

CHORUS AVIATION INC.

LONG-TERM INCENTIVE PLAN

EFFECTIVE JANUARY 5, 2011 AND AMENDED AND RESTATED AS OF AUGUST 10, 2016

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1. Purpose

The purpose of the Plan is to provide eligible participants with incentive compensation that will enhance the Participating Entity's ability to attract, retain and motivate key personnel and reward officers, key employees and other named individuals for performance that results in the Participating Entity meeting its specified performance targets.

2. Definitions

As used in this Plan, the following terms have the following meanings:

- (a) **"additional RSU"** means a bookkeeping entry equivalent in value to a Share credited to a Member's Account on account of a dividend paid by the Corporation on a Share, subject to the terms and conditions of this Plan.
- (b) **"Award"** means any Option or RSU granted under the Plan.
- (c) **"Board"** means the Board of Directors of the Corporation or any authorized committee thereof, including the human resources and compensation committee, designated by the Board of Directors of the Corporation for the purposes of administering the Plan, in each case, as the same may be constituted from time to time.
- (d) **"Business Day"** means a day on which there is trading on the TSX.
- (e) **"Cause"** means: (i) the Member's continued failure to substantially perform the duties of his/her position (other than as a result of total or partial incapacity due to physical or mental illness) after notice and opportunity to cure, (ii) any wilful act or omission by the Member constituting dishonesty, fraud or other malfeasance, and any act or omission by the Member constituting immoral conduct, which in any such case is demonstrably injurious to the financial condition or business reputation of the Participating Entity or any of its affiliated entities, or (iii) the Member's conviction on an indictable offence under the laws of Canada or any province or territory thereof or a Member's indictment of a felony under the laws of the United States or any territory or state thereof or any other jurisdiction in which the Participating Entity or an affiliated entity conducts business.
- (f) **"Change of Control"** means, with respect to Awards granted after February 18, 2016 (i) the issuance to or acquisition by any person, or group of persons acting jointly or in concert of more than 50% of the outstanding Shares or equity securities of the Corporation; or (ii) individuals who comprise the Board as of the last annual meeting of shareholders of the Corporation (the "incumbent board") for any reason cease to constitute at least a majority of the members of the Board, provided that any new director whose election or nomination for election was approved by a vote of at least a majority of the incumbent board shall be deemed to be a member of the incumbent board; or (iii) the sale of all or substantially all of the assets of the Corporation; or (iv) a wind-up or liquidation of the assets of the Corporation; or (v) a merger or amalgamation of the Corporation into another person.
- (g) **"Corporation"** means Chorus Aviation Inc., a corporation existing under the laws of Canada, or a successor.
- (h) **"Direction"** means a direction given by a Member to the Trustee in accordance with the procedures established by the Trustee for the purposes of the Plan.
- (i) **"Delivery Date"** means the date, as determined by the Corporation, upon which the cash or Shares issuable upon vesting of a RSU, as applicable, are delivered to a Member.
- (j) **"Exercise Notice"** means a notice in writing (substantially in the form attached to any award agreement) signed by a Member holding an Option and stating the Member's intention to exercise a particular Option.
- (k) **"Exercise Price"** means the price at which a Share may be purchased pursuant to the exercise of an Option.

- (l) “**Exercise Period**” means the period of time during which an Option granted under the Plan may be exercised (provided, however, that the Exercise Period may not exceed ten (10) years from the relevant grant date).
- (m) “**Fair Market Value**” of a Share as of any date means the closing price on the TSX on such date (or if the Shares did not trade on the TSX on such date, the average of the bid and ask prices of the Shares at the close of trading on such date).
- (n) “**Incentive Amount**” means the Member’s annual award as determined pursuant to Section 6, or as otherwise determined by the Board, on an annual basis, expressed as a fixed amount, as a fraction or multiple of a Member’s remuneration or as a number of RSUs.
- (o) “**Insider**” means an “insider”, within the meaning of the TSX Company Manual, as amended.
- (p) “**Involuntary Event**” has the meaning set out in Section 12.2.
- (q) “**Long-Term Disability**” means, in relation to a Member, being unable to engage in the activities required by such Member’s job with a Participating Entity and entitlement by such Member to benefits under a long-term disability program recognized by such Participating Entity.
- (r) “**Member**” means the President and CEO of the Corporation, all senior vice presidents, vice presidents and other officers of the Corporation or a named individual, employee or officer of a Participating Entity selected by the Board to participate in the Plan.
- (s) “**Member’s Account**” means a RSU account maintained for each Member’s participation in the Plan.
- (t) “**Option**” means a right to purchase Shares under the Plan.
- (u) “**Participating Entity**” means the Corporation, Jazz Aviation LP or any other entity designated by the Board from time to time as a participating entity for the purposes of the Plan.
- (v) “**Performance Cycle**” means, with respect to any given grant of RSUs, a period of three (3) to five (5) years, as specified in the award agreement relating to the grant of RSUs, starting on January 1 of the year during which such grant is made to a Member.
- (w) “**Performance Vesting Condition**” means, for any given grant of RSUs, that such financial, business, personal or other performance criteria as specified in the award agreement relating to the grant of RSUs, whether measured either in total, incrementally or cumulatively over all or a specified portion of the Performance Cycle on an absolute basis or relative to a pre-established target, have been met.
- (x) “**Plan**” means this Long-Term Incentive Plan, as may be amended from time to time.
- (y) “**Restricted Share Unit**” or “**RSU**” means a bookkeeping entry equivalent in value to a Share credited to a Member’s Account subject to the terms and conditions of this Plan, and includes any additional RSU.
- (z) “**Retirement**” or “**Retire**”, in respect of a particular Member, means his/her retirement, at the normal or early applicable retirement age, as set forth in the pension plan applicable to the Member or as determined by the Board in its sole discretion.
- (aa) “**Share(s)**” means the common shares of the Corporation (including the Class A variable voting shares and the Class B voting shares in the capital of the Corporation) listed and traded on the TSX, or common shares or such other equity securities of a successor to the Corporation as may be determined by the Board in its discretion in the event of a transaction referred to in Section 15.

- (bb) “**Specified Job Transfer**” in respect of a Member means the cessation of the office held by such individual that entitled such individual to be a Member in circumstances where it is contemplated that the individual will initially be employed or continue to be employed with a Participating Entity in any capacity.
- (cc) “**Termination**” in respect of a Member means the cessation of the office or employment of said Member with a Participating Entity for any reason other than the transfer of the Member to the employment of another Participating Entity or a Specified Job Transfer.
- (dd) “**Time Vesting Condition**” means, for any given grant of RSUs, the Member has been, during the Performance Cycle with respect to such grant, and continues to be at the end of said Performance Cycle, employed by a Participating Entity.
- (ee) “**Trust Fund**” means assets of the Plan that may be held by the Trustee as provided for in Section 9.
- (ff) “**Trustee**” means the entity that may, from time to time, be appointed by the Board as trustee to administer the Trust Fund or as administrator or in such other capacity to assist the Board in administering the Plan.
- (gg) “**TSX**” means the Toronto Stock Exchange.
- (hh) “**Vesting Condition**” means, for any given grant of RSUs, the Time Vesting Condition and, to the extent applicable, the Performance Vesting Condition.
- (ii) “**Voluntary Event**” has the meaning set out in Section 12.1.

3. Effective Date

The Plan shall, subject to the obtaining of all required regulatory approvals, be effective as of January 5, 2011.

4. Participation in the Plan and Plan Limits; Determination of Incentive Amount

All Members are eligible to participate in the Plan, subject to the termination provisions set out in Section 12. Eligibility to participate does not confer upon any Member the right to receive any grant of Awards pursuant to the Plan. The extent to which any Member is entitled to receive a grant of Awards pursuant to the Plan will be determined in the sole discretion of the Board; provided, however, that the following restrictions shall also apply to the Plan:

- (a) the total number of Shares issued by the Corporation from treasury to Insiders within any one year period pursuant to the Plan, together with the Shares issued by the Corporation from treasury to Insiders during such one year period under all of the Corporation’s other treasury share based compensation arrangements, shall not exceed 10% of the Corporation’s total issued and outstanding Shares; and
- (b) the total number of Shares issuable by the Corporation from treasury to Insiders under the Plan, at any time, together with the Shares issuable by the Corporation from treasury to Insiders under all of the Corporation’s other treasury share based compensation arrangements, shall not exceed 10% of the Corporation’s total issued and outstanding Shares.

The Board will determine, on an annual basis, the extent of a Member’s participation in the Plan by determining each Member’s Incentive Amount. In making such determination, the Board shall consider the timing of crediting of RSUs to the Member’s Account or the granting of Options, and the vesting requirements applicable to such Awards to ensure that the crediting of the RSUs to the Member’s Account or the granting of Options, and the vesting requirements are not considered a “salary deferral arrangement” for purposes of the *Income Tax Act* (Canada) and any applicable provincial legislation.

The aggregate number of Shares that may be issued by the Corporation from treasury for all purposes pursuant to the Plan must not exceed 11,000,915 Shares, less the 398,355 Shares issued upon vesting of restricted units granted under the Jazz Air Income Fund long term incentive plan, together with the additional restricted units credited on account of dividends paid on Shares. No grant of Awards may be made under the Plan if such grant would result in the issuance of Shares by the Corporation from treasury in excess of such limit. For greater certainty, there shall be no limit on the number of Shares that may be purchased on the secondary market for the purposes of the Plan. For greater certainty, Shares delivered upon the exercise of an Option shall only be issued by the Corporation from treasury.

To the extent Awards terminate, are forfeited or are cancelled for any reason prior to their vesting in full, the Shares subject to such Awards shall be added back to the number of Shares reserved for issuance under the Plan and such Shares will again become available for grants of Awards under the Plan.

5. Grant of Options

- 5.1 **Grant of Options** – Subject to the provisions of the Plan and such other terms and conditions, including performance vesting conditions, as the Board may prescribe, the Board may, from time to time, grant Options to any Member. The Board shall have the sole discretion to determine the number of Options to be granted to any Member.
- 5.2 **Exercise Price** – The Exercise Price will be as determined by the Board but in any event will be no less than the Fair Market Value of Shares on the grant date.
- 5.3 **Term of Options** – Subject to any accelerated termination as permitted by the Board or as otherwise set forth in the Plan, each Option unless otherwise specified by the Board, expires on the tenth (10th) anniversary of the grant date.
- 5.4 **Award Agreements** – Grants of Options under the Plan may, in the discretion of the Board, be evidenced by award agreements, which will be subject to the applicable provisions of the Plan and will contain the Exercise Price and the Exercise Term, together with such other provisions as are required by the Plan and any other provisions, including any performance vesting conditions, that the Board may direct. Any one officer or director of the Corporation is authorized and empowered to execute and deliver any such award agreement to each Member granted Options pursuant to the Plan.
- 5.5 **Exercise of Options** – Unless otherwise specified by the Board at the time of granting an Option and except as otherwise provided in the Plan, each Option shall be subject to, and shall become exercisable upon the date or dates specified in the award agreements and satisfaction of performance or other vesting conditions, to the extent any such performance or other vesting conditions are specified in the award agreement relating to such Options. Once an Option vests and becomes exercisable, it shall remain exercisable until expiration or termination of the Option, unless otherwise specified by the Board in connection with the grant of such Option or otherwise specified herein. Each Option may be exercised at any time or from time to time, in whole or in part, for up to the total number of Shares with respect to which it is then exercisable.

For Options subject to a performance vesting condition if, as a result of a failure to meet the performance vesting condition, some or all of the Options granted to a Member have not vested and are not exercisable by the date of such determination, such unvested Options shall expire and shall be cancelled.

The Board has the right to accelerate the date on upon which any Option becomes exercisable.

Subject to the provisions of the Plan and any award agreement, Options shall be exercised by means of a fully completed Exercise Notice delivered to the Corporation.

- 5.6 **Payment of Exercise Price** – The Exercise Notice must be accompanied by payment in full of the Exercise Price in respect of the Shares to be purchased. The Exercise Price must be fully paid by cash, certified cheque, bank draft or money order payable to the Corporation. No Shares will be issued until full payment therefor has been received by the Corporation. As soon as practicable after receipt of any Exercise Notice and payment of the Exercise Price, the Corporation will issue the acquired Shares from treasury and Corporation shall deliver to the Member or, if applicable, to the Member’s estate, a certificate(s) representing the acquired Shares. If all of the issued and outstanding Shares are represented by a global share certificate, Members will not receive certificates for Shares in definitive form and the Shares will be delivered in uncertificated form.
- 5.7 **No Fractions or Dividends** – No fractional Shares will be issued on the exercise of an Option. Any fractional Share will be rounded down to the next whole Share. No cash payment or other adjustment will be made with respect to the fractional Shares which shall be disregarded. No adjustments will be made to the number of Options granted to a Member on account of dividends.

6. Grant of RSUs

Subject to the provisions of the Plan and such other terms and conditions, including Performance Vesting Conditions, as the Board may prescribe, the Board may, from time to time, grant RSUs (on the basis of one RSU for one Share) based on the Incentive Amounts to any Member for services rendered or to be rendered by the Member. RSUs granted to a Member shall be credited, as of the grant date, to the Member’s Account. The number of RSUs to be credited to each Member’s Account shall be determined by the Board in its sole discretion in accordance with the Plan and having regard to the Fair Market Value of Shares on the grant date. The Board shall have the sole discretion to determine the applicable Incentive Amounts.

Notwithstanding the foregoing, if the Board determines, in its sole discretion, that a Member’s personal performance in any given year is unsatisfactory, the Board may elect not to make a grant to such Member on the next grant date.

Each Member will, when requested by the Corporation, sign and deliver all such documents relating to the granting of RSUs which the Corporation deems necessary or desirable.

Grants of RSUs under the Plan may, in the discretion of the Board, be evidenced by award agreements, which will be subject to the applicable provisions of the Plan and will contain such provisions as are required by the Plan and any other provisions, including Performance Vesting Conditions, that the Board may direct. Any one officer or director of the Corporation is authorized and empowered to execute and deliver any such award agreement to each Member granted RSUs pursuant to the Plan.

7. Optional Purchase of Shares on Secondary Market with respect to RSUs grants

The Corporation may, from time to time, deliver to the Trustee such amounts equal to the dollar value of all or any portion of the Incentive Amounts of Members with respect to grants of RSUs for a Performance Cycle of not greater than three (3) years, in which case on the instructions of the Corporation, the Trustee shall use such funds to purchase Shares on the secondary market.

Any Shares purchased by the Trustee on the secondary market with respect to any applicable grant of RSUs will be kept in the Trust Fund by the Trustee until such time(s) as the Vesting Condition for the related RSUs is met following which, and subject to the conditions of this Plan, such Shares will vest to the Members on the basis of one Share for each vested RSU held by the Members. For greater certainty, no Shares purchased on the secondary market may be (i) delivered to Members upon the vesting of RSUs with a Performance Cycle of greater than three (3) years; or (ii) used to settle the exercise of Options.

8. Vesting of RSUs and Distribution of Shares

A grant of RSUs to be credited to a Member’s Account shall be subject to a Time Vesting Condition and may, to the extent so specified in the award agreement relating to such RSUs, be subject to a Performance Vesting Condition. The

amendments made to the predecessor to the Plan on February 9, 2010 shall not affect any RSUs which are outstanding on such date except that one-third (1/3) of the RSUs credited to a Member's Account with respect to the Performance Cycle ending on December 31, 2010 and one-third (1/3) of the RSUs credited to a Member's Account with respect to the Performance Cycle ending on December 31, 2011, as applicable, are amended to remove any Performance Vesting Condition otherwise applicable to such RSUs, with the result that one-third (1/3) of the RSUs of a Member for each such Performance Cycle shall be subject solely to the Time Vesting Condition while the remainder shall continue to be subject both to the Time Vesting Condition and their existing Performance Vesting Condition.

RSUs subject solely to a Time Vesting Condition shall vest on the date the Time Vesting Condition has been met.

For RSUs subject to a Performance Vesting Condition, the Board shall determine whether, and to what extent, the Performance Vesting Condition has been met by no later than March 1 of the year following the termination of the Performance Cycle. If, as a result of a failure to meet a Performance Vesting Condition, some or all of the RSUs credited to the Member's Account with respect to such Performance Cycle have not vested by the date of such determination, such unvested RSUs shall be forfeited and cancelled without payment and shall be of no further force or effect from and after such date.

If it is not possible to credit a Member with additional RSUs pursuant to Section 9.3 because (i) after taking into account all then outstanding grants of RSUs there is an insufficient number of Shares reserved for issuance under the Plan to provide for such additional RSUs or (ii) crediting the Member with the additional RSUs would breach Section 4, then such Member instead will be paid the cash equivalent of any such distributions (less any applicable withholding taxes) by the Corporation as soon as practicable after the relevant distribution payment date.

9. Trust Fund for Secondary Market Purchases; additional RSUs; Allocation to Members

- 9.1 **Trust Fund** – Any Shares purchased by the Trustee on the secondary market and held by the Trustee pending the vesting of the RSUs shall constitute the assets of the Trust Fund and, except as otherwise set forth herein, shall be held, invested, managed, administered and dealt with by the Trustee pursuant to the terms of the Plan.
- 9.2 **Allocation to Members** – The Trustee shall credit to the account of a Member the RSUs allocated to said Member.
- 9.3 **Dividends** – Neither the participation in the Plan nor any action under the Plan entitles a Member to receive dividends or other distributions with respect to the Shares corresponding to the RSUs credited to such Member's Account prior to their vesting. A Member's Account shall be credited with additional RSUs as of each dividend payment date in respect of which normal cash dividends are paid on Shares. Such additional RSUs shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid by the Corporation per Share by the number of RSUs recorded in the Member's Account on the record date for the payment of such dividend, by (b) the five day volume weighted average price or "VWAP" of the Shares for the period including and ending on the third trading day prior to the record date for the payment of such dividend. This Section 9.3 shall not obligate the Corporation to pay any dividend or other distribution on Shares, and nothing in the Plan shall be interpreted as creating such an obligation.

In the event of secondary market purchases of Shares, all dividends received on Shares held by the Trustee in the Trust Fund with respect to RSUs shall be returned to the Corporation who, at its entire discretion, may keep the dividends or use the dividends to fund additional contributions to the Plan in an amount equal to such dividends. Such additional contributions shall be used by the Trustee to purchase additional Shares which will vest to the benefit of the Members on the same basis as the Shares on which the cash dividends were made.

- 9.4 **Forfeiture of Shares** – Subject to Section 12, in the event that a Member's membership in the Plan is terminated, such Member will automatically and without any further acts on his/her part be deemed to have forfeited his/her entitlement to any and all Shares, including any and all Shares purchased by the

Trustee on the secondary market on account of the RSUs credited to such Member's Account (the "Forfeited Shares"). Any issued Forfeited Shares shall be retained by the Trustee for further allocation to Members in accordance with the Plan or sold by the Trustee with the proceeds reverting to the Corporation.

10. Delivery of Shares upon vesting of RSUs

As soon as practicable after the Board's determination that the Vesting Condition has been met for any given RSU grant, the Corporation shall, to the extent delivery of Shares is not to be satisfied in accordance with the immediately following paragraph, issue from treasury to the Member or, if applicable, to the Member's estate, a number of Shares equal to the number of whole RSUs credited to the Member's Account that became payable on the related vesting date, and the Trustee shall credit to the account of such Member such number of Shares. As of the vesting date, the RSUs in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Member under the Plan in relation to such RSUs.

Any Shares purchased in the secondary market held in the Trust Fund by the Trustee in trust on behalf of a Member in respect of an applicable RSU grant shall be delivered and the Trustee shall withdraw from the Trust Fund the Shares related to vested RSUs and shall credit to the account of such Member a number of Shares equal to the number of vested RSUs to which such Member is entitled.

Members will be liable for income tax on the value of the Shares credited to their respective accounts on account of the vested RSUs.

11. Withdrawals and Settlement

- 11.1 **Withdrawal Upon Vesting** – Within thirty (30) days following the delivery of Shares in the manner referred to in Section 10, a Member shall withdraw from the Plan all of his/her Shares payable in either Shares, cash in accordance with Section 11.2 or a combination of both, at his/her option, according to the terms and conditions set forth hereunder. For greater certainty, the Shares related to the unvested RSUs may not be withdrawn by a Member from the Trust Fund or the Member's Account prior to the vesting date of the RSUs.
- 11.2 **Withdrawal in Shares or Cash; Option of the Member** – Upon the delivery of Shares in the manner referred to in Section 10 for RSUs with a Performance Cycle of not greater than three (3) years, the Trustee shall seek Directions from each Member entitled to such Shares as to whether the withdrawal is to be made in Shares or cash, or a combination of both. If a Member fails to provide instructions to the Trustee as to whether the payment is to be made in Shares or cash, or a combination of both, withdrawal shall be made entirely in Shares; provided, however, that the Trustee will not be obligated to effect withdrawal in Shares unless the Member has provided details of the account to which the Shares shall be transferred by the Trustee, which details shall be adequate in order to allow the Trustee to arrange for such transfer. In the case where withdrawal is to be made entirely or partly in cash, the Trustee shall sell such number of Shares as may be necessary to effect payment of the net proceeds in cash as instructed by the Member.
- 11.3 **Withdrawal in Shares** – As soon as practicable after the Trustee has received a Direction for the withdrawal of Shares in accordance with this Section 11, the Member shall be entitled to the Shares withdrawn, the transfer and delivery of such Shares being made to the Member according to the procedure established by the Trustee for transfer and delivery of Shares. If all of the issued and outstanding Shares are represented by a global share certificate, Members will not receive certificates for Shares in definitive form and the Shares will be delivered in uncertificated form. If this is not the case, a Member may elect to receive certificates for Shares or may elect another means of delivery of Shares, including book based delivery to an account specified by the Member.

- 11.4 **Withdrawal in Cash** – Subject to the restrictions contained herein, the Member shall be entitled to withdraw from the Plan an amount in cash equal to the net proceeds of disposition of the Shares credited to the Member pursuant to the Plan (or any portion thereof), which Shares have been disposed of at the Member’s request. The sale of Shares must occur as soon as practicable within ten (10) Business days after the earlier of (i) the receipt by the Trustee of instructions by Direction, or (ii) the expiry of the thirty (30) day period referred to in Section 11.1.
- 11.5 **Fractions of Shares** – A Member shall not be allowed in any circumstances to withdraw a fraction of a Share pursuant to any provision of the Plan. Any fractional Share will be rounded down to the next whole Share. Members shall receive a cash amount on account of fractional Shares, if any. All payments upon withdrawals shall be made net of applicable taxes and contributions to government sponsored plans.
- 11.6 **Cash Settlement** – Notwithstanding any other provision of the Plan, a Member, solely at his/her option, upon delivery of written notice to the Corporation at least one Business Day prior to the Delivery Date, shall be entitled to receive a cash amount equal to the Fair Market Value of the Shares on the Business Day immediately prior to the Delivery Date that the Member would have otherwise been entitled to receive upon the vesting of such RSUs. All such cash amounts shall be net of applicable taxes and contributions to government sponsored plans. For greater certainty, a Member shall not be permitted to elect to receive a cash amount pursuant to this Section 11.6 in connection with the exercise of Options.

12. Termination, Retirement, Death and Disability

- 12.1 **Termination for Cause and Resignation** – Upon a Member’s Termination for Cause or upon a Member’s resignation from employment with a Participating Entity (each, a “**Voluntary Event**”), on the date of the Voluntary Event (i) the Member’s participation in the Plan shall be terminated immediately, (ii) all RSUs credited to such Member’s Account that are not vested shall be forfeited and cancelled, (iii) all Shares held in the Trust Fund in trust on behalf of such Member, if any, in respect of RSUs shall be forfeited and cancelled, (iv) in the case of a Member’s Termination for Cause, any Options held by the Member (whether or not exercisable) shall immediately expire and be cancelled, and (v) subject to Section 12.3, in the case of a Member’s resignation from employment, (A) any Options held by the Member that are exercisable at the date of such Voluntary Event shall continue to be exercisable by the Member until the earlier of: (I) the date that is ninety (90) days after the date of such Voluntary Event, and (II) the date on which the Exercise Period of the particular Option expires, and (B) all Options held by the Member that are not yet exercisable at the date of such Voluntary Event shall immediately expire and be cancelled.
- 12.2 **Retirement, Termination without Cause, Long-Term Disability or Specified Job Transfer** – Upon a Member’s Retirement, Termination without Cause, Long-Term Disability or Specified Job Transfer (each, an “**Involuntary Event**”), on the date of the Involuntary Event, the Member’s participation in the Plan shall be terminated immediately, provided that (i) all unvested RSUs in the Member’s Account as of such date (as reduced in accordance with Section 12.2(i)(A) relating to a Performance Cycle in progress) shall remain in effect until settled in accordance with Section 12.2(i), and (ii) all Options shall become exercisable in accordance with Section 12.2(ii).

(i) In the case of unvested RSUs:

- (A) The number of unvested RSUs in the Member’s Account credited with respect to any Performance Cycle shall, on the date of the Involuntary Event, be reduced to a number equal to: (A) such number of unvested RSUs, multiplied by (B) a fraction, the numerator of which shall be the number of completed months of service of the Member with the Participating Entity during the relevant Performance Cycle as of the date of the Involuntary Event and the denominator of which shall be equal to the number of months in the applicable Performance Cycle. If a portion of the RSUs in the Member’s Account credited with respect to

any Performance Cycle are subject solely to a Time Vesting Condition while another portion is subject to a Performance Vesting Condition or to the extent that different portions of the RSUs in the Member's Account credited with respect to any Performance Cycle are subject to different Performance Vesting Conditions, such reduction shall be applied proportionately to each such portion of RSUs in the Member's Account credited with respect to the Performance Cycle. All other unvested RSUs that were in the Member's Account prior to such reduction that are in excess of such reduced number of unvested RSUs (the "Excess RSUs") shall be forfeited and cancelled and the Member's rights to Shares held in the Trust Fund that relate to such Excess RSUs shall be forfeited and cancelled.

- (B) If any RSUs credited to a Member's Account with respect to a given Performance Cycle are subject solely to a Time Vesting Condition, then (a) the Member shall be entitled to receive that number of Shares equal to such number of RSUs (as reduced in accordance with Section 12.2(i)(A)) and the Trustee shall distribute such number of Shares to the Member within forty-five (45) days following the Involuntary Event, and (b) the Trustee shall debit the corresponding number of RSUs from such Member's Account.
 - (C) With respect to any RSUs credited to a Member's Account with respect to a given Performance Cycle that are subject to both a Time Vesting Condition and a Performance Vesting Condition, at the end of such Performance Cycle, to the extent that the Board determines that the Vesting Condition was not met for such Performance Cycle, (a) such unvested RSUs (as reduced in accordance with 12.2(i)(A)) shall be forfeited and cancelled, and (b) the Member's rights to Shares held in the Trust Fund that relate to such unvested RSUs shall be forfeited and cancelled. To the extent that the Board determines that the Vesting Condition was met for such Performance Cycle, (a) the Member shall be entitled to receive that number of Shares equal to the number of RSUs outstanding in the Member's Account in respect of such Performance Cycle that are subject to both a Time Vesting Condition and a Performance Vesting Condition which vested (as reduced in accordance with Section 12.2(i)(A)) and the Trustee shall distribute such number of Shares to the Member as soon as practicable thereafter, and (b) the Trustee shall debit the corresponding number of RSUs from such Member's Account.
 - (D) Unless otherwise directed by a Member by Direction to the Trustee within twenty (20) days of the termination of his/her participation in the Plan pursuant to this Section 12.2(i), the Member's Shares in respect of RSUs will be delivered in accordance with the same procedures outlined in Section 11 above.
- (ii) In the case of Options, except as provided for in the award agreement:
- (A) Any Options held by a Member that are exercisable at the date of the Involuntary Event shall continue to be exercisable by the Member until the earlier of: (a) the date which is twelve (12) months after the date of the Involuntary Event, and (b) the date on which the Exercise Period of the particular Option expires.
 - (B) Subject to Section 12.3, any Options held by a Member that are not exercisable at the date of the Involuntary Event shall immediately expire and be cancelled.

12.3 Notwithstanding Section 12.1(v) and Section 12.2(ii)(B), the Board may, in its discretion, at any time prior to or following a Voluntary Event or an Involuntary Event, accelerate the vesting and permit the exercise of any or all Options held by a Member, in the manner and on the terms as may be authorized by the Board, provided that the Board shall not authorize the exercise of an Option pursuant to this Section beyond the expiration of the Exercise Period of the particular Option.

12.4 **Termination Date** – For the purpose of this Section 12, the date of a Member’s Termination shall be the date of Termination indicated in a letter of Termination sent or remitted to such Member.

12.5 **Death of a Member** – Except as otherwise determined by the Board from time to time, at its sole discretion, upon the death of a Member, the Member’s participation in the Plan shall be terminated immediately, provided that: (i) all unvested RSUs in the Member’s Account as of such date (as reduced in accordance with Section 12.5(i) relating to a Performance Cycle in progress) shall remain in effect until the end of the applicable Performance Cycle, and (ii) all Options shall become exercisable in accordance with Section 12.5(ii).

(i) In the case of unvested RSUs:

(A) The number of unvested RSUs in the Member’s Account credited with respect to any Performance Cycle shall, on the date of the death of the Member, be reduced to a number equal to: (A) such number of unvested RSUs, multiplied by (B) a fraction, the numerator of which shall be the number of completed months of service of the Member with the Participating Entity during the relevant Performance Cycle as of the date of death of the Member and the denominator of which shall be equal to the number of months in the applicable Performance Cycle. If a portion of the RSUs in the Member’s Account credited with respect to any Performance Cycle are subject solely to a Time Vesting Condition while another portion is subject to a Performance Vesting Condition or to the extent that different portions of the RSUs in the Member’s Account credited with respect to any Performance Cycle are subject to different Performance Vesting Conditions, such reduction shall be applied proportionately to each such portion of RSUs in the Member’s Account credited with respect to the Performance Cycle. All other unvested RSUs that were in the Member’s Account prior to such reduction that are in excess of such reduced number of unvested RSUs (the “**Excess RSUs**”) shall be forfeited and cancelled and the Member’s rights to Shares held in the Trust Fund that relate to such Excess RSUs shall be forfeited and cancelled.

(B) If any RSUs credited to a Member’s Account with respect to a given Performance Cycle are subject solely to a Time Vesting Condition, then (A) the Member shall be entitled to receive that number of Shares equal to such number of RSUs (as reduced in accordance with Section 12.5(i)(A)) and the Trustee shall, as soon as administratively practicable, sell such Shares, on behalf of and as agent for the Member’s legal representatives, and pay to such legal representatives the net proceeds of such sale, and (B) the Trustee shall debit the corresponding number of RSUs from such deceased Member’s Account.

(C) With respect to any RSUs credited to a Member’s Account with respect to a given Performance Cycle that are subject to both a Time Vesting Condition and a Performance Vesting Condition, at the end of such Performance Cycle, to the extent that the Board determines that the Vesting Condition was not met for such Performance Cycle, (a) such unvested RSUs (as reduced in accordance with the second paragraph of Section 12.5(i)(A)) shall be forfeited and cancelled, and (b) the Member’s rights to Shares held in the Trust Fund that relate to such unvested RSUs shall be forfeited and cancelled. To the extent that the Board determines that the Vesting Condition was met for such Performance Cycle, (a) the Member shall be entitled to receive that number of Shares equal to the number of RSUs outstanding in the Member’s Account in respect of such Performance Cycle that are subject to both a Time Vesting Condition and a Performance Vesting Condition which vested (as reduced in accordance with Section 12.5(i)(A)) and the Trustee shall, as soon as administratively practicable, deliver such Shares, on behalf of and as agent for the Member’s legal representatives, to such legal

representatives in accordance with the same procedures outlined in Section 10 above, and (b) the Trustee shall debit the corresponding number of RSUs from such deceased Member's Account.

- (ii) In the case of Options, except as provided in the award agreement:
 - (A) Any Options held by a Member that are exercisable at the date of the death of the Member shall continue to be exercisable by the executor or administrator of the deceased Member's estate until the earlier of: (x) the date which is twelve (12) months after the date of the death of the Member, and (y) the date on which the Exercise Period of the particular Option expires.
 - (B) Subject to Section 12.5(ii)(C), any Options held by a Member that are not exercisable at the date of the death of the Member shall immediately expire and be cancelled.
 - (C) Notwithstanding Section 12.5(ii)(B), the Board may, in its discretion, at any time following a death of a Member, accelerate the vesting and permit the exercise of any or all Options held by the executor or administrator of the estate of the deceased Member, in the manner and on the terms as may be authorized by the Board, provided that the Board shall not authorize the exercise of an Option pursuant to this Section beyond the expiration of the Exercise Period of the particular Option.

13. Registration of the Shares and Right of the Members

- 13.1 **Prior to the vesting of the RSUs** – All Shares purchased by the Trustee on the secondary market on behalf of a Member in respect of RSUs pursuant to the provisions hereof shall be registered in the name of the Trustee or its nominee and held in trust by the Trustee on behalf of the Member until the RSU vesting date. All rights and privileges with respect to the Shares related to unvested RSUs may not be exercised by the Member or the Trustee. For greater certainty, a Member does not have a right to vote with respect to the RSUs credited to such Member's Account or with respect to any Shares purchased by the Trustee and neither the participation in the Plan nor any action under the Plan shall be construed to give any Member a right to vote with respect to the RSUs credited to such Member's Account or the Shares purchased by the Trustee on account of RSUs.
- 13.2 **After the vesting of the RSUs** – All Shares held by the Trustee on behalf of a Member on account of RSUs pending transfer of such Shares by the Trustee to the Member or the sale of such Shares by the Trustee on behalf of the Member in accordance with the provisions of the Plan shall be registered in the name of the Trustee or its nominee, on behalf of such Member, unless otherwise directed by the Corporation. As long as they are governed by the provisions of the Plan, such Shares shall be held by the Trustee on behalf of the Member, unless otherwise directed by the Corporation. Such Shares may not be voted by the Trustee and may not be voted by the Member prior to the transfer from the Trustee to the Member in accordance with the terms of the Plan.

14. Offer to Purchase

In the event that, at any time, an offer to purchase is made to all holders of Shares, notice of such offer shall be given by the Trustee to each Member to enable a Member to tender his/her Shares should he/she so desire; provided that this Section 14 shall only apply with respect to Shares that have been obtained through secondary market purchases in respect of RSUs and are being held by the Trustee as contemplated in Section 9.

15. Change of Control

- 15.1 For RSUs granted prior to February 18, 2016, upon a Change of Control all RSUs in Members' Accounts shall vest as at the date of such Change of Control, whether or not the RSUs have met the Vesting Condition, provided, however, that in the event that the Change of Control occurs in the circumstances of an internal reorganization involving the Corporation or its subsidiaries, the Board may, in its sole discretion, determine that such RSUs shall not vest as at the date of such Change of Control.
- 15.2 Subject to Section 15.1 and except as provided for in the award agreement, if any RSU or Option outstanding prior to the date of a Change of Control is not assumed or replaced by an entity resulting from the Change of Control or a parent of such an entity, in each case of which the voting equity is listed on a stock exchange in North America, with an award (A) for which appropriate adjustments have been made to the number and kind of securities of such entity or parent in order to preserve the compensation element of the award at the time of the Change of Control transaction and (B) which provides for subsequent vesting, exercise (if applicable) and settlement of the award on no less favourable terms and conditions, then such RSU or Option shall be fully vested upon the Change of Control and the Option shall be exercisable until the earlier of: (i) the date that is ninety (90) days after the date of the Change of Control, and (ii) the date on which the Exercise Period of the particular Option expires.
- 15.3 Notwithstanding Sections 12.2 and 12.5, in the event of the Member's Termination without Cause or Termination for Good Reason within 24 months following a Change of Control, any RSUs or Options outstanding immediately prior to the Change of Control, but which have not vested as of the Termination Date, shall become fully vested, and the Options shall become fully exercisable, on the Termination Date and the Options shall remain exercisable until the earlier of (i) the date which is ninety (90) days after the Termination Date, and (ii) the date on which the Exercise Period for the particular Options expires. For purposes of this Section 15.3:
- (i) "Termination Date" means (i) in the case of Termination without Cause, the date of Termination indicated in a letter of Termination sent or remitted by the relevant Participating Entity to such Member and (ii) in the case of Termination for Good Reason, the date specified in the Member's letter of Termination to the relevant Participating Entity; and
 - (ii) "Good Reason" has the meaning set out in any written employment or severance agreement between the Member and a Participating Entity, or in the event that no such definition is contained in such agreement or there is no such agreement, means the occurrence of any one of the following events without the Member's express or implied agreement (but does not include any of these events where there is termination of the Member's employment for Cause or Long-Term Disability): (i) a material adverse change in the Member's duties and responsibilities, as they exist immediately prior to the effective date of the Change of Control; or (ii) a material reduction of the Member's salary, benefits, vacation days or any other form of remuneration, in the aggregate, from that payable immediately prior to the effective date of the Change of Control; or material adverse changes to the basis upon which such remuneration is determined (provided, however, that a reduction in bonus payment due to the Member's failure to achieve targets shall not be considered a reduction under this sub clause); or (iii) a failure to continue in effect any benefits, bonus, stock ownership, compensation plan or retirement plan which you were entitled to participate in prior to the Change of Control; or (iv) a material diminution of the Member's title as it is immediately prior to the effective date of the Change of Control considered contextually within the corporate structure of the Corporation after the Change of Control; or (v) the Member is prevented, in a material way, from carrying out the Member's duties and responsibilities as they existed immediately prior to the Change of Control; or (vi) the Member is relocated to a place other than the location where the Member reported for work on a regular basis immediately prior to the Change of Control which is more than 50 kilometres from that location; or (vii) a material change in the person or body to whom the Member reports immediately prior to the effective date of the

Change of Control, except if such person or body is of equivalent rank or stature considered contextually within the corporate structure of the Corporation after the Change of Control, as the case may be, provided that this shall not include a change resulting from a promotion in the normal course of business.

- 15.4 Notwithstanding Sections 15.2 and 15.3, the Board, may in its sole discretion: (i) in the event that the Change of Control occurs in the circumstances of an internal reorganization involving the Corporation or its subsidiaries, determine that such RSUs shall not vest and such Options shall not vest and become exercisable upon the occurrence of such Change of Control and/or (ii) shorten the exercise period specified in Section 15.2(ii) or 15.3(ii).

16. Adjustments and Reorganizations

The existence of any Awards does not affect in any way the right or power of the Corporation or its shareholders to make, carry out or authorize (or determine to do any such thing) any adjustment, recapitalization, reorganization or any other change in the Corporation's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Corporation, to create or issue any bonds, debentures, units, shares or other securities of the Corporation or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this Section 16 would have an adverse effect on the Plan or any Award granted hereunder.

Should the Corporation effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (or any other dividend or distribution other than a normal cash dividend), or should any other change be made in the capitalization of the Corporation, that, in the opinion of the Board in its sole discretion, would warrant the replacement or amendment of any existing Awards in order to adjust: (i) the number of Shares that may be acquired on the vesting of outstanding Awards or the exercise of any outstanding Options, and/or (ii) the Exercise Price of any outstanding Options, in each case, in order to preserve proportionately the rights and obligations of the Members holding such Awards, the Board will authorize such steps to be taken as may be equitable and appropriate to that end.

In the event of an amalgamation, combination, statutory arrangement, merger, reorganization or other transaction involving the Corporation occurring by exchange of Shares, by sale or lease of assets or otherwise, that, in the opinion of the Board in its sole discretion, would warrant the replacement or amendment of any existing Awards in order to adjust: (i) the number of Shares that may be acquired on the vesting of outstanding Awards or the exercise of any outstanding Options, and/or (ii) the Exercise Price, in each case, in order to preserve proportionately the rights and obligations of the Members holding such Awards, the Board will authorize such steps to be taken as may be equitable and appropriate to that end.

17. Statement of Account

The Trustee will issue, on an annual basis, a statement of account to each Member setting out:

- (a) the total number of RSUs credited to the Member's Account, including RSUs credited with respect to new grants and RSUs credited with respect to past grants whose Performance Cycle has not yet been completed;
- (b) the number of RSUs vested during each Performance Cycle, if any;
- (c) the total number of outstanding Options held by a Member, together with the applicable Exercise Price and Exercise Term thereof; and
- (d) the number of Options that vested and became exercisable.

18. The Trustee

- 18.1 **Terms of Appointment** — The appointment of the Trustee shall be for an indefinite period or as otherwise determined by the Board.
- 18.2 **Change** — The Corporation may at any time after upon a ninety (90) days' written notice to Trustee, or such shorter notice as may be agreed upon between the Trustee and the Corporation, remove the Trustee and appoint a successor or successors to fill any vacancy arising for any reason whatever.
- 18.3 **Delegation** — The Trustee may delegate to any corporation authorized to carry on the business of a trustee in Canada the duty to maintain records and to furnish statements in connection with all aspects of the Plan.
- 18.4 **Resignation** — The Trustee may resign and be discharged from all further duties and liabilities hereunder upon ninety (90) days' written notice to the Corporation.

19. Administration of Plan

The Board has the authority to interpret, construe and administer the Plan, to establish, amend and rescind any rules and regulations (other than amendments governed by Section 21 or termination of the Plan governed by Section 22) relating to the Plan, and to make any other determinations and perform all other acts that it deems necessary or desirable for the administration of the Plan. The Board may correct any defect or rectify any omission or reconcile any inconsistency in the Plan in the manner and to the extent the Board deems necessary or desirable. Any decision of the Board in the interpretation, construction and administration of the Plan, or any action, all as described herein, shall be within the sole and absolute discretion of the Board and shall be final, conclusive and binding on all parties concerned for all purposes. Whenever the Board is to exercise discretion in the administration of the terms and conditions of the Plan, the term "discretion" means the sole and absolute discretion of the Board, whether or not expressly stated.

The Board's determinations and actions within its authority under the Plan are conclusive and binding on the Corporation, its subsidiaries, the Members and all other persons.

Notwithstanding any other provision of the Plan, the Board may, in its sole discretion, waive any condition or requirement of the Plan if specific individual circumstances warrant such waiver.

20. Liability

Neither the Board, nor any member thereof, nor any officer or employee of the Participating Entity shall be liable for any act, omission, interpretation, construction or determination made in good faith in connection with the Plan, and the members of the Board, the officers and the employees of the Participating Entity shall be indemnified by the Participating Entity in respect of any claim, loss, damage or expense (including legal fees and disbursements) arising therefrom to the fullest extent permitted by law. All costs and expenses of administering the Plan (including brokerage fees, if any) shall be borne by the Corporation.

21. Amendment, Suspension or Discontinuance

The Board may, without notice, at any time and from time to time without the consent of any Member, amend the Plan or any provisions thereof or suspend or discontinue the Plan in such manner as the Board, in its sole discretion, determines appropriate, including (but without limitation) in the case of an amendment: (i) for the purposes of making formal minor or technical modifications to any of the provisions of the Plan; (ii) to correct any ambiguity, defective provision, error or omission in the provisions of the Plan; (iii) to change the vesting provisions of Awards or the Plan; (iv) to change the termination provisions of Awards or the Plan; or (v) to change the Incentive Amounts, to the extent they are expressed in the Plan; provided, however, that:

- (a) no amendment shall result in the Plan becoming a "salary deferral arrangement" under the *Income Tax Act* (Canada) or any applicable provincial legislation;

- (b) no amendment shall reduce the number of Awards granted to a Member prior to such amendment;
- (c) no amendment shall adversely modify the Vesting Condition that applies to Awards granted to a Member prior to such amendment;
- (d) no amendment shall modify this Section without the consent of all Members with respect to Awards granted to a Member prior to such amendment; and
- (e) shareholder approval shall be obtained in accordance with the requirements of the TSX for any amendment that results in (i) an increase in the number of Shares reserved for issuance by the Corporation from treasury pursuant to the Plan; (ii) permission for Awards to be transferred other than for normal estate settlement purposes; (iii) a reduction to the Exercise Price of an Option (for this purpose, a cancellation or termination of an Option of a Member prior to the end of the Exercise Period for the purpose of reissuing Options to the same Member with a lower Exercise Price shall be treated as an amendment to reduce the Exercise Price of an Option) except for the purpose of maintaining Option value in connection with a transaction contemplated in Section 16 hereof; (iv) extending eligibility to participate in the Plan to non-employee directors; (v) extends the term of an Option beyond its original expiry date; or (vi) changes to this Section other than to add items requiring shareholder approval.

No amendment shall be effective until all applicable approvals, if any, of the regulatory authorities and the TSX or other applicable stock exchanges are obtained.

22. Plan Termination

The Board may, in its sole discretion and without the consent of any Member or shareholder approval, terminate the Plan at any time by giving written notice thereof to the Members. All Shares held in the Trust Fund in trust on behalf of the Member in relation to RSUs, if any, shall automatically become vested and such Shares shall be credited to the account of the Member, in which case, the provisions of Section 11 shall apply, *mutatis mutandis*, to the withdrawal of such Shares. Notwithstanding the foregoing, the termination of the Plan shall have no effect on outstanding Awards, which shall continue in effect in accordance with their terms and conditions and the terms and conditions of the Plan as if the Plan was in effect for those outstanding Awards.

23. Member's Rights Not Transferable

Except as provided herein, the rights of a Member pursuant to the provisions of the Plan cannot be assigned, charged, anticipated, given as security, transferred or surrendered, in whole or in part, either directly or by operation of law or otherwise in any manner. No attempted assignment, anticipation, giving security, surrender or transfer thereof, otherwise than in accordance with the provisions hereof, shall be effective.

24. Successors and Assigns

The Plan shall be binding on all successors and assigns of the Participating Entity and a Member, including without limitation, the legal representatives of such Member or any receiver or trustee in bankruptcy or representative of the Member's creditors.

25. No Effect on Employment

Participation in the Plan shall not give any Member the right to be employed or to continue to be employed by a Participating Entity. Participation in the Plan by any Member shall be construed as acceptance by the Member of the terms and conditions of the Plan and all rules and procedures adopted hereunder, as amended from time to time.

No Member has any claim or right to be granted Awards, and the granting of any Awards is not to be construed as giving a Member a right to remain as an employee. Under no circumstances shall Awards be considered Shares, nor shall they entitle any Member to exercise voting rights or any other rights attaching to the ownership of Shares. No

Member has any rights as a shareholder of the Corporation in respect of Shares deliverable pursuant to any Awards until such Shares have actually been issued and delivered by the Corporation.

The participation of any Member in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Member any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or service nor a commitment on the part of any Participating Entity to ensure the continued employment, service or engagement of such Member. The Plan does not provide any guarantee against any loss that may result from fluctuations in the market value of the Shares. No Participating Entity assumes responsibility for the personal income or other tax consequences for the Members and they are advised to consult with their own tax advisors.

26. Costs

Except as otherwise provided for in this Section 26, each Participating Entity shall pay the costs of administering the Plan, including without limitation all the fees and expenses of the Trustee. All brokerage fees relating to the acquisition and sale of Shares pursuant to the provisions of the Plan shall be paid by each Participating Entity. All costs related to the transfer and/or registration of Shares and/or cheques or payments in cash shall be paid by the Member or the Members' legal representatives, as the case may be.

27. Governmental Regulations

Governmental regulations and any stock exchange on which the Shares are listed may impose reporting or other obligations on the Corporation with respect to the Plan. For example, the Corporation may be required to identify Awards granted under the Plan on its Share ownership records or in its management information circulars or other disclosure documents and send tax information to employees and former employees who transfer title to Shares acquired under the Plan.

No Participating Entity is obligated to grant any Awards, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Board, in its sole discretion, such action would constitute a violation by a Member of Participating Entity of any provision of any applicable statutory or regulatory enactment of any government or government agency or the requirements of any stock exchange upon which the Shares may then be listed, or if such action would give rise to any obligation on the part of the Corporation to register as a dealer or to file a prospectus under applicable securities laws (unless the Corporation chooses to comply with such obligation).

The Plan and each grant of Awards are subject to the requirement that if, at any time, the Board determines that the listing, registration or qualification of the Shares subject to such award upon any stock exchange or under any provincial, state or federal law, or the consent or approval of any governmental body, stock exchange or of the holders of the Shares generally, is necessary or desirable, as a condition of, or in connection with, the granting of such Award or the issue or purchase of Shares thereunder, no such Award may be granted or vested in whole or in part unless such listing, registration, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Board. The Members shall, to the extent applicable, cooperate with the Corporation in relation to such listing, registration, qualification, consent or other approval and shall have no claim or cause of action against the Corporation or any of its affiliates or any of their officers, trustees or directors as a result of any failure to obtain or to take any steps to obtain any such registration, qualification or approval.

28. Withholding Taxes

The granting of each Award granted under the Plan (and the issuance or delivery of Shares pursuant thereto) is subject to the satisfaction of withholding tax or other withholding liabilities as is necessary or desirable in respect of such grant, issuance or delivery, and such grant, issuance or delivery shall not be effective unless such withholding has been effected to the satisfaction of the Board. The Board may require that a Member pay, or may permit a Member to elect at his/her option to pay, to the Corporation, as the Board may determine, such amount as the Corporation or its subsidiary is obliged to remit to the relevant taxing authority in respect of such grant, issuance or delivery. Any such additional payment is due no later than the date as of which any amount with respect to the Award is required to be remitted to the relevant tax authority by the Corporation or its subsidiary, as the case may be. In the event the Member

does not pay the amount specified above, the Corporation shall be permitted to engage a broker or other agent, at the risk and expense of the Member, to sell an amount of Shares issued or purchased on the secondary market on or in connection with the vesting of such RSUs or issued from treasury upon the exercise of such Options and to apply the cash received on the sale of such underlying Shares as necessary so as to ensure that the Corporation is in compliance with the withholding requirements. In addition, the Corporation shall be entitled to withhold (i) from any amount payable to the Member, either under this Plan or otherwise, such amount, or (ii) from a Member's vested RSUs such number of vested RSUs, in each case, as may be necessary so as to ensure that the Corporation is in compliance with its withholding requirements.

29. Unfunded and Unsecured Plan

Unless otherwise determined by the Board, the Plan shall be unfunded and none of the Corporation or its subsidiaries will secure its obligations under the Plan. To the extent any Member or the Member's legal representative holds any rights by virtue of a grant of Awards under the Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor.

30. Applicable Law

The laws of the Province of Ontario and the laws of Canada applicable therein shall apply to this Plan, any amendments thereto and the administration thereof; and all rights and obligations thereunder shall be governed, construed and determined in accordance with such laws.

31. Adoption of Plan

The creation of, and subsequent amendments to, the Plan have been duly authorized by resolution of the Board.