



ANNUAL INFORMATION FORM

APRIL 19, 2012

BAM INVESTMENTS CORP.

ANNUAL INFORMATION FORM

TABLE OF CONTENTS

	<u>Page</u>
Forward-Looking Information	1
Corporate Profile	2
Subsidiaries	2
Recent Developments	2
Business of the Corporation	3
Description of Share Capital	4
Dividend Policy	4
Market for Securities	5
Directors and Officers	6
Risk Factors	7
Interest of Management and Others in Material Transactions	8
Transfer Agent and Registrar	8
External Auditor, Fees and Services	8
Audit Committee Information	9
Additional Information	9
Appendix A – Summary of Terms and Conditions of the Corporation’s Authorized Securities	10
Appendix B – Audit Committee Charter	14

FORWARD-LOOKING INFORMATION

This Annual Information Form contains forward-looking information concerning BAM Investment Corp.'s business and operations. Expressions of future or conditional verbs such as "may", "will", "would", or "could" are predictions of or indicate future events, trends or prospects or identify forward-looking information. Forward-looking information in this Annual Information Form includes information with respect to the following: future value of our common shares, the value and liquidity of our investments, our ability to sell our investments including satisfying share redemptions and retractions, and other statements with respect to our beliefs, outlooks, plans, expectations and intentions.

Although we believe that our anticipated future results or achievements expressed or implied by the forward-looking information and statements are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking information and statements because they involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking information and statements.

Factors that could cause actual results to differ materially from those contemplated or implied by the forward-looking information include the financial performance of Brookfield Asset Management Inc., general economic conditions, the behavior of financial markets including fluctuations in interest and exchange rates, limitations on the liquidity of our investments, and other risks and factors detailed in this Annual Information Form under the heading "Risk Factors" as well as in other documents filed from time to time by us with the Canadian securities regulators.

We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking information to make decisions with respect to us, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as may be required by law, we undertake no obligation to publicly update or revise any forward-looking information or statements, whether written or oral, that may be as a result of new information, future events or otherwise.

BAM INVESTMENTS CORP.

ANNUAL INFORMATION FORM

Unless otherwise specified herein, the information in this Annual Information Form is presented as at December 31, 2011.

Corporate Profile

BAM Investments Corp. (“BAM Investments” or the “Corporation”) is an investment holding company. Its principal business mandate is to provide its holders of Common Shares with an appropriately leveraged investment in the Class A Limited Voting Shares (“Class A Shares”) of Brookfield Asset Management Inc. (“Brookfield”). Brookfield’s Class A Shares trade on the New York, Toronto and NYSE Euronext stock exchanges under the symbols BAM, BAM.A and BAMA, respectively. Information relating to Brookfield can be found in its most recent Annual Information Form, which is available on Brookfield’s website at www.brookfield.com under *Investors/Other Disclosure Reports* and on SEDAR at www.sedar.com.

The Corporation commenced operations on August 14, 1986. The current corporate entity was established by way of amalgamation under the *Business Corporations Act* (Ontario) by a certificate and articles of amalgamation dated March 30, 1988. The Corporation filed articles of amendment on May 30, 2011 to create a class of Non-Voting Shares. See “Description of Share Capital” below.

The articles of the Corporation may be found on SEDAR at www.sedar.com. The registered and principal office of BAM Investments is Suite 300, Brookfield Place, 181 Bay Street, Toronto, Ontario, M5J 2T3.

Unless otherwise indicated, all dollar amounts in this Annual Information Form are in Canadian dollars.

Subsidiaries

BAM Split Corp. (“BAM Split”), a corporation incorporated under the laws of Ontario, is the only active subsidiary of the Corporation. The Corporation owns the following securities of BAM Split: 100% of the outstanding voting securities; 100% of the 27,713,000 Capital Shares; 19,000 Class AA Preferred Shares, Series 1; and 8,000,000 Junior Preferred Shares, Series 1. Information relating to BAM Split can be found in its most recent Annual Information Form, which is available on SEDAR at www.sedar.com.

Recent Developments

The following is a summary of developments affecting the Corporation since January 1, 2009.

On January 31, 2012, BAM Split exchanged \$200 million of Capital Shares held by the Corporation for \$200 million of newly created Junior Preferred Shares. The Junior Preferred Shares pay a non-cumulative quarterly dividend at an annual rate of 5% and rank junior to the publicly held Class A, Class AA, and Class AAA Preferred Shares of BAM Split. BAM Split also subdivided all of its the outstanding Capital Shares on that date so that, following the conversion and the subdivision, the Corporation held 27,713,000 Capital Shares and 8,000,000 Junior Preferred Shares of BAM Split.

On June 13, 2011, the Corporation completed a substantial issuer bid under which it purchased for cancellation 5 million Common Shares at a price per share of \$16.75. The bid was funded from the Corporation's cash resources.

On June 10, 2011, Partners Limited exchanged 500,000 Common Shares for 500,000 Non-Voting Shares.

On August 30, 2011, the Corporation commenced a normal course issuer bid to purchase up to 3,423,146 Common Shares, representing approximately 10% of the public float of its then outstanding Common Shares. The bid will expire on August 29, 2012. As of the date of this Annual Information Form, the Corporation has not purchased any Common Shares under this bid.

On December 24, 2010, the Corporation transferred the listing of its Common Shares from the Toronto Stock Exchange ("TSX") to the TSX Venture Exchange ("TSX Venture"), under the trading symbol BNB.

On December 10, 2010, BAM Split issued 5,000,000 Class AA Preferred Shares, Series 5 (the "Series 5 Preferred Shares") at a price of \$25.00 per Share, raising gross proceeds of \$125 million. The Series 5 Preferred Shares carry a fixed gross dividend of 4.85% per annum and have a final maturity date of December 10, 2017. The net proceeds of the offering were used to pay a special cash dividend to the Corporation as holder of BAM Split's Capital Shares.

The Corporation appointed Edward C. Kress as President, effective March 26, 2009.

On July 9, 2009, BAM Split issued 5,000,000 Class AA Preferred Shares, Series 4 (the "Series 4 Preferred Shares") at a price of \$25.00 per Share, raising gross proceeds of \$125 million which were used to fund the early redemption of the Corporation's \$125 million Class A Preferred Shares which were scheduled to be redeemed no later than September 30, 2010. This early redemption extended the maturity profile of the Corporation's financial obligations. The Series 4 Preferred Shares carry a fixed dividend of 7.25% per annum and have a final maturity date of July 9, 2014.

Business of the Corporation

BAM Investments is an investment holding company. Its principal business mandate is to provide its holders of Common Shares with an appropriately leveraged investment in the Class A Shares of Brookfield. As of the date of this Annual Information Form, the Corporation's investment in Brookfield consists of 56,226,227 Class A Shares, representing an approximate 9.1% equity interest in Brookfield. Of these, 3,065,583 Class A Shares are held directly and 53,160,644 Class A Shares are held through the Corporation's wholly-owned subsidiary, BAM Split.

Brookfield's financial results for the three years ended December 31, 2011, expressed in U.S. dollars, are shown in the following table:

<i>US\$ millions</i>	2011	2010	2009
Total assets	91,030	\$ 78,131	\$ 61,902
Funds from operations and realized gains	1,211	1,463	1,450
Net income attributable to shareholders	1,957	1,454	454

Further information on Brookfield is available in Brookfield's Annual Information Form and Annual Report, which can be found on SEDAR at www.sedar.com and on Brookfield's website at www.brookfield.com.

The Corporation has no employees. Brookfield provides management and administrative services to the Corporation under a management services agreement.

Description of Share Capital

The authorized share capital of the Corporation currently consists of the following:

- (a) an unlimited number of Common Shares;
- (b) an unlimited number of Non-Voting Shares, issuable in series:
 - an unlimited number of Series A Non-Voting Shares; and
 - an unlimited number of Series B Non-Voting Shares; and
- (c) unlimited number of Preferred Shares, issuable in series.

As at March 31, 2012, the issued and outstanding share capital consisted of 73,706,510 Common Shares, no Preferred Shares, 500,000 Series A Non-Voting Shares and no Series B Non-Voting Shares.

Information on the terms and conditions attached to or affecting each class of the Corporation's authorized securities is contained in Appendix A.

Dividend Policy

The Corporation does not currently pay dividends on its Common Shares or Non-Voting Shares and did not pay any dividends during the three years ended December 31, 2009, 2010 and 2011.

Market for Securities

The Common Shares of BAM Investments are listed and posted for trading on the TSX Venture under the symbol “BNB”. The following sets out monthly trading information for 2011 for the Common Shares, based on information provided by the TSX Venture.

Month	Price per Share		Volume Traded
	High	Low	
2011	(\$)	(\$)	(#)
January	16.65	16.50	2,450
February	16.90	16.00	21,803
March	16.95	16.05	10,856
April	16.40	14.20	27,291
May	16.58	16.10	32,383
June	16.74	14.60	14,962
July	17.50	16.01	5,950
August	17.42	14.61	9,742
September	16.69	14.75	1,900
October	15.30	14.40	373
November	13.89	12.38	56,121
December	13.80	12.91	19,010

Directors and Officers

The following individuals are the directors and officers of BAM Investments:

Name and Municipality of Residence	Position with the Corporation	Year Became Director	Principal Occupation
Brian D. Lawson ^(c) Ontario, Canada	Director	1991	Senior Managing Partner and Chief Financial Officer Brookfield Asset Management Inc. <i>(a global asset management company)</i>
Edward C. Kress Ontario, Canada	Director and President	2009	Corporate Director
R. Frank Lewarne ^(a, b) Ontario, Canada	Director	1990	Corporate Director
Frank N.C. Lochan ^(a, b) Ontario, Canada	Director and Chairman	1998	Corporate Director
Ralph J. Zarboni ^(a, b) Ontario, Canada	Director	1999	Chairman and Chief Executive Officer The EM Group Inc. <i>(a plastics and electric products distribution company)</i>
Derek E. Gorgi Ontario, Canada	Vice President, Finance	—	Senior Vice President, Finance Brookfield Asset Management Inc.
Loretta M. Corso Ontario, Canada	Secretary	—	Corporate Secretarial Administrator Brookfield Asset Management Inc.

Notes:

^(a) Member of the Audit Committee.

^(b) Member of the Corporate Governance Committee.

^(c) Mr. Lawson served as a director of American Resource Corporation Limited (“ARCL”) until April 2005. During that time, ARCL failed to file financial statements on a timely basis, and accordingly ARCL and its directors and officers became subject to management cease trade orders imposed by the Ontario Securities Commission and other provincial securities regulatory authorities. Brookfield controls all of the voting and 99% of the non-voting shares of ARCL. ARCL corrected the filing deficiencies that led to the management cease trade orders and the relevant provincial securities regulatory authorities fully revoked the management cease trade orders in June 2008.

All of the above named directors were elected at the Annual Meeting of Shareholders held on May 25, 2011 to serve as directors of the Corporation until the next annual meeting of shareholders or until their successors are elected or appointed.

All of the directors and officers of BAM Investments have held their present business occupations throughout the past five years, except as follows. Mr. Derek Gorgi was appointed to his current position in February 2011, prior to which he was Vice President, Finance from 2010 and Assistant Vice President, Finance and Control at Brookfield. Prior to October 2006, Mr. Gorgi held various positions with Deloitte & Touche LLP (“Deloitte & Touche”), most recently as Manager, Assurance and Advisory.

The directors and executive officers of BAM Investments, as a group, beneficially own, control or direct, directly or indirectly, both individually and through *pro rata* interests in Partners Limited (“Partners”), approximately 5.1 million Common Shares of BAM Investments, representing approximately 6.9% of the Common Shares of BAM Investments.

Risk Factors

The following are risk factors relating to an investment in the Common Shares of the Corporation.

Fluctuations in Value of Investments

The value of Common Shares may vary according to the value of Brookfield’s Class A Shares. The value of the Class A Shares may be influenced by factors not within the control of the Corporation, including the financial performance of Brookfield, interest rates and other financial market conditions. As a result, the net asset value of the Corporation may vary from time to time.

The future value of the Common Shares will be largely dependent on the value of the securities of Brookfield (held directly and through the Corporation’s ownership of BAM Split). A material adverse change in the business, financial conditions or results of operations of Brookfield will have a material adverse effect on the value of the Common Shares of the Corporation. In addition, the Corporation may incur additional financial leverage in order to acquire, directly or indirectly, additional securities issued by Brookfield, which would increase both the financial leverage of the Corporation and the dependency of the future value of the Common Shares on the value of Brookfield securities.

Foreign Currency Exposure

Brookfield reports its results in United States dollars. Accordingly, the value of the Class A Shares may vary from time to time with fluctuations in the exchange rate between Canadian and United States dollars. Also, Brookfield declares dividends in United States dollars, which are then converted into Canadian dollars for distribution to Canadian shareholders, including the Corporation. Strengthening of the Canadian dollar relative to the United States dollar could reduce the amount of cash available to the Corporation.

Leverage

The Corporation’s assets are financed almost entirely with the retractable preferred shares issued by BAM Split. This results in financial leverage that will increase the sensitivity of the value of the Common Shares to changes in the values of the assets owned by the Corporation. A decrease in the value of the Corporation’s investments may have a material adverse effect on the Corporation’s business and financial conditions.

Limitations on Liquidity of Class A Shares of Brookfield

While the Corporation’s policy is to hold the Class A Shares of Brookfield and not engage in trading, there may be circumstances in which such Class A Shares will have to be sold, including to fund retractions and redemptions of Preferred Shares, Common Shares or Non-Voting Shares. The Corporation’s ability to sell a substantial portion of the Class A Shares may be limited by resale restrictions under applicable securities laws that will affect when or to whom the Class A Shares may be sold. Accordingly, if and when the Corporation is required to sell Class A Shares, the liquidity of such Class A Shares may be limited. This could affect the time it takes to sell the Class A Shares and the price obtained by the Corporation for the Class A Shares sold and in turn the retraction price of the Preferred Shares, Common Shares or Non-Voting Shares.

No Ownership Interest

An investment in Common Shares does not constitute an investment in the Class A Shares held by the Corporation. Holders of Common Shares do not own the Class A Shares held by the Corporation or have any voting rights in respect of such Class A Shares.

Interest of Management and Others in Material Transactions

Partners owns approximately 49% of the Common Shares. Partners is an investment holding company having approximately 45 shareholders, with no one shareholder holding more than approximately a 20% effective equity interest in Partners. Current and former officers and directors of Brookfield own all of the outstanding shares of Partners. Shareholders of Partners own an additional 42% of the Common Shares. However, none of the officers and directors of Partners and none of the persons who own 10% or more of the outstanding shares of Partners owns, directly or indirectly, any of the Corporation's outstanding shares other than their indirect interest in the Common Shares currently owned by Partners.

As of December 31, 2011, no director, senior officer or associate of a director or senior officer or, to the knowledge of the directors or senior officers of the Corporation after having made reasonable inquiry, any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation outstanding at the date hereof, or any associate or affiliate thereof, had any material interest, direct or indirect, in any material transaction of the Corporation or its affiliates nor do any such persons have a material interest, direct or indirect, in any proposed transaction of the Corporation or its affiliates.

In 2011, Brookfield provided management and financial services to the Corporation and recovered costs of \$40,000 in 2011, (2010 - \$40,000; 2009 - \$20,000) in respect of those services.

In 2011, Brookfield Investment Management Inc., a subsidiary of Brookfield, provided investment management services to the Corporation in relation to its high-yield bond portfolio. The Corporation paid \$58,000 (2010 - \$185,000; 2009 - nil) in respect of those services.

Transfer Agent and Registrar

The transfer agent and registrar for the Corporation's Common Shares is CIBC Mellon Trust Company, P.O. Box 7010, Adelaide Street Postal Station, Toronto, Ontario, M5C 2W9.

External Auditor, Fees and Services

The external auditor of the Corporation is Deloitte & Touche LLP ("Deloitte & Touche"), Chartered Accountants, Suite 1400, Brookfield Place, 181 Bay Street, Toronto, Ontario, M5J 2V1. Deloitte & Touche is independent of the Corporation in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

The following table provides information about the aggregate fees billed to the Corporation and its consolidated subsidiary for professional services rendered by Deloitte & Touche during 2011 and 2010:

<i>Years ended December 31 (thousands)</i>	2011	2010
Audit fees	\$ 81	\$ 84
All other fees	—	95
	\$ 81	\$ 179

Audit fees include fees for services that would normally be provided by the external auditor in connection with statutory and regulatory filings or engagements, including fees for services to perform an audit or review in accordance with generally accepted auditing standards. This category also includes fees for services that generally only the external auditor reasonably can provide, including comfort letters, statutory audits, attest services, consents and assistance with and review of certain documents filed with securities regulatory authorities.

During 2011 and 2010, Deloitte & Touche performed no other services for the Corporation, including any audit-related services or tax services.

Audit Committee Information

The Audit Committee of the board of directors is responsible for monitoring the Corporation's systems and procedures for financial reporting and controls, reviewing all public disclosure documents containing financial information and monitoring the performance of the Corporation's external auditor. The Audit Committee is also responsible for reviewing the Corporation's quarterly and annual financial statements prior to their approval by the full board. The responsibilities of the Audit Committee are set out in the Audit Committee Charter, which is reviewed and approved annually by the Corporation's board of directors. The Audit Committee Charter, as approved by the board of directors on April 19, 2012, is attached as Appendix B. Among other things, this Charter requires that the Audit Committee approve, if permitted by law, the appointment of the Corporation's external auditor to provide any audit service or non-prohibited non-audit service.

As at the date of this Annual Information Form, the Audit Committee is comprised of three directors, Frank Lochan, who is the Committee's Chair, Frank Lewarne and Ralph Zarboni. The board of directors considers all members of the Audit Committee to be independent directors and financially literate, based on their individual experience: Mr. Lochan is a corporate director who has financial experience having served as a director and officer for various public and private companies; Mr. Lewarne is a corporate director who has been a member of the Corporation's Audit Committee since 1990; and Mr. Zarboni has extensive senior management expertise in the manufacturing sector.

The Corporation is not relying on the exemption in section 6.1 of National Instrument 52-110 regarding composition of the Audit Committee and its reporting obligations that is available to the Corporation as a venture issuer.

Additional Information

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's voting securities, and securities authorized for issuance under equity compensation plans, where applicable, is set out in the Corporation's most recent Management Information Circular. Additional financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis for the year ended December 31, 2011. A copy of these documents may be obtained upon a request to the Secretary of the Corporation and can be found on SEDAR at www.sedar.com. Additional information relating to the Corporation can be found on SEDAR at www.sedar.com.

Appendix A

SUMMARY OF TERMS AND CONDITIONS OF THE CORPORATION'S AUTHORIZED SECURITIES

Common Shares and Non-Voting Shares

The following is a summary of certain provisions attaching to or affecting the Common Shares and Non-Voting Shares.

Series

The Non-Voting Shares may be issued from time to time in one or more series. The Board of Directors of the Corporation will fix the number of shares in each series and the provisions attached to each series before issue.

Parity of Series

The Non-Voting Shares of each series rank on a *pari passu* basis with all other Non-Voting Shares with respect to the payment of dividends and distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation.

Priority

The Common Shares and the Non-Voting Shares rank equally with one another and junior to the Preferred Shares and any other shares of the Corporation ranking senior to the Common Shares and Non-Voting Shares with respect to payment of dividends (other than stock dividends) and in the distribution of assets in the event of a dissolution, liquidation or winding-up of the Corporation. After payment to the holders of the Preferred Shares, the holders of the Common Shares and Non-Voting Shares are entitled to receive the remaining property of the Corporation on dissolution, liquidation or winding-up on a *pari passu* basis.

Stock dividends, if any, will be declared contemporaneously and paid at the same time in equal numbers of additional equity shares of the same class and series such that stock dividends will be paid in Common Shares to the holders of Common Shares and in Non-Voting Shares to holders of Non-Voting Shares.

Voting

The Common Shares entitle the holders thereof to one vote per share. The Non-Voting Shares entitle the holders thereof to receive notices of meetings of shareholders but do not entitle holders thereof to any votes at such meetings, unless otherwise required by law.

Preservation of Rights

If either of the Common Shares or Non-Voting Shares are subdivided, consolidated, reclassified or otherwise changed, appropriate adjustments will be made at the same time to the rights attaching to the shares of the other class to ensure the preservation of the rights of each class in relation to those of the other.

Conversion Right

Subject to certain restrictions, holders of Common Shares may convert Common Shares into Series A Non-Voting Shares on a one-for-one basis, in whole or in part, at any time in their sole discretion. The

holder must give the Corporation notice of the conversion at least 30 days but no more than 60 days before the conversion date.

Take-Over Bids

In certain circumstances, if a take-over bid is made for the Common Shares or Non-Voting Shares only, a holder of the class of shares to which the take-over bid is not being made (the “Other Class Shares”) may, at his or her option, and for the purpose of tendering to such take-over bid, convert any or all Other Class Shares then held by such holder into Common Shares or Non-Voting Shares, as applicable, on a one-for-one basis during a specified period of time. The Corporation is required to give notice of the occurrence of an event entitling the holders of Other Class Shares to exercise such conversion right as soon as is reasonably practicable after the seventh day following the date upon which the offer is made or deemed to be made to holders of Common Shares or Non-Voting Shares, as applicable.

Shareholder Approval of Non-Voting Shares

In addition to any other approvals required by law, the approval of all amendments to the rights, privileges, restrictions and conditions attached to the Non-Voting Shares as a class and any other approval to be given by the holders of the Non-Voting Shares as a class may be given by resolution signed by all the holders of the Non-Voting Shares or passed by the affirmative vote of at least 2/3 of the votes cast at a meeting of the holders of the Non-Voting Shares duly called for that purpose. Each holder of Non-Voting Shares will be entitled to one vote in respect of each Non-Voting Share held.

Series A Non-Voting Shares

The following is a summary of certain provisions attaching to or affecting the Series A Non-Voting Shares, as a series.

Dividends

If the Board of Directors of the Corporation declares stock dividends to holders of Series A Non-Voting Shares that are payable in Non-Voting Shares, such stock dividends shall be paid in Series A Non-Voting Shares.

Conversion Right

Subject to certain restrictions, holders of Series A Non-Voting Shares may convert their Series A Non-Voting Shares into either Common Shares or Series B Non-Voting Shares each on a one-for-one basis, in whole or in part, at any time in their sole discretion. The holder must give the Corporation notice of the conversion at least 30 days but no more than 60 days before the conversion date.

Shareholder Approvals

In addition to any other approvals required by law, the approval of all amendments to the rights, privileges, restrictions and conditions attached to the Series A Non-Voting Shares and any other approval to be given by the holders of the Series A Non-Voting Shares may be given by resolution signed by all the holders of the Series A Non-Voting Shares or passed by the affirmative vote of at least 2/3 of the votes cast at a meeting of the holders of the Series A Non-Voting Shares duly called for that purpose. Each holder of Series A Non-Voting Shares will be entitled to one vote in respect of each Series A Non-Voting Share held.

Series B Non-Voting Shares

The following is a summary of certain provisions attaching to or affecting the Series B Non-Voting Shares, as a series.

Dividends

If the Board of Directors of the Corporation declares stock dividends to holders of Series B Non-Voting Shares that are payable in Non-Voting Shares, such stock dividends shall be paid in Series B Non-Voting Shares.

No Conversion Right

Series B Non-Voting Shares are not convertible into any other class or series of shares.

Shareholder Approvals

In addition to any other approvals required by law, the approval of all amendments to the rights, privileges, restrictions and conditions attached to the Series B Non-Voting Shares and any other approval to be given by the holders of the Series B Non-Voting Shares may be given by resolution signed by all the holders of the Series B Non-Voting Shares or passed by the affirmative vote of at least 2/3 of the votes cast at a meeting of the holders of the Series B Non-Voting Shares duly called for that purpose. Each holder of Series B Non-Voting Shares will be entitled to one vote in respect of each Series B Non-Voting Share held.

Preferred Shares

The following is a summary of certain provisions attaching to or affecting the Preferred Shares

Series

The Preferred Shares may be issued from time to time in one or more series. The Board of Directors of the Corporation will fix the number of shares in each series and the provisions attached to each series before issue.

Priority Dividends

With respect to the payment of dividends, the Preferred Shares of each series are entitled to preference over the Common Shares and over any other shares of the Corporation ranking junior to the Preferred Shares.

Parity of Series

The Preferred Shares of each series rank on a *pari passu* basis with all other Preferred Shares with respect to the payment of dividends and distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation. However, in case such assets are insufficient to fully pay the amount due on all the Preferred Shares, then such assets shall be applied, firstly, to the payment equally and rateably of an amount equal to the redemption price and the premium payable thereon, if any, and, secondly, *pro rata* in the payment of accrued and unpaid cumulative dividends and declared but unpaid non-cumulative dividends.

Approval

Any approval to be given by the holders of Preferred Shares as a class or of any series thereof, as the case may be, shall be deemed to have been sufficiently given if it shall have been given in writing by the holders of at least 66 $\frac{2}{3}$ % of the outstanding Preferred Shares or any series thereof or by a resolution passed at a meeting of holders of Preferred Shares or any series thereof duly called and held at which the holders of at least a majority of the outstanding Preferred Shares or any series thereof are present or are represented by proxy and carried by the affirmative vote of not less than 66 $\frac{2}{3}$ % of the votes cast at such meeting or, if no quorum is present at such meeting, at an adjourned meeting at which the holders of Preferred Shares then present would form the quorum.

Appendix B

AUDIT COMMITTEE CHARTER

A committee of the board of directors (the “board”) of BAM Investments Corp. (the “Corporation”) to be known as the Audit Committee (the “Committee”) shall have the following terms of reference:

Membership and Chairperson

Following each annual meeting of shareholders, the board of directors of the Corporation shall appoint from its number three or more directors (the “Members” and each a “Member”) to serve on the Committee until the close of the next annual meeting of shareholders of the Corporation or until the Member ceases to be a director, resigns or is replaced, whichever occurs first.

The Members will be selected by the board and any Member may be removed from office or replaced at any time by the board. All of the Members of the Committee will be Independent Directors unless exempt from the independence requirements set out in Multilateral Instrument 52-110 - *Audit Committees*. In addition, every Member will be Financially Literate. Members may not serve on more than two other public company audit committees, except with the prior approval of the board.

The board shall appoint one Member as the chairperson of the Committee. If the chairperson is absent from a meeting, the Members shall select a chairperson from those in attendance to act as chairperson of the meeting.

Responsibilities

The Committee shall:

- (a) oversee the work of the Corporation’s external auditor (the “auditor”) engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Corporation;
- (b) review and evaluate the auditor’s independence, experience, qualifications and performance and determine whether the auditor should be appointed or re-appointed and nominate the auditor for appointment or re-appointment by the shareholders;
- (c) where appropriate, terminate the auditor;
- (d) when a change of auditor is proposed, review all issues related to the change, including the information to be included in the notice of change of auditor required, and the orderly transition of such change;
- (e) review the terms of the auditor’s engagement and the appropriateness and reasonableness of the proposed audit fees;
- (f) at least annually, obtain and review a report by the auditor describing:
 - (i) the auditor’s internal quality-control procedures; and
 - (ii) any material issues raised by the most recent internal quality control review, or peer review, of the auditor, or review by any independent oversight body such as the Canadian Public Accountability board, or governmental or professional authorities within the

preceding five years respecting one or more independent audits carried out by the auditor, and the steps taken to deal with any issues raised in any such review;

- (g) at least annually, confirm that the auditor has submitted a formal written statement describing all of its relationships with the Corporation; discuss with the auditor any disclosed relationships or services that may affect its objectivity and independence; obtain written confirmation from the auditor that it is objective within the meaning of the Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of Chartered Accountants to which it belongs and is an independent public accountant within the meaning of the Independence Standards of the Canadian Institute of Chartered Accountants; and, confirm that it has complied with applicable laws with the rotation of certain members of the audit engagement team;
- (h) review and evaluate the lead partner of the auditor;
- (i) ensure the regular rotation of the audit engagement team members as required by law, and periodically consider whether there should be regular rotation of the auditor firm;
- (j) meet privately with the auditor as frequently as the Committee feels is appropriate to fulfill its responsibilities, which will not be less frequently than annually, to discuss any items of concern to the Committee or the auditor, including:
 - (i) planning and staffing of the audit;
 - (ii) any material written communications between the auditor and management;
 - (iii) whether or not the auditor is satisfied with the quality and effectiveness of financial recording procedures and systems;
 - (iv) the extent to which the auditor is satisfied with the nature and scope of its examination;
 - (v) whether or not the auditor has received the full co-operation of management of the Corporation;
 - (vi) the auditor's opinion of the competence and performance of the Chief Financial Officer and other key financial personnel;
 - (vii) the items required to be communicated to the Committee in accordance with generally accepted auditing standards;
 - (viii) all critical accounting policies and practices to be used by the Corporation;
 - (ix) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the auditor; and
 - (x) any difficulties encountered in the course of the audit work, any restrictions imposed on the scope of activities or access to requested information, any significant disagreements with management and management's response;
- (k) approve, if permitted by law, the appointment of the auditor to provide any audit service or non-prohibited non-audit service;

- (i) resolve any disagreements between management and the auditor regarding financial reporting;
- (l) review, and, where appropriate, recommend for approval by the board, the following:
 - (i) audited annual financial statements, in conjunction with the report of the external auditor;
 - (ii) interim financial statements;
 - (iii) annual and interim management discussion and analysis of financial condition and results of operation;
 - (iv) reconciliations of the annual or interim financial statement; and
 - (v) all other audited or unaudited financial information contained in public disclosure documents, including without limitation, any prospectus, or other offering or public disclosure documents and financial statements required by regulatory authorities;
- (m) discuss earnings press releases and other press releases containing financial information (to ensure consistency of the disclosure to the financial statement), including the use of “pro forma” or “adjusted” non-GAAP information in such press releases and financial information, including a general discussion of the types of information to be disclosed.
- (n) review the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Corporation’s financial statements;
- (o) review disclosures made to the Committee by the Chief Executive Officer and Chief Financial Officer during their certification process for applicable securities law filings about any significant deficiencies and material weaknesses in the design or operation of the Corporation’s internal control over financial reporting which are reasonably likely to adversely affect the Corporation’s ability to record, process, summarize and report financial information, and any fraud involving management or other employees;
- (p) review the effectiveness of management’s policies and practices concerning financial reporting, any proposed changes in major accounting policies, the appointment and replacement of management responsible for financial reporting and the internal audit function;
- (q) review the adequacy of the internal controls that have been adopted by the Corporation to safeguard assets from loss and unauthorized use and to verify the accuracy of the financial records and any special audit steps adopted in light of material control deficiencies;
- (r) review the controls and procedures that have been adopted to confirm that material information about the Corporation and its subsidiaries that is required to be disclosed under applicable law or stock exchange rules is disclosed and to review the public disclosure of financial information extracted or derived from the issuer’s financial statements and periodically assess the adequacy of these procedures;
- (s) review periodically, the Corporation’s policies with respect to risk assessment and management, particularly financial risk exposure, including the steps taken to monitor and control risks;
- (t) review periodically, the status of taxation matters of the Corporation;

- (u) review, with legal counsel where required, such litigation, claims, tax assessments, transactions, material inquiries from regulators and governmental agencies or other contingencies which may have a material impact on financial results or which may otherwise adversely affect the financial well-being of the Corporation;
- (v) review periodically the Corporation's susceptibility to fraud and oversee management's processes for identifying and managing the risks of fraud; and
- (w) consider other matters of a financial nature as directed by the board.

Reporting

The Committee will regularly report to the board on:

- (a) the auditor's independence;
- (b) the performance of the auditor and the Committee's recommendations regarding its reappointment or termination;
- (c) the performance of its internal audit function;
- (d) the adequacy of the Corporation's internal controls and disclosure controls;
- (e) its recommendations regarding the annual and interim financial statements of the Corporation and any reconciliation of the Corporation's financial statements, including any issues with respect to the quality or integrity of the financial statements;
- (f) its review of any other public disclosure document including the annual information form and the annual and interim management's discussion and analysis of financial condition and results of operations;
- (g) the Corporation's compliance with legal and regulatory requirements, particularly those related to financial reporting; and
- (h) all other significant matters it has addressed and with respect to such other matters that are within its responsibilities.

Complaints Procedure

The Committee will establish a procedure for the receipt, retention and follow-up of complaints received by the Corporation regarding accounting, internal controls, disclosure controls or auditing matters and a procedure for the confidential, anonymous submission of concerns by employees of the Corporation regarding such matters.

Review and Disclosure

The Committee will review this Charter at least annually and submit it to the board for approval with such further amendments as it deems necessary and appropriate.

This Charter will be reproduced in full as an appendix to either the Corporation's Annual Information Form or Management Information Circular.

Assessment

At least annually, the Committee will review its effectiveness in fulfilling its responsibilities and duties as set out in this Charter and in a manner consistent with the corporate governance guidelines adopted by the board.

Access to Outside Advisors and Senior Management

The Committee may retain any outside advisor including legal counsel, at the expense of the Corporation, without the board's approval, at any time. The Committee has the authority to determine any such advisor's fees.

The Corporation will provide for appropriate funding, for payment of compensation to any auditor engaged to prepare or issue an audit report or perform other audit, review or attest services, and ordinary administrative expenses of the Committee.

Members will meet privately with senior management as frequently as they feel is appropriate to fulfill the Committee's responsibilities, but not less than annually.

Meetings

Meetings of the Committee may be called by any Member, the Chairman of the board, the Chief Executive Officer or Chief Financial Officer of the Corporation or the auditor. Meetings will be held each quarter and at such additional times as is necessary for the Committee to fulfill its responsibilities. The Committee shall appoint a secretary to be the secretary of each meeting of the Committee and to maintain minutes of the meeting and deliberations of the Committee.

The powers of the Committee shall be exercisable at a meeting at which a quorum is present. A quorum shall be not less than a majority of the Members from time to time. Matters decided by the Committee shall be decided by majority vote. Subject to the foregoing, the *Business Corporations Act* (Ontario) and the by-laws, and unless otherwise determined by the board, the Committee shall have the power to regulate its procedure.

Notice of each meeting shall be given to each Member, the internal auditor, the auditor, and to the Chairman of the board and the Chief Executive Officer of the Corporation. Notice of meeting may be given verbally or by letter, by facsimile or telephone not less than 24 hours before the time fixed for the meeting. Members may waive notice of any meeting and attendance at a meeting is deemed waiver of notice. The notice need not state the purpose or purposes for which the meeting is being held.

The Committee may invite from time to time such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee. The Committee may require the auditors to attend any or all meetings.

Definitions

Capitalized terms used in this Charter and not otherwise defined have the meaning attributed to them below:

“Financially Literate” means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

“Independent Director” means a director who has been affirmatively determined by the Board to have no material relationship with the Corporation, either directly or as a partner, shareholder or officer of an organization that has a relationship with the Corporation. In addition to any other requirement of applicable securities laws or stock exchange provisions, a director who:

- (a) is or was an employee or executive officer, or whose immediate family member is or was an executive officer, of the Corporation is not independent until three years after the end of such employment relationship;
- (b) is receiving or has received, or whose immediate family member is receiving or has received, during any 12-month period within the last three years more than Cdn\$75,000 in direct compensation from the Corporation, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service), is not independent;
- (c) is or was affiliated with or employed by, or whose immediate family member is or was employed in a professional capacity by, a present or former internal or external auditor of the Corporation is not independent until three years after the end of the affiliation or employment relationship with the auditor;
- (d) is or was employed as, or whose immediate family member is or was employed as, an executive officer of another company (or its parent or a subsidiary) where any of the present (at the time of review) executive officers of the Corporation serve or served on that company’s (or its parent’s or a subsidiary’s) compensation committee, is not independent until three years after the end of such service or the employment relationship; and
- (e) is an executive officer or an employee of, or whose immediate family member is an executive officer of, another company (or its parent or a subsidiary) that has made payments to, or received payments from, the Corporation for property or services in an amount which, in any of the last three fiscal years exceeds the greater of US\$1 million or 2% of such other company’s consolidated gross revenues, in each case, is not independent until three years after falling below such threshold.

Additionally, an Independent Director for the purpose of the Committee specifically may not:

- (a) accept directly or indirectly any consulting, advisory, or other compensatory fee from the Corporation, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service); or
- (b) be an affiliated person of the Corporation (within the meaning of applicable rules and regulations).

For the purposes of the definition of Independent Director, the term Corporation includes any parent, subsidiary or other affiliated entity of the Corporation.

In addition to the requirements for independence set out in paragraph (c) above, Members must disclose any other form of association they have with a current or former external or internal auditor of the Corporation to the Governance and Nominating Committee for a determination as to whether this association affects the Member’s status as an Independent Director.

This charter of the Audit Committee was reviewed and approved by the board of directors of the Corporation on April 19, 2012.