



Gouvernement du Québec
L'Inspecteur général
des institutions financières

CERTIFICAT D'ENREGISTREMENT
Loi sur les compagnies
(L.R.Q., chap. C-38)

Partie IA

*J'atteste par les présentes que la copie
qui accompagne le présent certificat est
une copie authentique de l'original d'un
document concernant*

LES INDUSTRIES DOREL INC.

*et que cette copie a été enregistrée
le 1991 09 23
au libro S-2553 , folio 61*



Jean-Louis Bevilacqua
Inspecteur général des institutions financières

2627-5297



Gouvernement du Québec
L'inspecteur général
des institutions financières

CERTIFICAT DE MODIFICATION
Loi sur les compagnies
(L.R.Q., chap. C-38)

Partie IA

J'atteste par les présentes que la compagnie

LES INDUSTRIES DOREL INC.

*a modifié ses statuts, sous l'autorité de
la partie IA de la Loi sur les compagnies,
tel qu'indiqué dans les statuts de modifi-
cation ci-joints.*

Le 1991 09 23



Jean-Louis Bevilacqua
Inspecteur général des institutions financières

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SCHEDULE A

SHARE CAPITAL

I- AMENDMENT

The share capital of the Company, currently comprised of an unlimited number of common shares and an unlimited number of preferred shares, all without nominal or par value, is hereby amended:

- (i) by creating an unlimited number of shares designated as "Class A Multiple Voting Shares" and an unlimited number of shares designated as "Class B Subordinate Voting Shares", all without nominal or par value;
- (ii) by converting each issued and outstanding common share into decimal point five (0.5) Class A Multiple Voting Share and decimal point five (0.5) Class B Subordinate Voting Share, subject to the condition that any fractional shares resulting from such conversion shall be combined and issued as one (1) Class B Subordinate Voting Share;
- (iii) by cancelling the existing class of common shares; and
- (iv) by deleting the words "common shares" from the Articles of the Company as they relate to the preferred shares of the Company and by substituting therefor the words "Class A Multiple Voting Shares and Class B Subordinate Voting Shares".

The rights, privileges, restrictions and conditions attaching to the Class A Multiple Voting Shares and to the Class B Subordinate Voting Shares are set forth hereinbelow, together with the Articles of the Company as they relate to the preferred shares, as hereinabove amended.

II- RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHING TO THE CLASS A MULTIPLE VOTING SHARES AND CLASS B SUBORDINATE VOTING SHARES

A. Dividends

Subject to the prior rights of any other shares ranking senior to the Class A Multiple Voting Shares and to the Class B Subordinate Voting Shares in respect of priority in the payment of dividends, the holders of Class A Multiple Voting Shares and the holders of Class B Subordinate Voting Shares shall be entitled to participate equally, share for share, at the same time, in any dividend, whether in cash, in shares of the Company or otherwise, which may be declared or paid on either class of such shares, including, without limitation, with respect to the amount per share of the dividend.

B. Winding-up

In the event of the liquidation, dissolution or winding-up of the Company, or other distribution of assets among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary, all the remaining property of the Company available for distribution to the holders of the Class A Multiple Voting Shares and to the holders of the Class B Subordinate Voting Shares shall, subject to the prior rights of any other shares ranking senior to the Class A Multiple Voting Shares and to the Class B Subordinate Voting Shares in respect of any such distribution on liquidation, dissolution or winding-up of the Company or other distribution of assets among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary, be paid or distributed equally, share for share, to the holders of the Class A Multiple Voting Shares and to the holders of the Class B Subordinate Voting Shares, without preference or distinction.

C. Voting Rights

At all meetings of shareholders of the Company, except meetings at which only holders of another class of shares are entitled to vote, the holders of the Class A Multiple Voting Shares shall be entitled to ten (10) votes in respect of each Class A Multiple Voting Share and the holders of Class B Subordinate Voting Shares shall be entitled to one (1) vote in respect of each Class B Subordinate Voting Share, except that the holders of the Class B Subordinate Voting Shares shall be entitled to ten (10) votes in respect of each Class B Subordinate Voting Share on any vote in respect of the liquidation, dissolution or winding-up of the Company or the sale, lease or exchange of all or substantially all of its property.

D. Rights Preserved

In the event that either the Class A Multiple Voting Shares or the Class B Subordinate Voting Shares are at any time subdivided, consolidated or otherwise changed in number or reclassified or exchanged for the shares of another class, the rights, privileges and restrictions attaching to the shares of the other class shall be amended at the same time so as to preserve the rights conferred hereby on each class in relation to the other class.

E. Right to Convert Class A Multiple Voting Shares

The holders of the Class A Multiple Voting Shares shall be entitled to convert their Class A Multiple Voting Shares into fully paid and non-assessable Class B Subordinate Voting Shares, at their option, at all times on the basis of one (1) Class B Subordinate Voting Share for each Class A Multiple Voting Share so converted.

To exercise such conversion right a shareholder or his attorney duly authorized in writing shall:

- (i) give written notice to the Transfer Agent, as that term is defined in sub-paragraph F(1) below, of the exercise of such right and of the number of Class A Multiple Voting Shares in respect of which the right is being exercised;
- (ii) deliver to the Transfer Agent, as that term is defined in sub-paragraph F(1) below, the share certificate or certificates representing the Class A Multiple Voting Shares in respect of which the right is being exercised; and
- (iii) pay any governmental or other tax imposed on or in respect of such conversion.

Upon due exercise of the conversion right, the Company shall issue a share certificate representing the number of fully-paid and non-assessable Class B Subordinate Voting Shares determined on the basis set out above. If the conversion right is exercised in respect of less than all of the Class A Multiple Voting Shares represented by any share certificate, the Company shall also issue a new share certificate representing the number of Class A Multiple Voting Shares in respect of which the conversion right is not being exercised.

F. Right to Convert Class B Subordinate Voting Shares

- (1) For the purposes of this Article F:

"Conversion Period" means the period of time commencing on the eighth day after the Offer Date and terminating on the Expiry Date;

"Converted Shares" means Class A Multiple Voting Shares resulting from the conversion of Class B Subordinate Voting Shares into Class A Multiple Voting Shares pursuant to paragraph (2);

"Exclusionary Offer" means an offer to purchase Class A Multiple Voting Shares that:

- (i) must, pursuant to applicable securities legislation or the requirements of a stock exchange on which the Class A Multiple Voting Shares are then listed, be made to all or substantially all of the holders of the Class A Multiple Voting Shares in a province of Canada to which the requirement applies; and
- (ii) is not made concurrently with an offer to purchase Class B Subordinate Voting Shares that is identical to the offer to purchase Class A Multiple Voting Shares with respect to price per share, percentage of outstanding shares for which the offer is made (exclusive of shares owned by the offeror immediately prior to the offer) and in all other material respects, except in respect of the conditions, if any, to which the offer to purchase Class A Multiple Voting Shares may be subject, and that is unconditional except in respect of the right not to take up and pay for Class B Subordinate Voting Shares tendered if no shares are purchased pursuant to the offer for the Class A Multiple Voting Shares

and for the purposes of this definition, if an offer to purchase Class A Multiple Voting Shares would be an Exclusionary Offer except for the application of sub-clause (ii), 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 Class B Subordinate Voting Shares;

"Expiry Date" means the last date upon which holders of Class A Multiple Voting Shares may accept an Exclusionary Offer;

"Joint Actor" has the meaning given to that term in the *Securities Act* (Quebec) as amended from time to time;

"Offer Date" means the date on which an Exclusionary Offer is made;

"Offeror" means a person or company that makes an offer to purchase Class A Multiple Voting Shares, and includes any Joint Actor;

"Transfer Agent" means the transfer agent for the time being of the Class A Multiple Voting Shares.

- (2) Subject to paragraph (5), upon an Exclusionary Offer being made, each outstanding Class B Subordinate Voting Share shall be convertible into one Class A Multiple Voting Share at the option of the holder during the Conversion Period. To exercise such conversion right a shareholder or his attorney duly authorized in writing shall:
- (i) give written notice to the Transfer Agent of the exercise of such right and of the number of Class B Subordinate Voting Shares in respect of which the right is being exercised;
 - (ii) deliver to the Transfer Agent the share certificate or certificates representing the Class B Subordinate Voting Shares in respect of which the right is being exercised; and
 - (iii) pay any governmental or other tax imposed on or in respect of such conversion.

Upon due exercise of the conversion right, a shareholder shall be entitled to be issued, in accordance with paragraph (4), a share certificate representing fully-paid Class A Multiple Voting Shares. If the conversion right is exercised in respect of less than all of the Class B Subordinate Voting Shares represented by any share certificate, the holder shall also be entitled to receive a new share certificate representing the number of Class B Subordinate Voting Shares in respect of which the conversion right is not being exercised.

- (3) A holder of Converted Shares shall be deemed to have irrevocably elected to deposit all such shares pursuant to the Exclusionary Offer. If Converted Shares are subsequently withdrawn from an offer, the holder of such shares shall be deemed to have irrevocably elected to convert the withdrawn shares into Class B Subordinate Voting Shares, and the deemed election shall be effective from the time the shares are withdrawn. The holder of Converted Shares deposited pursuant to an Exclusionary Offer shall be deemed to have irrevocably elected to convert into Class B Subordinate Voting Shares such shares as are not taken up pursuant to the offer. The deemed election in respect of such shares shall be effective from the time immediately following that prescribed by applicable securities legislation for the Offeror to take up and pay for such shares as are to be acquired pursuant to the Exclusionary Offer. If, however, Converted Shares are not taken up as a

result of the abandonment or withdrawal of an Exclusionary Offer, the deemed election in respect of such shares shall be effective from the time of the abandonment or withdrawal of the offer. If Converted shares are taken up pursuant to the terms of an Exclusionary Offer, such shares shall be deemed to be converted into Class B Subordinate Voting Shares effective from the time immediately following that prescribed by applicable securities legislation for the Offeror to take up and pay for such shares as are to be acquired pursuant to the offer.

- (4) The Transfer Agent, on behalf of the holders of the Converted Shares, shall deposit pursuant to the Exclusionary Offer a share certificate or certificates representing the Converted Shares. No share certificate representing Converted Shares shall be delivered to the holders of the shares before such shares are deposited pursuant to the Exclusionary Offer. Upon completion of the offer, the Transfer Agent shall deliver to the holders entitled thereto all consideration paid by the Offeror for their Converted Shares pursuant to the offer. If Converted Shares are converted into Class B Subordinate Voting Shares pursuant to paragraph (3), the Transfer Agent shall deliver to the holders entitled thereto share certificates representing the Class B Subordinate Voting Shares resulting from the conversion. The Company shall make all arrangements with the Transfer Agent necessary or desirable to give effect to this paragraph (4).

- (5)(a) For the purposes of this paragraph (5):

"Certificate of Non-Participation" means a certificate signed by or on behalf of a holder of Class A Multiple Voting Shares, confirming:

- (i) the number of Class A Multiple Voting Shares owned by the shareholder;
- (ii) that neither such shareholder nor a Joint Actor has made an Exclusionary Offer;
- (iii) that such shareholder shall not tender any shares in acceptance of any Exclusionary Offer which has been made, including any varied form of such offer, without giving the Transfer Agent and the Secretary of the Company written notice of such acceptance or intended acceptance at least seven days prior to the Expiry Date; and

- (iv) that such shareholder shall not transfer any Class A Multiple Voting Shares, directly or indirectly, prior to the Expiry Date of any Exclusionary Offer which has been made without at least seven days prior to the Expiry Date giving the Transfer Agent and the Secretary of the Company written notice of such transfer or intended transfer, stating the names of the transferees, if known to the transferor, and the number of Class A Multiple Voting Shares transferred or to be transferred to each transferee;

"Certificate of Retention" means a certificate signed by or on behalf of a holder of Class A Multiple Voting Shares confirming the number of Class A Multiple Voting Shares then owned by the holder and that such holder of Class A Multiple Voting Shares shall not:

- (i) tender any shares in acceptance of any Exclusionary Offer without giving the Transfer Agent and the Secretary of the Company written notice of such acceptance or intended acceptance at least seven days prior to the Expiry Date;
- (ii) make any Exclusionary Offer;
- (iii) act jointly or in concert with any person or company that makes any Exclusionary Offer; or
- (iv) transfer any Class A Multiple Voting Shares, directly or indirectly, during the time at which any Exclusionary Offer is outstanding without at least seven days prior to the Expiry Date giving the Transfer Agent and the Secretary of the Company written notice of such transfer or intended transfer, stating the names of the transferees, if known to the transferor, and the number of Class A Multiple Voting Shares transferred or to be transferred to each transferee;

"Notice of Tender" means a written notice given to the Transfer Agent and to the Secretary of the Company at least seven days prior to the Expiry Date of an Exclusionary Offer by a holder of Class A Multiple Voting Shares, which notice states that such shareholder has or intends to tender shares in acceptance of an Exclusionary Offer;

"Notice of Transfer" means a written notice given to the Transfer Agent and to the Secretary of the Company at least seven days prior to the Expiry Date of an Exclusionary Offer by a holder of Class A Multiple Voting Shares, which notice states that such shareholder intends to transfer or has transferred Class A Multiple Voting Shares, directly or indirectly, during the time when the Exclusionary Offer is outstanding, and which states the names of the transferees, if known to the transferor, and the number of Class A Multiple Voting Shares transferred or to be transferred to each transferee;

- (b) Subject to sub-paragraph (5)(c), the holders of Class B Subordinate Voting Shares shall not be entitled to convert such shares into Class A Multiple Voting Shares if one or more Certificates of Retention or one or more Certificates of Non-Participation or a combination of the foregoing, representing, in the aggregate, more than fifty percent (50%) of the then outstanding Class A Multiple Voting Shares, exclusive of shares owned immediately prior to the Exclusionary Offer by the Offeror and any Joint Actor, have been duly delivered to the Transfer Agent and to the Secretary of the Company. A Certificate of Retention shall be duly delivered to the Transfer Agent and to the Secretary of the Company if delivered before any Exclusionary Offer has been made. A Certificate of Non-Participation shall be duly delivered to the Transfer Agent and to the Secretary of the Company if delivered before the end of the seventh day after any Exclusionary Offer has been made.
- (c) Should a Notice of Tender or a Notice of Transfer be given when, by reason of the application of sub-paragraph (5)(b), the holders of Class B Subordinate Voting Shares are not entitled to convert such shares into Class A Multiple Voting Shares, the Transfer Agent shall forthwith upon receipt of such notice or forthwith after the seventh day following the Offer Date, whichever is later, deduct the number of Class A Multiple Voting Shares to which the notice relates from the number of Class A Multiple Voting Shares represented by Certificates of Retention and Certificates of Non-Participation, except that in the case of a Notice of Transfer, if the Transfer Agent is advised of the identity of the transferee, either by the Notice of Transfer or by the transferee in writing, and the transferee is a person or company from whom the Transfer Agent has a subsisting Certificate of Retention or subsisting Certificate of Non-Participation, no such deduction shall be made. If after any deduction made by the Transfer Agent in accordance with this paragraph, the number of Class A Multiple Voting Shares represented by Certificates of Retention and Certificates of

Non-Participation does not exceed 50% of the number of then outstanding Class A Multiple Voting Shares, exclusive of shares owned immediately prior to the offer by the Offeror and any Joint Actor, sub-paragraph (5)(b) shall cease to apply and the right to convert Class B Subordinate Voting Shares into Class A Multiple Voting Shares shall arise and be in effect for the remainder of the Conversion Period.

- (6) As soon as reasonably possible after the seventh day following the Offer Date, the Company shall send to each holder of Class B Subordinate Voting Shares a notice advising each such holder whether a right to convert Class B Subordinate Voting Shares into Class A Multiple Voting Shares has arisen and the reasons such a right has or has not arisen, as the case may be. If no right to convert Class B Subordinate Voting Shares into Class A Multiple Voting Shares has arisen, but subsequently arises, by virtue of sub-paragraph (5)(c) or otherwise, the Company shall forthwith send to the holders of Class B Subordinate Voting Shares a notice advising such holders that such a right has arisen, and the reasons therefor.
- (7) If a notice referred to in paragraph (6) discloses that the holders of Class B Voting Shares are entitled to convert such shares into Class A Multiple Voting Shares, the notice shall, in addition:
- (i) disclose the procedure to be followed to effect the conversion and to have the Converted Shares tendered under the offer;
 - (ii) contain the information set out in paragraph (3); and
 - (iii) be accompanied by a copy of the offer and all other material sent to holders of Class A Multiple Voting Shares in respect of the offer.
- As soon as reasonably possible after any additional material, including any notice of variation, is sent to the holders of Class A Multiple Voting Shares in respect of the offer, the Company shall send a copy of such additional material to each holder of Class B Subordinate Voting Shares.
- (8) Prior to or forthwith after sending any notice referred to in paragraph (6), the Company shall cause a press release to be issued to a Canadian national news-wire service, describing the contents of such notice.

III- PREFERRED SHARES

The rights, privileges, restrictions and conditions attaching to the preferred shares shall be as follows:

A. Issue

The preferred shares may at any time and from time to time be issued in one or more series, each series to consist of such number of shares as may, before the issue thereof, be determined by resolution of the Board of Directors of the Company.

B. Attributes of Series

The Board of Directors of the Company shall, by resolution duly passed before the issue of any preferred shares of any series, determine the designation, rights, privileges, restrictions and conditions to be attached to the preferred shares of such series, including, but without in any way limiting or restricting the generality of the foregoing, the rate of preferential dividends, the dates of payment thereof, the terms and conditions of redemption, if any, and conversion rights, if any, the whole as may be confirmed and declared by Articles of Amendment. Notwithstanding the foregoing, no preferred shares shall have attached to them any right to vote at any meeting of shareholders other than as provided for pursuant to the *Companies Act* (Quebec).

C. "Redemption Price"

For the purposes hereof, the term "redemption price" for any preferred shares shall mean:

- (i) where such share was issued for money, the amount for which such share was issued; or
- (ii) where such share was issued in whole or in part for a consideration other than money, then the amount in money (if any) paid for the issue of such shares, plus an amount equal to the fair market value of such other consideration received; such fair market value shall be calculated as at the date of issue of such share and shall be determined in accordance with recognized standards of valuation.

The redemption price shall be reduced by the amount of any return of capital paid to the holder of any preferred share as of the date of such return of capital.

D. Rank

The preferred shares of each series shall, with respect to priority in payment of dividends and in the distribution of assets in the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among shareholders for the purpose of winding-up its affairs, be entitled to a preference over the Class A Multiple Voting Shares and Class B Subordinate Voting Shares of the Company and over any other shares ranking junior to the preferred shares and the preferred shares of each series shall also be given such other preferences over the Class A Multiple Voting Shares and Class B Subordinate Voting Shares and any other shares ranking junior to the preferred shares as may be determined as to their respective series authorized to be issued.

E. Equality of Series

The preferred shares of each series shall rank on a parity with the preferred shares of every other series with respect to priority in payment of dividends and in the distribution of assets in the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding-up its affairs.

F. Preference on Winding-up

In the event of the liquidation, dissolution or winding-up of the Company or any other distribution of assets of the Company among its shareholders for the purpose of winding-up its affairs, the holders of the preferred shares of each series shall be entitled to receive, before any distribution of the assets is made among the holders of the Class A Multiple Voting Shares and Class B Subordinate Voting Shares and any other class of shares ranking junior to the preferred shares, an amount equal to the redemption price for such shares plus an amount equal to any dividends declared thereon but unpaid and no more.

G. Amendment

Subject to the issuance of a certificate of amendment by L'Inspecteur général des institutions financières the Company may at any time or times or from time to time enact a By-Law whereby all or any of the rights, privileges, restrictions, conditions and limitations attaching to or affecting the preferred shares may be amended, modified, altered and/or repealed, or the application thereof suspended in any particular case, but no such By-Law shall be effective or acted upon unless and until it has been sanctioned by the affirmative vote of the holders of not less than two-thirds (2/3) of the preferred shares represented and voted at a meeting duly called for considering the same, in addition to such other vote of other classes of shareholders as may be required by the *Companies Act* (Quebec).