UNDERWRITING AGREEMENT

May 20, 2016

Spin Master Corp.
450 Front Street West
Toronto, Ontario
M5V 1B6

Attention: Mark Segal, Executive Vice President and Chief Financial Officer

Marathon Investment Holdings Ltd.
450 Front Street West
Toronto, ON M5V 1B6

Attention: Ronnen Harary, President

Trumbanick Investments Ltd.
450 Front Street West
Toronto, ON M5V 1B6

Attention: Anton Rabie, President

LentilBerry Inc.
450 Front Street West
Toronto, ON M5V 1B6

Attention: Ben Varadi, President

Dear Sirs:

The undersigned, RBC Dominion Securities Inc. ("**RBC**") and TD Securities Inc. ("**TD**"), together as joint lead managers and joint bookrunners (the "**Joint Bookrunners**"), and BMO Nesbitt Burns Inc., CIBC World Markets Inc., National Bank Financial Inc., HSBC Securities (Canada) Inc. and Cormark Securities Inc. (together with the Joint Bookrunners, the "**Underwriters**", and each individually, an "**Underwriter**") understand that Spin Master Corp. (the "**Company**") proposes to issue and sell directly to the Underwriters, at the Purchase Price (as defined below) per SVS, for resale, 2,450,000 subordinate voting shares of the Company ("**SVS**"), and that Marathon Investment Holdings Ltd. ("**MIHL**") proposes to sell 816,666 SVS, Trumbanick Investments Ltd. ("**TIL**") proposes to sell 816,666 SVS and LentilBerry Inc. ("**LBI**" and, together with MIHL and TIL, the "**Selling Shareholders**", and each individually, a "**Selling Shareholder**") proposes to sell 816,668 SVS directly to the Underwriters at the Purchase Price per SVS, for sale, pursuant to the terms of this underwriting agreement (the "**Agreement**"). The issue and sale of SVS by the Company is referred to as the "**Treasury Offering**" and the sale of SVS by the Selling Shareholders is referred to as the "**Secondary Offering**". The Treasury Offering and the Secondary Offering are, together, the "**Offering**". The SVS offered pursuant to the Offering are the "**Purchased Shares**".

The Underwriters also understand that each Selling Shareholder will be signing the Preliminary Prospectus (as defined below) and the Prospectus (as defined below), in its capacity both as a selling shareholder and as a promoter of the Company under Canadian Securities Laws (as defined below) in respect of the Offering.

The Securities (as defined below) will be offered and sold to the Underwriters in Canada pursuant to the Prospectus and in the United States without being registered under the 1933 Act (as defined below) in reliance on the exemption from the registration requirements of the 1933 Act provided by Rule 144A (as defined below). The Underwriters will (i) distribute the Securities in Canada pursuant to the Prospectus and in accordance with Regulation S (as defined below) and (ii) offer and sell the Securities to Qualified Institutional Buyers (as defined below) in the United States, in accordance with the exemption from registration provided by Rule 144A.

Based on the foregoing, and subject to the terms and conditions contained in this Agreement, the Underwriters severally and not jointly (or jointly and severally), on the basis of the percentages set forth in Section 24.1 of this Agreement, agree to purchase from the Company, and the Selling Shareholders, and the Company and the Selling Shareholders, by their acceptance hereof, agree to sell to the Underwriters, all but not less than all of the Purchased Shares on the Closing Date (as defined below) at a price of $26.60 per Purchased Share (the "**Purchase Price**"), for an aggregate purchase price for the Purchased Shares of $130,340,000.

In addition, the Company and the Selling Shareholders hereby grant to the Underwriters an unassignable right (the "**Over-Allotment Option**") to purchase, severally and not jointly (or jointly and severally), up to an additional 735,000 SVS (the "**Additional Shares**" and, together with the Purchased Shares, the "**Securities**") on the same basis as the purchase of the Purchased Shares and at the same price of $26.60 per Additional Share. If the Joint Bookrunners, on behalf of the Underwriters, elect to exercise the Over-Allotment Option, the Joint Bookrunners shall notify the Company and the Selling Shareholders in writing not later than 48 hours prior to the Option Closing Date (as defined below) if such Over-Allotment Option is exercised after the initial Closing Date, which notice shall specify the aggregate number of Additional Shares to be purchased by the Underwriters and the date on which such Additional Shares are to be purchased (the "**Over-Allotment Option Notice**"). The date of such purchase may be the same as the Closing Date, but not earlier than the Closing Date nor later than 30 days following the Closing Date. If any Additional Shares are purchased, each Underwriter agrees, severally and not jointly (or jointly and severally), to purchase that number of Additional Shares (subject to such adjustments to eliminate fractional shares as the Joint Bookrunners, on behalf of the Underwriters, may determine) equal to the total number of Additional Shares to be purchased multiplied by the percentage set out in Section 24.1 opposite the name of such Underwriter. If the Over-Allotment Option is exercised, the Additional Shares will be apportioned equally between the Treasury Offering and the Secondary Offering.

The Purchased Shares will be offered to the public at the Purchase Price; provided however, after the Underwriters have made a reasonable effort to sell all of the Purchased Shares at the Purchase Price, the Underwriters may decrease the sale price per Purchased Share to the public, and such price may be further changed from time to time to an amount not greater than the Purchase Price, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Purchased Shares is less than the aggregate price paid by the Underwriters to the Company and the Selling Shareholders. For greater certainty, in no event shall the price per Purchased Share payable by the Underwriters to the Company and the Selling Shareholders under this Agreement be less than $26.60.

DEFINITIONS

In this Agreement:

"**144A Private Placement Memorandum**" means the U.S. private placement memorandum, in a form satisfactory to the Underwriters, the Selling Shareholders and the Company, each acting reasonably, the preliminary version of which will be attached to a copy of the Preliminary Prospectus and the final version of which will be attached to a copy of the Prospectus, to be delivered to Qualified Institutional Buyers;

"**1933 Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;

"**1934 Act**" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;

"**1940 Act**" means the United States Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder;

"**Additional Shares**" has the meaning given to it above;

"**affiliate**" and "**subsidiary**" have the respective meanings given to them in National Instrument 45-106 **—** *Prospectus and Registration Exemptions*;

"**Agreement**" has the meaning given to it above;

"**Business Day**" means any day, other than a Saturday or Sunday, on which commercial banks in Toronto, Ontario are open for commercial banking business during normal banking hours;

"**Canadian Securities Laws**" means all applicable securities laws in each of the Qualifying Jurisdictions and the respective rules, regulations, blanket orders and blanket rulings under such laws together with applicable published policies, policy statements and notices of the Canadian Securities Regulators;

"**Canadian Securities Regulators**" means the applicable securities commission or securities regulatory authority in each of the Qualifying Jurisdictions and "Canadian Securities Regulator" means any one of them;

"**Canadian Subsidiary**" has the meaning given to it in Section 17.2(i)(A);

"**Claims**" has the meaning given to it in Section 20.1(i);

"**Closing**" means the completion of the sale by the Company, MIHL, TIL and LBI and the purchase by the Underwriters, of the Purchased Shares pursuant to this Agreement;

"**Closing Date**" means June 6, 2016 or such other date as the Company, each Selling Shareholder and the Underwriters may agree upon in writing or as may be changed pursuant to Section 11, which in any event shall not be later than June 13, 2016;

"**Closing Time**" means 8:00 a.m. (Toronto time) on the Closing Date;

"**Company**" has the meaning given to it above;

"**Company Contracts**" has to meaning given to it in Section 8.12;

"**Company Laws**" has the meaning given to it in Section 8.12;

"**comparables**" has the meaning given to it in NI 41-101;

"**Continuing Underwriters**" has the meaning given to it in Section 24.1;

"**Defaulted Securities**" has the meaning given to it in Section 24.1;

"**distribution**" has the meaning given to it in the *Securities Act* (Ontario);

"**Documents Incorporated by Reference"** means the annual information form of the Company dated March 30, 2016, the Financial Statements, the Financial Information, the management information circular of the Company dated March 24, 2016 and the template version of the Term Sheet;

"**Environmental Laws**" has the meaning given to it in Section 8.24;

"**Final Passport System Decision Document**" means a receipt for the Prospectus issued in accordance with the Passport System;

"**Final 144A Offering Memorandum**" has the meaning given to it in Section 7.1;

"**Financial Information**" means the Financial Statements and management's discussion and analysis included or incorporated by reference in the Preliminary Prospectus or the Prospectus and the additional financial information derived therefrom and included therein or incorporated by reference therein;

"**Financial Statements**" means the audited annual financial statements and unaudited interim financial statements of the Company incorporated by reference in the Preliminary Prospectus and the Prospectus, including the notes with respect thereto together with, in the case of the audited annual financial statements, the report of Deloitte LLP, Chartered Professional Accountants, as at and for the periods included therein;

"**Founders**" means Ronnen Harary, Anton Rabie and Ben Varadi;

"**Governmental Licenses**" has the meaning given to it in Section 8.21;

"**Hazardous Materials**" has the meaning given to it in Section 8.24;

"**IFRS**" means International Financial Reporting Standards;

"**Indemnified Party**" has the meaning given to it in Section 20.1;

"**Indemnifiers**" has the meaning given to it in Section 20.2;

"**Intellectual Property**" has the meaning given to it in Section 8.18;

"**Joint Bookrunners**" means RBC and TD;

"**Knowledge**" means the actual knowledge of the Founders, Ben Gadbois, Mark Segal and Chris Harrs, after reasonable enquiry of their direct reports, or other applicable sources of information that they would reasonably be expected to consult;

"**Knowledge of the Selling Shareholders**" means the collective actual knowledge of the Founders.

"**LBI"** has the meaning given to it above;

"**Lien**" means any mortgage, charge, pledge, hypothec, claim, security interest, assignment, lien (statutory or otherwise), defect, restriction on transfer, or other encumbrance of any nature, including any arrangement or condition which, in substance, secures payment or performance of an obligation;

"**Marketing Materials Amendment**" means any revised template version of the marketing materials (in both English and French languages unless the context indicates otherwise), provided to a potential investors in connection with the distribution of Securities;

"**marketing materials**" has the meaning given to it in NI 41-101;

"**Material Adverse Effect**" or "**Material Adverse Change**" means any fact, effect, change, event, occurrence, or any development involving a change, that (i) has had or is reasonably expected to have a material adverse effect or change to the results of operations, financial condition, assets, properties, capital, liabilities (contingent or otherwise), cash flows, income or business operations of the Company and the Subsidiaries taken as a whole and as a going concern; or (ii) would result in any Offering Document or Prospectus Amendment containing a misrepresentation;

"**material change**" has the meaning given to it in the *Securities Act* (Ontario);

"**material fact**" has the meaning given to it in the *Securities Act* (Ontario);

"**MIHL**" has the meaning given to it above;

"**misrepresentation**" has the meaning given to it in the *Securities Act* (Ontario);

"**NCI System**" has the meaning given to it in Section 15.2;

"NI 41-101" means National Instrument 41-101 – *General Prospectus Requirements*;

"NI 44-101" means National Instrument 44-101 – *Short-Form Prospectus Distributions*;

"**notice**" has the meaning given to it in Section 32;

"**NP 11-202**" means National Policy 11-202 — *Process for Prospectus Reviews in Multiple Jurisdictions* adopted by the Canadian Securities Regulators;

"**OBCA**" means the *Business Corporations Act* (Ontario);

"**Offering**" has the meaning given to it above;

"**Offering Document Amendment**" means any Prospectus Amendment and Offering Memorandum Amendment;

"**Offering Documents**" means the Prospectus and the Final 144A Offering Memorandum;

"**Offering Memorandum Amendment**" means any amendment to the Final 144A Offering Memorandum;

"**Option Closing**" means completion of the sale by the Company and the Selling Shareholders, and the purchase by the Underwriters, of the Additional Shares pursuant to this Agreement;

"**Option Closing Date**" means the date, not earlier than the Closing Date or later than 30 days following the Closing Date, for the Option Closing set out in the Over-Allotment Option Notice;

"**Option Closing Time**" means 8:00 a.m. (Toronto time) on the Option Closing Date;

"**OSC**" means the Ontario Securities Commission;

"**Over-Allotment Option**" has the meaning given to it above;

"**Over-Allotment Option Notice**" has the meaning given to it above;

"**Passport System**" means the passport system procedures provided for under NP 11-202;

"**Permitted Liens**" means any Lien permitted from time to time under the Company's secured credit facilities;

"**person**" means an individual, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association or joint venture;

"**Preliminary 144A Offering Memorandum**" has the meaning given to it in Section 7.1;

"**Preliminary Prospectus**" means the preliminary short form prospectus of the Company dated the date hereof (in both the English and French languages unless the context otherwise requires), relating to the qualification for distribution of the Securities under applicable Canadian Securities Laws filed in the Qualifying Jurisdictions, and all applicable Documents Incorporated by Reference;

"**Principal Shareholders Agreement"** has the meaning given to it in the Prospectus;

"**Prospectus**" means the final short form prospectus of the Company (in both the English and French languages unless the context otherwise requires) relating to the qualification for distribution of the Securities under applicable Canadian Securities Laws filed in the Qualifying Jurisdictions, and all applicable Documents Incorporated by Reference;

"**Prospectus Amendment**" means the English and French language versions of any amendment to the Preliminary Prospectus or the Prospectus, as the case may be;

"**provide**" or "**provided**", in the context of sending or making available marketing materials to a potential purchaser of Securities, has the meaning given to it in NI 41-101;

"**Purchase Price**" has the meaning given to it above;

"**Purchased Shares**" has the meaning given to it above;

"**Qualified Institutional Buyer**" has the meaning given to it under Rule 144A;

"**Qualifying Jurisdictions**" means all of the provinces of Canada;

"**RBC**" has the meaning given to it above;

"**Refusing Underwriter**" has the meaning given to in Section 24.1;

"**Regulation S**" means Regulation S under the 1933 Act;

"**Release**" means the spilling, leaking, emptying, dumping, disposing, discharging, emitting, depositing, ejecting, leaching, escaping or any other release whether intentional or unintentional, of any Hazardous Material;

"**Returns**" has the meaning given to it in Section 8.25;

"**Rule 144A**" means Rule 144A under the 1933 Act;

"**SEC**" means the United States Securities and Exchange Commission;

"**Secondary Offering**" has the meaning given to it above;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval:

"**Securities**" has the meaning given to it above;

"**Securities Commission**" means the applicable securities commission or regulatory authority in each of the Qualifying Jurisdictions;

"**Selling Firm**" has the meaning given to it in Section 3.1;

"**Selling Shareholder**" and "**Selling Shareholders**" have the respective meanings given to them above;

"**Selling Shareholder Contracts**" has the meaning given to it in Section 9.5;

"**Selling Shareholder Laws**" has the meaning given to it in Section 9.5;

"**Subsidiaries**" means Spin Master Ltd., Spin Master US Holdings, Inc. (Delaware), Spin Master, Inc. (Delaware), Spin Master Europe Holdings Sarl (Luxembourg) and Spin Master Toys Far East Ltd. (Hong Kong);

"**Supplementary Material**" means, collectively, any amendment or supplement to the Preliminary Prospectus, the Prospectus or any amendment or supplemental prospectus or ancillary materials that may be filed by or on behalf of the Company under the Canadian Securities Laws relating to the qualification for distribution of the Securities under applicable Canadian Securities Laws;

"**SVS**" has the meaning given to it above;

"**TD**" has the meaning given to it above;

"**template version**" has the meaning given to it in NI 41-101 and includes any revised template version of marketing materials as contemplated in NI 41-101;

"**Term Sheet**" means the term sheet dated May 16, 2016 filed in connection with the Offering;

"**TIL**" has the meaning given to it above;

"**TMX Group**" has the meaning given to it in Section 27;

"**Transfer Agent**" means Computershare Investor Services Inc. at its principal office in Toronto, Ontario;

"**Treasury Offering**" has the meaning given to it above;

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

"**Underwriter**" and "**Underwriters**" have the respective meanings given to them above;

"**Underwriting Fee**" has the meaning given to it in Section 14.1;

"**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;

"**United States Securities Laws**" means United States federal and state securities laws;

"**U.S. Affiliate**" means the U.S. registered broker-dealer affiliate of an Underwriter;

"**U.S. QIB Purchaser's Letter**" means the letter delivered to the Company, the Selling Shareholders, the Underwriters and the U.S. Affiliates by each Qualified Institutional Buyer, attached as Exhibit A to the Final 144A Offering Memorandum; and

"**U.S. Offering Documents**" means the Preliminary 144A Offering Memorandum, and the Final 144A Offering Memorandum.

Unless otherwise expressly provided in this Agreement, words importing only the singular number include the plural and vice versa and words importing gender include all genders. Reference to "Sections" or "Clauses" are to the appropriate Section or clause of this Agreement.

All references to "dollars" or "$" are to Canadian dollars, unless otherwise expressly stipulated.

TERMS AND CONDITIONS

1. Filing of Preliminary Prospectus and Prospectus

The Company shall, as soon as possible following the execution of this Agreement, prepare and file the Preliminary Prospectus and applicable Supplementary Material in accordance with the Passport System with the OSC in its capacity as the principal regulator under the Passport System and with the Securities Commissions in each of the Qualifying Jurisdictions, and will use commercially reasonable efforts to obtain a Passport System decision document for the Preliminary Prospectus from the principal regulator on behalf of the Securities Commissions in each of the Qualifying Jurisdictions not later than 5:00 p.m. (Toronto time) on May 20, 2016.

The Company shall, forthwith after any comments with respect to the Preliminary Prospectus have been received from the Securities Commissions, prepare and file the Prospectus and applicable Supplementary Material in accordance with the Passport System with the OSC in its capacity as the principal regulator under the Passport System and with the Securities Commissions in each of the Qualifying Jurisdictions and will use commercially reasonable efforts to obtain the Final Passport System Decision Document not later than 5:00 p.m. (Toronto time) on May 30, 2016, or such later time as may be agreed upon by the Company, the Selling Shareholders and the Joint Bookrunners, on their own behalf and on behalf of the other Underwriters, and will have taken all other commercially reasonable steps and proceedings that may be necessary in order to qualify the Securities for distribution in each of the Qualifying Jurisdictions by the Underwriters and other persons who are registered in a category permitting them to distribute the Securities under the Canadian Securities Laws and who comply with Canadian Securities Laws.

Each Selling Shareholder shall take all such steps and proceedings as may be necessary to assist the Company to comply with the foregoing requirements of this Section 1, including, for greater certainty, signing certificates as selling shareholders and promoters under Canadian Securities Laws, in respect of the Preliminary Prospectus, the Prospectus and any Prospectus Amendment.

2. Due Diligence

Prior to the filing of the Prospectus, the Company and the Selling Shareholders shall permit the Underwriters to review and participate in the preparation of the Prospectus and shall allow each of the Underwriters to conduct any due diligence investigations which any of them reasonably requires in order to fulfill its obligations as an underwriter under the Canadian Securities Laws and United States Securities Laws in order to enable it to responsibly execute the certificate in the Prospectus required to be executed by it. Up to the later of the Closing Date and the date of completion of the distribution of the Securities, the Company shall allow each of the Underwriters to conduct any due diligence investigations that any of them reasonably requires in order to fulfill its obligations as an underwriter under Canadian Securities Laws and United States Securities Laws.

3. Distribution and Certain Obligations of the Underwriters

3.1 The Company and the Selling Shareholders agree that the Underwriters will be permitted to appoint, at their sole expense, other registered dealers or brokers as their agents to assist in the distribution of the Securities. The Underwriters shall, and shall require any such dealer or broker, other than the Underwriters, with which the Underwriters have a contractual relationship in respect of the distribution of the Securities (a "**Selling Firm**") to, comply with the Canadian Securities Laws and United States Securities Laws in connection with the distribution of the Securities and shall offer the Securities for sale to the public directly and through the Selling Firms upon the terms and conditions (including the offer price) set out in the Offering Documents, any Offering Document Amendment and this Agreement. The Underwriters shall, and shall require any Selling Firm to, offer for sale to the public and sell the Securities only in those jurisdictions where the Securities may be lawfully offered for sale or sold.

3.2 The Underwriters shall, and shall require any Selling Firm to agree to, observe and distribute the Securities in a manner that complies with all applicable laws and regulations (including in connection with offers and sales in the United States) in each jurisdiction into and from which they may offer to sell the Securities or distribute the Offering Documents in connection with the distribution of the Securities and will not, and will require any Selling Firm not to, directly or indirectly, offer, sell or deliver any Securities or Offering Documents or any other document to any person in any jurisdiction, except in a manner which will not require the Company or any Selling Shareholder to comply with the registration, prospectus, continuous disclosure, filing or other similar requirements under the applicable securities laws of any jurisdictions (other than the Qualifying Jurisdictions).

3.3 The Company and the Selling Shareholders acknowledge and agree that the Underwriters are acting severally and not jointly (or jointly and severally) in performing their respective obligations under this Agreement (including obligations under any Schedules to this Agreement) and no Underwriter shall be liable for any act, omission or conduct by any other Underwriter or Selling Firm appointed by any other Underwriter.

3.4 For the purposes of this Section 3, the Underwriters shall be entitled to assume that the Securities are qualified for distribution in each of the Qualifying Jurisdictions.

4. United States Offers and Sales

The Company, the Selling Shareholders and the Underwriters agree that Schedule A to this Agreement, entitled "**United States Offers and Sales**", is incorporated by reference in, and shall form part of, this Agreement. Any offer or sale of the Securities in the United States will be made in accordance with Schedule A and each Underwriter will require this undertaking to be contained in any agreements among the Selling Firms.

5. Marketing Materials

5.1 In connection with the distribution of the Securities:

(i) the Company shall prepare, in consultation with the Joint Bookrunners and the Selling Shareholders, and approve in writing, prior to the time the marketing materials are provided to potential investors, a template version of the marketing materials reasonably requested to be provided by the Underwriters to any potential investor; such marketing materials shall comply with Canadian Securities Laws and be acceptable in form and substance to the Underwriters and the Selling Shareholders, acting reasonably, and such template version shall be approved in writing by the Joint Bookrunners, on behalf of all of the Underwriters, and the Selling Shareholders prior to the time the marketing materials are provided to potential investors;

(ii) the Company shall file the template version of the marketing materials referred to in paragraph 5.1(i) above with the Canadian Securities Regulators as soon as reasonably practicable after the template version of the marketing materials is so approved in writing by the Company and the Selling Shareholders and by the Joint Bookrunners, on behalf of all of the Underwriters, and in any event on or before the day the marketing materials are first provided to any potential investor; and

(iii) any comparables shall be redacted from the template version of the marketing materials in accordance with NI 41-101 prior to filing such template version with the Canadian Securities Regulators and a complete template version containing such comparables and any disclosure relating to the comparables, if any, shall be delivered to the Canadian Securities Regulators by the Company as required by Canadian Securities Laws.

5.2 Following the approvals and filings set forth in the foregoing paragraphs, the Underwriters may provide a limited-use version of the marketing materials to potential investors to the extent permitted by Canadian Securities Laws and applicable United States Securities Laws.

5.3 The Company shall prepare and file a revised template version of any marketing materials provided to potential investors in connection with the offering of the Securities where required under Canadian Securities Laws, and the foregoing paragraphs above shall also apply to such revised template version.

5.4 During the period of distribution of the Securities, the Company, the Selling Shareholders and the Underwriters, on a several basis, covenant and agree:

(i) not to provide any potential investor, and that no potential investor has been provided, with any marketing materials unless a template version of such marketing materials has been or will be filed by the Company with the Canadian Securities Regulators on or before the day such marketing materials are first provided to any potential investor; and

(ii) not to provide any potential investor, and that no potential investor has been provided, with any materials or information in relation to the distribution of the Securities other than: (i) such marketing materials for which the template versions thereof have been approved, filed, and delivered, as applicable, in accordance with the foregoing paragraphs, (ii) the Preliminary Prospectus and Prospectus in accordance with this Agreement, and (iii) any standard term sheet (as defined in NI 41-101) approved in writing by the Company, the Selling Shareholders and the Joint Bookrunners, on behalf of all of the Underwriters.

5.5 No Underwriter will be liable under this Section 5 with respect to a default by any of the other Underwriters or a Selling Firm appointed by any of the other Underwriters.

6. Delivery of Documents

The Company shall deliver or cause to be delivered to each of the Underwriters and the Underwriters' counsel at the respective times indicated, the following documents (except to the extent such documents have been previously provided to the Underwriters or are available on SEDAR) :

6.1 At or prior to the filing of the Prospectus, a "long-form" comfort letter of Deloitte & Touche LLP dated the date of the Prospectus addressed to the Underwriters, the Selling Shareholders and the directors of the Company, in form and substance satisfactory to the Underwriters, acting reasonably, containing statements and information of the type ordinarily included in "comfort letters" to underwriters in connection with the Offering.

6.2 Prior to the day of the filing of the Prospectus with the Canadian Securities Regulators, a copy of the letter from the TSX advising the Company that conditional approval of the listing of the Securities has been granted by the TSX, subject to the satisfaction of the customary conditions set out therein.

6.3 At or prior to the filing of the Preliminary Prospectus and the Prospectus, as applicable:

(i) a copy of the Preliminary Prospectus or the Prospectus, as the case may be, in the English language, signed and certified (other than by the Underwriters and the Selling Shareholders) as required by the Canadian Securities Laws applicable in the Qualifying Jurisdictions;

(ii) a copy of the Preliminary Prospectus or the Prospectus, as the case may be, in the French language, signed and certified (other than by the Underwriters and the Selling Shareholders) as required by the Canadian Securities Laws applicable in Québec;

(iii) a copy of any other document required to be filed along with the Preliminary Prospectus or the Prospectus, as the case may be, by the Company under Canadian Securities Laws;

(iv) a copy of the Preliminary 144A Offering Memorandum or the Final 144A Offering Memorandum, as the case may be;

(v) a copy of any other document required to be filed by the Company under Canadian Securities Laws, including without limitation any marketing materials and template versions thereof;

(vi) opinions of Blake, Cassels & Graydon LLP, dated the date of the Preliminary Prospectus or the Prospectus, as the case may be, in form and substance satisfactory to the Underwriters, acting reasonably, addressed to the Underwriters and their counsel, the Company and the Selling Shareholders, to the effect that the French language version of each of the Preliminary Prospectus or the Prospectus, as the case may be, except the Financial Information and the remaining financial data upon which the auditors of an issuer usually opine as to which no opinion need be expressed by such counsel, is, in all material respects, a complete and proper translation of the English language version thereof; and

(vii) opinions of Deloitte & Touche LLP, dated the date of the Preliminary Prospectus or the Prospectus, as the case may be, in form and substance satisfactory to the Underwriters, acting reasonably, addressed to the Underwriters and their counsel, the Company and the Selling Shareholders, to the effect that the French language version of the Financial Information and the remaining financial data upon which the auditors of an issuer usually opine included in the Preliminary Prospectus or the Prospectus, as the case may be, is, in all material respects, a complete and proper translation of the English language version thereof.

6.4 Offering Document Amendments and Marketing Materials Amendments

(i) During the period from the date of this Agreement until the later of the Closing Date and the date of completion of distribution of the Securities under the Offering Documents:

(A) In the event that the Company is required by Canadian Securities Laws (as a result of a change in Canadian Securities Laws or otherwise) to prepare and file a Prospectus Amendment or Marketing Materials Amendment, the Company shall prepare and deliver promptly to the Selling Shareholders and the Underwriters signed and certified (other than by the Underwriters and the Selling Shareholders) copies of such Prospectus Amendment or Marketing Materials Amendment in the English and French languages. Concurrently with the delivery of any Prospectus Amendment or Marketing Materials Amendment, the Company shall deliver to the Selling Shareholders and the Underwriters, with respect to such Prospectus Amendment or Marketing Materials Amendment, documents similar to those referred to in Sections 6.1 (in the case of a Prospectus Amendment to the Prospectus), 6.3(vi) and (vii), and shall prepare and deliver to the Underwriters a corresponding Offering Memorandum Amendment.

(B) In the event that the Company is required by United States Securities Laws (as a result of a change in United States Securities Laws or otherwise) to prepare and file an Offering Memorandum Amendment, the Company shall prepare and deliver promptly to the Selling Shareholders and the Underwriters such Offering Memorandum Amendment.

(ii) The Underwriters shall deliver a copy of any applicable Offering Document Amendment to each applicable purchaser of Securities.

(iii) The Company shall permit the Selling Shareholders and the Underwriters to review and participate in the preparation of any Offering Document Amendment or Marketing Materials Amendment, it being understood and agreed that no Prospectus Amendment or Marketing Materials Amendment will be filed with any Canadian Securities Regulator, and no Offering Memorandum Amendment distributed, without first obtaining the approval of the Selling Shareholders and the Underwriters and their counsel, after consultation with the Underwriters with respect to the form and content thereof.

7. <u>Representations and Warranties of the Company and the Selling Shareholders as to Offering Documents</u>

7.1 Filing of the Preliminary Prospectus, the Prospectus and any Prospectus Amendment shall constitute a representation and warranty by each of the Company and the Selling Shareholders, jointly and severally, to the Underwriters that, as at their respective dates:

(i) the information and statements (except information and statements relating solely to the Underwriters which has been provided by the Underwriters through the Joint Bookrunners in writing specifically for use in the Preliminary Prospectus, the Prospectus, the U.S. Offering Documents or any Prospectus Amendment and information and statements relating solely to a Selling Shareholder which has been provided by a Selling Shareholder to the Company in writing specifically for use in the Preliminary Prospectus, the Prospectus, the U.S. Offering Documents or any Prospectus Amendment) contained in the Preliminary Prospectus, the Prospectus, the U.S. Offering Documents and any Prospectus Amendment contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Company and the Securities as required by Canadian Securities Laws;

(ii) such documents comply fully with the requirements of Canadian Securities Laws, other than as to non-material matters of form or similar non-material matters; and

(iii) the statistical and market-related data included in the Preliminary Prospectus, the Prospectus, the U.S. Offering Documents and any Prospectus Amendment are based on or derived from sources that are believed by the Company and the Selling Shareholders to be reliable and accurate in all material respects.

Such filings shall also constitute the Company's and the Selling Shareholders' consent to the Underwriters' use of the Preliminary Prospectus, the Prospectus and any Prospectus Amendment in connection with the distribution of the Securities in the Qualifying Jurisdictions in compliance with this Agreement and Canadian Securities Laws.

8. <u>Additional Representations and Warranties of the Company and the Selling Shareholders</u>

Each of the Company and the Selling Shareholders, as promoters of the Company, jointly and severally represents and warrants to the Underwriters, and acknowledges that the Underwriters are relying upon such representations and warranties in purchasing the Securities, that:

8.1 since the respective dates as of which information is given in the Offering Documents or any Offering Document Amendment, except as otherwise stated therein, (i) there has been no Material Adverse Change; (ii) there have been no transactions entered into by the Company or any of the Subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and the Subsidiaries taken as a whole; and (iii) there has been no dividend or distribution of any kind declared, paid or made by the Company or any of the Subsidiaries on any class of its shares;

8.2 the Company has been amalgamated and is existing as a corporation and in good standing under the laws of the Province of Ontario, has the corporate power and authority to own, lease and operate its properties and assets (including licenses and other similar rights) and to conduct its business as described in each Offering Document and any Offering Document Amendment, and is registered to transact business and is in good standing under the laws of all jurisdictions in which its business is carried on or in which it owns or leases properties except where the failure to be registered or in good standing would not have a Material Adverse Effect;

8.3 each of the Subsidiaries has been incorporated (or formed, if it is not a corporation), is existing and in good standing under the laws of its jurisdiction of incorporation or formation, as the case may be, has the power and authority to own, lease and operate its properties and assets (including licenses and other similar rights) and to conduct its business as described in each Offering Document and any Offering Document Amendment, and is registered to transact business and is in good standing under the laws of all jurisdictions in which its business is carried on or in which it owns or leases properties. All of the issued and outstanding shares of, or other equity interests in, each Subsidiary are owned directly or indirectly by the Company, have been duly and validly authorized and issued, are fully paid and, if the Subsidiary is a company, non-assessable, and are owned directly or indirectly by the Company free and clear of any Lien other than: (i) those described in the Offering Documents; and (ii) Permitted Liens;

8.4 the authorized share capital of the Company consists of an unlimited number of SVS, an unlimited number of multiple voting shares and an unlimited number of preferred shares, issuable in series, of which an aggregate of 18,797,788 SVS, 79,680,812 multiple voting shares and no preferred shares will be issued and outstanding immediately prior to Closing. No person, firm or company has any agreement or option, or right or privilege (whether pre-emptive or contractual) capable of becoming an agreement or option, for the purchase from the Company or any Subsidiary of any unissued shares of the Company or any Subsidiary or any right to convert any obligation into or exchange any shares of the Company or any Subsidiary, or for the purchase or acquisition of the assets or property of any kind of the Company or any Subsidiary, except as otherwise referred to in the Offering Documents. All of the issued and outstanding SVS and multiple voting shares of the Company (including the Purchased Shares and any Additional Shares) to be issued and outstanding immediately following the Closing will by such time have been duly and validly authorized and issued as fully paid and non-assessable, and none of the outstanding SVS and multiple voting shares of the Company will be issued in violation of the preemptive or similar rights of any securityholder of the Company;

8.5 the Company, as at the Closing Time, will be directly or indirectly the registered owner of 100% of the equity and voting interest in each of the Subsidiaries;

8.6 this Agreement has been duly authorized, executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms; except as enforcement hereof and thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought and subject to the fact that rights of indemnity and contribution may be limited by applicable law;

8.7 the Financial Statements have been prepared in conformity with IFRS, consistently applied throughout the periods involved, and comply as to form in all material respects with the applicable accounting requirements of Canadian Securities Laws and the OBCA. Such Financial Statements present fairly in all material respects the financial position, financial performance and cash flows of each company as at the dates and for the periods of such Financial Statements. The other Financial Information presents fairly in all material respects the information shown therein and has been compiled on a basis consistent with that of the Financial Statements;

8.8 except as disclosed in the Offering Documents including the Financial Statements contained therein, neither the Company nor any of the Subsidiaries has outstanding any debentures, notes, mortgages, or other indebtedness that is material to the Company and the Subsidiaries taken as a whole;

8.9 none of the Company or any Subsidiary has, or on the Closing Date will have, incurred any liabilities or obligations (whether accrued, absolute, contingent or otherwise) that continue to be outstanding, except: (i) as disclosed or contemplated in the Offering Documents including the Financial Statements contained therein; and (ii) as incurred in the ordinary course of business by the Company or any of the Subsidiaries and which do not have a Material Adverse Effect;

8.10 except as disclosed in the Offering Documents including the Financial Statements contained therein, or which would not individually or in the aggregate have a Material Adverse Effect, since December 31, 2015, (i) there has not been any change in the share capital, long-term debt, financial condition or operations of the Company or any of the Subsidiaries other than changes in the ordinary course of business; (ii) the business of the Company and the Subsidiaries has been carried on in the ordinary course; (iii) none of the property or assets of the Company or the Subsidiaries shown or reflected in the Financial Statements has been transferred, assigned, sold, distributed, dividended or otherwise disposed of other than in the ordinary course of business; and (iv) none of the Company or any of the Subsidiaries has cancelled any material debts or entitlements other than in the ordinary course of business;

8.11 Deloitte & Touche LLP is independent in accordance with the rules of professional conduct applicable to auditors in Canada, and applicable Canadian Securities Laws, and there has not been any reportable event (within the meaning of National Instrument 51-102 — *Continuous Disclosure Obligations)* with such auditors with respect to audits of the Company or any of the Subsidiaries;

8.12 except as disclosed in the Offering Documents including the Financial Statements contained therein (and except, in the case of defaults under Company Contracts and Company Laws (each as defined below), for such breaches, violations, conflicts or defaults that do not or would not, individually or in the aggregate, have a Material Adverse Effect), neither the Company nor any of the Subsidiaries is in violation or default of their obligations hereunder, including, the issuance and sale of the Securities to be sold by the Company and the application of the net proceeds from the issue and sale of the Purchased Shares and the Additional Shares comprising the Treasury Offering in accordance with the disclosure set out under the heading "Use of Proceeds" in the Offering Documents, result in any breach or violation of, or be in conflict with, or constitute a default under, or create a state of facts which after notice or lapse of time, or both, would constitute a default under, or give rise to any right to accelerate the maturity or require the prepayment of any indebtedness under, or result in the imposition of any Lien upon any property or assets of the Company or any Subsidiary pursuant to (i) any term or provision of the constating documents or by-laws of the Company or any Subsidiary or any resolution of the directors or shareholders of the Company or any Subsidiary; (ii) any contract, mortgage, note, indenture, joint venture or partnership arrangement, agreement (written or oral), instrument, lease (including for real property) or licence to which the Company or any Subsidiary is a party or bound or to which any of the business, operations, property or assets of the Company or any Subsidiary is subject (collectively "**Company Contracts**"); or (iii) any statute, law, rule, regulation, judgment, order or decree applicable to the Company or any Subsidiary or their business, operations or assets, of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company or such Subsidiary (collectively "**Company Laws**");

8.13 no securities commission, stock exchange or comparable authority has issued any order preventing or suspending the use of the Preliminary Prospectus, the Preliminary 144A Offering Memorandum, the Prospectus, the Final 144A Offering Memorandum, or any Offering Document Amendment, if any, nor instituted proceedings for that purpose and, to the Knowledge of the Company, no such proceedings are pending or contemplated;

8.14 the Transfer Agent has been duly appointed as registrar and transfer agent for the SVS;

8.15 except as disclosed in the Offering Documents including the Financial Statements contained therein, there is no litigation or governmental or other proceeding or investigation at law or in equity before any court or before or by any federal, provincial, state, municipal or other governmental or public department, commission, board, agency or body, domestic or foreign, in progress or, to the Knowledge of the Company, pending or threatened against, or involving the assets, properties or business of, the Company or any of the Subsidiaries which would result in a Material Adverse Effect or which would adversely affect the performance by the Company or the Subsidiaries of their obligations hereunder;

8.16 (i) each of the Company and the Subsidiaries is in compliance in all material respects with the provisions of applicable federal, provincial, state, local and foreign laws and regulations respecting employment; (ii) no labour dispute with the employees of the Company or any of the Subsidiaries exists or, to the Knowledge of the Company is pending or threatened or imminent, and the Company has no Knowledge of any existing or imminent labour disturbance by the employees of the Company and any Subsidiary's principal suppliers and contractors, which, in either case, may have or result in a Material Adverse Effect or materially impair the sale of the Securities or the consummation of the transactions contemplated hereby; (iii) the labour relations of the Company and of each of the Subsidiaries are satisfactory; and (iv) no collective agreement or collective bargaining agreement or modification thereof has expired and none is currently being negotiated by the Company or any of the Subsidiaries, which, in either case, may have or result in a Material Adverse Effect;

8.17 (i) to the Knowledge of the Company, neither the Company nor any of the Subsidiaries has since December 31, 2015, directly or indirectly, (a) made or authorized any contribution, payment or gift of funds or property of the Company or the Subsidiaries or other unlawful expense relating to political activity to any official, employee or agent of any governmental agency, authority or instrumentality of any jurisdiction or (b) made any direct or indirect contribution from corporate funds to any candidate for public office, in either case, where either the payment or the purpose of such contribution, payment or gift was, is, or would be prohibited under the *Corruption of Foreign Public Officials Act* (Canada), the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or the United States *Foreign Corrupt Practices Act of 1977*, as amended, or *Title 18 United States Code Section 1956 and 1957* (US), or the rules and regulations promulgated thereunder or under any other legislation of any relevant jurisdiction covering a similar subject matter applicable to the Company or the Subsidiaries and their respective operations, and the Company and the Subsidiaries have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance with such legislation; and (ii) the operations of the Company and the Subsidiaries are and since December 31, 2015, have been conducted at all times in compliance with such legislation and no suit, action or proceeding by or before any governmental authority or any arbitrator involving the Company or any Subsidiary with respect to such legislation is in progress, or to the Knowledge of the Company, pending or threatened;

8.18 (i) the Company or the Subsidiaries, as the case may be, owns or has the right to use all patents, patent rights, licences, inventions, copyrights, know how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trade-marks, service marks, trade names or other intellectual property (collectively, "**Intellectual Property**") and all technology used or held for use in the conduct of the business now operated by the Company and the Subsidiaries without any conflict with or infringement upon the rights of others, in each case with such exceptions as would, individually or in the aggregate, not result in a Material Adverse Effect and subject to limitations contained in any applicable license agreement; provided, however, that no representation or warranty is made as to the extent to which ownership of or right to use any particular Intellectual Property or technology includes the exclusive right to use such Intellectual Property or technology; and (ii) to the Knowledge of the Company, there is no action, suit proceeding or claim pending or threatened by others challenging the Company's rights in or to any Intellectual Property or the validity or scope of any Intellectual Property owned, licensed or commercialized by the Company and the Subsidiaries, and the Company has no Knowledge of any other fact which could form a reasonable basis for any such action, suit, proceeding or claim in each case, except as would individually or in the aggregate, not result in a Material Adverse Effect;

8.19 neither the Company nor any Subsidiary has taken, nor will the Company or any Subsidiary take, any action which is designed to or which constitutes or might reasonably be expected to cause or result in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities;

8.20 no approval, authorization, consent or other order of, permit, qualification, license, decree, and no filing, registration or recording with, any government, governmental instrumentality, authority, agency or court having jurisdiction over the Company or the Subsidiary is required for the issuance or sale of the Securities hereunder, except as have been or will be obtained or made prior to Closing;

8.21 the Company and the Subsidiaries possess such permits, licenses, approvals, consents and other authorizations (collectively, "**Governmental Licenses**") issued by the appropriate federal, provincial, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by them, except where the failure to hold such Governmental Licenses would not, individually or in the aggregate, result in a Material Adverse Effect. The Company and the Subsidiaries are in compliance with the terms and conditions of all such Governmental Licenses, except where the failure so to comply would not, individually or in the aggregate, result in a Material Adverse Effect;

8.22 except as disclosed in the Offering Documents, no director or officer, former director or officer, or any other person not dealing at arm's length with, the

Company or the Subsidiaries, their respective affiliates or their respective directors or officers, will continue after Closing to be engaged in any material transaction or arrangement with or to be a party to a material contract with, or have any material indebtedness, liability or obligation to, the Company or any of the Subsidiaries;

8.23 except as described in the Offering Documents and subject to applicable law, (i) the Company is not currently, and will not be following the Closing, prohibited directly or indirectly, from paying any dividends or from making any other distributions on its share capital; (ii) no Subsidiary is currently prohibited, directly or indirectly, from paying any dividends to the Company, from making any other distribution on such Subsidiary's share capital, partnership interests or membership interests, from repaying to the Company any loans or advances to such Subsidiary or from transferring any of such Subsidiary's property or assets to the Company or any other Subsidiary of the Company;

8.24 except as described in the Offering Documents including the Financial Statements contained therein and except for such matters as would not, individually or in the aggregate, result in a Material Adverse Effect, (i) neither the Company nor any of the Subsidiaries is in violation of any currently applicable federal, provincial, state, local or foreign statute, law, rule, regulation, ordinance or code relating to pollution or protection of human health, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the Release or threatened Release of pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products, asbestos containing materials or mold (collectively, "**Hazardous Materials**") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, "**Environmental Laws**"); (ii) the Company and the Subsidiaries have all permits, authorizations and approvals required under any applicable Environmental Laws to conduct the business now operated by them and are each in compliance with the requirements of such permits, authorizations and approvals; (iii) there are no pending administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of non-compliance or violation, investigation or proceedings relating to any Environmental Law against the Company or any of the Subsidiaries; and (iv) neither the Company nor any of the Subsidiaries has received any written notice within the past five years alleging in any manner that such entity is responsible, or potentially responsible for any Release of Hazardous Materials, any penalties or liabilities arising under any Environmental Laws or any violation of Environmental Laws. To the Knowledge of the Company, any costs or liabilities associated with compliance with Environmental Laws would not, individually or in the aggregate, result in a Material Adverse Effect;

8.25 the Company and the Subsidiaries, as the case may be, have each, except as would not result in a Material Adverse Effect, (i) timely filed (or has had timely filed on their behalf) all returns, declarations, reports, estimates, information, returns, elections and statements ("**Returns**") required to be filed or sent in respect of any governmental charges or required to be filed or sent by it to any taxing authority having jurisdiction since incorporation or organization and all such Returns have been prepared in accordance with the provisions of the applicable legislation and are true, correct and complete in all material respects; (ii) timely and properly paid (or has had paid on its behalf), all governmental charges due or claimed to be due by a governmental body; and (iii) has properly withheld or collected and remitted all amounts required to be withheld or collected and remitted by it in respect of any governmental charges;

8.26 except as described in the Offering Documents, there are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the 1933 Act or to file a prospectus under Canadian Securities Laws with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in the offering to which the Prospectus relates. Except for convertible securities issued under any of the other equity incentive plans described in the Offering Documents, and except for the pre-emptive rights of holders of multiple voting shares described in the Offering Documents, the holders of outstanding shares of the Company's share capital are not entitled to pre-emptive or other rights to subscribe for SVS or multiple voting shares, including after exercise or conversion of any security or right to acquire any security;

8.27 the Securities are conditionally approved for listing and trading on the TSX, subject to the satisfaction of the listing conditions set forth in the conditional approval letter of the TSX dated May 19, 2016, a copy of which has been provided to the Underwriters;

8.28 no order, ruling or determination having the effect of suspending the sale or ceasing the trading or distribution of the Securities or any other securities of the Company has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the Knowledge of the Company, threatened, under any of the Canadian Securities Laws;

8.29 policies of insurance issued by insurers of recognized financial responsibility are maintained in respect of the operations, properties and assets, employees, directors and officers of the Company and the Subsidiaries in such amounts and covering such risks as are prudent and customary in the businesses in which they are engaged. All such policies of insurance are in full force and effect and no material default exists under such policies of insurance as to the payment of premiums or otherwise under the terms of any such policy, there are no claims by the Company nor any Subsidiary under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; and the Company has no Knowledge that it will not be able to renew the Company's or the Subsidiaries' existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue their business. Neither the Company nor any Subsidiary has been denied any insurance coverage which it has sought or for which it has applied;

8.30 except as contemplated hereby, there is no person acting at the request of the Company or the Selling Shareholders who is entitled to any brokerage or agency fee in connection with the sale of the Securities contemplated herein;

8.31 since July 31, 2015, no acquisition has been made by the Company or any Subsidiary that would be a significant acquisition for the purposes of Canadian Securities Laws for which the Company has not filed a business acquisition report under applicable Canadian Securities Laws, and no proposed acquisition by the Company or any Subsidiary has progressed to a state where a reasonable person would believe that the likelihood of the Company or any Subsidiary completing the acquisition is high and that, if completed by the Company or any Subsidiary at the date of the Offering Documents, would be a significant acquisition for the purposes of Canadian Securities Laws, in each case, that would require the prescribed disclosure in the Offering Documents pursuant to such laws;

8.32 the Company has a reasonable basis for disclosing any forward looking information contained in the Offering Documents and is not, as of the date hereof, required to update any such forward looking information pursuant to National Instrument 51-102 — *Continuous Disclosure Obligations*;

8.33 the Company has no Knowledge of any pending or contemplated change to any law, regulation or position of a governmental authority that would have a Material Adverse Effect;

8.34 except as disclosed in the Offering Documents, there are no shareholders' agreements, voting agreements, investors' rights agreements or other agreements in force or effect which in any manner affects or will affect the voting or control of any of the securities of the Company or its Subsidiaries or the operations or affairs of the Company or its Subsidiaries;

8.35 the Company is a "reporting issuer" in each of the Qualifying Jurisdictions, is not in default in any material respect under any Canadian Securities Laws applicable in such jurisdictions and is in compliance, in all material respects, with the by-laws, rules, policies and regulations of the TSX. In particular, without limiting the generality of the foregoing, the Company is, and at all times has been, in compliance with its obligations to make timely disclosure of all material changes relating to it (other than in respect of material change reports filed on a confidential basis and thereafter made public and material change reports filed on a confidential basis and in respect of which the material change never came to fruition), no such disclosure has been made on a confidential basis and there is no material change relating to the Company which has occurred and with respect to which the requisite material change report has not been filed; and

8.36 the Company is qualified under NI 44-101 to file a prospectus in the form of a short form prospectus.

9. Additional Representations and Warranties of the Selling Shareholders

Each of the Selling Shareholders represents and warrants to the Underwriters with respect to itself, and not with respect to any other Selling Shareholder, and acknowledges that the Underwriters are relying upon such representations and warranties in purchasing the Purchased Shares and Additional Shares (if any) that:

9.1 the Selling Shareholder is existing as a corporation under the laws of its jurisdiction of incorporation and has the power and authority to own, lease and operate its properties and assets;

9.2 the Selling Shareholder has the requisite corporate power, authority and capacity to enter into and deliver this Agreement and to perform its obligations hereunder;

9.3 this Agreement has been duly authorized, executed and delivered by the Selling Shareholder and constitute a legal, valid and binding obligation of the Selling Shareholder, enforceable against it in accordance with its terms; except as enforcement hereof and thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought and subject to the fact that rights of indemnity and contribution may be limited by applicable law;

9.4 the Selling Shareholder is, with respect to the multiple voting shares of the Company which it will convert to SVS as part of the Secondary Offering, and will be, from the time of issuance of the Securities upon the conversion of the multiple voting shares into SVS until immediately prior to the Closing or Option Closing, as the case may be, the sole beneficial owner of such multiple voting shares and Securities with good and marketable title thereto, free and clear of any and all Liens and pursuant to consents and waivers that have been granted and received in respect of the Principal Shareholders Agreement, the Selling Shareholder has the sole right to sell, assign, transfer and otherwise dispose of such Securities. Pursuant to consents and waivers that have been granted and received in respect of the Principal Shareholders Agreement, no person has any agreement or option, or any right or privilege (whether by law, pre-emptive, contractual or otherwise) capable of becoming an agreement or option, for the purchase, acquisition or transfer from the Selling Shareholder of any such multiple voting shares of the Company or Securities or has any interest in such multiple voting shares of the Company or Securities or right to such Securities;

9.5 except in the case of defaults under Selling Shareholder Contracts and Selling Shareholder Laws (as defined below), for such breaches, violations, conflicts or defaults that do not or would not, individually or in the aggregate have a material adverse effect on the Selling Shareholder or adversely affect the consummation of the transactions contemplated in this Agreement, the Selling Shareholder is not in violation or default of, nor will the execution and delivery of this Agreement, and the performance by the Selling Shareholder of its obligations hereunder and thereunder, result in any breach or violation of, or be in conflict with, or constitute a default under, or create a state of facts which after notice or lapse of time, or both, would constitute a default under, or give rise to any right to accelerate the maturity or require the prepayment of any indebtedness under, or result in the imposition of any Lien (other than those arising mandatorily by law) upon any property or assets of the Selling Shareholder pursuant to (i) any term or provision of the articles of incorporation of the Selling Shareholder or any resolution of the directors or shareholders of the Selling Shareholder; (ii) any material contract, note, indenture, joint venture or partnership arrangement, agreement (written or oral), instrument, lease (including for real property) or license to which the Selling Shareholder is a party or bound or to which any of the business, operations, property or assets of the Selling Shareholder is subject (collectively, the "**Selling Shareholder Contracts**"); or (iii) any statute, law, rule, regulation, judgment, order or decree applicable to the Selling Shareholder or its business, operations or assets, of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Selling Shareholder (collectively, the "**Selling Shareholder Laws**");

9.6 neither the Selling Shareholder nor any affiliate of the Selling Shareholder has taken, nor will the Selling Shareholder or any affiliate take, any action which is designed to or which constitutes or might reasonably be expected to cause or result in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities as provided for herein;

9.7 no approval, authorization, consent or other order of, permit, qualification, license, decree, and no filing, registration or recording with, any government, governmental instrumentality, authority, agency or court having jurisdiction over the Selling Shareholder is required of the Selling Shareholder for the performance by the Selling Shareholder of its obligations under this Agreement or the consummation of the transactions contemplated by this Agreement, except as have been or will be obtained or made prior to Closing;

9.8 there is no litigation or governmental or other proceeding or investigation at law or in equity before any court or before or by any federal, provincial, state, municipal or other governmental or public department, commission, board, agency or body, domestic or foreign, in progress or, to the Knowledge of the Selling Shareholder, pending or threatened against, or including the assets, properties or business of, the Selling Shareholder which would result in a material adverse effect on the Selling Shareholder or which would adversely affect the consummation of the transactions contemplated by this Agreement, or the performance by the Selling Shareholder of its obligations hereunder;

9.9 the Selling Shareholder has not solicited offers to purchase Securities or multiple voting shares of the Company from, or sell Securities or multiple voting shares of the Company to, any person, except in a manner that is exempt from registration and prospectus requirements under applicable securities laws;

9.10 the Selling Shareholder did not determine to dispose of the Securities or multiple voting shares of the Company on the basis of a material fact or material change with respect to the Company that has not been publicly disclosed or which is not disclosed in the Prospectus and the Selling Shareholder is not aware of such a material fact or material change;

9.11 other than the Underwriters pursuant to this Agreement, there is no person acting or purporting to act at the request of the Selling Shareholder who is entitled to any brokerage, agency or other fiscal advisory or similar fee in connection with the transactions contemplated herein;

9.12 the Selling Shareholder's information contained in the Offering Documents is true and correct in all material respects and contains no misrepresentation and constitutes full, true and plain disclosure of all material facts required to be stated therein and does not include any untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances in which they were made, not misleading; and

9.13 the Selling Shareholder makes the representations, warranties and covenants applicable to it in Schedule A to this Agreement, which forms part of this Agreement.

10. Commercial Copies

The Company shall cause commercial copies of the Offering Documents to be printed and delivered to the Underwriters without charge, in such quantities and in such cities as the Underwriters may reasonably request by written instructions to the printer of such documents. Such delivery of the Offering Documents shall be effected as soon as possible after filing of the Prospectus with the Canadian Securities Regulators but, in any event on or before (i) 5:00 p.m. (Toronto time) on the Business Day following receipt of the Final Passport System Decision Document within the City of Toronto or (ii) 5:00 p.m. (Toronto time) on the second Business Day following receipt of the Final Passport System Decision Document in the case of such other cities in the Qualifying Jurisdictions. Such deliveries shall constitute the consent of the Company and the Selling Shareholders to the Underwriters' use of the Offering Documents for the distribution of Securities in compliance with the provisions of this Agreement and the Canadian Securities Laws and United States Securities Laws. The Company shall similarly cause to be delivered commercial copies of any Offering Document Amendments. The commercial copies of the Prospectus shall be identical in content to the electronically transmitted versions thereof filed with Canadian Securities Regulators on SEDAR.

11. Change of the Closing Date

Subject to the right of any Underwriter to terminate its obligations under this Agreement in accordance with the termination provisions contained in Section 19, if a material change or a change in a material fact occurs prior to the Closing Date which requires a Prospectus

Amendment, the Closing Date shall be, unless the Company, the Selling Shareholders and the Underwriters otherwise agree in writing or unless otherwise required under Canadian Securities Laws, the fifth Business Day following the later of:

11.1 the date on which all applicable filings or other requirements of Canadian Securities Laws with respect to such material change or change in a material fact have been complied with in all Qualifying Jurisdictions and any appropriate Passport System decision documents obtained for such filings and notice of such filings from the Company or its counsel have been received by the Underwriters; and

11.2 the date upon which the commercial copies of any Prospectus Amendments have been delivered in accordance with Section 10,

provided, however, that the Closing Date shall not be later than June 13, 2016.

12. Completion of Distribution

The Underwriters shall after the Closing Time and, if applicable, the Option Closing Time, give prompt written notice to the Company and the Selling Shareholders when, in the opinion of the Underwriters, they have completed distribution of the Purchased Shares or the Additional Shares, as the case may be, including the total proceeds realized in each of the Qualifying Jurisdictions and any other jurisdiction provided that such notice shall be provided on a Business Day no later than 30 days following the date on which such distribution shall have been completed.

13. Material Change or Change in Material Fact During Distribution and Other Covenants

13.1 During the period from the date of this Agreement to the later of the Closing Date and the date of completion of distribution of the Securities under the Offering Documents, the Company and the Selling Shareholders shall promptly, after receiving notice or obtaining knowledge, notify the Underwriters and their counsel in writing of the full particulars of:

(i) (a) the issuance by any securities commission, stock exchange or comparable authority of any order suspending or preventing the use of the Preliminary Prospectus, the Preliminary 144A Offering Memorandum, the Prospectus, the Final 144A Offering Memorandum or any Offering Document Amendment, (b) the suspension of the qualification of the Securities for offering or sale in any of the Qualifying Jurisdictions or in the United States, (c) the institution, threatening or contemplation of any proceeding for any of those purposes, or (d) any requests made by any securities commission, stock exchange or comparable authority for amending or supplementing the Preliminary Prospectus, the Preliminary 144A Offering Memorandum, the Prospectus, the Final 144A Offering Memorandum, or any Offering Document Amendment or for additional information, and the Company will use its reasonable best efforts to prevent the issuance of any such order and, if any such order is issued, to obtain the withdrawal of the order promptly;

(ii) any material change (whether actual, anticipated, contemplated or proposed by, or threatened) or development involving a prospective material change in the results of operations, condition (financial or otherwise), business, affairs, prospects, assets, properties, liabilities (contingent or otherwise), cash flows, income, business operations or capital of the Company and the Subsidiaries taken as a whole, whether or not arising from transactions in the ordinary course of business;

(iii) any material fact that has arisen or has been discovered and would have been required to have been stated in the Offering Documents or any Offering Document Amendment had the fact arisen or been discovered on, or prior to, the date of such document; and

(iv) any change in any material fact (which for the purposes of this Agreement shall be deemed to include the disclosure of any previously undisclosed material fact) contained in the Offering Documents or any Offering Document Amendment, which fact or change is, or may be, in any case, of such a nature as to render any statement in the Offering Documents or any Offering Document Amendment misleading or untrue or which would result in a misrepresentation in the Offering Documents or any Offering Document Amendment or which would result in the Offering Documents or any Offering Document Amendment not complying (to the extent that such compliance is required) with Canadian Securities Laws or United States Securities Laws, in each case, as at any time up to and including the later of the Closing Date and the date of completion of the distribution of the Securities under the Offering Documents.

13.2 Subject to Section 6.4(iii), the Company and the Selling Shareholders shall promptly, and in any event within any applicable time limitation, comply, to the satisfaction of the Underwriters, acting reasonably, with all applicable filings and other requirements under Canadian Securities Laws and United States Securities Laws, as a result of a fact or change referred to in Section 13.1. The Company and the Selling Shareholders shall in good faith discuss with the Underwriters any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) which is of such a nature that there is reasonable doubt whether written notice need be given under Section 13.1.

13.3 The Company covenants and agrees with the Underwriters that it will:

(i) apply the net proceeds from the issue and sale of the Purchased Shares and Additional Shares, in each case as part of the Treasury Offering, in accordance with the disclosure set out under the heading “Use of Proceeds” in the Offering Documents;

(ii) promptly provide to the Underwriters, and will cause each of the Subsidiaries to provide to the Underwriters, during the period commencing on the date hereof and until completion of the distribution of the Securities, copies of any filings made by the Company or the Subsidiaries of information relating to the offering of the Securities with any securities exchange or any regulatory body in Canada or the United States or any other jurisdiction;

(iii) promptly provide to the Underwriters, during the period commencing on the date hereof and until completion of the distribution of the Securities, drafts of any press releases and other public documents of the Company or the Subsidiaries relating to the Company or the offering contemplated by this Agreement for review by the Underwriters and the Underwriters' counsel prior to issuance, provided that any such review will be completed in a timely manner; and

(iv) deliver to the Underwriters, without charge, in Toronto, Ontario, contemporaneously with or prior to the filing of the Prospectus or any Prospectus Amendment, a copy of any document required to be filed by the Company, if any, under Canadian Securities Laws in connection with the offering of the Purchased Shares or the Additional Shares contemplated by this Agreement.

14. Services Provided by Underwriters and Underwriting Fee

14.1 In consideration of the Underwriters' agreement to purchase the Securities from the Company and the Selling Shareholders, and in consideration of the services to be rendered by the Underwriters in connection therewith, the Company (in respect of the Securities which comprise the Treasury Offering) and each of the Selling Shareholders (in respect of the Securities which comprise the Secondary Offering) agrees to pay to the Underwriters a fee equal to $1.064 per Purchased Share, and if applicable, per Additional Share, or 4.0% of the offering price per Purchased Share and Additional Share purchased by the Underwriters (collectively, the "**Underwriting Fee**"). The Joint Bookrunners will also be entitled to a work fee equal to 5.0% of the Underwriting Fee, which shall be extracted from the Underwriting Fee. The work fee will be allocated among the Joint Bookrunners, 50% allocation to RBC and 50% allocation to TD.

14.2 Notwithstanding Section 14.1 and Section 15, RBC shall be deemed to have received the total amount of the Underwriting Fee earned in connection with such sale. For greater certainty, such portion of the Underwriting Fee shall not impact the allocation of the Underwriting Fee payable as provided for in Section 15.

14.3 The Underwriting Fee shall be payable as provided for in Section 15.

15. Delivery of Purchase Price, Underwriting Fee and Securities

15.1 The purchase and sale of the Securities shall be completed at the Closing Time at the offices of Blake, Cassels & Graydon LLP in Toronto, Ontario or at such other place as the Underwriters and the Company may agree upon.

15.2 At the Closing Time or the Option Closing Time, as the case may be, in respect of Securities which comprise the Treasury Offering, the Company shall duly deliver to the Underwriters in the form of an electronic deposit pursuant to the non-certificate issue system (the "**NCI System**") maintained by CDS Clearing & Depository Services Inc., or in the manner directed by the Underwriters in writing, the Purchased Shares or the Additional Shares, as the case may be, which comprise the Treasury Offering, registered in the name of "CDS & Co.", or in such other name or names as the Joint Bookrunners may notify the Company in writing not less than 48 hours prior to the Closing Time or Option Closing Time, as the case may be. Purchased Shares or Additional Shares, in each case comprising the Treasury Offering, as the case may be, shall be delivered against payment by the Underwriters to the Company of the purchase price for such Purchased Shares or Additional Shares, as the case may be, net of the Underwriting Fee and the Underwriters' expenses, by wire transfer of immediately available funds together with a receipt signed by the Joint Bookrunners, on behalf of the Underwriters, for such certificate(s) (or their equivalent in the NCI System) representing Purchased Shares or Additional Shares, as the case may be, comprising the Treasury Offering purchased by the Underwriters for resale, and for receipt of the Underwriting Fee.

As at the Closing Time or Option Closing time, as the case may be, in respect of Securities which comprise the Secondary Offering, the Selling Shareholders shall duly and validly deliver in uncertificated form to the Underwriters as an "instant" or electronic deposit through the systems of CDS Clearing and Depository Services Inc., or in the manner directed by the Underwriters in writing, the Purchased Shares or the Additional Shares, as the case may be, registered in the name of "CDS & Co" or in such other name or names as the Joint Bookrunners may notify the Selling Shareholders and the Company in writing not less than 48 hours prior to the Closing Time, as the case may be. Purchased Shares or Additional Shares, as the case may be, which comprise the Secondary Offering, shall be delivered against payment by the Underwriters to the Selling Shareholders of the purchase price for the Purchased Shares or Additional Shares, as the case may be net of the Underwriting Fee, by wire transfer of immediately available funds together with a receipt signed by the Joint Bookrunners, on behalf of the Underwriters, for such certificate(s) (or their equivalent in the NCI System) representing Purchased Shares or Additional Shares, as the case may be, comprising the Secondary Offering purchased by the Underwriters for resale, and for receipt of the Underwriting Fee.

Payment for the Purchased Shares and Additional Shares (if any) pursuant to the Treasury Offering shall be made to the Company and payment for the Purchased

Shares and Additional Shares (if any) pursuant to the Secondary Offering shall be made to the Selling Shareholders, by wire transfer of immediately available funds against delivery of such Purchased Shares and Additional Shares for the respective accounts of the Underwriters at the Closing Time or the Option Closing Time, as the case may be, as shall be designated in writing by the Joint Bookrunners at the above-mentioned offices of Blake, Cassels & Graydon LLP in Toronto, Ontario or at such other place as the Underwriters and the Company may agree upon.

15.3 In order to facilitate an efficient and timely closing at the Closing Time and the Option Closing Time, the Joint Bookrunners, on behalf of the Underwriters, may choose to initiate wire transfers of immediately available funds to the Company and the Selling Shareholders prior to the Closing Time or prior to the Option Closing Time, as the case may be. If the Joint Bookrunners do so, the Company and each of the Selling Shareholders agrees that such transfer of funds prior to the Closing Time and prior to the Option Closing Time, as the case may be, does not constitute a waiver by the Underwriters of any of the conditions of Closing or the Option Closing set out in this Agreement. Furthermore, the Company and each of the Selling Shareholders agrees that any such funds received from the Underwriters prior to the Closing Time or prior to the Option Closing Time, if applicable, will be held by the Company and the Selling Shareholders in trust solely for the benefit of the Underwriters until the Closing Time or the Option Closing Time, as the case may be, and if the Closing or the Option Closing, as the case may be, does not occur at the scheduled Closing Time or the Option Closing Time, as the case may be, such funds shall be immediately returned by wire transfer to the Joint Bookrunners, on behalf of the Underwriters, without interest. Upon the satisfaction of the conditions of Closing or the Option Closing, as the case may be, and the delivery to the Underwriters of the items set out in Section 16, the funds held by the Company and the Selling Shareholders in trust for the Underwriters shall be deemed to be delivered by the Underwriters to the Company and the Selling Shareholders in satisfaction of the obligation of the Underwriters under this Section 15 and upon such delivery, the trust constituted by this Section 15 shall be terminated without further formality.

16. <u>Delivery of Certificates to Transfer Agent</u>

16.1 The Company and the Selling Shareholders, prior to the Closing Date or the Option Closing Date, as the case may be, shall make all necessary arrangements for the preparation and delivery (and in the case of definitive certificate(s), execution of such definitive certificate(s) representing the Purchased Shares or Additional Shares, as the case may be) of the Purchased Shares or Additional Shares, as the case may be, on the Closing Date or the Option Closing Date, as the case may be, with the Transfer Agent.

16.2 All fees and expenses payable to the Transfer Agent in connection with the electronic deposit pursuant to the NCI System and the preparation and delivery (and in the case of definitive certificate(s), execution of such definitive certificate(s) representing the Purchased Shares or Additional Shares, as the case may be) of the Purchased Shares and the Additional Shares contemplated by this Section 16 and the fees and expenses payable to the Transfer Agent in connection with the initial or additional transfers as may be required in the course of the distribution of the Securities shall be borne by the Company.

17. Conditions to the Underwriters' Obligation to Purchase the Purchased Shares

The Underwriters' obligation to purchase the Purchased Shares at the Closing Time shall be subject to the accuracy of the representations and warranties of the Company and the Selling Shareholders contained in this Agreement as of the date of this Agreement and as of the Closing Date, the performance by each of the Company and the Selling Shareholders of their obligations under this Agreement and the following conditions:

17.1 Conversion of Multiple Voting Shares

(i) Each Selling Shareholder shall, in its capacity as a selling shareholder in the Offering, take all such steps and proceedings as may for necessary for the conversion of the multiple voting shares of the Company into SVS necessary to complete the Secondary Offering, in each case, to the satisfaction of the Underwriters and their counsel, acting reasonably.

17.2 Delivery of Opinions

(i) The Underwriters shall have received at the Closing Time a legal opinion dated the Closing Date, in form and substance satisfactory to counsel to the Underwriters, acting reasonably, addressed to the Underwriters (and if required for opinion purposes, counsel to the Underwriters) from Blake, Cassels & Graydon LLP, Canadian counsel to the Company, as to the laws of Canada and the Qualifying Jurisdictions, which counsel in turn may rely upon the opinions of local counsel where it deems such reliance proper as to the laws other than the laws of the provinces of Alberta, British Columbia, Ontario and Québec (or alternatively, make arrangements to have such opinions directly addressed to the Underwriters and counsel to the Underwriters), and all of such counsel may rely upon, as to matters of fact, certificates of the auditors of the Company, public officials and officers of the Company, and letters from stock exchange representatives and transfer agents, with respect to the following matters:

(A) as to the incorporation or formation, existence and good standing status of each of the Company and Spin Master Ltd. (the "**Canadian Subsidiary**") under the laws of their respective jurisdiction of incorporation or formation;

(B) as to the issued and outstanding Capital of the Company immediately prior to the issuance of the Purchased Shares;

(C) as to the adequacy of the corporate power and capacity of the Company to enter into this Agreement and to carry out its obligations hereunder, including the issuance and sale of the Purchased Shares and the Additional Shares, as the case may be;

(D) that each of the Company and the Canadian Subsidiary has all requisite corporate power, capacity and authority under the laws of its respective jurisdiction of incorporation or formation to carry on its businesses as presently carried on and to own its property and assets;

(E) that no authorization, consent or approval of, or filing, registration, permit, license, decree, qualification or recording with, any government, governmental instrumentality, authority, agency or court having jurisdiction in British Columbia, Alberta, Ontario or Quebec is required for the performance by the Company of its obligations hereunder, the issuance or sale of the Purchased Shares or Additional Shares, comprising the Treasury Offering, hereunder or the consummation of the transactions of the Company contemplated by this Agreement (including, without limitation, the distribution of the Securities, comprising the Treasury Offering, in the manner contemplated herein), other than those that have been obtained or made prior to Closing;

(F) that all necessary corporate action has been taken by the Company to authorize (x) the execution, delivery and performance of this Agreement, and (y) the delivery and, if applicable, the execution and filing of the Preliminary Prospectus, the Offering Documents, and, if applicable, any Offering Document Amendment, under the Canadian Securities Laws in each of the Qualifying Jurisdictions;

(G) that the Purchased Shares have been duly authorized prior to the Closing Time, and, subject to receipt of payment in full for them, when issued and delivered, will be validly issued by the Company and outstanding as fully paid and non-assessable SVS;

(H) that the description of the Securities in the Preliminary Prospectus and the Prospectus are in all material respects true, complete and accurate descriptions of the rights, privileges, restrictions and conditions attaching to the Securities;

(I) that this Agreement has been duly authorized, executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms under the laws of Ontario, subject to customary qualifications for enforceability;

(J) that the execution, delivery and performance of this Agreement by the Company, including the issuance and sale of the Purchased Shares or Additional Shares, as the case may be, to be sold by the Company, do not constitute and will not result in any breach or violation of, (i) any term or provision of the constating documents or by-laws of the Company; and (ii) the applicable laws of general application in British Columbia, Alberta, Ontario and Quebec;

(K) that the statements under the heading "Eligibility for Investment" in the Preliminary Prospectus and the Offering Documents are accurate, subject to the assumptions, qualifications, limitations and restrictions set out therein;

(L) that all necessary documents have been filed, all requisite proceedings have been taken and all legal requirements have been fulfilled by the Company to qualify the Securities comprising the Treasury Offering for distribution and sale to the public in each of the Qualifying Jurisdictions through investment dealers or brokers registered in such categories under the applicable laws of the Qualifying Jurisdictions who have complied with the relevant provisions of such applicable laws;

(M) all the laws of the Province of Québec relating to the use of the French language (other than those relating to verbal communication) will have been complied with in connection with the Offering of the Purchased Shares and the Additional Shares to purchasers in such province if such purchasers received a copy of the Prospectuses and forms of order and confirmation in the French language only or a copy of each such documents in the French language and in the English language, provided that such documents in the English language may be delivered, without delivery of the French language versions thereof, to physical persons in the Province of Québec who have expressly requested them in writing.

(ii) The Underwriters shall have received at the Closing Time a legal opinion dated the Closing Date, in form and substance satisfactory to counsel to the Underwriters, acting reasonably, addressed to the Underwriters (and if required for opinion purposes, counsel to the Underwriters) from Torkin Manes LLP, Canadian counsel to the Selling Shareholders, as to the laws of Canada and the Province of Ontario, which counsel in turn may rely upon, as to matters of fact, certificates of the officers of the Selling Shareholders, with respect to the following matters:

(A) as to the existence of each of the Selling Shareholders under the laws of its jurisdiction of incorporation and as to the corporate power and capacity of each of the Selling Shareholders to execute, deliver and perform its obligations under this Agreement;

(B) that all necessary corporate action has been taken by each of the Selling Shareholders to authorize the execution and delivery of this Agreement and the performance by each of the Selling Shareholders of their obligations hereunder;

(C) that no approval, authorization, consent or other order of, and no filing, registration or recording with, any governmental authority is required of each of the Selling Shareholders under the laws of the province of Ontario and the federal laws of Canada applicable therein in connection with the execution and delivery of this Agreement by each of the Selling Shareholders and the performance of its obligations hereunder, except as have been obtained or made and are in full force and effect, or as required by Canadian Securities Laws with regard to the distribution of the Securities in the Qualifying Jurisdictions;

(D) that this Agreement has been duly executed and delivered by each of the Selling Shareholders and constitutes a legal, valid and binding obligation of each of the Selling Shareholders and is enforceable against each of the Selling Shareholders in accordance with its terms, subject to customary qualifications for enforceability opinions; and

(E) that the execution and delivery of this Agreement by each of the Selling Shareholders and the performance of its obligations hereunder do not and will not result in a breach (whether after notice or lapse of time or both) of any of the terms, conditions or provisions of the articles or by-laws of each of the Selling Shareholders or any laws of the province of Ontario or the federal laws of Canada applicable therein.

(iii) The Underwriters shall have received at the Closing Time a legal opinion of Torys LLP, dated the Closing Date, addressed to the Underwriters with respect to certain matters in Section 17.2(i); provided that Torys LLP shall be entitled to rely on the opinions of local counsel as to matters governed by the laws of jurisdictions other than the laws of Canada, Alberta, Québec and Ontario, as to matters of fact, on certificates of the auditors of the Company, public officials and officers of the Company; and provided further that such counsel shall be entitled to rely on the opinions of counsel to the Company with respect to certain of such matters.

(iv) The Underwriters shall have received at the Closing Time an opinion of U.S. counsel to the Company, Skadden, Arps, Slate, Meagher & Flom LLP, in form and substance satisfactory to the Underwriters, acting reasonably, to the effect that the offer, sale and delivery of the Securities in the United States is not required to be registered under the 1933 Act.

17.3 Delivery of Comfort Letter at Closing

The Underwriters shall have received from each of Deloitte & Touche LLP at the Closing Time a "bring-down" comfort letter dated the Closing Date, in form and substance satisfactory to the Underwriters, acting reasonably, addressed to the Underwriters, the Selling Shareholders and the directors of the Company, confirming the continued accuracy of the comfort letter to be addressed to the Underwriters, the Selling Shareholders and the directors of the Company pursuant to Section 6 with such changes as may be necessary to bring the information in such letter forward to a date not more than two Business Days prior to the Closing Date, provided such changes are acceptable to the Underwriters, acting reasonably.

17.4 Delivery of Certificates

(i) The Underwriters shall have received at the Closing Time a certificate dated the Closing Date, addressed to the Underwriters signed by appropriate officers of the Company, in form and substance satisfactory to the Underwriters, acting reasonably, with respect to the constating documents and by-laws of the Company and the Canadian Subsidiary, all resolutions of the board of directors of the Company and such Subsidiaries relating to this Agreement, the incumbency and specimen signatures of signing officers of the Company.

(ii) The Underwriters shall have received at the Closing Time a certificate dated the Closing Date, addressed to the Underwriters signed by appropriate officers of MIHL, in form and substance satisfactory to the Underwriters, acting reasonably, with respect to the articles of incorporation of MIHL, all resolutions of the directors of MIHL relating to this Agreement, the incumbency and specimen signatures of signing officers of MIHL.

(iii) The Underwriters shall have received at the Closing Time a certificate dated the Closing Date, addressed to the Underwriters signed by appropriate officers of TIL, in form and substance satisfactory to the Underwriters, acting reasonably, with respect to the articles of incorporation of TIL, all resolutions of the directors of TIL relating to this Agreement, the incumbency and specimen signatures of signing officers of TIL.

(iv) The Underwriters shall have received at the Closing Time a certificate dated the Closing Date, addressed to the Underwriters signed by appropriate officers of LBI, in form and substance satisfactory to the Underwriters, acting reasonably, with respect to the articles of incorporation of LBI, all resolutions of the directors of LBI relating to this Agreement, the incumbency and specimen signatures of signing officers of LBI.

(v) The Underwriters shall have received at the Closing Time a certificate dated the Closing Date, addressed to the Underwriters and signed on behalf of the Company by a Chief Executive Officer and the Chief Financial Officer of the Company or other senior officers of the Company acceptable to the Underwriters, certifying for and on behalf of the Company and without personal liability after having made enquiry and after having examined the Offering Documents and any Offering Document Amendment, that:

(A) since the date as of which information is given in the Offering Documents there has been no Material Adverse Change and that no material transaction has been entered into by the Company or the Subsidiaries other than as disclosed in the Offering Documents;

(B) the Offering Documents (except any information, statement or omission relating solely to the Underwriters made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Joint Bookrunners, specifically for use in the Preliminary Prospectus, the Offering Documents or any Offering Document Amendment) (i) do not contain a misrepresentation and contain full, true and plain disclosure of all material facts relating to the Securities; and (ii) do not contain an untrue statement of a material fact or omit to state a material fact that is required to be stated or that is necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(C) no order, ruling or determination having the effect of ceasing the trading or suspending the sale of the Securities or any other securities of the Company has been issued by any regulatory authority or governmental entity and no proceedings for that purpose has been instituted or are pending or, to the knowledge of such officers, contemplated or threatened by any regulatory authority or governmental entity;

(D) the Company has complied in all material respects with the terms and conditions of this Agreement on its part to be complied with at or prior to the Closing Time; and

(E) the representations and warranties of the Company contained in this Agreement and in any certificates or other documents delivered by the Company pursuant to or in connection with this Agreement are true and correct in all material respects as of the

Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement, except in respect of any representations and warranties that are to be true and correct as of a specified date, in which case they will be true and correct as of that date only and in respect of any representations and warranties that are subject to a materiality qualification in which case, they will be true and correct in all respects.

(b) The Underwriters shall have received at the Closing Time a certificate from each Selling Shareholder dated the Closing Date, addressed to the Underwriters and signed on behalf of each Selling Shareholder by the appropriate officers of each Selling Shareholder, acceptable to the Underwriters, certifying for and on behalf of the Selling Shareholder, and without personal liability, after having made due enquiry and after having carefully examined the Offering Documents and any Offering Document Amendments, that:

(A) the Selling Shareholder has complied in all material respects with the terms and conditions of this Agreement on its part to be complied with up to the Closing Time; and

(B) the representations and warranties of the Selling Shareholder contained in this Agreement are true and correct in all respects as of the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement.

17.5 Additional Conditions

(i) All necessary corporate action and requisite proceedings shall have been taken, all documents shall have been filed, and all legal requirements shall have been fulfilled by the Company, to authorize the application of the net proceeds from the issue and sale of the Purchased Shares and Additional Shares comprising the Treasury Offering in accordance with the disclosure set out under the heading “Use of Proceeds” in the Offering Documents;

(ii) Each of the persons identified in Schedule B will have executed a lock-up agreement in the form set forth in Schedule C;

(iii) The Securities have been approved for listing on the TSX on or before the Business Day immediately preceding the Closing Date, subject only to the satisfaction by the Company of customary post-closing conditions imposed by the TSX in similar circumstances; and

(iv) The Underwriters shall have received such other customary closing certificates, options, receipts, agreements or documents as the Underwriters may reasonably request.

18. Conditions to Underwriters Obligations to Purchase the Additional Shares

The several obligations of the Underwriters to purchase the Additional Shares hereunder are subject to the accuracy of the representations and warranties of the Company and the Selling Shareholders contained in this Agreement as of the date of this Agreement and as of the Closing Date, the performance by the Company and the Selling Shareholders of their obligations under this Agreement, the delivery to the Underwriters on the Option Closing Date of opinions dated the Option Closing Date substantially similar to the opinions referred to in Section 17.1, a letter dated the Option Closing Date substantially similar to the letter referred to in Section 17.3 and certificates dated the Option Closing Date substantially similar to the certificates referred to in Section 17.4, and such other documents as the Underwriters may reasonably request with respect to the good standing of the Company, the due authorization and issuance of the Additional Shares and other matters related to the issuance of the Additional Shares.

19. Rights of Termination

19.1 Proceedings to Restrict Distribution

If any enquiry, action, suit, investigation or other proceeding is instituted or announced or any order is made by any federal, provincial, state or other governmental authority in relation to the Company or the Selling Shareholders, or there is any change in law, or the interpretation or administration thereof, or there is a general moratorium on banking activities in Canada declared by relevant authorities, or a material disruption in commercial banking or securities settlement or clearance services, which, in any such cases, in the opinion of any of the Underwriters, acting reasonably, operates to materially impact, prevent or restrict the distribution or trading of the Securities, any of the Underwriters shall be entitled, at its option and in accordance with Section 19.5, to terminate its obligations under this Agreement by notice to that effect given to the Company prior to the Closing Time, or the Option Closing Time, as applicable.

19.2 Disaster Clause

If prior to the Closing Time, or the Option Closing Time, as applicable:

(i) there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence or any outbreak or escalation of national or international hostilities or any crisis or calamity or any governmental action, law, regulation, inquiry or other similar occurrence which, in the reasonable opinion of any of the Underwriters, materially adversely affects or may materially adversely affect the financial markets in Canada or in the United States or the business, operations or affairs of the Company and the Subsidiaries, taken as a whole; or

(ii) any inquiry, investigation or other proceeding, or order, ruling or other pronouncement is issued or announced under or pursuant to any relevant statute or by any stock exchange or other regulatory authority, which, in the reasonable opinion of any of the Underwriters, operates to prevent, suspend, restrict, inhibit or otherwise adversely affect the trading in, or which materially adversely impacts the distribution or the marketability of the Securities;

any of the Underwriters shall be entitled, at its option, in accordance with Section 19.5, to terminate its obligations under this Agreement by written notice to that effect given to the Company at or prior to the Closing Time, or the Option Closing Time, as applicable.

19.3 Material Change or Change in Material Fact

If, prior to the Closing Time, or the Option Closing Time, as applicable, there should occur, be discovered by the Underwriters or be announced by the Company or the Selling Shareholders, any material change, change in any material fact or new material fact such as is contemplated by Section 13.1 which, in the opinion of any of the Underwriters, has or could be reasonably expected to have a significant adverse effect on the market price or value of the Securities or could reasonably be expected to result in the purchasers of a material number of Securities exercising their rights under applicable securities laws to withdraw from or rescind their purchase thereof or sue for damages in respect thereof, any Underwriter shall be entitled, at its option and in accordance with Section 19.5, to terminate its obligations under this Agreement by written notice to that effect given to the Company at or prior to the Closing Time, or the Option Closing Time, as applicable.

19.4 Non-Compliance With Conditions

Each of the Company and the Selling Shareholders agrees that all terms and conditions in Section 17 shall be construed as conditions and shall be complied with so far as they relate to acts to be performed or caused to be performed by it, that it will use its commercially reasonable efforts to cause such conditions to be complied with and that any breach or failure by the Company or the Selling Shareholders to comply with any such conditions in all material respects shall entitle any of the Underwriters to terminate its obligations to purchase the Purchased Shares and, if the Over-Allotment Option has been exercised, the Additional Shares, by notice to that effect given to the Company and the Selling Shareholders at or prior to the Closing Time or in the case of the Additional Shares, at or prior to the Option Closing Time, unless otherwise expressly provided in this Agreement. Each Underwriter may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to its rights in respect of any other terms and conditions or any other or subsequent breach or non-compliance, provided that any such waiver or extension shall be binding upon an Underwriter only if such waiver or extension is in writing and signed by the Underwriter.

19.5 Exercise of Termination Rights

The rights of termination contained in Sections 19.1, 19.2, 19.3 and 19.4 may be exercised by any of the Underwriters with respect to the obligation of such Underwriter, and are in addition to any other rights or remedies that any of the Underwriters may have in respect of any default, act or failure to act or non-compliance by the Selling Shareholders, the Company in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination, there shall be no further liability on the part of the terminating Underwriter(s) to the Selling Shareholders, the Company or on the part of the Selling Shareholders, the Company to the terminating Underwriter(s), except in respect of any liability which may have arisen prior to or arise after such termination under Sections 20, 21 and 23. A notice of termination given by an Underwriter under Sections 19.1, 19.2, 19.3 and 19.4 shall not apply to or be binding upon any other Underwriter.

20. Indemnity

20.1 Rights of Indemnity

(i) The Company agrees to indemnify and save harmless each of the Underwriters and each of their affiliates and their respective directors, officers, employees and agents, and each person, if any, controlling any Underwriter (collectively, the "**Indemnified Parties**" and individually an "**Indemnified Party**") from and against all losses, costs, expenses, claims, actions, damages and liabilities (other than losses of profit or other consequential damages in connection with the distribution of the Securities), joint or several, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims, commenced or threatened, and any and all expenses whatsoever including the fees and expenses of counsel of any Underwriter that may be incurred in investigating, preparing for and/or defending any action, suit, proceeding, investigation or claim made or threatened against any Indemnified Party or in enforcing this indemnity (collectively, the "**Claims**"), to which an Indemnified Party may become subject insofar as the Claims are caused by, result from, arise out of or are based upon, directly or indirectly:

(A) any information or statement (except any information, statement or omission relating solely to the Underwriters made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Joint Bookrunners, specifically for use in the Offering Documents or any Offering Document Amendment) contained in the Offering Documents or any Offering Document Amendment or in any certificate of the Company delivered pursuant to this Agreement that at the time and in light of the circumstances under which it was made contains or is alleged to contain (i) a misrepresentation; or (ii) an untrue statement of a material fact or an omission to state a material fact that is required to be stated therein or that is necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(B) any order made or enquiry, investigation or proceedings commenced or threatened by any securities commission or other competent authority based upon any misrepresentation or alleged misrepresentation (except any information, statement or omission relating solely to the Underwriters made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Joint Bookrunners, specifically for use in the Preliminary Prospectus, the Offering Documents or any Offering Documents Amendment) contained in the Preliminary Prospectus, the Offering Documents or any Offering Document Amendment, preventing or restricting the trading in or the sale or distribution of the Securities in the Qualifying Jurisdictions;

(C) the non-compliance or alleged non-compliance by the Company with any of the Canadian Securities Laws or United States Securities Laws not caused by an Underwriter's non-compliance or alleged non-compliance; or

(D) any breach by the Company of its representations, warranties, covenants or obligations to be complied with under this Agreement.

(ii) Each of the Selling Shareholders severally, and not jointly or jointly and severally, agrees to indemnify and save harmless each of the Indemnified Parties from and against all Claims to which an Indemnified Party may become subject insofar as the Claims are caused by, result from, arise out of or are based upon, directly or indirectly:

(A) any information or statement (except any information, statement or omission relating solely to the Underwriters made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Joint Bookrunners, specifically for use in the Preliminary Prospectus, the Offering Documents or any Offering Document Amendment) contained in the Preliminary Prospectus, the Offering Documents or any Offering Document Amendment or in any certificate of such Selling Shareholder delivered pursuant to this Agreement that at the time and in light of the circumstances under which it was made contains or is alleged to contain (i) a misrepresentation; or (ii) an untrue statement of a material fact or an omission to state a material fact that is required to be stated therein or that is necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(B) any order made or enquiry, investigation or proceedings commenced or threatened by any securities commission or other competent authority based upon any misrepresentation or alleged misrepresentation (except any information, statement or omission relating solely to the Underwriters made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Joint Bookrunners, specifically for use in the Preliminary Prospectus, the Offering Documents or any Offering Document Amendment) contained in the Preliminary Prospectus, the Offering Documents or any Offering Document Amendment, preventing or restricting the trading in or the sale or distribution of the Securities in the Qualifying Jurisdictions;

(C) the non-compliance or alleged non-compliance by such Selling Shareholder with any of the Canadian Securities Laws or United States Securities Laws not caused by an Underwriter's non-compliance or alleged non-compliance; or

(D) any breach by such Selling Shareholder of its representations, warranties, covenants or obligations to be complied with under this Agreement.

Notwithstanding anything to the contrary in this Agreement, the maximum aggregate amount payable by a Selling Shareholder under the indemnity provision contained in this Section 20 shall be the extent of the payment to the applicable Selling Shareholder under the Secondary Offering.

(iii) The rights of indemnity contained in this Section 20 will not inure to the benefit of the Indemnified Parties if the person asserting any claim contemplated by this Section 20 was not provided by the Indemnified Parties with a copy of any Offering Document or Offering Document Amendment which corrects any untrue statement or information, misrepresentation (for the purposes of Canadian Securities Laws or United States Securities Laws) or omission which is the basis of the Claim and which is required under Canadian Securities Laws or United States Securities Laws to be delivered to that person by the Underwriters or Selling Firms.

20.2 Notification of Claims

If any Claim is asserted against any Indemnified Party in respect of which indemnification is or might reasonably be considered to be provided, such Indemnified Party will notify the Company and the Selling Shareholders (the "**Indemnifiers**") in writing, as soon as possible of the nature of such Claim (but failure or delay to so notify the Indemnifiers of any potential Claim shall not relieve the Indemnifiers from any liability which it may have to any Indemnified Party except that any failure to so notify the Indemnifier of any actual Claim shall affect the Indemnifiers' liability only to the extent that it is materially prejudiced by such failure or delay). The Indemnifiers shall assume the defence of any suit brought to enforce such Claim; provided, however, that the defence shall be conducted through legal counsel reasonably acceptable to the Indemnified Party, and provided that no settlement of any such Claim or admission of liability may be made by the Indemnifiers without the prior written consent of the Indemnified Parties, acting reasonably, or unless such settlement, compromise or judgment: (i) includes an unconditional release of each Indemnified Party from all liability arising out of such Claim; and (ii) does not include a statement as to or an admission of fault, culpability or failure to act, by or on behalf of any Indemnified Party.

20.3 Right of Indemnity in Favour of Others

With respect to any Indemnified Party who is not a party to this Agreement, the Underwriters shall obtain and hold the rights and benefits of this Section 20 in trust for and on behalf of such Indemnified Party.

20.4 Retaining Counsel

In any Claim, the Indemnified Party shall have the right to retain one other counsel in each jurisdiction to act on its behalf, provided that the fees and disbursements of such counsel shall be paid by the Indemnified Party, unless: (i) the Indemnifiers and the Indemnified Party shall have mutually agreed to the retention of the other counsel; (ii) the named parties to any such Claim (including any added third or impleaded party) include both the Indemnified Party and the Indemnifiers, and the Indemnified Party shall have reasonably concluded that there may be legal defences available to the Indemnified Party that are different or in addition to those available to the Indemnifiers or the Indemnified Party shall have been advised in writing by legal counsel that the representation of all parties by the same counsel would be inappropriate due to the actual or potential differing interests between them; or (iii) the Indemnifiers shall not have assumed responsibility for the Claim and retained acceptable counsel within 14 days following receipt by the Indemnifiers of notice of any such Claim from the Indemnified Party, provided, however, that no settlement of any such Claim or admission of liability may be made by the Indemnified Party without the prior written consent of the Company and the Selling Shareholders, as the case may be, acting reasonably.

21. **Contribution**

21.1 Rights of Contribution

In order to provide for a just and equitable contribution in circumstances in which the indemnity provided in Section 20 would otherwise be available in accordance with its terms but is, for any reason not solely attributable to any one or more of the Indemnified Parties, held to be unavailable to, or unenforceable by the Indemnified Parties, or enforceable otherwise than in accordance with its terms, the Indemnifiers and the Indemnified Parties shall:

(i) contribute to the aggregate of all claims, expenses, costs and liabilities and all losses of a nature contemplated by Section 20 in such proportions so that the Indemnified Parties shall be responsible for the portion represented by the percentage that the aggregate Underwriting Fee payable to the Underwriters hereunder bears to the aggregate offering price of the Securities and Indemnifiers shall be responsible for the balance; and

(ii) if the allocation provided by Section 21.1(i) above is not permitted by applicable law, the Indemnifiers and the Indemnified Parties shall contribute such proportions as is appropriate to reflect not only the relative benefits referred to in Section 21.1(i) above but also the relative fault of the Company and the Selling Shareholders, on the one hand, and the Indemnified Parties, on the other hand, in connection with the Claim or Claims which resulted in such losses, claims, damages, liabilities, costs or expenses, as determined by final judgment of a court of competent jurisdiction, as well as any other relevant equitable considerations,

provided, however, that: (a) the Indemnified Parties shall not in any event be liable to contribute, in the aggregate, any amounts in excess of such aggregate Underwriting Fee or any portion of such fee actually received under this Agreement; (b) no Selling Shareholder shall in any event be liable to contribute, in the aggregate, any amounts in excess of the maximum amount for which it may be liable under the indemnity contemplated by Section 20.1(ii); and (c) no party who has been determined by a court of competent jurisdiction in a final, non-appealable judgment to have engaged in any fraud, wilful default, gross negligence or fraudulent misrepresentation in connection with the Claim or Claims which resulted in such losses, claims, damages, liabilities, costs or expenses shall be entitled to claim contribution from any person who has not been determined by a court of competent jurisdiction in a final, non-appealable judgment to have engaged in such fraud, wilful default, gross negligence or fraudulent misrepresentation in connection with such Claim or Claims.

21.2 Rights of Contribution in Addition to Other Rights

The rights to contribution provided in this Section 21 shall be in addition to and not in derogation of any other right to contribution which the Indemnified Parties may have by statute or otherwise at law.

21.3 Calculation of Contribution

In the event that the Indemnifiers may be held to be entitled to contribution from the Indemnified Parties under the provisions of any statute or at law, the Indemnifiers shall be limited to contribution in an amount not exceeding the lesser of:

(i) the portion of the full amount of the loss or liability giving rise to such contribution for which the Indemnified Parties are responsible, as determined in Section 21.1; and

(ii) the amount of the Underwriting Fee actually received by the Underwriters from the Company under this Agreement;

and an Indemnified Party shall in no event be liable to contribute any amount in excess of such Indemnified Parry's portion of the Underwriting Fee actually received from the Company under this Agreement.

21.4 Notice

If the Indemnified Parties have reason to believe that a claim for contribution may arise, they shall give the Company and the Selling Shareholders notice of such claim in writing, as soon as reasonably possible, but failure or delay to so notify the Company and the Selling Shareholders shall not relieve the Company and the Selling Shareholders of any obligation which it may have to the Indemnified Parties under this Section 21, except to the extent they are actually prejudiced thereby.

21.5 Right of Contribution in Favour of Others

With respect to this Section 21, the Indemnifiers acknowledge and agree that the Underwriters are contracting on their own behalf and as agents for their affiliates, directors, officers, employees and agents, and each person, if any, controlling any Underwriter or any of its subsidiaries and each shareholder of any Underwriter. The Underwriters' respective obligations to contribute pursuant to this Section 21 are several in proportion to the percentages of Securities set forth opposite their respective names in Section 24 hereof and not joint (or joint and several).

21.6 Remedy Not Exclusive

The remedies provided for in this Section 21 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any party at law or in equity.

22. Severability

If any provision of this Agreement is determined to be void or unenforceable in whole or in part, it shall be deemed not to affect or impair the validity of any other provision of this Agreement and such void or unenforceable provision shall be severable from this Agreement.

23. Expenses

23.1 Fees and Expenses of Offering

(i) Whether or not the transactions contemplated by this Agreement shall be completed, all expenses of or incidental to the issue, sale and delivery of the Securities and all reasonable expenses of or incidental to all other matters in connection with the transactions set out in this Agreement shall be borne by the Company including, without limitation, the fees and disbursements of legal counsel to the Company, the Selling Shareholders and the Underwriters, expenses payable in connection with the filing of the Preliminary Prospectus and the Prospectus, the fees and expenses of the Company's auditors and Transfer Agent, all costs incurred in connection with preparing, printing, translating and providing commercial copies of the Preliminary Prospectus and the Prospectus and delivering the Securities and all applicable taxes (other than income taxes) on any of the foregoing, the fees and expenses of the Transfer Agent, the fees and expenses relating to the preparation, issuance and delivery of this Agreement, any agreement among Underwriters and such other documents as may be required in connection with the offering, purchase, sale, issuance or delivery of the Securities, all reasonable expenses associated with any roadshows and marketing activities of the Company including travel and lodging expenses in connection with due diligence and marketing activities, and all taxes exigible in respect of any of the foregoing (other than income taxes). Notwithstanding the foregoing, should the Offering (which for greater certainty includes both the Treasury Offering and Secondary Offering) not be completed as a result of a breach by one or more of the Selling Shareholders for not taking all such steps and proceedings as may be necessary to assist the Company to comply with the requirements of Section 1 or a breach of Section 17.1 of this Agreement, the Selling Shareholders will be responsible for all costs and expenses related to the Offering that the Company would have otherwise been responsible for pursuant to this Section 23. If, however, the Treasury Offering does proceed, then other than the Selling Shareholders' legal fees, all expenses of the Offering shall be the responsibility of the Company.

(ii) To the extent applicable, all expenses and other amounts payable under the terms of this Agreement shall be paid without any set-off.

24. Rights to Purchase

24.1 Obligation of Underwriters to Purchase

Subject to the terms and conditions of this Agreement, the obligation of the Underwriters to purchase the Purchased Shares or the Additional Shares at the Closing Time or at the Option Closing Time, as the case may be, shall be several and not joint and shall be equal to the percentage of the Purchased Shares or the Additional Shares, as the case may be, set out opposite the name of the respective Underwriters below:

RBC Dominion Securities Inc.(1)(2)	31.5%
TD Securities Inc.(1)(2)	31.5%
BMO Nesbitt Burns Inc.	11.0%
CIBC World Markets Inc.	11.0%
National Bank Financial Inc.	11.0%
HSBC Securities (Canada) Inc.	3.0%
Cormark Securities Inc.	1.0%
TOTAL	**100.00%**

(1) Joint Bookrunners
(2) 5.0% work fee payable to RBC and TD

Subject to Section 24.3, if an Underwriter (a "**Refusing Underwriter**") shall fail to purchase its applicable percentage of the Purchased Shares or the Additional Shares, as the case may be (the "**Defaulted Securities**"), at the Closing Time or the Option Closing Time, as the case may be, the remaining Underwriters (the "**Continuing Underwriters**") will be entitled, at their option, to purchase, severally and not jointly (or jointly and severally), all but not less than all of the Defaulted Securities on a *pro rata* basis among the Continuing Underwriters in proportion to the percentage of Purchased Shares which such Continuing Underwriters have agreed to purchase pursuant to this Agreement or in any proportion agreed upon, in writing, by the Continuing Underwriters. If no such arrangement has been made and the number of Defaulted Securities to be purchased by the Refusing Underwriters does not exceed 10% of the total number of the Purchased Shares or the Additional Shares, as the case may be, the Continuing Underwriters will be obligated to purchase, severally and not jointly (or jointly and severally), the Defaulted Securities on the terms set out in this Agreement in such proportions, provided that the Continuing Underwriters shall have the right to postpone the Closing Time or the Option Closing Time, as applicable, for such period not exceeding five Business Days as they shall determine and notify the Company and the Selling Shareholders in order that the required changes, if any, to the Offering Documents or to any other documents or arrangements may be effected. If the number of Defaulted Securities to be purchased by the Refusing Underwriters exceeds 10% of the total number of the Purchased Shares or the Additional Shares, as the case may be, the Continuing Underwriters will not be obliged to purchase the Defaulted Securities and, if the

Continuing Underwriters do not elect to purchase the Defaulted Securities, the Continuing Underwriters will not be obliged to purchase any of the Purchased Shares or the Additional Shares, as the case may be, and there shall be no further liability or obligation on the part of the Company except in respect of any liability which may have arisen or may arise under Sections 20, 21 and 23. Nothing in this Section 24 shall oblige the Company and the Selling Shareholders to sell to the Underwriters less than all of the Purchased Shares or the Additional Shares covered by the Over-Allotment Option Notice, as the case may be, or relieve "from liability" to the Company or the Selling Shareholders any Underwriter which shall be so in default.

24.2 Purchases by Other Underwriters

If the amount of the Purchased Shares or the Additional Shares, as the case may be, that the Continuing Underwriters wish to purchase exceeds the amount of the Purchased Shares or the Additional Shares, as the case may be, that would otherwise have been purchased by an Underwriter that is in default, such Purchased Shares or Additional Shares, as the case may be, shall be divided *pro rata* among the Continuing Underwriters desiring to purchase such Purchased Shares or Additional Shares, as the case may be, in proportion to the percentage of Purchased Shares or Additional Shares, as the case may be, that such Underwriters have agreed to purchase as set out in Section 24.1.

24.3 Rights to Purchase of Other Underwriters

In the event that one or more but not all of the Underwriters shall exercise their right of termination under Section 19, the Continuing Underwriters shall have the right, but shall not be obligated, to purchase all of the percentage of the Purchased Shares or Additional Shares, as the case may be, that would otherwise have been purchased by such Underwriters which have so exercised their right of termination. If the amount of such Purchased Shares or Additional Shares, as the case may be, that the Continuing Underwriters wish, but are not obliged, to purchase exceeds the amount of such Purchased Shares or Additional Shares, as the case may be, which remain available for purchase, such Purchased Shares or Additional Shares, as the case may be, shall be divided *pro rata* among the Underwriters desiring to purchase such Purchased Shares or Additional Shares, as the case may be, in proportion to the percentage of Purchased Shares or Additional Shares, as the case may be, which such Underwriters have agreed to purchase as set out in Section 24.1.

24.4 Right of the Company to Terminate

Nothing in this Section 24 or in Section 19 shall oblige the Company or the Selling Shareholders to sell to the Underwriters less than all of the Purchased Shares or the Additional Shares set out in the Over-Allotment Option Notice.

25. Restrictions of Further Issuances and Sales

During the period beginning on the Closing Date and ending on the date that is 90 days after the Closing Date (the "Black-Out Period"), the Company and the Selling Shareholders shall not, directly or indirectly, without the prior written consent of the Joint Bookrunners, on behalf of all of the Underwriters, such consent not to be unreasonably withheld:

A. create, allot, authorize, offer, issue, secure, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise lend, transfer or dispose of, directly or indirectly, any SVS, rights to purchase such SVS or any securities convertible into or exercisable or exchangeable for such SVS; or

B. enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such SVS,

whether any such transaction described in clause (A) or (B) above is to be settled by delivery of such SVS or such other securities or interests, in cash or otherwise, or agree to do any of the foregoing, with the exception of: (i) for purposes of director, officer, employee or consultant incentive plans; (ii) in connection with the Company's long term incentive plan and other share compensation arrangements; and (iii) in the case of each of the Selling Shareholders and their respective "Related Principals" (in the case of Marathon Investment Holdings Ltd., Ronnen Harary; in the case of Trumbanick Investments Ltd., Anton Rabie; and in the case of LentilBerry Inc., Ben Varadi), (A) bona fide gifts to the immediate family of the Related Principal, provided the recipient thereof agrees in writing with the Joint Bookrunners to be bound by the terms of the applicable lock-up agreement; (B) bona fide gifts, contributions and donations of SVS, having a value of up to $10 million in the aggregate, to one or more private charitable foundations established by Ronnen Harary and/or Anton Rabie, provided the recipient thereof agrees in writing with the Joint Bookrunners to be bound by the terms of the applicable lock-up agreement; (C) dispositions to any trust for the direct or indirect benefit of the Related Principal and/or the immediate family of the Related Principal of each applicable Selling Shareholder, provided that such trust agrees in writing with the Joint Bookrunners to be bound by the terms of the applicable lock-up agreement; (D) in the case of Related Principals, transfers to "Permitted Holders" (as defined in, and in accordance with the provisions of, the Principal Shareholders Agreement); or (E) pursuant to a bona fide third party take-over bid made to all shareholders of the Company or similar acquisition transaction provided that in the event that the take-over bid or acquisition transaction is not completed, any securities of the Company held by the applicable Selling Shareholder shall remain subject to the restrictions contained in the applicable lock-up agreement. For the purpose of this paragraph, "immediate family" shall mean each Related Principal and their spouse, any lineal descendent, father, mother, brother or sister of such Related Principal.

In addition, the Company shall use its commercially reasonable efforts to cause each of its directors and executive officers of the Company to execute agreements, in favour of the Underwriters, agreeing not to, directly or indirectly, create, allot, authorize, offer, issue, secure, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise lend, transfer or dispose of, directly or indirectly, any SVS, rights to purchase such SVS or any securities convertible into or exercisable or exchangeable for such SVS, during the Black-Out Period, unless (a) they first obtain the prior written consent of RBC (on its own behalf and on behalf of the other Underwriters), which consent will not be unreasonably withheld or delayed, or (b) there occurs a take-over bid or similar transaction involving a change of control of the Company, and subject to such other customary exceptions as may be agreed by the Company and RBC, provided that each executive officer of the Company who is not resident in Canada will be permitted to sell such quantity of SVS as may be required to fund the payment of income tax obligations with respect to any vesting during the Black-Out Period, of the Company's pre-initial public offering equity participation arrangements with such executive officer.

26. Stabilization

In connection with the distribution of the Securities, the Underwriters and the Selling Firms, if any, may over-allot or effect transactions which stabilize or maintain the market price of the SVS at levels other than those which might otherwise prevail in the open market, in compliance with applicable Canadian Securities Laws and the rules and regulations of applicable stock exchanges. Those stabilizing transactions, if any, may be discontinued at any time.

27. Interest in TMX Group Limited

Each of TD, CIBC World Markets Inc. and National Bank Financial Inc., or an affiliate thereof, owns or controls an equity interest in TMX Group Limited ("**TMX Group**") and has a nominee director serving on the TMX Group's board of directors. As such, each such investment dealer may be considered to have an economic interest in the listing of securities on any exchange owned or operated by TMX Group, including the TSX, the TSX Venture Exchange and the Alpha Exchange. No person or company is required to obtain products or services from TMX Group or its affiliates as a condition of TD, CIBC World Markets Inc. or National Bank Financial Inc. supplying or continuing to supply a product or service.

28. Survival of Representations and Warranties

The representations, warranties, obligations and agreements of the Company and the Selling Shareholders contained in this Agreement and in any certificate delivered pursuant to this Agreement or in connection with the purchase and sale of the Securities shall survive the purchase of the Securities**,** with such representations, warranties, obligations and agreements of the Company to survive and continue in full force and effect for a period ending on the latest date under each of: (a) applicable Canadian laws that a holder of the Securities may be entitled to commence an action or exercise a right of rescission with respect to a misrepresentation contained in the Preliminary Prospectus, Prospectus or Prospectus Amendment, and (b) applicable U.S. laws that a holder of the Securities may be entitled to commence an action with respect to an untrue statement of a material fact contained in the Offering Documents or Offering Document Amendment or an omission to state in the Offering Documents or Offering Document Amendment a material fact that is necessary to make a statement contained in the Offering Documents or Offering Document Amendment, in light of the circumstances in which it was made, not misleading; (other than in respect of the indemnification obligations of the Company and the Selling Shareholders set forth in Section 20 or in respect of any Claim that may be pending at that time with respect to any representation, warranty, obligation or agreement of the Company or the Selling Shareholders contained in this Agreement and in any certificate delivered pursuant to this Agreement or in connection with the purchase and sale of the Securities, which in each case shall survive indefinitely) and, in each case, shall continue in full force and effect unaffected by any subsequent disposition of the Securities by the Underwriters or the termination of the Underwriters' obligations and shall not be limited or prejudiced by any investigation made by or on behalf of the Underwriters in connection with the preparation of the Offering Documents, any Offering Document Amendment or the distribution of the Securities.

29. Time, Assignment

29.1 Time is of the essence in the performance of the parties' respective obligations under this Agreement.

29.2 The terms and provisions of this Agreement will be binding upon and inure to the benefit of the Company, the Selling Shareholders and the Underwriters and their respective successors and assigns; provided that, except as otherwise provided in this Agreement, this Agreement will not be assignable by any party without the written consent of the others and any purported assignment without such consent will be invalid and of no force and effort.

30. Governing Law

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

31. No Fiduciary Duty

The Company and the Selling Shareholders hereby acknowledge that (i) the purchase and sale of the Securities pursuant to this Agreement is an arm's-length commercial transaction between the Company and the Selling Shareholders, on the one hand, and the Underwriters, on the other hand; (ii) such Underwriters are acting as principal and not as an agent or fiduciary of the Company or the Selling Shareholders; and (iii) the Company's and the Selling Shareholders' engagement of the Underwriters in connection with the Offering and the process leading up to the Offering is as independent contractors and not in any other capacity. Furthermore, the Company and the Selling Shareholders agree that they are solely responsible for making their own judgments in connection with the Offering (irrespective of whether any of such Underwriters has advised or is currently advising the Company or the Selling Shareholders on related or other matters). The Company and Selling Shareholders agree that they will not claim that such Underwriters have rendered advisory services of any nature or respect, or owe an agency, fiduciary or similar duty to the Company or the Selling Shareholders in connection with such transaction or the process leading thereto.

32. Notice

32.1 Unless otherwise expressly provided in this Agreement, any notice or other communication to be given under this Agreement (a "notice") shall be in writing addressed as follows:

If to the Company, addressed and sent to:

Spin Master Corp.
450 Front Street West
Toronto, Ontario
M5V 1B6

Attention: Christopher Harrs, General Counsel
Facsimile: (416) 352-7717
Email: chrish@spinmaster.com

with a copy (which shall not constitute notice) sent to:

Blake, Cassels & Graydon LLP
199 Bay Street, Suite 4000
Toronto, Ontario
M5L 1A9

Attention: Frank Arnone
Facsimile: (416) 863-2653
Email: frank.arnone@blakes.com

If to RBC, addressed and sent to:

RBC Dominion Securities Inc.
200 Bay Street
Royal Bank Plaza
4th Floor, South Tower
Toronto, Ontario
M5J 2W7

Attention: Matthew Pittman
Facsimile: (416) 842-6678
Email: matt.pittman@rbccm.com

with a copy (which shall not constitute notice) sent to:

Torys LLP
79 Wellington Street West
Suite 3000, Box 270
Toronto, Ontario
M5K 1N2

Attention: Kevin Morris
Facsimile: (416) 865-7380
Email: kmorris@torys.com

If to TD, addressed and sent to:

TD Securities Inc.
66 Wellington Street West
P.O. Box 1, TD Bank Tower
Toronto, Ontario
M5K 1A2

Attention: Sanjay Nakra
Facsimile: (416) 983-3176
Email: sanjay.nakra@tdsecurities.com

with a copy (which shall not constitute notice) sent to:

Torys LLP
79 Wellington Street West
Suite 3000, Box 270
Toronto, Ontario
M5K 1N2

Attention: Kevin Morris
Facsimile: (416) 865-7380
Email: kmorris@torys.com

If to MIHL, addressed and sent to:

Marathon Investment Holdings Ltd.
450 Front Street West
Toronto, Ontario
M5V 1B6

Attention: Ronnen Harary, President
Facsimile: (416) 352-7717
Email: ronnenh@spinmaster.com

with a copy (which shall not constitute notice) sent to:

Torkin Manes LLP
151 Yonge Street
Suite 1500
Toronto, Ontario
M5C 2W7

Attention: Andrew J. Wilder
Facsimile: (888) 587-5762
Email: awilder@torkinmanes.com

If to TIL, addressed and sent to:

Trumbanick Investments Ltd
450 Front Street West
Toronto, Ontario
M5V 1B6

Attention: Anton Rabie, President
Facsimile: (416) 352-7717
Email: antonr@spinmaster.com

with a copy (which shall not constitute notice) sent to:

Torkin Manes LLP
151 Yonge Street
Suite 1500
Toronto, Ontario
M5C 2W7

Attention: Andrew J. Wilder
Facsimile: (888) 587-5762
Email: awilder@torkinmanes.com

If to LBI, addressed and sent to:

LentilBerry Inc.
450 Front Street West
Toronto, Ontario
M5V 1B6

Attention: Ben Varadi, President
Facsimile: (416) 352-7717
Email: benv@spinmaster.com

with a copy (which shall not constitute notice) sent to:

Torkin Manes LLP
151 Yonge Street
Suite 1500
Toronto, Ontario
M5C 2W7

Attention: Andrew J. Wilder
Facsimile: (888) 587-5762

Email: awilder@torkinmanes.com

or to such other address as any of the parties may designate by giving notice to the others in accordance with this Section 32.

32.2 Each notice shall be personally delivered to the addressee or sent by fax or e-mail to the addressee and:

(i) a notice that is personally delivered shall, if delivered on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered; and

(ii) a notice that is sent by fax or e-mail shall be deemed to be given and received on the first Business Day following the day on which it is sent.

33. Authority of Joint Bookrunners

The Joint Bookrunners are hereby authorized by each of the other Underwriters to act on its behalf, and the Company and the Selling Shareholders shall be entitled to and shall act on any notice given in accordance with Section 32 jointly by the Joint Bookrunners or any agreement entered into by or on behalf of the Underwriters by the Joint Bookrunners, which represent and warrant that they have irrevocable authority to bind the Underwriters, except in respect of: (i) a settlement of an indemnity claim pursuant to Section 20, which settlement shall be made by the Indemnified Party; (ii) a notice of termination pursuant to Section 19, which notice may be given by any of the Underwriters exercising such right; or (iii) any waiver pursuant to Section 19.4, which waiver may be given by any of the Underwriters exercising such waiver. The Joint Bookrunners shall, where practicable, consult with the other Underwriters concerning any matter in respect of which they act as representative of the Underwriters.

34. Counterparts

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

35. Entire Agreement

The terms and conditions of this Agreement supersede any previous verbal or written agreement between the Underwriters (or any of them) and any one or more of the Company and the Selling Shareholders with respect to the subject matter hereof.

[The remainder of this page is intentionally left blank.]

If the foregoing is in accordance with your understanding and is agreed to by you, please signify your acceptance by executing the enclosed copies of this letter where indicated below and returning the same to the Joint Bookrunners upon which this letter as so accepted shall constitute an Agreement among us.

Yours very truly,

SPIN MASTER CORP.

Per: *"Mark Segal"*
Name: Mark Segal
Title: Executive Vice President and Chief Financial Officer

MARATHON INVESTMENT HOLDINGS LTD.

Per: *"Ronnen Harary"*
Name: Ronnen Harary
Title: President

LENTILBERRY INC.

Per: *"Ben Varadi"*
Name: Ben Varadi
Title: President

TRUMBANICK INVESTMENTS LTD.

Per: *"Anton Rabie"*
Name: Anton Rabie
Title: President

RBC DOMINION SECURITIES INC.

Per: *"Matthew Pittman"*
Name: Matthew Pittman
Title: Managing Director

TD SECURITIES INC.

Per: *"Sanjay Nakra"*
Name: Sanjay Nakra
Title: Managing Director & Co-Head Diversified Industries Group

BMO NESBITT BURNS INC.

Per: *"Brad P. Fraser"*
Name: Brad P. Fraser
Title: Managing Director

CIBC WORLD MARKETS INC.

Per: *"Ryan Voegeli"*
Name: Ryan Voegeli
Title: Managing Director

NATIONAL BANK FINANCIAL INC.

Per: *"Noam Silberstein"*
Name: Noam Silberstein
Title: Managing Director

HSBC SECURITIES (CANADA) INC.

Per: *"Jay K. Lewis"*
Name: Jay K. Lewis
Title: Managing Director

CORMARK SECURITIES INC.

Per: *"Chris Shaw"*
Name: Chris Shaw
Title: Managing Director
Investment Banking

SCHEDULE A

UNITED STATES OFFERS AND SALES

As used in this Schedule A the following terms have the following meanings:

"**affiliate**" has the meaning assigned to such term under Rule 501(b) under the 1933 Act;

"**Directed Selling Efforts**" means "directed selling efforts" as that term is defined in Rule 902(c) of Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule, it means, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the Securities, and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of the Securities;

"**FINRA**" means the Financial Industry Regulatory Authority, Inc.;

"**Foreign Issuer**" means a "foreign issuer" as that term is defined in Rule 902(e) of Regulation S;

"**General Solicitation**" and "**General Advertising**" mean "**general solicitation**" and "**general advertising**", respectively, as used in Rule 502(c) under the 1933 Act, including, but not limited to, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or on the Internet or broadcast over radio or television or the Internet, and any seminar or meeting whose attendees have been invited by any general solicitation or general advertising;

"**Selling Shareholders**" means, collectively, Marathon Investment Holdings Ltd., Trumbanick Investments Ltd. and LentilBerry Inc.; and

"**Substantial U.S. Market Interest**" means "substantial U.S. market interest" as that term is defined in Rule 902(j) of Regulation S.

All other capitalized terms used but not otherwise defined in this Schedule A shall have the meanings assigned to them in the Agreement to which this Schedule A is attached.

1. <u>Representations, Warranties and Covenants of the Company</u>

The Company represents, warrants, covenants and agrees to and with the Underwriters and the Selling Shareholders that:

1.1 The Company is a Foreign Issuer and reasonably believes that there is no Substantial U.S. Market Interest with respect to the Securities.

1.2 Neither the Company nor any of its affiliates, or any person acting on its or their behalf, have engaged or will engage in any Directed Selling Efforts in the United States or has engaged or will engage in any form of General Solicitation or

General Advertising or in any conduct involving a public offering within the meaning of Section 4(a)(2) of the 1933 Act or will take any action that would cause the applicable exemption or exclusion from registration under the 1933 Act afforded by Rule 144A or Rule 903 of Regulation S to be unavailable in connection with the offer or sale of the Securities, provided, however, that no representation, warranty, covenant or agreement is made with respect to the Underwriters, their U.S. Affiliates or any person acting on their behalf or any Selling Firm.

1.3 The Securities satisfy the requirements set forth in Rule 144A(d)(3) under the 1933 Act.

1.4 The Company is not, and upon the issuance and sale of the Securities as herein contemplated and the application of the net proceeds therefrom as described in the Offering Documents will not be, an “investment company” under the 1940 Act.

1.5 The Company has not, in the past six months, directly or indirectly, solicited any offer to buy, sold or offered to sell or will, in the next six months after completion of the Offering, solicit any offer to buy, sell or offer to sell any of its securities which are or would be integrated with the sale of the Securities in a manner that would require the Securities to be registered under the 1933 Act.

1.6 It is not necessary in connection with the offer, sale and delivery of the Securities to the Underwriters and the resale of the Securities by the Underwriters to Qualified Institutional Buyers within the United States in the manner contemplated by this Agreement to register the Securities under the 1933 Act.

1.7 The Company shall cooperate with the Underwriters and counsel for the Underwriters to qualify or register the Securities for sale under (or obtain exemptions from the application of) the “Blue Sky” or state securities laws of those states of the United States designated by the Underwriters, shall comply with such laws and shall continue such qualifications, registrations and exemptions in effect so long as required for the distribution of the Securities.

2. Representations, Warranties and Covenants of the Selling Shareholders

2.1 Each Selling Shareholder represents, warrants and covenants to the Company, the Underwriters and the U.S. Affiliates that neither the Selling Shareholder, nor any of its respective affiliates, nor any person acting on any of their behalf has engaged or will engage in any Directed Selling Efforts in the United States or has engaged or will engage in any form of General Solicitation or General Advertising or any other conduct involving a public offering within the meaning of Section 4(a)(2) of the 1933 Act, or will take any actions that would cause the applicable exemption or exclusion from registration under the 1933 Act afforded by Rule 144A or Rule 903 of Regulation S to be unavailable in connection with the offer or sale of the Securities, provided, however, that no representation, warranty, covenant or agreement is made with respect to the Underwriters, their U.S. Affiliates or any person acting on their behalf or any Selling Firm.

3. Representations, Warranties and Covenants of the Underwriters

3.1 Each Underwriter (and not solidarily or jointly and severally) and its U.S. Affiliate, represents, warrants, covenants and agrees to and with the Company and the Selling Shareholders that:

(i) It acknowledges that the Securities have not been and will not be registered under the 1933 Act or any state securities laws and may not be offered or sold within the United States except pursuant to the exemption from the registration requirements of the 1933 Act provided by Rule 144A or outside the United States in accordance with Regulation S. It has not offered or sold, and will not offer or sell, any of the Securities constituting part of its allotment except (i) in the United States to Qualified Institutional Buyers in transactions exempt from the registration requirements of the 1933 Act pursuant to Rule 144A; or (ii) outside the United States in accordance with Regulation S, as provided in clauses (ii) through (xi) below. Neither it nor its affiliate(s), nor any persons acting on its or their behalf have engaged or will engage in any Directed Selling Efforts in the United States with respect to the Securities.

(ii) It has not entered and will not enter into any contractual arrangement with respect to the distribution of the Securities, except with its affiliates, any Selling Firms or with the prior written consent of the Company and the Selling Shareholders. It shall require each of its U.S. Affiliates to agree for the benefit of the Company and the Selling Shareholders to comply with and shall ensure that each of its U.S. Affiliates complies with the same provisions of this Schedule as apply to such Underwriter.

(iii) All offers to sell and solicitations of offers to buy and any sales of any Securities in the United States shall be made through its U.S. Affiliate in compliance with all applicable United States state and federal broker-dealer requirements or pursuant to the exemption provided under Rule 15a-6 of the 1934 Act. Such U.S. Affiliate is and will be a Qualified Institutional Buyer, a duly registered broker-dealer with the SEC under Section 15(b) of the 1934 Act and applicable state securities laws and a member in good standing of FINRA on the date hereof and at the date of any offer or sale of the Securities in the United States.

(iv) Each U.S. Affiliate purchasing Securities in the United States is a Qualified Institutional Buyer.

(v) It will not, either directly or through its U.S. Affiliate, solicit offers for, or offer to sell, the Securities in the United States by means of any form of General Solicitation or General Advertising or engage in any conduct involving a public offering within the meaning of Section 4(a)(2) of the 1933 Act in connection with its offers or sales of the Securities in the United States.

(vi) It will inform, and cause its U.S. Affiliate to inform, all purchasers of the Securities in the United States pursuant to Rule 144A that the Securities have not been and will not be registered under the 1933 Act or applicable state securities laws and are being sold to them without registration under the 1933 Act in reliance on Rule 144A.

(vii) Immediately prior to soliciting offerees purchasing Securities pursuant to Rule 144A it had reasonable grounds to believe and did believe that each offeree was a Qualified Institutional Buyer and, at the time of completion of each sale of Securities pursuant to Rule 144A will have reasonable grounds to believe and will believe that such purchaser is a Qualified Institutional Buyer.

(viii) On the Closing Date and at any Option Closing Date, as applicable, each Underwriter (together with its U.S. Affiliate) that participated in the offer or sale of Securities in the United States will provide the Company and the Selling Shareholders, with a certificate, substantially in the form of Appendix 1 to this Schedule “A,” relating to the manner of the offer and sale of the Securities in the United States, or will be deemed to have represented and warranted for the benefit of the Company and the Selling Shareholders that neither it nor its U.S. Affiliate offered or sold Securities in the United States.

(ix) Each offeree of Securities in the United States has been or shall be provided with a copy of the Preliminary 144A Offering Memorandum, the Final 144A Offering Memorandum and any Offering Memorandum Amendment, as applicable, and no other written material has been or shall be used in connection with the offer or sale of the Securities in the United States.

(x) Prior to any sale of Securities in the United States to QIB each such purchaser will be required to execute and deliver a U.S. QIB Purchaser's Letter.

4. <u>Mutual Covenants and Agreements</u>

Each Underwriter, the Company and each Selling Shareholder covenants to and agrees with each other that the Offering Documents shall contain disclosure in substantially the form set forth below:

4.1 The Securities have not been and will not be registered under the 1933 Act or any state securities laws and may not be offered and sold in the United States, except that the Securities may be offered and sold to Qualified Institutional Buyers in reliance on the exemption from such registration provided by Rule 144A. Each purchaser of the Securities is hereby notified that the offer and sale of the Securities to it is being made in reliance on the exemption from the registration requirements of the 1933 Act provided by Rule 144A.

4.2 Each purchaser of Securities offered hereby will provide the Underwriters and their U.S. Affiliates with a U.S. QIB Purchaser’s Letter.

APPENDIX I TO SCHEDULE "A"
UNDERWRITERS' CERTIFICATE

In connection with the offer and sale of Securities of Spin Master Corp. (the "**Company**") in the United States pursuant to the Underwriting Agreement dated as of May 20, 2016 among the Company, the Underwriters and the Selling Shareholders (the "**Underwriting Agreement**"), the undersigned **[name of Underwriter]** (the "**Underwriter**") and **[name of U.S. affiliate of Underwriter]**, in its capacity as placement agent in the United States for the Underwriter (the "**U.S. Affiliate**"), each hereby certifies that:

(a) all offers to sell and solicitations of offers to buy and any sales of any Securities in the United States were made only through the U.S. Affiliate in compliance with all applicable United States state and federal broker-dealer requirements or pursuant to the exemption provided under Rule 15a-6 of the 1934 Act. The U.S. Affiliate is a Qualified Institutional Buyer, a duly registered broker-dealer with the SEC under Section 15(b) of the 1934 Act and applicable state securities laws and a member in good standing of FINRA on the date hereof and at the date of any offer or sale of the Securities in the United States;

(b) all offers and sales of the Securities in the United States have been conducted by us in accordance with the terms of the Underwriting Agreement;

(c) each offeree of Securities in the United States has been provided with a copy of the Preliminary 144A Offering Memorandum, the Final 144A Offering Memorandum and any Offering Memorandum Amendment, as applicable, and no other written material has been used in connection with the offer or sale of the Securities in the United States;

(d) immediately prior to soliciting offerees purchasing Securities pursuant to Rule 144A it had reasonable grounds to believe and did believe that each offeree was a Qualified Institutional Buyer, and, on the date hereof, it continues to believe and has reasonable grounds to believe that each purchaser is a Qualified Institutional Buyer; and

(e) no form of General Solicitation or General Advertising was used by us in connection with the offer or sale of the Securities in the United States.

Terms used in this certificate have the meanings given to them in the Underwriting Agreement unless otherwise defined herein.

DATED this _____ day of ________________, 2016.

[NAME OF UNDERWRITER]

By: ________________________________

Name:
Title:

[INSERT NAME OF U.S. AFFILIATE]

By: ________________________________

Name:
Title:

SCHEDULE B

SIGNATORIES TO LOCK-UP AGREEMENTS

1. Adam Beder
2. Anton Rabie
3. Ben Gadbois
4. Ben Varadi
5. Bill Hess
6. Charles Winograd
7. Chris Beardall
8. Chris Harrs
9. Dina Howell
10. Jeffrey Cohen
11. John Cassaday
12. LentilBerry Inc.
13. Marathon Investment Holdings Ltd.
14. Mark Segal
15. Nancy Zwiers
16. Ronnen Harary
17. Spin Master Corp.
18. Todd Tappin
19. Trumbanick Investments Ltd.

SCHEDULE C

FORM OF LOCK-UP AGREEMENT

________________________, 2016

RBC Dominion Securities Inc. (“**RBC**”)
TD Securities Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
National Bank Financial Inc.
HSBC Securities (Canada) Inc.
Cormark Securities Inc.

(collectively, the “**Underwriters**”)

Re: Proposed Bought Deal Treasury Offering and Secondary Offering of the Subordinate Voting Shares (“SVS”) of Spin Master Corp. (the “Company”)

Ladies and Gentlemen:

The undersigned is or may become the registered or beneficial owner of certain securities of the Company or securities convertible into or exchangeable or exercisable therefor. The Company proposes to carry out a bought deal treasury and secondary offering of SVS (the “**Offering**”).

For purposes of this agreement, “**Subject Securities**” shall mean (i) multiple voting shares of the Company; (ii) SVS; and (iii) any security of the Company, including any preferred share, right, warrant, option or other instrument, including instruments convertible into or exercisable or exchangeable for any security of the Company.

The undersigned recognizes that the Offering will be of benefit to the undersigned and the Company under the Offering. The undersigned acknowledges that the Underwriters are and will be relying on the representations and agreements of the undersigned contained herein in carrying out the Offering and in entering into an underwriting agreement with the Company with respect to the Offering.

In consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agrees that he, she or it will not, whether for his, her or its own account or for the account of another, and will cause any spouse, immediate family member or immediate family member of the spouse or the undersigned living in the undersigned’s household, or any trust of which any of the foregoing individuals are beneficiaries (as applicable), to not in any manner, for a period commencing on the date hereof and continuing through the close of trading on the date 90 days after the date of the closing of the Offering (the “**Black-Out Period**”), directly or indirectly, create, allot, authorize, offer, issue, secure, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise lend, transfer or dispose of, directly or indirectly, any SVS, rights to purchase such SVS or any securities convertible into or exercisable or exchangeable for such SVS, during the Black-Out Period, unless (a) they first obtain the prior written consent of RBC (on its own behalf and on behalf of the other Underwriters), which consent will not be unreasonably withheld or delayed, or (b) there occurs a take-over bid or similar transaction involving a change of control of the Company, provided that in the event that the take-over bid or acquisition transaction is not completed, any Subject Securities held by the undersigned shall remain subject to the restrictions contained in this agreement, and subject to such other customary exceptions as may be agreed by the Company and RBC, provided that, if the undersigned is not resident in Canada, he or she will be permitted to sell such quantity of SVS as may be required to fund the payment of income tax obligations with respect to any vesting during the Black-Out Period, of the Company's pre-initial public offering equity participation arrangements with such executive officer.

The foregoing paragraph shall not apply to: (A) bona fide gifts to the immediate family of the undersigned, provided the recipient thereof agrees in writing with the Underwriters to be bound by the terms of this agreement; (B) dispositions to any trust for the direct or indirect benefit of the undersigned and/or the immediate family of the undersigned, provided that such trust agrees in writing with the Underwriters to be bound by the terms of this agreement; (C) in the case of the Founders, transfers to "Permitted Holders" (as defined in, and in accordance with the provisions of, the Principal Shareholders Agreement dated June 29, 2015 among, *inter alia*, the Company and the shareholders of the Company selling SVS under the Offering); or (D) in the case of Marathon Investment Holdings Ltd., Trumbanick Investments Ltd. or LentilBerry Inc., bona fide gifts, contributions and donations of SVS, having a value of up to $10 million in the aggregate, to one or more private charitable foundations established by Ronnen Harary and/or Anton Rabie, provided the recipient thereof agrees in writing with RBC (on its own behalf and on behalf of the Underwriters) to be bound by the terms of this agreement. For purposes of this paragraph, "immediate family" shall mean the undersigned and the spouse, any lineal descendent, father, mother, brother or sister of the undersigned.

The obligations of the undersigned under this letter may be waived in writing in whole or part by RBC (on its own behalf and on behalf of the other Underwriters) in its sole discretion.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this lock-up letter agreement and that, upon request, the undersigned will execute any additional documents necessary or desirable in connection with the enforcement hereof.

This agreement is irrevocable and will be binding on the undersigned and the respective successors, heirs, personal representatives, and assigns of the undersigned, provided however that the undersigned shall not assign this agreement without the prior written consent of RBC (on its own behalf and on behalf of the Underwriters).

This agreement and the rights and obligations of the undersigned shall be governed and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. All matters relating hereto shall be submitted to the court of appropriate jurisdiction in the Province of Ontario, Canada, for the purpose of this agreement and for all related proceedings.

This agreement will terminate on the earliest of (i) the close of trading on the date 90 days after the date of the closing of the Offering; or (ii) upon written notice provided by the Company to RBC (on its own behalf and on behalf of the Underwriters) and the undersigned stating that the Offering will not proceed.

This agreement may be executed in any number of counterparts, each of which when delivered, either in original or facsimile form, shall be deemed to be an original and all of which together shall constitute one and the same document.

____
Printed Name of Holder

By: ______________________________
Signature

____
Printed Name of Person Signing
(and indicate capacity of person signing if
signing as custodian, trustee, or on behalf of an entity)