or lease by the Issuer or a Restricted Affiliate of any of its Fixed Assets or Investments; provided that the following shall not constitute an Asset Disposition:

(i) any transfer, conveyance, sale, lease, or other disposition of Fixed Assets or Investments by the Issuer or a Restricted Affiliate in connection with a corporate reorganization that is carried out as a step transaction if:

(A) the step transaction is completed within three Business Days;

(B) at the completion of the step transaction, such Fixed Assets and Investments are owned by the Issuer or a Restricted Affiliate; and

(C) the step transaction maintains the Lien on such Fixed Assets and Investments as if such Fixed Assets and Investments had remained in the possession of the Issuer or the Restricted Affiliate;

(ii) any transfer, conveyance, sale, lease, or other disposition to the Issuer or any Restricted Affiliate;

(iii) the transfer, conveyance, sale, lease, or other or disposition of damaged, worn-out, or obsolete equipment or assets that are no longer used or useful in the business of the Issuer or its Restricted Affiliates; and

(iv) a Corporate Conversion.

(l) "**Asset Disposition Offer**" has the meaning ascribed thereto in Section 5.10;

(m) "**Auditors of the Issuer**" means an independent firm of chartered accountants duly appointed as auditors of the Issuer;

(n) "**Bankruptcy Law**" means the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), and the *Winding-Up and Restructuring Act* (Canada), each as now and hereafter in effect, any successors to such statutes, any other applicable insolvency, winding-up, dissolution, restructuring, reorganization, liquidation, or other similar law of any jurisdiction, and any law of any jurisdiction (including any corporate law relating to arrangements, reorganizations, or restructurings) permitting a debtor to obtain a stay or a compromise of the claims of its creditors against it;

(o) "**Beneficial Holder**" means any person who holds a beneficial interest in a Global Note as shown on the books of the Depository or a Depository Participant as determined in accordance with MI 62-104;

(p) "**Board of Directors**" means the board of directors of the Issuer or any committee thereof;

(q) "**Boucher Vendors' Indebtedness**" means, collectively, the Indebtedness owed by the Issuer to **[Business sensitive information intentionally deleted]** (together, the "**Boucher Vendors**") pursuant to a promissory note in the amount of $5,000,000 dated July 31, 2008 by the Issuer in favour of the Boucher Vendors issued in connection with the acquisition by the Issuer of all of the issued and outstanding shares of Boucher Pre-Cast Concrete Limited, and the Indebtedness owed by the Issuer, in its capacity as general partner of Armtec Limited Partnership, to the Boucher Vendors pursuant to a Guarantee dated July 31, 2008 by the Issuer, in its capacity as general partner of Armtec Limited Partnership, in favour of the Boucher Vendors;

(r) "**Business Day**" means any day other than a Saturday, Sunday or any other day that the Trustee in Toronto, Ontario is not generally open for business;

(s) "**Capital Lease Obligation**" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized on a balance sheet in accordance with GAAP;

(t) "**Capital Stock**" means, with respect to any Person, any and all shares or other equivalents (however designated) of capital stock, trust units, partnership interests, or any other participation, right, or other interest in the nature of an equity interest in such Person or any option, warrant, or other security convertible into any of the foregoing;

(u) "**Cash Equivalents**" means:

(i) bonds, debentures or other evidences of Indebtedness issued or directly and fully guaranteed or insured by the United States or Canadian government, any agency or instrumentality thereof or, if such bonds, debentures or other evidences of Indebtedness are rated at least A-1 or the equivalent thereof by Standard & Poor's, at least P-1 or the equivalent thereof by Moody's, or at least R-1 or the equivalent thereof by DBRS Limited, of the government of any province of Canada or any agency or instrumentality thereof;

(ii) commercial paper, with a Stated Maturity not more than nine months from the date of issue, which is issued by,

(A) a corporation (other than the Issuer or any Affiliate of the Issuer) organized under the laws of any state of the United States, of the District of Columbia, of Canada or of any province of Canada and rated at least A-1 or the equivalent thereof by Standard & Poor's, at least P-1 or the equivalent thereof by Moody's, or at least R-1 or the equivalent thereof by DBRS Limited; or

(B) any lender under the New Credit Agreement (or an Affiliate thereof); and

(iii) any certificate of deposit or bankers' acceptance, with a Stated Maturity not more than one year after the date thereof, which is issued by either,

(A) a commercial banking institution that is a member of the Federal Reserve System and has a combined capital and surplus and undivided profits of not less than U.S.$500,000,000 or a bank that is listed on Schedule I to the *Bank Act* (Canada); or

(B) any lender under the New Credit Agreement;

(v) "**CDS**" means CDS Clearing and Depository Services Inc.;

(w) "**CDS Nominee**" means the nominee of CDS in whose name Global Notes are registered;

(x) "**Change of Control**" means the occurrence of any one of the following:

(i) the direct or indirect sale, transfer, or other disposition (other than by way of consolidation, amalgamation, arrangement, merger, or issue of voting shares), in one or a series of related transactions, of all or substantially all of the Property of the Issuer and its Affiliates, taken as a whole, to any Person or group of Persons acting jointly or in concert for purposes of such transaction (other than to the Issuer and/or its Affiliates);

(ii) the consummation of any transaction or series of transactions, including, without limitation, any consolidation, amalgamation, arrangement, merger, or issue of voting shares, the result of which is that any Person or group of Persons acting jointly or in concert for purposes of such transaction (other than Parent and its Affiliates) becomes the beneficial owner, directly or indirectly, of more than 50% of the voting Capital Stock of the Issuer, Parent, Armtec Operating Trust or Armtec Exchangeable Partnership measured by voting power rather than number of shares; or

(iii) the consummation of any transaction or series of transactions, including, without limitation, any consolidation, amalgamation, arrangement, merger, or issue of securities, the result of which is that any Person or group of Persons acting jointly or in concert for the purposes of such transaction has elected to the board of Trustees (prior to consummation of the Corporate Conversion) or the board of directors (following consummation of the Corporate Conversion) of Parent such number of its or their nominees as shall constitute a majority of the trustees or directors comprising the board of trustees or directors, as applicable;

provided that, to the extent that one or more regulatory approvals are required for any of the transactions or circumstances described in clauses (a), (b), or (c) above to become effective under applicable law and such approvals have not been received before such transactions or circumstances have occurred, such transactions or circumstances shall be deemed to have occurred at the time such approvals have been obtained and become effective under applicable law; and further provided that the consummation of the Corporate Conversion shall not be deemed to be a Change of Control;

(y) "**Change of Control Notice**" has the meaning ascribed thereto in Section 2.4(g)(i);

(z) "**Change of Control Purchase Date**" has the meaning ascribed thereto in Section 2.4(g)(i);

(aa) "**Change of Control Purchase Offer**" has the meaning ascribed thereto in Section 2.4(g)(i);

(bb) "**Commodity Price Protection Agreement**" means, in respect of a Person, any commodity futures contract, forward contract, commodity swap agreement, commodity option agreement, or other similar agreement or arrangement (including derivative agreements or arrangements) designed to protect such Person against fluctuations in commodity prices;

(cc) "**Consolidated Coverage Ratio**" means as of any date of determination, the ratio of Consolidated EBITDA to Consolidated Interest Expense for the Armtec Group for any relevant period; provided, however, that:

(i) if

(A) since the beginning of such period the Issuer or any Restricted Affiliate has Incurred any Indebtedness that remains outstanding or repaid any Indebtedness, or

(B) the transaction giving rise to the need to calculate the Consolidated Coverage Ratio is an Incurrence or repayment of Indebtedness,

then Consolidated Interest Expense for such period shall be calculated after giving effect on a pro forma basis to such Incurrence or repayment as if such Indebtedness was Incurred or repaid on the first day of such period, (except that in making such computation, the amount of Indebtedness under any revolving credit facility outstanding on the date of such calculation will be deemed to be (i) the average daily balance of such Indebtedness during such four fiscal quarters or such shorter period for which such facility was outstanding or (ii) if such facility was created after the end of such four fiscal quarters, the average daily balance of such Indebtedness during the period from the date of creation of such facility to the date of such calculation); and

(ii) if

(A) since the beginning of such period the Issuer or any Restricted Affiliate shall have made any Asset Disposition or an Investment (by merger or otherwise) in any Restricted Affiliate (or any Person which becomes a Restricted Affiliate) or an Acquisition,

(B) the transaction giving rise to the need to calculate the Consolidated Coverage Ratio is such an Asset Disposition, Investment or Acquisition, or

(C) since the beginning of such period any Person (that subsequently became a Restricted Affiliate or was merged with or into the Issuer or any Restricted Affiliate since the beginning of such period) shall have made such an Asset Disposition, Investment or Acquisition,

then Consolidated EBITDA for such period shall be calculated after giving pro forma effect to such Asset Disposition, Investment or Acquisition as if such Asset Disposition, Investment or Acquisition had occurred on the first day of such period;

provided further, that: (A) if any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest expense on such Indebtedness shall be calculated as if the base interest rate in effect for such floating rate of interest on the date of determination had been the applicable base interest rate for the entire period (taking into account any Interest Rate Agreement applicable to such Indebtedness); (B) if any Indebtedness bears interest, at the option of the Issuer or a Restricted Affiliate, at a rate of interest based on a prime or similar rate, a Eurocurrency interbank offered rate or other fixed or floating rate, and such Indebtedness is being given pro forma effect, the interest expense with respect to such Indebtedness shall be calculated for the entire period by applying such optional rate as shall be in effect as of the date of determination; (C) interest on a Capital Lease Obligation shall be deemed to accrue at an interest rate determined in good faith by a responsible financial or accounting officer of the Issuer to be the rate of interest implicit in such Capital Lease Obligation in accordance with GAAP; and (D) in the event the Capital Stock of any Restricted Affiliate is sold during the period, the Issuer shall be deemed, for purposes of clause (a) above, to have repaid during such period the Indebtedness of such Restricted Affiliate to the extent the Issuer and its continuing Restricted Affiliates are no longer liable for such Indebtedness after such sale;

(dd) "**Consolidated EBITDA**" means for any period, the Consolidated Net Income of the Armtec Group, plus the following to the extent included in calculating such Consolidated Net Income:

(a) provision for taxes based on the income or profit of the Issuer or any other Subsidiary of Parent for such period, to the extent that such provision for taxes was deducted in computing Consolidated Net Income;

(b) Consolidated Interest Expense, whether paid or accrued and whether or not capitalized, to the extent that any such expense was deducted in calculating Consolidated Net Income;

(c) payments and accruals in the nature of interest and associated debt discount and debt issuance costs pursuant to any existing and future convertible debentures issued by Parent;

(d) depreciation expense;

(e) amortization expense (including the amortization of the original issue discount resulting from the issuance of debt at less than par and debt issuance costs), to the extent such costs are excluded in the calculation of Consolidated Interest Expense;

(f) other non-cash charges or non-cash losses (excluding any non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period), to the extent that any such expenses were deducted in computing such Consolidated Net Income;

(g) non-cash impairment charges, to the extent that any such charges were deducted in computing such Consolidated Net Income;

(h) one-time fees and expenses in connection with the Offering and the New Credit Agreement;

(i) the amount of any expenses or charges (other than amortization and depreciation expense) related to equity offerings, Permitted Investments, acquisitions, dispositions, recapitalizations, or refinancings permitted hereby (whether successful or not), to the extent that such expenses were deducted in computing Consolidated Net Income;

(j) the amount of any expenses of Parent paid solely as a result of it being a reporting issuer and not to exceed $3,000,000 (annually), to the extent not captured under clauses (a) to (h) of the definition hereof;

(k) any net after-tax income or loss from discontinued operations and any net after-tax gains or losses on disposal of discontinued operations;

(l) any payments earned or owing by the Issuer under the **[Business sensitive information intentionally deleted]**;

(m) expenses in connection with the Operational Reorganization not to exceed $10,000,000 in the aggregate; and

(n) unusual expenses in connection with Acquisitions by the Issuer or any of its Affiliates not to exceed $3,000,000 annually;

provided, however, that, for the purposes of determining the Consolidated EBITDA, any unrealized gain or loss attributable to the movement in the mark to market valuation of Hedging Obligations will not be taken into account;

(ee) "**Consolidated Interest Expense**" means, for any period, the total interest expense of the Armtec Group determined on a consolidated basis in accordance with GAAP, plus, to the extent not included in such total interest expense, and to the extent Incurred by the Armtec Group (determined on a consolidated basis in accordance with GAAP), without duplication:

(a) the amortization of debt discount and debt issuance costs; *plus*

(b) the amortization of all fees (including, without limitation, fees with respect to Hedging Obligations) payable in connection with the Incurrence of Indebtedness; *plus*

(c) the portion of any Capital Lease Obligation allocable to interest expense; *plus*

(d) payments in the nature of interest pursuant to Hedging Obligations; *plus*

(e) an amount equal to the product of:

i. the aggregate dividends paid on Disqualified Capital Stock during such period, and

ii. a fraction, the numerator of which is one and the denominator of which is one minus the then-effective combined tax rate of the Armtec Group, to the extent paid; *plus*

(f) interest accruing on any Indebtedness of any other Person, to the extent such Indebtedness is guaranteed; less

(g) interest income for such period; less

(h) payments or accruals in the nature of interest and associated debt discount and debt issuance costs pursuant to any existing and future convertible debentures issued by Parent;

provided, however, that (A) for the purposes of determining the Consolidated Interest Expense, any unrealized gain or loss attributable to the movement in the mark to market valuation of Hedging Obligations will not be taken into account; and (B) to the extent that the Credit Agreement Fees in the aggregate are included in (a) above, such amounts shall be excluded for the purposes of this definition, whether or not such amounts have been amortized or written off;

(ff) "**Consolidated Net Income**" means, for any period, the net income of the Armtec Group determined on a consolidated basis in accordance with GAAP;

(gg) "**Consolidated Tangible Assets**" means, without duplication, as of the date of any determination thereof, total assets of the Armtec Group determined on a consolidated basis in accordance with GAAP after eliminating all intercompany transactions and all amounts properly attributable to goodwill, patents, patent applications, permits, trademarks, trade names, copyrights, licenses, franchises, experimental expense, organizational expense, unamortized debt discount and expense, future income tax assets and investment tax credits, deferred assets other than prepaid insurance and prepaid taxes, the excess of cost of shares acquired over book value of related assets, and such other assets as are properly classified as "intangible assets" in accordance with GAAP;

(hh) "**Continuing Corporation**" means Armtec Newco or such other corporation that may become the ultimate beneficial owner of 100% of the Capital Stock of the Issuer as a result of a Corporate Conversion;

(ii) "**Control**" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise;

(jj) "**Convertible Debenture Indenture**" means the convertible debenture indenture dated as of June 30, 2010 between the Parent and Computershare Trust Company of Canada;

(kk) "**Convertible Debentures**" means the debentures designated as "6.50% Convertible Unsecured Subordinated Debentures due June 30, 2017";

(ll) "**Corporate Conversion**" means any restructuring, reorganization, consolidation, amalgamation, merger, arrangement, exchange, redemption, reclassification, or another transaction (including, without limitation, the Proposed Arrangement) (a) pursuant to which the Parent is "converted" to a corporation as contemplated by subsection 85.1(7) or subsection 107(3) of the Income Tax Act (Canada) or any similar transaction or series of transactions; or (b) any other transaction or series of transactions involving a reorganization of the Parent with the result that the Parent is not subject to the distribution tax set out in subsection 122(1) of the Income Tax Act (Canada); provided in either case that (x) there is no change in the ultimate ownership of the business of the Parent as confirmed by the Trustee and (y) the Continuing Corporation assumes the Parent's obligations with respect to its Note Guarantee; provided, however, that such restructuring, reorganization, consolidation, amalgamation, merger, arrangement, exchange, redemption, reclassification, or other transaction is effected in a form and manner that is substantially the same as the Proposed Arrangement;

(mm) "**Counsel**" means a barrister or solicitor or firm of barristers or solicitors retained or employed by the Trustee or retained or employed by the Issuer and acceptable to the Trustee;

(nn) "**Covenant Defeasance**" has the meaning ascribed thereto in Section 8.3;

(oo) "**Currency Exchange Protection Agreement**" means, in respect of a Person, any foreign exchange contract, currency swap agreement, futures contract, currency option or other similar agreement or arrangement designed to protect such Person against fluctuations in currency exchange rates;

(pp) "**Custodian**" means any receiver, receiver-manager, trustee, assignee, liquidator, monitor, or similar official under any Bankruptcy Law;

(qq) "**Default**" means any occurrence that is, or with the giving of notice or the lapse of time or both would become, an Event of Default;

(rr) "**Defeasance Trust**" has the meaning ascribed thereto in Section 8.4(a);

(ss) "**Depository**" means, with respect to the Notes of any series issuable or issued in the form of one or more Global Notes, the person designated as depository by the Issuer pursuant to Section 3.2(a) until a successor depository shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "**Depository**" shall mean each person who is then a depository hereunder, and if at any time there is more than one such person, "**Depository**" as used with respect to the Notes of any series shall mean each depository with respect to the Global Notes of such series;

(tt) "**Depository Participant**" means a broker, dealer, bank, other financial institution or other person for whom, from time to time, a Depository effects book entry for a Global Note deposited with the Depository;

(uu) "**Discounted Value**" means, with respect to the principal of any Note being redeemed, the amount obtained by discounting all Remaining Scheduled Payments with respect to the principal amount of such Note from their respective scheduled due dates to the settlement date with respect to such Note, in accordance with accepted financial practice and at a discount factor (applied on the same periodic basis as that on which interest on the Notes is payable) equal to the Reinvestment Yield with respect to the principal amount of such Note;

(vv) "**Disposition**" means as to any Person:

(i) any sale or other disposition of all of the voting securities of such Person; or

(ii) any sale or other disposition of all or substantially all of the assets of such Person or of all or substantially all of the assets consisting of a line of business of such Person;

(ww) "**Disqualified Capital Stock**" means any Capital Stock of the Issuer or any Restricted Affiliate which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part, on or prior to the Stated Maturity of the Notes, for cash or securities constituting Indebtedness; provided that Capital Stock will not constitute Disqualified Capital Stock solely because of provisions giving holders thereof the right to require repurchase or redemption upon an "asset sale" or "change of control" occurring prior to the Stated Maturity of the Notes if those provisions:

(i) are no more favourable to the holders than the provisions described under Section 5.10 and Section 2.4(g); and

(ii) specifically state that the repurchase or redemption pursuant thereto will not be required prior to the Issuer's repurchase of the Notes as required by the Indenture;

(xx) "**especially affected series**" has the meaning ascribed thereto in Section 10.2(b)(i);

(yy) "**Event of Default**" has the meaning ascribed thereto in Section 6.1;

(zz) "**Excess Proceeds**" has the meaning ascribed thereto in Section 5.10;

(aaa) "**Excluded Property**" means Property of the Issuer and any Restricted Affiliate, to the extent that the grant of security therein is not permitted by applicable law or prohibited by the terms of the underlying asset, contract, lease, or license with a third party;

(bbb) "**Extraordinary Resolution**" has the meaning ascribed thereto in Section 10.13;

(ccc) "**Fair Market Value**" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity on the part of either party, determined in good faith by the Issuer;

(ddd) "**Fixed Assets**" means tangible Property, present and future, of the Issuer and its Restricted Affiliates that is not intended to be consumed, sold in the ordinary course of business, or converted into current assets, including land, buildings, and equipment that is not inventory, and including beneficial title of the Issuer and its Restricted Affiliates to any such tangible Property for which the registered title is held by any entity other than the Issuer or a Restricted Affiliate;

(eee) "**Fund**" means Armtec Infrastructure Income Fund;

(fff) "**Fully Registered Notes**" means Notes registered as to both principal and interest;

(ggg) "**GAAP**" means generally accepted accounting principles in Canada, consistently applied, as in effect on the Issue Date; provided that all calculations and determinations made under the Indenture will be determined on a basis to exclude from any such calculations or determinations the effect of any change in accounting principles resulting from the conversion of the Issuer's accounting policies to International Financial Reporting Standards or any other change in accounting principles;

(hhh) "**Global Note**" means a Note that is issued to and registered in the name of the Depository, or its nominee, pursuant to Section 2.6 for purposes of being held by or on behalf of the Depository as custodian for participants in the Depository's book-entry only registration system;

(iii) "**Government Obligations**" means securities issued or guaranteed by the Government of Canada or any province thereof;

(jjj) "**Guarantee**" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person and any obligation, direct or indirect, contingent or otherwise, of such Person:

(i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep well, to purchase assets, goods, securities, or services (unless such purchase arrangements are on arm's length terms and are entered into in the ordinary course of business), to take or pay, to maintain financial statement conditions, or otherwise); or

(ii) entered into for the purpose of assuring in any other manner the obligee against loss in respect thereof (in whole or in part);

provided, however, that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The term "Guarantee" used as a verb has a corresponding meaning. The term "Guarantor" means any Person Guaranteeing any obligation;

(kkk) "**Hedging Obligation**" of any Person means any obligation of such Person pursuant to any Interest Rate Agreement, Currency Exchange Protection Agreement, Commodity Price Protection Agreement, or any other similar agreement or arrangement entered into for the purpose of managing risks in the ordinary course of business and not for speculative purposes;

(lll) "**Incur**" means, with respect to any Indebtedness or other obligation of any Person, to create, issue, incur (by merger, conversion, exchange, or otherwise), extend, assume, Guarantee, or become liable in respect of such Indebtedness or other obligation, or to record, as required pursuant to GAAP or otherwise, any such Indebtedness or obligation on the balance sheet of such Person (and "Incurrence" and "Incurred" shall have meanings correlative to the foregoing); provided, however, that any Acquired Debt shall be deemed to be Incurred by a Person at the time it becomes a Subsidiary;

(mmm) "**Indebtedness**" means, with respect to any Person, without duplication, any debt or other monetary liability (whether actual or contingent) in respect of monies borrowed or raised or any financial accommodation (including in respect of any monies raised from the sale or securitization of any receipts or receivables) whatsoever, including a debt or liability under or in respect of any:

(a) bill, bond, debenture, note, or similar instrument;

(b) acceptance, endorsement, or discounting arrangement (other than endorsing cheques in the ordinary course of business);

(c) Guarantee granted by a financial institution Guaranteeing the payment of a debt (the Guaranteed Debt), in which case the Guaranteed Debt will not be included;

(d) capital lease or synthetic lease, Sale and Leaseback Transaction, or financing whereby a Purchase-Money Obligation is Incurred;

(e) deferred purchase price (deferred for more than 180 days) of any asset or service (other than the purchase price of Raw Materials which can be deferred up to 365 days);

(f) derivative transaction, provided that for purposes of determining the amount of Indebtedness outstanding at any time, it will be the net amount owing as a liability;

(g) Guarantee for borrowed money;

(h) reimbursement obligation in respect of any letter of credit; or

(i) other obligation under an agreement or arrangement that in substance provides financing and that, in accordance with GAAP (in effect as of the original date of issuance of the Notes), would be included on a balance sheet as a liability (absolute or contingent), and irrespective of whether the debt or liability is owed or Incurred alone or severally or jointly or both with any other Person;

(nnn) "**Indenture Obligations**" means the obligations of the Issuer and the Note Guarantors hereunder or under the Notes (or the Note Guarantees, as applicable) to pay principal (and Premium, if any, on) and interest on the Notes when due and payable on the Stated Maturity of the Notes, and all other amounts due or to become due under or in connection with this Indenture, the Notes (and the Note Guarantees, if applicable) and the performance of all other obligations to the Trustee (including all amounts due to the Trustee under Section 12.15 and the holders under this Indenture and the Notes, according to the terms hereof and thereof.

(ooo) "**Intercompany Indebtedness**" means all Indebtedness between the Issuer and any Restricted Affiliate or between Restricted Affiliates, including Indebtedness under the indenture dated as of June 27, 2004 between Brian Jamieson, D. Michael Lay, John E. Richardson, Michael Skea and Robert J. Wright, in their respective capacities as trustees of Armtec Operating Trust, and Computershare Trust Company of Canada, as the same may be amended, supplemented or restated from time to time;

(ppp) "**Interest Payment Date**" means a date specified in a Note as the date on which interest on such Note shall become due and payable;

(qqq) "**Interest Rate Agreement**" means, for any Person, any interest rate swap agreement, interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement, or other similar agreement designed to protect against fluctuations in interest rates;

(rrr) "**Investments**" means for any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the form of loans (including Guarantees or other obligations), advances or capital contributions (excluding commission, travel, and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Capital Stock, or other securities, in each case, to the extent such items would be classified as investments on a balance sheet prepared in accordance with GAAP; for greater certainty, Acquisitions shall be deemed to not be Investments except to the extent that any such Acquisition would be classified as an investment on a balance sheet prepared in accordance with GAAP. Except as otherwise provided herein, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value;

(sss) "**Issuer**" means Armtec Holdings Limited or any successor entity thereto or assignee thereof;

(ttt) "**Issue Date**" means the date on which the Notes are originally issued;

(uuu) "**Legal Defeasance**" has the meaning ascribed thereto in Section 8.2;

(vvv) "**Lien**" means, with respect to any Person, any mortgage, hypothecation, charge, or other encumbrance of any kind on any of its or their Property, present or future, to secure Indebtedness.

Solely for the purposes of determining whether a Lien exists for the purposes hereof, a Person shall be deemed to be the owner of any Property that it has acquired or holds subject to a conditional sale or capital lease or other title retention agreement and any lease in nature thereof (excluding operating leases as determined in accordance with GAAP), and such retention of title by another Person shall constitute a Lien;

(www) "**Maturity Account**" means an account or accounts required to be established by the Issuer (and which shall be maintained by and subject to the control of the Trustee) for each series of Notes issued pursuant to and in accordance with this Indenture;

(xxx) "**MI 62-104**" means Multilateral Instrument 62-104 – *Take-Over Bids and Issuer Bids*;

(yyy) "**Moody's**" means Moody's Investors Service, an affiliate of Moody's Canada Inc.;

(zzz) "**Net Available Proceeds**" from any Asset Disposition means the proceeds thereof in the form of cash and Cash Equivalents actually received by the Issuer or a Restricted Affiliate (including any such proceeds received by way of deferred payment of principal pursuant to a note or instalment receivable or purchase price adjustment receivable or otherwise, but only as and when such proceeds are received), net of all expenses Incurred in connection with such Asset Disposition, including, but not limited to:

(i) legal fees, accountant fees, and investment banking fees, directly attributable to such Asset Disposition;

(ii) amounts required to be applied to the repayment of Indebtedness secured by a Lien expressly permitted under this Indenture on any asset that is the subject of such Asset Disposition;

(iii) the amount of any reasonable reserve established in accordance with GAAP:

(A) against any liabilities (other than any taxes deducted pursuant to clause (d)) associated with the assets that are the subject of such Asset Disposition; and

(B) against any adjustment in the sale price of the applicable assets and retained by the Issuer or any Restricted Affiliate after such Asset Disposition (including any adjustment related to pensions, employment benefits, environmental liabilities, and indemnity obligations related to such Asset Disposition), provided that the amount of any subsequent reduction of such reserve (other than in connection with a payment in respect of any such liability) shall be deemed to be Net Available Proceeds of such Asset Disposition received on the date of such reduction; and

(iv) provision for taxes paid or reasonably estimated to be payable as a result thereof;

(aaaa) "**New Credit Agreement**" means the credit agreement to be dated as of the Issue Date among, *inter alia*, the Bank of Nova Scotia as lead arranger, administrative agent and lender thereunder and the Issuer as borrower providing for a revolving facility in the amount of $250,000,000;

(bbbb) "**Non-Recourse Debt**" means Indebtedness:

(i) as to which neither the Issuer nor any Restricted Affiliate:

(A) provides credit support of any kind (including any undertaking, agreement, or instrument that would constitute Indebtedness);

(B) is directly or indirectly liable as a Guarantor or otherwise; or

(C) constitutes the lender;

(ii) no default with respect to which (including any rights that the holders thereof may have to take enforcement action against the Issuer or an Unrestricted Affiliate) would permit, upon notice, lapse of time, or both, any holder of any Indebtedness (other than the Notes) of the Issuer or any Restricted Affiliate to declare a default on such other Indebtedness or cause the payment thereof to be accelerated or payable prior to its Stated Maturity; and

(iii) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Issuer or any Restricted Affiliate;

(cccc) "**Note Guarantee**" means a Guarantee on the terms set forth in the Indenture by a Note Guarantor of the Issuer's obligations with respect to the Notes;

(dddd) "**Note Guarantor**" means the Fund, Armtec Operating Trust, Armtec Exchangeable Partnership, Armtec Newco, Armtec AEP GP Limited, Armtec Limited Partnership, Armtec Limited Partner Corp., Armtec US Limited, Inc., Durisol Consulting Services Inc. and any other Person that becomes a Note Guarantor pursuant to Section 5.7 or that otherwise executes and delivers a supplemental Indenture to the Trustee providing for a Note Guarantee;

(eeee) "**Noteholders**" or "**holders**" means the Persons for the time being entered in the register for Notes as registered holders of Notes or any transferees of such Persons by endorsement or delivery;

(ffff) "**Notes**" means the debentures, notes or other evidence of indebtedness of the Issuer issued and certified hereunder, or deemed to be issued and certified hereunder, including, without limitation, the Series A Notes, and for the time being outstanding, whether in definitive, global or interim form;

(gggg) "**Officers' Certificate**" means a certificate of the Issuer signed by any one authorized officer or director of the Issuer, in his or her capacity as an officer or director of the Issuer, as the case may be, and not in his or her personal capacity;

(hhhh) "**Offer Price**" has the meaning ascribed thereto in Section 2.4(g)(i);

(iiii) "**Offering**" means the offering by offering memorandum dated September 15, 2010 of $150,000,000 in aggregate principal amount of Series A Notes;

(jjjj) "**Parent**" means the Fund or Armtec Newco upon it becoming the ultimate beneficial owner of 100% of the Capital Stock of the Issuer pursuant to a Corporate Conversion, and its successors and assigns;

(kkkk) "**Periodic Offering**" means an offering of Notes of a series from time to time, the specific terms of which Notes, including, without limitation, the rate or rates of interest, if any, thereon, the stated maturity or maturities thereof and the redemption provisions, if any, with respect thereto, are to be determined by the Issuer upon the issuance of such Notes from time to time;

(llll) "**Permitted Indebtedness**" means

(a) the Incurrence by the Issuer of Indebtedness evidenced by the Series A Notes and the Incurrence by the Restricted Affiliates of Indebtedness evidenced by the Note Guarantees relating to the Notes;

(b) the Incurrence by the Issuer or any Restricted Affiliate of: (i) Indebtedness under or pursuant to the New Credit Agreement or any replacement thereof; and (ii) all other Secured Indebtedness; to a maximum aggregate amount equal to the greater of:

i. $250,000,000, or

ii. 2.50 times Consolidated EBITDA for the most recent four fiscal quarters for which Consolidated EBITDA has been calculated at such time;

provided, that: (A) compliance with the foregoing shall be determined only at the time that such Indebtedness is Incurred by the Issuer or a Restricted Affiliate; and (B) if: (i) since the beginning of the aforementioned four fiscal quarters the Issuer or any Restricted Affiliate shall have made any Disposition or an Acquisition; (ii) the transaction giving rise to the need to calculate the Consolidated EBITDA is such a Disposition or Acquisition; or (iii) since the beginning of the aforementioned four fiscal quarters any Person (that subsequently became a Restricted Affiliate or was merged with or into the Issuer or any Restricted Affiliate since the beginning of such period) shall have made such a Disposition or Acquisition; then Consolidated EBITDA for such period shall be calculated after giving pro forma effect to such Disposition or Acquisition as if such Disposition or Acquisition had occurred on the first day of such period;

(c) the Incurrence by the Issuer or any Restricted Affiliate of Capital Lease Obligations, Indebtedness under Sale and Leaseback Transactions, and Purchase-Money Obligations to a maximum aggregate amount of $20,000,000;

(d) the Incurrence by the Issuer or any Restricted Affiliate of Hedging Obligations;

(e) the Incurrence by the Issuer or any Restricted Affiliate of Intercompany Indebtedness;

(f) the Incurrence by the Issuer or any Restricted Affiliate of Non-Recourse Debt;

(g) the Incurrence by the Issuer or any Restricted Affiliate of Permitted Refinancing Debt;

(h) to the extent constituting Indebtedness, the Incurrence by the Issuer or any Restricted Affiliate of obligations with respect to surety, performance, and appeal bonds obtained in the ordinary course of business;

(i) the Incurrence by the Issuer or any Restricted Affiliate of unsecured Guarantees made in the ordinary course of business, provided that such Guarantees are not of Indebtedness for borrowed money;

(j) the Incurrence by the Issuer or any Restricted Affiliate of Acquired Debt; provided that immediately thereafter and after giving effect thereto, the Issuer and its Restricted Affiliates would be able to Incur $1.00 of additional Indebtedness under Section 5.3(a);

(k) the Incurrence by Parent of Indebtedness evidenced by convertible debentures issued after the Issue Date, so long as such Indebtedness has a Stated Maturity later than the Stated Maturity of the Notes;

(l) **[Business sensitive information intentionally deleted]**;

(m) the Boucher Vendors' Indebtedness;

(n) vendor take-back Indebtedness including earn-out payments Incurred in connection with Acquisitions in an amount not to exceed $20,000,000 in the aggregate;

(o) to the extent not otherwise referred to in the preceding items (a) through (n), the Incurrence by the Issuer or any Restricted Affiliate of Indebtedness that is secured by Permitted Liens; and

(p) the Incurrence by the Issuer or any Restricted Affiliate of all other Indebtedness not to exceed $20,000,000;

(mmmm) "**Permitted Investment**" means any of the following:

(a) Investments in cash or Cash Equivalents;

(b) Intercompany Indebtedness;

(c) Investments in

i. a Restricted Affiliate, or

ii. another Person in a Related Business as a result of which such other Person becomes a Restricted Affiliate or such other Person merges or consolidates with or into, or transfers or conveys all or substantially all of its assets to, the Issuer or a Restricted Affiliate;

(d) any Investment that the Issuer or any Affiliate of the Issuer holds on the Issue Date; and

(e) one or more joint ventures or Unrestricted Affiliates engaged in a Related Business to the extent that the aggregate amount of all cash and Cash Equivalents invested by the Issuer and the Restricted Affiliates, taken as a whole, does not exceed 10.0% of Consolidated Tangible Assets;

(nnnn) "**Permitted Liens**" means any of the following:

(a) Liens granted in connection with Indebtedness permitted under clause (b) of the definition of "Permitted Indebtedness";

(b) Liens or other encumbrances, not related to the borrowing of money, Incurred or arising by operation of law or in the ordinary course of business or incidental to the ownership of Property;

(c) Liens granted by Restricted Affiliates in compliance with obligations under trust deeds and similar instruments in existence at the date hereof or entered into prior to their becoming Restricted Affiliates;

(d) Liens granted in connection with Purchase-Money Obligations, Indebtedness under Sale and Leaseback Transactions, or Capital Lease Obligations of the Issuer or any Restricted Affiliate, in each case specifically encumbering the asset subject to the relevant obligation, to the extent such Indebtedness is permitted under clause (c) of the definition of "Permitted Indebtedness" and further provided such Liens are not extended to any other assets of the Issuer or any Restricted Affiliate;

(e) Liens granted on cash or marketable securities of the Issuer or any Restricted Affiliate to secure Hedging Obligations (if and to the extent characterized as Indebtedness);

(f) Liens for taxes, rates, assessments, and other governmental charges or levies not yet due, or for which installments have been paid based on reasonable estimates, or, if due, the validity of which is being contested by appropriate proceedings;

(g) operating leases with a term of more than one year;

(h) pledges or deposits (or Liens on segregated deposits established for such purposes) in the ordinary course of business in connection with workers' compensation laws, unemployment insurance laws, and other social security or social insurance laws or other similar obligations;

(i) Liens securing appeal bonds, construction bonds or other similar Liens arising in connection with court proceedings (including surety bonds, security for costs of litigation where required by law and letters of credit) or any other instrument serving a similar purpose;

(j) with respect to any leasehold interest in real property, Liens on the fee or other superior title interest in which such leasehold interest is subject;

(k) Liens in favour of customs, revenue, and taxation authorities arising by operation of law;

(l) Liens on cash or Cash Equivalents used to defease or satisfy or discharge Indebtedness, provided that the repayment of such Indebtedness would be permitted hereunder and shall not otherwise exceed $5,000,000;

(m) Liens securing Acquired Debt to the extent such Indebtedness is permitted under clause (j) of the definition of "Permitted Indebtedness" and such Liens encumber the assets of the Person being acquired by the Issuer or Restricted Affiliate, as applicable, and provided such Liens are not extended to any other assets of the Issuer or any Restricted Affiliate;

(n) Liens arising as a result of judgments rendered against the Issuer or a Restricted Affiliate, in each case not giving rise to an Event of Default;

(o) zoning restrictions, easements, rights-of-way, and other similar Liens;

(p) title defects or irregularities in real property comprised in the assets of the Issuer or any Restricted Affiliate which are of a minor nature and which do not interfere in any material respect with the use of such assets in the operation of the business of the Issuer or any Restricted Affiliate;

(q) bankers' Liens, rights of set-off, and other similar Liens;

(r) inchoate or statutory Liens of contractors, sub-contractors, mechanics, workers, suppliers, carriers and others in respect of construction, maintenance, repair or operation of assets of the Issuer or any Restricted Affiliate, or otherwise arising in the ordinary course, provided that such Liens are related to obligations not due or delinquent, and adequate holdbacks are being maintained as required by applicable legislation or such Liens are being contested in good faith by appropriate proceedings and in respect of which there shall have been set aside a provision or reserve (at least to the extent required by GAAP) in an amount which is adequate with respect thereto, and provided further that such Liens do not interfere in any material respect with the use of such assets in the operation of the business of the Issuer or any Restricted Affiliate;

(s) Liens given to a public utility or any municipality or governmental or other public authority when required by such utility or other authority in connection with the operation of the business or the ownership of the assets of the Issuer or any Restricted Affiliate, provided that such Liens do not interfere in any material respect with the use of such assets in the operation of the business of the Issuer or any Restricted Affiliate;

(t) the right reserved to, or vested in, any governmental authority by any statutory provision or by the terms of any lease, licence, franchise, grant or permit of the Issuer or any Restricted Affiliate, to terminate any such lease, licence, franchise, grant or permit, or to require annual or other payments as a condition to the continuance thereof;

(u) Liens to secure the Issuer's or any Restricted Affiliate's obligation incurred in the ordinary course of business, to reimburse any issuer of indemnity or performance bonds;

(v) the Liens granted by the Issuer, in its capacity as general partner of Armtec Limited Partnership, pursuant to the general security agreement dated July 31, 2008 issued in connection with the acquisition by the Issuer of all of the issued and outstanding share capital of Boucher Pre-Cast Concrete Limited;

(w) Liens granted prior to the Issue Date by Groupe Tremca Inc. and Groupe Tremca Préfabriqué Inc. (collectively "Tremca") in favour of Axa Assurances Inc. to secure Indebtedness owing by Tremca to Axa Assurances Inc. in connection with up to four bonds in the aggregate amount of $1,850,100;

(x) Liens securing Permitted Indebtedness to the extent such Indebtedness is permitted under clause (n) of the definition of "Permitted Indebtedness" and specifically encumbering the assets of the Person being acquired by the Issuer or Restricted Affiliate, provided such Liens are not extended to any other assets of the Issuer or any Restricted Affiliate;

(y) the extension, renewal or refinancing of any Permitted Lien, provided that the amount so secured does not exceed the original amount secured immediately prior to such extension, renewal or refinancing; and

(z) Liens, in addition to the items referred to in the preceding clauses (a) through (y), securing Indebtedness of the Issuer and the Restricted Affiliates, provided that immediately after the Incurrence thereof and after giving effect to the use of proceeds therefrom, the aggregate principal amount of such Indebtedness, when taken together with all other Indebtedness Incurred pursuant to this clause (z) and then outstanding, will not exceed $10,000,000;

(oooo) "**Permitted Refinancing Debt**" means any Indebtedness that refinances from time to time any Permitted Indebtedness or any other Indebtedness if, at the time of its initial issuance, the Issuer and its Restricted Affiliates were able to Incur $1.00 of additional Indebtedness under Section 5.3(a), provided that, with respect to any such refinancing, no material additional security is granted in respect thereof, and the principal amount thereof is not materially increased; and further provided that if the Indebtedness being refinanced is a Subordinated Obligation, that such Permitted Refinancing Debt is (a) subordinated in right of payment to the Notes, and (b) has a Stated Maturity no earlier than the Stated Maturity of the Indebtedness being refinanced;

(pppp) "**Person**" means any individual, partnership, corporation, company, joint venture, limited liability company, unlimited liability company, association, trust, unincorporated organization, government or agency or political subdivision thereof, or any other entity;

(qqqq) **[Business sensitive information intentionally deleted]**;

(rrrr) "**Premium**" means, with reference to any Note, the excess of the then applicable Redemption Price of such Note over the principal amount of such Note;

(ssss) "**Privacy Laws**" has the meaning ascribed thereto in Section 12.19;

(tttt) "**Property**" means, with respect to any Person, any interest of such Person in any kind of property or asset, whether real, personal, or mixed, or tangible or intangible, including Capital Stock in, and other securities of, any other Person;

(uuuu) "**Proposed Arrangement**" means the proposed plan of arrangement involving the Fund, Armtec Exchangeable Partnership, Armtec Infrastructure Inc. and Armtec AEP GP Limited, and the post-arrangement reorganization that would result in the conversion of the Fund's income trust structure into Armtec Newco, a public corporation, and the winding up of certain of its direct and indirect Subsidiaries, all as more particularly described in the information circular of Armtec Infrastructure Income Fund dated May 18, 2010;

(vvvv) "**Purchase-Money Obligation**" means any Indebtedness assumed as, or issued and Incurred to provide funds to pay, all or part of:

(i) the purchase price (which shall be deemed to include any costs of construction or installation) of any Property acquired after the date of the Indenture; or

(ii) the cost of improvements made after the date of the Indenture to any Property;

(wwww) "**Raw Materials**" means the primary inputs required in the manufacturing of products including resin, steel, rebar, aggregates and cement;

(xxxx) "**Redemption Date**" has the meaning ascribed thereto in Section 4.3;

(yyyy) "**Redemption Notice**" has the meaning ascribed thereto in Section 4.3;

(zzzz) "**Redemption Price**" means, in respect of a Note, the amount, including accrued and unpaid interest up to, but excluding, the Redemption Date fixed for such Note, payable on the Redemption Date;

(aaaaa) "**representing party**" has the meaning ascribed thereto in Section 12.17;

(bbbbb) "**Reinvestment Yield**" means, with respect to the principal amount of a Note to be prepaid, the sum of:

(i) 0.5% per annum, *plus*

(ii) the yield to maturity implied by the yields reported, as of 10:00 AM (Toronto time) on the third Business Day preceding the settlement date with respect to such Notes, as provided by two major Canadian investment dealers designated by the Issuer for actively traded Government of Canada securities having a Stated Maturity approximately equal to the Stated Maturity of such Notes as of such settlement date;

(ccccc) "**Related Business**" means:

(i) those businesses in which the Issuer or any of its Affiliates is engaged as of the date of the Indenture or that are reasonably related, ancillary, incidental, or complementary thereto; and

(ii) any business that forms part of a business, or is owned by a Person, acquired by the Issuer or its Restricted Affiliates if the acquisition included, directly or indirectly, as a substantial component thereof, the acquisition of a business that meets the requirements of clause (a) in this definition;

(ddddd) "**Remaining Scheduled Payments**" means, with respect to the principal amount of any Note to be redeemed, all payments of such principal and interest thereon that would be due after the settlement date with respect to such principal if no payment of such principal were made prior to its scheduled due date, provided that if such settlement date is not a date on which interest payments are due to be made under the terms of such Note, then the amount of the next succeeding scheduled interest payment will be reduced by the amount of interest accrued to such settlement date and required to be paid on such settlement date;

(eeeee) "**Restricted Affiliate**" means any Affiliate that is not an Unrestricted Affiliate;

(fffff) "**Restricted Payment**" means:

(a) the declaration or setting aside for payment of dividends by the Issuer or any Restricted Affiliate on any of its Capital Stock to the extent that any such dividend is paid to any Person other than the Issuer or a Restricted Affiliate;

(b) the payment of royalties or fees of any kind or the making of any other distribution, whether in cash or Property, to any Affiliate or to any holder of the Capital Stock of the Issuer or a Restricted Affiliate in such capacity (and not pursuant to a contractual or other relationship not related to their shareholdings) other than the Issuer or a Restricted Affiliate;

(c) the purchase, redemption, or other retirement or cancellation by the Issuer or any Restricted Affiliate of any of its issued Capital Stock or of any options, warrants, or other rights to acquire any of such Capital Stock, to the extent that any amount payable upon such purchase, redemption, or other retirement or cancellation is paid to any Person other than the Issuer or a Restricted Affiliate;

(d) the payment of any management fee or bonus to any Affiliate or any holder of the Capital Stock of the Issuer or a Restricted Affiliate other than the Issuer or a Restricted Affiliate, provided that the payment of fees for management services pursuant to a contract between the Issuer and/or a Restricted Affiliate and an arms' length Person shall be deemed to not be a Restricted Payment;

(e) any Investments (other than Permitted Investments) in any Person; or

(f) any payment of principal on any Subordinated Obligations prior to the Stated Maturity of such Indebtedness;

(ggggg) "**Sale and Leaseback Transaction**" means, with respect to any Person, an arrangement with any lender or investor or to which such lender or investor is a party providing for the leasing by such Person of any Property of such Person that has been or is being sold or transferred by such Person more than 12 months after the acquisition thereof or the completion of construction or commencement of operation thereof by such Person to such lender or investor or to any Person to whom funds have been or are to be advanced by such lender or investor on the security of such Property, but shall exclude the sale of real property and leaseback thereof for a period not to exceed one year;

(hhhhh) "**Secured Indebtedness**" means:

(i) Indebtedness under the New Credit Agreement and any Guarantees thereof;

(ii) Indebtedness of the Issuer and any Note Guarantor for certain Hedging Obligations and to a cash management lender for obligations owed for cash management services, in each case secured by a Permitted Lien; and

(iii) any other secured Indebtedness of the Issuer and any Note Guarantor;

(iiiii) "**SEDAR**" means the System for Electronic Document Analysis and Retrieval, available online at www.sedar.com;

(jjjjj) "**Serial Meeting**" has the meaning ascribed thereto in Section 10.2(b)(i);

(kkkkk) "**Series A Notes**" means the Notes designated as "8.875% Senior Unsecured Guaranteed Notes due September 22, 2017" and described in Section 2.4;

(lllll) "**Standard & Poor's**" means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies (Canada) Corporation;

(mmmmm) "**Stated Maturity**" means, with respect to any Indebtedness, the date specified in such Indebtedness as the fixed date on which the payment of principal of such Indebtedness is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such Indebtedness at the option of the holder thereof upon the happening of any contingency beyond the control of the issuer of such Indebtedness unless such contingency has occurred);

(nnnnn) "**Subordinated Obligation**" means any Indebtedness of the Issuer or any Note Guarantor (whether outstanding on the Issue Date or thereafter Incurred) that is effectively or expressly subordinate or junior in right of payment to the Notes or the applicable Note Guarantee, as the case may be;

(ooooo) "**Subsidiary**" means, with respect to any specified Person:

(i) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(ii) any partnership or limited liability company of which (i) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (ii) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity;

(ppppp) "**Total Offer Price**" has the meaning ascribed thereto in Section 2.4(g)(i);

(qqqqq) "**trading day**" means, with respect to the Toronto Stock Exchange or other market for securities, any day on which such exchange or market is open for trading or quotation;

(rrrrr) "**Trustee**" means Computershare Trust Company of Canada, or its successor or successors for the time being as trustee hereunder;

(sssss) "**Unclaimed Issuers Return Date**" has the meaning ascribed thereto in Section 2.4(g)(v);

(ttttt) "**Unrestricted Affiliate**" means any Affiliate of the Issuer that is designated after the Issue Date as an Unrestricted Affiliate as permitted or required pursuant to Section 5.6 and is not thereafter redesignated as a Restricted Affiliate as permitted pursuant thereto; and

(uuuuu) "**Written Direction of the Issuer**" means an instrument in writing signed by any one officer or director of the Issuer.

1.2 Meaning of "Outstanding"

Every Note certified and delivered by the Trustee hereunder shall be deemed to be outstanding until it is cancelled or redeemed or delivered to the Trustee for cancellation or redemption for monies or the payment thereof shall have been set aside under Section 7.3, provided that:

(a) Notes which have been partially redeemed or purchased shall be deemed to be outstanding only to the extent of the unredeemed or unpurchased part of the principal amount thereof;

(b) when a new Note has been issued in substitution for a Note which has been lost, stolen or destroyed, only one of such Notes shall be counted for the purpose of determining the aggregate principal amount of Notes outstanding; and

(c) for the purposes of any provision of this Indenture entitling holders of outstanding Notes to vote, sign consents, requisitions or other instruments or take any other action under this Indenture, or to constitute a quorum of any meeting of Noteholders, Notes owned directly or indirectly, legally or equitably, by the Issuer or an Affiliate of the Issuer 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, or on the holders of Notes present or represented at any meeting of Noteholders, only the Notes which the Trustee knows are so owned shall be so disregarded; and

    (ii) Notes so owned which have been pledged in good faith other than to the Issuer shall not be so disregarded if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Notes, sign consents, requisitions or other instruments or take such other actions in his discretion free from the control of the Issuer or an Affiliate of the Issuer.

1.3 Interpretation

In this Indenture:

(a) words importing the singular number or masculine gender shall include the plural number or the feminine or neuter genders, and vice versa;

(b) all references to Articles and Schedules refer, unless otherwise specified, to articles of and schedules to this Indenture;

(c) all references to Sections refer, unless otherwise specified, to Sections, subsections or clauses of this Indenture;

(d) words and terms denoting inclusiveness (such as "**include**" or "**includes**" or "**including**"), whether or not so stated, are not limited by and do not imply limitation of their context or the words or phrases which precede or succeed them;

(e) reference to any agreement or other instrument in writing means such agreement or other instrument in writing as amended, modified, replaced or supplemented from time to time;

(f) unless otherwise indicated, reference to a statute shall be deemed to be a reference to such statute as amended, re-enacted or replaced from time to time; and

(g) unless otherwise indicated, time periods within which a payment is to be made or any other action is to be taken hereunder shall be calculated by including the day on which the period commences and excluding the day on which the period ends.

1.4 Headings, Etc

The division of this Indenture into Articles and Sections, the provision of a Table of Contents 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 Notes.

1.5 Time of Essence

Time shall be of the essence of this Indenture.

1.6 Monetary References

Whenever any amounts of money are referred to herein, such amounts shall be deemed to be in lawful money of Canada unless otherwise expressed.

1.7 Invalidity, Etc.

Any provision hereof which is prohibited or unenforceable shall be ineffective only to the extent of such prohibition or unenforceability, without invalidating the remaining provisions hereof.

1.8 Language

Each of the parties hereto hereby acknowledges that it has consented to and requested that this Indenture and all documents relating thereto, including, without limiting the generality of the foregoing, the form of Note attached hereto as Schedule A, be drawn up in the English language only.

1.9 Successors and Assigns

All covenants and agreements of the Issuer in this Indenture and the Notes shall bind its successors and assigns, whether so expressed or not. All covenants and agreements of the Trustee and each Note Guarantor in this Indenture shall bind its successors.

1.10 Severability

In case any provision in this Indenture or in the Notes shall be invalid, illegal or unenforceable, such provision shall be deemed to be severed herefrom or therefrom and the validity, legality and enforceability of the remaining provisions shall not in any way be affected, prejudiced or impaired thereby.

1.11 Entire Agreement

This Indenture and all supplemental indentures and Schedules hereto and thereto, and the Notes issued hereunder and thereunder, together constitute as of the date hereof the entire agreement between the parties hereto with respect to the indebtedness created hereunder and thereunder and under the Notes and supersedes as of the date hereof all prior memoranda, agreements, negotiations, discussions and term sheets, whether oral or written, with respect to the indebtedness created hereunder or thereunder and under the Notes.

1.12 Benefits of Indenture

Nothing in this Indenture or in the Notes, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any paying agent, the holders of Notes and (to the extent provided in Section 6.12 each of the Persons referenced in Section 6.12, any benefit or any legal or equitable right, remedy or claim under this Indenture.

1.13 Applicable Law and Attornment

This Indenture, any supplemental indenture and the Notes shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein and shall be treated in all respects as Ontario contracts. With respect to any suit, action or proceedings relating to this Indenture, any supplemental indenture or any Note, the Issuer, the Note Guarantors, the Trustee and each holder irrevocably submit and attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.

1.14 Currency of Payment

Unless otherwise indicated in a supplemental indenture with respect to any particular series of Notes, all payments to be made under this Indenture or a supplemental indenture shall be made in Canadian dollars.

1.15 Non-Business Days

Whenever any payment to be made hereunder shall be due, any period of time would begin or end, any calculation is to be made or any other action is to be taken on, or as of, or from a period ending on, a day other than a Business Day, such payment shall be made, such period of time shall begin or end, such calculation shall be made and such other action shall be taken, as the case may be, unless otherwise specifically provided herein, on or as of the next succeeding Business Day without any additional interest, cost or charge to the Issuer.

1.16 Accounting Terms

Except as hereinafter provided or as otherwise indicated in this Indenture, all calculations required or permitted to be made hereunder pursuant to the terms of this Indenture shall be made in accordance with GAAP. For greater certainty, GAAP shall include any accounting standards, including International Financial Reporting Standards, that may from time to time be approved for general application by the Canadian Institute of Chartered Accountants.

1.17 Calculations

The Issuer shall be responsible for making all calculations called for hereunder. The Issuer shall make such calculations in good faith and, absent manifest error, the Issuer's calculations shall be final and binding on holders and the Trustee. The Issuer will provide a schedule of its calculations to the Trustee and the Trustee shall be entitled to rely conclusively on the accuracy of such calculations without independent verification.

1.18 Schedules

The following Schedules are incorporated into and form part of this Indenture:

Schedule "A" – Form of Series A Note

Schedule "B" – Form of Redemption Notice

In the event of any inconsistency between the provisions of any Section of this Indenture and the provisions of the Schedules which form a part hereof, the provisions of this Indenture shall prevail to the extent of the inconsistency.

ARTICLE 2
THE NOTES

2.1 Limit of Notes

Subject to the limitation in respect of the Series A Notes set out in Section 2.4(a), the aggregate principal amount of Notes authorized to be issued under this Indenture is unlimited, but Notes may be issued only upon and subject to the conditions and limitations herein set forth.

2.2 Terms of Notes of any Series

The Notes may be issued in one or more series. There shall be established herein or in or pursuant to one or more indentures supplemental hereto, prior to the initial issuance of Notes of any particular series:

(a) the designation of the Notes of the series (which need not include the term "**Notes**"), which shall distinguish the Notes of the series from the Notes of all other series;

(b) any limit upon the aggregate principal amount of the Notes of the series that may be certified and delivered under this Indenture (except for Notes certified and delivered upon registration of, transfer of, amendment of, or in exchange for, or in lieu of, other Notes of the series pursuant to Sections 2.9, 2.10, 3.3 and 3.6;

(c) the date or dates on which the principal of the Notes of the series is payable;

(d) the rate or rates at which the Notes of the series shall bear interest, if any, the date or dates from which such interest shall accrue, on which such interest shall be payable and on which record date, if any, shall be taken for the determination of holders to whom such interest shall be payable and/or the method or methods by which such rate or rates or date or dates shall be determined;

(e) the place or places where the principal of and any interest or Premium (if any) on Notes of the series shall be payable or where any Notes of the series may be surrendered for registration of transfer or exchange;

(f) the right, if any, of the Issuer to redeem Notes of the series, in whole or in part, at its option and the period or periods within which, the price or prices at which and any terms and conditions upon which, Notes of the series may be so redeemed;

(g) the obligation, if any, of the Issuer to redeem, purchase or repay Notes of the series pursuant to any mandatory redemption, sinking fund or analogous provisions or at the option of a holder thereof and the price or prices at which, the period or periods within which, the date or dates on which, and any terms and conditions upon which, Notes of the series shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligations;

(h) if other than denominations of $1,000 and any integral multiple thereof, the denominations in which Notes of the series shall be issuable;

(i) subject to the provisions of this Indenture, any trustee, Depositories, authenticating or paying agents, transfer agents or registrars or any other agents with respect to the Notes of the series;

(j) any other events of default or covenants with respect to the Notes of the series;

(k) whether and under what circumstances the Notes of the series will be convertible into or exchangeable for securities of any Person;

(l) the form and terms of the Notes of the series;

(m) if applicable, that the Notes of the series shall be issuable in whole or in part as one or more Global Notes and, in such case, the Depository or Depositories for such Global Notes in whose name the Global Notes will be registered, and any circumstances other than or in addition to those set forth in Section 2.9 or 3.1 or those applicable with respect to any specific series of Notes, as the case may be, in which any such Global Note may be transferred to and registered in the name of a person other than the Depository for such Global Notes or a nominee thereof;

(n) if other than Canadian currency, the currency in which the Notes of the series are issuable; and

(o) any other terms of the Notes of the series (which terms shall not be inconsistent with the provisions of this Indenture).

All Notes of any one series shall be substantially identical, except as may otherwise be established herein or by or pursuant to a resolution of the Board of Directors, Officers' Certificate or in an indenture supplemental hereto. All Notes of any one series need not be issued at the same time and may be issued from time to time, including pursuant to a Periodic Offering, consistent with the terms of this Indenture, if so provided herein, by or pursuant to such resolution of the Board of Directors, Officers' Certificate or in an indenture supplemental hereto.

2.3 Form of Notes

Except in respect of the Series A Notes, the form of which is provided in Schedule "A" hereto, the Notes of each series shall be substantially in such form or forms (not inconsistent with this Indenture) as shall be established herein or by or pursuant to one or more resolutions of the Board of Directors (or to the extent established pursuant to, rather than set forth in, a resolution of the Board of Directors, in an Officers' Certificate detailing such establishment) or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have imprinted or otherwise reproduced thereon such legend or legends or endorsements, not inconsistent with the provisions of this Indenture, as may be required to comply with any law or with any rules or regulations pursuant thereto or with any rules or regulations of any securities exchange or securities regulatory authority or to conform to general usage, all as may be determined by the directors or officers of the Issuer executing such Notes on behalf of the Issuer, as conclusively evidenced by their execution of such Notes.

2.4 Form and Terms of Series A Notes

(a) The Series A Notes (the first series of Notes) authorized for issue immediately is limited to an aggregate principal amount of $150,000,000 and shall be designated as " 8.875% Senior Unsecured Guaranteed Notes, due September 22, 2017".

(b) The Series A Notes shall be dated as of the date of the closing of the Offering (or such other date as the Issuer may request, with the consent of the Trustee, not to be unreasonably withheld) and shall mature September 22, 2017 (the Stated Maturity for the Series A Notes).

(c) The Series A Notes shall bear interest from the date of the Series A Notes at the rate of 8.875% per annum (based on the actual number of days elapsed in the particular interest period divided by a year of 365 days (or 366 days in the case of a leap year)), payable in equal (with the exception of the first interest payment which will include interest from and including the date of closing of the Offering as set forth below to the first Interest Payment Date) semi-annual payments in arrears on March 22 and September 22 in each year, the first such payment to fall due on March 22, 2011 and the last such payment (representing interest payable from the last Interest Payment Date to, but excluding, the Stated Maturity of the Series A Notes) to fall due on the Stated Maturity of the Series A Notes, payable after as well as before maturity and after as well as before default, with interest on amounts in default at the same rate, compounded semi-annually. For certainty, the first interest payment will include interest accrued from and including the date of closing of the Offering to, but excluding March 22, 2011, which will be equal to $44.375 for each $1,000 principal amount of Series A Notes. The record dates for the payment of interest on the Series A Notes will be March 22 and September 22 in each year (or the first Business Day succeeding such date if not a Business Day).

(d) The Series A Notes will be redeemable in accordance with the terms of Article 4. At any time prior to September 22, 2013, upon not less than 30 nor more than 60 days notice, the Issuer may at any time and from time to time redeem up to an aggregate of 35% of the aggregate principal amount of Series A Notes at a redemption price of 108.875% of the principal amount of each Series A Note to be redeemed, plus accrued and unpaid interest, if any, to the redemption date, with the net proceeds received by the Issuer from one or more public equity offerings of Capital Stock of Parent after the Issue Date. The Issuer may only do this, however, if: (a) at least 65% of the aggregate principal amount of Series A Notes of the Issuer initially issued would remain outstanding immediately after the proposed redemption; and (b) the redemption occurs within 90 days after the closing of the equity offering. At any time and from time to time prior to September 22, 2013, in addition to the redemption right above, the Issuer may redeem all or part of the Series A Notes, upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount thereof, plus the Applicable Redemption Premium and accrued and unpaid interest to the redemption date. At any time and from time to time on or after September 22, 2013, and prior to Stated Maturity of the Series A Notes, the Issuer may redeem all or part of the Series A Notes upon not less than 30 nor more than 60 days' prior notice. These redemptions will be in amounts of $1,000 or integral multiples thereof at the following redemption prices (expressed as percentages of the principal amount at Stated Maturity), plus accrued and unpaid interest, if any, to the redemption date, if redeemed during the 12-month period commencing September 22 of the years set forth below. This redemption is subject to the right of holders of record on the relevant regular record date that is prior to the redemption date to receive interest due on an interest payment date.

Year	Redemption Price
2013	104.438%
2014	102.958%
2015	101.479%
2016	100.000%

The Redemption Notice for the Series A Notes shall be substantially in the form of Schedule "B".

(e) In accordance with Section 2.12, the Series A Notes will rank *pari passu* with each other series of Notes issued under this Indenture or under indentures supplemental to this Indenture (regardless of their actual date or terms of issue) and, except as prescribed by law, with all other existing and future unsecured indebtedness of the Issuer other than the Convertible Debentures (which are subordinate to the Series A Notes to the extent and in the manner set forth in the Convertible Debenture Indenture) and any other Subordinated Obligation of the Issuer.

(f) The Series A Notes shall be issued in denominations of $1,000 and integral multiples of $1,000, with a minimum initial subscription of $150,000. Each Series A Note and the certificate of the Trustee endorsed thereon shall be issued in substantially the form set out in Schedule "A", with such insertions, omissions, substitutions or other variations as shall be required or permitted by this Indenture, and may have imprinted or otherwise reproduced thereon such legend or legends or endorsements, not inconsistent with the provisions of this Indenture, as may be required to comply with any law or with any rules or regulations pursuant thereto or with any rules or regulations of any securities exchange or securities regulatory authority or to conform with general usage, all as may be determined by the directors or officers of the Issuer executing such Series A Notes in accordance with Section 2.7 hereof, as conclusively evidenced by their execution of a Series A Note.

Each Series A Note shall additionally bear such distinguishing letters and numbers as the Trustee shall approve. Notwithstanding the foregoing, a Series A Note may be in such other form or forms as may, from time to time, be, approved by a resolution of the Board of Directors, or as specified in an Officers' Certificate. The Series A Notes may be engraved, lithographed, printed, mimeographed or typewritten or partly in one form and partly in another.

The Series A Notes shall be issued as a Global Note and the Global Note will be registered in the name of the Depository which, as of the date hereof, shall be CDS (or any CDS Nominee). No beneficial holder will receive definitive certificates representing their interest in Series A Notes. A Global Note may be exchanged for Series A Notes in registered form that are not Global Notes, or transferred to and registered in the name of a person other than the Depository for such Global Notes or a nominee thereof, as provided in Section 3.1.

(g) Following the occurrence of a Change of Control, and subject to the provisions and conditions of this Section 2.4(g), each holder of Series A Notes will have the right to require the Issuer to repurchase all or any part of such holder's Series A Notes. The terms and conditions of such right are set forth below:

(i) Within 30 days following the occurrence of a Change of Control, the Issuer shall send, by first-class mail, with a copy to the Trustee, to each holder of Series A Notes, at such holder's address appearing in the security register of the Issuer, a notice (a "**Change of Control Notice**"):

(A) stating that there has been a Change of Control and specifying the date on which such Change of Control occurred and describing the circumstances and relevant facts regarding such Change of Control;

(B) offering to purchase (the "**Change of Control Purchase Offer**"), on the Change of Control Purchase Date (as defined below), all (or any portion actually tendered to such offer) of the Series A Notes then outstanding from the holders thereof made in accordance with the requirements of Applicable Securities Legislation at a price per Series A Note equal to 101% of the principal amount thereof (the "**Offer Price**") plus accrued and unpaid interest, if any, on such Series A Notes up to, but excluding, the Change of Control Purchase Date (collectively, the "**Total Offer Price**"). If such Change of Control Purchase Date is after a record date for the payment of interest on the Series A Notes but on or prior to an Interest Payment Date, then the interest payable on such date will be paid to the holder of record of the Series A Notes on the relevant record date. The "**Change of Control Purchase Date**" shall be the date that is no earlier than 30 days and no later than 60 days after the date that the Change of Control Notice and Change of Control Purchase Offer are delivered or mailed to holders of Series A Notes; and

(C) describing the procedures that holders of Series A Notes must follow in order to tender their Series A Notes (or portions thereof) for payment, and the procedures that holders of Series A Notes must follow in order to withdraw an election to tender Series A Notes (or portions thereof) for payment. The Change of Control Purchase Offer is required to remain open for at least 20 Business Days or such longer period as is required by law.

(ii) The Issuer shall, on or before 11:00 a.m., Toronto Time, on the Business Day immediately prior to the Change of Control Purchase Date, deposit with the Trustee or any paying agent to the order of the Trustee, such sums of money as may be sufficient to pay the Total Offer Price of the Series A Notes to be purchased by the Issuer on the Change of Control Purchase Date (less any tax required to be deducted in respect of accrued and unpaid interest), provided the Issuer may elect to satisfy this requirement by providing the Trustee with a certified cheque or wire transfer for such amounts required under this Section 2.4(g)(ii). The Issuer shall also deposit with the Trustee a sum of money sufficient to pay any charges or expenses which may be incurred by the Trustee in connection with such purchase. Every such deposit shall be irrevocable, except as provided herein. From the sums so deposited, the Trustee shall pay or cause to be paid to the holders of such Series A Notes, the Total Offer Price to which they are entitled (less any tax required to be deducted in respect of accrued and unpaid interest) on the Issuer's purchase.

(iii) In the event that one or more of such Series A Notes being purchased in accordance with this Section 2.4(g) becomes subject to purchase in part only, upon surrender of such Series A Notes for payment of the Total Offer Price, the Issuer shall execute and the Trustee shall certify and deliver without charge to the holder thereof or upon the holder's order, one or more new Series A Notes for the portion of the principal amount of the Series A Notes not purchased.

(iv) Series A Notes for which holders have accepted the Change of Control Purchase Offer in accordance with this Section 2.4(g) shall become due and payable at the Total Offer Price in cash on the Change of Control Purchase Date, in the same manner and with the same effect as if it were the date of maturity specified in such Series A Notes, anything therein or herein to the contrary notwithstanding, and from and after the Change of Control Purchase Date, if the money necessary to purchase or redeem the Series A Notes shall have been deposited as provided in this Section 2.4(g) and affidavits or other proofs satisfactory to the Trustee as to the publication and/or mailing of such notices shall have been lodged with it, interest on the Series A Notes shall cease. If any question shall arise as to whether any notice has been given as above provided and such deposit made, such question shall be decided by the Trustee whose decision shall be final and binding upon all parties in interest.

(v) In case the holder of any Series A Note to be purchased in accordance with this Section 2.4(g) shall fail on or before the Change of Control Purchase Date so to surrender such holder's Series A Note or shall not within such time accept payment of the monies payable, or give such receipt therefor, if any, as the Trustee may require, such monies may be set aside in trust, without interest, either in the deposit department of the Trustee or in a chartered bank, and such setting aside shall for all purposes be deemed a payment to the Noteholder of the sum so set aside and the Noteholder shall have no other right except to receive payment of the monies so paid and deposited, upon surrender and delivery up of such holder's Series A Note. In the event that any money required to be deposited hereunder with the Trustee or any depository or paying agent on account of principal or interest, if any, on Series A Notes issued hereunder shall remain so deposited for a period of six years from the Change of Control Purchase Date, then such monies together with any accumulated interest thereon, or any distributions paid thereon, shall at the end of such period be paid over or delivered over by the Trustee, or such depository or paying agent, to the Issuer and the Trustee shall not be responsible to Noteholders for any amounts owing to them and subject to applicable laws thereafter the holder of the Series A Note in respect of which such money was so repaid to the Issuer shall have no rights in respect thereof except to obtain payment due from the Issuer, subject to any limitation period provided by the laws of the Province of Ontario. Notwithstanding the foregoing, the Trustee will pay any remaining funds deposited hereunder on the date that is six years after the Change of Control Purchase Date (the "Unclaimed Issuers Return Date") to the Issuer upon receipt from the Issuer of an unconditional letter of credit from a Canadian chartered bank in an amount equal to or in excess of the amount of the remaining funds as security for the Issuer's continuing obligations hereunder, including the payment of any amounts due to holders of Series A Notes. If the remaining funds are paid to the Issuer prior to the Unclaimed Issuers Return Date, the Issuer shall reimburse the Trustee for any amounts required to be paid by the Trustee to a holder of a Series A Note pursuant to the Change of Control Purchase Offer after the date of such payment of the remaining funds to the Issuer but prior to the Unclaimed Issuers Return Date.

(vi) Subject to the provisions above related to Series A Notes purchased in part, all Series A Notes redeemed and paid under this Section 2.4(g) shall forthwith be delivered to the Trustee and cancelled and no Series A Notes shall be issued in substitution therefor.

(vii) The Issuer shall promptly give notice to the Trustee of a Change of Control.

(viii) The Parent will publicly announce the results of the purchases made pursuant to Section 2.4(g) as soon as practicable from the Change of Control Purchase Date.

(ix) The Issuer will comply with all Applicable Securities Legislation in the event that the Issuer is required to repurchase Series A Notes pursuant to Section 2.4(g).

(h) The Trustee shall be provided with the documents and instruments referred to in Sections 2.5(b), (c) and (d) with respect to the Series A Notes prior to the issuance of the Series A Notes.

2.5 Certification and Delivery of Additional Notes

Subject to the terms and conditions attached to any series of Notes, the Issuer may from time to time request the Trustee to certify and deliver Additional Notes of any series by delivering to the Trustee the documents referred to below in this Section 2.5 whereupon the Trustee shall certify such Additional Notes and cause the same to be delivered in accordance with the Written Direction of the Issuer referred to below or pursuant to such procedures acceptable to the Trustee as may be specified from time to time by a Written Direction of the Issuer. The Stated Maturity, issue date, interest rate (if any) and any other terms of the Notes of such series shall be set forth in or determined by or pursuant to such Written Direction of the Issuer and procedures. In certifying such Additional Notes, the Trustee shall be entitled to receive and shall be fully protected in relying upon, unless and until such documents have been superseded or revoked:

(a) an Officers' Certificate and/or executed supplemental indenture by or pursuant to which the form and terms of such Additional Notes were established;

(b) a Written Direction of the Issuer requesting certification and delivery of such Additional Notes and setting forth delivery instructions, provided that, with respect to Notes of a series subject to a Periodic Offering:

(i) such Written Direction of the Issuer may be delivered by the Issuer to the Trustee prior to the delivery to the Trustee of such Additional Notes of such series for certification and delivery;

(ii) the Trustee shall certify and deliver Additional Notes of such series for original issue from time to time, in an aggregate principal amount not exceeding the aggregate principal amount, if any, established for such series, pursuant to a Written Direction of the Issuer or pursuant to procedures acceptable to the Trustee as may be specified from time to time by a Written Direction of the Issuer;

(iii) the maturity date or dates, issue date or dates, interest rate or rates (if any) and any other terms of Additional Notes of such series shall be determined by an executed supplemental indenture or by Written Direction of the Issuer or pursuant to such procedures; and

(iv) if provided for in such procedures, such Written Direction of the Issuer may authorize certification and delivery pursuant to oral or electronic instructions from the Issuer which oral or electronic instructions shall be promptly confirmed in writing;

(c) an opinion of Counsel, in form and substance satisfactory to the Trustee, acting reasonably, to the effect that all requirements imposed by this Indenture and by law in connection with the proposed issue of Additional Notes have been complied with, subject to the delivery of certain documents or instruments specified in such opinion; and

(d) an Officers' Certificate (which Officers' Certificate shall be in such form that satisfies all applicable laws) certifying that the Issuer is not in default under this Indenture, that the terms and conditions for the certification and delivery of Additional Notes (including those set forth in Section 12.5, have been complied with subject to the delivery of any documents or instruments specified in such Officers' Certificate and that no Event of Default exists or will exist upon such certification and delivery.

2.6 Issue of Global Notes

(a) The Issuer may specify that the Notes of a series are to be issued in whole or in part as one or more Global Notes registered in the name of a Depository, or its nominee, designated by the Issuer in the Written Direction of the Issuer delivered to the Trustee at the time of issue of such Notes, and in such event the Issuer shall execute and the Trustee shall certify and deliver one or more Global Notes that shall:

(i) represent an aggregate amount equal to the principal amount of the outstanding Notes of such series to be represented by one or more Global Notes;

(ii) be delivered by the Trustee to such Depository or pursuant to such Depository's instructions; and

(iii) bear a legend substantially to the following effect:

"This Note is a Global Note within the meaning of the Indenture herein referred to and is registered in the name of a Depository or a nominee thereof. This Note may not be transferred to or exchanged for Notes registered in the name of any person other than the Depository or a nominee thereof and no such transfer may be registered except in the limited circumstances described in the Indenture. Every Note authenticated and delivered upon registration of, transfer of, or in exchange for, or in lieu of, this Note shall be a Global Note subject to the foregoing, except in such limited circumstances described in the Indenture.

Unless this certificate is presented by an authorized representative of CDS Clearing and Depository Services Inc. ("CDS") to Armtec Holdings Limited (the "**Issuer**"), its successor 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 a property interest in the securities represented by this certificate herein and it is a violation of its rights for another person to hold, transfer or deal with this certificate.

Unless permitted under securities legislation, the holder of this security must not trade the security before the date that is 4 months and a day after the later of (i) September 22, 2010, and (ii) the date the issuer became a reporting issuer in any province or territory.

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**1933 ACT**"), OR UNDER ANY STATE SECURITIES LAWS. THE HOLDER

HEREOF, BY TAKING POSSESSION OF SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE ISSUER THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE ISSUER, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT, IF AVAILABLE, (C) INSIDE THE UNITED STATES IN ACCORDANCE WITH (1) RULE 144A UNDER THE 1933 ACT, OR (2) RULE 144 UNDER THE 1933 ACT, IF AVAILABLE, OR (3) ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT OR (D) UNDER AN EFFECTIVE REGISTRATION STATEMENT UNDER THE 1933 ACT, AND IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS OR SECURITIES LAWS OF ANY OTHER APPLICABLE JURISDICTION AND IN THE CASE OF (C)(2) OR (C)(3) PROVIDED IT HAS FURNISHED TO THE ISSUER AND COMPUTERSHARE TRUST COMPANY OF CANADA AN OPINION OF COUNSEL OF RECOGNIZED STANDING REASONABLY SATISFACTORY TO THE ISSUER TO SUCH EFFECT. A NEW CERTIFICATE BEARING NO LEGEND, DELIVERY OF WHICH WILL CONSTITUTE "GOOD DELIVERY", MAY BE OBTAINED FROM COMPUTERSHARE TRUST COMPANY OF CANADA AT ANY TIME THAT THE ISSUER IS A "FOREIGN ISSUER" AS DEFINED IN THE 1933 ACT UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO COMPUTERSHARE TRUST COMPANY OF CANADA AND THE ISSUER, TO THE EFFECT THAT THE SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT."

(b) Each Depository designated for a Global Note must, at the time of its designation and at all times while it serves as such Depository, be a clearing agency registered or designated under the securities legislation of the jurisdiction where the Depository has its principal offices.

2.7 Execution of Notes

All Notes shall be signed (either manually or by facsimile signature) by any one authorized director or officer of the Issuer holding office at the time of signing. A facsimile signature upon a Note shall for all purposes of this Indenture be deemed to be the signature of the person whose signature it purports to be. Notwithstanding that any person whose signature, either manual or in facsimile, appears on a Note as a director or officer may no longer hold such office at the date of the Note or at the date of the certification and delivery thereof, such Note shall be valid and binding upon the Issuer and entitled to the benefits of this Indenture.

2.8 Certification

No Note shall be issued or, if issued, shall be obligatory or shall entitle the holder to the benefits of this Indenture, until it has been manually certified by or on behalf of the Trustee substantially in the form set out in Schedule "A" of this Indenture, in the relevant supplemental indenture, or in some other form approved by the Trustee. Such certification on any Note shall be conclusive evidence that such Note is duly issued, is a valid obligation of the Issuer and the holder is entitled to the benefits hereof and thereof.

The certificate of the Trustee signed on the Notes, or interim Notes hereinafter mentioned, shall not be construed as a representation or warranty by the Trustee as to the validity of this Indenture or of the Notes or interim Notes or as to the issuance of the Notes or interim Notes and the

Trustee shall in no respect be liable or answerable for the use made of the Notes or interim Notes or any of them or the proceeds thereof. The certificate of the Trustee on the Notes or interim Notes shall, however, be a representation and warranty by the Trustee that the Notes or interim Notes have been duly certified by or on behalf of the Trustee pursuant to the provisions of this Indenture.

2.9 Interim Notes or Certificates

Pending the delivery of definitive Notes of any series to the Trustee, the Issuer may issue and the Trustee certify in lieu thereof interim Notes in such forms and in such denominations and signed in such manner as provided herein, entitling the holders thereof to definitive Notes of the series when the same are ready for delivery; or the Issuer may execute and the Trustee certify a temporary Note for the whole principal amount of Notes of the series then authorized to be issued hereunder and deliver the same to the Trustee and thereupon the Trustee may issue its own interim certificates in such form and in such amounts, not exceeding in the aggregate the principal amount of the temporary Note so delivered to it, as the Issuer and the Trustee may approve entitling the holders thereof to definitive Notes of the series when the same are ready for delivery; and, when so issued and certified, such interim or temporary Notes or interim certificates shall, for all purposes but without duplication, rank in respect of this Indenture equally with Notes duly issued hereunder and, pending the exchange thereof for definitive Notes, the holders of the interim or temporary Notes or interim certificates shall be deemed without duplication to be Noteholders and entitled to the benefit of this Indenture to the same extent and in the same manner as though the said exchange had actually been made. Forthwith after the Issuer shall have delivered the definitive Notes to the Trustee, the Trustee shall cancel such temporary Notes, if any, and shall call in for exchange all interim Notes or certificates that shall have been issued and forthwith after such exchange shall cancel the same. No charge shall be made by the Issuer or the Trustee to the holders of such interim or temporary Notes or interim certificates for the exchange thereof. All interest paid upon interim or temporary Notes or interim certificates shall be noted thereon as a condition precedent to such payment unless paid by cheque to the registered holders thereof.

2.10 Mutilation, Loss, Theft or Destruction

In case any of the Notes issued hereunder shall become mutilated or be lost, stolen or destroyed, the Issuer, in its discretion, may issue, and thereupon the Trustee shall certify and deliver, a new Note upon surrender and cancellation of the mutilated Note, or in the case of a lost, stolen or destroyed Note, in lieu of and in substitution for the same, and the substituted Note shall be in a form approved by the Trustee and shall be entitled to the benefits of this Indenture and rank equally in accordance with its terms with all other Notes issued or to be issued hereunder. In case of loss, theft or destruction the applicant for a substituted Note shall furnish to the Issuer and to the Trustee such evidence of the loss, theft or destruction of the Note as shall be satisfactory to them in their discretion and shall also furnish an indemnity and surety bond satisfactory to them in their discretion. The applicant shall pay all reasonable expenses incidental to the issuance of any substituted Note.

2.11 Concerning Interest

(a) All Notes issued hereunder, whether originally or upon exchange or in substitution for previously issued Notes which are interest bearing, shall bear interest (i) from and including their issue date, or (ii) from and including the last Interest Payment Date to which interest shall have been paid or made available for payment on the outstanding Notes of that series, whichever shall be the later, or, in respect of Notes subject to a Periodic Offering, from and including their issue date or from and including the last Interest Payment Date to which interest shall have been paid or made available for payment on such Notes, in all cases, to and excluding the next Interest Payment Date.

(b) Unless otherwise specifically provided in the terms of the Notes of any series, interest shall be computed on the basis of a year of 365 days (or 366 days in the case of a leap year). With respect to any series of Notes, whenever interest is computed on the basis of a year (the "deemed year") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate for purposes of the Interest Act (Canada) by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year.

2.12 Notes to Rank *Pari Passu* With One Another

The Notes will be direct unsecured obligations of the Issuer. Each Note issued hereunder shall rank *pari passu* with one another, without discrimination, preference or priority.

2.13 Payments of Amounts Due on Maturity

Except as may otherwise be provided herein or in any supplemental indenture in respect of any series of Notes, payments of amounts due upon maturity of the Notes will be made in the following manner. The Issuer will establish and maintain with the Trustee a Maturity Account for each series of Notes. Each such Maturity Account shall be maintained by and be subject to the control of the Trustee for the purposes of this Indenture. On or before 11:00 a.m. (Toronto time) on the Business Day immediately prior to the Stated Maturity for each series of Notes outstanding from time to time under this Indenture, the Issuer will deliver to the Trustee a certified cheque or wire transfer for deposit in the applicable Maturity Account in an amount sufficient to pay the cash amount payable in respect of such Notes (including the principal amount together with any accrued and unpaid interest thereon less any tax required to be deducted), provided the Issuer may elect to satisfy this requirement by providing the Trustee with a certified cheque for such amounts required under this Section 2.13 post-dated to the Stated Maturity for the applicable series of Notes. The Trustee, on behalf of the Issuer, will pay to each holder entitled to receive payment the principal amount of and accrued and unpaid interest on a Note, upon surrender of such Note at the main branch of the Trustee in Toronto, Ontario and any other branch of the Trustee designated for such purpose from time to time by the Issuer and the Trustee. The delivery of such funds to the Trustee for deposit to the applicable Maturity Account will satisfy and discharge the liability of the Issuer for the Notes to which the delivery of funds relates to the extent of the amount delivered (plus the amount of any tax deducted as aforesaid) and such Notes will thereafter to that extent not be considered as outstanding under this Indenture and such holder will have no other right in regard thereto other than to receive out of the money so delivered or made available the amount to which it is entitled.

Subject to applicable law, any monies set aside under this Section and not claimed by and paid to holders of Notes as provided in this Section within six years after the date of such setting aside shall be repaid and delivered to the Issuer by the Trustee and thereupon the Trustee shall be released from all further liability with respect to such monies and thereafter the holders of the Notes in respect of which such monies were so repaid to the Issuer shall have no rights in respect thereof except to obtain payment and delivery of the monies from the Issuer subject to any limitation provided by the laws of the Province of Ontario. Notwithstanding the foregoing, the Trustee will pay any remaining funds prior to the expiry of six years after the setting aside described in this Section to the Issuer upon receipt from the Issuer, of an unconditional letter of credit from a Canadian chartered bank in an amount equal to or in excess of the amount of the remaining funds as security for the Issuer's continuing obligations hereunder, including the payments of any amounts due to holders of Notes. If the remaining funds are paid to the Issuer prior to the expiry of six years after such setting aside, the Issuer shall reimburse the Trustee for any amounts so set aside which are required to be paid by the Trustee to a holder of a Note after the date of such payment of the remaining funds to the Issuer but prior to six years after such setting aside.

2.14 Payment of Interest

The following provisions shall apply to Notes, except as otherwise provided in Section 2.4(c) or specified in a resolution of the Board of Directors, an Officers' Certificate or a supplemental indenture relating to a particular series of Additional Notes:

(a) As interest becomes due on each Note (except, on conversion or on redemption, when interest may at the option of the Issuer be paid upon surrender of such Note) the Issuer, either directly or through the Trustee or any agent of the Trustee, shall send or forward by prepaid ordinary mail, electronic transfer of funds or such other means as may be agreed to by the Trustee, payment of such interest (less any tax required to be withheld therefrom) to the order of the registered holder of such Note appearing on the registers maintained by the Trustee at the close of business on the fifth Business Day prior to the applicable Interest Payment Date and addressed to the holder at the holder's last address appearing on the register, unless such holder otherwise directs. If payment is made by cheque, such cheque shall be forwarded at least three days prior to each date on which interest becomes due and if payment is made by other means (such as electronic transfer of funds, provided the Trustee must receive confirmation of receipt of funds prior to being able to wire funds to holders), such payment shall be made in a manner whereby the holder receives credit for such payment on the date such interest on such Note becomes due. The mailing of such cheque or the making of such payment by other means shall, to the extent of the sum represented thereby, plus the amount of any tax withheld as aforesaid, satisfy and discharge all liability for interest on such Note, unless in the case of payment by cheque, such cheque is not paid at par on presentation. In the event of non-receipt of any cheque for or other payment of interest by the person to whom it is so sent as aforesaid, the Issuer will issue to such person a replacement cheque or other payment for a like amount upon being furnished with such evidence of non-receipt as it shall reasonably require and upon being indemnified to its reasonable satisfaction. Notwithstanding the foregoing, if the Issuer is prevented by circumstances beyond its control (including, without limitation, any interruption in mail service) from making payment of any interest due on each Note in the manner provided above, the Issuer may make payment of such interest or make such interest available for payment in any other manner acceptable to the Trustee with the same effect as though payment had been made in the manner provided above.

(b) Notwithstanding Section 2.14(a), if a series of Notes or any portion thereof is represented by a Global Note, then all payments of interest on the Global Note shall be made by electronic funds transfer made payable to the Depository or its nominee on the day interest is payable for subsequent payment to Beneficial Holders of the applicable Global Note, unless the Issuer and the Depository otherwise agree. None of the Issuer, the Trustee or any agent of the Trustee for any Note issued as a Global Note will be liable or responsible to any person for any aspect of the records related to or payments made on account of beneficial interests in any Global Note or for maintaining, reviewing, or supervising any records relating to such beneficial interests.

ARTICLE 3
REGISTRATION, TRANSFER, EXCHANGE AND OWNERSHIP

3.1 Fully Registered Notes

(a) With respect to each series of Notes issuable as Fully Registered Notes, the Issuer shall cause to be kept by and at the principal office of the Trustee in Toronto, Ontario or such other registrar as the Issuer, with the approval of the Trustee, may appoint at such other place or places, if any, as may be specified in the Notes of such series or as the Issuer may designate with the approval of the Trustee, a register in which shall be entered the names and addresses of the holders of Fully

Registered Notes and particulars of the Notes held by them respectively and of all transfers of Fully Registered Notes. Such registration shall be noted on the Notes by the Trustee or other registrar unless a new Note shall be issued upon such transfer.

(b) No transfer of a Fully Registered Note shall be valid unless made on such register referred to in Section 3.1(a) by the registered holder or such holder's executors, administrators or other legal representatives or an attorney duly appointed by an instrument in writing in form and executed in a manner satisfactory to the Trustee or other registrar upon surrender of the Notes together with a duly executed form of transfer acceptable to the Trustee or other registrar and upon compliance with such other reasonable requirements as the Trustee or other registrar may prescribe, or unless the name of the transferee shall have been noted on the Note by the Trustee or other registrar.

3.2 Global Notes

(a) With respect to each series of Notes issuable in whole or in part as one or more Global Notes, the Issuer shall cause to be kept by and at the principal offices of the Trustee in Toronto, Ontario and by the Trustee or such other registrar as the Issuer, with the approval of the Trustee, may appoint at such other place or places, if any, as the Issuer may designate with the approval of the Trustee, a register in which shall be entered the name and address of the holder of each such Global Note (being the Depository, or its nominee, for such Global Note) as holder thereof and particulars of the Global Note held by it, and of all transfers thereof. If any Notes of such series are at any time not Global Notes, the provisions of Section 3.1 shall govern with respect to registrations and transfers of such Notes.

(b) Notwithstanding any other provision of this Indenture, a Global Note may not be transferred by the registered holder thereof and accordingly, no definitive certificates shall be issued to Beneficial Holders, except in the following circumstances or as otherwise specified in a resolution of the trustee, a resolution of the Board of Directors, Officers' Certificate or supplemental indenture relating to a particular series of Additional Notes:

(i) Global Notes may be transferred by a Depository to a nominee of such Depository or by a nominee of a Depository to such Depository or to another nominee of such Depository or by a Depository or its nominee to a successor Depository or its nominee;

(ii) Global Notes may be transferred at any time after the Depository for such Global Notes (i) has notified the Trustee, or the Issuer has notified the Trustee, that it is unwilling or unable to continue as Depository for such Global Notes, or (ii) ceases to be eligible to be a Depository as described under Section 2.6(b), provided that at the time of such transfer the Issuer has not appointed a successor Depository for such Global Notes;

(iii) Global Notes may be transferred at any time after the Issuer has determined, in its sole discretion, to terminate the book-entry only registration system in respect of such Global Notes and has communicated such determination to the Trustee in writing;

(iv) Global Notes may be transferred at any time after the Trustee has determined that an Event of Default has occurred and is continuing with respect to the Notes of the series issued as a Global Note, provided that Beneficial Holders representing, in the aggregate, not less than 25% of the aggregate principal amount of the Notes of such series advise the Depository in writing, through the Depository Participants, that the continuation of the book-entry only registration system for such series of Notes is no longer in their best interest and also provided that at the time of such transfer the Trustee has not waived the Event of Default pursuant to Section 6.4;

(v) Global Notes may be transferred if required by applicable law; or

(vi) Global Notes may be transferred if the book-entry only registration system ceases to exist.

(c) With respect to the Global Notes, unless and until definitive certificates have been issued to Beneficial Holders pursuant to Section 3.1(a):

(i) the Issuer and the Trustee may deal with the Depository for all purposes (including paying interest on the Notes) as the sole holder of such series of Notes and the authorized representative of the Beneficial Holders;

(ii) the rights of the Beneficial Holders shall be exercised only through the Depository and shall be limited to those established by law and agreements between such Beneficial Holders and the Depository or the Depository Participants;

(iii) the Depository will make book-entry transfers among the Depository Participants; and

(iv) whenever this Indenture requires or permits actions to be taken based upon instruction or directions of Noteholders evidencing a specified percentage of the outstanding Notes, the Depository shall be deemed to be counted in that percentage only to the extent that it has received instructions to such effect from the Beneficial Holders or the Depository Participant, and has delivered such instructions to the Trustee.

(d) Whenever a notice or other communication is required to be provided to Noteholders, unless and until definitive certificate(s) have been issued to Beneficial Holders pursuant to Section 3.1, the Trustee shall provide all such notices and communications to the Depository and the Depository shall deliver such notices and communications to such Beneficial Holders in accordance with Applicable Securities Legislation. Upon the occurrence of one of the conditions specified in Section 3.2(b) with respect to a series of Notes issued hereunder, the Trustee shall notify all applicable Depositary Participants and Beneficial Holders, through the Depository, of the availability of definitive Note certificates. Upon surrender by the Depository of the certificate(s) representing the Global Notes and receipt of new registration instructions from the Depository, the Trustee shall deliver the definitive Note certificates for such Notes to the holders thereof in accordance with the new registration instructions and thereafter, the registration and transfer of such Notes will be governed by this Article 3.

3.3 Transferee Entitled to Registration

The transferee of a Note shall be entitled, after the appropriate form of transfer is lodged with the Trustee or other registrar and upon compliance with all other conditions in that behalf required by this Indenture or by law, to be entered on the register as the owner of such Note free from all equities or rights of set-off or counterclaim between the Issuer and the transferor or any previous holder of such Note, save in respect of equities of which the Issuer is required to take notice by statute or by order of a court of competent jurisdiction.

3.4 No Notice of Trusts

Neither the Issuer nor the Trustee nor any registrar shall be bound to take notice of or see to the execution of any trust (other than that created by this Indenture) whether express, implied or constructive, in respect of any Note, and may transfer the same on the direction of the person registered as the holder thereof, whether named as trustee or otherwise, as though that person were the beneficial owner thereof.

3.5 Registers Open for Inspection

The registers referred to in Section 3.1 shall during the regular business hours of the Trustee be open for inspection by the Issuer, the Trustee or any Noteholder. Every registrar, including the Trustee, shall from time to time when requested so to do by the Issuer or by the Trustee, in writing, furnish the Issuer or the Trustee, as the case may be, with a list of names and addresses of holders of registered Notes entered on the register kept by them and showing the principal amount and serial numbers of the Notes held by each such holder, provided the Trustee shall be entitled to charge a reasonable fee to provide such a list.

3.6 Exchanges of Notes

(a) Subject to Section 3.7, Notes in any authorized form or denomination, other than Global Notes, may be exchanged for Notes in any other authorized form or denomination, of the same series and date of maturity, bearing the same interest rate and of the same aggregate principal amount as the Notes so exchanged.

(b) In respect of exchanges of Notes permitted by Section 3.6(a), Notes of any series may be exchanged only at the principal office of the Trustee in Toronto, Ontario or at such other place or places, if any, as may be specified in the Notes of such series and at such other place or places as may from time to time be designated by the Issuer with the approval of the Trustee. Any Notes tendered for exchange shall be surrendered to the Trustee. The Issuer shall execute and the Trustee shall certify all Notes necessary to carry out exchanges as aforesaid. All Notes surrendered for exchange shall be cancelled.

(c) Notes issued in exchange for Notes which at the time of such issue have been selected or called for redemption at a later date shall be deemed to have been selected or called for redemption in the same manner and shall have noted thereon a statement to that effect.

3.7 Closing of Registers

(a) Neither the Issuer nor the Trustee nor any registrar shall be required to:

  (i) make transfers or exchanges of any of Fully Registered Notes on any Interest Payment Date for such Notes or during the five proceeding Business Days;

  (ii) make transfers or exchanges of any Notes on the day of any selection by the Issuer of Notes to be redeemed or during the five preceding Business Days; or

  (iii) make transfers or exchanges of any Notes which will have been selected or called for redemption unless upon due presentation thereof for redemption such Notes shall not be redeemed.

(b) Subject to any restriction herein provided, the Issuer with the approval of the Trustee may at any time close any register for any series of Notes, other than those kept at the principal office of the Trustee in Toronto, Ontario, and transfer the registration of any Notes registered thereon to another register (which may be an existing register) and thereafter such Notes shall be deemed to be registered on such other register. Notice of such transfer shall be given to the holders of such Notes.

3.8 Charges for Registration, Transfer and Exchange

For each Note exchanged, registered, transferred or discharged from registration, the Trustee or other registrar, except as otherwise herein provided, may make a reasonable charge for its services and in addition may charge a reasonable sum for each new Note issued (such amounts to be agreed upon from time to time by the Trustee and the Issuer), and payment of such charges and reimbursement of the Trustee or other registrar for any stamp taxes or governmental or other charges required to be paid shall be made by the party requesting such exchange, registration, transfer or discharge from registration as a condition precedent thereto. Notwithstanding the foregoing provisions, no charge shall be made to a Noteholder hereunder:

(a) for any exchange, registration, transfer or discharge from registration of any Note applied for within a period of two months from the date of the first delivery of Notes of that series or, with respect to Notes subject to a Periodic Offering, within a period of two months from the date of delivery of any such Note;

(b) for any exchange of any interim or temporary Note or interim certificate that has been issued under Section 2.9 for a definitive Note;

(c) for any exchange of a Global Note as contemplated in Section 3.2; or

(d) for any exchange of any Note resulting from a partial redemption under Section 4.1.

3.9 Ownership of Notes

(a) Unless otherwise required by law, the person in whose name any registered Note is registered shall for all the purposes of this Indenture be and be deemed to be the owner thereof and payment of or on account of the principal of and Premium, if any, on such Note and interest thereon shall be made to such registered holder.

(b) The registered holder from time to time any registered Note shall be entitled to the principal, Premium (if any) and interest evidenced by such instrument free from all equities or rights of set-off or counterclaim between the Issuer and the original or any intermediate holder thereof and all persons may act accordingly and the receipt of any such registered holder for any such principal, Premium (if any) and interest shall be a good discharge to the Trustee, any registrar and to the Issuer for the same and none shall be bound to inquire into the title of any such registered holder.

(c) Where Notes are registered in more than one name, the principal, Premium (if any) and interest from time to time payable in respect thereof may be paid to the order of all such holders, failing written instructions from them to the contrary, and the receipt of any one of such holders therefor shall be a valid discharge to the Trustee, any registrar and to the Issuer.

(d) In the case of the death of one or more joint holders of any Note the principal, Premium (if any) and interest from time to time payable thereon may be paid to the order of the survivor or survivors of such registered holders and the receipt of any such survivor or survivors therefor shall be a valid discharge to the Trustee and any registrar and to the Issuer.

ARTICLE 4
REDEMPTION AND PURCHASE OF DEBENTURES

4.1 Redemption of Notes

(a) At any time prior to September 22, 2013, upon not less than 30 nor more than 60 days notice, the Issuer may, at its option, at any time and from time to time redeem up to an aggregate 35% of the aggregate initial principal amount of the Series A Notes at a redemption price of 108.875% of the principal amount of each Series A Note to be redeemed, plus accrued and unpaid interest, if any, to the redemption date, with the net proceeds received by the Issuer from one or more public equity offerings of Capital Stock of the Parent after the Issue Date; provided that:

(i) at least 65% of the aggregate principal amount of Series A Notes initially issued would remain outstanding immediately after the proposed redemption; and

(ii) the redemption occurs within 90 days after the closing of the public equity offering in question.

(b) At any time and from time to time prior to September 22, 2013, in addition to the redemption right set out in Section 4.1(a) above, the Issuer may, at its option, redeem all or any part of the principal amount of Series A Notes, upon not less than 30 nor more than 60 days notice, at a redemption price equal to 100% of the principal amount thereof plus the Applicable Redemption Premium and accrued and unpaid interest to the redemption date.

(c) At any time and from time to time on or after September 22, 2013 and prior to the Stated Maturity of the Series A Notes, the Issuer may, at its option, redeem all or any part of the principal amount of Series A Notes upon not less than 30 nor more than 60 days prior notice. Any such redemption will be in amounts of $1,000 or integral multiples thereof at the following redemption prices (expressed as percentages of the principal amount at the Stated Maturity), plus accrued and unpaid interest, if any, to the redemption date, if redeemed during the 12-month period commencing September 22 of the years set forth below. This redemption is subject to the right of holders of record on the relevant regular record date that is prior to the redemption date to receive interest due on an interest payment date.

Year	**Redemption Price**
2013	104.438%
2014	102.958%
2015	101.479%
2016	100.000%

(d) If less than all of the Series A Notes are to be redeemed pursuant to their terms, the Trustee will select Series A Notes for redemption on a pro rata basis, by lot or by such method as the Trustee shall deem fair and appropriate.

4.2 Places of Payment

The Redemption Price will be payable upon presentation and surrender of Notes called for redemption at any of the places where the principal of such Notes is expressed to be payable and at any other places specified in the notice of redemption.

4.3 Notice of Redemption

Notice of redemption (the "**Redemption Notice**") of any series of Notes shall be given to the holders of the Notes so to be redeemed not more than 60 days nor less than 30 days prior to the date fixed for redemption (the "**Redemption Date**") in the manner provided in Section 11.2. Every such notice shall specify the aggregate principal amount of Notes called for redemption, the Redemption Date, the Redemption Price and the places of payment and shall state that interest upon the principal amount of Notes called for redemption shall cease to be payable from and after the Redemption Date. In addition, unless all the outstanding Notes are to be redeemed, the Redemption Notice shall specify:

(a) the distinguishing letters and numbers of the registered Notes which are to be redeemed (or of such thereof as are registered in the name of such Noteholder);

(b) in the case of a published notice, the distinguishing letters and numbers of the Notes which are to be redeemed or, if such Notes are selected by terminal digit or other similar system, such particulars as may be sufficient to identify the Notes so selected;

(c) in the case of a Global Note, that the redemption will take place in such manner as may be agreed upon by the Depository, the Trustee and the Issuer; and

(d) in all cases, the principal amounts of such Notes or, if any such Note is to be redeemed in part only, the principal amount of such part.

In the event that all Notes to be redeemed are registered Notes, publication shall not be required.

4.4 Notes Due on Redemption Dates

Notice having been given as aforesaid, all the Notes so called for redemption shall thereupon be and become due and payable at the Redemption Price on the Redemption Date specified in such notice, in the same manner and with the same effect as if it were the date of maturity specified in such Notes, anything therein or herein to the contrary notwithstanding, and from and after such Redemption Date, if the monies necessary to redeem such Notes shall have been deposited as provided in Section 4.5 and affidavits or other proof satisfactory to the Trustee as to the publication and/or mailing of such notices shall have been lodged with it, interest upon the Notes shall cease. If any question shall arise as to whether any notice has been given as above provided and such deposit made, such question shall be decided by the Trustee whose decision shall be final and binding upon all parties in interest.

4.5 Deposit of Redemption Monies

Redemption of Notes shall be provided for by the Issuer depositing with the Trustee or any paying agent to the order of the Trustee, on or before 11:00 a.m. (Toronto time) on the Business Day immediately prior to the Redemption Date specified in such notice, such sums of money may be sufficient to pay the Redemption Price of the Notes so called for redemption, provided the Issuer may elect to satisfy this requirement by providing the Trustee with a certified cheque or wire transfer for such amounts required under this Section 4.5 post-dated to the Redemption Date. The Issuer shall also deposit with the

Trustee a sum of money sufficient to pay any charges or expenses which may be incurred by the Trustee in connection with such redemption. Every such deposit shall be irrevocable. From the sums so deposited, or certificates so deposited, or both, the Trustee shall pay or cause to be paid, or issue or cause to be issued, to the holders of such Notes so called for redemption, upon surrender of such Notes, the principal and interest (if any) to which they are entitled on redemption.

4.6 Failure to Surrender Notes Called for Redemption

In case the holder of any Note so called for redemption shall fail on or before the Redemption Date so to surrender such holder's Note, or shall not within such time accept payment of the redemption monies payable or give such receipt therefor, if any, as the Trustee may require, such redemption monies may be set aside in trust either in the deposit department of the Trustee or in a chartered bank, and such setting aside shall for all purposes be deemed a payment to the Noteholder of the sum so set aside and, to that extent, the Note shall thereafter not be considered as outstanding hereunder and the Noteholder shall have no other right except to receive payment out of the monies so paid and deposited upon surrender and delivery up of such holder's Note of the Redemption Price, as the case may be, of such Note. In the event that any money required to be deposited hereunder with the Trustee or any depository or paying agent on account of principal and interest, if any, on Notes issued hereunder shall remain so deposited for a period of six years from the Redemption Date, then such monies together with any accumulated interest thereon shall at the end of such period be paid over or delivered over by the Trustee or such depository or paying agent to the Issuer on its demand, and thereupon the Trustee shall not be responsible to Noteholders for any amounts owing to them and subject to applicable law, thereafter the holder of a Note in respect of which such money was so repaid to the Issuer shall have no rights in respect thereof except to obtain payment of the money, subject to any limitation period provided by the laws of the Province of Ontario. Notwithstanding the foregoing, the Trustee will pay any remaining funds prior to the expiry of six years after the Redemption Date to the Issuer upon receipt from the Issuer, of an unconditional letter of credit from a Canadian chartered bank in an amount equal to or in excess of the amount of the remaining funds as security for the Issuer's continuing obligations hereunder, including the payments of any amounts due to holders of Notes. If the remaining funds are paid to the Issuer prior to the expiry of six years after the Redemption Date, the Issuer shall reimburse the Trustee for any amounts required to be paid by the Trustee to a holder of a Note pursuant to the redemption after the date of such payment of the remaining funds to the Issuer but prior to six years after the redemption.

4.7 Cancellation of Notes Redeemed

Subject to the provisions of Sections 4.1(d) and 4.8 as to Notes redeemed or purchased in part, all Notes redeemed and paid under this Article 4 shall forthwith be delivered to the Trustee and cancelled and no Notes shall be issued in substitution for those redeemed.

4.8 Purchase of Notes by the Issuer

Unless otherwise specifically provided with respect to a particular series of Notes, the Issuer may, if it is not at the time in default hereunder, at any time and from time to time, purchase Notes in the open market (which shall include purchases from or through an investment dealer or a firm holding membership on a recognized stock exchange) or by tender at any price or by contract or by private agreement. All Notes so purchased will be delivered to the Trustee and shall be cancelled and no Notes shall be issued in substitution therefor.

If, upon an invitation for tenders, more Notes are tendered at the same lowest price than the Issuer is prepared to accept, the Notes to be purchased by the Issuer shall be selected by the Trustee on a *pro rata* basis or in such other manner consented to by the Toronto Stock Exchange or such other exchange on which the Notes are then listed which the Trustee considers appropriate, from the Notes tendered by each tendering Noteholder who tendered at such lowest price. For this purpose the Trustee may make, and from time to time amend, regulations with respect to the manner in which Notes may be so selected, and regulations so made shall be valid and binding upon all Noteholders, notwithstanding the fact that as a result thereof one or more of such Notes become subject to purchase in part only. The holder of a Note of which a part only is purchased, upon surrender of such Note for payment, shall be entitled to receive, without expense to such holder, one or more new Notes for the unpurchased part so surrendered, and the Trustee shall certify and deliver such new Note or Notes upon receipt of the Note so surrendered or, with respect to a Global Note, the Depository shall make notations on the Global Note of the principal amount thereof so purchased.

4.9 Non-Application

This Article 4 shall not apply to a purchase of Series A Notes by the Issuer upon a Change of Control, which shall be governed by Section 2.4(g) hereof.

ARTICLE 5
COVENANTS OF THE ISSUER

The Issuer hereby covenants and agrees with the Trustee for the benefit of the Trustee and the Noteholders, that so long as any Notes remain outstanding:

5.1 Payment of Principal, Premium, If Any, and Interest

The Issuer covenants and agrees for the benefit of the Noteholders that it will duly and punctually pay the principal of (and Premium, if any, on) and interest on the Notes in accordance with the terms of the Notes and this Indenture. Principal (and Premium, if any) and interest shall be considered paid on the date due if on such date the Trustee holds in accordance with this Indenture money sufficient to pay all principal (and Premium, if any) and interest then due and the Trustee is not prohibited from paying such money to the Noteholders on that date pursuant to the terms of this Indenture.

5.2 Limitation on Restricted Payments

Neither the Issuer nor any Restricted Affiliate shall make, directly or indirectly, any Restricted Payment if at the time of, and after giving effect to, such proposed Restricted Payment:

(a) a Default or Event of Default shall have occurred and be continuing;

(b) the Issuer and its Restricted Affiliates could not, after giving pro forma effect to such Restricted Payment as if it had been made at the beginning of the applicable four-quarter period, Incur at least $1.00 of additional Indebtedness pursuant to Section 5.3(a); and

(c) the aggregate amount of such Restricted Payment and all other Restricted Payments declared or made in the current fiscal quarter together with the three previous fiscal quarters would exceed an amount equal to Consolidated EBITDA *minus* the product of 1.4 times Consolidated Interest Expense for the last four fiscal quarters for which financial statements have been approved by the Board of Directors, *plus* the sum of the following amounts:

  (i) 100% of the net cash proceeds received by the Issuer and/or any Restricted Affiliate (without duplication) from the issuance of Capital Stock of the Issuer or any Restricted Affiliate (without duplication) after the Issue Date; *plus*

(ii) the aggregate net cash proceeds received by the Issuer and/or any Restricted Affiliate from the issuance or sale of the Convertible Debentures or any other convertible or exchangeable Indebtedness that has been converted into or exchanged for Capital Stock (other than Disqualified Capital Stock) of the Issuer after the Issue Date; *plus*

(iii) the portion (proportionate to the Issuer's equity interest in such Unrestricted Affiliate) of the Fair Market Value of the net assets of an Unrestricted Affiliate at the time such Unrestricted Affiliate is designated a Restricted Affiliate; provided, however, that the foregoing sum shall not exceed, in the case of any Person, the amount of Investments previously made (and treated as a Restricted Payment) by the Issuer or any Restricted Affiliate in such Person; *plus*

(iv) to the extent that any Investment (other than a Permitted Investment) that was made after the Issue Date is sold for cash or otherwise liquidated or repaid for cash, the lesser of

(A) the cash return of capital with respect to such Investment (less the cost of disposition, if any), and

(B) the initial amount of such Investment; plus

(v) the net reduction in Investments (other than Permitted Investments) made after the Issue Date in any Person other than the Issuer or a Restricted Affiliate resulting from dividends, repayments, forgiveness or cancellation of loans or advances, or other transfers of Property, in each case to the Issuer or any Restricted Affiliate from such Person;

provided, however, that the amount available to the Issuer or any Restricted Affiliate pursuant to clauses (c)(i) through (v) will be reduced by amounts received by the Issuer or any Restricted Affiliate through clauses (c)(i) through (v) that have been used to make Restricted Payments since the Issue Date.

For purpose of clause (c), the amount of any Restricted Payment, if made other than in cash, shall be based upon Fair Market Value at the time of such Restricted Payment.

The foregoing provisions will not prohibit the following:

(a) the payment by the Issuer or any Restricted Affiliate of any dividends or distributions within 60 days of the declaration thereof if, on the declaration date, such payment could have been made in compliance herewith; provided, however, that such payments are subtracted from the amount determined in accordance with clause (c) of the first paragraph of this Section 5.2;

(b) the payment by the Issuer or any Restricted Affiliate of salaries or bonuses to employees, officers or independent contractors in the normal course of business;

(c) the payment by the Issuer or any Restricted Affiliate of fees to Affiliates for services in the ordinary course of business and on terms that in the aggregate are not materially more favourable to such Affiliates than are offered by them to other unrelated third parties or which are otherwise commercially reasonable;

(d) Permitted Investments;

(e) the redemption, repayment, repurchase, defeasance, or other acquisition or retirement by the Issuer of Indebtedness permitted under clauses (m) and (n) of the definition of "Permitted Indebtedness" in accordance with the terms thereof; provided, however, that no such payment is in excess of the principal amount outstanding of such Indebtedness and further provided that any such payment made prior to the Stated Maturity of such Indebtedness shall be subtracted from the amount determined in accordance with clause (c) of the first paragraph of this Section 5.2;

(f) the payment of interest by Parent pursuant to any existing and future convertible debentures issued by Parent (to the extent the issuance of such future convertible debentures is permitted pursuant hereto); provided, however, that such payments are subtracted from the amount determined in accordance with clause (c) of the first paragraph of this Section 5.2;

(g) distributions, loans, or other transfers of cash, Cash Equivalents, or Property between the Issuer and any Restricted Affiliate or between Restricted Affiliates;

(h) the exchange of AEP Exchangeable Units by the holders thereof for Capital Stock of Parent;

(i) the transactions contemplated by a Corporate Conversion;

(j) Restricted Payments (not otherwise permitted pursuant to clause (c) of the first paragraph of this Section 5.2) made in any fiscal quarter after the Issue Date in an amount which, when taken together with all other Restricted Payments made in such fiscal quarter pursuant to this clause (j), do not exceed $4,000,000; and

(k) Restricted Payments (not otherwise permitted pursuant to clause (c) of the first paragraph of this Section 5.2 or clause (j) above) made after the Issue Date in an amount which, when taken together with all other Restricted Payments made pursuant to this clause (k), do not exceed $10,000,000;

provided, however, that at the time of, and after giving effect to, clauses (a), (e), (f), (j) and (k), no Default or Event of Default shall have occurred and be continuing; *provided* further that payments made pursuant to clauses (j) and (k) do not violate clause (b) of the first paragraph of this Section 5.2; and *provided* further that payments made pursuant to clauses (b), (c), (d), (g), (h), (i), (j) and (k) are not included in the amount determined in accordance with clause (c) of the first paragraph of this Section 5.2.

5.3 Incurrence of Indebtedness and Issuance of Disqualified Capital Stock

Neither the Issuer nor any Restricted Affiliate shall Incur, directly or indirectly, any Indebtedness other than Permitted Indebtedness, and shall not issue any Disqualified Capital Stock, unless immediately thereafter and giving effect thereto:

(a) the Consolidated Coverage Ratio for the most recent four consecutive fiscal quarters for which financial statements have been approved by the Board of Directors immediately preceding the Incurrence of such Indebtedness, taken as one period, would be no less than 2.5 to 1.0; and

(b) no Default or Event of Default shall have occurred and be continuing.

The first paragraph of this Section 5.3 will not prohibit the issuance by the Issuer to any Restricted Affiliate or by any Restricted Affiliate to the Issuer or to any other Restricted Affiliate of any Disqualified Capital Stock; provided, however, that (i) any subsequent issuance or transfer of Capital Stock that results in any such securities being held by a Person other than the Issuer or a Restricted Affiliate; and (ii) any sale or other transfer of any such securities to a Person that is not either the Issuer or a Restricted Affiliate, shall be deemed, in each case, to constitute an issuance of such securities by such Restricted Affiliate that was not permitted by this second paragraph of this covenant.

Notwithstanding anything to the contrary contained in this Section 5.3:

(i) neither the Issuer nor any Restricted Affiliate shall Incur any Indebtedness (including Permitted Indebtedness) pursuant to this covenant if the proceeds thereof are used, directly or indirectly, to refinance any Subordinated Obligations unless such Indebtedness shall be subordinated to the Notes or the applicable Note Guarantee, as the case may be, to at least the same extent as such Subordinated Obligations;

(ii) Parent shall not issue convertible debentures other than as permitted under clause (k) of the definition of "Permitted Indebtedness"; and

(iii) accrual of interest, accretion or amortization of original issue discount, the payment of interest or dividends in the form of additional Indebtedness, and the payment of dividends on Disqualified Capital Stock in the form of additional shares of the same class of Disqualified Capital Stock will be deemed not to be an Incurrence of Indebtedness or an issuance of Disqualified Capital Stock for purposes of this covenant; provided, in each such case, that the amount of any such accrual or accretion is included in Consolidated Interest Expense as accrued.

For purposes of determining compliance with this Section 5.3, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Indebtedness (as described in clauses (a) through (p) of the definition thereof) or is entitled to be Incurred pursuant to clause (a) of the first paragraph of this Section 5.3, the Issuer shall, in its sole discretion, classify (or later reclassify in whole or in part, in its sole discretion) such item of Indebtedness in any manner that complies with this Section 5.3.

5.4 Limitation on Contractual Restrictions

Neither the Issuer nor any Restricted Affiliate shall, directly or indirectly, create or otherwise cause or permit to exist or become effective any consensual encumbrance or consensual restriction on the ability of any Restricted Affiliate to:

(a) pay dividends or make any other distributions on or in respect of its Capital Stock;

(b) make loans or advances or pay any Indebtedness or other obligation owed to the Issuer or any other Restricted Affiliate; or

(c) sell, lease, or transfer any of its assets to the Issuer or any other Restricted Affiliate;

except for

(i) encumbrances or restrictions existing under or by reason of applicable law, rule, regulation, or order;

(ii) encumbrances or restrictions existing hereunder, the Notes or the Note Guarantees;

(iii) non-assignment provisions of any contract or any lease entered into in the ordinary course of business;

(iv) encumbrances or restrictions under agreements existing on the date hereof as in effect on that date;

(v) restrictions relating to any Indebtedness or Lien permitted hereunder, including the New Credit Agreement, imposed by the holder of such Indebtedness or Lien;

(vi) restrictions imposed under any agreement to sell assets permitted hereunder to any Person pending the closing of such sale;

(vii) encumbrances or restrictions under any instrument governing Acquired Debt that are not applicable to any Person, or the Property of any Person, other than the Person or the Property of the Person acquired;

(viii) encumbrances and restrictions under any other agreement governing Indebtedness entered into after the Issue Date that are not materially more restrictive with respect to any Restricted Affiliate than those in effect on the Issue Date with respect to that Restricted Affiliate pursuant to agreements in effect on the Issue Date;

(ix) customary provisions in partnership agreements, limited liability company organizational governance documents, joint venture agreements, and other similar agreements entered into in the ordinary course of business that restrict the transfer of ownership interests in partnerships, limited liability companies, joint ventures, or similar Persons;

(x) Purchase-Money Obligations, Capital Lease Obligations, and Indebtedness under Sale and Leaseback Transactions Incurred in compliance with Section 5.3 that impose restrictions of the nature described in clause (c) above on the assets acquired;

(xi) restrictions on cash or other deposits or net worth imposed by customers, suppliers, or landlords under contracts entered into in the ordinary course of business; and

(xii) any encumbrances or restrictions imposed by any amendments or refinancings of the contracts, instruments, or obligations referred to in clauses (i) through (xi) above; provided that such amendments or refinancings are, in the good faith judgment of the Board of Directors, no more materially restrictive with respect to such encumbrances and restrictions than those prior to such amendments or refinancings.

5.5 Limitation on Liens

Neither the Issuer nor any Restricted Affiliate shall, directly or indirectly, Incur or suffer to exist, any Lien (other than Permitted Liens) upon any Property of the Issuer or any Restricted Affiliate, whether owned at the Issue Date or thereafter acquired, or any interest therein or any income or profits therefrom, unless it has made, or will make, effective provision whereby the Notes or the applicable Note Guarantee will be secured equally and rateably with or, if such other Indebtedness constitutes Subordinated Obligations, prior to, all other Indebtedness of the Issuer or any Restricted Affiliate secured by such Lien for so long as such other Indebtedness is secured by such Lien.

5.6 Designation of Affiliates as Restricted or Unrestricted

The Board of Directors may designate any Affiliate of the Issuer (including any newly acquired or newly formed Affiliate) other than Parent as an Unrestricted Affiliate if:

(a) immediately thereafter and after giving effect thereto, the Issuer and its Restricted Affiliates could Incur at least $1.00 of additional Indebtedness pursuant to Section 5.3(a);

(b) at the time of designation, the Issuer and its Restricted Affiliates could make a Restricted Payment in an amount equal to the Fair Market Value of such Affiliate pursuant to Section 5.2;

(c) such Affiliate has no Indebtedness other than Non-Recourse Debt;

(d) such Affiliate does not own any Capital Stock or Indebtedness of, or own or hold any Lien on any Property of, or has not Guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of, the Issuer or any other Restricted Affiliate;

(e) such Affiliate is a Person with respect to which neither the Issuer nor any of its Restricted Affiliates has any direct or indirect obligation to

(i) subscribe for additional Capital Stock, or

(ii) maintain or preserve such Person's financial condition or cause such Person to achieve any specified levels of operation results;

(f) such Affiliate is not party to any agreement, contract, arrangement, or understanding with the Issuer or any Restricted Affiliate that would not be permitted under Section 5.8;

(g) such Affiliate, combined with all other Unrestricted Affiliates, does not account for in excess of 10% of Consolidated Tangible Assets calculated as at the end of the most recently ended financial quarter for which financial statements have been approved by the Board of Directors; and

(h) immediately thereafter and after giving effect thereto, no Default or Event of Default shall have occurred and be continuing.

If, at any time, any Unrestricted Affiliate fails to meet the preceding requirements as an Unrestricted Affiliate, it shall thereafter cease to be an Unrestricted Affiliate for purposes hereof and any Indebtedness of such Affiliate and any Liens on Property of such Affiliate shall be deemed to be Incurred by a Restricted Affiliate at such time and, if the Indebtedness is not permitted to be Incurred under Section 5.3 or the Lien is not permitted under Section 5.5, the Issuer shall be in Default of the applicable covenant.

The Issuer may redesignate an Unrestricted Affiliate as a Restricted Affiliate only if:

(a) no Default shall have occurred and be continuing at the time of and after giving effect to such redesignation; and

(b) all Liens, Indebtedness, and Investments of such Unrestricted Affiliate outstanding immediately following such redesignation would, if Incurred or made at such time, have been permitted to be Incurred or made for all purposes hereof.

Any such designation or redesignation by the Board of Directors will be evidenced to the Trustee by filing with the Trustee a resolution of the Board of Directors giving effect to such designation or redesignation and an Officers' Certificate that:

(a) certifies that such designation or redesignation complies with the preceding provisions; and

(b) gives the effective date of such designation or redesignation,

such filing with the Trustee to occur within 60 days after the end of the fiscal quarter of the Issuer in which such designation or redesignation is made (or, if made during the last fiscal quarter of the Issuer's fiscal year, within 120 days after the end of such fiscal year).

5.7 Future Note Guarantees

The Issuer shall cause each Person that becomes a Restricted Affiliate after the Issue Date to:

(a) execute and deliver to the Trustee a supplemental Indenture pursuant to which such Restricted Affiliate will provide a Note Guarantee in respect of the Notes and all other obligations hereunder; and

(b) deliver to the Trustee an opinion of counsel that such supplemental Indenture (i) has been duly authorized, executed and delivered by such Restricted Affiliate, and (ii) constitutes a valid and legally binding obligation of such Restricted Affiliate in accordance with its terms.

Note Guarantees shall be released at such time as any Restricted Affiliate becomes an Unrestricted Affiliate or ceases to be an Affiliate.

The obligations of each Note Guarantor will be limited to the maximum amount that will, after giving effect to all other contingent and fixed liabilities of such Note Guarantor (including, without limitation, any Guarantees under the New Credit Agreement) and after giving effect to any collections from or payments made by or on behalf of any other Note Guarantor in respect of the obligations of such other Note Guarantor under its Note Guarantee or pursuant to its contribution obligations hereunder, result in the obligations of such Note Guarantor under its Note Guarantee not constituting a fraudulent conveyance or fraudulent transfer under applicable law.

5.8 Limitation on Transactions with Affiliates

Neither the Issuer nor any Restricted Affiliate shall, directly or indirectly, conduct any business or enter into or suffer to exist any transaction or series of transactions (including the purchase, sale, transfer, assignment, lease, conveyance, or exchange of any Property or the rendering of any service) with, or for the benefit of, any Affiliate of the Issuer (an "**Affiliate Transaction**") involving aggregate payments or consideration in excess of $2,000,000 for any Affiliate Transaction or in excess of $5,000,000 per year for all Affiliate Transactions unless:

(a) the terms of such Affiliate Transaction are no less favourable to the Issuer or such Restricted Affiliate, as the case may be, than those that would reasonably be expected to be obtained in a comparable arm's-length transaction at the time of the transaction with a Person that is not an Affiliate of the Issuer; and

(b) the Issuer or Restricted Affiliate, as applicable, delivers to the Trustee:

(i) with respect to any Affiliate Transaction or series of Affiliate Transactions involving aggregate consideration in excess of $5,000,000, a resolution of the Board of Directors set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with this covenant and that such Affiliate Transaction has been unanimously approved by the Board of Directors; and

(ii) with respect to any Affiliate Transaction or series of Affiliate Transactions involving aggregate consideration in excess of $10,000,000, an opinion as to the fairness to the Issuer or Restricted Affiliate, as applicable, of such Affiliate Transaction from a financial point of view issued by a nationally recognized investment bank, appraisal firm, or firm of independent public accountants.

The following items will be deemed to not be Affiliate Transactions and therefore will not be subject to the provisions of the prior paragraph:

(a) transactions exclusively among the Issuer and one or more Restricted Affiliates or between two or more Restricted Affiliates;

(b) transactions permitted to be made pursuant to Sections 5.2, 5.3 or 5.11;

(c) the payment of reasonable compensation or fees to, or executing customary expense reimbursement, indemnification, or similar arrangements with, directors or executive officers of the Issuer or any Restricted Affiliate, made in the ordinary course of business; and

(d) a Corporate Conversion.

5.9 Provision of Financial Information

The Issuer will provide certain disclosure documents to the Trustee (for distribution to the holders of Notes), including the following:

(a) within 60 days after the end of each quarterly fiscal period in each fiscal year of Parent (other than the last quarterly fiscal period of each such fiscal year), or such longer period permitted by applicable securities law, duplicate copies of:

(i) an unaudited consolidated balance sheet of Parent and all of its direct and indirect Subsidiaries as at the end of such quarter; and

(ii) unaudited consolidated statements of income, cash flow, and equity of Parent and all of its direct and indirect Subsidiaries for such quarter and (in the case of the second and third quarters) for the portion of the fiscal year ending with such quarter, setting forth in each case in comparative form the figures for the corresponding periods in the previous fiscal year, all in reasonable detail, prepared in accordance with accounting principles and standards applicable to quarterly financial statements generally at the relevant time, and certified by a senior financial officer of Parent as fairly presenting, in all material respects, the consolidated financial position of Parent and all of its direct and indirect Subsidiaries and the results of their operations and cash flows;

(b) within 120 days after the end of each fiscal year of Parent or such longer period permitted by applicable securities law, duplicate copies of:

(i) an audited consolidated balance sheet of Parent and all of its direct and indirect Subsidiaries as at the end of such year; and

(ii) audited consolidated statements of income, cash flow, and equity of Parent and all of its direct and indirect Subsidiaries.

The Issuer's obligation to deliver any disclosure documents contemplated by clauses (a) or (b) above will be deemed to be satisfied by the filing thereof on SEDAR, as applicable; provided, however, that notwithstanding such filing, copies thereof shall be available to holders of Notes upon their request; and further provided that if Parent is no longer a reporting issuer in Canada, the Issuer shall furnish such documents to the Trustee for distribution to the holders of Notes.

Additionally, in the event that Parent does not hold a conference call (by way of webcast or otherwise) to discuss any disclosure documents contemplated by clauses (a) or (b) above, the Issuer shall, within 10 Business Days after the filing thereof on SEDAR or the furnishing thereof to the Trustee, as applicable, hold a conference call for the benefit of the holders of Notes to discuss such disclosure documents and the results of operations for the relevant reporting period.

5.10 Limitation on Asset Dispositions

Neither the Issuer nor any Restricted Affiliate shall, directly or indirectly, consummate any Asset Disposition if the value thereof is greater than $20,000,000 in one or more related transactions unless:

(a) the Issuer or such Restricted Affiliate receives consideration, including the relief of liabilities, at the time of such Asset Disposition at least equal to the Fair Market Value of the Property subject to such Asset Disposition; and

(b) at least 75% of the consideration paid to the Issuer or such Restricted Affiliate in connection with such Asset Disposition (other than the relief of liabilities) consists of:

(i) cash and Cash Equivalents;

(ii) Property to be used in a Related Business;

(iii) Capital Stock of any Person that will, as part of such transaction or transactions, become a Restricted Affiliate; and

(iv) Investments that the Issuer would be permitted to make at such time in compliance with Section 5.11.

Notwithstanding the first paragraph of this Section 5.10, the Net Available Proceeds (or any portion thereof) from Asset Dispositions may be applied by the Issuer or a Restricted Affiliate, to the extent the Issuer or such Restricted Affiliate elects (or is required by the terms of any Indebtedness)

(a) to permanently repay Secured Indebtedness of the Issuer or any Restricted Affiliate (and, in the case of a revolving credit, permanently reduce the commitment thereunder by such amount); or

(b) to invest or reinvest in Property to be used in a Related Business.

Any Net Available Proceeds from an Asset Disposition not applied in accordance with the preceding paragraph within 365 days from the date of the receipt of such Net Available Proceeds shall constitute "**Excess Proceeds**". When the aggregate amount of Excess Proceeds exceeds $20,000,000, the Issuer and the Restricted Affiliates will be required to apply any Excess Proceeds as follows:

(a) first, to permanently reduce the commitment under the New Credit Agreement in accordance with the terms thereof;

(b) second, to make an offer to purchase (the "**Asset Disposition Offer**") on a pro rata basis:

(i) the outstanding Notes (first the Series A Notes and second any other Notes outstanding), at a purchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest thereon to the purchase date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), in accordance with the procedures set forth herein; and

(ii) to the extent required by the terms thereof, any other senior unsecured Indebtedness of the Issuer or a Restricted Affiliate at a price no greater than 100% of the principal amount thereof plus accrued interest to the date of purchase; and

(c) third, to the extent that any portion of the Excess Proceeds remains after compliance with the preceding clauses (a) and (b), and provided that all holders of Notes have been given the opportunity to tender their Notes for purchase in accordance herewith, the Issuer or such Restricted Affiliate may use such remaining amount for any purpose not otherwise prohibited hereby and the amount of Excess Proceeds will be reset to zero.

Within five Business Days after the Issuer is obligated to make an Asset Disposition Offer as described in the preceding paragraph, the Issuer shall send a written notice, by first-class mail, to the applicable holders of Notes, accompanied by such information regarding the Issuer and its Affiliates as the Issuer in good faith believes will enable such holders to make an informed decision with respect to such Asset Disposition Offer. Such notice shall state, among other things, the purchase price and the purchase date, which shall be, subject to any contrary requirements of applicable law, a Business Day no earlier than 30 days nor later than 60 days from the date such notice is mailed.

The Issuer will comply, to the extent applicable, with the requirements of applicable securities laws or regulations in connection with any repurchase of Notes pursuant to this Section 5.10. To the extent that the provisions of any applicable securities laws or regulations conflict with provisions of this Section 5.10, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Section 5.10 by virtue thereof.

5.11 Limitation on Investments

Neither the Issuer nor any Restricted Affiliate shall make any Investment other than a Permitted Investment unless immediately thereafter and after giving effect thereto:

(a) the aggregate book value of all Investments that the Issuer and its Restricted Affiliates made after the Issue Date and continue to own would not exceed 10% of Consolidated Tangible Assets calculated as at the end of the most recently ended financial quarter for which financial statements have been approved by the Board of Directors;

(b) such Investment is permitted to be made at such time pursuant to Section 5.2;

(c) the Issuer and its Restricted Affiliates would be able to Incur at least $1.00 of additional Indebtedness under Section 5.3(a);

(d) such Investment is in a Related Business; and

(e) no Default or Event of Default shall have occurred and be continuing.

Each Person that becomes a Restricted Affiliate of the Issuer after the Issue Date will be deemed to have made, on the date such Person becomes a Restricted Affiliate of the Issuer, all Investments of such Person in existence on such date. Investments in any Person that ceases to be a Restricted Affiliate of the Issuer after the Issue Date (but in which the Issuer or another Restricted

Affiliate continues to maintain an Investment) will be deemed to have been made on the date on which such Person ceases to be a Restricted Affiliate of the Issuer.

5.12 Limitation on Business Activities

Neither the Issuer nor any Restricted Affiliate shall, directly or indirectly, enter into in any material respect any line of business other than a Related Business.

5.13 Consolidation, Merger, or Sale of Assets

The Issuer and/or its Restricted Affiliates shall not consolidate, merge, dissolve, or amalgamate with or into any other Person, or sell, transfer, assign, or otherwise dispose of their Property, or enter into any other transaction or series of transactions (except with a wholly owned direct or indirect Affiliate) whereby all or substantially all of the Issuer's and its Restricted Affiliates' undertaking and Property, taken as a whole, would become the Property of any other Person or, in the case of any amalgamation, of the succeeding Person resulting therefrom unless, in respect of the Issuer or a Restricted Affiliate, as may be appropriate:

(a) such other Person is, or the succeeding Person will be, organized and existing under the laws of Canada, the laws of any province or territory thereof, the laws of the United States, any state thereof or the District of Columbia, or in the case of a Restricted Affiliate governed by the laws of a jurisdiction other than the jurisdictions described above in this clause (a), the laws of such jurisdiction;

(b) such other Person expressly agrees to assume, by execution of such instruments as are necessary or advisable, or the succeeding Person will be by operation of law liable for, the due and punctual payment of the principal of, and premium, if any, and accrued and unpaid interest on, all of the Notes then outstanding and all other moneys payable thereunder, and the due and punctual performance and observance of all the covenants and conditions hereof;

(c) the Issuer shall deliver, or cause to be delivered, to the Trustee, in form and substance satisfactory to the Trustee in its reasonable judgment, a written opinion from legal counsel stating that such transaction is upon such terms as to substantially preserve and not impair any of the rights and powers of the Trustee or the holders of the Notes;

(d) immediately thereafter and after giving effect to such transaction or series of transactions on a pro forma basis (and treating, for purposes of this clause (d) and clause (e) below, any Indebtedness that becomes, or is anticipated to become, an obligation of such Person or the succeeding Person or any Restricted Affiliate as a result of such transaction or series of transactions as having been Incurred by such other Person or the succeeding Person or such Restricted Affiliate at the time of such transaction or series of transactions), the Issuer and its Restricted Affiliates would be able to Incur at least $1.00 of additional Indebtedness under Section 5.3(a); and

(e) immediately thereafter and after giving effect to such transaction or series of transactions on a *pro forma* basis, no Default or Event of Default shall have occurred and be continuing.

Nothing in this Indenture including, without limitation, this Section 5.13 will prohibit any Restricted Affiliate from consolidating with, merging into, or transferring all or part of its Property to the Issuer and/or any other Restricted Affiliate or the transactions contemplated by a Corporate Conversion.

The other Person or the succeeding Person, as applicable, shall succeed to, and be substituted for, and may exercise every right and power of the Issuer hereunder (or of the Restricted Affiliate under the Note Guarantee, as the case may be), but the predecessor Issuer, in the case of a sale, transfer, assignment, conveyance, or other disposition of Property (unless such sale, transfer, assignment, conveyance, or other disposition is of all the Property of the Issuer as an entirety or virtually as an entirety), shall not be released from any of the obligations or covenants hereunder, including with respect to the payment of the Notes.

5.14 Payments for Consents

The Issuer will not, and will not permit any of its Affiliates to, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee, or otherwise, to or for the benefit of any holder of any Notes for or as an inducement to any consent, waiver, or amendment of any of the terms or provisions hereof or the Notes unless such consideration is offered to be paid or is paid to all holders of the Notes that consent, waive, or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver, or amendment.

ARTICLE 6
DEFAULT

6.1 Events of Default

Each of the following events constitutes, and is referred to as, an "**Event of Default**"):

(a) the Issuer fails to pay any principal of or premium on any of the Notes when the same becomes due and payable at its Stated Maturity, upon acceleration, redemption, optional redemption, required repurchase, or otherwise;

(b) the Issuer fails to pay any interest on the Notes when the same becomes due and payable and such failure continues for a period of 30 days;

(c) the Issuer or a Note Guarantor pursuant to or within the meaning of any Bankruptcy Law:

(i) commences a voluntary case or proceeding;

(ii) applies for or consents to the entry of an order for relief against it in an involuntary case or proceeding;

(iii) applies for or consents to the appointment of a Custodian of it or for all or substantially all of its assets; or

(iv) makes a general assignment for the benefit of its creditors;

(d) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against the Issuer or any Note Guarantor as debtor in an involuntary case or proceeding;

(ii) appoints a Custodian of the Issuer or any Note Guarantor or a Custodian for all or substantially all of the assets of the Issuer or any Note Guarantor; or

(iii) orders the liquidation of the Issuer or any Note Guarantor,

and the order or decree remains unstayed and in effect for 60 days;

(e) an event of default as defined in any instrument under which the Issuer or any Note Guarantor has outstanding Indebtedness has occurred and has resulted in acceleration of the obligation to pay an amount greater than $10,000,000 and such event of default has not been remedied or waived or acceleration has not been rescinded or annulled; provided that:

(i) if the event of default is not related to a failure to make timely and proper payment of principal or interest, such acceleration has occurred and five days have elapsed after the Issuer or Note Guarantor has in good faith exhausted its remedies, including the contesting in good faith of such event of default, or

(ii) if the event of default is related to a failure to make timely and proper payment of principal or interest, three Business Days have elapsed after such event of default and such acceleration has occurred;

(f) an event of default as defined under the New Credit Agreement that results in acceleration of the Stated Maturity of such Indebtedness occurs and such acceleration has not been rescinded or annulled within three Business Days after the date of such acceleration, or the Issuer fails to pay such Indebtedness at its Stated Maturity;

(g) any final judgment or judgments for the payment of money in an aggregate amount in excess of $10,000,000 rendered against the Issuer or any Note Guarantor by a court of competent jurisdiction shall not be waived or discharged or a stay of enforcement thereof shall not be in effect for any period of 30 consecutive days;

(h) any Note Guarantor denies or challenges the validity of its Note Guarantee or defaults on its obligations thereunder; and

(i) there is a Default by the Issuer or any Note Guarantor of any other covenant herein and such Default continues for 30 days (or such longer period as may be agreed to by the Trustee) after written notice of such Default is given to the Issuer by the Trustee as provided below.

The Issuer shall promptly deliver to the Trustee written notice, in the form of an Officers' Certificate, of any Default, its status, and what action the Issuer is taking or proposes to take with respect thereto.

6.2 Acceleration of Maturity; Rescission and Annulment

If an Event of Default (other than as specified in Section 6.1(c) or (d)) occurs and is continuing, the Trustee or the holders of not less than 25% in aggregate principal amount of the outstanding Notes may, and the Trustee at the request of such Noteholders shall, declare the principal of (and Premium, if any) and accrued and unpaid interest on, all of the outstanding Notes immediately due and payable and, upon any such declaration, all such amounts will become due and payable immediately. If an Event of Default specified in Section 6.1(c) or (d) occurs and is continuing, then the principal of (and Premium, if any) and accrued and unpaid interest on, all of the outstanding Notes shall automatically become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Noteholder being required.

At any time after a declaration of acceleration, but before a judgment or decree based on the declaration of acceleration is obtained by the Trustee, the holders of a majority in aggregate principal amount of the outstanding Notes may, and if so directed by such holders the Trustee shall, rescind and annul such declaration of acceleration and its consequences by written notice to the Issuer if:

(a) the Issuer or any Guarantor has paid or deposited with the Trustee a sum sufficient to pay,

 (i) all overdue interest on all Notes;

 (ii) all unpaid principal of (and Premium, if any) on any outstanding Notes that has become due other than by such declaration of acceleration and interest thereon at the rate borne by the Notes;

 (iii) to the extent that payment of such interest is lawful, interest on overdue interest and overdue principal at the rate borne by the Notes; and

 (iv) all sums paid or advanced by the Trustee and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and Counsel; and

(b) all Events of Default, other than the non-payment of amounts of principal of (and Premium, if any) or interest on the Notes that have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 6.4.

No such rescission shall affect any subsequent Default or impair any right consequent thereon.

6.3 Notice of Events of Default

If an Event of Default shall occur and be continuing the Trustee shall, within 30 days after it receives written notice of the occurrence of such Event of Default, give notice of such Event of Default to the Noteholders in the manner provided in Section 11.2, provided that notwithstanding the foregoing, unless the Trustee shall have been requested to do so by the holders of at least 25% of the principal amount of the Notes then outstanding, the Trustee shall not be required to give such notice if the Trustee in good faith shall have determined that the withholding of such notice is in the best interests of the Noteholders and shall have so advised the Issuer in writing.

If notice of an Event of Default has been given to Noteholders and the Event of Default is subsequently remedied or cured before the Indebtedness of the Issuer is accelerated pursuant to Section 6.2, notice that the Event of Default is no longer continuing shall be given by the Trustee within a reasonable time, not exceeding 30 days, to the Persons to whom notice of the Event of Default was given pursuant to the first paragraph of this Section 6.3.

6.4 Waiver of Default

Upon the happening of any Event of Default hereunder:

(a) the holders of the Notes shall have the power (in addition to the powers exercisable by Extraordinary Resolution as hereinafter provided) by requisition in writing by the holders of more than 50% of the principal amount of Notes then outstanding, to instruct the Trustee to waive any Event of Default and to cancel any declaration made by the Trustee pursuant to Section 6.1 except a default in the payment of principal or interest on any Note or in respect of a covenant or provision hereof that under this Indenture cannot be modified or amended without the consent of the holder of each outstanding Note of such series of Notes affected and the Trustee shall thereupon waive the Event of Default and cancel such declaration, or either, upon such terms and conditions as shall be prescribed in such requisition; provided that notwithstanding the foregoing if the Event of Default has occurred by reason of the non-observance or non-performance by the Issuer of any covenant applicable only to one or more series of Notes, then the holders of more than 50% of the principal amount of the outstanding Notes of that series shall be entitled to exercise the foregoing power and the Trustee shall so act and it shall not be necessary to obtain a waiver from the holders of any other series of Notes; and

(b) the Trustee, so long as it has not become bound to declare the principal and interest on the Notes 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.

No such act, omission or delay either of the Trustee or of the Noteholders shall extend to or be taken in any manner whatsoever to (i) affect any subsequent Event of Default or the rights resulting therefrom, or (ii) constitute a waiver of any such Event of Default or an acquiescence thereof or impair any rights resulting therefrom.

6.5 Enforcement by the Trustee

Subject to the provisions of this Indenture relating to the duties of the Trustee, if an Event of Default shall occur and be continuing, the Trustee will be under no obligation to exercise any of its rights or powers under this Indenture at the request or direction of any of the holders of the Notes unless such holders shall have offered to the Trustee funding and indemnification satisfactory to the Trustee in its reasonable judgment. Subject to such provisions for the indemnification of the Trustee, the holders of a majority in aggregate principal amount of the Notes then outstanding will have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to the Notes.

Subject to the provisions of Section 6.4 and to the provisions of any Extraordinary Resolution that may be passed by the Noteholders, if the Issuer shall fail to pay to the Trustee, forthwith after the same shall have been declared to be due and payable under Section 6.1, the principal of, Premium (if any) on and interest on all Notes then outstanding, together with any other amounts due hereunder, the Trustee may in its discretion and shall upon receipt of a request in writing signed by the holders of not less than 25% in principal amount of the Notes then outstanding and upon being funded and indemnified to its reasonable satisfaction against all costs, expenses and liabilities to be incurred, proceed in its name as trustee hereunder to obtain or enforce payment of such principal of, Premium (if any) on and interest on all the Notes then outstanding together with any other amounts due hereunder by such proceedings authorized by this Indenture or by law or equity as the Trustee in such request shall have been directed to take, or if such request contains no such direction, or if the Trustee shall act without such request, then by such proceedings authorized by this Indenture or by suit at law or in equity as the Trustee shall deem expedient.

The Trustee shall be entitled and empowered, either in its own name or as Trustee of an express trust, or as attorney-in-fact for the holders of the Notes, or in any one or more of such capacities, to file such proof of debt, amendment of proof of debt, claim, petition or other document as may be necessary or advisable in order to have the claims of the Trustee and of the holders of the Notes allowed in any insolvency, bankruptcy, liquidation or other judicial proceedings relative to the Issuer or its creditors or relative to or affecting its property. The Trustee is hereby irrevocably appointed (and the successive respective holders of the Notes by taking and holding the same shall be conclusively deemed to have so appointed the Trustee) the true and lawful attorney-in-fact of the respective holders of the Notes with authority to make and file in the respective names of the holders of the Notes or on behalf of the holders of the Notes as a class, subject to deduction from any such claims of the amounts of any claims filed by any of the holders of the Notes themselves, any proof of debt, amendment of proof of debt, claim, petition or other document in any such proceedings and to receive payment of any sums becoming distributable on account thereof, and to execute any such other papers and documents and to do and perform any and all such acts and things for and on behalf of such holders of the Notes, as may be necessary or advisable in the opinion of the Trustee, in order to have the respective claims of the Trustee and of the holders of the Notes against the Issuer or its property allowed in any such proceeding, and to receive payment of or on account of such claims; provided, however, that subject to Section 6.4, nothing contained in this Indenture shall be deemed to give to the Trustee, unless so authorized by Extraordinary Resolution, any right to accept or consent to any plan of reorganization or otherwise by action of any character in such proceeding to waive or change in any way any right of any Noteholder.

The Trustee shall also have the power at any time and from time to time to institute and to maintain such suits and proceedings as it may be advised shall be necessary or advisable to preserve and protect its interests and the interests of the Noteholders.

All rights of action hereunder may be enforced by the Trustee without the possession of any of the Notes or the production thereof on the trial or other proceedings relating thereto. Any such suit or proceeding instituted by the Trustee shall be brought in the name of the Trustee as trustee of an express trust, and any recovery of judgment shall be for the rateable benefit of the holders of the Notes subject to the provisions of this Indenture. In any proceeding brought by the Trustee (and also any proceeding in which a declaratory judgment of a court may be sought as to the interpretation or construction of any provision of this Indenture, to which the Trustee shall be a party) the Trustee shall be held to represent all the holders of the Notes, and it shall not be necessary to make any holders of the Notes parties to any such proceeding.

6.6 No Suits by Noteholders

No holder of any Note shall have any right to institute any action, suit or proceeding at law or in equity for the purpose of enforcing payment of the principal of, Premium (if any) on or interest on the Notes or for the execution of any trust or power hereunder or for the appointment of a liquidator or receiver or for a receiving order under the *Bankruptcy and Insolvency Act* (Canada) or to have the Issuer wound up or to file or prove a claim in any liquidation or bankruptcy proceeding or for any other remedy hereunder, unless: (a) such holder shall previously have given to the Trustee written notice of the happening of an Event of Default hereunder; (b) the Noteholders by Extraordinary Resolution or by written instrument signed by the holders of at least 25% in principal amount of the Notes 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 purpose; (c) the Noteholders 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; (d) the Trustee shall have failed to act within 60 days after having received such notification, request and offer of indemnity from such holder, 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 or for any other remedy hereunder by or on behalf of the holder of any Notes; and (e) no direction inconsistent with such written request has been given to the Trustee during such 60 day period by the Noteholders of a majority or more in principal amount of the outstanding Notes; provided that, such limitations do not apply to a suit instituted by a holder of any Note for enforcement of payment of the principal of, and Premium, if any, or interest on such Note on or after the respective due dates expressed in such Note (after giving effect to the grace period specified in Section 6.1(b)).

6.7 Application of Monies by Trustee

(a) Except as herein otherwise expressly provided, any monies received by the Trustee from the Issuer pursuant to the foregoing provisions of this Article 6, or as a result of legal or other proceedings or from any trustee in bankruptcy or liquidator of the Issuer, shall be applied, together with any other monies in the hands of the Trustee available for such purpose, as follows:

(i) first, in payment or in reimbursement to the Trustee of its compensation, costs, charges, expenses, borrowings, advances or other monies furnished or provided by or at the instance of the Trustee in or about the execution of its trusts under, or otherwise in relation to, this Indenture, with interest thereon as herein provided;

(ii) second, but subject as hereinafter in this Section 6.7 provided, in payment, rateably and proportionately to the holders of Notes, of the principal of and Premium (if any) and accrued and unpaid interest and interest on amounts in default on the Notes which shall then be outstanding in the priority of principal first and then Premium (if any) and then accrued and unpaid interest and interest on amounts in default unless otherwise directed by Extraordinary Resolution and in that case in such order or priority as between principal and then Premium (if any) and interest as may be directed by such resolution; and

(iii) third, in payment of the surplus, if any, of such monies to the Issuer or its assigns;

provided, however, that no payment shall be made pursuant to clause (ii) above in respect of the principal Premium (if any) or interest on any Note held, directly or indirectly, by or for the benefit of the Issuer or Affiliate (other than any Note pledged for value and in good faith to a person other than the Issuer or any Affiliate but only to the extent of such person's interest therein) except subject to the prior payment in full of the principal, Premium (if any) and interest (if any) on all Notes which are not so held.

(b) The Trustee shall not be bound to apply or make any partial or interim payment of any monies coming into its hands if the amount so received by it, after reserving therefrom such amount as the Trustee may think necessary to provide for the payments mentioned in Section 6.7(a), is insufficient to make a distribution of at least 2% of the aggregate principal amount of the outstanding Notes, but it may retain the money so received by it and invest or deposit the same as provided in Section 12.9 until the money or the investments representing the same, with the income derived therefrom, together with any other monies for the time being under its control shall be sufficient for the said purpose or until it shall consider it advisable to apply the same in the manner hereinbefore set forth. The foregoing shall, however, not apply to a final payment in distribution hereunder.

6.8 Notice of Payment by Trustee

Not less than 15 days notice shall be given in the manner provided in Section 11.2 by the Trustee to the Noteholders of any payment to be made under this Article 6. Such notice shall state the time when and place where such payment is to be made and also the liability under this Indenture to which it is to be applied. After the day so fixed, unless payment shall have been duly demanded and have been refused, the Noteholders will be entitled to interest only on the balance (if any) of the principal monies, Premium (if any) and interest (if any) due to them, respectively, on the Notes, after deduction of the respective amounts payable in respect thereof on the day so fixed.

6.9 Trustee May Demand Production of Notes

The Trustee shall have the right to demand production of the Notes in respect of which any payment of principal, Premium or interest required by this Article 6 is made and may cause to be endorsed on the same a memorandum of the amount so paid and the date of payment, but the Trustee may, in its discretion, dispense with such production and endorsement, upon such indemnity being given to it and to the Issuer as the Trustee shall deem sufficient.

6.10 Remedies Cumulative

No remedy herein conferred upon or reserved to the Trustee, or upon or to the holders of Notes is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now existing or hereafter to exist by law or by statute.

6.11 Judgment Against the Issuer

The Issuer covenants and agrees with the Trustee that, in case of any judicial or other proceedings to enforce the rights of the Noteholders, judgment may be rendered against it in favour of the Noteholders or in favour of the Trustee, as trustee for the Noteholders, for any amount which may remain due in respect of the Notes and the Premium (if any) and the interest thereon and any other monies owing hereunder.

6.12 Immunity of Directors, Officers and Others

The Noteholders and the Trustee hereby waive and release any right, cause of action or remedy now or hereafter existing in any jurisdiction against any past, present or future officer, director, trustee, incorporator, unitholder, shareholder or employee of each of the Issuer and each of the other Subsidiaries of the Issuer or of any successor of any of the foregoing for the payment of the principal of, Premium or interest on any of the Notes or any other amounts or on any covenant, agreement, representation or warranty by the Issuer contained herein or in the Notes.

6.13 Control by Noteholders

The holders of not less than a majority in principal amount of the outstanding Notes shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, provided that:

(a) the Trustee has been funded and indemnified to its reasonable satisfaction against all costs, expenses and liabilities to be incurred by it,

(b) such direction shall not be in conflict with any rule of law or with this Indenture,

(c) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and

(d) the Trustee need not take any action which might involve it in personal liability or be unjustly prejudicial to the Noteholders not consenting.

ARTICLE 7
SATISFACTION AND DISCHARGE

7.1 Cancellation and Destruction

All Notes shall forthwith after payment of all obligations thereunder be delivered to the Trustee and cancelled by it. All Notes cancelled or required to be cancelled under this or any other provision of this Indenture shall be destroyed by the Trustee and, if required by the Issuer, the Trustee shall furnish to it a destruction certificate setting out the designating numbers of the Notes so destroyed.

7.2 Release from Covenants

Upon proof being given to the reasonable satisfaction of the Trustee that:

(a) the principal of all of the Notes (and Premium, if any, thereon) and interest (including interest on amounts in default) thereon and other money payable under this Indenture has been paid or satisfied; or

(b) all the outstanding Notes have matured or have been duly called for redemption (or the Trustee has been given irrevocable instructions by the Issuer to publish, within 90 days, notice of redemption of all outstanding Notes), and such payment or redemption has been duly provided for by payment to the Trustee or otherwise;

and upon payment of all costs, charges and expenses properly incurred by the Trustee in relation to this Indenture and all interest thereon and the remuneration of the Trustee (or upon provision satisfactory to the Trustee being made therefor), at the written request and at the expense of the Issuer, the Trustee will forthwith execute and deliver to the Issuer and the Note Guarantors, as the case may be, such deeds or other instruments necessary to evidence the satisfaction and discharge of this Indenture and to release the Issuer and the Note Guarantors, as the case may be, from their respective covenants in this Indenture, except those relating to the indemnification of the Trustee.

7.3 Non-Presentation of Notes

In case the holder of any Note shall fail to present the same for payment on the date on which the principal of, Premium (if any) or the interest thereon or represented thereby becomes payable either at maturity or otherwise or shall not accept payment on account thereof and give such receipt therefor, if any, as the Trustee may require:

(a) the Issuer shall be entitled to pay or deliver to the Trustee and direct it to set aside; or

(b) in respect of monies in the hands of the Trustee which may or should be applied to the payment of the Notes, the Issuer shall be entitled to direct the Trustee to set aside; or

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

the monies in trust to be paid to the holder of such Note upon due presentation or surrender thereof in accordance with the provisions of this Indenture; and thereupon the principal of, Premium (if any) or the interest payable on or represented by each Note in respect whereof such monies 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 delivery and payment of the monies so set aside by the Trustee upon due presentation and surrender thereof, subject always to the provisions of Section 7.4.

7.4 Repayment of Unclaimed Monies

Subject to applicable law, any monies set aside under Section 7.3 and not claimed by and paid to holders of Notes as provided in Section 7.3 within six years after the date of such setting aside shall be repaid and delivered to the Issuer by the Trustee and thereupon the Trustee shall be released from all further liability with respect to such monies and thereafter the holders of the Notes in respect of which such monies were so repaid to the Issuer shall have no rights in respect thereof except to obtain payment and delivery of the monies from the Issuer subject to any limitation provided by the laws of the Province of Ontario. Notwithstanding the foregoing, the Trustee will pay any remaining funds prior to the expiry of six years after the setting aside described in Section 7.3 to the Issuer upon receipt from the Issuer, of an unconditional letter of credit from a Canadian chartered bank in an amount equal to or in excess of the amount of the remaining funds as security for the Issuer's continuing obligations hereunder, including the payments of any amounts due to holders of Notes. If the remaining funds are paid to the Issuer prior to the expiry of six years after such setting aside, the Issuer shall reimburse the Trustee for any amounts so set aside which are required to be paid by the Trustee to a holder of a Note after the date of such payment of the remaining funds to the Issuer but prior to six years after such setting aside.

7.5 Discharge

The Trustee shall at the written request of the Issuer release and discharge this Indenture and execute and deliver such instruments as it shall be advised by Counsel are requisite for that purpose and to release the Issuer 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 principal of, Premium (if any) and interest (including interest on amounts in default, if any), on all the Notes and all other monies payable hereunder have been paid or satisfied or that all the Notes having matured or having been duly called for redemption, payment of the principal of, Premium (if any) and interest (including interest on amounts in default, if any) on such Notes and of all other monies payable hereunder has been duly and effectually provided for in accordance with the provisions hereof.

ARTICLE 8
LEGAL DEFEASANCE AND COVENANT DEFEASANCE

8.1 Option to Effect Legal Defeasance or Covenant Defeasance

The Issuer may, at its option and at any time, elect to have either Section 8.2 or 8.3 hereof be applied to all outstanding Notes upon compliance with the conditions set forth below in this Article 8.

8.2 Legal Defeasance and Discharge

Upon the Issuer's exercise under Section 8.1 hereof of the option applicable to this Section 8.2, the Issuer shall, subject to the satisfaction of the conditions set forth in Section 8.4 hereof, be deemed to have been discharged from its obligations with respect to all outstanding Notes on the date the conditions set forth below are satisfied (hereinafter, "**Legal Defeasance**") and each Note Guarantor shall be released from all of its obligations under its Note Guarantee. For this purpose, Legal Defeasance means that the Issuer shall be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes, which shall thereafter be deemed to be "outstanding" only for the purposes of Section 8.5 hereof and the other Sections of this Indenture referred to in clauses (a), (b), (c) and (d) below, and to have satisfied all its other obligations under the Notes and this Indenture (and the Trustee, on demand of and at the expense of the Issuer, shall execute proper instruments acknowledging the same), except for the following provisions which shall survive until otherwise terminated or discharged hereunder: (a) the rights of holders of outstanding Notes to receive solely from the trust fund described in Section 8.4 hereof, and as more fully set forth in such Section, payments in respect of the principal of, Premium, if any, or interest on such Notes when such payments are due, (b) the Issuer's obligations with respect to such Notes under Article 2 and Article 3 hereof, (c) the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Issuer's obligations in connection therewith and (d) this Article 8. If the Issuer exercises under Section 8.1 hereof the option applicable to this Section 8.2, subject to the satisfaction of the conditions set forth in Section 8.4 hereof, payment of the Notes may not be accelerated because of an Event of Default. Subject to compliance with this Article 8, the Issuer may exercise its option under this Section 8.2 notwithstanding the prior exercise of its option under Section 8.3 hereof.

8.3 Covenant Defeasance

Upon the Issuer's exercise under Section 8.1 hereof of the option applicable to this Section 8.3, the Issuer shall, subject to the satisfaction of the conditions set forth in Section 8.4 hereof, be released from its obligations under the covenants contained in Article 5 (other than Section 5.1 and 5.14) hereof, with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.4 hereof are satisfied (hereinafter, "**Covenant Defeasance**") and each Note Guarantor shall be released from all of its obligations under its Note Guarantee with respect to such covenants in connection with such outstanding Notes and the Notes shall thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of holders of Notes (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes shall not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes, the Issuer may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under Article 6 hereof, but, except as specified above, the remainder of this Indenture and such Notes shall be unaffected thereby. If the Issuer exercises under Section 8.1 hereof the option applicable to this Section 8.3, subject to the satisfaction of the conditions set forth in Section 8.4 hereof, payment of the Notes may not be accelerated because of an Event of Default other than the Events of Default specified in paragraphs (a), (b), (c) or (d) of Section 6.1 hereof.

8.4 Conditions to Legal or Covenant Defeasance.

The following shall be the conditions to the application of either Section 8.2 or 8.3 hereof to the outstanding Notes.

The Legal Defeasance or Covenant Defeasance may be exercised only if:

(a) the Issuer irrevocably deposits with the Trustee, in trust (the "**defeasance trust**"), for the benefit of the holders of the Notes, cash in Canadian dollars, non-callable securities issued by the Canadian government, or a combination of cash in Canadian dollars and non-callable securities issued by the Canadian government, sufficient, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal, Premium, if any, and interest on the outstanding Notes on the Stated Maturity or on the next available redemption date, as the case may be, and the Issuer must specify whether the Notes are being defeased to maturity or to that particular redemption date;

(b) the Issuer has satisfied the Trustee that it has deposited funds or made due provision for the payment of the expenses of the Trustee;

(c) the Issuer delivers to the Trustee an opinion of Counsel reasonably acceptable to the Trustee or an advanced tax ruling from the Canada Revenue Agency (or successor agency) to the effect that the holders of the outstanding Notes will not recognize income, gain or loss for Canadian income tax purposes as a result of such Legal Defeasance or Covenant Defeasance, as the case may be, and will be subject to Canadian income tax in the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance or Covenant Defeasance, as the case may be, had not occurred;

(d) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit (and any similar concurrent deposit relating to other Indebtedness) and the granting of Liens to secure such borrowing);

(e) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a Default under, any material agreement or instrument (other than this Indenture and other agreements governing any of the Indebtedness being defeased, discharged or replaced) to which the Issuer or any of its Affiliates is a party or by which the Issuer or any of its Affiliates is bound;

(f) the Issuer must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Issuer with the intent of preferring the holders of the Notes over its other creditors or with the intent of defeating, hindering, delaying, or defrauding any other of its creditors or others; and

(g) the Issuer delivers to the Trustee an Officers' Certificate and an opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

8.5 Deposited Cash and Securities to Be Held in Trust; Other Miscellaneous Provisions.

Subject to Section 8.6 hereof, all cash and securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.5, the "**Trustee**") pursuant to Section 8.4 hereof in respect of the outstanding Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any paying agent (including the Issuer acting as paying agent) as the Trustee may determine, to the holders of Notes of all sums due and to become due thereon in respect of principal, Premium, if any, and interest, but such cash and securities need not be segregated from other funds except to the extent required by law.

The Issuer shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or securities deposited pursuant to Section 8.4 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the holders of the outstanding Notes.

Anything in this Article 8 to the contrary notwithstanding, the Trustee shall deliver or pay to the Issuer from time to time upon the request of the Issuer any cash or securities held by it as provided in Section 8.4 hereof which, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the certification delivered under Section 8.4(a) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

8.6 Repayment to Issuer

Any cash or securities deposited with the Trustee or any paying agent, or then held by the Issuer, in trust for the payment of the principal, Premium, if any, or interest on any Note and remaining unclaimed for two years after such principal, Premium, if any, or interest has become due and payable shall be paid to the Issuer on its request or (if then held by the Issuer) shall be discharged from such trust; and the holder of Notes shall thereafter, as an unsecured creditor, look only to the Issuer for payment thereof, and all liability of the Trustee or such paying agent with respect to such cash and securities, and all liability of the Issuer as trustee thereof, shall thereupon cease; *provided, however*, that the Trustee or such paying agent, before being required to make any such repayment, may at the expense of the Issuer cause to be published once, in the Globe and Mail (national edition), notice that such cash and securities remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such notification or publication, any unclaimed balance of such cash and securities then remaining shall be repaid to the Issuer.

8.7 Reinstatement

If the Trustee or paying agent is unable to apply any cash or securities in accordance with Section 8.2 or 8.3 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Issuer's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 8.2 or 8.3 hereof until such time as the Trustee or paying agent is permitted to apply all such cash and securities in accordance with Section 8.2 or 8.3 hereof, as the case may be; provided, however, that, if the Issuer makes any payment of principal of, Premium, if any, or interest on any Note following the reinstatement of its obligations, the Issuer shall be subrogated to the rights of the holders of Notes to receive such payment from the cash and securities held by the Trustee or paying agent.

ARTICLE 9
SUCCESSORS

9.1 Successor Substituted

Upon any Corporate Conversion, consolidation of the Issuer and/or any Restricted Affiliate with, or amalgamation or merger of the Issuer and/or any Restricted Affiliate into, any other Person or any sale, conveyance, transfer or lease of all or substantially all of the properties and assets of the Issuer and/or any Restricted Affiliate, in accordance with Section 5.13, or upon any assignment of this Indenture and the Notes from the Issuer to any Restricted Affiliates, the successor Person (if any) formed by such Corporate Conversion, consolidation or into which the Issuer and/or any Restricted Affiliate is amalgamated or merged or to which such sale, conveyance, transfer or lease is made, or to which this Indenture and the Notes are assigned shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer and/or such Restricted Affiliate under this Indenture with the same effect as if such successor Person had been named as the Issuer and/or such Restricted Affiliate herein, and thereafter, subject to the last sentence of this Section 9.1, the Issuer and/or such Restricted Affiliate shall be relieved of all obligations and covenants under this Indenture and the Notes or its Note Guarantee, as applicable, subject to the limitations of Section 5.13. For greater certainty, the Issuer in connection with any Corporate Conversion may assign this Indenture and the Notes to any wholly-owned, whether directly or indirectly, Restricted Affiliate without the consent of the Trustee or any holders of Notes, provided that the Issuer delivers a Note Guarantee to the Trustee.

ARTICLE 10
MEETINGS OF NOTEHOLDERS

10.1 Right to Convene Meeting

The Trustee or the Issuer may at any time and from time to time, and the Trustee shall, on receipt of a Written Direction of the Issuer or a written request signed by the holders of not less than 25% of the principal amount of the Notes then outstanding and upon receiving funding and being indemnified to its reasonable satisfaction by the Issuer or by the Noteholders 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 Noteholders. In the event of the Trustee failing, within 30 days after receipt of any such request and such funding of indemnity, to give notice convening a meeting, the Issuer or such Noteholders, 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 approved or determined by the Trustee.

10.2 Notice of Meetings

(a) At least 21 days notice of any meeting shall be given to the Noteholders in the manner provided in Section 11.2 and a copy of such notice shall be sent by post to the Trustee, 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 holder of Notes shall not invalidate any resolution passed at any such meeting. A holder may waive notice of a meeting either before or after the meeting.

(b) If the business to be transacted at any meeting by Extraordinary Resolution or otherwise, or any action to be taken or power exercised by instrument in writing under Section 10.16, especially affects the rights of holders of Notes of one or more series in a manner or to an extent differing in any material way from that in or to which the rights of holders of Notes of any other series are affected (determined as provided in Sections 10.2(c) and (d)), then:

(i) a reference to such fact, indicating each series of Notes in the opinion of the Trustee (or the Person calling the Meeting) so especially affected (hereinafter referred to as the "**especially affected series**") shall be made in the notice of such meeting, and in any such case the meeting shall be and be deemed to be and is herein referred to as a "**Serial Meeting**"; and

(ii) the holders of Notes of an especially affected series shall not be bound by any action taken at a Serial Meeting or by instrument in writing under Section 10.16 unless in addition to compliance with the other provisions of this Article 10:

(A) at such Serial Meeting: (I) there are Noteholders present in person or by proxy and representing at least 25% in principal amount of the Notes then outstanding of such series, subject to the provisions of this Article 10 as to quorum at adjourned meetings; and (II) the resolution is passed by the affirmative vote of the holders of more than 50% (or in the case of an Extraordinary Resolution not less than 66 2/3%) of the principal amount of the Notes of such series then outstanding voted on the resolution; or

(B) in the case of action taken or power exercised by instrument in writing under Section 10.16, such instrument is signed in one or more counterparts by the holders of not less than 66 2/3% in principal amount of the Notes of such series then outstanding.

(c) Subject to Section 10.2(d), the determination as to whether any business to be transacted at a meeting of Noteholders, or any action to be taken or power to be exercised by instrument in writing under Section 10.16, especially affects the rights of the Noteholders of one or more series in a manner or to an extent differing in any material way from that in or to which it affects the rights of Noteholders of any other series (and is therefore an especially affected series) shall be determined by an opinion of Counsel, which shall be binding on all Noteholders, the Trustee and the Issuer for all purposes hereof.

(d) A proposal:

(i) to extend the maturity of Notes of any particular series or to reduce the principal amount thereof, the rate of interest or redemption premium thereon;

(ii) to modify or terminate any covenant or agreement which by its terms is effective only so long as Notes of a particular series are outstanding; or

(iii) to reduce with respect to Noteholders of any particular series any percentage stated in this Section 10.2 or Sections 10.4, 10.13 and 10.16;

shall be deemed to especially affect the rights of the Noteholders of such series in a manner differing in a material way from that in which it affects the rights of holders of Notes of any other series, whether or not a similar extension, reduction, modification or termination is proposed with respect to Notes of any or all other series.

10.3 Chairperson

A person, who need not be a Noteholder, nominated in writing by the Trustee shall be chairperson of the meeting and if no person is so nominated, or if the person so nominated is not present within 15 minutes from the time fixed for the holding of the meeting, a majority of the Noteholders present in person or by proxy shall choose another person present to be chairperson.

10.4 Quorum

Subject to the provisions of Section 10.13, at any meeting of the Noteholders a quorum shall consist of Noteholders present in person or by proxy and representing at least 25% in principal amount of the outstanding Notes and, if the meeting is a Serial Meeting, at least 25% of the Notes then outstanding of each especially affected series. If a quorum of the Noteholders shall not be present within 30 minutes from the time fixed for holding any meeting, the meeting, if summoned by the Noteholders or pursuant to a request of the Noteholders, shall be dissolved, but in any other case the meeting shall be adjourned 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) at the same time and place to the extent possible and no notice shall be required to be given in respect of such adjourned meeting. At the adjourned meeting, the Noteholders present in person or by proxy shall, subject to the provisions of Section 10.13, constitute a quorum and may transact the business for which the meeting was originally convened notwithstanding that they may not represent 25% of the principal amount of the outstanding Notes or of the Notes then outstanding of each especially affected series. Any business may be brought before or dealt with at an adjourned meeting which might have been brought before or dealt with at the 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 business.

10.5 Power to Adjourn

The chairperson of any meeting at which a quorum of the Noteholders is present may, with the consent of the holders of a majority in principal amount of the Notes 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.

10.6 Show of Hands

Every question submitted to a meeting shall, subject to Section 10.7, 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 chairperson 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 of the fact. The chairperson of any meeting shall be entitled, both on a show of hands and on a poll, to vote in respect of the Notes, if any, held by him.

10.7 Poll

On every Extraordinary Resolution, and on any other question submitted to a meeting when demanded by the chairperson or by one or more Noteholders or proxies for Noteholders, a poll shall be taken in such manner and either at once or after an adjournment as the chairperson shall direct. Questions other than Extraordinary Resolutions shall, if a poll be taken, be decided by the votes of the holders of a majority in principal amount of the Notes and of each especially affected series, if applicable, represented at the meeting and voted on the poll.

10.8 Voting

On a show of hands every person who is present and entitled to vote, whether as a Noteholder or as proxy for one or more Noteholders or both, shall have one vote. On a poll each Noteholder 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 principal amount of Notes of which he shall then be the holder. In the case of any Note denominated in a currency or currency unit other than Canadian dollars, the principal amount thereof for these purposes shall be computed in Canadian dollars on the basis of the conversion of the principal amount thereof at the applicable spot buying rate of exchange for such other currency or currency unit as reported by the Bank of Canada at the close of business on the Business Day next preceding the meeting. Any fractional amounts resulting from such conversion shall be rounded to the nearest $100. A proxy need not be a Noteholder. In the case of joint holders of a Note, 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 Notes of which they are joint holders.

10.9 Proxies

A Noteholder may be present and vote at any meeting of Noteholders by an authorized representative. The Issuer (in case it convenes the meeting) or the Trustee (in any other case) for the purpose of enabling the Noteholders to be present and vote at any meeting without producing their Notes, and of enabling them to be present and vote at any such meeting by proxy and of lodging instruments appointing such proxies at some place other than the place where the meeting is to be held, may from time to time make and vary such regulations as it shall think fit providing for and governing any or all of the following matters:

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

(b) the deposit of instruments appointing proxies at such place as the Trustee, the Issuer or the Noteholder 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 or any adjournment thereof by which the same must be deposited; and

(c) 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, faxed, cabled, telegraphed, emailed, or sent by other electronic means before the meeting to the Issuer or to the Trustee at the place where the same is to be held and for the 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 meeting as the holders of any Notes, or as entitled to vote or be present at the meeting in respect thereof, shall be Noteholders and persons whom Noteholders have by instrument in writing duly appointed as their proxies.

10.10 Persons Entitled to Attend Meetings

The Issuer and the Trustee, by their respective officers, trustees and directors, the Auditors of the Issuer and the legal advisors of the Issuer, the Trustee or any Noteholder may attend any meeting of the Noteholders, but shall have no vote as such.

10.11 Powers Exercisable by Extraordinary Resolution

In addition to the powers conferred upon them by any other provisions of this Indenture or by law, a meeting of the Noteholders shall have the following powers exercisable from time to time by Extraordinary Resolution:

(a) power to sanction any modification, abrogation, alteration, compromise or arrangement of the rights of the Noteholders or the Trustee against the Issuer or a Note Guarantor, or against its property, whether such rights arise under this Indenture or the Notes or otherwise;

(b) power to assent to any modification of or change in or addition to or omission from the provisions contained in this Indenture or any Note which shall be agreed to by the Issuer and to authorize the Trustee to concur in and execute any indenture supplemental hereto embodying any modification, change, addition or omission, provided that, notwithstanding any other provision herein, no modification or change to the duties, obligations, responsibilities of, or protections in favour of, the Trustee may be made without the written consent of the Trustee;

(c) power to sanction any scheme for the reconstruction, reorganization or recapitalization of the Issuer or for the consolidation, amalgamation, arrangement, combination or merger of the Issuer with any other Person or for the sale, leasing, transfer or other disposition of all or substantially all of the undertaking, property and assets of the Issuer or any part thereof, provided that no such sanction shall be necessary in respect of any such transaction if the provisions of Section 5.13 shall have been complied with;

(d) 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;

(e) subject to Section 10.12(f), power to waive, and direct the Trustee to waive, any default hereunder and/or cancel any declaration made by the Trustee pursuant to Section 6.2 either unconditionally or upon any condition specified in such Extraordinary Resolution;

(f) power to restrain any Noteholder from taking or instituting any suit, action or proceeding for the purpose of enforcing payment of the principal, Premium or interest on the Notes, or for the execution of any trust or power hereunder;

(g) power to direct any Noteholder 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 6.6, of the costs, charges and expenses reasonably and properly incurred by such Noteholder in connection therewith;

(h) 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 common shares or other securities of the Issuer;

(i) 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 Noteholders, such of the powers of the Noteholders as are exercisable by Extraordinary Resolution 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. 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 Noteholders. Every such committee may elect its chairperson 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 all Noteholders. 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;

(j) power to remove the Trustee from office and to appoint a new Trustee or Trustees provided that no such removal shall be effective unless and until a new Trustee or Trustees shall have become bound by this Indenture;

(k) power to sanction the exchange of the Notes for or the conversion thereof into shares, bonds, debentures or other securities or obligations of the Issuer or of any other Person formed or to be formed, for greater certainty, provided that no such sanction shall be necessary in respect of any such event if the provisions of Section 5.13 shall have been complied with;

(l) power to authorize the distribution in specie of any shares or securities received pursuant to a transaction authorized under the provisions of Section 10.11(k); and

(m) power to amend, alter or repeal any Extraordinary Resolution previously passed or sanctioned by the Noteholders or by any committee appointed pursuant to Section 10.11(i).

10.12 Unanimous Approval

Notwithstanding Section 10.11, without the consent of each holder of an outstanding Note affected (whether in the aggregate holding a majority in principal amount of Notes or not), no amendment may, among other things:

(a) reduce the principal amount of any Note;

(b) reduce the rate of or change or have the effect of changing the time for payment of interest, including defaulted interest, on any Note;

(c) change or have the effect of changing the Stated Maturity of any Note, or change the date on which any Notes may be subject to redemption or reduce the redemption price therefor; provided that the holders of a majority in principal amount of the Notes then outstanding may modify or waive compliance with such redemption;

(d) make any Note payable in a currency other than Canadian dollars;

(e) impair the right of a holder of any Note to receive payment of principal of, Premium, if any, and interest on such holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such holder's Notes;

(f) waive a Default or Event of Default in the payment of principal of, or interest or Premium, if any, on, the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the then outstanding Notes or a waiver of the payment default that resulted from such acceleration pursuant to Section 10.11(e);

(g) make any change in the provisions of this Indenture relating to waivers of past Defaults or the right of holders of Notes to receive payments of principal of, or interest or Premium, if any, on, the Notes;

(h) modify or change any provision of this Indenture or the related definitions affecting the ranking of the Notes or any Note Guarantee in a manner that adversely affects the holders of Notes;

(i) in the event of a Change of Control that has occurred, amend, modify, or change the obligation of the Issuer to make a Change of Control Purchase Offer in accordance with Section 2.4(g) or modify any of the provisions or definitions with respect to any such offer;

(j) release a Note Guarantor from its obligations under its Note Guarantee or make any change in any Note Guarantee that would adversely affect the rights of holders of Notes to receive payments under the Note Guarantee, other than in accordance with the provisions of this Indenture; or

(k) make any change in the amendment or waiver provisions or in any provisions that require the consent of each holder of Notes.

10.13 Meaning of "Extraordinary Resolution"

(a) The expression "**Extraordinary Resolution**" when used in this Indenture means, subject as hereinafter in this Article provided, a resolution proposed to be passed as an Extraordinary Resolution at a meeting of Noteholders (including an adjourned meeting) duly convened for the purpose and held in accordance with the provisions of this Article at which the holders of not less than 25% of the principal amount of the Notes then outstanding, and if the meeting is a Serial Meeting, at which holders of not less than 25% of the principal amount of the Notes then outstanding of each especially affected series, are present in person or by proxy and passed by the favourable votes of the holders of not less than 66 2/3% of the principal amount of the Notes, and if the meeting is a Serial Meeting by the affirmative vote of the holders of not less than 66 2/3% of each especially affected series, in each case present or represented by proxy at the meeting and voted upon on a poll on such resolution.

(b) If, at any such meeting, the holders of not less than 25% of the principal amount of the Notes then outstanding and, if the meeting is a Serial Meeting, 25% of the principal amount of the Notes then outstanding of each especially affected series, in each case 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 on the requisition of Noteholders, shall be dissolved but in any other case it shall stand adjourned to such date, being not less than 14 nor more than 60 days later, and to such place and time as may be appointed by the chairperson. Not less than 10 days notice shall be given of the time and place of such adjourned meeting in the manner provided in Section 11.2. Such notice shall state that at the adjourned meeting the Noteholders present in person or by proxy shall form a quorum. At the adjourned meeting the Noteholders 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 thereat by the affirmative vote of holders of not less than 66 2/3% of the principal amount of the Notes and, if the meeting is a Serial Meeting, by the affirmative vote of the holders of not less than 66 2/3% of the principal amount of the Notes of each especially affected series, in each case present or represented by proxy at the meeting voted upon on a poll shall be an Extraordinary Resolution within the meaning of this Indenture, notwithstanding that the holders of not less than 25% in principal amount of the Notes then outstanding, and if the meeting is a Serial Meeting, holders of not less than 25% of the principal amount of the Notes then outstanding of each especially affected series, are not present in person or by proxy at such adjourned meeting.

(c) Votes on an Extraordinary Resolution shall always be given on a poll and no demand for a poll on an Extraordinary Resolution shall be necessary.

10.14 Powers Cumulative

Any one or more of the powers in this Indenture stated to be exercisable by the Noteholders by Extraordinary Resolution or otherwise may be exercised from time to time and the exercise of any one or more of such powers from time to time shall not be deemed to exhaust the rights of the Noteholders to exercise the same or any other such power or powers thereafter from time to time.

10.15 Minutes

Minutes of all resolutions and proceedings at every meeting as aforesaid shall be made and duly entered in books to be from time to time provided for that purpose by the Trustee at the expense of the Issuer, and any such minutes as aforesaid, if signed by the chairperson of the meeting at which such resolutions were passed or proceedings had, or by the chairperson of the next succeeding meeting of the Noteholders, shall be prima facie evidence of the matters therein stated and, until the contrary is proved, 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.

10.16 Instruments in Writing

All actions which may be taken and all powers that may be exercised by the Noteholders at a meeting held as hereinbefore in this Article provided may also be taken and exercised by the holders of more than 50% of the principal amount of all outstanding Notes, in the case of an ordinary resolution, or by the holders of not less than 66 2/3% of the principal amount of all the outstanding Notes, in the case of an Extraordinary Resolution, and, if the meeting at which such actions might be taken would be a Serial Meeting, by the holders of more than 50% of the principal amount of all outstanding Notes of each especially affected series, in the case of an ordinary resolution, or by the holders of not less than 66 2/3% of the principal amount of the Notes then outstanding of each especially affected series, in the case of an Extraordinary Resolution, by an instrument in writing signed in one or more counterparts and the expressions ordinary resolution and "**Extraordinary Resolution**" when used in this Indenture shall include an instrument so signed.

10.17 Binding Effect of Resolutions

Every resolution and every Extraordinary Resolution passed in accordance with the provisions of this Article at a meeting of Noteholders shall be binding upon all the Noteholders, whether present at or absent from such meeting, and every instrument in writing signed by Noteholders in accordance with Section 10.16 shall be binding upon all the Noteholders, whether signatories thereto or not, and each and every Noteholder 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.

10.18 Evidence of Rights of Noteholders

(a) Any request, direction, notice, consent or other instrument which this Indenture may require or permit to be signed or executed by the Noteholders may be in any number of concurrent instruments of similar tenor signed or executed by such Noteholders.

(b) The Trustee may, in its discretion, require proof of execution in cases where it deems proof desirable and may accept such proof as it shall consider proper.

10.19 Concerning Serial Meetings

If in the opinion of Counsel any business to be transacted at any meeting, or any action to be taken or power to be exercised by instrument in writing under Section 10.16, does not adversely affect the rights of the holders of Notes of one or more series, the provisions of this Article 10 shall apply as if the Notes of such series were not outstanding and no notice of any such meeting need be given to the holders of Notes of such series. Without limiting the generality of the foregoing, a proposal to modify or terminate any covenant or agreement which is effective only so long as Notes of a particular series are outstanding shall be deemed not to adversely affect the rights of the holders of Notes of any other series.

ARTICLE 11
NOTICES

11.1 Notice to Issuer

Any notice to the Issuer under the provisions of this Indenture shall be valid and effective if delivered to the Issuer at: 370 Speedvale Avenue West, Suite 3, Guelph, Ontario N1H 7M7, Attention: Chief Financial Officer, and a copy delivered to Fraser Milner Casgrain LLP, 1 First Canadian Place, 41st Floor, Toronto, Ontario M5X 1B2, Attention: Richard A. Scott, or if sent by facsimile or other electronic transmission (with receipt confirmed) to 519-822-8894 and marked to the attention of the Chief Financial Officer, and shall be deemed to have been validly given at the time of delivery or transmission if it is received prior to 4:00 p.m. (Toronto time) on a Business Day, failing which it shall be deemed to have been given on the next Business Day, or if given by registered letter, postage prepaid, to such offices and so addressed and if mailed, shall be deemed to have been effectively given three days following the mailing thereof. The Issuer may from time to time notify the Trustee in writing of a change of address or facsimile number which thereafter, until changed by like notice, shall be the address or facsimile number of the Issuer for all purposes of this Indenture.

11.2 Notice to Noteholders

All notices to be given hereunder with respect to the Notes shall be deemed to be validly given to the holders thereof if delivered, sent by first class mail, postage prepaid, or sent by electronic communication, addressed to such holders at their addresses or electronic communications numbers, if any, appearing in any of the registers hereinbefore mentioned and shall be deemed to have been effectively given at the time of delivery or sending by electronic communication or three days following the day of mailing. Any notice made by delivery or sent by electronic communication on a day other than a Business Day, or after 4:00 p.m. (Toronto time) on a Business Day, shall be deemed to be received on the next following Business Day. Accidental error or omission in giving notice or accidental failure to send notice to any Noteholder or the inability of the Issuer or the Trustee to give or send any notice due to anything beyond the reasonable control of the Issuer or the Trustee (as applicable) shall not invalidate any action or proceeding founded thereon.

If any notice given in accordance with the foregoing paragraph would be unlikely to reach the Noteholders to whom it is addressed in the ordinary course of post by reason of an interruption in mail service, whether at the place of dispatch or receipt or both, the Issuer or the Trustee (as applicable) shall give such notice by publication at least once in the city of Toronto (or in such of those cities as, in the opinion of the Trustee, is sufficient in the particular circumstances), each such publication to be made in a daily newspaper of general circulation in the designated city.

Any notice given to Noteholders by publication shall be deemed to have been given on the day on which publication shall have been effected at least once in each of the newspapers in which publication was required.

All notices with respect to any Note 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 any persons interested in such Note.

11.3 Notice to Trustee

Any notice to the Trustee under the provisions of this Indenture shall be valid and effective if delivered to the Trustee at its principal office in the City of Toronto, at 100 University Ave., 9th Floor, North Tower, Toronto, Ontario M5J 2Y1, Canada, Attention: Manager, Corporate Trust or if sent by facsimile or other electronic transmission (with receipt confirmed) to 416-981-9777 and marked to the attention of Manager, Corporate Trust, and shall be deemed to have been validly given at the time of delivery or transmission if it is received prior to 4:00 p.m. (Toronto time) on a Business Day, failing which it shall be deemed to have been given on the next Business Day, or if given by registered letter, postage prepaid, to such office and so addressed and, if mailed, shall be deemed to have been effectively given three days following the mailing thereof.

11.4 Mail Service Interruption

If by reason of any interruption of mail service, actual or threatened, any notice to be given to the Trustee would reasonably be unlikely to reach its destination by the time notice by mail is deemed to have been given pursuant to Section 11.3, such notice shall be valid and effective only if delivered at the appropriate address in accordance with Section 11.3.

ARTICLE 12
CONCERNING THE TRUSTEE

12.1 No Conflict of Interest

The Trustee represents to the Issuer 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 but if, notwithstanding the provisions of this Section 12.1, such a material conflict of interest exists, or hereafter arises, the validity and enforceability of this Indenture, and the Notes issued hereunder, shall not be affected in any manner whatsoever by reason only that such material conflict of interest exists or arises but the Trustee shall, within 30 days after ascertaining that it has a material conflict of interest, either eliminate such material conflict of interest or resign in the manner and with the effect specified in Section 12.2.

12.2 Replacement of Trustee

The Trustee may resign its trust and be discharged from all further duties and liabilities hereunder by giving to the Issuer 90 days notice in writing or such shorter notice as the Issuer may accept as sufficient. If at any time a material conflict of interest exists in the Trustee's role as a fiduciary hereunder the Trustee shall, within 30 days after ascertaining 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 this Section 12.2. The validity and enforceability of this Indenture and of the Notes issued hereunder shall not be affected in any manner whatsoever by reason only that such a material conflict of interest exists. 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 Issuer shall forthwith appoint a new Trustee unless a new Trustee has already been appointed by the Noteholders. Failing such appointment by the Issuer, the retiring Trustee or any Noteholder may apply to a Judge of the Ontario Superior Court of Justice, on such notice as such Judge may direct at the Issuer's expense, for the appointment of a new Trustee but any new Trustee so appointed by the Issuer or by the Court shall be subject to removal as aforesaid by the Noteholders and the appointment of such new Trustee shall be effective only upon such new Trustee becoming bound by this Indenture. Any new Trustee appointed under any provision of this Section 12.2 shall be a trust company authorized to carry on the business of a trust company in all of the Provinces of Canada. 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 company into which the Trustee may be merged or, with or to which it may be consolidated, amalgamated or sold, or any company resulting from any merger, consolidation, sale or amalgamation to which the Trustee shall be a party, or any company eligible to be a trustee which shall purchase all or substantially all of the corporate trust 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 Issuer, and upon payment in full of any fees still remaining owed and outstanding to the Trustee, the Trustee shall surrender to the new Trustee upon written direction all records, reports and property still in the possession of the Trustee, and the Trustee ceasing to act shall further execute and deliver an instrument assigning and transferring to such successor Trustee, upon the trusts herein expressed, all the rights, powers and trusts 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 Issuer be required by any new Trustee for more fully and certainly vesting in and confirming to it such estates, properties, rights, powers and trusts, then any and all such deeds, conveyances and instruments in writing shall on request of said new Trustee, be made, executed, acknowledged and delivered by the Issuer.

12.3 Duties of Trustee

In the exercise of the rights, duties and obligations prescribed or conferred by the terms of this Indenture, the Trustee shall act honestly and in good faith and exercise that degree of care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances.

12.4 Reliance Upon Declarations, Opinions, etc.

In the exercise of its rights, duties, and obligations hereunder the Trustee may, if acting in good faith, rely, as to the truth of the statements and accuracy of the opinions expressed therein, upon statutory declarations, opinions, reports or certificates furnished pursuant to any covenant, condition or requirement of this Indenture or required by the Trustee to be furnished to it in the exercise of its rights and duties hereunder, if the Trustee examines such statutory declarations, opinions, reports or certificates and determines that they comply with Section 12.5, if applicable, and with any other applicable requirements of this Indenture. The Trustee may nevertheless, in its discretion, require further proof in cases where it deems further proof desirable. Without restricting the foregoing, the Trustee may rely on an opinion of Counsel satisfactory to the Trustee notwithstanding that it is delivered by a solicitor or firm which acts as solicitors for the Issuer.

12.5 Evidence and Authority to Trustee, Opinions, etc.

The Issuer shall furnish to the Trustee evidence of compliance with the conditions precedent provided for in this Indenture relating to any action or step required or permitted to be taken by the Issuer or the Trustee under this Indenture or as a result of any obligation imposed under this Indenture, including without limitation, the certification and delivery of Notes 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 Issuer, forthwith if and when (a) 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 12.5, or (b) the Trustee, in the exercise of its rights and duties under this Indenture, gives the Issuer 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:

(a) an Officer's Certificate, stating that any such condition precedent has been complied with in accordance with the terms of this Indenture;

(b) in the case of a condition precedent compliance with which is, by the terms of this Indenture, made subject to review or examination by a solicitor, an opinion of Counsel that such condition precedent has been complied with in accordance with the terms of this Indenture; and

(c) in the case of any such condition precedent compliance with which is subject to review or examination by auditors or accountants, an opinion or report of the Auditors of the Issuer whom the Trustee for such purposes hereby approves, that such condition precedent has been complied with in accordance with the terms of this Indenture.

Whenever such evidence relates to a matter other than the certificates and delivery of Notes and the satisfaction and discharge of this Indenture, and except as otherwise specifically provided herein, such evidence may consist of a report or opinion of any solicitor, auditor, accountant, engineer or appraiser or any other Person whose qualifications give authority to a statement made by him, provided that if such report or opinion is furnished by a trustee, officer or employer of the Issuer it shall be in the form of a statutory declaration or Officer's Certificate. Such evidence shall be, so far as appropriate, in accordance with the immediately preceding paragraph of this Section.

Each statutory declaration, certificate, opinion or report with respect to compliance with a condition precedent provided for in the Indenture shall include (a) a statement by the Person giving the evidence that he has read and is familiar with those provisions of this Indenture relating to the condition precedent in question, (b) a brief statement of the nature and scope of the examination or investigation upon which the statements or opinions contained in such evidence are based, (c) a statement that, in the belief of the Person giving such evidence, he has made such examination or investigation as is necessary to enable him to make the statements or give the opinions contained or expressed therein, and (d) a statement whether in the opinion of such Person the conditions precedent in question have been complied with or satisfied.

The Issuer shall furnish or cause to be furnished to the Trustee at any time if the Trustee reasonably so requires, an Officer's Certificate that the Issuer has complied with all covenants, conditions or other requirements contained in this Indenture, the non-compliance with which would, with the giving of notice or the 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. The Issuer shall, whenever the Trustee so requires, furnish the Trustee with evidence by way of statutory declaration, opinion, report or Officer's Certificate as specified by the Trustee as to any action or step required or permitted to be taken by the Issuer or as a result of any obligation imposed by this Indenture.

12.6 Officers' Certificates Evidence

Except as otherwise specifically 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 any action hereunder, the Trustee, if acting in good faith, may rely upon an Officers' Certificate.

12.7 Experts, Advisers and Agents

The Trustee may:

(a) employ or retain and act and rely 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 Issuer, or otherwise, and shall not be liable for acting, or refusing to act, in good faith on any such opinion or advice and may pay proper and reasonable compensation for all such legal and other advice or assistance as aforesaid; and

(b) 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 the trusts hereof and compensation for all disbursements, costs and expenses made or incurred by it in the discharge of its duties hereunder and in the management of the trusts hereof and any solicitors employed or consulted by the Trustee may, but need not be, solicitors for the Issuer, and all such charges and levies for such services shall become and form part of the Trustee's remuneration due to the Trustee under this trust indenture.

12.8 Trustee May Deal in Notes

Subject to Sections 12.1 and 12.3, the Trustee may, in its personal or other capacity, buy, sell, lend upon and deal in the Notes and generally contract and enter into financial transactions with the Issuer or otherwise, without being liable to account for any profits made thereby.

12.9 Investment of Monies Held by Trustee

Unless otherwise provided in this Indenture, any monies held by the Trustee, which, under the trusts of 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 securities in which, under the laws of the Province of Ontario, trustees are authorized to invest trust monies, provided that such securities are expressed to mature within two years or such shorter period selected to facilitate any payments expected to be made under this Indenture, after their purchase by the Trustee, and unless and until the Trustee shall have declared the principal of, Premium (if any) and interest on the Notes to be due and payable, the Trustee shall so invest such monies at the Written Direction of the Issuer given in a reasonably timely manner. Pending the investment of any monies as hereinbefore provided, such monies may be deposited in the name of the Trustee in any chartered bank of Canada or, with the consent of the Issuer, 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, if any, then current on similar deposits.

Unless and until the Trustee shall have declared the principal of, Premium (if any) and interest on the Notes to be due and payable, the Trustee shall pay over to the Issuer all interest received by the Trustee in respect of any investments or deposits made pursuant to the provisions of this Section.

12.10 Trustee Not Ordinarily Bound

Except as provided in Section 6.3 and as otherwise specifically provided herein, the Trustee shall not, subject to Section 12.3, 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 Issuer of any of the obligations herein imposed upon the Issuer or of the covenants on the part of the Issuer herein contained, nor in any way to supervise or interfere with the conduct of the Issuer's business, unless the Trustee shall have been required to do so in writing by the holders of not less than 25% of the aggregate principal amount of the Notes then outstanding or by any Extraordinary Resolution of the Noteholders passed in accordance with the provisions contained in Article 10, and then only after it shall have been funded and 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.

12.11 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 trusts and powers of this Indenture or otherwise in respect of the premises.

12.12 Trustee Not Bound to Act on Issuer'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 Issuer 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.

12.13 Conditions Precedent to Trustee's Obligations to Act Hereunder

The obligation of the Trustee to commence or continue any act, action or proceeding for the purpose of enforcing the rights of the Trustee and of the Noteholders hereunder shall be conditional upon the Noteholders 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.

The Trustee may, before commencing or at any time during the continuance of any such act, action or proceeding require the Noteholders at whose instance it is acting to deposit with the Trustee the Notes held by them for which Notes the Trustee shall issue receipts.

The Trustee shall not be required to take notice of an Event of Default under this Indenture, other than in respect of payment of any money required by any provision of this Indenture to be paid to it, unless and until the Trustee is notified in writing of such Event of Default by any Noteholder or the Issuer, of such Event of Default. In the absence of such written notice the Trustee may for all purposes of this Indenture assume that no Event of Default has occurred.

12.14 Authority to Carry on Business

The Trustee represents to the Issuer 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 each of the provinces of Canada but if, notwithstanding the provisions of this Section 12.14, it ceases to be so authorized to carry on business, the validity and enforceability of this Indenture and the securities 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 company in any of the provinces of Canada, either become so authorized or resign in the manner and with the effect specified in Section 12.2.

12.15 Compensation and Indemnity

(a) The Issuer shall pay to the Trustee from time to time compensation for its services hereunder as agreed separately by the Issuer and the Trustee, and shall pay or reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in the administration or execution of its duties under this Indenture (including the reasonable and documented compensation and disbursements of its Counsel and all other advisers and assistants not regularly in its employ), both before any default hereunder and thereafter until all duties of the Trustee under this Indenture shall be finally and fully performed. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust.

(b) The Issuer hereby indemnifies and saves harmless the Trustee and its directors, officers and employees from and against any and all loss, damages, charges, expenses, claims, demands, actions or liability whatsoever which may be brought against the Trustee or which it may suffer or incur as a result of or arising out of the performance of its duties and obligations hereunder save only in the event of gross negligence, or the wilful misconduct or bad faith of the Trustee. This indemnity will survive the termination or discharge of this Indenture and the resignation or removal of the Trustee. The Trustee shall notify the Issuer promptly of any claim for which it may seek indemnity. The Issuer shall defend the claim and the Trustee shall co-operate in the defence. The Trustee may have separate Counsel and the Issuer shall pay the reasonable fees and expenses of such Counsel. The Issuer need not pay for any settlement made without its consent, which consent must not be unreasonably withheld. This indemnity shall survive the resignation or removal of the Trustee or the discharge of this Indenture.

(c) The Issuer need not reimburse any expense or indemnify against any loss or liability incurred by the Trustee through gross negligence or bad faith or breach of the Trustee's duties hereunder.

(d) Any amount due under this Section and unpaid thirty days after request for such payment shall bear interest from the expiration of such thirty days at a rate per annum equal to the then current rate charged by the Trustee from time to time, payable on demand.

12.16 Acceptance of Trust

The Trustee hereby accepts the trusts in this Indenture declared and provided for and agrees to perform the same upon the terms and conditions herein set forth and to hold all rights, privileges and benefits conferred hereby and by law in trust for the various Persons who shall from time to time be Noteholders, subject to all the terms and conditions herein set forth.

12.17 Third Party Interests

Each party to this Indenture (in this paragraph referred to as a "**representing party**") hereby represents to the Trustee that any account to be opened by, or interest to held by, the Trustee in connection with this Indenture, for or to the credit of such representing party, either (i) is not intended to be used by or on behalf of any third party; or (ii) is intended to be used by or on behalf of a third party, in which case such representing party hereby agrees to complete, execute and deliver forthwith to the Trustee a declaration, in the Trustee's prescribed form or in such other form as may be satisfactory to it, as to the particulars of such third party.

12.18 Anti-Money Laundering

The Trustee shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Trustee, in its sole judgment, acting reasonably, determines that such act might cause it to be in noncompliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline. Further, should the Trustee, in its sole judgment, acting reasonably, determine at any time that its acting under this Indenture has resulted in its being in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, then it shall have the right to resign on 10 days' prior written notice sent to the Issuer provided that (i) the Trustee's written notice shall describe the circumstances of such non-compliance; and (ii) if such circumstances are rectified to the Trustee's satisfaction within such 10-day period, then such resignation shall not be effective.

12.19 Privacy Laws

The parties acknowledge that federal and/or provincial legislation that addresses the protection of individuals' personal information (collectively, "**Privacy Laws**") applies to certain obligations and activities under this Indenture. Notwithstanding any other provision of this Indenture, neither party shall take or direct any action that would contravene, or cause the other to contravene, applicable Privacy Laws. The Issuer shall, prior to transferring or causing to be transferred personal information to the Trustee, obtain and retain required consents of the relevant individuals to the collection, use and disclosure of their personal information, or shall have determined that such consents either have previously been given upon which the parties can rely or are not required under the Privacy Laws. The Trustee shall use commercially reasonable efforts to ensure that its services hereunder comply with Privacy Laws. Specifically, the Trustee agrees: (a) to have a designated chief privacy officer; (b) to maintain policies and procedures to protect personal information and to receive and respond to any privacy complaint or inquiry; (c) to use personal information solely for the purposes of providing its services under or ancillary to this Indenture and to comply with applicable laws and not to use it for any other purpose except with the consent of or direction from the Issuer or the individual involved or as permitted by Privacy Laws; (d) not to sell or otherwise improperly disclose personal information to any third party; and (e) to employ administrative, physical and technological safeguards to reasonably secure and protect personal information against loss, theft, or unauthorized access, use or modification.

12.20 Force Majeure

The Trustee shall not be personally liable to the other, or held in breach of this Indenture, if prevented, hindered, or delayed in the performance or observance of any provision contained herein by reason of act of God, riots, terrorism, acts of war, epidemics, governmental action or judicial order, earthquakes, or any other similar causes (including, but not limited to, mechanical, electronic or communication interruptions, disruptions or failures). Performance times under this Indenture shall be extended for a period of time equivalent to the time lost because of any delay that is excusable under this Section.

ARTICLE 13
SUPPLEMENTAL INDENTURES

13.1 Supplemental Indentures

As may be required, from time to time the Trustee and, when authorized by a resolution of the Board of Directors, the Issuer, may, and they shall when required by this Indenture, execute, acknowledge and deliver by the proper officers deeds or indentures supplemental hereto which thereafter shall form part hereof, for any one or more of the following purposes:

(a) providing for the issuance of Additional Notes under this Indenture;

(b) adding to the covenants of the Issuer or the Note Guarantors herein contained for the protection of the Noteholders, or of the Notes of any series, or providing for events of default, in addition to those herein specified;

(c) 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 the Notes which do not affect the substance thereof and which in the opinion of the Trustee relying on an opinion of Counsel will not be prejudicial to the interests of the Noteholders;

(d) evidencing the succession, or successive successions, of others to the Issuer and the covenants of and obligations assumed by any such successor in accordance with the provisions of this Indenture (including Article 9);

(e) giving effect to any Extraordinary Resolution passed as provided in Article 10;

(f) securing the Notes, including if applicable to enter into or confirm such intercreditor, priority or security sharing arrangements or agreements as may be necessary or desirable, in the opinion of Counsel, in order to ensure that the Notes then outstanding are equally and rateably secured with, or secured in priority to, any Lien;

(g) curing any ambiguity, omission, defect or inconsistency, rectifying typographical, clerical or another manifest errors contained in this Indenture or any supplemental indenture thereto, or making any modification to this Indenture or any supplemental indenture if an opinion of Counsel states that such rectification or modification is of a formal, minor or technical nature and that are not materially prejudicial to the interests of the holders of Notes;

(h) modifying, amending or eliminating any of the terms of this Indenture, provided, that no such modification, amendment or elimination will be effective with respect to any Notes which are outstanding at the time of such modification, amendment or elimination;

(i) to provide for the assumption of the Issuer's or a Note Guarantor's obligations to the holders of the Notes in the case of a consolidation, merger, or sale of all or substantially all of the assets in accordance with Section 5.13;

(j) to release any Note Guarantor from any of its obligations under its Note Guarantee or this Indenture (to the extent permitted by this Indenture)

(k) to conform the text of this Indenture, the Note Guarantees, or the Notes to any provision of the Description of the Notes section of the Offering Memorandum to the extent that such provision of the Description of the Notes section of the Offering Memorandum was intended to be a verbatim recitation of a provision of this Indenture, the Note Guarantees, or the Notes, which intent may be evidenced by an Officers' Certificate to that effect;

(l) to allow any Note Guarantor to execute a supplemental indenture pursuant to which such Note Guarantor will provide a Note Guarantee; and

(m) for any other purpose not inconsistent with the terms of this Indenture.

Unless the supplemental indenture requires the consent or concurrence of Noteholders or the holders of a particular series of Notes, as the case may be, by Extraordinary Resolution, the consent or concurrence of Noteholders or the holders of a particular series of Notes, as the case may be, shall not be required in connection with the execution, acknowledgement or delivery of a supplemental indenture.

ARTICLE 14
GUARANTEE

14.1 Application

The provisions of this Guarantee shall apply to each Restricted Affiliate that is required to issue a Note Guarantee of the Notes and shall not apply in any other circumstance. A Restricted Affiliate that is required pursuant to Section 5.7 to issue a Note Guarantee in form and substance substantially similar to the Guarantee set forth in this Section 14.1 may elect to be bound by this Guarantee by executing an indenture supplemental hereto.

14.2 Guarantees

(a) Each Note Guarantor hereby, jointly and severally, fully, absolutely, unconditionally and irrevocably Guarantees, to each holder of a Note, and to the Trustee in its individual capacity and on behalf of each Noteholder, the punctual payment and performance when due of all Indenture Obligations which, for purposes of its Note Guarantee, shall also be deemed to include all commissions, fees, charges, costs and other expenses (including reasonable legal fees and disbursements of Counsel) arising out of or incurred by the Trustee or the Noteholders in connection with the enforcement of any Note Guarantee and agrees to indemnify and hold harmless each Noteholder and the Trustee from all losses, damages, costs, expenses and liabilities suffered or incurred by the Noteholders and the Trustee resulting or arising from or relating to any failure by the Issuer to unconditionally and irrevocably pay in full or fully perform the Indenture Obligations as and when due provided that the amount of such indemnification shall not exceed the amount of such Indenture Obligations as described in the preceding sentence. Without limiting the generality of the foregoing, each Note Guarantor's liability shall extend to all amounts that constitute part of the Indenture Obligations and would be owed by the Issuer to such Noteholder or the Trustee under the Notes or this Indenture but for the fact that they are unenforceable, reduced, limited, suspended or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving the Issuer.

(b) Each Note Guarantor and, by its acceptance hereof, each Noteholder hereby confirms that it is the intention of all such parties that the Guarantee by such Note Guarantor pursuant to its Note Guarantee not constitute a fraudulent transfer or conveyance for purposes of any of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or any other Canadian federal or provincial law relating to the relief of debtors, the *Fraudulent Conveyances Act* (Ontario) or other Canadian or United States federal, provincial or state law or the provisions of its local law relating to fraudulent transfer or conveyance. To effectuate the foregoing intention, the Noteholders and each Note Guarantor hereby irrevocably agree that the obligations of such Note Guarantor under its Note Guarantee shall be limited to the maximum amount as shall, after giving effect to all other contingent and fixed liabilities of such Note Guarantor and after giving effect to any collections from or payments made by or on behalf of any other Note Guarantor in respect of the obligations of such other Note Guarantor under its Note Guarantee or pursuant to paragraph (c) of this Section 14.2, result in the obligations of such Note Guarantor under its Note Guarantee not constituting a fraudulent conveyance or fraudulent transfer under any such federal, provincial or state law.

(c) In order to provide for just and equitable contribution among the Note Guarantors, the Note Guarantors agree, *inter se* and not for the purpose of limiting the full, absolute, unconditional and irrevocable nature of their Guarantee) that in the event any payment or distribution is made by any Note Guarantor (a "**Funding Guarantor**") under its Note Guarantee, such Funding Guarantor shall be entitled to a contribution from each other Note Guarantor (if any) in a pro rata amount based on the Adjusted Net Assets (as defined herein) of each Note Guarantor (including the Funding Guarantor) for all payments, damages and expenses incurred by the Funding Guarantor in discharging the Indenture Obligations of the Issuer or any other Note Guarantor's obligations with respect to its Note Guarantee. "**Adjusted Net Assets**" of such Note Guarantor at any date shall mean the lesser of:

(i) the amount by which the fair value of the property of such Note Guarantor exceeds the total amount of liabilities, including, without limitation, contingent liabilities (after giving effect to all other fixed and contingent liabilities incurred or assumed on such date), but excluding liabilities under the Note Guarantee of such Note Guarantor at such date; and

(ii) the amount by which the present fair saleable value of the assets of such Note Guarantor at such date exceeds the amount that shall be required to pay the probable liability of such Note Guarantor on its debts (after giving effect to all other fixed and contingent liabilities incurred or assumed on such date), excluding debt in respect of the Note Guarantee, as they become absolute and matured.

14.3 Guarantee Absolute

Each Note Guarantor Guarantees that the Notes shall be paid or performed strictly in accordance with the terms of the Notes and this Indenture, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of any Noteholder with respect thereto. The obligations of each Note Guarantor under its Note Guarantee are independent of the obligations of the Issuer under the Notes and this Indenture, and a separate action or actions may be brought and prosecuted against such Note Guarantor to enforce its Note Guarantee, irrespective of whether any action is brought against the Issuer or any other Note Guarantor or whether the Issuer or any other Note Guarantor is joined in any such action or actions. The liability of each Note Guarantor under its Note Guarantee shall be absolute and unconditional and the liability and obligations of such Note Guarantor hereunder shall not be released, discharged, mitigated, waived, impaired or affected in whole or in part by:

(a) any lack of validity or enforceability of this Indenture or the Notes with respect to the Issuer or any Note Guarantor or any agreement or instrument relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Indenture Obligations, or any other amendment or waiver of or any consent to departure from this Indenture, including any increase in the Indenture Obligations resulting from the extension of additional credit to the Issuer or otherwise;

(c) the failure to give notice to the Note Guarantor of the occurrence of a Default under the provisions of this Indenture or the Notes;

(d) any taking, release or amendment or waiver of or consent to departure from any other Guarantee, for all or any of the Indenture Obligations;

(e) any failure, omission, delay by or inability on the part of the Trustee or the Noteholders to assert or exercise any right, power or remedy conferred on the Trustee or the Noteholders in this Indenture or the Notes;

(f) any change in the corporate structure, or termination, dissolution, amalgamation, consolidation or merger of the Issuer or any Note Guarantor with or into any other Person, the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets of the Issuer or any Note Guarantor, the marshalling of the assets and liabilities of the Issuer or any Note Guarantor, the receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with the creditors, or readjustment of, or other similar proceedings affecting the Issuer or any Note Guarantor, or any of the assets of any of them;

(g) the assignment of any right, title or interest of the Trustee or any Noteholder in this Indenture or the Notes to any other Person; or

(h) any other event or circumstance (including any statute of limitations), whether foreseen or unforeseen and whether similar or dissimilar to any of the foregoing, that might otherwise constitute a defense available to, or a discharge of, the Issuer or a Note Guarantor, other than payment in full of the Indenture Obligations; it being the intent of each Note Guarantor that its obligations hereunder shall not be discharged except by payment of all amounts owing pursuant to this Indenture or the Notes.

The Note Guarantee of each Note Guarantor shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Indenture Obligations is rescinded or must otherwise be returned by any Noteholder or the Trustee upon the insolvency, bankruptcy or reorganization of the Issuer or otherwise, all as though such payment had not been made. Each Note Guarantor further agrees, to the fullest extent that it may lawfully do so, that, as between such Note Guarantor, on the one hand, and the Noteholders and the Trustee, on the other hand: (i) the maturity of the obligations Guaranteed hereby may be accelerated as provided in Article 6 of this Indenture for the purposes of this Note Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations Guaranteed hereby; and (ii) in the event of any acceleration of such obligations as provided in Article 6, such obligations (whether or not due and payable) shall forthwith become due and payable by the Note Guarantor for the purpose of this Note Guarantee.

14.4 Waivers

(a) Each Note Guarantor hereby expressly waives (to the extent permitted by applicable law) notice of the acceptance of its Note Guarantee and notice of the existence, renewal, extension or the non-performance, non-payment, or non-observance on the part of the Issuer of any of the terms, covenants, conditions and provisions of this Indenture or the Notes or any other notice whatsoever to or upon the Issuer or such Note Guarantor with respect to the Indenture Obligations. Each Note Guarantor hereby acknowledges communication to it of the terms of this Indenture and the Notes and all of the provisions herein contained and consents to and approves the same. Each Note Guarantor hereby expressly waives (to the extent permitted by law) diligence, presentment and protest.

(b) Without prejudice to any of the rights or recourse which the Trustee or the Noteholders may have against the Issuer, each Note Guarantor hereby expressly waives (to the extent permitted by law) any right to require the Trustee or the Noteholders to:

(1) initiate or exhaust any rights, remedies or recourse against the Issuer, any Note Guarantor or any other Person;

(2) value, realize upon, or dispose of any security of the Issuer or any other Person held by the Trustee or the Noteholders; or

(3) initiate or exhaust any other remedy which the Trustee or the Noteholders may have in law or equity,

before requiring, becoming entitled to or demanding payment from such Note Guarantor under this Note Guarantee.

14.5 Subrogation

Each Note Guarantor shall not exercise any rights that it may acquire by way of subrogation under this Note Guarantee, by any payment made hereunder or otherwise, until all the Indenture Obligations shall have been paid in full. If any amount shall be paid to any Note Guarantor on account of any such subrogation rights at any time when all the Indenture Obligations shall not have been paid in full, such amount shall be held in trust for the benefit of the Noteholders and the Trustee and shall forthwith be paid to the Trustee, on behalf of the Noteholders, to be credited and applied to the Indenture Obligations, whether matured or unmatured.

14.6 No Waiver; Remedies

No failure on the part of any Noteholder or the Trustee to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

14.7 Continuing Guarantee; No Right of Set-Off; Independent Obligation

(a) This Note Guarantee is a continuing Guarantee of the payment and performance of all Indenture Obligations and shall remain in full force and effect until the payment in full of all of the

Indenture Obligations and all other amounts payable under this Note Guarantee and shall apply to and secure any ultimate balance due or remaining unpaid to the Trustee or the Noteholders under this Indenture or the Notes; and this Note Guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or from time to time of any sum of money for the time being due or remaining unpaid to the Trustee or the Noteholders.

(b) Each Note Guarantor hereby Guarantees that the Indenture Obligations shall be paid to the Trustee without set off or counterclaim or other reduction whatsoever (except for applicable withholding taxes) in lawful currency of Canada.

(c) Each Note Guarantor Guarantees that the Indenture Obligations shall be paid strictly in accordance with their terms regardless of any lack of validity or enforceability of any of such terms or the rights of the Noteholders with respect thereto.

(d) Each Note Guarantor's liability to pay or perform or cause the performance of the Indenture Obligations under this Note Guarantee shall arise forthwith after demand for payment or performance by the Trustee has been given to such Note Guarantor in the manner prescribed in this Indenture.

14.8 Guarantors May Consolidate, Etc., on Certain Terms

Nothing contained in this Indenture or in any of the Notes shall prevent any amalgamation, consolidation or merger of a Note Guarantor with or into the Issuer or another Note Guarantor or shall prevent any sale or conveyance of the property of a Note Guarantor as an entirety or substantially as an entirety to the Issuer or another Note Guarantor, which amalgamation, consolidation, merger, sale or conveyance is otherwise in accordance with the terms of this Indenture.

14.9 Releases

(a) In the event of a conveyance, sale, assignment, transfer or other disposition of all of the Capital Stock of a Note Guarantor to any Person (by way of amalgamation, merger, consolidation or otherwise) or all or substantially all of the assets of a Note Guarantor to any Person (by way of amalgamation, merger, consolidation or otherwise), then such Note Guarantor (or Person acquiring such assets in the event of a sale or other disposition of all of the assets of such Note Guarantor) shall be deemed automatically and unconditionally released from and discharged from all of its obligations under this Article 14 and its Note Guarantee without any further action required on the part of the Trustee or any Noteholder; provided that such conveyance, sale, assignment, transfer or other disposition complies with Article 5 hereof.

(b) Any Note Guarantor that is designated by the Issuer as an Unrestricted Affiliate, or ceases to be an Affiliate of the Issuer in accordance with the terms of this Indenture may, at such time, at the option of the Issuer, be released and relieved of its obligations under its Note Guarantee.

(c) Concurrently with the defeasance of the Notes under Article 8, or the release and discharge of this Indenture under Article 7, the Note Guarantors shall be released from all their obligations under their Note Guarantees under this Article 14.

(d) The Issuer shall deliver to the Trustee an appropriate instrument evidencing such release accompanied by an Officers' Certificate certifying as to the compliance with the appropriate provision of this Section 14.9. Any Note Guarantor not so released shall remain liable for the full amount of principal of and interest on the Notes as provided in its Note Guarantee.

14.10 Severability

In case any provision of this Note Guarantee shall be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

14.11 Limitation of Liability of Trustees and Unitholders of Armtec Operating Trust and the Fund

In executing and delivering this Note Guarantee, any trustees (all such trustees from time to time of each of Armtec Operating Trust and the Fund, in their respective capacities as trustees, being the "**Guarantor Trustees**") of each of Armtec Operating Trust and the Fund (collectively, the "**Trust Guarantors**") shall act solely in their respective capacities as trustees of the applicable Trust Guarantor. The Guarantor Trustees and the holders (in their respective capacities as holders of such units, the "**Guarantor Unitholders**") from time to time of units of each of the Trust Guarantors shall not, as a consequence of being a Guarantor Trustee or a Guarantor Unitholder, be subject to any liability whatsoever, in tort, in contract or otherwise, with respect to any business, property, contract (including this Note Guarantee), undertaking or activity of the either Trust Guarantor or for any action taken or permitted by any Guarantor Trustee or any Guarantor Unitholder to be taken (provided that this Section does not relieve any Guarantor Trustee from any liability that such Guarantor Trustee would otherwise have as a result of any action or failure to act arising from the wilful misconduct, gross negligence or reckless disregard of a duty by such Guarantor Trustee). The Guarantor Trustees, in doing anything or permitting anything to be done in respect of the execution of the duties of such Guarantor Trustee's office or in respect of the business, properties, contracts (including this Note Guarantee), undertaking or activities of the applicable Trust Guarantor are, and shall be conclusively deemed to be, acting as trustees of the applicable Trust Guarantor and not in any other capacity. The Guarantor Unitholders, in doing anything or permitting anything to be done in respect of the business, properties, contracts (including this Note Guarantee), undertaking or activities of the applicable Trust Guarantor are, and shall be conclusively deemed to be, acting as holders of units of the applicable Trust Guarantor and not in any other capacity. No Guarantor Trustee or Guarantor Unitholder shall be subject to any liability for any debts, liabilities, obligations, claims, demands, judgments, costs, charges or expenses against or with respect to the applicable Trust Guarantor arising out of anything done or permitted by any Guarantor Trustee or any Guarantor Unitholder to be done or (except, in connection with liabilities of the Guarantor Trustees, to the extent provided in this Section) any Guarantor Trustee's failure to take any action in respect of the execution of the duties of its office or for or in respect of any business, property, contract (including this Note Guarantee), undertaking or activity of the applicable Trust Guarantor and resort will be had solely to the property of the applicable Trust Guarantor for the payment or performance thereof. No property or assets of any Guarantor Trustee or Guarantor Unitholder, whether owned beneficially in its personal capacity or otherwise, other than the property of the applicable Trust Guarantor will, as a consequence of such person being a Guarantor Trustee or a Guarantor Unitholder, be subject to levy, execution or other enforcement procedure with regard to any obligation or liability of either Trust Guarantor.

ARTICLE 15
EXECUTION AND FORMAL DATE

15.1 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.

15.2 Contracts of the Parent

The parties hereby acknowledge that the Issuer is entering into this Indenture and the Parent's Note Guarantee on behalf of the Parent, and the obligations of the Parent hereunder and thereunder shall not be personally binding upon the trustees of the Parent, any of the registered or beneficial unitholders of the Parent, any annuitant under a plan of which a unitholder of the Parent acts as trustee or carrier, the Issuer or any other Subsidiary of the Parent, or any of their respective trustees, directors, officers, employees, incorporators or unitholders, and resort shall not be had to, nor shall recourse or satisfaction be sought from, any of such persons or the private property of any such persons. Any recourse against the Parent or any of the aforementioned persons in any manner in respect of any indebtedness, obligation or liability of the Parent arising hereunder, under the Parent's Note Guarantee or arising in connection herewith, therewith or from the matters to which this Indenture or such Note Guarantee relates, if any, including, without limitation, claims based on negligence or otherwise tortious behaviour, shall be limited to, and satisfied only out of, the assets of the Parent.

15.3 Formal Date

For the purpose of convenience this Indenture may be referred to as bearing the formal date of September 22, 2010 irrespective of the actual date of execution hereof.

[The remainder of this page has been intentionally left blank – signature page to follow]

IN WITNESS WHEREOF the parties hereto have executed these presents under their respective corporate seals and the hands of their proper officers in that behalf.

ARMTEC HOLDINGS LIMITED

By: (signed) "*Charles M. Phillips*"
Name: Charles M. Phillips
Title: President and Chief Executive Officer

COMPUTERSHARE TRUST COMPANY OF CANADA

By: (signed) "*Daniel Marz*"
Daniel Marz
Corporate Trust Officer

By: (signed) "*Ann Samuel*"
Ann Samuel
Associate Trust Officer

The following parties have executed this Indenture in their capacities as Note Guarantors under this Indenture.

Armtec Infrastructure Income Fund, by its administrator Armtec Limited Partnership, by its general partner Armtec Holdings Limited	**Armtec Operating Trust, by its administrator Armtec Limited Partnership, by its general partner Armtec Holdings Limited**	**Armtec Exchangeable Partnership, by its general partner Armtec AEP GP Limited**
Armtec Infrastructure Inc.	**Armtec AEP GP Limited**	**Armtec Limited Partnership, by its general partner Armtec Holdings Limited**
Armtec Limited Partner Corp.	**Armtec US Limited, Inc.**	**Durisol Consulting Services Inc.**

Per: (signed) "*James R. Newell*"
Name: James R. Newell
Title:

SCHEDULE "A"

TO THE TRUST INDENTURE AMONG

ARMTEC HOLDINGS LIMITED, THE PARTIES THAT HAVE EXECUTED THE INDENTURE AS NOTE GUARANTORS AND

COMPUTERSHARE TRUST COMPANY OF CANADA

FORM OF SERIES A NOTE

FORM OF GLOBAL NOTE

This Note is a Global Note within the meaning of the Indenture herein referred to and is registered in the name of a Depository or a nominee thereof. This Note may not be transferred to or exchanged for Notes registered in the name of any person other than the Depository or a nominee thereof and no such transfer may be registered except in the limited circumstances described in the Indenture. Every Note authenticated and delivered upon registration of, transfer of, or in exchange for, or in lieu of, this Note shall be a Global Note subject to the foregoing, except in such limited circumstances described in the Indenture.

Unless this certificate is presented by an authorized representative of CDS Clearing and Depository Services Inc. ("CDS") to Armtec Holdings Limited its successor 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 a property interest in the securities represented by this certificate herein and it is a violation of its rights for another person to hold, transfer or deal with this certificate.

Unless permitted under securities legislation, the holder of this security must not trade the security before the date that is 4 months and a day after the later of (i) September 22, 2010, and (ii) the date the issuer became a reporting issuer in any province or territory.

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), OR UNDER ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY TAKING POSSESSION OF SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE ISSUER THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE ISSUER, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT, IF AVAILABLE, (C) INSIDE THE UNITED STATES IN ACCORDANCE WITH (1) RULE 144A UNDER THE 1933 ACT, OR (2) RULE 144 UNDER THE 1933 ACT, IF AVAILABLE, OR (3) ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT OR (D) UNDER AN EFFECTIVE REGISTRATION STATEMENT UNDER THE 1933 ACT, AND IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS OR SECURITIES LAWS OF ANY OTHER APPLICABLE JURISDICTION AND IN THE CASE OF (C)(2) OR (C)(3) PROVIDED IT HAS FURNISHED TO THE ISSUER AND COMPUTERSHARE TRUST COMPANY OF CANADA AN OPINION OF COUNSEL OF RECOGNIZED STANDING REASONABLY SATISFACTORY TO THE ISSUER TO SUCH EFFECT. A NEW CERTIFICATE BEARING NO LEGEND, DELIVERY OF WHICH WILL CONSTITUTE "GOOD DELIVERY", MAY BE OBTAINED FROM COMPUTERSHARE TRUST COMPANY OF CANADA AT ANY TIME THAT THE ISSUER IS A "FOREIGN ISSUER" AS DEFINED IN THE 1933 ACT UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO COMPUTERSHARE TRUST COMPANY OF CANADA AND THE ISSUER, TO THE EFFECT THAT THE SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT.

CUSIP <>

ISIN CA <>

No. <> $150,000,000

ARMTEC HOLDINGS LIMITED

(A corporation continued under the laws of Ontario)

8.875% SENIOR UNSECURED GUARANTEED NOTES

DUE SEPTEMBER 22, 2017

ARMTEC HOLDINGS LIMITED (the "**Issuer**") for value received hereby acknowledges itself indebted and, subject to the provisions of the trust indenture (the "**Indenture**") dated as of September 22, 2010 among, *inter alia*, the Issuer and Computershare Trust Company of Canada (the "**Trustee**"), promises to pay to the registered holder hereof on September 22, 2017 (the "**Maturity Date**") or on such earlier date as the principal amount hereof may become due in accordance with the provisions of the Indenture the principal sum of One Hundred and Fifty Million Dollars ($150,000,000) in lawful money of Canada on presentation and surrender of this Series A Note at the main branch of the Trustee in Toronto, Ontario in accordance with the terms of the Indenture and, subject as hereinafter provided, to pay interest on the principal amount hereof from the date hereof, or from the last Interest Payment Date to which interest shall have been paid or made available for payment hereon, whichever is later, at the rate of 8.875% per annum (based on a year of 365 days (or 366 days in the case of a leap year)), in like money, in arrears in equal semi-annual instalments (less any tax required to be deducted) on March 22 and September 22 in each year commencing on March 22, 2011 and the last payment (representing interest payable from the last Interest Payment Date to, but excluding, the Maturity Date) to fall due on the Maturity Date and, should the Issuer at any time make default in the payment of any principal, premium (if any) or interest, to pay interest on the amount in default at the same rate, in like money and on the same dates. For certainty, the first interest payment will include interest accrued from September 22, 2010 to, but excluding March 22, 2011, which will be equal to $44.375 for each $1,000 principal amount of the Series A Notes.

Interest hereon shall be payable by electronic transfer of funds to the registered holder hereof and, subject to the provisions of the Indenture, the sending of such electronic transfer of funds shall, to the extent of the sum represented thereby (plus the amount of any tax withheld), satisfy and discharge all liability for interest on this Series A Note.

This Series A Note is one of the 8.875% Senior Unsecured Guaranteed Notes due September 22, 2017, (referred to herein as the "**Series A Notes**") of the Issuer issued or issuable under the provisions of the Indenture. The Series A Notes authorized for issue immediately are limited to an aggregate principal amount of $150,000,000 in lawful money of Canada. Reference is hereby expressly made to the Indenture for a description of the terms and conditions upon which the Series A Notes are or are to be issued and held and the rights and remedies of the holders of the Series A Notes and of the Issuer and of the Trustee, all to the same effect as if the provisions of the Indenture were herein set forth to all of which provisions the holder of this Series A Note by acceptance hereof assents.

The Series A Notes are issuable only in denominations of $1,000 and integral multiples thereof. Upon compliance with the provisions of the Indenture, Series A Notes of any denomination may be exchanged for an equal aggregate principal amount of Series A Notes in any other authorized denomination or denominations.

This Series A Note may be redeemed at the option of the Issuer on the terms and conditions set out in the Indenture at the redemption price therein. At any time prior to September 22, 2013, upon not less than 30 nor more than 60 days notice, the Issuer may on any one or more occasions redeem up to an aggregate of 35% of the aggregate principal amount of Series A Notes at a redemption price of 108.875% of the principal amount of each Series A Note to be redeemed, plus accrued and unpaid interest, if any, to the redemption date, with the net proceeds received by the Issuer from one or more public equity offerings of Capital Stock of Parent after the Issue Date. The Issuer may only do this, however, if: (a) at least 65% of the aggregate principal amount of Series A Notes of the Issuer initially issued would remain outstanding immediately after the proposed redemption; and (b) the redemption occurs within 90 days after the closing of the equity offering. At any time and from time to time prior to September 22, 2013, in addition to the redemption right above, the Issuer may redeem all or part of the Series A Notes, upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount thereof, plus the Applicable Redemption Premium and accrued and unpaid interest to the redemption date. At any time and from time to time on or after September 22, 2013, and prior to Stated Maturity of the Series A Notes, the Issuer may redeem all or part of the Series A Notes upon not less than 30 nor more than 60 days' prior notice. These redemptions will be in amounts of $1,000 or integral multiples thereof at the following redemption prices (expressed as percentages of the principal amount at Stated Maturity), plus accrued and unpaid interest, if any, to the redemption date, if redeemed during the 12-month period commencing September 22 of the years set forth below. This redemption is subject to the right of holders of record on the relevant regular record date that is prior to the redemption date to receive interest due on an interest payment date.

Year	**Redemption Price**
2013	**104.438%**
2014	**102.958%**
2015	**101.479%**
2016	**100.000%**

Upon the occurrence of a Change of Control of the Issuer, the Issuer is required to make an offer to purchase all of the Series A Notes at a price equal to 101% of the principal amount of such Series A Notes plus accrued and unpaid interest up to, but excluding, the date the Series A Notes are so repurchased (the "**Change of Control Purchase Offer**").

The indebtedness evidenced by this Series A Note, and by all other Series A Notes now or hereafter certified and delivered under the Indenture, is a direct senior unsecured obligation of the Issuer. This Series A Note, and all other Notes now or hereafter certified under the Indenture, will have the benefit of certain Note Guarantees provided by those Affiliates of the Issuer who become and remain Note Guarantors, all in accordance with and subject to the provisions of the Indenture.

The Indenture contains provisions making binding upon all holders of Notes outstanding thereunder (or in certain circumstances specific series of Notes) resolutions passed at meetings of such holders held in accordance with such provisions and instruments signed by the holders of a specified majority of Notes outstanding (or specific series), which resolutions or instruments may have the effect of amending the terms of this Series A Note or the Indenture.

The Indenture contains provisions disclaiming any personal liability on the part of shareholders, unitholders, officers, trustees, directors and employees of the Issuer or any Subsidiary of the Issuer in respect of any obligation or claim arising out of the Indenture or this Note.

This Series A Note may only be transferred, upon compliance with Applicable Securities Legislation and the conditions prescribed in the Indenture, in the register to be kept at the principal office of the Trustee in the City of Toronto and in such other place or places and/or by such other registrars (if any) as the Issuer with the approval of the Trustee may designate. No transfer of this Series A Note shall be valid unless made on the register by the registered holder hereof or his executors or administrators or other legal representatives, or his or their attorney duly appointed by an instrument in form and substance satisfactory to the Trustee or other registrar, and upon compliance with such reasonable requirements as the Trustee and/or other registrar may prescribe and upon surrender of this Series A Note for cancellation. Thereupon a new Series A Note or Series A Notes in the same aggregate principal amount shall be issued to the transferee in exchange hereof.

This Series A Note shall not become obligatory for any purpose until it shall have been certified by the Trustee under the Indenture.

This Series A Note and the Indenture are governed by, and are to be construed and enforced in accordance with, the laws of the Province of Ontario.

Capitalized words or expressions used in this Series A Note shall, unless otherwise defined herein, have the meaning ascribed thereto in the Indenture.

IN WITNESS WHEREOF ARMTEC HOLDINGS INC. has caused this Note to be signed by its authorized representatives as of the 22nd day of September, 2010.

ARMTEC HOLDINGS LIMITED

By: ___________________________________
Name:
Title:

(FORM OF TRUSTEE'S CERTIFICATE)

This Series A Note is one of the 8.875% Senior Unsecured Guaranteed Notes due September 22, 2017 referred to in the Indenture within mentioned.

COMPUTERSHARE TRUST COMPANY OF CANADA

By: ___________________________________
(Authorized Officer)

(FORM OF REGISTRATION PANEL)

(No writing hereon except by Trustee or other registrar)

Date of Registration	In Whose Name Registered	Signature of Trustee or Registrar

EXHIBIT "1"

TO CDS GLOBAL NOTE

ARMTEC HOLDINGS LIMITED

8.875% SENIOR UNSECURED GUARANTEED NOTES

DUE SEPTEMBER 22, 2017

Initial Principal Amount: $150,000,000 **CUSIP <>**

ISIN CA <>

Authorization:____________________________

ADJUSTMENTS

Date	**Amount of Increase**	**Amount of Decrease**	**New Principal Amount**	**Authorization**

SCHEDULE "B"

TO THE TRUST INDENTURE AMONG

ARMTEC HOLDINGS LIMITED, THE PARTIES THAT HAVE EXECUTED THE TRUST INDENTURE AS NOTE GUARANTORS AND

COMPUTERSHARE TRUST COMPANY OF CANADA

FORM OF REDEMPTION NOTICE

SCHEDULE "B"

Form of Redemption Notice

ARMTEC HOLDINGS LIMITED

8.875% SENIOR UNSECURED GUARANTEED NOTES

REDEMPTION NOTICE

To: Holders of 8.875% Senior Unsecured Guaranteed Notes due September 22, 2017 (the "**Notes**") of Armtec Holdings Limited (the "**Issuer**")

Note: All capitalized terms used herein have the meaning ascribed thereto in the Indenture mentioned below, unless otherwise indicated.

[Notice is hereby given pursuant to Section 4.3 of the trust indenture (the "Indenture") dated as of September 22, 2010 among the Issuer and Computershare Trust Company of Canada (the "Trustee"), that the aggregate principal amount of $<> of the $<> of Notes outstanding will be redeemed as of <> (the "Redemption Date"), upon payment of a redemption amount of $<> for each $1,000 principal amount of Notes, being equal to the aggregate of (i) $<> (the "Redemption Price"), and (ii) all accrued and unpaid interest hereon to but excluding the Redemption Date (collectively, the "Total Redemption Price").]

The Total Redemption Price will be payable upon presentation and surrender of the Notes called for redemption at the following corporate trust office:

Computershare Trust Company of Canada
100 University Ave., 9th Floor, North Tower
Toronto, Ontario M5J 2Y1, Canada
Attention: Manager, Corporate Trust

Subject to the terms and conditions described in the Indenture, the interest upon the principal amount of Notes called for redemption shall cease to be payable from and after the Redemption Date, unless payment of the Total Redemption Price shall not be made on presentation for surrender of such Notes at the above-mentioned corporate trust office on or after the Redemption Date or prior to the setting aside of the Total Redemption Price pursuant to the Indenture.

DATED:

ARMTEC HOLDINGS LIMITED

____

(Authorized Director or Officer of
Armtec Holdings Limited)