

This **Amalgamation Agreement** made as of the ● day of ●.

Between:

Ex1 Corporation Inc., a corporation incorporated under the laws of the Province of Ontario ("**Ex1**"),

- and -

Ex2 Corporation Inc., a corporation incorporated under the laws of the Province of Ontario ("**Ex2**"),

- and -

Ex3 Corporation Inc., a corporation incorporated under the laws of the Province of Ontario ("**Ex3**").

Background

- A. Under the authority contained in the *Business Corporations Act* Ex1, Ex2 and Ex3 (the "**Amalgamating Corporations**") desire to amalgamate to continue as one corporation effective as of ●;
- B. The Amalgamating Corporations have each made full disclosure to one another of their respective assets and liabilities;
- C. The issued capital of Ex1 consists of ●;
- D. The issued capital of Ex2 consists of ●;
- E. The issued capital of Ex3 consists of ●; and
- F. None of the issued shares of the Amalgamating Corporations are held by or on behalf of any of the other Amalgamating Corporations.

Now Therefore This Agreement Witnesseth that in consideration of the mutual covenants contained herein the parties agree as follows:

Article 1 - Definitions

1.1 In this Agreement:

- (a) "**Act**" means the *Business Corporations Act* (Ontario) as amended or re-enacted from time to time;

- (b) **"Amalgamation Agreement"** or **"Agreement"** means this Agreement;
- (c) **"Amalgamating Corporations"** means Ex1, Ex2 and Ex3 and **"Amalgamating Corporation"** means any one of them; and
- (d) **"Corporation"** means the corporation continuing from the amalgamation of the Amalgamating Corporations.

Article 2 - Agreement to Amalgamate

2.1 **Amalgamation/Effective Date.** Each of the Amalgamating Corporations hereby agrees to amalgamate pursuant to Sections 174 and 175 of the Act and to continue as the Corporation effective on ● on the terms and conditions set out in this Agreement.

Article 3 - Organization

3.1 **Name.** The name of the Corporation shall be ● **Inc.**

3.2 **Business.** There shall be no restrictions on the business that the Corporation may carry on or the powers that the Corporation may exercise.

3.3 **Registered Office.** The registered office of the Corporation shall be in the City of Toronto, in the Province of Ontario.

3.4 **Address of Registered Office.** The address of the registered office shall be ● Drive, Toronto, Ontario ●.

3.5 **Authorized Capital.** The Corporation shall be authorized to issue an unlimited number of common and unlimited number of Class A preferred shares, all without nominal or par value.

3.6 **Attributes of the Authorized Classes of Shares.** The rights, privileges, restrictions and conditions attaching to the common and Class A preferred shares which the Corporation shall be authorized to issue are set forth in the Articles of Amalgamation.

3.7 **Restrictions on Transfer.** The right to transfer shares of the Corporation shall be restricted in that no shares shall be transferred without the consent of the board of directors, which consent may be given by a resolution passed at a meeting of the board of directors or by a resolution in writing signed by all of the directors.

3.8 **By-Laws.** The by-laws of Ex1 shall, so far as applicable and subject to the provisions of the Act, be the by-laws of the Corporation, until repealed, amended, altered or added to. A copy of such by-laws may be examined at ● , Toronto, Ontario ●.

3.9 **Banking.** In order to provide for the subsequent management and operation of the Corporation, the banking and borrowing by-laws and resolutions of Ex 1 shall continue in full force and effect as the banking and borrowing by-laws and resolutions of the Corporation, until repealed or amended.

3.10 **Directors.** The Board of Directors of the Corporation, until otherwise changed, shall consist of such number of directors that is not less than 1 and not more than 10 as shall be determined from time to time by special resolution. Initially, there shall be 2 directors who shall be the persons named below:

| Name | Address | Canadian Resident |
|-------------|-----------------------|--------------------------|
| ● | ● Toronto, Ontario | Yes |
| ● | ● Toronto, Ontario | Yes |

Article 4 - Issued Capital

4.1 **Conversion.** Upon the amalgamation becoming effective the authorized and issued shares of EX1, Ex2 and Ex3 shall be converted into authorized and issued shares of the Corporation as follows:

- (a) the 1,000 Class A preferred shares of Ex1 shall be converted share for share into 1,000 issued and fully paid Class A preferred shares of the Corporation and the 100 issued common shares of Ex1 shall be converted into 200 issued and fully paid common shares of the Corporation on the basis of two shares of the Corporation for each common share of Ex1;
- (b) the 3,000 Class A preferred shares of Ex2 shall be converted share for share into 3,000 issued and fully paid Class A preferred shares of the Corporation, the 5,000 Class B preferred shares of Ex2 shall be converted into 15,000 Class A preferred shares of the Corporation on the basis of three shares of the Corporation for each share of Ex2, and the 500 issued common shares of Ex2 shall be converted into 1,000 issued and fully paid common shares of the Corporation on the basis of two shares of the Corporation for each common share of Ex2;
- (c) the 350 Class A preferred shares of Ex3 shall be converted into 175 Class A preferred shares of the Corporation on the basis of one share of the Corporation for every two shares of Ex3 and the 100 issued common shares of Ex3 shall be converted share for share into 100 issued and fully paid common shares of the Corporation.

4.2 **Stated Capital.** In respect of the shares of its capital stock that it will issue as a result of the share conversions described in paragraph 4.1, the Corporation shall add to its stated capital as follows:

| Shares of Corporation Issued | Stated Capital |
|-------------------------------------|-----------------------|
| 19,175 Class A Preferred | ● |
| 1,300 common | ● |

4.3 **Share Certificates.** After the issue by the "Director", as that term is defined in the Act, of a certificate of amalgamation in respect of the articles of amalgamation to be filed in respect of this Agreement, and upon the surrender of the certificates representing the Ex1 Class A preferred shares and common shares, the Ex2 Class A preferred shares, Class B preferred shares and common shares and the Ex3 Class A preferred shares and common shares, such certificates shall be cancelled and the holders of record thereof immediately prior to the amalgamation becoming effective shall be entitled to receive certificates representing the shares in the capital of the Corporation into which the shares represented by the certificates so surrendered are converted on the basis described in this Article 4.

Article 5 - Implementation

5.1 **Effect.** Upon the amalgamation becoming effective:

- (a) Ex1, Ex2 and Ex2 are amalgamated and continue as one corporation under the terms and conditions prescribed in this Agreement;
- (b) Ex1, Ex2 and Ex3 cease to exist as entities separate from the Corporation;
- (c) the Corporation shall possess all the property, rights, privileges and franchises and shall be subject to all liabilities, including civil, criminal and quasi-criminal and all contracts, disabilities and debts of the Amalgamating Corporations;
- (d) a conviction against, or ruling, order or judgment in favour of or against any of the Amalgamating Corporations may be enforced by or against the Corporation;
- (e) the articles of amalgamation are deemed to be the articles of incorporation of the amalgamated corporation and, except for the purposes of subsection 117(1) of the Act, the certificate of amalgamation is deemed to be the certificate of incorporation of the Corporation; and
- (f) the Corporation shall be deemed to be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against any of the Amalgamating Corporations before the amalgamation becomes effective.

5.2 **Articles of Amalgamation.** Subject to paragraph 5.3, after the shareholders of each Amalgamating Corporation have approved this Agreement by special resolution, articles of amalgamation, together with the Statement of a director or an officer of each of the Amalgamating Corporations required under subsection 178(2) of the Act, shall, for the purpose of bringing the amalgamation into effect, be sent to the "Director".

5.3 **Termination.** Notwithstanding the approval of this Agreement by the shareholders of the Amalgamating Corporations, the board of directors of any of the Amalgamating Corporations may, without further shareholder approval, terminate this Agreement at any time before the endorsement of a certificate of amalgamation.

In Witness Whereof the parties hereto have executed this Agreement as of the date appearing at the top of the first page.

Ex1 Corporation Inc.

by: _____
Name:
Title:

Ex2 Corporation Inc.

by: _____
Name:
Title:

Ex3 Corporation Inc.

by: _____
Name:
Title:

1231916.2