

BAM INVESTMENTS CORP.

**NOTICE OF ANNUAL & SPECIAL MEETING
OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that the Annual and Special Meeting of Shareholders of **BAM Investments Corp.** (the "Corporation") will be held in **Conference Room C&D, 2nd floor at the Ontario Bar Association Conference Centre, 20 Toronto Street, Toronto, Ontario**, on **Wednesday, May 25, 2011** at the hour of **10:00 a.m.** (Toronto time) for the following purposes:

1. to receive the Annual Report to shareholders, including the consolidated financial statements of the Corporation for the fiscal year ended December 31, 2010, together with the external auditor's report thereon;
2. to elect directors who will serve until the end of the next annual meeting of shareholders;
3. to appoint the external auditor who will serve until the end of the next annual meeting of shareholders and authorize the directors to fix its remuneration;
4. to consider and, if thought appropriate, to pass, with or without variation, a special resolution (the "Articles Amendment Resolution") authorizing an amendment of the Corporation's articles to add a new class of non-voting shares (the "Non-Voting Shares") and to restate the terms of the common shares (the "Common Shares") to permit conversion into Non-Voting Shares; and
5. to consider such other business as may properly come before the meeting or any adjournment thereof.

Pursuant to the *Business Corporations Act* (Ontario) (the "OBCA"), registered holders of Common Shares have the right to dissent and be paid fair value for their shares in respect of the Articles Amendment Resolution. The dissent procedures require a registered holder of Common Shares who wishes to dissent to send to the Corporation, at or before the meeting, a written notice of objection to the Articles Amendment Resolution. Holders must otherwise comply strictly with the Dissent Procedures described in the Management Information Circular accompanying this notice of Annual and Special Meeting. Failure to comply with the requirements in the OBCA may result in the loss of any right to dissent. **Beneficial owners of Common Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that ONLY REGISTERED OWNERS OF COMMON SHARES ARE ENTITLED TO DISSENT IN RESPECT OF THE ARTICLES AMENDMENT RESOLUTION.**

The accompanying Management Information Circular provides additional information relating to the matters to be dealt with at the meeting and forms part of this Notice.

If you are not able to be present at the meeting or if you wish to vote in advance of the meeting, please exercise your right to vote by signing and returning the form of proxy accompanying this notice not later than the close of business on Friday, May 20, 2011 or, if the meeting is adjourned, 48 hours (excluding Saturdays, Sundays and holidays) before the commencement of any adjourned meeting. Proxies to be used at the meeting must be deposited with the Corporate Secretary c/o CIBC Mellon Trust Company either by mail at Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1 or by fax at 416-368-2502. The Management Information Circular provides additional instructions on how to exercise your right to vote your shares.

By Order of the Board of Directors



*Toronto, Canada
April 29, 2011*

Loretta M. Corso
Secretary

Note: *If you are a new shareholder or a non-registered shareholder who did not elect to receive our 2010 Annual Report and you would like a hard copy of this report, please contact the Secretary of the Corporation.*

BAM INVESTMENTS CORP.

MANAGEMENT INFORMATION CIRCULAR

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BAM INVESTMENTS CORP.

MANAGEMENT INFORMATION CIRCULAR

PART I: VOTING INFORMATION

SOLICITATION OF PROXIES

The information in this Management Information Circular (“Circular”) is furnished in connection with the solicitation of proxies to be used at the Annual and Special Meeting (the “Meeting”) of shareholders of BAM Investments Corp. (the “Corporation”) to be held on **Wednesday, May 25, 2011 at 10:00 a.m. in Conference Room C&D at the Ontario Bar Association Conference Centre, 2nd floor, 20 Toronto Street, Toronto, Ontario**, and at all adjournments thereof, for the purposes set forth in the accompanying Notice of Meeting. It is expected that the solicitation will be made primarily by mail, but proxies may also be solicited personally by officers or regular employees of the Corporation. **The solicitation of proxies is being made by or on behalf of the management of the Corporation, and the total cost of the solicitation will be borne by the Corporation.** The information herein is given as at **April 15, 2011**, except where otherwise noted.

APPOINTMENT OF PROXIES

The persons named in the enclosed form of proxy are management representatives and directors of the Corporation. **Each shareholder has the right to appoint a person other than the persons named in the enclosed form of proxy, who need not be a shareholder of the Corporation, to represent such shareholder at the Meeting or any adjournment thereof.** This right may be exercised by inserting the person’s name in the blank space provided in the form of proxy. The completed form(s) of proxy must be deposited with CIBC Mellon Trust Company by mail at Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1 or by fax at 416-368-2502, so as to arrive not later than the close of business on **Friday, May 20, 2011**, or, if the meeting is adjourned, 48 hours (excluding Saturdays, Sundays and holidays) before the commencement of any adjourned meeting.

The execution or exercise of a proxy does not constitute a written objection for the purposes of section 185 of the *Business Corporations Act* (Ontario) (the “OBCA”). See “Business of the Meeting - Amendment of Articles - Rights of Dissenting Shareholders”.

Non-Registered Shareholders

Only registered holders of common shares of the Corporation (“Common Shares”), or persons they appoint as their proxyholder(s), are permitted to attend and vote at the meeting. However, in many cases, Common Shares of the Corporation beneficially owned by a holder (a “Non-Registered Shareholder”) are registered either:

- (i) in the name of an intermediary (an “Intermediary”) that the Non-Registered Shareholder deals with in respect of the Common Shares, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFFs, RESPs and similar plans; or
- (ii) in the name of a depository (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101, the Corporation has distributed copies of the accompanying Notice of Meeting, this Circular and the enclosed form of proxy (collectively, the “meeting materials”) to the depository and Intermediaries for onward distribution to Non-Registered Shareholders.

Non-Registered Shareholders who have not waived the right to receive meeting materials will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Non-Registered Shareholders should follow the procedures set out below, depending on which type of form they receive.

- (i) **Voting Instruction Form.** In most cases, a Non-Registered Shareholder will receive, as part of the meeting materials, a voting instruction form. If the Non-Registered Shareholder does not wish to attend and vote at the meeting in person (or have another person attend and vote on the holder’s behalf), the voting instruction form must be completed, signed and returned in accordance with the directions on the form. Voting instruction forms in some cases permit the completion of the voting instruction form by telephone or through the Internet. If a Non-Registered Shareholder wishes to attend and vote at the meeting in person (or have another person attend

and vote on the holder's behalf), the Non-Registered Shareholder must complete, sign and return the voting instruction form in accordance with the directions provided and a form of proxy giving the right to attend and vote will be forwarded to the Non-Registered Shareholder.

- (ii) **Form of Proxy.** Less frequently, a Non-Registered Shareholder will receive, as part of the meeting materials, a form of proxy that has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of shares beneficially owned by the Non-Registered Shareholder but which is otherwise uncompleted. If the Non-Registered Shareholder does not wish to attend and vote at the meeting in person (or have another person attend and vote on the holder's behalf), the Non-Registered Shareholder must complete the form of proxy and deposit it with the Secretary of the Corporation c/o CIBC Mellon Trust Company by mail at Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1 or by fax at 416-368-2502 as described above. If a Non-Registered Shareholder wishes to attend and vote at the meeting in person (or have another person attend and vote on the holder's behalf), the Non-Registered Shareholder must strike out the names of the persons named in the proxy and insert the Non-Registered Shareholder's (or such other person's) name in the blank space provided.

Non-Registered Shareholders should follow the instructions on the forms they receive and contact their Intermediary promptly if they need assistance.

REVOCAION

A shareholder who has given a proxy has the power to revoke it as to any matter on which a vote has not already been cast pursuant to the authority conferred by such proxy and may do so:

- (i) by delivering another properly executed form of proxy bearing a later date and depositing it as aforesaid;
- (ii) by depositing an instrument in writing revoking the proxy executed by the shareholder or by the shareholder's attorney authorized in writing (i) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or (ii) with the Chairman of the Meeting, prior to its commencement, on the day of the Meeting or any adjournment thereof; or
- (iii) in any other manner permitted by law.

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive meeting materials and to vote given to an Intermediary at any time by written notice to the Intermediary, except that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive materials and to vote that is not received by the Intermediary at least seven days prior to the Meeting.

VOTING OF SHARES REPRESENTED BY MANAGEMENT PROXIES

The management representatives designated in the enclosed form of proxy will vote or withhold from voting the Common Shares in respect of which they are appointed by proxy on any ballot that may be called for in accordance with the instructions of the shareholder as indicated on the proxy, and if the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. **In the absence of such direction, the Common Shares will be voted by the management representatives for the election of directors, for the appointment of the external auditor and for the approval of the resolution amending the articles of the Corporation.**

The enclosed form of proxy confers discretionary authority upon the management representatives designated therein with respect to amendments to or variations of matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. As at the date of this Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting.

PRINCIPAL HOLDERS OF VOTING SHARES

As at April 21, 2011, the Corporation had outstanding 79,203,638 Common Shares. Each holder of Common Shares of record at the close of business on Friday, April 8, 2011, the record date established for notice of the Meeting, will be entitled to one vote for each Common Share held by the holder on all matters to come before the Meeting.

To the knowledge of the directors and officers of the Corporation, the only person or corporation which beneficially owns, controls or directs, directly or indirectly, securities of the Corporation carrying more than 10% of the votes attached to any

class of outstanding voting securities of the Corporation is Partners Limited, which owns approximately 38.7 million Common Shares, representing approximately 49% of the Common Shares.

Partners Limited was formed in 1995 for the purpose of owning shares of Brookfield Asset Management Inc. (“Brookfield”) for the long term. Brookfield is an asset management company, with a focus on property, power and other infrastructure assets. The Class A Limited Voting Shares of Brookfield are listed on the Toronto, New York and NYSE Euronext stock exchanges. Mr. Edward C. Kress, the President of the Corporation, Mr. Brian D. Lawson, a director of the Corporation, and Mr. Frank N.C. Lochan, the Chairman and a director of the Corporation, are shareholders of Partners Limited.

A number of the senior officers and directors of Brookfield and its affiliates (collectively, the “Partners”) are shareholders of Partners Limited. The Partners collectively own, directly or indirectly, exercise control or direction over, have contractual arrangements, such as options, to acquire or otherwise hold beneficial or economic interests in, approximately 127 million Class A Limited Voting Shares of Brookfield, representing approximately 19% of such shares on a fully-diluted basis. These interests include shares held directly and indirectly by individual shareholders as well as their *pro rata* interests in shares held by Partners Limited and the Corporation. Partners Limited owns 85,120 Class B Limited Voting Shares of Brookfield and 549,957 Class A Limited Voting Shares of Brookfield, representing 100% and 0.1%, respectively, of each class of shares.

As at April 15, 2011, senior officers of Brookfield and its affiliates own, directly and indirectly, approximately 30 million Common Shares, representing 37.6% of all issued and outstanding Common Shares of the Corporation, in addition to indirect interests held by these individuals through Partners Limited.

PART II: BUSINESS OF THE MEETING

1. ANNUAL REPORT AND FINANCIAL STATEMENTS

The annual financial statements of the Corporation for the fiscal year ended December 31, 2010 are included in the Corporation’s 2010 Annual Report, which is being mailed to all registered shareholders of the Corporation and Non-Registered Shareholders who have so requested and is available on SEDAR at www.sedar.com. The 2010 Annual Report will be placed before the shareholders at the Meeting.

2. ELECTION OF DIRECTORS

The articles of the Corporation provide for a minimum of one and a maximum of ten directors. By special resolution of the shareholders of the Corporation dated July 28, 1986, the board of directors of the Corporation (the “Board of Directors” or the “Board”) was empowered to determine the number of directors from time to time. The Board considers that six directors are appropriate, given the size of the Corporation and the scope of its operations. Accordingly six directors will be elected at the Meeting.

All directors elected at the Meeting will hold office until the next annual meeting of shareholders of the Corporation or until their successors are elected or appointed. **On any ballot that may be called for in relation to the election of directors, the management representatives designated in the enclosed form of proxy intend to vote the Common Shares represented by such proxy in favour of the election of the nominees whose names are set forth below, unless the shareholder who has given such proxy has directed that the Common Shares be withheld from voting in relation to the election of directors.**

The following table sets out the name of each of the persons proposed to be nominated for election as a director, all major positions and offices held in the Corporation or any of its significant affiliates by them, their principal occupation or employment, the year they were first elected a director of the Corporation, and the approximate number of securities of each class of shares of the Corporation that such person has advised the Corporation are beneficially owned or subject to control or direction by them as at the date of this Circular.

Name, Municipality of Residence, Office and Principal Occupation	Year First Elected a Director	Number of Common Shares Beneficially Owned ⁽¹⁾	
Howard Driman ^(2, 3) Ontario, Canada Director of Finance UIA Federations Canada <i>(a national fundraising and community planning organization)</i> <i>Independent Director</i>	2007	—	
Edward C. Kress Ontario, Canada President of the Corporation Corporate Director <i>Related Director</i>	2009	Direct	—
		Indirect	235,696 ⁽⁴⁾
Brian D. Lawson ⁽⁵⁾ Ontario, Canada Chief Financial Officer Brookfield Asset Management Inc. <i>(a global asset management company)</i> <i>Related Director</i>	1991	Direct	3,072,790
		Indirect	1,661,403 ⁽⁶⁾
R. Frank Lewarne ^(2, 3, 7) Ontario, Canada Corporate Director <i>Independent Director</i>	1990	Direct	3,080
		Indirect	—
Frank N.C. Lochan Ontario, Canada Chairman of the Corporation Corporate Director <i>Related Director</i>	1998	Direct	—
		Indirect	299,977 ⁽⁸⁾
Ralph J. Zarboni ^(2, 3) Ontario, Canada Chairman and Chief Executive Officer The EM Group Inc. <i>(a plastics and electric products distribution company)</i> <i>Independent Director</i>	1999	—	

(1) Indirect holdings represent the individuals' pro rata interest in common shares held by Partners Limited.

(2) Member of the Audit Committee.

(3) Member of the Corporate Governance Committee.

(4) Mr. Kress is a shareholder of Partners Limited and owns securities representing a 0.6% equity interest in Partners Limited. Mr. Kress is also President and Chairman of Brookfield Investments Corporation and President and Director of BAM Split Corp.

(5) 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 has corrected the filing deficiencies that led to the management cease trade orders and the cease orders were revoked by the relevant provincial securities regulatory authorities in June 2008.

(6) Mr. Lawson is a shareholder of Partners Limited and owns securities representing a 4.2% equity interest in Partners Limited. Mr. Lawson is also a director of BAM Split Corp., and a director of West Street Capital Corporation.

(7) Mr. Lewarne is also a director of BAM Split Corp., a subsidiary of the Corporation.

(8) Mr. Lochan is a shareholder of Partners Limited and owns securities representing a 0.8% equity interest in Partners Limited. Mr. Lochan is also Chairman and a director of West Street Capital Corporation, and Chairman and a director of BAM Split Corp. Mr. Lochan retired as an officer of Brookfield in September, 2005.

All of the persons named above were elected as members of the Board at the last annual meeting of shareholders on May 11, 2010.

Compensation of Directors

Directors of the Corporation who are not employees of Brookfield (the “non-management directors”) are entitled to receive an annual fee of \$15,000, with no additional meeting attendance fees. During 2010, six directors of the Corporation were paid total cash compensation of \$82,500.

Non-management directors are also reimbursed for travel and other out-of-pocket expenses incurred in connection with attending Board and committee meetings.

Director Attendance Report

During 2010, the Board met four times, the Audit Committee met four times and the Corporate Governance Committee met twice.

The following table summarizes director attendance at these meetings.

Meetings Attended in 2010	Board of Directors	Audit Committee	Corporate Governance Committee
Howard Driman	3 of 4	3 of 4	2 of 2
Edward C. Kress	4 of 4		
Brian D. Lawson	4 of 4		
R. Frank Lewarne	4 of 4	4 of 4	2 of 2
Frank N.C. Lochan	2 of 4		
Ralph J. Zarboni	4 of 4	4 of 4	2 of 2

Private sessions of the Board without management and related directors were held after each Board meeting, chaired by the chairman of the Audit Committee. Private sessions of the Audit Committee and Corporate Governance Committee without management present were also held after each committee meeting.

3. APPOINTMENT OF EXTERNAL AUDITOR

The Audit Committee recommends the reappointment of Deloitte & Touche LLP as the external auditor of the Corporation.

On any ballot that may be called for in relation to the appointment of the external auditor, the management representatives designated in the enclosed form of proxy intend to vote the Common Shares represented by such proxy in favour of reappointing Deloitte & Touche LLP, Chartered Accountants, as the external auditor of the Corporation to hold office until the next annual meeting of shareholders, and authorizing the directors to fix its remuneration, unless the shareholder who has given such proxy has directed that such Common Shares be withheld from voting in relation to the appointment of the external auditor.

Additional information on the external auditor is provided in the Corporation’s Annual Information Form.

4. AMENDMENT OF ARTICLES

At the Meeting, shareholders will be asked to approve, if considered desirable, the special resolution attached hereto as Schedule B (the “Articles Amendment Resolution”) authorizing an amendment to the articles of the Corporation.

Reason for the Amendment to Our Articles

The Corporation has commenced, concurrently with the mailing of this Management Information Circular, a substantial issuer bid (the “Substantial Issuer Bid”) to repurchase up to five (5) million of its currently issued and outstanding Common Shares from shareholders. The Substantial Issuer Bid entitles the Corporation to purchase Common Shares at the “Purchase Price” (as such term is defined in the Substantial Issuer Bid Circular). Shareholders should refer to the Substantial Issuer Bid Circular for additional details relating to the Substantial Issuer Bid.

Partners Ltd. (“Partners”) currently owns approximately 49% of the issued and outstanding Common Shares of the Corporation. Shareholders are being asked to consider the approval of a new class of Non-Voting Shares, consisting of

Series A Non-Voting Shares and Series B Non-Voting Shares, as well as the restatement of the terms of the existing Common Shares to permit conversion into Series A Non-Voting Shares. If the Corporation repurchases more Common Shares from shareholders other than Partners than it repurchases from Partners, either through the Substantial Issuer Bid or through ongoing Normal Course Issuer Bids, then Partners' voting interest in the Corporation could exceed 50% which could have a number of implications for both Partners and the Corporation.

The amendments to the articles would enable Partners (or other holders of Common Shares) to convert, from time to time, Common Shares into Series A Non-Voting Shares on a one-for-one basis in order to manage the number of voting Common Shares held by a shareholder. This would, for example, enable Partners to maintain its voting interest in the Corporation at less than 50%. The Series A Non-Voting Shares are intended to be issued on conversion of Common Shares, and will be convertible back into Common Shares or into Series B Non-Voting Shares from time to time, to enable a holder to restore its original voting rights if it so desired. The Series B Non-Voting Shares will not be convertible into Common Shares, and may be issued by the Corporation in the future as the Board may consider desirable.

Partners has advised the Corporation that if the Articles Amendment Resolution is approved and implemented, Partners intends to convert a portion of its Common Shares into Non-Voting Shares. As a result, the Corporation would be able to purchase a greater number of Common Shares from shareholders other than Partners, without causing Partners' voting interest in the Corporation to increase to more than 50%. Partners has also advised the Corporation that it intends to maintain its level of ownership in the Corporation at less than 50% in the short term, although it may amend this intention in the future.

Description of the Common Shares and Non-Voting Shares

The attributes of the Common Shares and the Non-Voting Shares (comprised of Series A Non-Voting Shares and Series B Non-Voting Shares) after giving effect to the amendment to our articles will be substantially as described below:

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

Payment of Dividends. The holders of Common Shares and Non-Voting Shares will participate equally with each other and subordinate to the Preferred Shares in respect of the payment of dividends, including the amount per share of the dividend. 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, in Series A Non-Voting Shares to holders of Series A Non-Voting Shares and in Series B Non-Voting Shares to holders of Series B Non-Voting Shares.

Distribution of Assets. The Common Shares and Non-Voting Shares will rank equally with each other in respect of the return of capital in the event of the liquidation, dissolution or other distribution of our assets for the purpose of winding up our affairs.

Preservation of Rights. If either of the Common Shares or Non-Voting Shares are subdivided, consolidated, reclassified or otherwise changed, appropriate adjustments would 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. Holders of Common Shares may convert Common Shares to Series A Non-Voting Shares on a one-for-one basis, in whole or in part, at any time in their sole discretion. 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. Series B Non-Voting Shares will not be convertible.

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 to 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.

The Non-Voting Shares will not be listed on the TSXV or any other stock exchange. Securities that are not quoted on a stock exchange are inherently illiquid in nature and carry a larger amount of liquidity risk in comparison to securities that are listed on an exchange.

Articles Amendment Resolution

Pursuant to Section 168 of the OBCA the Corporation may, by special resolution of our shareholders, create a new class and series of shares and restate our existing classes of shares. Shareholders are being asked to consider the Articles Amendment Resolution approving amendments to our articles to restate the terms of the Common Shares to make such shares convertible into Series A Non-Voting Shares, create the new class of Non-Voting Shares and issue two series of Non-Voting Shares, each with the attributes set out in Exhibit A to Schedule B attached hereto.

The completion of the Substantial Issuer Bid is conditional upon the approval by the shareholders of the Articles Amendment Resolution to be considered at the Meeting. The consummation of the amendments to the Corporation's articles at the Meeting is not conditional upon the successful completion of the Substantial Issuer Bid. Notwithstanding shareholder approval, the Articles Amendment Resolution permits the Board of Directors to decide not to proceed with the amendment to the articles without further shareholder approval. Such authorization could be exercised if shareholders were to dissent in respect of the Articles Amendment Resolution.

Shareholders are urged to read Schedule B in its entirety. The Board of Directors is recommending that the shareholders vote in favour of the Articles Amendment Resolution.

On any ballot that may be called for in relation to the approval of the Articles Amendment Resolution, the management representatives designated in the enclosed form of proxy intend to vote the Common Shares represented by such proxy in favour of the Articles Amendment Resolution, unless the shareholder who has given such proxy has directed that such Common Shares be withheld from voting in relation to the Articles Amendment Resolution. Approval of the Articles Amendment Resolution will require the affirmative vote by (i) two-thirds of the votes cast in person or by proxy on the matter at the Meeting and (ii) a majority of the votes cast in person or by proxy on the matter at the Meeting excluding the votes of insiders, promoters, control persons and affiliates of the Corporation (all terms as defined in the *Securities Act* (Ontario)).

Rights of Dissenting Shareholders

Under the provisions of section 185 of the OBCA, a registered shareholder of the Corporation is entitled to send to the Corporation a written objection to the Articles Amendment Resolution. In addition to any other right a holder of Common Shares may have, when the amending of the articles becomes effective, a registered shareholder of the Corporation who complies with the dissent procedure under section 185 of the OBCA (a "Dissenting Shareholder") is entitled to be paid the fair value of the Common Shares held by him in respect of which he dissents, determined as at the close of business on the day before the Articles Amendment Resolution is adopted.

The dissent procedure provided by section 185 of the OBCA is summarized in Schedule C to this Circular. Holders of Common Shares who may wish to dissent from the Articles Amendment Resolution are referred to such Schedule. A shareholder may only exercise the right to dissent under section 185 of the OBCA in respect of shares which are registered in that shareholder's name. Failure to comply strictly with the provisions of the OBCA may result in the loss or unavailability of the right to dissent.

PART III: STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board of Directors is of the view that the Corporation's corporate governance policies and practices, outlined below, are appropriate and substantially consistent with the corporate governance guidelines established by Canadian securities regulators.

MANDATE OF THE BOARD

The Board supervises the conduct and affairs of the Corporation directly and through its committees. In so doing, the Board endeavours to always act in the best interests of the Corporation. In carrying out its responsibilities, the Board appoints the senior executives of the Corporation and meets with them on a regular basis to receive and consider reports on the Corporation's business. Along with those matters, which must by law be approved by the Board, key strategic decisions are also submitted by management to the Board for approval.

In addition to approving specific corporate actions, the Board reviews and approves the reports issued to shareholders, including annual and interim financial statements, as well as materials prepared for shareholders' meetings. The Board also approves the Corporation's overall business strategies and annual business plans for achieving its objectives.

The responsibilities of the Board are set out in a written charter, which is reviewed and approved annually. The Board's charter is reproduced in full as Schedule A to this Circular.

The Board meets at least once in each quarter, with additional meetings held when appropriate. In 2010, there were four regular and no special Board meetings. Four regular meetings are scheduled for 2011. Meeting frequency may change depending on the opportunities or risks facing the Corporation.

APPOINTMENT OF DIRECTORS

The Corporation supports the appointment of directors nominated by its major shareholders, independent directors and directors drawn from senior management. This combination leads to a healthy exchange in Board deliberations resulting in objective, well-balanced and informed discussion and decision making. Nominees for election to the Board at the Corporation's annual shareholders' meetings are reviewed by the Board, directly or through its Corporate Governance Committee.

The Corporation believes that well-informed directors are essential for the effective performance of a Board. New directors are supplied with comprehensive information about the Corporation and its major investments. Directors are provided an opportunity to meet individually in work sessions with senior management to obtain further insight into the operations of the Corporation and its subsidiaries, and are involved on a regular basis in discussions with management. Individual directors are also free to consult with members of senior management whenever so required and to engage outside advisers with Board authorization.

Director compensation is reviewed annually by the Board, either directly or through its Corporate Governance Committee. Information on director compensation is set out on page 5 of this Circular.

COMPOSITION OF THE BOARD

As authorized by a special resolution of the Corporation's shareholders, the Board increased the number of directors from six to seven at its meeting on March 26, 2009. As a result of the death of one director in 2010, the Board currently has six directors. The Corporation considers this to be an appropriate number to ensure an effective and efficient Board.

The Corporation believes that at least half of its directors should be independent of the Corporation, that is, free from any interest and any business or other relationships (other than interests and relationships arising from shareholdings) which could, or could be reasonably perceived to, materially interfere with a director's ability to act in the best interests of the Corporation. Three of the Corporation's six current directors, namely Messrs. Howard Driman, Frank Lewarne and Ralph Zarboni, are independent directors.

The other three of the Corporation's current six directors, Messrs. Edward Kress, Brian Lawson and Frank Lochan are non-independent directors (the "related directors"). Mr. Kress is a shareholder of Partners Limited. Mr. Lawson is a shareholder of Partners Limited and the Chief Financial Officer of Brookfield. Mr. Lochan, the Chairman of the Corporation, is also a shareholder of Partners Limited and a retired officer of Brookfield.

COMMITTEES OF THE BOARD

The Board has two standing committees: the Audit Committee and the Corporate Governance Committee. Special committees may also be formed from time to time as required to review particular matters or transactions. The following is a brief description of the mandate of each standing committee, its composition and the meetings held this past year.

Audit Committee

The Audit Committee is comprised of three directors, all of whom are independent, namely Messrs. Driman (Chairman), Lewarne and Zarboni. The Board of Directors has determined that each of these directors is financially literate.

The Audit Committee 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 approval by the full Board. The responsibilities of the Audit Committee are set out in a written charter, which is reviewed and approved annually by the Board. The Audit Committee's charter is reproduced in full in the Corporation's Annual Information Form.

In 2010, the Audit Committee met once to review the annual financial information provided to shareholders, which included meeting with the Corporation's external auditors independent of management, and three times to review the Corporation's interim financial statements.

Corporate Governance Committee

The Corporate Governance Committee is comprised of three directors, all of whom are independent, namely Messrs. Zarboni (Chairman), Driman, and Lewarne.

The Corporate Governance Committee oversees the Corporation's approach to corporate governance. The Committee's specific responsibilities include reviewing and making recommendations to the Board on the following: the Corporation's annual statement of corporate governance practices; the composition and effectiveness of the Board and its committees; orientation programs for new directors; nominees to fill vacancies on the Board; the relationship between management and the Board; the mandates of the Board and its committees; requests from directors for the engagement of outside advisors; and any other matters delegated to the committee by the Board. In order to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has material interest, the Corporate Governance Committee reviews and assesses all related party transactions and situations involving a potential conflict of interest that are not required to be dealt with by an "independent special committee" pursuant to applicable securities laws and, where appropriate under applicable laws, the Committee may sit as an independent special committee. It is also the responsibility of the Board's Corporate Governance Committee, in consultation with the Chairman, to periodically assess the size and composition of the Board and its committees, to review the effectiveness of the Board's operations and its relations with management and to assess the performance of the directors.

The Corporate Governance Committee (along with the Board of Directors) performs an annual assessment of the Board and its Committees and reviews the Charter of Expectations for Directors. The assessment is conducted by surveying each of the directors on areas of Board responsibility, Board operations and its relations with management, and Board effectiveness. The Chair of the Corporate Governance Committee summarizes the survey responses and presents the findings to the Board of Directors. In 2010, the Corporate Governance Committee met once to review its charter, the Board and committee effectiveness survey and the Charter of Expectations for Directors, and once to review its work plan.

RELATIONSHIP WITH MANAGEMENT

Each year, the Board discusses the Corporation's strategic initiatives and business plans with management. The Board's annual approval of the business plan provides management with the mandate to conduct the business and affairs of the Corporation, with material deviations being reported to and approved by the Board as considered appropriate.

The position descriptions of the Chairman of the Board, the Chairman of the Audit Committee, the Chairman of the Corporate Governance Committee and the Corporation's President and Chief Executive Officer are reviewed annually by the Board, either directly or through its Corporate Governance Committee.

The Corporation believes that the information provided by management to the Board and its committees is critical to their effectiveness. In addition to the reports presented to the Board at its meetings, the Board is also kept informed by management of important corporate developments on a regular basis. The directors periodically assess the quality, completeness and timeliness of this information, particularly insofar as it relates to identifying the principal risks facing the Corporation and the initiatives being taken to manage them. The Board also meets independently of management from time to time.

A private meeting of the independent directors of the Board is scheduled for the conclusion of every regularly scheduled Board meeting without related directors and members of management present. Four such private sessions were held in 2010 and one has been held to date in 2011.

Members of management and related directors do not sit on the Audit Committee or the Corporate Governance Committee, but attend committee meetings at the invitation of the committee's chairman. The committees also have the opportunity to meet privately without management and related directors present at the conclusion of every regularly scheduled committee meeting.

CODE OF BUSINESS CONDUCT

Since the Corporation has no dedicated management or administrative staff, it has not adopted a written code of business conduct. The directors and officers of the Corporation who are also officers of Brookfield are subject to a written Code of Business Conduct and Ethics that has been adopted by the board of directors of Brookfield. A copy of this code is available on the web site of Brookfield at www.brookfield.com under *Corporate/Conduct Guidelines* and is filed on SEDAR at www.sedar.com.

PART IV: OTHER INFORMATION

EXECUTIVE COMPENSATION

No cash compensation was paid or is payable by the Corporation or its subsidiaries to executive officers of the Corporation in their capacities as such during or in respect of the financial years ended December 31, 2010, 2009 or 2008. Management and administrative services are provided to the Corporation by Brookfield under a management services agreement described below.

MANAGEMENT SERVICES AGREEMENT

Under a management services agreement Brookfield provides management administrative and financial services to the Corporation. During 2010, the Corporation paid Brookfield \$40,000 for services provided under this agreement.

Under an investment management agreement, Brookfield Investment Management Inc. provides investment management services to the Corporation. During 2010, the Corporation paid Brookfield Investment Management Inc. \$185,000 for services provided under this agreement.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as discussed in this Circular, during the fiscal year of the Corporation ended December 31, 2010, 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 enquiry, 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 nor do any such persons have a material interest, direct or indirect, in any proposed transaction of the Corporation.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Company maintains directors' and officers' insurance with an annual policy limit of C\$50,000,000, subject to a corporate deductible of C\$500,000 per loss. Under this insurance coverage, the Company and certain of its associated companies (collectively, the "Organization") is reimbursed for indemnity payments made to directors or officers as required or permitted by law or under provisions of its by-laws as indemnity for losses, including legal costs arising from acts, errors or omissions committed by directors and officers during the course of their duties as such. This insurance also provides coverage to individual directors and officers without any deductible if they are not indemnified by the Organization. The insurance coverage for directors and officers has certain exclusions including, but not limited to, those acts determined to be deliberately fraudulent or dishonest or to have resulted in personal profit or advantage.

NORMAL COURSE ISSUER BID

The Corporation believes that the purchase of a portion of its outstanding Common Shares is an appropriate and desirable use of available funds and is in the best interests of the Corporation. This repurchase arrangement is called a normal course issuer bid.

On August 19, 2010, the Corporation received approval from the TSX for its proposed normal course issuer bid to purchase up to 3,640,000 Common Shares, representing approximately 10% of the public float of its currently outstanding Common Shares. The bid commenced on August 23, 2010 and will expire on August 22, 2011. On January 10, 2011 the TSXV approved the continuation of the normal course issuer bid, as approved by the TSX. As of April 15, 2011, 400 Common Shares have been purchased under this bid, all of which have been cancelled.

AVAILABILITY OF DISCLOSURE DOCUMENTS

The Corporation will provide any person or company, upon request to the Secretary of the Corporation, with a copy of this Circular and: (i) the most recent Annual Information Form of the Corporation; (ii) the 2010 Notice of Intention to Make a Normal Course Issuer Bid; (iii) the comparative financial statements of the Corporation for the fiscal year ended December 31, 2010, together with the report of the auditors thereon; (iv) the most recent Annual Report of the Corporation, which includes financial information, management's discussion and analysis for the year ended December 31, 2010; and (v) the interim financial statements of the Corporation for the quarterly periods subsequent to the end of its most recent fiscal year. Financial information can be found in the Corporation's comparative financial statements and MD&A for the most recently completed financial year.

Requests for the above-mentioned disclosure documents can be made to the Secretary of the Corporation by mail at Suite 300, 181 Bay Street, Brookfield Place, Box 762, Toronto, Ontario M5J 2T3, by telephone at 416-359-8620 or by facsimile at 416-365-9642. These documents and additional information relating to the Corporation are also available on SEDAR at www.sedar.com.

OTHER BUSINESS

The Corporation knows of no matter to come before the Meeting other than the matters referred to in the accompanying Notice of Meeting.

DIRECTORS' APPROVAL

The contents of this Circular and the sending thereof to shareholders of the Corporation have been approved by the Board of Directors.

By Order of the Board of Directors

A handwritten signature in black ink, appearing to read 'L. Corso', with a stylized flourish extending to the left.

Loretta M. Corso
Secretary

*Toronto, Ontario
April 29, 2011*

SCHEDULE A

BOARD OF DIRECTORS CHARTER

ROLE OF THE BOARD

The role of the board of directors (the “Board”) of BAM Investments Corp. (the “Corporation”) is to oversee, directly and through its committees, the business and affairs of the Corporation, which are conducted by its officers and employees under the direction of the Chief Executive Officer (“CEO”). In doing so, the Board acts at all times with a view to the best interests of the Corporation.

The Board is elected by the Corporation’s shareholders to oversee management, with the objective of advancing the best interests of the shareholders by enhancing shareholder value in a manner that recognizes the concerns of other stakeholders in the Corporation, including its employees, suppliers, customers and the communities in which it operates.

AUTHORITY AND RESPONSIBILITY

The Board meets regularly to review reports by management on the Corporation’s performance. In addition to the general supervision of management, the Board performs the following functions:

- (a) strategic planning – overseeing the strategic planning process within the Corporation and, at least annually, reviewing, approving and monitoring the strategic plan for the Corporation including fundamental financial and business strategies and objectives;
- (b) risk assessment – assessing the major risks facing the Corporation and reviewing, approving and monitoring the manner of managing those risks;
- (c) Chief Executive Officer – developing a position description for the CEO including the corporate objectives that the CEO is responsible for meeting and selecting, evaluating and compensating the CEO;
- (d) senior management – overseeing the selection, evaluation and compensation of senior management and monitoring succession planning;
- (e) communications and disclosure policy – adopting a communications and disclosure policy for the Corporation, including ensuring the timeliness and integrity of communications to shareholders and establishing suitable mechanisms to receive stakeholder views;
- (f) corporate governance – developing the Corporation’s approach to corporate governance, including developing a set of corporate governance principles and guidelines applicable to the Corporation;
- (g) internal controls – reviewing and monitoring the controls and procedures within the Corporation to maintain its integrity including its disclosure controls and procedures, and its internal controls and procedures for financial reporting and compliance; and
- (h) maintaining integrity – on an ongoing basis, satisfying itself as to the integrity of the CEO and executive officers and that the CEO and other executive officers create a culture of integrity throughout the Corporation.

COMPOSITION AND PROCEDURES

- (a) Size of Board and selection process – The directors of the Corporation are elected each year by the shareholders at the annual meeting of shareholders. The Board proposes a slate of nominees to the shareholders for election. Any shareholder may propose a nominee for election to the Board either by means of a shareholder proposal upon compliance with the requirements prescribed by the *Business Corporations Act* (Ontario) or at the annual meeting.
- (b) Qualifications – Directors should have the highest personal and professional ethics and values and be committed to advancing the best interests of the shareholders of the Corporation. They should possess skills and competencies in areas that are relevant to the Corporation’s activities. At least 50% of the directors will be independent directors based on the rules and guidelines of applicable stock exchanges and securities regulatory authorities.
- (c) Director orientation – The Corporation’s management team is responsible for providing an orientation and education program for new directors.
- (d) Meetings – The Board has at least four scheduled meetings a year. The Board is responsible for its agenda. Prior to each Board meeting, the CEO discusses agenda items for the meeting with the Chairman of the Board. Materials for each meeting are distributed to the directors in advance of the meetings.

At the conclusion of each regularly scheduled meeting, the independent directors meet without management and non-independent directors present. The directors have appointed the Chairman of its Audit Committee to chair these meetings.
- (e) Committees – The Board has established two standing committees to assist it in discharging its responsibilities: the Audit Committee and the Corporate Governance Committee. Special committees are established from time to time to assist the Board in connection with specific matters. The chair of each committee reports to the Board following meetings of the committee. The terms of reference of each standing committee are reviewed annually by the Board.
- (f) Evaluation – The Board directly or through its Corporate Governance Committee performs an annual evaluation of the effectiveness of the Board as a whole, the committees of the Board and the contributions of individual directors. In addition, each committee assesses its performance annually.
- (g) Compensation – The Board directly or through its Corporate Governance Committee reviews the compensation for non-management directors. In reviewing the adequacy and form of compensation, the Board seeks to ensure that the compensation reflects the responsibilities and risks involved in being a director of the Corporation and aligns the interests of the directors with the best interests of the shareholders.
- (h) Access to independent advisors – The Board and any committee may at any time retain outside financial, legal or other advisors at the expense of the Corporation. Any director may, subject to the approval of the Chairman of the Board, retain an outside advisor at the expense of the Corporation.

SCHEDULE B

ARTICLES AMENDMENT RESOLUTION

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The certificate and articles of BAM Investments Corp. (the “Corporation”) are amended to:
 - a. create a new class of shares, unlimited in number, to be designated as Non-Voting Shares, issuable in series, and to have attached thereto the rights, privileges, restrictions and conditions substantially in the form as set forth in the attached Exhibit A;
 - b. issue two new series of Non-Voting Shares, unlimited in number, to be designated as Series A Non-Voting Shares and Series B Non-Voting Shares and to have attached thereto the rights, privileges, restrictions and conditions substantially in the form as set forth in the attached Exhibit A; and
 - c. restate the rights, privileges, restrictions and conditions of the Common Shares substantially in the form as set forth in the attached Exhibit A;
2. Notwithstanding that this special resolution has been duly passed by the shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered to revoke this special resolution without further approval of the shareholders of the Corporation at any time prior to the endorsement by the Director of a certificate of amendment giving effect to the amendment to the articles of the Corporation contemplated hereby; and
3. Any director or officer of the Corporation is hereby authorized and empowered for and in the name of and on behalf of the Corporation to execute articles of amendment, in duplicate, and deliver to the Director under the *Business Corporations Act* (Ontario), and to execute, or to cause to be executed, whether under the corporate seal of the Corporation or otherwise, and to deliver or to cause to be delivered all such other documents and instruments, and to do or to cause to be done all such other acts and things as, in the opinion of such director or officer, may be necessary or desirable in order to carry out the intent of this special resolution.

EXHIBIT A

**RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS
ATTACHED TO THE COMMON SHARES
AND NON-VOTING SHARES**

COMMON SHARES AND NON-VOTING SHARES

There shall be two classes of equity shares of the Corporation, common shares which shall be designated Common Shares (hereinafter referred to as the "Common Shares") and non-voting shares which shall be designated Non-Voting Shares (hereinafter referred to as the "Non-Voting Shares"), which shall have attached thereto the following rights, privileges and restrictions and conditions.

Board of Directors' Right to Issue Non-Voting Shares in Series

The Non-Voting Shares may be issued at any time or from time to time in one or more series. Before any shares of a series are issued, the Board of Directors of the Corporation shall fix the number of shares that will form such series and shall, subject to the limitations set out in the Articles, determine the designation, rights, privileges, restrictions and conditions to be attached to the Non-Voting Shares of such series, the whole subject to the filing with the Director (as defined in the *Business Corporations Act* (Ontario) (the "Act")) of Articles of Amendment containing a description of such series including the rights, privileges, restrictions and conditions determined by the Board of Directors of the Corporation.

Ranking

The Non-Voting Shares of each series shall rank on a parity with the Non-Voting Shares of every other series with respect to dividends and return of capital 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.

Dividends

The Common Shares and the Non-Voting Shares shall rank equally with one another and subordinate to the Corporation's Preferred Shares and any other shares of the Corporation ranking senior to the Common Shares and the Non-Voting Shares as to such dividends as may be declared by the Board of Directors of the Corporation out of funds legally available therefor and all dividends, other than stock dividends payable in equity shares, declared at any time after the date these articles of amendment become effective will be declared contemporaneously and paid at the same time in the same property and in equal amounts per share on all the Common Shares and the Non-Voting Shares at the time outstanding, without preference or priority of one share over another.

The Board of Directors may declare separate stock dividends payable in equity shares for each of the Common Shares and the Non-Voting Shares provided that: (a) such stock dividends shall be declared contemporaneously and paid at the same time and in equal numbers of additional equity shares per share on all the Common Shares and the Non-Voting Shares at the time outstanding; (b) such stock dividends shall be paid (i) in Common Shares to the holders of Common Shares and (ii) in Non-Voting Shares to the holders of Non-Voting Shares.

Liquidation or Dissolution

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, all of the property and assets of the Corporation which remain after payment to the holders of any shares ranking in priority to the Common Shares and Non-Voting Shares in respect of payment upon liquidation, dissolution or winding-up of all amounts attributed and properly payable to such holders of such other shares in the event of such liquidation, dissolution, winding-up or distribution, shall be paid or distributed equally, share for share, to the holders of the Common Shares and Non-Voting Shares, without preference or distinction.

Subdivision or Consolidation

The Common Shares and Non-Voting Shares shall not be subdivided, consolidated, reclassified or otherwise changed unless contemporaneously therewith the other class is subdivided, consolidated, reclassified or otherwise changed in the same proportion and in the same manner.

Voting Rights

Common Shares

The holders of the Common Shares shall be entitled to receive notice of, to attend (in person or by proxy) and to vote and be heard at all general meetings of the shareholders of the Corporation (other than separate meetings of the holders of shares of any other class of shares of the Corporation) and shall be entitled to receive all notices of meetings, information circulars and other written information from the Corporation. Each Common Share will entitle the holder thereof to have one vote for each Common Share held.

Non-Voting Shares

The holders of the Non-Voting Shares shall be entitled to receive notice of and to attend (in person or by proxy) and be heard at all general meetings of the shareholders of the Corporation (other than separate meetings of the holders of shares of any other class of shares of the Corporation or of shares of any series of shares of any such other class of shares other than Common Shares) and shall be entitled to receive all notices of meetings, information circulars and other written information from the Corporation that the holders of Common Shares are entitled to receive from the Corporation but not to vote at such general meetings, unless otherwise required by law or as referred to herein.

Amendment with Approval of Holders of Non-Voting Shares

The rights, privileges, restrictions and conditions attached to the Non-Voting Shares as a class may be added to, changed or removed but only with the approval of the holders of the Non-Voting Shares given as hereinafter specified in addition to any vote or authorization required by law.

Approval of Holders of the Non-Voting Shares

The approval of the holders of the Non-Voting Shares to add to, change or remove any right, privilege, restriction or condition attaching to the Non-Voting Shares as a class or in respect of any other matter requiring the consent of the holders of the Non-Voting Shares 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 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.

The formalities to be observed with respect to the giving of notice of any such meeting or any adjourned meeting, the quorum required therefor and the conduct thereof shall be those from time to time prescribed by the by-laws of the Corporation with respect to meetings of shareholders, or if not so prescribed, as required by the Act as in force at the time of the meeting. On every poll taken at every meeting of the holders of the Non-Voting Shares as a class, or at any joint meeting of the holders of two or more series of Non-Voting Shares, each holder of Non-Voting Shares entitled to vote thereat shall have one vote for each Non-Voting Share held.

Conversion Rights of Non-Voting Shares

- (a) For the purposes of clauses (a) to (i) of this “Conversion Rights of Non-Voting Shares” section:
 - (i) “affiliate” has the meaning ascribed thereto in the *Securities Act* (Ontario), as amended from time to time;
 - (ii) “associate” has the meaning ascribed thereto in the *Securities Act* (Ontario), as amended from time to time;
 - (iii) “Conversion Period” means the period of time commencing on the eighth day after the Offer Date and terminating on the Expiry Date;
 - (iv) “Converted Shares” means Common Shares resulting from the conversion of Non-Voting Shares into Common Shares pursuant to clause (b);

- (v) “Exclusionary Offer” means an offer to purchase Common Shares that:
 - (A) must, by reason of applicable securities legislation or the requirements of a stock exchange on which the Common Shares are listed, be made to all or substantially all of the holders of Common Shares who are in a province of Canada to which the requirement applies; and
 - (B) is not made concurrently with an offer to purchase Non-Voting Shares that is identical to the offer to purchase Common Shares in terms of price per share and percentage of outstanding shares to be taken up exclusive of shares owned immediately prior to the offer by the Offeror, and in all other material respects, and that has no condition attached thereto other than the right not to take up and pay for shares tendered if no shares are purchased pursuant to the offer for Common Shares,

and for the purposes of this definition if an offer to purchase Common Shares would be an Exclusionary Offer as defined above but for the provisions of subclause (B), the varying of any term of such offer shall be deemed to constitute the making of a new offer unless an identical variation concurrently is made to the corresponding offer to purchase Non-Voting Shares;
 - (vi) “Expiry Date” means the last date upon which holders of Common Shares may accept an Exclusionary Offer;
 - (vii) “Offer Date” means the date on which an Exclusionary Offer is made or deemed to be made;
 - (viii) “Offeror” means a person or company that makes an offer to purchase Common Shares (the “bidder”), and includes any associate or affiliate of the bidder or any person or company that is disclosed in the offering document relating to such offer to be acting jointly or in concert with the bidder; and
 - (ix) “transfer agent” means the transfer agent for the time being for the Common Shares.
- (b) Subject to clause (e), if an Exclusionary Offer is made, each outstanding Non-Voting Share shall be convertible into one fully paid and non-assessable Common Share at the option of the holder thereof exercisable during the Conversion Period. The conversion right provided for in this clause (b) shall be exercised by notice in writing given to the transfer agent accompanied by the certificate or certificates representing the Non-Voting Shares which the holder desires to convert, and such notice shall be executed by the person registered on the books of the Corporation as the holder of the Non-Voting Shares, or by his attorney duly authorized in writing, and shall specify the number of Non-Voting Shares which the holder desires to have converted. The holder shall pay any governmental or other tax imposed on or in respect of such conversion. Upon receipt by the transfer agent of such notice and share certificate or certificates, the Corporation shall issue or cause to be issued a share certificate representing fully paid Common Shares as prescribed above and in accordance with clause (d). If less than all of the Non-Voting Shares represented by any share certificate are to be converted, the holder shall be entitled to receive a new share certificate representing in the aggregate the number of Non-Voting Shares represented by the original share certificate which are not to be converted.
- (c) An election by a holder of Non-Voting Shares to exercise the conversion right provided for in clause (b) shall be deemed to also constitute irrevocable elections by such holder to deposit the Converted Shares pursuant to the Exclusionary Offer (subject to such holder’s right to subsequently withdraw the shares from the offer in accordance with the terms thereof and applicable law) and to exercise the right to convert into Non-Voting Shares on a one for one basis, all Converted Shares in respect of which such holder exercises his right of withdrawal from the Exclusionary Offer or which are not otherwise ultimately taken up and paid for under

the Exclusionary Offer (including by way of the abandonment or withdrawal of the Exclusionary Offer without any shares being acquired), and an irrevocable agreement by the holder exercising such rights of conversion not to vote any Converted Shares. Any conversion of Converted Shares into Non-Voting Shares pursuant to such deemed election in respect of which the holder exercises his right of withdrawal from the Exclusionary Offer shall be effective at the time such right of withdrawal is exercised without prejudice to the ability to reconvert or retender. If the right of withdrawal is not exercised, any conversion into Non-Voting Shares pursuant to such deemed election shall be effective:

- (i) in respect of an Exclusionary Offer which is completed, immediately following the time by which the Offeror is required under applicable securities legislation to take up and pay for all shares to be acquired by the Offeror under the Exclusionary Offer; and
 - (ii) in respect of an Exclusionary Offer which is abandoned or withdrawn, at the time at which the Exclusionary Offer is abandoned or withdrawn.
- (d) No share certificates representing Converted Shares shall be delivered to or to the order of the holders thereof before such shares have been deposited pursuant to the Exclusionary Offer and the transfer agent, on behalf of the holders of the Converted Shares, shall deposit, and the holders of such shares shall be deemed to have irrevocably directed the transfer agent to deposit, pursuant to the Exclusionary Offer, the certificate or certificates representing the Converted Shares. Upon completion of the offer, the Corporation shall deliver or cause to be delivered to the holders entitled thereto all consideration paid by the Offeror pursuant to the offer in respect of Converted Shares. If Converted Shares are converted into Non-Voting Shares pursuant to the deemed election under clause (c), the Corporation shall deliver to the holders entitled thereto a share certificate representing the Non-Voting Shares resulting from the conversion. The Corporation shall make all arrangements with the transfer agent necessary or desirable to give effect to this clause (d).
- (e) Subject to clause (f), the conversion right provided for in clause (b) shall not come into effect if:
- (i) prior to the Offer Date there is delivered to the transfer agent and to the secretary of the Corporation a certificate or certificates signed by or on behalf of one or more shareholders of the Corporation owning in the aggregate, as at the Offer Date, more than 50% of the then outstanding Common Shares, exclusive of shares owned immediately prior to the Offer Date by the Offeror, which certificate or certificates shall confirm, in the case of each such shareholder, that such shareholders shall not:
 - (A) tender any shares in acceptance of any Exclusionary Offer without giving the transfer agent and the Secretary of the Corporation written notice of such acceptance or intended acceptance at least 7 days prior to the Expiry Date;
 - (B) make any Exclusionary Offer;
 - (C) act jointly or in concert with any person or company that makes an Exclusionary Offer; or
 - (D) transfer any Common Shares, directly or indirectly, during the time at which any Exclusionary Offer is outstanding without giving the transfer agent and the secretary of the Corporation written notice of such transfer or intended transfer at least seven days prior to the Expiry Date, which notice shall state, if known to the transferor, the names of the transferees and the number of Common Shares transferred or to be transferred to each transferee; or

- (ii) as of the end of the seventh day after the Offer Date there has been delivered to the transfer agent and to the secretary of the Corporation a certificate or certificates signed by or on behalf of one or more shareholders of the Corporation owning in the aggregate more than 50% of the then outstanding Common Shares as at the Offer Date, exclusive of shares owned immediately prior to the Offer Date by the Offeror, which certificate or certificates shall confirm, in the case of each such shareholder:
 - (A) the number of Common Shares owned by the shareholder;
 - (B) that such shareholder is not making the offer and is not an associate or affiliate of, or acting jointly or in concert with, the person or company making the offer;
 - (C) that such shareholder shall not tender any shares in acceptance of the offer, including any varied form of the offer, without giving the transfer agent and the secretary of the Corporation written notice of such acceptance or intended acceptance at least 7 days prior to the Expiry Date; and
 - (D) that such shareholder shall not transfer any Common Shares, directly or indirectly, prior to the Expiry Date without giving the transfer agent and the secretary of the Corporation written notice of such transfer or intended transfer at least 7 days prior to the Expiry Date, which notice shall state, if known to the transferor, the names of the transferees and the number of Common Shares transferred or to be transferred to each transferee; or
- (iii) as of the end of the seventh day after the Offer Date a combination of certificates that comply with either clause (a) or (b) from shareholders of the Corporation owning in the aggregate more than 50% of the then outstanding Common Shares as at the Offer Date has been delivered to the transfer agent and to the Secretary of the Corporation.
- (f) If a notice referred to in subclause (e)(i)(A), (e)(i)(D), (e)(ii)(C) or (e)(ii)(D) is given and the conversion right provided for in clause (c) has not come into effect, the transfer agent shall either forthwith upon receipt of the notice or forthwith after the seventh day following the Offer Date, whichever is later, determine the number of Common Shares in respect of which there have been delivered certificates that are subsisting and that comply with either clause (e)(i) or (e)(ii). For the purpose of this determination, certificates in respect of which such a notice has been delivered shall not be regarded as subsisting, the transfer that is the subject of any notice referred to in subclause (e)(i)(D) or (e)(ii)(D) shall be deemed to have already taken place at the time of the determination, and the transferee in the case of any notice referred to in subclause (e)(i)(D) or (e)(ii)(D) shall be deemed to be a person or company from whom the transfer agent has not received a subsisting certificate unless the transfer agent is otherwise advised either by such notice or by the transferee in writing. If the number of Common Shares so determined does not exceed 50% of the number of then outstanding Common Shares as at the Offer Date, exclusive of Common Shares owned immediately prior to the Offer Date by the Offeror, clause (e) shall cease to apply and the conversion right provided for in clause (b) shall be in effect for the remainder of the Conversion Period.
- (g) As soon as is reasonably practicable after the seventh day after the Offer Date, the Corporation shall send to each holder of Non-Voting Shares a notice advising such holders as to whether they are entitled to convert their Non-Voting Shares into Common Shares and the reasons therefor. If such notice discloses that the holders of Non-Voting Shares are not so entitled but it is subsequently determined that they are so entitled by virtue of clause (f) or otherwise, the Corporation shall forthwith send another notice to such holders advising them of that fact and the reasons therefor.
- (h) If a notice referred to in clause (g) discloses that the conversion right has come into effect, the notice shall:

- (i) include a description of the procedure to be followed to effect the conversion and to have the Converted Shares tendered under the offer;
 - (ii) include the information as to clause (c) hereof; and
 - (iii) be accompanied by a copy of the offer and all other material sent to holders of Common Shares in respect of the offer, and as soon as is reasonably practicable after any additional material, including a notice of variation or change, is sent to the holders of Common Shares in respect of the offer, the Corporation shall send a copy of such additional material to each holder of Non-Voting Shares.
- (i) Prior to or forthwith after sending any notice referred to in clause (g), the Corporation shall cause a press release to be issued to a Canadian national news wire service describing the contents of the notice.

Conversion Rights of Common Shares

(a) *Conversion Right*

Any holder of Common Shares shall be entitled at his or her option (the “Conversion Right”) at any time, upon giving written notice (the “Conversion Notice”) in accordance with the terms herein, (subject as hereinafter provided) to have all or any of the Common Shares held by him or her converted into Series A Non-Voting Shares as the same shall be constituted at the time of conversion upon the basis of one Series A Non-Voting Share for each one Common Share in respect of which the Conversion Right is exercised.

(b) *Conversion Notice*

The Conversion Notice shall specify a date (the “Exercise Date”) no fewer than 30 days and no greater than 60 days following the date of the Conversion Notice upon which the Conversion Right will be exercised. The Corporation may, in its discretion, waive the requirement for 30 days notice of the Exercise Date. The Conversion Notice must be delivered to the Corporation accompanied by the certificate or certificates representing the Common Shares (if applicable) in respect of which the holder thereof desires to exercise their Conversion Right. Such Conversion Notice shall be signed by the person registered on the books of the Corporation as the holder of the Common Shares in respect of which such right is being exercised or by his or her duly authorized attorney and shall specify the number of Common Shares which the holder desires to have converted. The Series A Non-Voting Shares will be registered in the name of the holder of the Common Shares to be converted unless the Conversion Notice directs the Corporation to arrange for the registration of such Series A Non-Voting Shares in some other name or names (the “Transferee” or “Transferees”) and states the name or names (with addresses), accompanied by payment to the Corporation of any transfer tax which may be payable by reason of the transfer and a written declaration, if required by any applicable law, as to the residence of the Transferee or Transferees and such other matters as may be required by law, in order to determine the entitlement of the Transferee or Transferees to such Series A Non-Voting Shares, in which case such Series A Non-Voting Shares will be registered in the name or names so directed in the Conversion Notice. Conversion will occur on the Exercise Date or, if the Conversion Notice does not specify an Exercise Date, at 5:00 p.m. (Toronto time) on the 30th day after which the Conversion Notice is received by the Corporation or, if the Corporation, in its discretion, waives the requirement for 30 days notice of the Exercise Date, at 5:00 p.m. (Toronto time) on such earlier date, so that the rights of the holder of Common Shares as the holder thereof will cease at such time and the person or persons entitled to receive Series A Non-Voting Shares upon conversion will be treated for all purposes as having become the holder or holder of record of such Series A Non-Voting Shares at such time. The Corporation will cancel all Common Shares indicated in any Conversion Notice.

(c) *Delivery of Shares and Share Certificates*

On any conversion of Common Shares pursuant to the exercise of the Conversion Right, the share certificates for the Series A Non-Voting Shares resulting therefrom will, as soon as practicable, be delivered in the name of the holder of the Common Shares converted or, if applicable, in the name of the Transferee or Transferees; provided that such holder of Common Shares will (i) pay any applicable security transfer taxes including, without limitation, any documentary, stamp, transfer or other taxes that may be payable in respect of any transfer

involved in the issuance or delivery of such Series A Non-Voting Shares to a person other than such holder of Common Shares or (ii) will have evidence to the satisfaction of the Corporation that such taxes, if any, have been paid.

Upon the exercise of the Conversion Right, any holder of Common Shares to be converted (or, if applicable, any Transferee or Transferees) will be deemed to have become a holder of Series A Non-Voting Shares of record for all purposes, notwithstanding any delay in the delivery of certificates representing the Series A Non-Voting Shares for which such Common Shares have been converted.

Upon exercise of the Conversion Right, the Corporation is not required to issue Series A Non-Voting Shares to any person whose address is in, or whom the Corporation has reason to believe is a resident of, any jurisdiction outside of Canada, to the extent that such issue would require compliance by the Corporation with the securities or other laws of such jurisdiction.

If fewer than all the Common Shares represented by any certificate are to be converted, the holder shall be entitled to receive a new certificate for the Common Shares representing the shares comprised in the original certificate which are not to be converted.

(d) *Prohibition on Conversion*

Holders of Common Shares cannot exercise the Conversion Right hereunder if any one or more of the following events has occurred:

- (i) the issuance or delivery of such Series A Non-Voting Shares is prohibited pursuant to any agreement or arrangement entered into by the Corporation to assure the Corporation's solvency or continued operation;
 - (ii) the issuance or delivery of such Series A Non-Voting Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation and acting in conformity with the law; or
 - (iii) for any reason beyond its control, the Corporation is unable to issue Series A Non-Voting Shares or is unable to deliver such shares.
- (e) For the purposes of clauses (e) to (m) of this "Conversion Rights of Common Shares" section:
- (i) "affiliate" has the meaning ascribed thereto in the *Securities Act* (Ontario), as amended from time to time;
 - (ii) "associate" has the meaning ascribed thereto in the *Securities Act* (Ontario), as amended from time to time;
 - (iii) "Conversion Period" means the period of time commencing on the eighth day after the Offer Date and terminating on the Expiry Date;
 - (iv) "Converted Shares" means Non-Voting Shares resulting from the conversion of Common Shares into Non-Voting Shares pursuant to clause (b);
 - (v) "Exclusionary Offer" means an offer to purchase Non-Voting Shares that:
 - (A) must, by reason of applicable securities legislation or the requirements of a stock exchange on which the Non-Voting Shares are listed, be made to all or substantially all of the holders of Non-Voting Shares who are in a province of Canada to which the requirement applies; and
 - (B) is not made concurrently with an offer to purchase Common Shares that is identical to the offer to purchase Non-Voting Shares in terms of price per share and percentage of outstanding shares to be taken up exclusive of

shares owned immediately prior to the offer by the Offeror, and in all other material respects, and that has no condition attached thereto other than the right not to take up and pay for shares tendered if no shares are purchased pursuant to the offer for Non-Voting Shares,

and for the purposes of this definition if an offer to purchase Non-Voting Shares would be an Exclusionary Offer as defined above but for the provisions of subclause (B), the varying of any term of such offer shall be deemed to constitute the making of a new offer unless an identical variation concurrently is made to the corresponding offer to purchase Common Shares;

- (vi) “Expiry Date” means the last date upon which holders of Non-Voting Shares may accept an Exclusionary Offer;
 - (vii) “Offer Date” means the date on which an Exclusionary Offer is made or deemed to be made;
 - (viii) “Offeror” means a person or company that makes an offer to purchase Non-Voting Shares (the “bidder”), and includes any associate or affiliate of the bidder or any person or company that is disclosed in the offering document relating to such offer to be acting jointly or in concert with the bidder; and
 - (ix) “transfer agent” means the transfer agent for the time being for the Common Shares.
- (f) Subject to clause (i), if an Exclusionary Offer is made, each outstanding Common Share shall be convertible into one fully paid and non-assessable Non-Voting Share at the option of the holder thereof exercisable during the Conversion Period. The conversion right provided for in this clause (f) shall be exercised by notice in writing given to the Corporation accompanied by the certificate or certificates representing the Common Shares, if applicable, which the holder desires to convert, and such notice shall be executed by the person registered on the books of the Corporation as the holder of the Common Shares, or by his attorney duly authorized in writing, and shall specify the number of Common Shares which the holder desires to have converted. The holder shall pay any governmental or other tax imposed on or in respect of such conversion. Upon receipt by the Corporation of such notice and share certificate or certificates, if applicable, the Corporation shall issue or cause to be issued a share certificate representing fully paid Non-Voting Shares as prescribed above and in accordance with clause (h). If less than all of the Common Shares represented by any share certificate are to be converted, the holder shall be entitled to receive a new share certificate representing in the aggregate the number of Common Shares represented by the original share certificate which are not to be converted.
- (g) An election by a holder of Common Shares to exercise the conversion right provided for in clause (f) shall be deemed to also constitute irrevocable elections by such holder to deposit the Converted Shares pursuant to the Exclusionary Offer (subject to such holder’s right to subsequently withdraw the shares from the offer in accordance with the terms thereof and applicable law) and to exercise the right to convert into Common Shares on a one for one basis, all Converted Shares in respect of which such holder exercises his right of withdrawal from the Exclusionary Offer or which are not otherwise ultimately taken up and paid for under the Exclusionary Offer (including by way of the abandonment or withdrawal of the Exclusionary Offer without any shares being acquired), and an irrevocable agreement by the holder exercising such rights of conversion not to vote any Converted Shares. Any conversion of Converted Shares into Common Shares pursuant to such deemed election in respect of which the holder exercises his right of withdrawal from the Exclusionary Offer shall be effective at the time such right of withdrawal is exercised without prejudice to the ability to reconvert or retender. If the right of withdrawal is not exercised, any conversion into Common Shares pursuant to such deemed election shall be effective:

- (i) in respect of an Exclusionary Offer which is completed, immediately following the time by which the Offeror is required under applicable securities legislation to take up and pay for all shares to be acquired by the Offeror under the Exclusionary Offer; and
 - (ii) in respect of an Exclusionary Offer which is abandoned or withdrawn, at the time at which the Exclusionary Offer is abandoned or withdrawn.
- (h) No share certificates representing Converted Shares shall be delivered to or to the order of the holders thereof before such shares have been deposited pursuant to the Exclusionary Offer and the Corporation, on behalf of the holders of the Converted Shares, shall deposit, and the holders of such shares shall be deemed to have irrevocably directed the Corporation to deposit, pursuant to the Exclusionary Offer, the certificate or certificates representing the Converted Shares. Upon completion of the offer, the Corporation shall deliver or cause to be delivered to the holders entitled thereto all consideration paid by the Offeror pursuant to the offer in respect of Converted Shares. If Converted Shares are converted into Common Shares pursuant to the deemed election under clause (g), the transfer agent shall deliver to the holders entitled thereto a share certificate representing the Common Shares resulting from the conversion. The Corporation shall make all arrangements with the transfer agent necessary or desirable to give effect to this clause (h).
- (i) Subject to clause (j), the conversion right provided for in clause (f) shall not come into effect if:
- (i) prior to the Offer Date there is delivered to the Corporation a certificate or certificates signed by or on behalf of one or more shareholders of the Corporation owning in the aggregate, as at the Offer Date, more than 50% of the then outstanding Non-Voting Shares, exclusive of shares owned immediately prior to the Offer Date by the Offeror, which certificate or certificates shall confirm, in the case of each such shareholder, that such shareholders shall not:
 - (A) tender any shares in acceptance of any Exclusionary Offer without giving the Corporation written notice of such acceptance or intended acceptance at least 7 days prior to the Expiry Date;
 - (B) make any Exclusionary Offer;
 - (C) act jointly or in concert with any person or company that makes an Exclusionary Offer; or
 - (D) transfer any Non-Voting Shares, directly or indirectly, during the time at which any Exclusionary Offer is outstanding without giving the Corporation written notice of such transfer or intended transfer at least seven days prior to the Expiry Date, which notice shall state, if known to the transferor, the names of the transferees and the number of Non-Voting Shares transferred or to be transferred to each transferee; or
 - (ii) as of the end of the seventh day after the Offer Date there has been delivered to the Corporation a certificate or certificates signed by or on behalf of one or more shareholders of the Corporation owning in the aggregate more than 50% of the then outstanding Non-Voting Shares as at the Offer Date, exclusive of shares owned immediately prior to the Offer Date by the Offeror, which certificate or certificates shall confirm, in the case of each such shareholder:
 - (A) the number of Non-Voting Shares owned by the shareholder;

- (B) that such shareholder is not making the offer and is not an associate or affiliate of, or acting jointly or in concert with, the person or company making the offer;
 - (C) that such shareholder shall not tender any shares in acceptance of the offer, including any varied form of the offer, without giving the Corporation written notice of such acceptance or intended acceptance at least 7 days prior to the Expiry Date; and
 - (D) that such shareholder shall not transfer any Non-Voting Shares, directly or indirectly, prior to the Expiry Date without giving the Corporation written notice of such transfer or intended transfer at least 7 days prior to the Expiry Date, which notice shall state, if known to the transferor, the names of the transferees and the number of Non-Voting Shares transferred or to be transferred to each transferee; or
- (iii) as of the end of the seventh day after the Offer Date a combination of certificates that comply with either clause (e) or (f) from shareholders of the Corporation owning in the aggregate more than 50% of the then outstanding Non-Voting Shares as at the Offer Date has been delivered to the Corporation.
- (j) If a notice referred to in subclause (i)(i)(A), (i)(i)(D), (i)(ii)(C) or (i)(ii)(D) is given and the conversion right provided for in clause (g) has not come into effect, the Corporation shall either forthwith upon receipt of the notice or forthwith after the seventh day following the Offer Date, whichever is later, determine the number of Non-Voting Shares in respect of which there have been delivered certificates that are subsisting and that comply with either clause (i)(i) or (i)(ii). For the purpose of this determination, certificates in respect of which such a notice has been delivered shall not be regarded as subsisting, the transfer that is the subject of any notice referred to in subclause (i)(i)(D) or (i)(ii)(D) shall be deemed to have already taken place at the time of the determination, and the transferee in the case of any notice referred to in subclause (i)(i)(D) or (i)(ii)(D) shall be deemed to be a person or company from whom the Corporation has not received a subsisting certificate unless the Corporation is otherwise advised either by such notice or by the transferee in writing. If the number of Non-Voting Shares so determined does not exceed 50% of the number of then outstanding Non-Voting Shares as at the Offer Date, exclusive of Non-Voting Shares owned immediately prior to the Offer Date by the Offeror, clause (i) shall cease to apply and the conversion right provided for in clause (f) shall be in effect for the remainder of the Conversion Period.
- (k) As soon as is reasonably practicable after the seventh day after the Offer Date, the Corporation shall send to each holder of Common Shares a notice advising such holders as to whether they are entitled to convert their Common Shares into Non-Voting Shares and the reasons therefor. If such notice discloses that the holders of Common Shares are not so entitled but it is subsequently determined that they are so entitled by virtue of clause (j) or otherwise, the Corporation shall forthwith send another notice to such holders advising them of that fact and the reasons therefor.
- (l) If a notice referred to in clause (k) discloses that the conversion right has come into effect, the notice shall:
- (i) include a description of the procedure to be followed to effect the conversion and to have the Converted Shares tendered under the offer;
 - (ii) include the information as to clause (g) hereof; and
 - (iii) be accompanied by a copy of the offer and all other material sent to holders of Non-Voting Shares in respect of the offer, and as soon as is reasonably practicable after any additional material, including a notice of variation or change, is sent to the

holders of Non-Voting Shares in respect of the offer, the Corporation shall send a copy of such additional material to each holder of Common Shares.

- (m) Prior to or forthwith after sending any notice referred to in clause (k), the Corporation shall cause a press release to be issued to a Canadian national news wire service describing the contents of the notice.

SERIES A NON-VOTING SHARES

The first series of Non-Voting Shares of the Corporation shall consist of an unlimited number of Non-Voting Shares, which shall be designated as Series A Convertible Non-Voting Shares (herein referred to as the “Series A Non-Voting Shares”) and which, in addition to the rights, privileges, restrictions and conditions attached to the Non-Voting Shares as a class, shall have attached thereto the following rights, privileges, restrictions and conditions:

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

(a) *Conversion Right*

Any holder of Series A Non-Voting Shares shall be entitled at his or her option (the “Non-Voting Conversion Right”) at any time, upon giving written notice (the “Non-Voting Conversion Notice”) in accordance with the terms herein, (subject as hereinafter provided) to have all or any of the Series A Non-Voting Shares held by him or her converted into either Common Shares or Series B Non-Voting Shares as the same shall be constituted at the time of conversion upon the basis of one Series A Non-Voting Share for each one Common Share or one Series B Non-Voting Share in respect of which the Non-Voting Conversion Right is exercised.

(b) *Conversion Notice*

The Non-Voting Conversion Notice shall specify a date (the “Non-Voting Exercise Date”) no fewer than 30 days and no greater than 60 days following the date of the Non-Voting Conversion Notice upon which the Non-Voting Conversion Right will be exercised. The Corporation may, in its discretion, waive the requirement for 30 days notice of the Non-Voting Exercise Date. The Non-Voting Conversion Notice must be delivered to the Corporation accompanied by the certificate or certificates representing the Series A Non-Voting Shares in respect of which the holder thereof desires to exercise their Non-Voting Conversion Right. Such Non-Voting Conversion Notice shall be signed by the person registered on the books of the Corporation as the holder of the Series A Non-Voting Shares in respect of which such right is being exercised or by his or her duly authorized attorney and shall specify the number of Series A Non-Voting Shares which the holder desires to have converted. The Common Shares or Series B Non-Voting Shares will be registered in the name of the holder of the Series A Non-Voting Shares to be converted unless the Non-Voting Conversion Notice directs the Corporation to arrange for the registration of such shares in some other name or names (the “Transferee” or “Transferees”) and states the name or names (with addresses), accompanied by payment to the Corporation of any transfer tax which may be payable by reason of the transfer and a written declaration, if required by any applicable law, as to the residence of the Transferee or Transferees and such other matters as may be required by law, in order to determine the entitlement of the Transferee or Transferees to such Common Shares or Series B Non-Voting Shares, in which case such shares will be registered in the name or names so directed in the Non-Voting Conversion Notice. Conversion will occur on the Non-Voting Exercise Date or, if the Non-Voting Conversion Notice does not specify a Non-Voting Exercise Date, at 5:00 p.m. (Toronto time) on the 30th day after which the Non-Voting Conversion Notice is received by the Corporation or, if the Corporation, in its discretion, waives the requirement for 30 days notice of the Non-Voting Exercise Date, at 5:00 p.m. (Toronto time) on such earlier date, so that the rights of the holder of the Series A Non-Voting Shares as the holder thereof will cease at such time and the person or persons entitled to receive Common Shares or Series B Non-Voting Shares, as the case may be, upon conversion will be treated for all purposes as having become the holder or holder of record of such shares at such time. The Corporation will cancel all Series A Non-Voting Shares indicated in any Non-Voting Conversion Notice.

(c) *Delivery of Shares and Share Certificates*

On any conversion of Series A Non-Voting Shares pursuant to the exercise of the Non-Voting Conversion Right, the share certificates for the Common Shares or the Series B Non-Voting Shares resulting therefrom will, as soon as practicable, be delivered in the name of the holder of the Series A Non-Voting Shares converted or, if applicable, in the name of the Transferee or Transferees; provided that such holder of Series A Non-Voting

Shares will (i) pay any applicable security transfer taxes including, without limitation, any documentary, stamp, transfer or other taxes that may be payable in respect of any transfer involved in the issuance or delivery of such Common Shares or Series B Non-Voting Shares to a person other than such holder of Series A Non-Voting Shares or (ii) will have evidence to the satisfaction of the Corporation that such taxes, if any, have been paid.

If fewer than all the Series A Non-Voting Shares represented by any certificate are to be converted, the holder shall be entitled to receive a new certificate for the Series A Non-Voting Shares representing the shares comprised in the original certificate which are not to be converted.

Upon the exercise of the Non-Voting Conversion Right, any holder of Series A Non-Voting Shares to be converted (or, if applicable, any Transferee or Transferees) will be deemed to have become a holder of Common Shares or Series B Non-Voting Shares of record for all purposes, notwithstanding any delay in the delivery of certificates representing the Common Shares or Series B Non-Voting Shares for which such Series A Non-Voting Shares have been converted.

Upon exercise of the Non-Voting Conversion Right, the Corporation is not required to issue Common Shares or Series B Non-Voting Shares to any person whose address is in, or whom the Corporation has reason to believe is a resident of, any jurisdiction outside of Canada, to the extent that such issue would require compliance by the Corporation with the securities or other laws of such jurisdiction.

(d) *Prohibition on Conversion*

Holders of Series A Non-Voting Shares cannot exercise the Non-Voting Conversion Right hereunder if any one or more of the following events has occurred:

- (i) the issuance or delivery of either Common Shares or Series B Non-Voting Shares, where applicable, is prohibited pursuant to any agreement or arrangement entered into by the Corporation to assure the Corporation's solvency or continued operation;
- (ii) the issuance or delivery of either Common Shares or Series B Non-Voting Shares, where applicable, is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation and acting in conformity with the law;
- (iii) for any reason beyond its control, the Corporation is unable to issue either Common Shares or Series B Non-Voting Shares, where applicable, or is unable to deliver such shares; or
- (iv) either the Common Shares or Series B Non-Voting Shares, where applicable, are not listed on the exchange on which such shares are then listed for trading.

Voting Rights

Except as herein referred to or as required by law, the holders of the Series A Non-Voting Shares as a series shall not be entitled as such to receive notice of, to attend or to vote at any meeting of the shareholders of the Corporation.

Amendment with Approval of Holders of Series A Non-Voting Shares

The rights, privileges, restrictions and conditions attached to the Series A Non-Voting Shares may be added to, changed or removed by Articles of Amendment, but only with the approval of the holders of the Series A Non-Voting Shares given as hereinafter specified in addition to any vote or authorization required by law.

Approval of Holders of the Series A Non-Voting Shares

The approval of the holders of the Series A Non-Voting Shares to add to, change or remove any right, privilege, restriction or condition attaching to the Series A Non-Voting Shares as a series or in respect of any other matter requiring the consent of the holders of the Series A Non-Voting Shares 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 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.

The formalities to be observed with respect to the giving of notice of any such meeting or any adjourned meeting, the quorum required therefor and the conduct thereof shall be those from time to time prescribed by the by-laws of the Corporation with respect to meetings of shareholders, or if not so prescribed, as required by the Act as in force at the time of the meeting or as otherwise required by law. On every poll taken at every meeting of holders of Series A Non-Voting Shares as a series, each holder of Series A Non-Voting Shares entitled to vote thereat shall have one vote in respect of each Series A Non-Voting Share held.

SERIES B NON-VOTING SHARES

The second series of Non-Voting Shares of the Corporation shall consist of an unlimited number of Non-Voting Shares, which shall be designated as Series B Non-Convertible Non-Voting Shares (herein referred to as the “Series B Non-Voting Shares”) and which, in addition to the rights, privileges, restrictions and conditions attached to the Non-Voting Shares as a class, shall have attached thereto the following rights, privileges, restrictions and conditions:

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.

Voting Rights

Except as herein referred to or as required by law, the holders of the Series B Non-Voting Shares as a series shall not be entitled as such to receive notice of, to attend or to vote at any meeting of the shareholders of the Corporation.

Amendment with Approval of Holders of Series B Non-Voting Shares

The rights, privileges, restrictions and conditions attached to the Series B Non-Voting Shares may be added to, changed or removed by Articles of Amendment, but only with the approval of the holders of the Series B Non-Voting Shares given as hereinafter specified in addition to any vote or authorization required by law.

Approval of Holders of the Series B Non-Voting Shares

The approval of the holders of the Series B Non-Voting Shares to add to, change or remove any right, privilege, restriction or condition attaching to the Series B Non-Voting Shares as a series or in respect of any other matter requiring the consent of the holders of the Series B Non-Voting Shares 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 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.

The formalities to be observed with respect to the giving of notice of any such meeting or any adjourned meeting, the quorum required therefor and the conduct thereof shall be those from time to time prescribed by the by-laws of the Corporation with respect to meetings of shareholders, or if not so prescribed, as required by the Act as in force at the time of the meeting or as otherwise required by law. On every poll taken at every meeting of holders of Series B Non-Voting Shares as a series, each holder of Series B Non-Voting Shares entitled to vote thereat shall have one vote in respect of each Series B Non-Voting Share held.

SCHEDULE C

SUMMARY OF PROCEDURE TO EXERCISE DISSENT RIGHT

The procedure to be followed by a shareholder who intends to dissent from the Articles Amendment Resolution (herein referred to as the “Amendment”) approving the amendment to the articles of BAM Investments Corp. described in the accompanying Management Information Circular and who wishes to require BAM Investments Corp. (the “Corporation”) to acquire his shares and pay him the fair value thereof, determined as of the close of business on the day before the Amendment is adopted, is set out in section 185 of the *Business Corporations Act* (Ontario) (“OBCA”).

Section 185 provides that a shareholder may only make such a claim with respect to all the shares of a class held by him on behalf of any one beneficial owner and registered in the shareholder’s name. One consequence of this provision is that **a shareholder may only exercise the right to dissent under section 185 in respect of shares which are registered in that shareholder’s name.** In many cases, shares beneficially owned by a person (a “Non-Registered Holder”) are registered either: (a) in the name of an intermediary that the Non-Registered Holder deals with in respect of the shares (such as banks, trust companies, securities dealers and brokers, trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans, and their nominees); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. (“CDS”)) of which the intermediary is a participant. Accordingly, a Non-Registered Holder will not be entitled to exercise the right to dissent under section 185 directly (unless the shares are re-registered in the Non-Registered Holder’s name). A Non-Registered Holder who wishes to exercise the right to dissent should immediately contact the intermediary who the Non-Registered Holder deals with in respect of the shares and either: (i) instruct the intermediary to exercise the right to dissent on the Non-Registered Holder’s behalf (which, if the shares are registered in the name of CDS or other clearing agency, would require that the share first be re-registered in the name of the intermediary); or (ii) instruct the intermediary to re-register the shares in the name of the Non-Registered Holder, in which case the Non-Registered Holder would have to exercise the right to dissent directly.

A registered shareholder who wishes to invoke the provisions of section 185 of the OBCA must send to the Corporation a written objection to the Amendment (the “Notice of Dissent”) at or before the time fixed for the shareholders’ meeting at which the Amendment is to be voted on. The sending of a Notice of Dissent does not deprive a registered shareholder of his right to vote on the Amendment but a vote either in person or by proxy against the Amendment does not constitute a Notice of Dissent. A vote in favour of the Amendment will deprive the registered shareholder of further rights under section 185 of the OBCA.

Within 10 days after the adoption of the Amendment by the shareholders, the Corporation is required to notify in writing each shareholder who has filed a Notice of Dissent and has not voted for the Amendment or withdrawn his objection (a “Dissenting Shareholder”) that the Amendment has been adopted. A Dissenting Shareholder shall, within 20 days after he receives notice of adoption of the Amendment or, if he does not receive such notice, within 20 days after he learns that the Amendment has been adopted, send to the Corporation a written notice (the “Demand for Payment”) containing his name and address, the number and class of shares in respect of which he dissents, and a demand for payment of the fair value of such shares. Within 30 days after sending his Demand for Payment, the Dissenting Shareholder shall send the certificates representing the shares in respect of which he dissents to the Corporation or its transfer agent. The Corporation or the transfer agent shall endorse on the share certificates notice that the holder thereof is a Dissenting Shareholder under section 185 of the OBCA and shall forthwith return the share certificates to the Dissenting Shareholder.

If a Dissenting Shareholder fails to send the Notice of Dissent, the Demand for Payment or his share certificates, he has no right to make a claim under section 185 of the OBCA.

After sending a Demand for Payment, a Dissenting Shareholder ceases to have any rights as a holder of the shares in respect of which he has dissented other than the right to be paid the fair value of such shares as determined under section 185 of the OBCA, unless: (i) the Dissenting Shareholder withdraws his Demand for Payment before the Corporation makes a written offer to pay (the “Offer to Pay”); (ii) the Corporation fails to make a timely Offer to Pay to the Dissenting Shareholder and the Dissenting Shareholder withdraws his Demand for Payment; or (iii) the directors of the Corporation revoke the Amendment, in all of which cases the Dissenting Shareholder’s rights as a shareholder are reinstated.

Not later than seven days after the later of the effective date of the amendment of the articles and the day the Corporation receives the Demand for Payment, the Corporation shall send to each Dissenting Shareholder who has sent a Demand for Payment, an Offer to Pay for the shares of the Dissenting Shareholder in respect of which he has dissented in an amount considered by the directors of the Corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined. Every Offer to Pay made to Dissenting Shareholders for shares of the same class shall be on the same terms. The amount specified in an Offer to Pay which has been accepted by a Dissenting Shareholder shall be paid by the Corporation within 10 days of the acceptance, but an Offer to Pay lapses if the Corporation has not received an acceptance thereof within 30 days after the Offer to Pay has been made.

If an Offer to Pay is not made by the Corporation or if a Dissenting Shareholder fails to accept an Offer to Pay, the Corporation may, within 50 days after the effective date of the amendment of the articles or within such further period as a court may allow, apply to the Superior Court of Justice of Ontario (the "court") to fix a fair value for the shares of any Dissenting Shareholder. If the Corporation fails to so apply to the court, a Dissenting Shareholder may apply to the court for the same purpose within a further period of 20 days or within such further period as the court may allow. A Dissenting Shareholder is not required to give security for costs in any application to the court.

Before making application to the court or not later than 7 days after receiving notice of an application to the court by a Dissenting Shareholder, the Corporation shall give to each Dissenting Shareholder who has sent to the Corporation a Demand for Payment and has not accepted an Offer to Pay, notice of the date, place and consequences of the application and of his right to appear and be heard in person or by counsel. A similar notice shall be given to each Dissenting Shareholder who, after the date of the first mentioned notice and before termination of the proceedings commenced by the application, sends the Corporation a Demand for Payment and does not accept an Offer to Pay, such notice to be sent within 3 days thereafter. All such Dissenting Shareholders shall be joined as parties to any such application to the court to fix a fair value and shall be bound by the decision rendered by the court in the proceedings commenced by such application. The court is authorized to determine whether any other person is a Dissenting Shareholder who should be joined as a party to such application.

The court shall fix a fair value for the shares of all Dissenting Shareholders and may in its discretion allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the effective date of the amendment of the articles until the date of payment of the amount ordered by the court. The final order of the court in the proceedings commenced by an application by the Corporation or a Dissenting Shareholder shall be rendered against the Corporation and in favour of each Dissenting Shareholder who, whether before or after the date of the order, sends the Corporation a Demand for Payment and does not accept an Offer to Pay. The cost of any application to a court by the Corporation or a Dissenting Shareholder will be in the discretion of the court. Where, however, the Corporation fails to make an Offer to Pay, the costs of the application by a Dissenting Shareholder are to be borne by the Corporation unless the court otherwise orders.

The above is only a summary of the dissenting shareholder provisions of the OBCA, which are technical and complex. It is suggested that a shareholder of the Corporation wishing to exercise a right to dissent should seek legal advice, as failure to comply strictly with the provisions of the OBCA may result in the loss or unavailability of the right to dissent.



181 Bay Street, Brookfield Place
Suite 300, P.O. Box 762
Toronto, Ontario M5J 2T3
Telephone 416-359-8620
Facsimile 416-365-9642