



**Restated Certificate  
of Incorporation**

**Canada Business  
Corporations Act**

**Certificat  
de constitution à jour**

**Loi canadienne sur  
les sociétés par actions**

**GREAT-WEST LIFE CO INC.**

**007478-1**

Name of corporation-Dénomination de la société

Corporation number-Numéro de la société

I hereby certify that the articles of incorporation of the above-named corporation were restated under section 180 of the *Canada Business Corporations Act* as set out in the attached restated articles of incorporation.

Je certifie que les statuts constitutifs de la société susmentionnée ont été mis à jour en vertu de l'article 180 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les statuts mis à jour ci-joints.

Director - Directeur

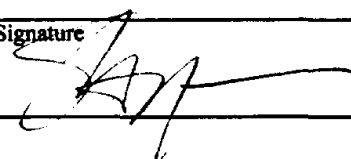
**August 7, 1997/le 7 août 1997**

Effective Date of Restatement -  
Date d'entrée en vigueur de la mise à jour



RESTATED ARTICLES OF  
INCORPORATION  
(SECTION 174)

STATUTS DE MISE À JOUR  
(ARTICLE 174)

1 - Name of Corporation - Dénomination de la société <b>GREAT-WEST LIFECO INC.</b>		Corporation No. - N° de la société <b>007478-1</b>
2 - The place in Canada where the registered office is situated <b>In the City of Winnipeg, in the Province of Manitoba.</b>		Lieu au Canada ou est situé le siège social
3 - The classes and any maximum number of shares that the corporation is authorized to issue <b>An unlimited number of preferred shares designated as First Preferred Shares, issuable in series; an unlimited number of preferred shares designated as Class A Preferred Shares, issuable in series; an unlimited number of preferred shares designated as Second Preferred Shares, issuable in series; and an unlimited number of Common Shares. The rights, privileges, restrictions and conditions attaching to the shares are set forth in Schedules I to IV attached hereto.</b>		Catégories et tout nombre maximal d'actions que la société est autorisée à émettre
4 - Restrictions if any on share transfers <b>See section 2.6 in Schedule I attached hereto relating to the First Preferred Shares.</b>		Restrictions sur le transfert des actions s'il y a lieu
5 - Number (or minimum and maximum number) of directors <b>Twenty-one (21)</b>		Nombre (ou nombre minimum et maximum) d'administrateurs
6 - Restrictions if any on business the corporation may carry on <b>N/A</b>		Limites imposées quant aux activités que la société peut ex-ploiter, s'il y a lieu. -
7 - Other provisions if any <b>See Schedule V and Schedule VI attached hereto.</b>		Autres dispositions s'il y a lieu
The foregoing restated articles of incorporation correctly set out, without substantive change, the corresponding provisions of the articles of incorporation as amended and supersede the original articles of incorporation.		Cette mise à jour des statuts constitutifs démontre exactement sans changement substantif les dispositions correspondantes des statuts constitutifs tels que modifiés et remplacent les statuts constitutifs originaux.
Date <b>July 30, 1997</b>	Signature 	Description of Office - Description du poste <b>Vice-President, Counsel and Secretary, Canada</b>

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À L'USAGE DU MINISTÈRE SEULEMENT

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## **SCHEDULE I**

### **ARTICLE 1.**

#### **AUTHORIZED SHARE CAPITAL**

An unlimited number of preferred shares designated as First Preferred Shares, issuable in series; an unlimited number of preferred shares designated as Class A Preferred Shares, issuable in series; an unlimited number of preferred shares designated as Second Preferred Shares, issuable in series; and an unlimited number of Common Shares.

### **ARTICLE 2.**

#### **FIRST PREFERRED SHARES**

The First Preferred Shares shall, as a class, have attached thereto the following rights, privileges, restrictions and conditions:

##### **2.1. Directors' Authority to Issue in One or More Series**

The directors of the Corporation may issue the First Preferred Shares at any time and from time to time in one or more series. Before any shares of a particular series are issued, the directors of the Corporation shall fix the number of shares that will form such series and shall determine, subject to the limitations set out in the articles, the designation, rights, privileges, restrictions and conditions to be attached to the First Preferred Shares of such series, including, but without in any way limiting or restricting the generality of the foregoing, the rate or rates and amount or method or methods of calculating the dividends thereon, the currency or currencies of payment of dividends, the time and place of payment of dividends, the consideration and the terms and conditions of any purchase for cancellation, retraction or redemption rights (if any), the conversion or exchange rights attached thereto (if any), the voting rights attached thereto (if any) and the terms and conditions of any share purchase plan or sinking fund with respect thereto. Before the issue of the first shares of a series, the directors shall send to the Director under the *Canada Business Corporations Act*, as amended or replaced from time to time, (the "CBCA") articles of amendment containing a description of such series including the designation, rights, privileges, restrictions and conditions determined by the directors.

##### **2.2. Ranking of First Preferred Shares**

No rights, privileges, restrictions or conditions attached to a series of First Preferred Shares shall confer upon a series a priority in respect of dividends or return of capital over any other series of First Preferred Shares. The First Preferred Shares shall rank on a parity with the Class A Preferred Shares, and shall be entitled to priority over the Second Preferred Shares and the Common Shares and over any other shares ranking junior to the First Preferred Shares, with respect to priority in the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or

voluntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs. If any cumulative dividends or amounts payable on a return of capital in respect of a series of First Preferred Shares or a series of Class A Preferred Shares are not paid in full, the First Preferred Shares of all series and the Class A Preferred Shares of all series shall participate ratably in respect of such dividends, including accumulations, if any, in accordance with the sums that would be payable on such shares if all such dividends were declared and paid in full, and in respect of any repayment of capital in accordance with the sums that would be payable on such repayment of capital if all sums so payable were paid in full; provided, however that in the event of there being insufficient assets to satisfy in full all such claims as aforesaid, the claims of the holders of the First Preferred Shares and the holders of the Class A Preferred Shares with respect to repayment of capital shall first be paid and satisfied and any assets remaining thereafter shall be applied toward the payment and satisfaction of claims in respect of dividends. The First Preferred Shares of any series may also be given such other preferences not inconsistent with sections 2.1 to 2.4 of this Schedule over the Second Preferred Shares and the Common Shares and over any other shares ranking junior to the First Preferred Shares as may be determined in the case of such series of First Preferred Shares.

### **2.3. Voting Rights**

Except as hereinafter referred to or as otherwise provided by law or in accordance with any voting rights which may from time to time be attached to any series of First Preferred Shares, the holders of the First Preferred Shares as a class shall not be entitled as such to receive notice of, to attend or to vote at any meeting of the shareholders of the Corporation.

### **2.4. Approval of Holders of First Preferred Shares**

The rights, privileges, restrictions and conditions attached to the First Preferred Shares as a class may be added to, changed or removed only with the approval of the holders of First Preferred Shares given as hereinafter specified.

The approval of the holders of First Preferred Shares to add to, change or remove any right, privilege, restriction or condition attached to the First Preferred Shares as a class or any other matter requiring the consent of the holders of the First Preferred Shares as a class may be given in such manner as may then be required by law, subject to a minimum requirement that such approval be given by resolution passed by the affirmative vote of at least two-thirds of the votes cast at a meeting of the holders of First Preferred Shares duly called for that purpose. The formalities to be observed in respect of the giving of notice of any such meeting or any adjourned meeting and the conduct thereof shall be those from time to time prescribed by the CBCA and the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at a meeting of holders of First Preferred Shares as a class, or at a joint meeting of the holders of two or more series of First Preferred Shares, each holder of First Preferred Shares entitled to vote thereat shall have one vote in respect of each First Preferred Share held by the holder.

5.

### Voting in Particular Circumstances

- (a) The holders of First Preferred Shares shall, on and after June 1, 1997 or such later date upon which the provisions of the *Insurance Companies Act* (Canada), as amended or replaced from time to time, (the "ICA") relating to the 35% public voting requirement currently in section 411 of the ICA may become applicable to The Great-West Life Assurance Company ("GWL"), be entitled to receive notice of and to attend all meetings of holders of voting shares of the Corporation other than meetings of holders of a class or series of a class of shares at which such holders are entitled to vote separately as a class or series of a class. The holders of the First Preferred Shares shall be entitled to vote at such meetings on the basis of a number of votes per share that is equal to X, where X is calculated on the basis of the following formula and then rounded up to the nearest one-hundredth of a vote:

$$XC + A = 0.35(X(C + D) + B)$$

with the result that:

$$X = \frac{0.35B - A}{0.65C - 0.35D}$$

where,

X = the number of votes per First Preferred Share;

A = the number of outstanding Common Shares other than (i) Common Shares beneficially owned by persons who have a Significant Interest in the Common Shares as a class or in the First Preferred Shares as a class, and (ii) Common Shares beneficially owned by entities controlled by a person who has a Significant Interest in the Common Shares as a class or in the First Preferred Shares as a class (as "control" is defined in the ICA);

B = the total number of outstanding Common Shares;

C = the number of outstanding First Preferred Shares other than (i) First Preferred Shares beneficially owned by persons who have a Significant Interest in the Common Shares as a class or in the First Preferred Shares as a class, and (ii) First Preferred Shares beneficially owned by entities controlled by a person who has a Significant Interest in the Common Shares as a class or in the First Preferred Shares as a class (as "control" is defined in the ICA); and

D = the number of outstanding First Preferred Shares which are owned by or on behalf of a person referred to in paragraph 2.6.5(c) of this Schedule and which that person is entitled to vote under the terms of that paragraph.

For the purposes of this calculation, the number of shares outstanding shall be determined as of the close of business on the day before the day of the meeting at which the holders of shares shall be entitled to vote.

- (b) The Corporation shall give written notice to each holder of record of First Preferred Shares of any date after which holders of First Preferred Shares are entitled to receive notice of and to attend meetings of holders of voting shares of the Corporation, unless such date is June 1, 1997 in which case no notice shall be given.
- (c) The written notice contemplated in subsection 2.5(b) of this Schedule shall be given to each holder of record of First Preferred Shares as soon as practicable after the Corporation becomes aware of any date later than June 1, 1997 upon which the provisions of the ICA relating to the 35% public voting requirement currently in section 411 of the ICA become applicable to GWL.
- (d) The procedure for giving written notice as contemplated by subsection 2.5(b) of this Schedule shall be to deliver to, or to mail the same by ordinary unregistered mail in a prepaid envelope addressed to, each shareholder of the Corporation at the address as it appears on the books of the Corporation or, in the event of the address of any such shareholder not so appearing, to the last known address of such shareholder, provided, however, that accidental failure or omission to give any such notice to one or more of such shareholders shall not affect the validity of the provisions of any of subsections 2.5(a), 2.5(b) or 2.5(c) of this Schedule.

## **2.6. Issue, Transfer and Voting Restrictions**

### **2.6.1. Interpretation**

In this section 2.6:

- (a) The terms "beneficial ownership", "control", "body corporate", "entity" and "person" shall have the meanings ascribed to those terms, respectively, in the ICA;
- (b) All terms other than those referred to in paragraph 2.6.1(a) of this Schedule and which are not otherwise defined herein shall have the meanings ascribed to those terms in the CBCA and in the *Canada Business Corporations Regulations* (the "Regulations") as amended or replaced from time to time. Words importing the singular include the plural and vice versa and words importing gender include masculine, feminine and neuter genders; and

- (c) A person has a "Significant Interest" in a class of Shares where the aggregate of:
- (i) any Shares of that class beneficially owned by the person; and
  - (ii) any Shares of that class beneficially owned by persons controlled by the person,
- exceeds 10 per cent of all of the outstanding Shares of that class.

#### **2.6.2. Definitions**

In this section 2.6:

- (a) "Individual Share Constraint" has the meaning ascribed thereto in subsection 2.6.3 of this Schedule;
- (b) "First Preferred Shares" means the First Preferred Shares of any series in the capital of the Corporation now existing or hereafter created;
- (c) "Share" means any share of any class of shares in the capital of the Corporation now existing or hereafter created; and
- (d) "Shareholder Declaration" has the meaning ascribed thereto in paragraph 2.6.6(a)(i) of this Schedule.

#### **2.6.3. Individual Share Constraint**

No person shall beneficially own a Significant Interest in the First Preferred Shares as a class, and no entity controlled by a person which beneficially owns a Significant Interest in the First Preferred Shares as a class shall beneficially own any First Preferred Shares. This prohibition is referred to in this Schedule as the "Individual Share Constraint".

#### **2.6.4. Issue and Transfer of Constrained Shares**

- (a) The directors of the Corporation shall not issue a First Preferred Share to a person:
  - (i) whose ownership of such First Preferred Share would be contrary to the Individual Share Constraint;
  - (ii) who has not furnished a Shareholder Declaration requested by the Corporation; or
  - (iii) whose ownership of such First Preferred Share the directors of the Corporation have determined, on the basis of information furnished to the Corporation by that person pursuant to a Shareholder Declaration, may be contrary to the Individual Share Constraint.

- (b) The directors of the Corporation shall refuse to register a transfer of a First Preferred Share if the transfer is to a person:
- (i) whose ownership of such First Preferred Share is contrary to the Individual Share Constraint;
  - (ii) who has not furnished a Shareholder Declaration requested by the Corporation; or
  - (iii) whose ownership of such First Preferred Share the directors of the Corporation have determined, on the basis of information furnished to the Corporation by that person pursuant to a Shareholder Declaration, may be contrary to the Individual Share Constraint.
- (c) Notwithstanding paragraph 2.6.4(b) of this Schedule, the directors of the Corporation shall register a transfer of a First Preferred Share to a person if that person establishes that he was the beneficial owner of that First Preferred Share on the day upon which the constrained share provisions in this Schedule became effective.

**2.6.5. Limitation on Voting Rights**

- (a) Subject to paragraph 2.6.5(c) of this Schedule, where First Preferred Shares are held by or on behalf of a person in contravention of the Individual Share Constraint, no person shall, in person or by proxy, exercise the voting rights attached to the First Preferred Shares of that person.
- (b) In the event that it appears from the share register of the Corporation that First Preferred Shares held by a shareholder are not held in contravention of the Individual Share Constraint, a proxyholder for that shareholder may vote those First Preferred Shares, unless the proxyholder has knowledge that the First Preferred Shares beneficially owned by the shareholder are held in contravention of the Individual Share Constraint.
- (c) In the event that, on the day upon which the constrained share provisions in this Schedule became effective, First Preferred Shares are held by or on behalf of a person in contravention of the Individual Share Constraint, that person or his nominee may, in person or by proxy, exercise the voting rights attached to the lesser of the First Preferred Shares so held on that day or on any subsequent day.
- (d) After the total number of First Preferred Shares held by or on behalf of the person referred to in paragraph 2.6.5(c) of this Schedule is reduced below the Individual Share Constraint, he or his nominee may, in person or by proxy, exercise the voting rights attached to those First Preferred Shares.



#### **2.6.6. Directors Empowered to Make Rules**

- (a) The directors of the Corporation may, by resolution, make, amend or repeal any rules or by-laws they deem necessary or appropriate to administer the restrictions provided for herein, including rules or by-laws:
- (i) to require any person in whose name First Preferred Shares are registered to furnish a declaration under the *Canada Evidence Act*, as amended or replaced from time to time, or in such other form as the directors may determine (a "Shareholder Declaration") declaring whether the shareholder is the beneficial owner of the First Preferred Shares or holds them for the beneficial owner, and if so, identifying the beneficial owner; and declaring any further or other facts that the directors consider relevant;
  - (ii) to require any person seeking to have a transfer of a First Preferred Share registered in that person's name or to have a First Preferred Share issued to that person to furnish a Shareholder Declaration similar to the Shareholder Declaration a shareholder may be required to furnish under paragraph 2.6.6(a)(i) of this Schedule; and
  - (iii) to determine the circumstances in which any Shareholder Declarations are required, their form, content and the time within which they are to be furnished.
- (b) In administering the provisions in this Schedule, the directors, and any officer, employee or agent of the Corporation may rely upon:
- (i) a Shareholder Declaration; and
  - (ii) the knowledge of such directors, officer, employee or agent,

and the Corporation, its directors, officers, employees and agents are not liable for anything done or omitted by them in good faith in reliance upon such statements or knowledge.

#### **2.6.7. Disclosure**

The directors of the Corporation shall cause to be noted conspicuously the general nature of these provisions in every:

- (a) certificate representing First Preferred Shares issued after the day on which the First Preferred Shares become subject to these provisions;
- (b) management proxy circular;
- (c) prospectus, statement of material facts, registration statement or similar document; and

- (d) takeover bid circular where the consideration for the shares of the offeree corporation is in whole or in part securities of the Corporation.

### ARTICLE 3.

#### CLASS A PREFERRED SHARES

The Class A Preferred Shares shall, as a class, have attached thereto the following rights, privileges, restrictions and conditions:

##### **3.1. Directors' Authority to Issue in One or More Series**

The directors of the Corporation may issue the Class A Preferred Shares at any time and from time to time in one or more series. Before any shares of a particular series are issued, the directors of the Corporation shall fix the number of shares that will form such series and shall determine, subject to the limitations set out in the articles, the designation, rights, privileges, restrictions and conditions to be attached to the Class A Preferred Shares of such series, including, but without in any way limiting or restricting the generality of the foregoing, the rate or rates and amount or method or methods of calculating the dividends thereon, the currency or currencies of payment of dividends, the time and place of payment of dividends, the consideration and the terms and conditions of any purchase for cancellation, retraction or redemption rights (if any), the conversion or exchange rights attached thereto (if any), the voting rights attached thereto (if any) and the terms and conditions of any share purchase plan or sinking fund with respect thereto. Before the issue of the first shares of a series, the directors shall send to the Director under the CBCA articles of amendment containing a description of such series including the designation, rights, privileges, restrictions and conditions determined by the directors.

##### **3.2. Ranking of Class A Preferred Shares**

No rights, privileges, restrictions or conditions attached to a series of Class A Preferred Shares shall confer upon a series a priority in respect of dividends or return of capital over any other series of Class A Preferred Shares. The Class A Preferred Shares shall rank on a parity with the First Preferred Shares, and shall be entitled to priority over the Second Preferred Shares and the Common Shares and over any other shares ranking junior to the Class A Preferred Shares, with respect to priority in the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs. If any cumulative dividends or amounts payable on a return of capital in respect of a series of Class A Preferred Shares or a series of First Preferred Shares are not paid in full, the Class A Preferred Shares of all series and the First Preferred Shares of all series shall participate rateably in respect of such dividends, including accumulations, if any, in accordance with the sums that would be payable on such shares if all such dividends were declared and paid in full, and in respect of any repayment of capital in accordance with the sums that would be payable on such repayment of capital if all sums so payable were paid in full; provided, however that in the event of there being insufficient assets to

Satisfy in full all such claims as aforesaid, the claims of the holders of the Class A Preferred Shares and the holders of the First Preferred Shares with respect to repayment of capital shall first be paid and satisfied and any assets remaining thereafter shall be applied toward the payment and satisfaction of claims in respect of dividends. The Class A Preferred Shares of any series may also be given such other preferences not inconsistent with sections 3.1 to 3.4 of this Schedule over the Second Preferred Shares and the Common Shares and over any other shares ranking junior to the Class A Preferred Shares as may be determined in the case of such series of Class A Preferred Shares.

### **3.3. Voting Rights**

Except as hereinafter referred to or as otherwise provided by law or in accordance with any voting rights which may from time to time be attached to any series of Class A Preferred Shares, the holders of the Class A Preferred Shares as a class shall not be entitled as such to receive notice of, to attend or to vote at any meeting of the shareholders of the Corporation.

### **3.4. Approval of Holders of Class A Preferred Shares**

The rights, privileges, restrictions and conditions attached to the Class A Preferred Shares as a class may be added to, changed or removed only with the approval of the holders of Class A Preferred Shares given as hereinafter specified.

The approval of the holders of Class A Preferred Shares to add to, change or remove any right, privilege, restriction or condition attached to the Class A Preferred Shares as a class or any other matter requiring the consent of the holders of the Class A Preferred Shares as a class may be given in such manner as may then be required by law, subject to a minimum requirement that such approval be given by resolution passed by the affirmative vote of at least two-thirds of the votes cast at a meeting of the holders of Class A Preferred Shares duly called for that purpose. The formalities to be observed in respect of the giving of notice of any such meeting or any adjourned meeting and the conduct thereof shall be those from time to time prescribed by the CBCA and the by-laws of the Corporation with respect to meetings of shareholders, except that if at any meeting of holders of Class A Preferred Shares the quorum is not present or represented by proxy within one-half hour after the time appointed for such meeting, then the meeting shall be adjourned to such date not less than 15 days thereafter and to such time and place as may be designated by the chairman of such meeting, and not less than 10 days' written notice shall be given of such adjourned meeting. At such adjourned meeting the holders of Class A Preferred Shares present or represented by proxy may transact the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of not less than 66 2/3% of the votes cast at such meeting shall constitute the approval of the holders of the Class A Preferred Shares. On every poll taken at a meeting of holders of Class A Preferred Shares as a class, or at a joint meeting of the holders of two or more series of Class A Preferred Shares, each holder of Class A Preferred Shares entitled to vote thereat shall have one vote in respect of each Class A Preferred Share held by the holder.

## ARTICLE 4.

### SECOND PREFERRED SHARES

The Second Preferred Shares shall, as a class, have attached thereto the following rights, privileges, restrictions and conditions:

#### **4.1. Directors' Authority to Issue in One or More Series**

The directors of the Corporation may issue the Second Preferred Shares at any time and from time to time in one or more series. Before any shares of a particular series are issued, the directors of the Corporation shall fix the number of shares that will form such series and shall determine, subject to the limitations set out in the articles, the designation, rights, privileges, restrictions and conditions to be attached to the Second Preferred Shares of such series, including, but without in any way limiting or restricting the generality of the foregoing, the rate or rates and amount or method or methods of calculating the dividends thereon, the currency or currencies of payment of dividends, the time and place of payment of dividends, the consideration and the terms and conditions of any purchase for cancellation, retraction or redemption rights (if any), the conversion or exchange rights attached thereto (if any), the voting rights attached thereto (if any) and the terms and conditions of any share purchase plan or sinking fund with respect thereto. Before the issue of the first shares of a series, the directors shall send to the Director under the CBCA articles of amendment containing a description of such series including the designation, rights, privileges, restrictions and conditions determined by the directors.

#### **4.2. Ranking of Second Preferred Shares**

No rights, privileges, restrictions or conditions attached to a series of Second Preferred Shares shall confer upon a series a priority in respect of dividends or return of capital over any other series of Second Preferred Shares. The Second Preferred Shares shall be entitled to priority over the Common Shares and over any other shares ranking junior to the Second Preferred Shares with respect to priority in the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs. If any cumulative dividends or amounts payable on a return of capital in respect of a series of Second Preferred Shares are not paid in full, the Second Preferred Shares of all series shall participate rateably in respect of such dividends, including accumulations, if any, in accordance with the sums that would be payable on such shares if all such dividends were declared and paid in full, and in respect of any repayment of capital in accordance with the sums that would be payable on such repayment of capital if all sums so payable were paid in full; provided, however that in the event of there being insufficient assets to satisfy in full all such claims as aforesaid, the claims of the holders of the Second Preferred Shares with respect to repayment of capital shall first be paid and satisfied and any assets remaining thereafter shall be applied toward the payment and satisfaction of claims in respect of dividends. The Second Preferred Shares of any series may also be given such other preferences not inconsistent with sections 4.1 to 4.4 of this Schedule over the Common Shares

nd over any other shares ranking junior to the Second Preferred Shares as may be determined in the case of such series of Second Preferred Shares.

**4.3. Voting Rights**

Except as hereinafter referred to or as otherwise provided by law or in accordance with any voting rights which may from time to time be attached to any series of Second Preferred Shares, the holders of the Second Preferred Shares as a class shall not be entitled as such to receive notice of, to attend or to vote at any meeting of the shareholders of the Corporation.

**4.4. Approval of Holders of Second Preferred Shares**

The rights, privileges, restrictions and conditions attached to the Second Preferred Shares as a class may be added to, changed or removed only with the approval of the holders of Second Preferred Shares given as hereinafter specified.

The approval of the holders of Second Preferred Shares to add to, change or remove any right, privilege, restriction or condition attached to the Second Preferred Shares as a class or any other matter requiring the consent of the holders of the Second Preferred Shares as a class may be given in such manner as may then be required by law, subject to a minimum requirement that such approval be given by resolution passed by the affirmative vote of at least two-thirds of the votes cast at a meeting of the holders of Second Preferred Shares duly called for that purpose. The formalities to be observed in respect of the giving of notice of any such meeting or any adjourned meeting and the conduct thereof shall be those from time to time prescribed by the CBCA and the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at a meeting of holders of Second Preferred Shares as a class, or at a joint meeting of the holders of two or more series of Second Preferred Shares, each holder of Second Preferred Shares entitled to vote thereat shall have one vote in respect of each Second Preferred Share held by the holder.

**ARTICLE 5.**

**COMMON SHARES**

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

**5.1. Dividends**

Subject to the prior rights of the holders of the First Preferred Shares, the Second Preferred Shares and the Class A Preferred Shares and to any other shares ranking senior to the Common Shares with respect to priority in the payment of dividends, the holders of Common Shares shall be entitled to receive dividends and the Corporation shall pay dividends thereon, as and when declared by the Board of Directors out of moneys properly applicable to the payment of dividends, in such amount and in such forms as the Board of Directors may from time to time

determine and all dividends which the directors may declare on the Common Shares shall be declared and paid in equal amounts per share on all Common Shares at the time outstanding.

**5.2. Dissolution**

In the event of the dissolution, liquidation or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, subject to the prior rights of the holders of the First Preferred Shares, the Second Preferred Shares and the Class A Preferred Shares and to any other shares ranking senior to the Common Shares with respect to priority in the distribution of assets upon dissolution, liquidation or winding-up, the holders of the Common Shares shall be entitled to receive the remaining property and assets of the Corporation.

**5.3. Voting Rights**

The holders of the Common Shares shall be entitled to receive notice of and to attend all meetings of the shareholders of the Corporation and shall have one vote for each Common Share held at all meetings of the Corporation, except for meetings at which only holders of another specified class or series of shares of the Corporation are entitled to vote separately as a class or series.

## **SCHEDULE II**

### **NON-CUMULATIVE FIRST PREFERRED SHARES, SERIES A RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS**

The first series of First Preferred Shares shall consist of 8,000,000 shares designated "Non-Cumulative First Preferred Shares, Series A" (the "Series A Shares") and, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, shall have attached thereto the following rights, privileges, restrictions and conditions:

#### **ARTICLE 1.**

#### **DIVIDENDS**

##### **1.1. Dividend Payment Dates and Dividend Periods**

The dividend payment dates (the "Dividend Payment Dates") in respect of the dividends payable on the Series A Shares shall be the last day of each of the months of March, June, September and December in each year. A Dividend Period shall mean the period from and including the date of issue of the Series A Shares to but excluding the first Dividend Payment Date and, thereafter, the period from and including each Dividend Payment Date to but excluding the next succeeding Dividend Payment Date.

##### **1.2. Payment of Dividends**

The holders of Series A Shares shall be entitled to receive, and the Corporation shall pay thereon, as and when declared by the board of directors of the Corporation, out of moneys of the Corporation properly applicable to the payment of dividends, non-cumulative, preferential cash dividends (the "Quarterly Dividends") payable, with respect to each Dividend Period, on the Dividend Payment Date immediately following the end of such Dividend Period, the first of such dividends to be payable on December 31, 1992 and to be in an amount per share determined in accordance with section 1.3 of this Schedule. For all subsequent Dividend Periods, dividends, subject to section 1.3 of this Schedule, shall be in an amount per Series A Share equal to \$0.46875 per share.

##### **1.3. Dividend for Other than a Full Dividend Period**

The holders of Series A Shares shall be entitled to receive, and the Corporation shall pay thereon, as and when declared by the board of directors, out of moneys of the Corporation properly applicable to the payment of dividends, non-cumulative, preferential cash dividends for any period which is less than a full Dividend Period as follows:

- (a) an initial dividend in respect of the period from and including the date of the initial issue of the Series A Shares to but excluding December 31, 1992 (the "Initial Dividend Period") equal to the amount obtained (rounded to five decimal

places) when \$1.875 is multiplied by a fraction of which the numerator is the number of days in the Initial Dividend Period and the denominator of which is 365; which, if the Series A Shares are issued on August 18, 1992, shall be \$0.69349 per share; and

- (b) a dividend in an amount per share with respect to any Series A Share:
  - (i) which is issued, redeemed, purchased or converted during any Dividend Period; or
  - (ii) where the assets of the Corporation are distributed to the holders of the Series A Shares pursuant to section 2.2 of Schedule I to these Restated Articles of Incorporation, the provisions attaching to the First Preferred Shares as a class, with an effective date during any Dividend Period;

equal to the amount obtained (rounded to five decimal places) when \$1.875 is multiplied by a fraction of which the numerator is the number of days in such Dividend Period that such share has been outstanding (excluding the date of issue, redemption, purchase, or conversion or the effective date for the distribution of assets) and the denominator of which is the number of days in the year in which such Dividend Period falls.

#### **1.4. Payment Procedure**

The Corporation shall pay the dividends on the Series A Shares to the holders of record thereof at the close of business on the second business day immediately preceding the relevant Dividend Payment Date (less any tax required to be deducted or withheld by the Corporation) by cheques drawn on a Canadian chartered bank and payable in lawful money of Canada at any branch of such bank in Canada. The delivery or mailing of any cheque to a holder of Series A Shares shall be a full and complete discharge of the Corporation's obligation to pay the dividends to such holder (plus any tax required to be and in fact deducted and withheld therefrom and remitted to the proper taxing authority) unless such cheque is not honoured when presented for payment. Dividends which are represented by a cheque which has not been presented to the Corporation's bankers for payment or that otherwise remain unclaimed for a period of six years from the date on which they were declared to be payable may be reclaimed and used by the Corporation for its own purposes.

## **ARTICLE 2.**

### **REDEMPTION, CONVERSION AND PURCHASE**

#### **2.1. General**

- (a) Subject to Article 5 of this Schedule and to the extent permitted by applicable law, the Series A Shares may be redeemed, converted or purchased by the Corporation as provided in this Article 2 and section 3.3 of this Schedule but not otherwise.



- (b) For the purposes hereof, the "Common Shares" of the Corporation shall mean such common shares as currently constituted and any shares resulting from a reclassification of the common shares of the Corporation or which result from a capital reorganization of the Corporation or a consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a capital reorganization, consolidation, amalgamation or merger which does not result in any reclassification of the common shares or a change of the common shares into other shares or securities).

## **2.2. Redemption and Conversion Rights**

- (a) The Series A Shares shall not be redeemable prior to April 1, 1999. The Corporation may, upon giving notice as hereinafter provided, redeem on or after April 1, 1999 at any time the whole or from time to time any part of the then outstanding Series A Shares, by the payment of an amount in cash for each Series A Share so redeemed equal to the sum of \$25.00 plus an amount equal to all declared and unpaid dividends thereon up to but excluding the date fixed for redemption (the "Redemption Price").
- (b) The Series A Shares shall not be convertible at the option of the Corporation prior to April 1, 1999. Subject to the approval of The Toronto Stock Exchange (the "TSE"), The Montreal Exchange and the Winnipeg Stock Exchange, the Corporation may, by giving notice as hereinafter provided, convert the whole or from time to time any part of the then outstanding Series A Shares into fully paid, non-assessable and freely tradeable (in all provinces of Canada) Common Shares of the Corporation (the "Common Shares") on the basis that the Series A Shares of each holder called for conversion by the Corporation will be converted into (subject to that exception as to fractions contained in section 2.7 of this Schedule) that number (the "Common Share Conversion Number") of Common Shares as is equal to the product of:
- (i) the number obtained when
- (A) \$25.00 plus an amount equal to all declared and unpaid dividends per Series A Share up to but excluding the date fixed for conversion,
- is divided by
- (B) the greater of (I) \$3.00 and (II) 95% of the weighted average trading price (the "Weighted Price") of all Common Shares of the Corporation traded on the TSE for the 20 trading days ending on the last trading day which is the fourth day immediately prior to the date specified for conversion or, if such fourth day is not a trading day on the TSE, then the last trading day ending immediately prior to such fourth day,

with the result of that calculation being rounded upward to the nearest 1/100 of a common share; and

- (ii) the number of Series A Shares of such holder being converted.
- (c) If less than all of the outstanding Series A Shares are to be redeemed or converted, the shares to be redeemed or converted shall be selected by lot, or pro rata (disregarding fractions) in such other manner as the board of directors or a committee thereof in its sole discretion shall by resolution determine.

### **2.3. Manner of Redemption or Conversion**

- (a) Notice of redemption or conversion of Series A Shares shall be given by the Corporation not less than 30 nor more than 60 calendar days prior to the date fixed for redemption and not less than 40 nor more than 60 calendar days prior to the date fixed for conversion, to each holder of Series A Shares to be redeemed or converted, as the case may be. Such notice shall set out (i) the date (the "Redemption/Conversion Date") on which the redemption or conversion is to take place; (ii) unless all the Series A Shares held by the holder to whom it is addressed are to be redeemed or converted, the number of Series A Shares so held which are to be redeemed or converted; (iii) whether the Corporation shall redeem or convert such Series A Shares; (iv) the Redemption Price or the method of determining the Common Share Conversion Number, as the case may be; and (v) where the Series A Shares are to be converted into Common Shares, the advice that such Common Shares will be registered in the name of the registered holder of the Series A Shares to be converted unless the Transfer Agent for the Series A Shares (the "Transfer Agent") receives from such holder, on or before the tenth calendar day prior to the Redemption Date (the "Transferee Notice Date"), at the principal transfer office of the Transfer Agent in any of the cities of Vancouver, Edmonton, Winnipeg, Toronto or Montreal, written notice in a form and executed in a manner satisfactory to the Transfer Agent directing the Corporation to register such Common Shares in some other name or names (the "Transferee") and stating the name or names (with addresses) accompanied by payment to the Transfer Agent of any transfer tax that may be payable by reason thereof and a written declaration of such matters as may be required by law in order to determine the entitlement of such Transferee to hold such Common Shares. The Corporation shall issue and deliver to one or more Canadian business news services a press release within 24 hours of the end of the 20 trading day period for calculation of the Weighted Price announcing the Common Share Conversion Number.
- (b) In the case of a redemption, on and after the Redemption Date the Corporation shall pay or cause to be paid to the holders of the Series A Shares so called for redemption the Redemption Price therefor on presentation and delivery at the head office of the Corporation, the principal transfer office of the Transfer Agent in any of the cities of Vancouver, Edmonton, Winnipeg, Montreal or Toronto, or

such other place or places in Canada designated in the notice referred to in subsection 2.3(a) of this Schedule, of the certificate or certificates representing the Series A Shares so called for redemption. Such payment shall be made by cheque and shall be a full and complete discharge of the Corporation's obligation to pay the Redemption Price owed to the holders of Series A Shares so called for redemption unless the cheque is not honoured when presented for payment. From and after the Redemption/Conversion Date, the holders of Series A Shares called for redemption shall cease to be entitled to dividends or to exercise any of the rights of holders of Series A Shares in respect of such shares except the right to receive therefor the Redemption Price, provided that if payment of such Redemption Price is not duly made in accordance with the provisions hereof, then the rights of such holders shall remain unimpaired.

- (c) In the case of a redemption, the Corporation shall have the right at any time after mailing a notice of redemption to deposit the aggregate Redemption Price of the Series A Shares thereby called for redemption, or such part thereof as at the time of deposit has not been claimed by the holders entitled thereto, in a special account with a Canadian chartered bank for the holders of such shares, and upon such deposit being made or upon the date fixed for redemption, whichever is the later, the Series A Shares in respect of which such deposit shall have been made shall be deemed to be redeemed and the rights of each holder thereof shall be limited to receiving, without interest, his proportionate part of the Redemption Price so deposited upon presentation and surrender of the certificates representing the Series A Shares so redeemed. Any interest on any such deposit shall belong to the Corporation. Redemption moneys which remain unclaimed for a period of six years from the Redemption/Conversion Date may be reclaimed and used by the Corporation for its own purposes.
- (d) In the case of a conversion of Series A Shares into Common Shares, on and after the Redemption/Conversion Date the Corporation shall deliver the Common Share Conversion Number of Common Shares on presentation and delivery by the holder at the head office of the Corporation in Winnipeg, the principal transfer office of the Transfer Agent in any of the cities of Vancouver, Edmonton, Winnipeg, Montreal or Toronto, or such other place or places in Canada designated in the notice referred to in subsection 2.3(a) of this Schedule, of the certificate or certificates representing the Series A Shares so called for conversion. The Corporation shall deliver or cause to be delivered certificates representing such Common Shares registered in the name of the holders of Series A Shares to be converted, or as such holders shall have directed as aforesaid. Series A Shares so converted shall be converted effective on the Redemption/Conversion Date. From and after the Redemption/Conversion Date, the holders of Series A Shares so converted who have not presented and delivered the certificate or certificates representing such shares as herein required shall cease to be entitled to dividends on such Series A Shares or to exercise any of the rights of holders of Series A Shares in respect of such shares except the right to receive therefor the Common

Share Conversion Number of Common Shares and any payment with respect to a fraction of a Series A Share.

- (e) If less than all the Series A Shares represented by any certificate shall be redeemed or converted, a new certificate for the balance shall be issued without cost to the holder.
- (f) The Corporation shall not exercise its right to convert any Series A Shares into common shares if on the date for giving notice or on the Conversion Date the Common Shares are not listed on the TSE.
- (g) The Corporation shall use its best efforts to ensure that so long as any Series A Shares are outstanding, the Common Shares of the Corporation shall continue to be listed on the TSE.

#### **2.4. Purchase**

The Corporation may purchase at any time all or from time to time any number of the outstanding Series A Shares in the open market (including purchases through or from an investment dealer or firm holding membership on a stock exchange) or pursuant to tenders received by the Corporation upon an invitation for tenders addressed to all holders of the Series A Shares, at a price per share in each case not exceeding the applicable Redemption Price at the time of purchase plus costs of purchase. If upon any invitation for tenders the Corporation receives tenders for Series A Shares at the same price in an aggregate number greater than the number for which the Corporation is prepared to accept tenders, the shares to be purchased shall be selected from the shares offered at such price as nearly as may be pro rata (to the nearest 10 shares) according to the number of Series A Shares offered in each such tender, in such manner as the board of directors or a committee thereof in its sole discretion shall by resolution determine. If part only of the Series A Shares represented by any certificate shall be purchased, a new certificate for the balance of such shares shall be issued without cost to the holder.

#### **2.5. Conversion into Another Series of Preferred Shares**

To the extent permitted by applicable law and the articles of the Corporation, the Corporation may at any time designate a further series of Preferred Shares (the "New Preferred Shares") and notify the holders of Series A Shares that they have the right pursuant to the terms of the Series A Shares, at their option, to convert their Series A Shares into fully paid, non-assessable and freely tradeable (in all provinces of Canada) New Preferred Shares on a share for share basis on a date specified by the Corporation in such notice (the "Exchange Date"). Such notice shall provide the details of the terms and conditions of the New Preferred Shares and instructions on how to convert Series A Shares into New Preferred Shares and shall be accompanied by the proper form of instrument of surrender. The Series A Shares will be so convertible into New Preferred Shares only if, and the Corporation will ensure that such New Preferred Shares will not, if issued, be or be deemed to be "term preferred shares" within the meaning of the Income Tax Act (Canada) if such definition were read without reference to paragraph (f) of the definition of "term preferred shares" set out in subsection 248(1) of such Act.

**2.6. Manner of Conversion into Another Series of Preferred Shares**

Series A Shares may be converted by the holder of such shares tendering to the Corporation on or prior to the Exchange Date the certificate or certificates representing the Series A Shares to be so converted accompanied by a written instrument of surrender in form satisfactory to the Corporation and duly executed by the registered holder of the Series A Shares represented by the certificate or certificates so surrendered in which instrument the holder may elect to convert all or a portion of the Series A Shares represented by such certificate or certificates into New Preferred Shares.

The Corporation shall, on presentation and delivery at the head office of the Corporation in Winnipeg, the principal transfer office of the Transfer Agent in any of the cities of Vancouver, Edmonton, Winnipeg, Montreal or Toronto, or such other place or places in Canada as the Corporation may agree of the certificate or certificates representing the Series A Shares to be converted, issue and deliver or cause to be delivered as soon as is reasonably practicable after the Exchange Date a certificate or certificates representing the New Preferred Shares into which such Series A Shares have been converted. Such certificate or certificates shall be registered in the name of the holder of the Series A Shares so converted or in such name or names as he may specify in the written instrument accompanying the Series A Shares to be converted. The Series A Shares so converted shall be converted, and the holder thereof shall become a holder of record of New Preferred Shares, effective on the Exchange Date. The provisions of subsection 2.3(e) of this Schedule shall apply, mutatis mutandis, in the event of a conversion into New Preferred Shares of less than all of the Series A Shares represented by a particular share certificate.

**2.7. Avoidance of Fractional Shares**

In any case where a fraction of a Common Share would otherwise be issuable on conversion of one or more Series A Shares, the Corporation shall adjust such fractional interest by payment by cheque in an amount equal to the then market price of such fractional interest computed on the basis of the Weighted Price determined in respect of the relevant Redemption/Conversion Date.

**ARTICLE 3.**

**HOLDER'S CONVERSION RIGHT**

**3.1. Conversion Right**

Subject to the option of the Corporation in section 3.3 of this Schedule, each Series A Share shall, on and after September 30, 1999, at the option of the holder, be convertible on the last day of March, June, September and December in each year (a "permitted conversion date") into (subject to the exception as to fractions contained in section 3.4 of this Schedule) that number of fully paid, non-assessable and freely tradeable (in all provinces of Canada) Common Shares as is equal to the number obtained when \$25.00 is divided by the greater of \$3.00 and 95% of the Weighted Price, with the result of such calculation being rounded up to the nearest

1/100 of a common share. The holder of Series A Shares to be converted is entitled to receive any dividend which has been declared and is payable on date of such conversion.

Not less than 90 nor more than 120 calendar days prior to September 30, 1999, the Corporation shall give to the registered holders of the Series A Shares notice of the conversion right containing instructions to such holders as to the method by which such conversion right may be exercised, as set out in section 3.2 of this Schedule.

### **3.2. Manner of Conversion**

(a) Series A Shares may be converted by the holder of such shares tendering to the Corporation not less than 60 calendar days prior to the date (which must be a permitted conversion date) fixed for conversion by such holder the certificate or certificates for the Series A Shares to be converted with the notice of conversion on the reverse side thereof (the "Conversion Notice") duly completed. Subject to section 3.3 of this Schedule and to the right to accept an offer to convert Series A Shares into New Preferred Shares under section 2.5 of this Schedule, such Conversion Notice shall be irrevocable and shall set out:

- (i) the date (the "Conversion Date") on which the conversion is to take place;
- (ii) unless all the Series A Shares held by the holder by whom such notice is given are to be converted, the number of Series A Shares so held which are to be converted; and
- (iii) an acknowledgement that the Common Shares into which the Series A Shares are to be converted are to be registered in the name of the registered holder of the Series A Shares to be converted unless such holder, on or before the tenth calendar day prior to the Conversion Date (the "Transferee Notice Date") provides notice to the Transfer Agent at the principal transfer office of the Transfer Agent in any of the cities of Vancouver, Edmonton, Winnipeg, Toronto or Montreal, a written notice in the form and executed in a manner satisfactory to the Transfer Agent directing the Corporation to register such Common Shares in some other name or names (the "Transferee") and stating the name or names (with addresses) accompanied by payment to the Transfer Agent of any transfer tax that may be payable by reason thereof and a written declaration of any matters as may be required by law in order to determine the entitlement of such Transferee to hold such Common Shares.

(b) Subject to section 3.3 of this Schedule, the Corporation shall, on presentation and delivery at the head office of the Corporation in Winnipeg, the principal transfer office of the Transfer Agent in any of the cities of Vancouver, Edmonton, Winnipeg, Montreal or Toronto, or such other place or places in Canada as the Corporation may agree of the certificate or certificates representing the Series A Shares so surrendered for conversion, deliver or cause to be delivered certificates representing the number of whole Common Shares into which such Series A Shares are to be converted, registered in the name of the holder of the Series A Shares to be

converted, or as such holder shall have directed as aforesaid, as the case may be, on the Conversion Date. The Series A Shares so converted shall be converted, and the holder thereof shall become a holder of Common Shares of record, effective on the Conversion Date.

(c) If less than all the Series A Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued without cost to the holder.

### **3.3. Option of the Corporation**

Prior to any Conversion Date, the Corporation may, by notice given not less than 40 calendar days before such Conversion Date to all holders who have given a Conversion Notice,

- (a) redeem on the Conversion Date all but not less than all of the Series A Shares forming the subject matter of the applicable Conversion Notice at the Redemption Price provided for in Article 2 of this Schedule; or
- (b) request such holders to sell on the Conversion Date such Series A Shares to another purchaser or purchasers in the event that a purchaser or purchasers willing to purchase all but not less than all of such Series A Shares at a price equal to the Redemption Price is or are found by the Corporation and such holders shall sell such Series A Shares at a price equal to the Redemption Price to such purchaser or purchasers.

Any such redemption or purchase shall be made on the Conversion Date by mailing a cheque of the Corporation or of the Transfer Agent in an amount equal to the Redemption Price to the holder of the Series A Shares entitled thereto. The provisions of subsection 2.3(e) of this Schedule shall apply, mutatis mutandis, in the event of a redemption or purchase of less than all the Series A Shares represented by a particular share certificate. The Series A Shares so purchased or redeemed shall not be converted on the Conversion Date. In the event that for any reason the redemption or purchase provided for in this section is not effected in respect of a Series A Share or Shares on the Conversion Date, the option of the Corporation in respect of such Series A Share or Shares shall lapse and such Series A Share or Shares shall be deemed to have been converted on the Conversion Date.

### **3.4. Avoidance of Fractional Shares**

In any case where a fraction of a Common Share would otherwise be issuable on conversion of one or more Series A Shares under this Article 3, the Corporation shall adjust such fractional interest by the payment by cheque in an amount equal to the then market price of such fractional interest computed on the basis of the Weighted Price determined in respect of the relevant Conversion Date.

## ARTICLE 4.

### VOTING RIGHTS

In the event that (A) (i) The Great-West Life Assurance Company ("GWL") is not required to satisfy the provision of the *Insurance Companies Act* (Canada), as amended or replaced from time to time, (the "ICA") relating to the 35% public voting requirement currently in section 411 of the ICA (the "Public Voting Requirement"); (ii) GWL has satisfied the Public Voting Requirement in some other manner, or (iii) the Board of Directors of the Corporation determines that it is no longer in the best interests of the Corporation to comply with the Public Voting Requirement; (B) the Board of Directors of the Corporation has removed the voting rights referred to in section 2.5 of Schedule I to these Restated Articles of Incorporation as contemplated by section 1.2 of Schedule V to these Restated Articles of Incorporation; and (C) the Corporation fails to declare the whole amount of the Quarterly Dividend for any Dividend Period on or before the last day of such Dividend Period, the holders of the Series A Shares shall have the right to receive notice of and to attend each meeting of shareholders of the Corporation at which directors of the Corporation are to be elected the record date for notice of which occurs after the end of such Dividend Period (other than meetings at which only holders of another specified series or class of shares are entitled to vote) and such holders shall have the right at any such meeting to one vote for each Series A Share in the election of two directors to be elected in conjunction with the holders of any other series of First Preferred Shares which may have such right. Notwithstanding the provisions attaching to the First Preferred Shares as a class or to the Series A Shares, if the lesser of the initial issue price, redemption amount or retraction amount per share of any other series of First Preferred Shares is less than the Redemption Price of the Series A Shares, the votes per Series A Share shall be increased such that the Series A Shares have the same number of votes per dollar amount of the Redemption Price as the other series with the lowest initial issue price, redemption amount or retraction amount per share. The right to receive notice of, attend and vote at such meetings shall continue until such time as the Corporation declares and pays the full amount of a Quarterly Dividend for a Dividend Period, after which Dividend Period such rights to receive notice of, attend and vote at such meetings shall forthwith expire. At such time as the Corporation may again fail to declare the full amount of any Quarterly Dividend for any Dividend Period, such voting rights shall become effective again and so on from time to time.

## ARTICLE 5.

### RESTRICTIONS ON DIVIDENDS AND RETIREMENT OF SHARES

So long as any of the Series A Shares are outstanding, the Corporation shall not, without the prior approval of the holders of such outstanding Series A Shares given in the manner hereinafter specified:

- (a) declare or pay or set apart for payment any dividends on the Second Preferred Shares, the Common Shares or on shares of any other class of the Corporation



ranking junior to the Series A Shares (other than stock dividends in shares of the Corporation ranking junior to the Series A Shares);

- (b) except out of the net cash proceeds of an issue of shares ranking junior to the Series A Shares, redeem or call for redemption or purchase for cancellation or otherwise retire or make any return of capital in respect of the Second Preferred Shares, Common Shares or shares of any other class of the Corporation ranking junior to the Series A Shares;
- (c) redeem or call for redemption or purchase or otherwise retire or make any return of capital in respect of less than all of the Series A Shares;
- (d) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching thereto, redeem or call for redemption or purchase or otherwise retire or make any return of capital in respect of any shares of any other class or series of the Corporation ranking pari passu with the Series A Shares; or
- (e) except out of the net cash proceeds of an issue of shares ranking junior to the Series A Shares, or except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching thereto, redeem or call for redemption or purchase or otherwise retire or make any return of capital in respect of any shares of any other class or series of the Corporation ranking prior to the Series A shares;

unless at the date of such declaration, payment, setting apart for payment, redemption, call for redemption, purchase or reduction or retirement of capital, as the case may be, all cumulative dividends then accrued and unpaid up to and including the most recent applicable dividend payment date for the last completed period for which dividends shall be payable shall have been declared and paid or set apart for payment in respect of each Series of cumulative First Preferred Shares, if any, then issued and outstanding and on all other cumulative shares, if any, ranking pari passu with the First Preferred Shares and the dividends for the immediately preceding dividend payment period in respect of each series of non-cumulative First Preferred Shares (including the Series A Shares) then issued and outstanding and on all other shares ranking prior to or pari passu with the Series A Shares shall have been declared and paid or monies set aside for payment thereof.

## **ARTICLE 6.**

### **ISSUE PRICE**

The price or consideration for which each Series A Share shall be issued is \$25.00 and, upon payment of such price, each such share shall be issued as fully paid and non-assessable.

## ARTICLE 7.

### ELECTION UNDER THE INCOME TAX ACT

The Corporation shall elect, in the manner and within the time provided for under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax under section 191.1 of such Act, or any successor or replacement provision of similar effect at a rate such that no holder of the Series A Shares will be required to pay tax on dividends received on the Series A Shares under Section 187.2 of Part IV.1 of such Act or any successor or replacement provision of similar effect.

## ARTICLE 8.

### NOTICE AND INTERPRETATION

#### 8.1. Notices

- (a) Any notice, cheque, invitation for tenders or other communication from the Corporation herein provided for shall be sufficiently given if delivered or if sent by first class unregistered mail, postage prepaid, to the holders of the Series A Shares at their respective addresses appearing on the books of the Corporation or, in the event of the address of any of such holders not so appearing, then at the last address of such holder known to the Corporation. Accidental failure to give such notice, invitation for tenders or other communication to one or more holders of the Series A Shares shall not affect the validity of the notices, invitations for tenders or other communications properly given or any action taken pursuant to such notice, invitation for tender or other communication but, upon such failure being discovered, the notice, invitation for tenders or other communication, as the case may be, shall be sent forthwith to such holder or holders.
- (b) If any notice, cheque, invitation for tenders or other communication from the Corporation given to a holder of Series A Shares pursuant to paragraph (a) is returned on three consecutive occasions because he cannot be found, the Corporation shall not be required to give or mail any further notices, cheques, invitations for tenders or other communications to such shareholder until he informs the Corporation in writing of his new address.

#### 8.2. Interpretation

- (a) In the event that any day on which any dividend on the Series A Shares is payable or on or by which any other action is required to be taken hereunder is not a business day, then such dividend shall be payable or such other action shall be required to be taken on or before the next succeeding day that is a business day. A "business day" means a day other than a Saturday, a Sunday or any other day

that is a statutory or civic holiday in the place where the Corporation has its head office.

- (b) All references herein to a holder of Series A Shares shall be interpreted as referring to a registered holder of the Series A Shares.

#### **ARTICLE 9.**

#### **MODIFICATION**

The provisions attaching to the Series A Shares may be deleted, varied, modified, amended or amplified with the prior approval of the holders of Series A Shares given in accordance with Article 10 of this Schedule.

#### **ARTICLE 10.**

#### **APPROVAL OF SERIES A SHAREHOLDERS**

Any approval required or permitted to be given by the holders of the Series A Shares with respect to any and all matters referred to herein shall be deemed to have been sufficiently given by the holders of the Series A Shares if given in the manner provided in section 2.4 of Schedule I to these Restated Articles of Incorporation, the provisions attaching to the First Preferred Shares as a class, which provisions shall apply mutatis mutandis, as though the term "Series A Shares" was used in such section in place of the term "First Preferred Shares" and as though the Series A Shares were a class of shares, provided that the quorum for any meeting of Series A Shares shall be shareholders represented in person or by proxy holding a majority of the outstanding Series A Shares. If at any such meeting the holders of a majority of the outstanding Series A Shares are not present or represented by proxy within one-half hour after the time appointed for such meeting, then the meeting shall be adjourned to such date not less than 15 days thereafter and to such time and place as may be designated by the chairman of such meeting, and not less than 10 days' written notice shall be given of such adjourned meeting. At such adjourned meeting the holders of Series A Shares present or represented by proxy may transact the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of not less than 66 2/3% of the votes cast at such meeting shall constitute the approval of the holders of the Series A Shares.

#### **ARTICLE 11.**

#### **RIGHTS ON LIQUIDATION**

In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, whether voluntary or involuntary, the holders of the Series A Shares shall be entitled to receive an amount equal to \$25.00 per Series A Share, together with all dividends declared and unpaid to and including the date of payment, before any amount is paid or any assets of the Corporation are distributed to the holders of Common Shares, Second Preferred

Shares or the shares of any other class of the Corporation ranking junior to the Series A Shares. Upon payment to the holders of the Series A Shares of the amounts so payable to them, they shall not be entitled to share in any further distribution of the assets of the Corporation.

## **SCHEDULE III**

### **NON-CUMULATIVE FIRST PREFERRED SHARES, SERIES B RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS**

The second series of First Preferred Shares shall consist of 4,000,000 shares designated "Non-Cumulative First Preferred Shares, Series B" (the "Series B Shares") and, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, shall have attached thereto the following rights, privileges, restrictions and conditions:

#### **ARTICLE 1.**

#### **DIVIDENDS**

##### **1.1. Dividend Payment Dates and Dividend Periods**

The dividend payment dates (the "Dividend Payment Dates") in respect of the dividends payable on the Series B Shares shall be the last day of each of the months of March, June, September and December in each year. A Dividend Period shall mean the period from and including the date of issue of the Series B Shares to but excluding the first Dividend Payment Date and, thereafter, the period from and including each Dividend Payment Date to but excluding the next succeeding Dividend Payment Date.

##### **1.2. Payment of Dividends**

The holders of Series B Shares shall be entitled to receive, and the Corporation shall pay thereon, as and when declared by the board of directors of the Corporation, out of moneys of the Corporation properly applicable to the payment of dividends, non-cumulative, preferential cash dividends (the "Quarterly Dividends") payable, with respect to each Dividend Period, on the Dividend Payment Date immediately following the end of such Dividend Period, the first of such dividends to be payable on June 30, 1993 and to be in an amount per share determined in accordance with section 1.3 of this Schedule. For all subsequent Dividend Periods, dividends, subject to section 1.3 of this Schedule, shall be in an amount per Series B Share equal to \$0.465625 per share.

##### **1.3. Dividend for Other than a Full Dividend Period**

The holders of Series B Shares shall be entitled to receive, and the Corporation shall pay thereon, as and when declared by the board of directors, out of moneys of the Corporation properly applicable to the payment of dividends, non-cumulative, preferential cash dividends for any period which is less than a full Dividend Period as follows:

- (a) an initial dividend in respect of the period from and including the date of the initial issue of the Series B Shares to but excluding June 30, 1993 (the "Initial Dividend Period") equal to the amount obtained (rounded to five decimal places)

when \$1.8625 is multiplied by a fraction of which the numerator is the number of days in the Initial Dividend Period and the denominator of which is 365; which, if the Series B Shares are issued on March 2, 1993, shall be \$0.61233 per share; and

- (b) a dividend in an amount per share with respect to any Series B Share;
  - (i) which is issued, redeemed, purchased or converted during any Dividend Period; or
  - (ii) where the assets of the Corporation are distributed to the holders of the Series B Shares pursuant to section 2.2 of Schedule I to these Restated Articles of Incorporation, the provisions attaching to the First Preferred Shares as a class, with an effective date during any Dividend Period;

equal to the amount obtained (rounded to five decimal places) when \$1.8625 is multiplied by a fraction of which the numerator is the number of days in such Dividend Period that such share has been outstanding (excluding the date of issue, redemption, purchase, or conversion or the effective date for the distribution of assets) and the denominator of which is the number of days in the year in which such Dividend Period falls.

#### **1.4. Payment Procedure**

The Corporation shall pay the dividends on the Series B Shares to the holders of record to this Schedule at the close of business on the second business day immediately preceding the relevant Dividend Payment Date (less any tax required to be deducted or withheld by the Corporation) by cheques drawn on a Canadian chartered bank and payable in lawful money of Canada at any branch of such bank in Canada. The delivery or mailing of any cheque to a holder of Series B Shares shall be a full and complete discharge of the Corporation's obligation to pay the dividends to such holder (plus any tax required to be and in fact deducted and withheld therefrom and remitted to the proper taxing authority) unless such cheque is not honoured when presented for payment. Dividends which are represented by a cheque which has not been presented to the Corporation's bankers for payment or that otherwise remain unclaimed for a period of six years from the date on which they were declared to be payable may be reclaimed and used by the Corporation for its own purposes.

### **ARTICLE 2.**

#### **REDEMPTION, CONVERSION AND PURCHASE**

##### **2.1. General**

- (a) Subject to Article 5 of this Schedule and to the extent permitted by applicable law, the Series B Shares may be redeemed, converted purchased by the Corporation as provided in this Article 2 and section 3.3 of this Schedule but not otherwise.

- (b) For the purposes of this Schedule, the "Common Shares" of the Corporation shall mean such common shares as currently constituted and any shares resulting from a reclassification of the common shares of the Corporation or which result from a capital reorganization of the Corporation or a consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a capital reorganization, consolidation, amalgamation or merger which does not result in any reclassification of the common shares or a change of the common shares into other shares or securities).

## **2.2. Redemption and Conversion Rights**

- (a) The Series B Shares shall not be redeemable prior to December 31, 2002. The Corporation may, upon giving notice as hereinafter provided, redeem on or after December 31, 2002 at any time the whole or from time to time any part of the then outstanding Series B Shares, by the payment of an amount in cash for each Series B Share so redeemed equal to the sum of \$25.00 plus an amount equal to all declared and unpaid dividends thereon up to but excluding the date fixed for redemption (the "Redemption Price").
- (b) The Series B Shares shall not be convertible at the option of the Corporation prior to December 31, 2002. Subject to the approval of The Toronto Stock Exchange (the "TSE"), The Montreal Exchange and the Winnipeg Stock Exchange, the Corporation may, by giving notice as hereinafter provided, convert the whole or from time to time any part of the then outstanding Series B Shares into fully paid, non-assessable and freely tradeable (in all provinces of Canada) Common Shares of the Corporation on the basis that the Series B Shares of each holder called for conversion by the Corporation will be converted into (subject to that exception as to fractions contained in section 2.7 of this Schedule) that number (the "Common Share Conversion Number") of Common Shares as is equal to the product of:
- (i) the number obtained when
    - (A) \$25.00 plus an amount equal to all declared and unpaid dividends per Series B Share up to but excluding the date fixed for conversion,
- is divided by
- (B) the greater of (I) \$3.00 and (II) 95% of the weighted average trading price (the "Weighted Price") of all Common Shares of the Corporation traded on the TSE for the 20 trading days ending on the last trading day which is the fourth day immediately prior to the date specified for conversion or, if such fourth day is not a trading day ending immediately prior to such fourth day,

with the result of that calculation being rounded upward to the nearest 1/100 of a Common Share; and

- (ii) the number of Series B Shares of such holder being converted.
- (c) If less than all of the outstanding Series B Shares are to be redeemed or converted, the shares to be redeemed or converted shall be selected by lot, or pro rata (disregarding fractions) or in such other manner as the board of directors or a committee to this Schedule in its sole discretion shall by resolution determine.

### **2.3. Manner of Redemption or Conversion**

- (a) Notice of redemption or conversion of Series B Shares shall be given by the Corporation not less than 30 nor more than 60 calendar days prior to the date fixed for redemption and not less than 40 nor more than 60 calendar days prior to the date fixed for conversion, to each holder of Series B Shares to be redeemed or converted, as the case may be. Such notice shall set out (i) the date (the "Redemption/Conversion Date") on which the redemption or conversion is to take place; (ii) unless all the Series B Shares held by the holder to whom it is addressed are to be redeemed or converted, the number of Series B Shares so held which are to be redeemed or converted; (iii) whether the Corporation shall redeem or convert such Series B Shares; (iv) the Redemption Price or the method of determining the Common Share Conversion Number, as the case may be; and (v) where the Series B Shares are to be converted into Common Shares, the advice that such Common Shares will be registered in the name of the registered holder of the Series B Shares to be converted unless the Transfer Agent for the Series B Shares (The "Transfer Agent") receives from such holder, on or before the tenth calendar day prior to the Redemption Date (the "Transferee Notice Date"), at the principal transfer office of the Transfer Agent in any of the cities of Vancouver, Edmonton, Winnipeg, Toronto or Montreal, written notice in a form and executed in a manner satisfactory to the Transfer Agent directing the Corporation to register such Common Shares in some other name or names (the "Transferee") and stating the name or names (with addresses) accompanied by payment to the Transfer Agent of any transfer tax that may be payable by reason to this Schedule and a written declaration of such matters as may be required by law in order to determine the entitlement of such Transferee to hold such Common Shares. The Corporation shall issue and deliver to one or more Canadian business news services a press release within 24 hours of the end of the 20 trading day period for calculation of the Weighted Price announcing the Common Share Conversion Number.
- (b) In the case of a redemption, on and after the Redemption Date the Corporation shall pay or cause to be paid to the holders of the Series B Shares so called for redemption the Redemption Price therefor on presentation and delivery at the head office of the Corporation, the principal transfer office of the Transfer Agent



in any of the cities of Vancouver, Edmonton, Winnipeg, Montreal or Toronto, or such other place or places in Canada designated in the notice referred to in subsection 2.3(a) of this Schedule, of the certificate or certificates representing the Series B Shares so called for redemption. Such payment shall be made by cheque and shall be a full and complete discharge of the Corporation's obligation to pay the Redemption Price owed to the holders of Series B Shares so called for redemption unless the cheque is not honoured when presented for payment. From and after the Redemption/Conversion Date, the holders of Series B Shares called for redemption shall cease to be entitled to dividends or to exercise any of the rights of holders of Series B Shares in respect of such shares except the right to receive therefor the Redemption Price, provided that if payment of such Redemption Price is not duly made in accordance with the provisions of this Schedule, then the rights of such holders shall remain unimpaired.

- (c) In the case of a redemption, the Corporation shall have the right at any time after mailing a notice of redemption to deposit the aggregate Redemption Price of the Series B Shares thereby called for redemption, or such part to this Schedule as at the time of deposit has not been claimed by the holders entitled thereto, in a special account with a Canadian chartered bank for the holders of such shares, and upon such deposit being made or upon the date fixed for redemption, whichever is the later, the Series B Shares in respect of which such deposit shall have been made shall be deemed to be redeemed and the rights of each holder to this Schedule shall be limited to receiving, without interest, his proportionate part of the Redemption Price so deposited upon presentation and surrender of the certificates representing the Series B Shares so redeemed. Any interest on any such deposit shall belong to the Corporation. Redemption moneys which remain unclaimed for a period of six years from the Redemption/Conversion Date may be reclaimed and used by the Corporation for its own purposes.
- (d) In the case of a conversion of Series B Shares into Common Shares, on and after the Redemption/Conversion Date the Corporation shall deliver the Common Share Conversion Number of Common Shares on presentation and delivery by the holder at the head office of the Corporation in Winnipeg, the principal transfer office of the Transfer Agent in any of the cities of Vancouver, Edmonton, Winnipeg, Montreal or Toronto, or such other place or places in Canada designated in the notice referred to in subsection 2.3(a) of this Schedule, of the certificate or certificates representing the Series B Shares so called for conversion. The Corporation shall deliver or cause to be delivered certificates representing such Common Shares registered in the name of the holders of Series B Shares to be converted, or as such holders shall have directed as aforesaid. Series B Shares so converted shall be converted effective on the Redemption/Conversion Date. From and after the Redemption/Conversion Date, the holders of Series B Shares so converted who have not presented and delivered the certificate or certificates representing such shares as herein required shall cease to be entitled to dividends on such Series B Shares or to exercise any of the rights of holders of Series B

Shares in respect of such shares except the right to receive therefor the Common Share Conversion Number of Common Shares and any payment with respect to a fraction of a Series B Share.

- (e) If less than all the Series B Shares represented by any certificate shall be redeemed or converted, a new certificate for the balance shall be issued without cost to the holder.
- (f) The Corporation shall not exercise its right to convert any Series B Shares into Common Shares if on the date for giving notice or on the Conversion Date the Common Shares are not listed on the TSE.
- (g) The Corporation shall use its best efforts to ensure that so long as any Series B Shares are outstanding, the Common Shares of the Corporation shall continue to be listed on the TSE.

#### **2.4. Purchase**

The Corporation may purchase at any time all or from time to time any number of the outstanding Series B Shares in the open market (including purchases through or from an investment dealer or firm holding membership on a stock exchange) or pursuant to tenders received by the Corporation upon an invitation for tenders addressed to all holders of the Series B Shares, at a price per share in each case not exceeding the applicable Redemption Price at the time of purchase plus costs of purchase. If upon any invitation for tenders the Corporation receives tenders for Series B Shares at the same price in an aggregate number greater than the number for which the Corporation is prepared to accept tenders, the shares to be purchased shall be selected from the shares offered at such price as nearly as may be pro rata (to the nearest 10 shares) according to the number of Series B Shares offered in each such tender, in such manner as the board of directors or a committee to this Schedule in its sole discretion shall by resolution determine. If part only of the Series B Shares represented by any certificate shall be purchased, a new certificate for the balance of such shares shall be issued without cost to the holder.

#### **2.5. Conversion into Another Series of Preferred Shares**

To the extent permitted by applicable law and the articles of the Corporation, the Corporation may at any time designate a further series of Preferred Shares (the "New Preferred Shares") and notify the holders of Series B Shares that they have the right pursuant to the terms of the Series B Shares, at their option, to convert their Series B Shares into fully paid, non-assessable and freely tradeable (in all provinces of Canada) New Preferred Shares on a share for share basis on a date specified by the Corporation in such notice (the "Exchange Date"). Such notice shall provide the details of the terms and conditions of the New Preferred Shares and instructions on how to convert Series B Shares into New Preferred Shares and shall be accompanied by the proper form of instrument of surrender. The Series B Shares will be so convertible into New Preferred Shares only if, and the Corporation will ensure that such New Preferred Shares will not, if issued, be or be deemed to be "term preferred shares" within the

meaning of the Income Tax Act (Canada) if such definition were read without reference to paragraph (f) of the definition of "term preferred shares" set out in subsection 248(1) of such Act.

## **2.6. Manner of Conversion into Another Series of Preferred Shares**

Series B Shares may be converted by the holder of such shares tendering to the Corporation on or prior to the Exchange Date the certificate or certificates representing the Series B Shares to be so converted and the written instrument of surrender in form satisfactory to the Corporation and duly executed by the registered holder of the Series B Shares represented by the certificate or certificates so surrendered in which instrument the holder may elect to convert all or a portion of the Series B Shares represented by such certificate or certificates into New Preferred Shares.

The Corporation shall, on presentation and delivery at the head office of the Corporation in Winnipeg, the principal transfer office of the Transfer Agent in any of the cities of Vancouver, Edmonton, Winnipeg, Montreal or Toronto, or such other place or places in Canada as the Corporation may agree of the certificate or certificates representing the Series B Shares to be converted, issue and deliver or cause to be delivered as soon as is reasonably practicable after the Exchange Date a certificate or certificates representing the New Preferred Shares into which such Series B Shares have been converted. Such certificate or certificates shall be registered in the name of the holder of the Series B Shares so converted or in such name or names as he may specify in the written instrument accompanying the Series B Shares to be converted. The Series B Shares so converted shall be converted, and the holder to this Schedule shall become a holder of record of New Preferred Shares, effective on the Exchange Date. The provisions of subsection 2.3(e) of this Schedule shall apply, mutatis mutandis, in the event of a conversion into New Preferred Shares of less than all of the Series B Shares represented by a particular share certificate.

## **2.7. Avoidance of Fractional Shares**

In any case where a fraction of a Common Share would otherwise be issuable on conversion of one or more Series B Shares, the Corporation shall adjust such fractional interest by payment by cheque in an amount equal to the then market price of such fractional interest computed on the basis of the Weighted Price determined in respect of the relevant Redemption/Conversion Date.

# **ARTICLE 3.**

## **HOLDER'S CONVERSION RIGHT**

### **3.1. Conversion Right**

Subject to the option of the Corporation in section 3.3 of this Schedule, each Series B Share shall, on and after June 30, 2003, at the option of the holder, be convertible on the last day of March, June, September and December in each year (a "permitted conversion date") into (subject to the exception as to fractions contained in section 3.4 of this Schedule) that

Number of fully paid, non-assessable and freely tradeable (in all provinces of Canada) Common Shares as is equal to the number obtained when \$25.00 is divided by the greater of \$3.00 and 95% of the Weighted Price, with the result of such calculation being rounded up to the nearest 1/100 of a Common Share. The holder of Series B Shares to be converted is entitled to receive any dividend which has been declared and is payable on the date of such conversion.

Not less than 90 nor more than 120 calendar days prior to June 30, 2003, the Corporation shall give to the registered holders of the Series B Shares notice of the conversion right containing instructions to such holders as to the method by which such conversion right may be exercised, as set out in section 3.2 of this Schedule.

### **3.2. Manner of Conversion**

(a) Series B Shares may be converted by the holder of such shares tendering to the Corporation not less than 60 calendar days prior to the date (which must be a permitted conversion date) fixed for conversion by such holder the certificate or certificates for the Series B Shares to be converted with the notice of conversion on the reverse side to this Schedule (the "Conversion Notice") duly completed. Subject to section 3.3 of this Schedule and to the right to accept an offer to convert Series B Shares into New Preferred Shares under section 2.5 of this Schedule, such Conversion Notice shall be irrevocable and shall set out:

- (i) the date (the "Conversion Date") on which the conversion is to take place;
- (ii) unless all the Series B Shares held by the holder by whom such notice is given are to be converted, the number of Series B Shares so held which are to be converted; and
- (iii) an acknowledgement that the Common Shares into which the Series B Shares are to be converted are to be registered in the name of the registered holder of the Series B Shares to be converted unless such holder, on or before the tenth calendar day prior to the Conversion Date (the "Transferee Notice Date") provides notice to the Transfer Agent at the principal transfer office of the Transfer Agent in any of the cities of Vancouver, Edmonton, Winnipeg, Toronto or Montreal, a written notice in the form and executed in a manner satisfactory to the Transfer Agent directing the Corporation to register such Common Shares in some other name or names (the "Transferee") and stating the name or names (with addresses) accompanied by payment to the Transfer Agent of any transfer tax that may be payable by reason to this Schedule and a written declaration of any matters as may be required by law in order to determine the entitlement of such Transferee to hold such Common Shares.

(b) Subject to section 3.3 of this Schedule, the Corporation shall, on presentation and delivery at the head office of the Corporation in Winnipeg, the principal transfer office of the Transfer Agent in any of the cities of Vancouver, Edmonton, Winnipeg, Montreal or Toronto, or such other place or places in Canada as the Corporation may agree of the certificate or

Certificates representing the Series B Shares so surrendered for conversion, deliver or cause to be delivered certificates representing the number of whole Common Shares into which such Series B Shares are to be converted, registered in the name of the holder of the Series B Shares to be converted, or as such holder shall have directed as aforesaid, as the case may be, on the Conversion Date. The Series B Shares so converted shall be converted, and the holder to this Schedule shall become a holder of Common Shares of record, effective on the Conversion Date.

(c) If less than all the Series B Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued without cost to the holder.

### **3.3. Option of the Corporation**

Prior to any Conversion Date, the Corporation may, by notice given not less than 40 calendar days before such Conversion Date to all holders who have given a Conversion Notice,

- (a) redeem on the Conversion Date all but not less than all of the Series B Shares forming the subject matter of the applicable Conversion Notice at the Redemption Price provided for in Article 2 of this Schedule; or
- (b) request such holders to sell on the Conversion Date such Series B Shares to another purchaser or purchasers in the event that a purchaser or purchasers willing to purchase all but not less than all of such Series B Shares at a price equal to the Redemption Price is or are found by the Corporation and such holders shall sell such Series B Shares at a price equal to the Redemption Price to such purchaser or purchasers.

Any such redemption or purchase shall be made on the Conversion Date by mailing a cheque of the Corporation or of the Transfer Agent in an amount equal to the Redemption Price to the holder of the Series B Shares entitled thereto. The provisions of subsection 2.3(e) of this Schedule shall apply, *mutatis mutandis*, in the event of a redemption or purchase of less than all the Series B Shares represented by a particular share certificate. The Series B Shares so purchased or redeemed shall not be converted on the Conversion Date. In the event that for any reason the redemption or purchase provided for in this section is not affected in respect of a Series B Share or Shares on the Conversion Date, the option of the Corporation in respect of such Series B Share or Shares shall lapse and such Series B Share or Shares shall be deemed to have been converted on the Conversion Date.

### **3.4. Avoidance of Fractional Shares**

In any case where a fraction of a Common Share would otherwise be issuable on conversion of one or more Series B Shares under this Article 3, the Corporation shall adjust such fractional interest by the payment by cheque in an amount equal to the then market price of such fractional interest computed on the basis of the Weighted Price determined in respect of the relevant Conversion Date.

#### ARTICLE 4.

##### VOTING RIGHTS

In the event that (A) (i) The Great-West Life Assurance Company ("GWL") is not required to satisfy the provision of the *Insurance Companies Act* (Canada), as amended or replaced from time to time, (the "ICA") relating to the 35% public voting requirement currently in section 411 of the ICA (the "Public Voting Requirement"), (ii) GWL has satisfied the Public Voting Requirement in some other manner, or (iii) the Board of Directors of the Corporation determines that it is no longer in the best interests of the Corporation to comply with the Public Voting Requirement; (B) the Board of Directors of the Corporation has removed the voting rights referred to in section 2.5 of Schedule I to these Restated Articles of Incorporation as contemplated by section 1.2 of Schedule V to these Restated Articles of Incorporation; and (C) the Corporation fails to declare the whole amount of the Quarterly Dividend for any Dividend Period on or before the last day of such Dividend Period, the holders of the Series B Shares shall have the right to receive notice of and to attend each meeting of shareholders of the Corporation at which directors of the Corporation are to be elected the record date for notice of which occurs after the end of such Dividend Period (other than meetings at which only holders of another specified series or class of shares are entitled to vote) and such holders shall have the right at any such meeting to one vote for each Series B Share in the election of two directors to be elected in conjunction with the holders of any other series of First Preferred Shares which may have such right. Notwithstanding the provisions attaching to the First Preferred Shares as a class or to the Series B Shares, if the lesser of the initial issue price, redemption amount or retraction amount per share of any other series of First Preferred Shares is less than the Redemption Price of the Series B Shares, the votes per Series B Share shall be increased such that the Series B Shares have the same number of votes per dollar amount of the Redemption Price as the other series with the lowest initial issue price, redemption amount or retraction amount per share. The right to receive notice of, attend and vote at such meetings shall continue until such time as the Corporation declares and pays the full amount of a Quarterly Dividend for a Dividend Period, after which Dividend Period such rights to receive notice of, attend and vote at such meetings shall forthwith expire. At such time as the Corporation may again fail to declare the full amount of any Quarterly Dividend for any Dividend Period, such voting rights shall become effective again and so on from time to time.

#### ARTICLE 5.

##### RESTRICTIONS ON DIVIDENDS AND RETIREMENT OF SHARES

So long as any of the Series B Shares are outstanding, the Corporation shall not, without the prior approval of the holders of such outstanding Series B Shares given in the manner hereinafter specified:

- (a) declare or pay or set apart for payment any dividends on the Second Preferred Shares, the Common Shares or on shares of any other class of the Corporation

ranking junior to the Series B Shares (other than stock dividends in shares of the Corporation ranking junior to the Series B Shares);

- (b) except out of the net cash proceeds of an issue of shares ranking junior to the Series B Shares, redeem or call for redemption or purchase for cancellation or otherwise retire or make any return of capital in respect of the Second Preferred Shares, Common Shares or shares of any other class of the Corporation ranking junior to the Series B Shares;
- (c) redeem or call for redemption or purchase or otherwise retire or make any return of capital in respect of less than all of the Series B Shares;
- (d) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching thereto, redeem or call for redemption or purchase or otherwise retire or make any return of capital in respect of any shares of any other class or series of the Corporation ranking pari passu with Series B Shares; or
- (e) except out of the net cash proceeds of an issue of shares ranking junior to the Series B Shares, or except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching thereto, redeem or call for redemption or purchase or otherwise retire or make any return of capital in respect of any shares of any other class or series of the Corporation ranking prior to the Series B Shares;

unless at the date of such declaration, payment, setting apart for payment, redemption, call for redemption, purchase or reduction or retirement of capital, as the case may be, all cumulative dividends then accrued and unpaid up to and including the most recent applicable dividend payment date for the last completed period for which dividends shall be payable shall have been declared and paid or set apart for payment in respect of each series of cumulative First Preferred Shares, if any, then issued and outstanding and on all other cumulative shares, if any, ranking pari passu with the First Preferred Shares and the dividends for the immediately preceding dividend payment period in respect of each series of non-cumulative First Preferred Shares (including the Series B Shares) then issued and outstanding and on all other shares ranking prior to or pari passu with the Series B Shares shall have been declared and paid or monies set aside for payment to this Schedule.

#### **ARTICLE 6.**

#### **ISSUE PRICE**

The price or consideration for which each Series B Share shall be issued is \$25.00 and, upon payment of such price, each such share shall be issued as fully paid and non-assessable.

## ARTICLE 7.

### ELECTION UNDER THE INCOME TAX ACT

The Corporation shall elect under subsection 191.2(1) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax under section 191.1 of such Act, or any successor or replacement provision of similar effect at a rate such that no holder of the Series B Shares will be required to pay tax on dividends received on the Series B Shares under Section 187.2 of Part IV.1 of such Act or any successor or replacement provision of similar effect. Such election shall be made in the manner prescribed by such Act and shall be filed within the time provided under paragraph 191.2(1)(a) of such Act.

## ARTICLE 8.

### NOTICE AND INTERPRETATION

#### 8.1. Notices

- (a) Any notice, cheque, invitation for tenders or other communication from the Corporation herein provided for shall be sufficiently given if delivered or if sent by first class unregistered mail, postage prepaid, to the holders of the Series B Shares at their respective addresses appearing on the books of the Corporation or, in the event of the address of any of such holders not so appearing, then at the last address of such holder known to the Corporation. Accidental failure to give such notice, invitation for tenders or other communication to one or more holders of the Series B Shares shall not affect the validity of the notices, invitations for tenders or other communications properly given or any action taken pursuant to such notice, invitation for tender or other communication but, upon such failure being discovered, the notice, invitation for tenders or other communication, as the case may be, shall be sent forthwith to such holder or holders.
- (b) If any notice, cheque, invitation for tenders or other communication from the Corporation given to a holder of Series B Shares pursuant to paragraph (a) is returned on three consecutive occasions because he cannot be found, the Corporation shall not be required to give or mail any further notices, cheques, invitations for tenders or other communications to such shareholder until he informs the Corporation in writing of his new address.

#### 8.2. Interpretation

- (a) In the event that any day on which any dividend on the Series B Shares is payable or on or by which any other action is required to be taken hereunder is not a business day, then such dividend shall be payable or such other action shall be required to be taken on or before the next succeeding day that is a business day. A "business day" means a day other than a Saturday, a Sunday or any other day



that is a statutory or civic holiday in the place where the Corporation has its head office.

- (b) All references herein to a holder of Series B Shares shall be interpreted as referring to a registered holder of the Series B Shares.

#### **ARTICLE 9.**

#### **MODIFICATION**

The provisions attaching to the Series B Shares may be deleted, varied, modified, amended or amplified with the prior approval of the holders of Series B Shares given in accordance with Article 10 of this Schedule.

#### **ARTICLE 10.**

#### **APPROVAL OF SERIES B SHAREHOLDERS**

Any approval required or permitted to be given by the holders of the Series B Shares with respect to any and all matters referred to herein shall be deemed to have been sufficiently given by the holders of the Series B Shares if given in the manner provided in section 2.4 of Schedule I to these Restated Articles of Incorporation, the provisions attaching to the First Preferred Shares as a class, which provisions shall apply mutatis mutandis, as though the term "Series B Shares" was used in such section in place of the term "First Preferred Shares" and as though the Series B Shares were a class of shares, provided that the quorum for any meeting of holders of Series B Shares shall be shareholders represented in person or by proxy holding a majority of the outstanding Series B Shares. If at any such meeting the holders of a majority of the outstanding Series B Shares are not present or represented by proxy within one-half hour after the time appointed for such meeting, then the meeting shall be adjourned to such date not less than 15 days thereafter and to such time and place as may be designated by the chairman of such meeting, and not less than 10 days' written notice shall be given of such adjourned meeting. At such adjourned meeting the holders of Series B Shares present or represented by proxy may transact the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of not less than 66 2/3% of the votes cast at such meeting shall constitute the approval of the holders of the Series B Shares.

#### **ARTICLE 11.**

#### **RIGHTS ON LIQUIDATION**

In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, whether voluntary or involuntary, the holders of the Series B Shares shall be entitled to receive an amount equal to \$25.00 per Series B Share, together with all dividends declared and unpaid to and including the date of payment, before any amount is paid or any assets of the Corporation are distributed to the holders of Common Shares, Second Preferred

Shares or the shares of any other class of the Corporation ranking junior to the Series B Shares. Upon payment to the holders of the Series B Shares of the amounts so payable to them, they shall not be entitled to share in any further distribution of the assets of the Corporation.

## **SCHEDULE IV**

### **NON-CUMULATIVE FIRST PREFERRED SHARES, SERIES C RIGHTS, - PRIVILEGES, RESTRICTIONS AND CONDITIONS**

The third series of First Preferred Shares shall consist of 4,000,000 shares designated "Non-Cumulative First Preferred Shares, Series C" (the "Series C Shares") and, in addition to the rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, shall have attached thereto the following rights, privileges, restrictions and conditions:

#### **ARTICLE 1.**

#### **DIVIDENDS**

##### **1.1. Dividend Payment Dates and Dividend Periods**

The dividend payment dates (the "Dividend Payment Dates") in respect of the dividends payable on the Series C Shares shall be the last day of each of the months of March, June, September and December in each year. A Dividend Period shall mean the period from and including the date of issue of the Series C Shares to but excluding March 31, 1995, being the first Dividend Payment Date and, thereafter, the period from and including each Dividend Payment Date to but excluding the next succeeding Dividend Payment Date.

##### **1.2. Payment of Dividends**

The holders of Series C Shares shall be entitled to receive, and the Corporation shall pay thereon, as and when declared by the board of directors of the Corporation, out of moneys of the Corporation properly applicable to the payment of dividends, non-cumulative, preferential cash dividends (the "Quarterly Dividends") payable, with respect to each Dividend Period, on the Dividend Payment Date immediately following the end of such Dividend Period, the first of such dividends to be payable on March 31, 1995 and to be in an amount per share determined in accordance with section 1.3 of this Schedule. For all subsequent Dividend Periods, dividends, subject to section 1.3 of this Schedule, shall be in an amount per Series C Share equal to \$0.484375 per share.

##### **1.3. Dividend for Other than a Full Dividend Period**

The holders of Series C Shares shall be entitled to receive, and the Corporation shall pay thereon, as and when declared by the board of directors, out of moneys of the Corporation properly applicable to the payment of dividends, non-cumulative, preferential cash dividends for any period which is more or less than a full Dividend Period as follows:

- (a) an initial dividend in respect of the period from and including the date of the initial issue of the Series C Shares to but excluding March 31, 1995 (the "Initial Dividend Period") equal to the amount obtained (rounded to five decimal places)

when \$1.9375 is multiplied by a fraction the numerator of which is the number of days in the Initial Dividend Period and the denominator of which is 365; which, if the Series C Shares are issued on February 2, 1995, shall be \$0.30257 per share; and

- (b) a dividend in an amount per share with respect to any Series C Share;
  - (i) which is issued, redeemed, purchased or converted during any Dividend Period; or
  - (ii) where the assets of the Corporation are distributed to the holders of the Series C Shares pursuant to section 2.2 of Schedule I to these Restated Articles of Incorporation, the provisions attaching to the First Preferred Shares as a class, with an effective date during any Dividend Period;

equal to the amount obtained (rounded to five decimal places) when \$1.9375 is multiplied by a fraction the numerator of which is the number of days in such Dividend Period that such share has been outstanding (excluding the date of issue, redemption, purchase or conversion or the effective date for the distribution of assets) and the denominator of which is the number of days in the year in which such Dividend Period falls.

#### **1.4. Payment Procedure**

The Corporation shall pay the dividends on the Series C Shares to the holders of record to this Schedule at the close of business on the second business day immediately preceding the relevant Dividend Payment Date (less any tax required to be deducted or withheld by the Corporation) by cheques drawn on a Canadian chartered bank and payable at par in lawful money of Canada at any branch of such bank in Canada. The delivery or mailing of any cheque to a holder of Series C Shares shall be a full and complete discharge of the Corporation's obligation to pay the dividends to such holder (plus any tax required to be and in fact deducted and withheld therefrom and remitted to the proper taxing authority) unless such cheque is not honoured when presented for payment. Dividends which are represented by a cheque which has not been presented to the Corporation's bankers for payment or that otherwise remain unclaimed for a period of six years from the date on which they were declared to be payable may be reclaimed and used by the Corporation for its own purposes.

### **ARTICLE 2.**

#### **REDEMPTION, CONVERSION AND PURCHASE**

##### **2.1. General**

- (a) Subject to Article 5 of this Schedule and to the extent permitted by applicable law, the Series C Shares may be redeemed, converted or purchased by the Corporation as provided in this Article 2 and section 3.3 of this Schedule but not otherwise.

- (b) For the purposes of this Schedule, the "Common Shares" of the Corporation shall mean such common shares as currently constituted and any shares resulting from a reclassification of the common shares of the Corporation or which result from a capital reorganization of the Corporation or a consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a capital reorganization, consolidation, amalgamation or merger which does not result in any reclassification of the common shares or a change of the common shares into other shares or securities).

## **2.2. Redemption and Conversion Rights**

- (a) The Series C Shares shall not be redeemable prior to September 30, 2002. The Corporation may, upon giving notice as hereinafter provided, redeem on or after September 30, 2002 at any time the whole or from time to time any part of the then outstanding Series C Shares, by the payment of an amount in cash for each Series C Share so redeemed equal to the sum of \$26.00 where the Redemption Date (as hereinafter defined) is on or after September 30, 2002 and on or before September 29, 2003, \$25.50 where the Redemption Date is on or after September 30, 2003 and on or before September 29, 2004 and \$25.00 where the Redemption Date is on or after September 30, 2004, plus, in each case, an amount equal to all declared and unpaid dividends thereon up to but excluding the date fixed for redemption (less any tax required to be deducted and withheld by the Corporation) (the "Redemption Price").
- (b) The Series C Shares shall not be convertible at the option of the Corporation prior to September 30, 2004. Subject to the approval of The Toronto Stock Exchange (the "TSE"), The Montreal Exchange (the "ME") and the Winnipeg Stock Exchange, the Corporation may, by giving notice as hereinafter provided, any time on or after September 30, 2004 convert the whole or from time to time any part of the then outstanding Series C Shares into fully paid, non-assessable and freely-tradeable (in all provinces of Canada) Common Shares of the Corporation on the basis that the Series C Shares of each holder called for conversion by the Corporation will be converted into (subject to that exception as to fractions contained in section 2.7 of this Schedule) that number (the "Common Share Conversion Number") of Common Shares as is equal to the product of:
- (i) the number obtained when
- (A) \$25.00 plus an amount equal to all declared and unpaid dividends per Series C Share up to but excluding the date fixed for conversion,
- is divided by
- (B) the greater of (I) \$3.00 and (II) 95% of the weighted average trading price (the "Weighted Price") of all Common Shares of the

Corporation traded on the TSE for the 20 trading days ending on the fourth day immediately prior to the date specified for conversion or, if such fourth day is not a trading day on the TSE, then the last trading day ending immediately prior to such fourth day,

with the result of that calculation being rounded upward to the nearest 1/100 of a Common Share; and

- (ii) the number of Series C Shares of such holder being converted.
- (c) If less than all of the outstanding Series C Shares are to be redeemed or converted, the shares to be redeemed or converted shall be selected by lot or pro rata (disregarding fractions) or in such other manner as the board of directors or a committee to this Schedule in its sole discretion shall by resolution determine.

### **2.3. Manner of Redemption or Conversion**

- (a) Notice of redemption or conversion of Series C Shares shall be given by the Corporation not less than 30 nor more than 60 calendar days prior to the date fixed for redemption and not less than 40 nor more than 60 calendar days prior to the date fixed for conversion, to each holder of Series C Shares to be redeemed or converted as the case may be. Such notice shall set out (i) the date (the "Redemption Date" or "Conversion Date", as the case may be) on which the redemption or conversion is to take place; (ii) unless all the Series C Shares held by the holder to whom it is addressed are to be redeemed or converted, the number of Series C Shares so held which are to be redeemed or converted; (iii) whether the Corporation shall redeem or convert such Series C Shares; (iv) the Redemption Price or the method of determining the Common Share Conversion Number, as the case may be; and (v) where the Series C Shares are to be converted into Common Shares, the advice that such Common Shares will be registered in the name of the registered holder of the Series C Shares to be converted unless the Transfer Agent for the Series C Shares (the "Transfer Agent") receives from such holder, on or before the tenth calendar day prior to the Conversion Date (the "Transferee Notice Date"), at the principal transfer office of the Transfer Agent in any of the cities of Toronto, Montreal or Winnipeg, written notice in a form and executed in a manner satisfactory to the Transfer Agent directing the Corporation to register such Common Shares in some other name or names (the "Transferee") and stating the name or names (with addresses) accompanied by payment to the Transfer Agent of any transfer tax that may be payable by reason of this Schedule and a written declaration of such matters as may be required by law in order to determine the entitlement of such Transferee to hold such Common Shares. The Corporation shall issue and deliver to one or more Canadian business news services a press release within 24 hours of the end

of the 20 trading day period for calculation of the Weighted Price announcing the Common Share Conversion Number.

- (b) In the case of a redemption, on and after the Redemption Date the Corporation shall pay or cause to be paid to the holders of the Series C Shares so called for redemption the Redemption Price therefor on presentation and delivery at the head office of the Corporation in Winnipeg, the principal transfer office of the Transfer Agent in any of the cities of Toronto, Montreal or Winnipeg, or such other place or places in Canada designated in the notice referred to in subsection 2.3(a) of this Schedule, of the certificate or certificates representing the Series C Shares so called for redemption. Such Payment shall be made by cheque and shall be a full and complete discharge of the Corporation's obligation to pay the Redemption Price owed to the holders of Series C Shares so called for redemption unless the cheque is not honoured when presented for payment. From and after the Redemption Date, the holders of Series C Shares called for redemption shall cease to be entitled to dividends or to exercise any of the rights of holders of Series C Shares in respect of such shares except the right to receive therefor the Redemption Price, provided that if payment of such Redemption Price is not duly made in accordance with the provisions of this Schedule, then the rights of such holders shall remain unimpaired.
- (c) In the case of a redemption, the Corporation shall have the right at any time after mailing a notice of redemption to deposit the aggregate Redemption Price of the Series C Shares thereby called for redemption, or such part of this Schedule as at the time of deposit has not been claimed by the holders entitled thereto, in a special account with a Canadian chartered bank for the holders of such shares, and upon such deposit being made or upon the date fixed for redemption, whichever is the later, the Series C Shares in respect of which such deposit shall have been made shall be deemed to be redeemed and the rights of each holder of this Schedule shall be limited to receiving, without interest, his proportionate part of the Redemption Price so deposited upon presentation and surrender of the certificates representing the Series C Shares so redeemed. Any interest on any such deposit shall belong to the Corporation. Redemption moneys which remain unclaimed for a period of six years from the Redemption Date may be reclaimed and used by the Corporation for its own purposes.
- (d) In the case of a conversion of Series C Shares into Common Shares, on and after the Conversion Date the Corporation shall deliver the Common Share Conversion Number of Common Shares on presentation and delivery by the holder at the head office of the Corporation in Winnipeg, the principal transfer office of the Transfer Agent in any of the cities of Toronto, Montreal or Winnipeg, or such other place or places in Canada designated in the notice referred to in subsection 2.3(a) of this Schedule, of the certificate or certificates representing the Series C Shares so called for conversion. The Corporation shall deliver or cause to be delivered certificates representing such Common Shares registered in the name of the

holders of Series C Shares to be converted, or as such holders shall have directed as aforesaid. Series C Shares so converted shall be converted effective on the Conversion Date. From and after the Conversion Date, the holders of Series C Shares so converted who have not presented and delivered the certificate or certificates representing such shares as herein required shall cease to be entitled to dividends on such Series C Shares or to exercise any of the rights of holders of Series C Shares in respect of such shares except the right to receive therefor the Common Share Conversion Number of Common Shares and any payment with respect to a fraction of a Series C Share.

- (e) If less than all the Series C Shares represented by any certificate shall be redeemed or converted, a new certificate for the balance shall be issued without cost to the holder.
- (f) The Corporation shall not exercise its rights to convert any Series C Shares into Common Shares if on the date for giving notice or on the Conversion Date the Common Shares are not listed on the TSE and the ME. The Corporation shall use its best efforts to ensure that so long as any Series C Shares are outstanding, the Common Shares of the Corporation shall continue to be listed on the TSE and the ME.
- (g) In the event that a dividend is declared by the board of directors of the Corporation in respect of any Dividend Period in which the Series C Shares are converted into Common Shares at the option of the Corporation, notwithstanding the provisions of section 1.4 of this Schedule, no cheque shall be issued in payment of such dividend and the holder of the Series C Shares so called for conversion shall be deemed to have subscribed for such number of Common Shares of the Corporation as is equal to the number obtained when the amount of the declared and unpaid dividend is divided by the greater of (i) \$3.00 and (ii) 95% of the Weighted Price with the result of that calculation being rounded upward to the nearest 1/100 of a Common Share; such number of Common Shares to be issued to such holder as part of, and not in addition to, the Common Shares issued to such holder pursuant to the provisions of section 2.2(b) of this Schedule.

#### **2.4. Purchase**

The Corporation may purchase at any time all or from time to time any number of the outstanding Series C Shares in the open market (including purchases through or from an investment dealer or firm holding membership on a stock exchange) or pursuant to tenders received by the Corporation upon an invitation for tenders addressed to all holders of the Series C Shares, at a price per share in each case not exceeding \$26.00 per share, if purchased prior to September 30, 2002, and the applicable Redemption Price at the time of purchase, if purchased thereafter, in each case plus costs of purchase. If upon any invitation for tenders the Corporation receives tenders for Series C Shares at the same price in an aggregate number greater than the number for which the Corporation is prepared to accept tenders, the shares to be purchased shall



be selected from the shares offered at such price as nearly as may be pro rata (to the nearest 10 shares) according to the number of Series C Shares offered in each such tender, in such manner as the board of directors or a committee of this Schedule in its sole discretion shall by resolution determine. If part only of the Series C Shares represented by any certificate shall be purchased, a new certificate for the balance of such shares shall be issued without cost to the holder.

#### **2.5. Conversion into Another Series of Preferred Shares**

To the extent permitted by applicable law and the articles of the Corporation, the Corporation may at any time designate a further series of Preferred Shares (the "New Preferred Shares") and notify the holders of Series C Shares that they have the right pursuant to the terms of the Series C Shares, at their option, to convert their Series C Shares into fully paid, non-assessable and freely-tradeable (in all provinces of Canada) New Preferred Shares on a share for share basis on a date specified by the Corporation in such notice (the "Exchange Date"). Such notice shall provide the details of the terms and conditions of the New Preferred Shares and instructions on how to convert Series C Shares into New Preferred Shares and shall be accompanied by the proper form of instrument of surrender. The Series C Shares will be so convertible into New Preferred Shares only if such New Preferred Shares are not, and the Corporation will ensure that such New Preferred Shares will not, if issued, be or be deemed to be, "term preferred shares" within the meaning of the Income Tax Act (Canada) if such definition were read without reference to paragraph (f) of the definition of "term preferred shares" set out in subsection 248(1) of such Act.

#### **2.6. Manner of Conversion into Another Series of Preferred Shares**

Series C Shares may be converted by the holder of such shares tendering to the Corporation or prior to the Exchange Date the certificate or certificates representing the Series C Shares to be so converted and the written instrument of surrender in form satisfactory to the Corporation and duly executed by the registered holder of the Series C Shares represented by the certificate or certificates so surrendered in which instrument the holder may elect to convert all or a portion of the Series C Shares represented by such certificate or certificates into New Preferred Shares.

The Corporation shall, on presentation and delivery at the head office of the Corporation in Winnipeg, the principal transfer office of the Transfer Agent in any of the cities of Toronto, Montreal or Winnipeg, or such other place or places in Canada as the Corporation may agree of the certificate or certificates representing the Series C Shares to be converted, issue and deliver or cause to be delivered as soon as is reasonably practicable after the Exchange Date a certificate or certificates representing the New Preferred Shares into which such Series C Shares have been converted. Such certificate or certificates shall be registered in the name of the holder of the Series C Shares so converted or in such name or names as he may specify in the written instrument accompanying the Series C Shares to be converted. The Series C Shares so converted shall be converted, and the holder of this Schedule shall become a holder of record of New Preferred Shares, effective on the Exchange Date. The provisions of subsection 2.3(e) of this

Schedule shall apply, mutatis mutandis, in the event of a conversion into New Preferred Shares of less than all of the Series C Shares represented by a particular share certificate.

**2.7. Avoidance of Fractional Shares**

In any case where a fraction of a Common Share would otherwise be issuable on conversion of one or more Series C Shares, the Corporation shall adjust such fractional interest by payment by cheque in an amount equal to the then market price of such fractional interest computed on the basis of the Weighted Price determined in respect of the relevant Redemption Date or Conversion Date.

**ARTICLE 3.**

**HOLDER'S CONVERSION RIGHT**

**3.1. Conversion Right**

Subject to the option of the Corporation in section 3.3 of this Schedule, each Series C Share shall, on and after March 31, 2005, at the option of the holder, be convertible on the last day of March, June, September and December in each year (a "permitted conversion date") into (subject to the exception as to fractions contained in section 3.4 of this Schedule) that number of fully paid, non-assessable and freely-tradeable (in all provinces of Canada) Common Shares as is equal to the number obtained when \$25.00 is divided by the greater of \$3.00 and 95% of the Weighted Price, with the result of such calculation being rounded up to the nearest 1/100 of a Common Share. The holder of Series C Shares to be converted is entitled to receive any previously-declared dividend which is payable on the date of such conversion.

Not less than 60 nor more than 120 calendar days prior to March 31, 2005, the Corporation shall give to the registered holders of the Series C Shares notice of the conversion right containing instructions to such holders as to the method by which such conversion right may be exercised, as set out in section 3.2 of this Schedule.

**3.2. Manner of Conversion**

- (a) Series C Shares may be converted by the holder of such shares tendering to the Corporation not less than 60 calendar days prior to the date (which must be a permitted conversion date) fixed for conversion by such holder the certificate or certificates for the Series C Shares to be converted with the notice of conversion on the reverse side of this Schedule (the "Conversion Notice") duly completed. Subject to section 3.3 of this Schedule and to the right to accept an offer to convert Series C Shares into New Preferred Shares under section 2.5 of this Schedule, such Conversion Notice shall be irrevocable and shall set out:

- (i) the Conversion Date;

- (ii) unless all the Series C Shares held by the holder by whom such notice is given are to be converted, the number of Series C Shares so held which are to be converted; and
  - (iii) an acknowledgement that the Common Shares into which the Series C Shares are to be converted are to be registered in the name of the registered holder of the Series C Shares to be converted unless such holder, on or before the Transferee Notice Date provides notice to the Transfer Agent at the principal transfer office of the Transfer Agent in any of the cities of Toronto, Montreal or Winnipeg, a written notice in a form and executed in a manner satisfactory to the Transfer Agent directing the Corporation to register such Common Shares in the name of a Transferee or Transferees and stating the name or names (with addresses) of such Transferee or Transferees accompanied by payment to the Transfer Agent of any transfer tax that may be payable by reason of this Schedule and a written declaration of such matters as may be required by law in order to determine the entitlement of any such Transferee to hold such Common Shares.
- (b) Subject to section 3.3 of this Schedule, the Corporation shall, on presentation and delivery at the head office of the Corporation in Winnipeg, the principal transfer office of the Transfer Agent in any of the cities of Toronto, Montreal or Winnipeg, or such other place or places in Canada as the Corporation may agree of the certificate or certificates representing the Series C Shares so surrendered for conversion, deliver or cause to be delivered certificates representing the number of whole Common Shares into which such Series C Shares are to be converted, registered in the name of the holder of the Series C Shares to be converted, or as such holder shall have directed as aforesaid, as the case may be, on the Conversion Date. The Series C Shares so converted shall be converted, and the holder of this Schedule shall become a holder of Common Shares of record, effective on the Conversion date.
- (c) If less than all the Series C Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued without cost to the holder.

### **3.3. Option of the Corporation**

Prior to any Conversion Date, the Corporation may, by notice given not less than 40 calendar days before such Conversion Date to all holders who have given a Conversion Notice:

- (a) redeem on the Conversion Date all but not less than all of the Series C Shares forming the subject matter of the applicable Conversion Notice at the Redemption Price provided for in Article 2 of this Schedule, in which event such redemption shall be effected on the Conversion Date by mailing a cheque of the Corporation

or of the Transfer Agent in an amount equal to the Redemption Price to the holder of the Series C Shares entitled thereto: or

- (b) request such holders to sell on the Conversion Date such Series C Shares to another purchaser or purchasers in the event that a purchaser or purchasers willing to purchase all but not less than all of such Series C Shares at a price equal to \$25.00 plus an amount equal to all declared and unpaid dividends to but excluding the Conversion Date is or are found by the Corporation and such holders shall sell such Series C Shares at a price equal to the Redemption Price to such purchaser or purchasers ("Substitute Purchasers"), in which event the provisions of section 3.5 of this Schedule shall apply.

The provisions of subsection 2.3(e) of this Schedule shall apply, mutatis mutandis, in the event of a redemption or purchase of less than all the Series C Shares represented by a particular share certificate. The Series C Shares so purchased or redeemed shall not be converted on the Conversion Date. In the event that for any reason the redemption or purchase provided for in this section is not effected in respect of a Series C Share or Shares on the Conversion Date, the option of the Corporation in respect of such Series C Share or Shares shall lapse and such Series C Share or Shares shall be deemed to have been converted on the Conversion Date.

#### **3.4. Avoidance of Fractional Shares**

In any case where a fraction of a Common Share would otherwise be issuable on conversion of one or more Series C Shares under this Article 3, the Corporation shall adjust such fractional interest by payment by cheque in an amount equal to the then market price of such fractional interest computed on the basis of the Weighted Price determined in respect of the relevant Conversion Date.

#### **3.5. Manner of Purchase By A Substitute Purchaser**

The Corporation shall receive and hold on behalf of the Substitute Purchaser the purchase price to be paid to the holder of a Series C Share to be acquired by such Substitute Purchaser determined in accordance with the provisions of section 3.3 of this Schedule. On the date on which the sale of such Series C Share to a Substitute Purchaser is to be effected, the Corporation shall pay or cause to be paid to the holder of such Series C Share the purchase price for such share received from the Substitute Purchaser on behalf of the Substitute Purchaser acquiring such share. Such payment shall be made by cheque mailed to the holder of such Series C Share in accordance with Article 8 of this Schedule and shall be a full and complete payment of the purchase price for the Series C Share to be sold by such holder to such Substitute Purchaser unless the cheque is not honoured when presented for payment. From and after the date on which the cheque is mailed in payment for such Series C Share, the Substitute Purchaser shall be treated by the Corporation as the registered holder of the Series C Share which has been sold to such Substitute Purchaser in accordance with the provisions of this Article 3.

**3.6. Continuance of Conversion Right**

In the event that the Corporation exercises its right pursuant to subsection 3.3(b) of this Schedule to require a Series C Share tendered for conversion to be sold by the holder of this Schedule to a Substitute Purchaser, such Series C Share shall continue to be convertible into Common Shares pursuant to section 3.1 of this Schedule after having been sold to a Substitute Purchaser notwithstanding its having been tendered for conversion by the previous holder of this Schedule.

**3.7. Entitlement of Substitute Purchasers to Declared and Unpaid Dividends**

In the event that a Series C Share is sold or deemed to have been sold to a Substitute Purchaser for a purchase price which includes the amount of any declared and unpaid dividends on such Series C Share in accordance with section 3.3 of this Schedule, such Substitute Purchaser shall be treated by the Corporation as the holder of record of such Series C Share for the purpose of the payment of such previously declared and unpaid dividends from and after the date of the sale of such Series C Share to such Substitute Purchaser and the entitlement of the previous holder of such Series C Share who was required to sell such Series C Share to such Substitute Purchaser to such dividends shall be forever extinguished.

**ARTICLE 4.**

**VOTING RIGHTS**

In the event that (A) (i) The Great-West Life Assurance Company ("GWL") is not required to satisfy the provision of the *Insurance Companies Act* (Canada), as amended or replaced from time to time, (the "ICA") relating to the 35% public voting requirement currently in section 411 of the ICA (the "Public Voting Requirement"); (ii) GWL has satisfied the Public Voting Requirement in some other manner, or (iii) the Board of Directors of the Corporation determines that it is no longer in the best interests of the Corporation to comply with the Public Voting Requirement; (B) the Board of Directors of the Corporation has removed the voting rights referred to in section 2.5 of Schedule I to these Restated Articles of Incorporation as contemplated by section 1.2 of Schedule V to these Restated Articles of Incorporation; and (C) the Corporation fails to declare the whole amount of the Quarterly Dividend for any Dividend Period on or before the last day of such Dividend Period, the holders of the Series C Shares shall have the right to receive notice of and to attend each meeting of shareholders of the Corporation at which directors of the Corporation are to be elected the record date for notice of which occurs after the end of such Dividend Period (other than meetings at which only holders of another specified series or class of shares are entitled to vote) and such holders shall have the right at any such meeting to one vote for each Series C Share in the election of two directors to be elected in conjunction with the holders of any other series of First Preferred Shares which may have such right. Notwithstanding the provisions attaching to the First Preferred Shares as a class or to the Series C Shares, if the lesser of the initial issue price, redemption amount or retraction amount per share of any other series of First Preferred Shares is less than the Redemption Price of the Series C Shares, the votes per Series C Share shall be increased such that the Series C Shares

Have the same number of votes per dollar amount of the Redemption Price as the other series with the lowest initial issue price, redemption amount or retraction amount per share. The right to receive notice of, attend and vote at such meetings shall continue until such time as the Corporation declares and pays the full amount of a Quarterly Dividend for a Dividend Period, after which Dividend Period such rights to receive notice of, attend and vote at such meetings shall forthwith expire. At such time as the Corporation may again fail to declare the full amount of any Quarterly Dividend for any Dividend Period, such voting rights shall become effective again and so on from time to time.

## **ARTICLE 5.**

### **RESTRICTIONS ON DIVIDENDS AND RETIREMENT OF SHARES**

So long as any of the Series C Shares are outstanding, the Corporation shall not, without the prior approval of the holders of the outstanding Series C Shares given in the manner hereinafter specified:

- (a) declare or pay or set apart for payment any dividends on the Second Preferred Shares, on the Common Shares or on shares of any other class of the Corporation ranking junior to the Series C Shares (other than stock dividends in shares of the Corporation ranking junior to the Series C Shares);
- (b) except out of the net cash proceeds of an issue of shares ranking junior to the Series C Shares, redeem or call for redemption or purchase for cancellation or otherwise retire or make any return of capital in respect of the Second Preferred Shares, Common Shares or shares of any other class of the Corporation ranking junior to the Series C Shares;
- (c) redeem or call for redemption or purchase or otherwise retire or make any return of capital in respect of less than all of the Series C Shares;
- (d) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provision attaching thereto, redeem or call for redemption or purchase or otherwise retire or make any return of capital in respect of any shares of any other class or series of the Corporation ranking pari passu with the Series C Shares; or
- (e) except out of the net cash proceeds of an issue of shares ranking junior to the Series C Shares, or except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching thereto, redeem or call for redemption or purchase or otherwise retire or make any return of capital in respect of any shares of any other class or series of the Corporation ranking prior to the Series C shares;

Unless at the date of such declaration, payment, setting apart for payment, redemption, call for redemption, purchase or reduction or retirement of capital, as the case may be, all cumulative dividends then accrued and unpaid up to and including the most recent applicable dividend payment date for the last completed period for which dividends shall be payable shall have been declared and paid or set apart for payment in respect of each series of cumulative First Preferred Shares, if any, then issued and outstanding and on all other cumulative shares, if any, ranking pari passu with the First Preferred Shares and the dividends for the immediately preceding dividend payment period in respect of each series of non-cumulative First Preferred Shares (including the Series C Shares) then issued and outstanding and on all other shares ranking prior to or pari passu with the Series C Shares shall have been declared and paid or monies set aside for payment of this Schedule.

#### **ARTICLE 6.**

##### **ISSUE PRICE**

The price or consideration for which each Series C Share shall be issued is \$25.00 and, upon payment of such price, each such share shall be issued as fully paid and non-assessable.

#### **ARTICLE 7.**

##### **ELECTION UNDER THE INCOME TAX ACT**

The Corporation shall elect under subsection 191.2(1) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, and take all other necessary action under such Act, to pay tax under section 191.1 of such Act, or any successor or replacement provision of similar effect, at a rate such that no holder of the Series C Shares will be required to pay tax on dividends received on the Series C Shares under section 187.2 of Part IV.1 of such Act, or any successor or replacement provision of similar effect. Such election shall be made in the manner prescribed by such Act and shall be filed within the time provided under paragraph 191.2(1)(a) of such Act.

#### **ARTICLE 8.**

##### **NOTICE AND INTERPRETATION**

###### **8.1. Notices**

- (a) Any notice, cheque, invitation for tenders or other communication from the Corporation herein provided for shall be sufficiently given if delivered or if sent by first class unregistered mail, postage prepaid, to the holders of the Series C Shares at their respective addresses appearing on the books of the Corporation or, in the event of the address of any of such holders not so appearing, then at the last address of such holder known to the Corporation. Accidental failure to give such notice, invitation for tenders or other communication to one or more holders of

the Series C Shares shall not affect the validity of the notices, invitations for tenders or other communications properly given or any action taken pursuant to such notice, invitation for tender or other communication but, upon such failure being discovered, the notice, invitation for tenders or other communication, as the case may be, shall be sent forthwith to such holder or holders.

- (b) If any notice, cheque, invitation for tenders or other communication from the Corporation given to a holder of Series C Shares pursuant to paragraph (a) is returned on three consecutive occasions because the holder cannot be found, the Corporation shall not be required to give or mail any further notices, cheques, invitations for tenders or other communications to such shareholder until he informs the Corporation in writing of his new address.

## **8.2. Interpretation**

- (a) In the event that any day on which any dividend on the Series C Shares is payable or on or by which any other action is required to be taken hereunder is not a business day, then such dividend shall be payable or such other action shall be required to be taken on or before the next succeeding day that is a business day. A "business day" means a day other than a Saturday, a Sunday or any other day that is a statutory or civic holiday in the place where the Corporation has its head office.
- (b) All references herein to a holder of Series C Shares shall be interpreted as referring to a registered holder of the Series C Shares.

## **ARTICLE 9.**

### **MODIFICATION**

The provisions attaching to the Series C Shares may be deleted, varied, modified, amended or amplified with the prior approval of the holders of Series C Shares given in accordance with Article 10 of this Schedule.

## **ARTICLE 10.**

### **APPROVAL OF SERIES C SHAREHOLDERS**

Any approval required or permitted to be given by the holders of the Series C Shares with respect to any and all matters referred to herein shall be deemed to have been sufficiently given by the holders of the Series C Shares if given in the manner provided in section 2.4 of Schedule I to these Restated Articles of Incorporation, the provisions attaching to the First Preferred Shares as a class, which provisions shall apply, mutatis mutandis, as though the term "Series C Shares" was used in such section in place of the term "First Preferred Shares" and as though the Series C Shares were a class of shares, provided that the quorum for any meeting of holders of Series C Shares shall be shareholders represented in person or by proxy holding a



majority of the outstanding Series C Shares. If at any such meeting the holders of a majority of the outstanding Series C Shares are not present or represented by proxy within one-half hour after the time appointed for such meeting, then the meeting shall be adjourned to such date not less than 15 days thereafter and to such time and place as may be designated by the chairman of such meeting, and not less than 10 days' written notice shall be given of such adjourned meeting. At such adjourned meeting the holders of Series C Shares present or represented by proxy may transact the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of not less than 66 2/3% of the votes cast at such meeting shall constitute the approval of the holders of the Series C Shares.

#### **ARTICLE 11.**

#### **RIGHTS ON LIQUIDATION**

In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, whether voluntary or involuntary, the holders of the Series C Shares shall be entitled to receive an amount equal to \$25.00 per Series C Share, together with all dividends declared and unpaid to and including the date of payment, before any amount is paid or any assets of the Corporation are distributed to the holders of Common Shares, Second Preferred Shares or shares of any other class of the Corporation ranking junior to the Series C Shares. Upon payment to the holders of the Series C Shares of the amounts so payable to them, they shall not be entitled to share in any further distribution of the assets of the Corporation.

## SCHEDULE V

### REMOVAL OF VOTING RIGHTS AND SHARE CONSTRAINTS RELATING TO FIRST PREFERRED SHARES, FIXED NUMBER OF DIRECTORS AND CUMULATIVE VOTING PROCEDURE

**1.1** In the event that (i) The Great-West Life Assurance Company ("GWL") is not required to satisfy the provision of the *Insurance Companies Act* (Canada), as amended or replaced from time to time, (the "ICA") relating to the 35% public voting requirement currently in section 411 of the ICA (the "Public Voting Requirement"); (ii) GWL has satisfied the Public Voting Requirement in some other manner; or (iii) the Board of Directors of the Corporation determines that it is no longer in the best interests of the Corporation to comply with the Public Voting Requirement, the Board of Directors of the Corporation may, by resolution, without the approval of the holders of First Preferred Shares or the holders of Common Shares, determine that all of the following shall occur:

- (a) sections 2.5 and 2.6 of Schedule I to these Restated Articles of Incorporation shall be deleted;
- (b) Schedule VI to these Restated Articles of Incorporation shall be deleted;
- (c) Section 5 of the Articles of the Corporation shall be deleted and replaced with the following:

"The minimum number of directors is eight (8) and the maximum number of directors is thirty-five (35)."; and

- (d) Section 7 of the Articles of the Corporation shall be amended by adding the following:

"The actual number of directors within the minimum and maximum set out in section 5 of the Articles of the Corporation may be determined from time to time by resolution of the directors. Any vacancy among the directors resulting from an increase in the number of directors as so determined may be filled by resolution of the directors, but the total number of directors so appointed may not exceed one-third of the number of directors elected at the previous annual meeting of shareholders."

**1.2** The Corporation shall give written notice to each shareholder of record of the Corporation of the effective date of the amendments provided for in this Schedule. The notice shall specify the effective date and shall be given to each shareholder of record not later than fifteen (15) days prior to the effective date specified in the notice.

**1.3** The procedure for giving written notice as contemplated by section 1.2 of this Schedule shall be to deliver to, or to mail the same by ordinary unregistered mail in a prepaid

envelope addressed to, each shareholder of the Corporation at the address as it appears on the books of the Corporation or, in the event of the address of any such shareholder not so appearing, to the last known address of such shareholder, provided, however, that accidental failure or omission to give any such notice to one or more of such shareholders shall not affect the validity of the provisions of either section 1.1 or section 1.2 of this Schedule.

## **SCHEDULE VI**

### **CUMULATIVE VOTING**

**1.1** Every shareholder of the Corporation entitled to vote at an election of directors has the right to cast thereat a number of votes equal to the number of votes attached to the shares held by the shareholder multiplied by the number of directors to be elected, and the shareholder may cast all such votes in favour of one candidate or distribute them among the candidates in such manner as the shareholder sees fit, and where the shareholder has voted for more than one candidate without specifying the distribution of the shareholder's votes among such candidates, the shareholder shall be deemed to have distributed its votes equally among the candidates for whom the shareholder voted.