



Industry Canada Industrie Canada

**Certificate of Arrangement**

**Certificat d'arrangement**

**Canada Business Corporations Act**

**Loi canadienne sur les sociétés par actions**

**IBI Group Inc. / Groupe IBI Inc.**

**757364-2**

\_\_\_\_\_  
Name of CBCA corporation(s) involved -  
Dénomination(s) de la (des) société(s)  
L.C.S.A. concernée(s)

\_\_\_\_\_  
Corporation number - Numéro de la société

I hereby certify that the arrangement set out in the attached articles of arrangement, involving the above-referenced corporation(s), has been effected under section 192 of the *Canada Business Corporations Act*.

Je certifie que l'arrangement mentionné dans les clauses d'arrangement annexées, concernant la (les) société(s) susmentionnée(s), a pris effet en vertu de l'article 192 de la *Loi canadienne sur les sociétés par actions*.

\_\_\_\_\_  
Marcie Girouard  
Director - Directeur

**January 1, 2011 – le 1<sup>er</sup> janvier 2011**

Date of Arrangement – Date de l'arrangement

**Canada**



1 -- Name of the applicant corporation(s) - Dénomination sociale de la(des) requérante(s)  IBI GROUP INC. GROUPE IBI INC.	2 -- Corporation No.(s) - N°(s) de la(des) société(s)  757364-2
3 -- Name of the corporation(s) the articles of which are amended, if applicable Dénomination sociale de la(des) société(s) dont les statuts sont modifiés, le cas échéant  IBI GROUP INC. GROUPE IBI INC.	4 -- Corporation No.(s) - N°(s) de la(des) société(s)  757364-2
5 -- Name of the corporation(s) created by amalgamation, if applicable Dénomination sociale de la(des) société(s) issue(s) de la(des) fusion(s), le cas échéant  n/a	6 -- Corporation No.(s) - N°(s) de la(des) société(s)  n/a
7 -- Name of the dissolved corporation(s), if applicable Dénomination sociale de la(des) société(s) dissoute(s), le cas échéant  n/a	8 -- Corporation No.(s) - N°(s) de la(des) société(s)  n/a
9 -- Name of other corporations involved, if applicable Dénomination sociale des autres sociétés en cause, le cas échéant  IBI Income Fund	10 -- Corporation No.(s) or Jurisdiction of Incorporation N°(s) de la(des) société(s)/ou loi sous le régime de laquelle elle est constituée  n/a

11 -- In accordance with the order approving the arrangement - Conformément aux termes de l'ordonnance approuvant l'arrangement

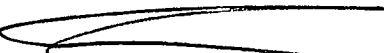
- a.  The articles of the above named corporation(s) are amended in accordance with the attached plan of arrangement  
 Les statuts de la(des) société(s) susmentionnée(s) sont modifiés en conformité avec le plan d'arrangement ci-joint

The name of \_\_\_\_\_ is changed to \_\_\_\_\_

La dénomination sociale de \_\_\_\_\_ est modifiée pour \_\_\_\_\_

- b.  The following bodies corporate are amalgamated in accordance with the attached plan of arrangement  
 Les personnes morales suivantes sont fusionnées conformément au plan d'arrangement ci-joint
- c.  The above named corporation(s) is(are) liquidated and dissolved in accordance with the attached plan of arrangement  
 La(les) société(s) susmentionnée(s) est(sont) liquidée(s) et dissoute(s) conformément au plan d'arrangement ci-joint
- d.  The plan of arrangement attached hereto, involving the above named body(ies), corporate is hereby effected  
 Le plan d'arrangement ci-joint portant sur la(les) personne(s) morale(s) susmentionnée(s) prend effet

The articles of incorporation of IBI Group Inc. are amended in accordance with the attached Schedule A.

Signature 	Printed Name - Nom en lettres moulées Allan J. Kamerman	12 -- Capacity of - En qualité de CFO & Secretary	13 -- Tel. No. - N° de tél. (416) 596-1930
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FOR DEPARTMENTAL USE ONLY - À L'USAGE DU MINISTÈRE SEULEMENT

JAN 01 2011

**SCHEDULE A  
TO ARTICLES OF ARRANGEMENT**

The articles of incorporation (the “**Articles**”) of IBI Group Inc. (the “**Corporation**”) are amended as follows, all in accordance with the plan of arrangement attached hereto:

1. to change the minimum and maximum number of directors set out in item 5 of the Articles to a minimum of 3 and a maximum of 10;
2. to create a new class of shares consisting of an unlimited number of non-participating voting shares (the “**Non-Participating Voting Shares**”), issuable in two series;
3. to provide that the first series of Non-Participating Voting Shares shall consist of an unlimited number of Non-Participating Voting Shares which shall be designated as Non-Participating Voting Shares, Series 1 (the “**Non-Participating Voting Shares, Series 1**”);
4. to provide that the second series of Non-Participating Voting Shares shall consist of an unlimited number of Non-Participating Voting Shares which shall be designated as Non-Participating Voting Shares, Series 2 (the “**Non-Participating Voting Shares, Series 2**”);
5. to provide that, after giving effect to the foregoing, the Corporation is authorized to issue an unlimited number of Non-Participating Voting Shares, issuable in two series, of which the first series shall consist of an unlimited number of Non-Participating Voting Shares, Series 1 and the second series shall consist of an unlimited number of Non-Participating Voting Shares, Series 2, and an unlimited number of common shares (the “**Common Shares**”); and
6. to provide that, subject to the requirements of the Canada Business Corporations Act as now enacted or as the same may from time to time be amended, re-enacted or replaced (the “**Act**”), the rights, privileges, restrictions and conditions (the “**Share Provisions**”) attaching to the Non-Participating Voting Shares, issuable in series, as a class, to the Non-Participating Voting Shares, Series 1, to the Non-Participating Voting Shares, Series 2, and to the Common Shares and are as follows:

**A. Definitions**

“**Affiliated Entity**” means “affiliate” as defined in Ontario Securities Commission Rule 45-501 – Ontario Prospectus and Registration Exemptions as it is constituted as of January 1, 2011.

“**Class B Units**” means the Class B subordinated partnership units of IBI Group.

“**Class 2 Units**” means the Class 2 Units of the Management Partnership.

“**Exchangeable Security**” means a unit, share or other security convertible into or exchangeable for Common Shares or other securities of the Corporation (directly or indirectly) without the payment of additional consideration therefor, whether or not issued by the Corporation.

**“IBI Group”** means IBI Group, a general partnership formed under the laws of the Province of Ontario.

**“Independent Directors”** means the directors who are “independent” (as such term is defined in National Instrument 58-101 – Disclosure of Corporate Governance Practices, as may be amended or replaced from time to time, or any successor instrument to which the Corporation is subject relating to the independence of directors) to the Corporation.

**“Management Partnership”** means IBI Group Management Partnership, a limited partnership established under the laws of the Province of Ontario.

**“Series 1 Directors”** means the directors of the Corporation elected by the holders of the Non-Participating Voting Shares, Series 1 pursuant to subparagraph C.5(a) below.

**B. Non-Participating Voting Shares, Issuable in Series, as a Class**

1. The holders of the Non-Participating Voting Shares as such or of any series thereof as such shall not be entitled to receive any dividends and the directors shall not declare and the Corporation shall not pay any dividends on the Non-Participating Voting Shares or on any series thereof.
2. With respect to priority in the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among shareholders for the purpose of winding-up its affairs, the Non-Participating Voting Shares of each series shall be entitled to preference over the Common Shares.
3. The Non-Participating Voting Shares of each series shall rank on a parity with the Non-Participating Voting Shares of the other series with respect to priority in the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation; whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs.
4. In connection with the issuance of any Exchangeable Securities and the Non-Participating Voting Shares to which they relate, the Corporation may enter into such agreements, including voting agreements, exchange agreements and exchangeable security support agreements as may be necessary or desirable to properly provide for the terms of the Exchangeable Securities, including to provide for voting of such Non-Participating Voting Shares.

**C. Non-Participating Voting Shares, Series 1**

**1. Liquidation, Dissolution or Winding-Up**

In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among shareholders for the purpose of winding-up its affairs, the holders of the Non-Participating Voting Shares, Series 1, in priority to the holders of the Common Shares, shall be entitled to receive from the assets of the Corporation the Series 1 Redemption Price thereof (as hereinafter defined) for each Non-Participating Voting Share, Series 1 held. After payment to the holders of the Non-Participating Voting Shares, Series 1 of the amount so payable to them as above provided

they shall not be entitled to share in any further distribution of the assets of the Corporation.

2. Redemption

At such time as any Class B Unit is no longer outstanding, subject to the requirements of the Act, any Non-Participating Voting Shares, Series 1 to which such Class B Unit is related shall automatically be redeemed by the Corporation for a price of \$0.000001 per Non-Participating Voting Share, Series 1 (the "**Series 1 Redemption Price**"). Upon any such redemption or other purchase or acquisition of a Non-Participating Voting Share, Series 1 by the Corporation, such Non-Participating Voting Share, Series 1 shall be cancelled.

3. Retraction

- (a) Each holder of Non-Participating Voting Shares, Series 1 shall be entitled to require the Corporation to redeem, subject to the requirements of the Act, at any time or from time to time at the demand of such holder of Non-Participating Voting Shares, Series 1 all or any part of the Non-Participating Voting Shares, Series 1 registered in the name of such holder of Non-Participating Voting Shares, Series 1 at the Series 1 Redemption Price per Non-Participating Voting Share, Series 1 payable in accordance with the conditions hereinafter provided.
- (b) To exercise the right of a holder of Non-Participating Voting Shares, Series 1 to require redemption under subparagraph 3(a) above, a duly completed and properly executed notice requiring the Corporation to redeem Non-Participating Voting Shares, Series 1, in a form approved by the directors of the Corporation, specifying the number of Non-Participating Voting Shares, Series 1 to be redeemed, shall be sent to the Corporation at its registered office. No form or manner of completion or execution shall be sufficient unless the same is in all respects satisfactory to the directors of the Corporation and is accompanied by any further evidence that the directors of the Corporation may reasonably require with respect to the identity, capacity or authority of the person giving such notice.
- (c) Upon receipt by the Corporation of the notice to redeem Non-Participating Voting Shares, Series 1, the holder of Non-Participating Voting Shares, Series 1 shall thereafter cease to have any rights with respect to the Non-Participating Voting Shares, Series 1 tendered for redemption (other than to receive the redemption payment therefor). Non-Participating Voting Shares, Series 1 shall be considered to be tendered for redemption on the date that the Corporation has, to the satisfaction of the directors, received the notice and other required documents or evidence as aforesaid.

4. Voting Rights

- (a) Subject to subparagraph 4(b) below, the holders of the Non-Participating Voting Shares, Series 1 shall be entitled to receive notice of and to attend any meeting of the shareholders of the Corporation, except a meeting of holders of a particular class or series of shares other than the Non-Participating Voting Shares, Series 1 who are entitled to vote separately as a class or series at such meeting, and shall be entitled to a number of votes in respect of each Non-Participating Voting Share, Series 1 held at any such meeting equal to the number of Common Shares of the Corporation which may be

obtained upon the exchange of the Class B Units held by each of such holders to which such Non-Participating Voting Share, Series 1 relates.

- (b) Notwithstanding subparagraph 4(a) above, the holders of the Non-Participating Voting Shares, Series 1 shall not be entitled to vote in respect of the election of the Independent Directors of the Corporation.

5. Right to Elect Directors

- (a) The holders of the Non-Participating Voting Shares, Series 1 shall have the exclusive right, voting separately as a series, at any meeting of shareholders of the Corporation at which directors of the Corporation are to be elected, (x) if as at the record date established for the purpose of determining shareholders entitled to vote at the meeting, the Management Partnership and its Affiliated Entities hold in the aggregate at least 20% of the Common Shares then outstanding (calculated for this purpose on the basis that all of the Exchangeable Securities held by such persons have been converted into or exchanged for Common Shares) to nominate and elect three directors of the Corporation, or (y) if as at the record date established for the purpose of determining shareholders entitled to vote at the meeting, the Management Partnership and its Affiliated Entities hold in the aggregate less than 20% but not less than 10% of the Common Shares then outstanding (calculated for this purpose on the basis that all of the Exchangeable Securities held by such persons have been converted into or exchanged for Common Shares), to nominate and elect two directors of the Corporation.
- (b) Provided that the holders of the Non-Participating Voting Shares, Series 1 have the right to elect directors of the Corporation as provided in subparagraph (a) above, the holders of Non-Participating Voting Shares, Series 1 (and only such holders) will be entitled at any time, subject to applicable law, to remove any one or more of the Series 1 Directors and, provided that the holders of the Non-Participating Voting Shares, Series 1 have the right to elect such director as provided in subparagraph (a) above, to nominate and elect a successor director who will, promptly upon the removal of the existing director, be appointed to the board of directors as a director to replace the individual previously elected.
- (c) If as a result of death, disability, retirement, resignation or otherwise but other than as a result of a removal of a director of the Corporation pursuant to subparagraph (b) above, there shall exist or occur a vacancy on the board of directors with respect to a Series 1 Director, provided that the holders of the Non-Participating Voting Shares, Series 1 have the right to elect such director as provided in subparagraph (a) above, the resulting vacancy shall be filled by an individual who is nominated and elected by the holders of the Non-Participating Voting Shares, Series 1.
- (d) The matters provided for in subparagraphs (a), (b) and (c) above shall require approval by ordinary resolution approved by a majority of votes cast by holders of Non-Participating Voting Shares, Series 1 voting separately as a series at a meeting of holders of the Non-Participating Voting Shares, Series 1 or by a resolution in writing signed by all holders of Non-Participating Voting Shares, Series 1 entitled to vote on that resolution.

6. Other Provisions

- (a) Non-Participating Voting Shares, Series 1 shall only be issued in connection with or in relation to Class B Units as the directors of the Corporation determine from time to time.
- (b) Upon a transfer of any Class B Units, the number of Non-Participating Voting Shares, Series 1 to which they relate must be transferred to such transferee. The Non-Participating Voting Shares, Series 1 are not otherwise transferable.

**D. Non-Participating Voting Shares, Series 2**

1. Liquidation, Dissolution or Winding-Up

In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among shareholders for the purpose of winding-up its affairs, the holders of the Non-Participating Voting Shares, Series 2, in priority to the holders of the Common Shares, shall be entitled to receive from the assets of the Corporation the Series 2 Redemption Price thereof (as hereinafter defined) for each Non-Participating Voting Share, Series 2 held. After payment to the holders of the Non-Participating Voting Shares, Series 2 of the amount so payable to them as above provided they shall not be entitled to share in any further distribution of the assets of the Corporation.

2. Redemption

At such time as a Class 2 Unit or other Exchangeable Security is no longer outstanding, subject to the requirements of the Act, such number of Non-Participating Voting Shares, Series 2 to which such Class 2 Unit or other Exchangeable Security is related, shall automatically be redeemed by the Corporation for a price of \$0.000001 per Non-Participating Voting Share, Series 2 (the “**Series 2 Redemption Price**”). Upon any such redemption or other purchase or acquisition of a Non-Participating Voting Share, Series 2 by the Corporation, such Non-Participating Voting Share, Series 2 shall be cancelled.

3. Retraction

- (a) Each holder of Non-Participating Voting Shares, Series 2 shall be entitled to require the Corporation to redeem, subject to the requirements of the Act, at any time or from time to time at the demand of such holder of Non-Participating Voting Shares, Series 2 all or any part of the Non-Participating Voting Shares, Series 2 registered in the name of such holder of Non-Participating Voting Shares, Series 2 at the Series 2 Redemption Price per Non-Participating Voting Share, Series 2 payable in accordance with the conditions hereinafter provided.
- (b) To exercise the right of a holder of Non-Participating Voting Shares, Series 2 to require redemption under subparagraph 3(a) above, a duly completed and properly executed notice requiring the Corporation to redeem Non-Participating Voting Shares, Series 2, in a form approved by the directors of the Corporation, specifying the number of Non-Participating Voting Shares, Series 2 to be redeemed, shall be sent to the Corporation at

its registered office. No form or manner of completion or execution shall be sufficient unless the same is in all respects satisfactory to the directors of the Corporation and is accompanied by any further evidence that the directors of the Corporation may reasonably require with respect to the identity, capacity or authority of the person giving such notice.

- (c) Upon receipt by the Corporation of the notice to redeem Non-Participating Voting Shares, Series 2, the holder of Non-Participating Voting Shares, Series 2 shall thereafter cease to have any rights with respect to the Non-Participating Voting Shares, Series 2 tendered for redemption (other than to receive the redemption payment therefor). Non-Participating Voting Shares, Series 2 shall be considered to be tendered for redemption on the date that the Corporation has, to the satisfaction of the directors, received the notice and other required documents or evidence as aforesaid.

4. Voting Rights

- (a) Subject to subparagraphs 4(b) and (c) below, the holders of the Non-Participating Voting Shares, Series 2 shall be entitled to receive notice of and to attend any meeting of the shareholders of the Corporation, except a meeting of holders of a particular class or series of shares other than the Non-Participating Voting Shares, Series 2 who are entitled to vote separately as a class or series at such meeting, and shall be entitled to a number of votes in respect of each Non-Participating Voting Share, Series 2 held at any such meeting equal to the number of Common Shares of the Corporation which may be obtained upon the exchange of the Class 2 Units or other Exchangeable Securities held by each of such holders to which such Non-Participating Voting Share, Series 2 relates.
- (b) Notwithstanding subparagraph 4(a) above, the holders of the Non-Participating Voting Shares, Series 2 shall not be entitled to vote in respect of the election of the Independent Directors.
- (c) Notwithstanding subparagraph 4(a) above, the holders of the Non-Participating Voting Shares, Series 2 shall not be entitled to vote in respect of the election of the Series 1 Directors.

5. Other Provisions

- (a) Non-Participating Voting Shares, Series 2 may only be issued in connection with or in relation to Class 2 Units or other Exchangeable Securities as the directors of the Corporation determine from time to time.
- (b) Upon a transfer of any Class 2 Units or other Exchangeable Securities, the number of Non-Participating Voting Shares, Series 2 to which they relate must be transferred to such transferee. The Non-Participating Voting Shares, Series 2 are not otherwise transferable.



**E. Common Shares****1. Dividends**

The holders of the Common Shares shall be entitled to receive dividends in such amounts and on such date or dates as may from time to time be determined by the directors of the Corporation.

**2. Liquidation, Dissolution or Winding-Up**

In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among shareholders for the purpose of winding-up its affairs, subject to the prior rights of the holders of the Non-Participating Voting Shares of the Corporation, the holders of the Common Shares shall be entitled to receive the remaining assets of the Corporation.

**3. Voting Rights**

- (a) Subject to subparagraph 3(b) below, the holders of the Common Shares shall be entitled to receive notice of and to attend any meeting of the shareholders of the Corporation, and shall be entitled to one vote in respect of each Common Share held at such meetings, except a meeting of holders of a particular class or series of shares other than the Common Shares who are entitled to vote separately as a class or series at such meeting.
- (b) Notwithstanding subparagraph 3(a) above, the holders of the Common Shares shall not be entitled to vote in respect of the election of the Series 1 Directors.

**F. Other Provisions**

1. Until such time that the Management Partnership and its Affiliated Entities cease to hold in the aggregate at least 10% of the Common Shares then outstanding (calculated for this purpose on the basis that all of the Exchangeable Securities held by such persons have been converted into or exchanged for Common Shares), there shall be seven directors of the Corporation, unless the holders of at least a majority of the then outstanding Non-Participating Voting Shares, Series 1 agree otherwise in writing.
7. to delete from item 7 of the Articles regarding "Other provisions, if any" set out in Schedule 1 thereto the following:
- "2. The number of directors of the Corporation within the minimum and maximum numbers of directors provided for in the articles of the Corporation shall be as determined from time to time by ordinary resolution of the shareholders of the Corporation or, if the ordinary resolution empowers the directors to determine such number, by resolution of the directors of the Corporation.";

and to substitute therefor the following:

“2. Subject to Section F of the Share Provisions, the number of directors of the Corporation within the minimum and maximum numbers of directors provided for in the articles of the Corporation shall be as determined from time to time by resolution of the directors of the Corporation.”

**PLAN OF ARRANGEMENT  
UNDER SECTION 192 OF THE  
CANADA BUSINESS CORPORATIONS ACT**

**INTERPRETATION**

**In this Plan of Arrangement, the following terms have the following meanings:**

- (a) **“Arrangement”**, **“herein”**, **“hereof”**, **“hereto”**, **“hereunder”** and similar expressions mean and refer to the arrangement pursuant to Section 192 of the CBCA set forth in this Plan of Arrangement as may be supplemented, modified or amended, and not to any particular article, section or other portion hereof;
- (b) **“Arrangement Agreement”** means the agreement dated as of July 4, 2010, between the Fund and IBI Group Inc. with respect to the Arrangement as may be supplemented, modified or amended;
- (c) **“Arrangement Resolution”** means the special resolution of the Unitholders approving the Arrangement;
- (d) **“Articles of Arrangement”** means the articles of arrangement in respect of the Arrangement required under Subsection 192(6) of the CBCA to be filed with the CBCA Director after the Final Order has been granted;
- (e) **“Business Day”** means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open in the City of Toronto, in the Province of Ontario, for the transaction of banking business;
- (f) **“CBCA”** means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, including the regulations promulgated thereunder, in either case as amended;
- (g) **“CBCA Director”** means the director appointed under Section 260 of the CBCA;
- (h) **“Certificate of Arrangement”** means the certificate of arrangement which may be issued by the CBCA Director pursuant to Subsection 192(7) of the CBCA upon the filing of the Articles of Arrangement giving effect to the Arrangement;
- (i) **“Court”** means the Ontario Superior Court of Justice;
- (j) **“Effective Date”** means the date the Arrangement is effective under the CBCA;
- (k) **“Effective Time”** means 12:01 a.m. (Toronto time) on the Effective Date or such other time on the Effective Date as may be specified in writing by IBI Group Inc.;
- (l) **“Final Order”** means the final order of the Court approving the Arrangement pursuant to Subsection 192(4) of the CBCA, as such order may be affirmed, amended, modified or supplemented by any court of competent jurisdiction;

- (m) “**Fund**” means IBI Income Fund, an unincorporated, open-ended, limited purpose trust established under the laws of the Province of Ontario pursuant to the Fund Declaration of Trust;
  - (n) “**Fund Declaration of Trust**” means the amended and restated declaration of trust of the Fund made as of August 31, 2004, as same may be amended or restated from time to time;
  - (o) “**Fund Units**” means the trust units of the Fund;
  - (p) “**IBI Group Inc.**” means IBI Group Inc., a corporation incorporated under the CBCA and a wholly-owned subsidiary of the Fund prior to the Effective Time;
  - (q) “**IBI Group Inc. Shares**” means the common shares in the capital of IBI Group Inc.;
  - (r) “**Information Circular**” means the management information circular of the Fund, together with all appendices thereto, distributed to Unitholders in connection with the Meeting;
  - (s) “**Interim Order**” means the interim order of the Court under Subsection 192(4) of the CBCA containing declarations and directions with respect to the Arrangement, as such order may be affirmed, supplemented, modified or amended by any court of competent jurisdiction;
  - (t) “**Meeting**” means the special meeting of Unitholders of the Fund to be held on August 5, 2010 and any adjournment(s) thereof, to, among other things, and consider and vote on the Arrangement Resolution;
  - (u) “**Person**” means and includes individuals, corporations, partnerships, general partnerships, joint stock companies, limited liability corporations, joint ventures, associations, companies, trusts, banks, trust companies, pension funds, business trusts or other organizations, whether or not legal entities, and governments, agencies and political subdivisions thereof;
  - (v) “**Plan of Arrangement**” means this Plan of Arrangement, as from time to time amended, supplemented or restated in accordance with the terms hereof;
  - (w) “**TSX**” means the Toronto Stock Exchange; and
  - (x) “**Unitholders**” means holders from time to time of Fund Units.
- 1.2 The division of this Plan of Arrangement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement.
- 1.3 Unless reference is specifically made to some other document or instrument, all references herein to articles and sections are to articles and sections of this Plan of Arrangement.
- 1.4 Unless the context otherwise requires, words importing the singular number shall include the plural and vice versa; words importing any gender shall include all genders.

- 1.5 References in this Plan of Arrangement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

**ARTICLE 2**  
**ARRANGEMENT AGREEMENT**

- 2.1 This Plan of Arrangement is made pursuant to, and is subject to the provisions of, and forms part of, the Arrangement Agreement.
- 2.2 This Plan of Arrangement, upon the filing of the Articles of Arrangement and the issue of the Certificate of Arrangement, if any, shall become effective on, and be binding on and after, the Effective Time on: (i) Unitholders; (ii) the Fund; and (iii) IBI Group Inc.
- 2.3 The Articles of Arrangement and Certificate of Arrangement shall be filed and issued, respectively, with respect to this Arrangement in its entirety. The Certificate of Arrangement shall be conclusive evidence that the Arrangement has become effective and that each of the provisions of Article 3 has become effective in the sequence set out therein.
- 2.4 Other than as expressly provided for herein, no portion of this Plan of Arrangement shall take effect with respect to any party or Person until the Effective Time. Furthermore, each of the events listed in Article 3 shall be, without affecting the timing set out in Article 3, mutually conditional, such that no event described in said Article 3 may occur without all steps occurring, and those events shall effect the integrated transaction which constitutes the Arrangement.

**ARTICLE 3**  
**ARRANGEMENT**

- 3.1 Commencing at the Effective Time, each of the events set out below shall occur and shall be deemed to occur in the following order without any further act or formality except as otherwise provided herein:

(a) **Amendment to the Articles of IBI Group Inc.**

The Articles of Incorporation of IBI Group Inc. shall be amended to the extent necessary to facilitate the Arrangement, including to provide that the minimum number of directors of IBI Group Inc. shall be three and the maximum number of directors of IBI Group Inc. will be ten.

(b) **Redemption of the Non-Participating Voting Units and Issuance of Non-Participating Voting Shares**

The non-participating voting units of the Fund will be redeemed by the Fund and the holders will each subscribe for the same number of non-participating voting shares of IBI Group Inc. as the number of non-participating voting units they currently hold.

(c) **Exchange of Fund Units for IBI Group Inc. Shares**

The Fund Units held by Unitholders shall be transferred to IBI Group Inc., free and clear of any claims, solely in consideration for IBI Group Inc. Shares on the basis of one IBI Group Inc. Share for each Fund Unit so transferred.

(d) **Reduction of Stated Capital of IBI Group Inc.**

There shall have been added to the stated capital account maintained for the IBI Group Inc. Shares of IBI Group Inc. an amount determined by the directors of IBI Group Inc. in accordance with Section 25 of the CBCA in respect of the IBI Group Inc. Shares issued under the Arrangement, and IBI Group Inc. shall be authorized to subsequently reduce its stated capital in an amount determined by the directors of IBI Group Inc., in accordance with Section 38(1) of the CBCA.

(e) **Cancellation of the Initial IBI Group Inc. Share**

The one common share of IBI Group Inc. issued to the Fund in connection with the organization of IBI Group Inc. shall be purchased for cancellation by IBI Group Inc. for consideration of \$1.00 and shall be cancelled.

**ARTICLE 4**

**OUTSTANDING CERTIFICATES AND FRACTIONAL SECURITIES**

- 4.1 From and after the Effective Time, any certificates formerly representing Fund Units shall represent only the right to receive IBI Group Inc. Shares in respect thereof as provided in this Plan of Arrangement.
- 4.2 No fractional IBI Group Inc. Shares, and no certificates representing fractional IBI Group Inc. Shares, shall be issued pursuant to the Plan of Arrangement.

**ARTICLE 5**

**AMENDMENTS**

- 5.1 The Fund and IBI Group Inc. may amend this Plan of Arrangement at any time and from time to time prior to the Effective Time, subject to the Interim Order and Sections 6.2, 6.3 and 6.4, provided that each such amendment must be: (i) set out in writing; and (ii) approved by the other parties to the Arrangement Agreement.
- 5.2 Subject to Section 6.3 and the Interim Order, any supplement, modification or amendment to this Plan of Arrangement may be made prior to the Effective Time by the Fund and IBI Group Inc. (or, following the Effective Time, by IBI Group Inc.) without the approval of the Court or the Unitholders, provided that it concerns a matter which, in the reasonable opinion of the Fund and IBI Group Inc. (or, following the Effective Time, IBI Group Inc.), is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement or is not adverse to the financial or economic interests of any former holder of Fund Units.
- 5.3 Subject to the Interim Order, any amendment to this Plan of Arrangement may be proposed by the Fund or IBI Group Inc. at any time prior to or at the Meeting (provided that the other party to the Arrangement Agreement shall have consented thereto) with or without any prior notice or communication to Unitholders, provided that if any such amendment would, if disclosed,

reasonably be expected to affect a Unitholder's decision to vote for or against the Arrangement Resolution, notice of such amendment shall be distributed by press release, newspaper advertisement, prepaid ordinary mail or by the method most reasonably practicable in the circumstances that the parties to the Arrangement Agreement may determine, and if so proposed and accepted by the Persons voting at the Meeting shall become part of this Plan of Arrangement for all purposes.

- 5.4 Subject to Section 6.2 and the Interim Order, the Fund and IBI Group Inc. may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time after the Meeting and prior to the Effective Time, provided such amendment is subject to review, and any further direction by the Court.

## **ARTICLE 6**

### **GENERAL**

- 6.1 Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order to further document or evidence any of the transactions or events set out herein.
- 6.2 If, prior to the Effective Date, any term or provision of this Plan of Arrangement is held by the Court to be invalid, void or unenforceable, the Court, at the request of any party, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Plan of Arrangement shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation.
- 6.3 This Plan of Arrangement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Any questions as to the interpretation or application of this Plan of Arrangement and all proceedings taken in connection with this Plan of Arrangement and its provisions shall be subject to the exclusive jurisdiction of the Court.



## Certificate of Incorporation

*Canada Business Corporations Act*

## Certificat de constitution

*Loi canadienne sur les sociétés par actions*

IBI Group Inc.  
Groupe IBI Inc.

Corporate name / Dénomination sociale

757364-2

Corporation number / Numéro de société

I HEREBY CERTIFY that the above-named corporation, the articles of incorporation of which are attached, is incorporated under the *Canada Business Corporations Act*.

JE CERTIFIE que la société susmentionnée, dont les statuts constitutifs sont joints, est constituée en vertu de la *Loi canadienne sur les sociétés par actions*.

Aïssa Aomari

Deputy Director / Directeur adjoint

2010-06-30

Date of Incorporation (YYYY-MM-DD)  
Date de constitution (AAAA-MM-JJ)





**FORM 1**  
**ARTICLES OF INCORPORATION**  
**(SECTION 6)**

**FORMULAIRE 1**  
**STATUTS CONSTITUTIFS**  
**(ARTICLE 6)**

**Form 1**

1 – Name of the Corporation Dénomination sociale de la société  
 IBI GROUP INC.  
 GROUPE IBI INC.

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2 – The province or territory in Canada where the registered office is situated (do not indicate the full address) La province ou le territoire au Canada où est situé le siège social (n'indiquez pas l'adresse complète)  
 Province of Ontario

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3 – The classes and any maximum number of shares that the corporation is authorized to issue Catégories et tout nombre maximal d'actions que la société est autorisée à émettre  
 The Corporation is authorized to issue an unlimited number of common shares.

4 – Restrictions, if any, on share transfers Restrictions sur le transfert des actions, s'il y a lieu  
 None.

5 – Minimum and maximum number of directors (for a fixed number of directors, please indicate the same number in both boxes) Nombre minimal et maximal d'administrateurs (pour un nombre fixe, veuillez indiquer le même nombre dans les deux cases)

Minimum:  Maximum:  Minimal:  Maximal:

6 – Restrictions, if any, on the business the corporation may carry on Limites imposées à l'activité commerciale de la société, s'il y a lieu  
 None.

7 – Other provisions, if any Autres dispositions, s'il y a lieu  
 The annexed Schedule 1 is incorporated in this form.

8 – **Incorporator's Declaration:** I hereby certify that I am authorized to sign and submit this form. **Déclaration des fondateurs :** J'atteste que je suis autorisé à signer et à soumettre le présent formulaire.

Print Name(s) - Nom(s) en lettres moulées	Signature
Allan J. Kamerman	

**Note:**  
 Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

**Nota :**  
 Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ ou d'un emprisonnement maximal de six mois, ou de ces deux peines (paragraphe 250(1) de la LCSA).