

434824



Ministry of
Consumer and Commercial
Relations **CERTIFICATE**

**THIS IS TO CERTIFY THAT THESE
ARTICLES ARE EFFECTIVE ON**

JANUARY 1, 1980.

Len M. Gault

CONTROLLER OF RECORDS
COMPANIES SERVICES BRANCH

TRANS CODE	LINE NO.	Stat	Comp Type	Method Incorp.	Share
A	0	0	A	3	S
18	20	28	29	30	31
Notice Req'd		Jurisdiction			
N		ONTARIO			A
32	33	47	57		

ARTICLES OF AMALGAMATION

1. THE NAME OF THE AMALGAMATED CORPORATION IS

C A N A D I A N T I R E C O R P O R A T I O N ,
L I M I T E D

2. THE AMALGAMATION AGREEMENT HAS BEEN DULY APPROVED AS REQUIRED BY SECTION 196 OF THE BUSINESS CORPORATIONS ACT

3. THE NAMES OF THE AMALGAMATING CORPORATIONS AND THE DATES ON WHICH THE AMALGAMATION AGREEMENT WAS APPROVED BY THE SHAREHOLDERS OF EACH OF THE AMALGAMATING CORPORATIONS ARE

NAMES OF CORPORATIONS	ONTARIO CORPORATION NUMBER	DATES OF SHAREHOLDERS' APPROVAL
Canadian Tire Corporation, Limited	28442	December 21, 1979
Canadian Tire Travel Service Limited	347401	November 16, 1979
Mor Power Sales & Services Limited	315394	November 16, 1979
Motomaster Limited	350530	November 16, 1979
Timberline Home Centres Limited	291682	November 16, 1979

Form 6
The Business
Corporations
Act

" MEMORANDUM OF AGREEMENT made the 16th day of
November, 1979.

BETWEEN :

CANADIAN TIRE CORPORATION, LIMITED,
a corporation incorporated under the
laws of the Province of Ontario,

(hereinafter called "CTC")

OF THE FIRST PART

- and -

CANADIAN TIRE TRAVEL SERVICE LIMITED,
a corporation incorporated under the
laws of the Province of Ontario,

(hereinafter called "CTT")

OF THE SECOND PART

- and -

MOR POWER SALES & SERVICES LIMITED,
a corporation incorporated under the
laws of the Province of Ontario,

(hereinafter called "Mor Power")

OF THE THIRD PART

- and -

MOTOMASTER LIMITED,
a corporation incorporated under the
laws of the Province of Ontario,

(hereinafter called "Motomaster")

OF THE FOURTH PART

- and -

TIMBERLINE HOME CENTRES LIMITED,
a corporation incorporated under the
laws of the Province of Ontario,

(hereinafter called "Timberline")

OF THE FIFTH PART

WHEREAS CTC was incorporated under the laws of the
Province of Ontario by letters patent dated the 1st day of

December, 1927, which letters patent have been amended by supplementary letters patent dated the 9th day of August, 1944, the 5th day of February, 1951, the 19th day of October, 1956, the 2nd day of July, 1959, the 5th day of July, 1960, the 12th day of July, 1966, the 20th day of December, 1968 and the 14th day of May, 1970;

AND WHEREAS Certificates of Payment of Fees dated respectively the 8th day of May, 1959, the 14th day of April, 1961 and the 10th day of June, 1963 have been issued to CTC and Certificates of Filing of Resolutions effective respectively on the 9th day of March, 1973, the 14th day of May, 1976, the 2nd day of March, 1977 and the 6th day of December, 1978 have been issued to CTC and constitute respectively an amendment to the articles of CTC;

AND WHEREAS pursuant to the foregoing the authorized capital of CTC is divided into 15,000,000 Class A Shares without par value and 3,450,300 common shares without par value which Class A Shares without par value may not be issued for a consideration exceeding in amount or value the sum of \$100,000,000 and which common shares without par value may not be issued for a consideration exceeding in amount or value the sum of \$3,333,334 or such greater amount in either case as the board of directors of CTC deems expedient on payment to the Treasurer of Ontario of the fees payable on such greater amount and on the issuance of a certificate of such payment;

AND WHEREAS 8,517,179 Class A Shares without par value of CTC have been issued for an aggregate consideration of \$65,184,462 and are outstanding as fully paid and non-assessable and 3,450,000 common shares without par value have been issued for an aggregate consideration of \$892,188 and are outstanding as fully paid and non-assessable;

AND WHEREAS CTT was incorporated under the laws of the Province of Ontario by certificate of incorporation dated November 19, 1976;

AND WHEREAS the authorized capital of CTT is divided into 40,000 common shares without par value which may not be issued for a consideration exceeding in amount or value the sum of \$40,000 or such greater amount as the board of directors of CTT by resolution determines;

AND WHEREAS 100 of the 40,000 common shares without par value of CTT have been issued for an aggregate consideration of \$100 and are outstanding as fully paid and non-assessable shares;

AND WHEREAS Mor Power was incorporated under the laws of the Province of Ontario by certificate of incorporation dated the 3rd day of November, 1975 and a certificate of amendment of articles effective on April 1, 1977 has been issued to Mor Power;

AND WHEREAS the authorized capital of Mor Power is divided into 40,000 common shares without par value which may not be issued for a consideration exceeding in amount or value the sum of \$40,000 or such greater amount as the board of directors of Mor Power by resolution determines;

AND WHEREAS 100 of the 40,000 common shares without par value of Mor Power have been issued for an aggregate consideration of \$100 and are outstanding as fully paid and non-assessable shares;

AND WHEREAS Motomaster was incorporated under the laws of the Province of Ontario by certificate of incorporation dated the 12th day of January, 1977;

AND WHEREAS the authorized capital of Motomaster is divided into 40,000 common shares without par value which may not be issued for a consideration exceeding in amount or value the sum of \$40,000 or such greater amount as the board of directors of Motomaster by resolution determines;

AND WHEREAS 100 of the 40,000 common shares without par value of Motomaster have been issued for an aggregate consideration of \$100 and are outstanding as fully paid and non-assessable shares;

AND WHEREAS Timberline was incorporated under the laws of the Province of Ontario by certificate of incorporation dated the 23rd day of July, 1974 and a certificate of amendment of articles effective October 19, 1979 has been issued to Timberline;

AND WHEREAS the authorized capital of Timberline is divided into 4,000 shares without par value all of which have been issued for an aggregate consideration of \$20,000 and are outstanding as fully paid and non-assessable shares;

AND WHEREAS CTC is and will immediately prior to the issuance of a certificate of amalgamation pursuant to the provisions of The Business Corporations Act be the beneficial

owner of the said 100 common shares without par value of each of CTT, Mor Power and Motomaster and of the said 4,000 shares without par value of Timberline that are and will be immediately prior to the issuance of the said certificate of amalgamation the only shares of each of CTT, Mor Power, Motomaster and Timberline that are issued and outstanding;

AND WHEREAS the parties desire and have agreed to amalgamate upon the terms and conditions hereinafter set out and to continue as one corporation under the authority conferred by The Business Corporations Act;

AND WHEREAS each party has made full and complete disclosure to the other of its known assets and liabilities;

NOW THEREFORE THIS AGREEMENT WITNESSETH as follows:

1. In this agreement, the term "Amalgamated Corporation" shall mean the corporation continuing from the amalgamation of CTC, CTT, Mor Power, Motomaster and Timberline.
2. CTC, CTT, Mor Power, Motomaster and Timberline do hereby agree to amalgamate under the provisions of The Business Corporations Act and to continue as one corporation upon the terms and conditions herein set out.
3. The name of the Amalgamated Corporation shall be Canadian Tire Corporation, Limited and the Amalgamated Corporation may use its name in the following form and language:

La Société Canadian Tire Limitée.

4. The objects of the Amalgamated Corporation shall be as follows:

- (a) to buy, sell, manufacture, assemble and deal in and with goods, wares and merchandise of every kind and description, to carry on a general manufacturing, trading and commercial business and to enter into contracts, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association;
- (b) to purchase, lease or otherwise acquire and hold real and personal property and rights or interests therein and, in particular, lands, buildings, hereditaments, business or industrial concerns and undertakings, mortgages, liens, charges or other encumbrances, contracts, concessions, franchises, annuities, patents, licences, securities, policies, book debts and privileges and choses in action of all kinds; and
- (c) to guarantee, with or without security, the performance of contracts and the performance of any obligations or undertakings of any other person, corporation, partnership, firm or association, including the payment of dividends, interest, principal and premium, if any, of or on shares, bonds, debentures or other securities, mortgages or liabilities (contingent or otherwise) of any such person, corporation, partnership, firm or association.

5. The head office of the Amalgamated Corporation shall be located in the Municipality of Metropolitan Toronto, in the Judicial District of York, in the Province of Ontario. The address of the head office of the Amalgamated Corporation shall be 2180 Yonge Street, Toronto, Ontario, M4S 2B9.

6. The authorized capital of the Amalgamated Corporation shall be divided into 15,000,000 Class A Shares without par value (hereinafter referred to as "Class A Shares") and 3,450,300 common shares without par value (hereinafter referred to as "common shares") provided that the 15,000,000 Class A Shares shall not be issued for an aggregate consideration exceeding in amount or value the sum of \$100,000,000 and the 3,450,300 common shares shall not be issued for an aggregate consideration exceeding in amount or value the sum of \$3,333,334 or such greater amount in either case as the board of directors of the Amalgamated Corporation may by resolution determine. The 15,000,000 Class A Shares shall have attached thereto the preferences, rights, conditions, restrictions, limitations and prohibitions set out in Schedule A to this Agreement.

7. The 100 common shares without par value of each of CTT, Mor Power and Motomaster and the 4,000 shares without par value of Timberline that are now and will immediately prior to the issuance of a certificate of amalgamation pursuant to the provisions of The Business Corporations Act be beneficially owned by CTC, shall upon the issuance of such certificate be cancelled without any repayment of capital in respect thereof.

8. The shares of CTC which are outstanding immediately prior to the date of the issuance of a certificate of amalgamation pursuant to the provisions of The Business Corporations Act shall be converted into issued shares in the capital of the Amalgamated Corporation on the basis of:

- (a) one Class A Share of the Amalgamated Corporation for each issued and outstanding Class A Share without par value of CTC;
- (b) one common share of the Amalgamated Corporation for each issued and outstanding common share without par value of CTC.

9. The amount of the paid-up issued capital of the Amalgamated Corporation shall be equal to the aggregate of the amounts of the paid-up issued capital for the issued and outstanding shares of CTC, CTT, Mor Power, Motomaster and Timberline immediately before the amalgamation becomes effective, subject to the decrease provided for in paragraph 7.

10. After the issuance of the certificate of amalgamation pursuant to The Business Corporations Act, CTC when requested to do so by the Amalgamated Corporation shall surrender for cancellation the certificates representing the shares of CTT, Mor Power, Motomaster and Timberline held by it. The shareholders of CTC shall not be required to surrender for cancellation certificates for the issued and outstanding Class A Shares without par value of CTC or for the issued and outstanding common shares without par value of CTC held by them respectively, which certificates shall be deemed to represent respectively the class and number of shares of the Amalgamated Corporation as

stated on the face of such certificates.

11. The board of directors of the Amalgamated Corporation, until otherwise determined by special by-law (as defined in The Business Corporations Act) shall consist of ten directors and the first directors of the Amalgamated Corporation, with their names in full and residence addresses, shall be as follows:

<u>Name</u>	<u>Residence Address</u>
Alex Ethelred Barron	75 Bayview Ridge Willowdale, Ontario M2L 1E3
Alfred Dickson Billes	16 Brian Cliff Drive Don Mills, Ontario M3B 2G2
Alfred Jackson Billes	30 High Point Road Don Mills, Ontario M3C 2R3
Alfred William Billes	30 High Point Road Don Mills, Ontario M3C 2R3
David George Billes	R.R. #4 Barrie, Ontario L4M 4S6
Denvil Edward Brown	2191 Quinn Crescent Ottawa, Ontario K1H 6J6
John William Kron	10 Tudor Gate Willowdale, Ontario M2L 1N4
Robert Law	105 Garfield Avenue Toronto, Ontario M4T 1G2
Joseph Dean Muncaster	338 Douglas Drive Toronto, Ontario M4W 2C4
Alexander Lawson Sherring	19 St. George's Road Islington, Ontario M9A 3S9

The said first directors shall hold office until their successors are elected or appointed subject to the provisions of The Business Corporations Act and the by-laws of the Amalgamated Corporation. The election of the subsequent directors shall take place yearly at the annual meeting of shareholders of the Amalgamated Corporation and shall be by a show of hands unless a ballot is demanded by a shareholder.

The management and operation of the Amalgamated Corporation shall be under the control of the board of directors of the Amalgamated Corporation subject to the provisions of The Business Corporations Act.

12. Deloitte, Haskins & Sells, Chartered Accountants, the auditors of each of CTC, CTT, Mor Power, Motomaster and Timberline, shall be the auditors of the Amalgamated Corporation and shall hold office as such until the close of the first annual meeting of shareholders of the Amalgamated Corporation or until their successors are appointed subject to the provisions of The Business Corporations Act.

13. The by-laws of CTC shall so far as applicable be the by-laws of the Amalgamated Corporation until repealed or amended.

14. Each of CTC, CTT, Mor Power, Motomaster and Timberline shall contribute to the Amalgamated Corporation all of its assets, subject to its liabilities, as such exist immediately before the amalgamation.

15. The Amalgamated Corporation shall possess all the property, rights, privileges and franchises as such exist immediately before the amalgamation and shall be subject to

all the liabilities, contracts, disabilities and debts of each of CTC, CTT, Mor Power, Motomaster and Timberline as such exist immediately before the amalgamation.

16. CTC, CTT, Mor Power, Motomaster and Timberline may by special resolution (as defined in The Business Corporations Act) of each of them consent to any alteration or modification of this agreement.

IN WITNESS WHEREOF, this agreement has been executed by the parties under their respective corporate seals.

CANADIAN TIRE CORPORATION, LIMITED

By: "J. D. Muncaster"
President c/s

By: "Robert Law"
Secretary

CANADIAN TIRE TRAVEL SERVICE LIMITED

By: "John Kron"
President c/s

By: "Robert Law"
Secretary

MOR POWER SALES & SERVICES LIMITED

By: "A. B. Malcolm"
President c/s

By: "Robert Law"
Secretary

MOTOMASTER LIMITED

By: "John Kron"
President c/s

By: "Robert Law"
Secretary

TIMBERLINE HOME CENTRES LIMITED

By: "John Kron"
President c/s

"Robert Law"

Schedule A to the Agreement made the 16th day of November, 1979 between Canadian Tire Corporation, Limited, Canadian Tire Travel Service Limited, Mor Power Sales & Services Limited, Motomaster Limited and Timberline Home Centres Limited providing for their amalgamation under The Business Corporations Act.

The 15,000,000 Class A Shares of the Amalgamated Corporation (which corporation is hereinafter referred to as the "Corporation") shall have attached thereto the following preferences, rights, conditions, restrictions, limitations and prohibitions:

(1) The holders of Class A Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors of the Corporation, out of the moneys of the Corporation properly applicable to the payment of dividends, preferential cumulative dividends at the rate of four cents (4¢) per share per annum to be paid in equal quarter-annual instalments of one cent (1¢) each on the first days of March, June, September and December in each year; such dividends on the Class A Shares shall be cumulative from the respective dates of the issue of the said Class A Shares, or from such date not later than six (6) months after the respective dates of issue of the Class A Shares as may be fixed by the board of directors of the Corporation; such preferential cumulative dividends shall be payable before any dividend shall be paid upon or set apart for the common shares or any other shares ranking junior to the Class A Shares and shall be cumulative, so that no dividend shall be declared, paid

or set apart for payment upon or for the common shares or any other shares ranking junior to the Class A Shares unless all then accumulated dividends upon all outstanding Class A Shares shall have been paid or declared and set apart and the current quarter-annual instalment of dividend upon the outstanding Class A Shares shall have been declared and set apart; such dividends upon the Class A Shares shall be paid by cheque payable at par at any branch in Canada of the Corporation's bankers from time to time; the holders of Class A Shares shall also be entitled, subject to the terms and conditions hereinafter contained, to receive further dividends as hereinafter set forth;

(2) After all cumulative preferential dividends upon all outstanding Class A Shares shall have been paid or declared and set apart for payment and the current quarter-annual instalment of dividend upon the outstanding Class A Shares shall have been declared and set apart, the holders of the common shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors of the Corporation out of moneys of the Corporation properly applicable to the payment of dividends, a non-cumulative dividend of one cent (1¢) per share in respect of the quarter-annual period ending on the last preceding instalment payment date for the preferential cumulative dividend on the Class A Shares and one cent (1¢) per share in respect of each preceding quarter-annual period in the same fiscal year in respect of which such non-cumulative dividend was not paid or

declared and set apart for payment, payable on such date as the board of directors may from time to time determine; the holders of common shares shall also be entitled, subject to the terms and conditions hereinafter contained, to receive further dividends as hereinafter set forth;

(3) Whenever in any fiscal year of the Corporation dividends aggregating four cents (4¢) per share shall have been paid or declared and set apart for payment on all the Class A Shares at the time outstanding and dividends aggregating four cents (4¢) per share shall have been paid or declared and set apart for payment on all the common shares at the time outstanding in accordance with the provisions of the preceding clauses (1) and (2) hereof, any and all additional dividends (including stock dividends) which in the discretion of the board of directors of the Corporation may be declared in such fiscal year of the Corporation out of moneys of the Corporation properly applicable to the payment of dividends shall be declared and paid or set apart for payment in equal amounts per share on all the Class A Shares and all the common shares at the time outstanding, share and share alike, without preference or priority of one share over another;

(4) The holders of Class A Shares, as such, shall not be entitled (except as herein specifically provided) to receive notice of or to attend any meeting of the shareholders of the Corporation and shall not be entitled to any vote at any such meeting, unless and until the Corporation shall fail, for a period of eight (8) quarter-annual periods, to pay the

dividend on the Class A Shares and whether or not there are any moneys of the Corporation properly applicable to the payment of such dividends, whereupon and whenever the same shall occur, the holders of the Class A Shares shall, until all arrears of cumulative dividends on the Class A Shares have been paid, be entitled to attend all shareholders' meetings and shall have one (1) vote thereat for each Class A Share then held by them respectively; holders of Class A Shares shall, however, be entitled to notice of meetings of shareholders called for the purpose of authorizing the dissolution of the Corporation or the sale of its undertaking or a substantial part thereof; holders of common shares shall be entitled to one (1) vote for each common share held by them at all shareholders' meetings;

(5) Nothing herein provided shall have the effect of restricting the power of the Corporation upon compliance with the provisions of The Business Corporations Act or any successor to such Act to increase or decrease its authorized capital, if, when and as deemed expedient except that:

(a) common shares shall not be created in excess of three million four hundred and fifty thousand three hundred (3,450,300) shares except by subdivision subject to sub-clause (b) of this clause (5); and

(b) neither the number of outstanding Class A Shares, nor the number of outstanding common shares shall be increased by reason of being subdivided, nor decreased by reason of being

consolidated unless contemporaneously therewith the number of shares of the other of the said classes shall be subdivided or consolidated in the same proportions and in the event of the shares being so subdivided or consolidated, all the preferences, rights, conditions, restrictions, limitations or prohibitions herein attached to the Class A Shares and the common shares shall attach to the subdivided or consolidated Class A Shares and common shares, except that the Corporation shall have the right, concurrently with such subdivision or consolidation, to decrease or increase the rate of cumulative dividend otherwise attaching to the Class A Shares in such amount as it shall deem fit; provided, however, that the ratio which such decreased or increased rate bears to the rate in effect immediately prior to such subdivision or consolidation shall not be less than the ratio which the number of Class A Shares outstanding immediately prior to such subdivision or consolidation bears to the number of Class A Shares outstanding immediately after such subdivision or consolidation;

(6) The Corporation shall not issue any Class A Shares unless either:

(a) the Class A Shares being so issued are being issued to, or for the benefit of, employees of the Corporation or employees of any subsidiary or authorized dealers or the employees of authorized dealers pursuant to a scheme or plan in existence at such time and including, in particular but not so as to limit the generality of the foregoing, the employees' profit sharing plans presently in existence calling

for the purchase by the trustees thereunder of Class A Shares of the Corporation; or

(b) the authorization (as hereinafter defined) of the holders of Class A Shares shall first have been obtained;

For the purpose of sub-clause (a) of this clause (6), "subsidiary" means any corporation or company of which more than fifty per cent (50%) of the outstanding shares carrying voting rights at all times (provided that the ownership of such shares confers the right at all times to elect at least a majority of the board of directors of such corporation or company) are for the time being owned by or held for the Corporation and/or any other corporation or company in like relation to the Corporation and includes any corporation or company in like relation to a subsidiary;

(7) So long as any Class A Shares are outstanding, the Corporation shall not without the authorization (as hereinafter defined) of the holders of Class A Shares:

(a) sell or otherwise dispose of by conveyance, transfer, lease or otherwise the assets or undertaking of the Corporation as an entirety or substantially as an entirety;

(b) liquidate, dissolve or wind up the Corporation or otherwise distribute its assets among the shareholders by way of repayment of capital;

(c) create any hypothec, mortgage, pledge, charge, lien or other encumbrance of any kind on any part of the immovable property or fixed assets of the Corporation or authorize or issue any funded obligations (as hereinafter defined); provided

however, that the foregoing prohibition shall not be deemed to prevent nor shall it operate to prevent:

(i) the creation, issue or making by the Corporation of bonds or debentures at any time or from time to time if at the time of issue of such bonds or debentures,

(A) the net tangible assets (as hereinafter defined) of the Corporation plus proceeds to be received from the bonds or debentures then proposed to be authorized and issued shall be equal to at least two and one-half (2-1/2) times the total of the then outstanding funded obligations (as hereinafter defined) of the Corporation plus the principal amount of the bonds or debentures then proposed to be authorized and issued; and

(B) the net earnings (as hereinafter defined) for each of the two (2) fiscal years of the Corporation ended next preceding the authorization and issue of the bonds or debentures then proposed to be authorized and issued shall have been in excess of ten (10) times the annual interest requirements of all funded obligations (as hereinafter defined) of the Corporation to be outstanding after the authorization and issuance of **such bonds and debentures**;

(ii) the assuming or giving of any hypothec, mortgage, pledge, charge, lien or other encumbrance of any kind as part of the purchase price of property acquired or purchased by the Corporation after June 1, 1960 for the purpose of its business, provided that no such hypothec, mortgage, pledge, charge, lien

cast on a poll; if at any such meeting the holders of a majority of the Class A Shares outstanding are not present or represented by proxy within half an hour after the time designated for the meeting, then the meeting shall be adjourned to such date being not less than twenty (20) days later and to such time and place as may be designated by the chairman and at least fifteen (15) days' notice shall be given of such adjourned meeting but it shall not be necessary in the notice to specify the purpose for which the meeting was originally called; at such adjourned meeting the holders of Class A Shares present or represented by proxy may transact the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of the holders of not less than two-thirds (2/3) of the Class A Shares represented and voted at such meeting cast on a poll shall constitute the authorization of all holders of Class A Shares; the formalities to be observed with respect to the giving of notice of any such meetings and adjourned meetings and the conduct thereof shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders; every holder of Class A Shares at any such meeting shall be entitled to one (1) vote in respect of each share held by him;

(b) "funded obligations" means any indebtedness the principal amount of which by its terms is not payable on demand and matures more than twelve (12) months after the date of the creation or issue thereof;

or encumbrance shall exceed sixty-six and two-thirds per cent (66-2/3%) of the cost of such property or shall be assumed or given which, after giving effect thereto, shall result in the total of the funded obligations (as hereinafter defined) of the Corporation exceeding forty per cent (40%) of the net tangible assets (as hereinafter defined) of the Corporation or the extension, renewal or refunding of any such hypothec, mortgage, pledge, charge, lien or other encumbrance to the extent of the principal amount of the indebtedness thereunder at the time of such extension, renewal or refunding;

(iii) the giving by the Corporation of any security under the provisions of the Bank Act (Canada) or otherwise given by the Corporation to any bank or banks, firm or corporation in the ordinary course of business of the Corporation and for the purpose of carrying on the same for current loans, which means loans which are not funded obligations;

(8) The following words and phrases whenever used herein shall be construed as having and shall have the following meanings:

(a) "authorization" means the authorization of holders of Class A Shares evidenced by a resolution passed at a meeting of the holders of Class A Shares duly called and held upon at least twenty-one (21) days' notice at which the holders of at least a majority of the Class A Shares outstanding are present or represented by proxy and carried by the affirmative vote of the holders of not less than two-thirds (2/3) of such shares represented and voted at such meeting

(c) "net earnings" means all gross earnings and income from all sources, less all administration, selling and operating charges and expenses of every character and all fixed charges (other than interest on funded obligations and taxes on income and profits) but excluding gains and losses on the disposal of investments and fixed assets, arrived at in accordance with generally accepted accounting practice; without limiting the generality of the foregoing, operating charges and expenses shall include expenditures for insurance, maintenance, repairs, renewals (except such expenditures for renewals as are charged to capital account in accordance with generally accepted accounting practice), rentals, licences, taxes (other than taxes on income and profits) and interest (other than interest on funded obligations), depreciation and such provisions for bad and doubtful debts as the directors in their discretion with the approval of the Corporation's auditors may determine; provided, however, that, in the case of buildings, depreciation shall be calculated at the rate of two and one-half per cent (2-1/2%) of original cost per annum from the time of acquisition, and, in the case of plant, machinery and equipment, depreciation shall be calculated at the rate of ten per cent (10%) of original cost per annum from the time of acquisition; the report of the Corporation's auditors as to the net earnings for any fiscal year shall be conclusive as to the amount of net earnings for such year;

(c) "net tangible assets" means the total value of the current assets together with accounts and bills receivable

other than those included in current assets (less proper provisions for bad and doubtful debts), lands, buildings, plant, machinery and equipment, shares and any funded obligations (not included in current assets) of any corporation including those of a subsidiary and all other investments, all taken at the cost or market value thereof, whichever is lower; provided that shares and funded obligations of a corporation, including a subsidiary, which are not readily saleable shall be taken at the lower of cost or value determined in accordance with generally accepted accounting practice from the last balance sheet of such corporation as certified to by its auditors; less all liabilities excepting all funded obligations then existing, and liability to shareholders on shares, surplus and any unallocated reserves, and such values shall be determined in the case of lands, at cost, and in the case of buildings, at cost less depreciation at the rate of two and one-half per cent (2-1/2%) of original cost per annum from the time of acquisition, and, in the case of plant, machinery and equipment, at cost less depreciation at the rate of ten per cent (10%) of original cost per annum from the time of acquisition; and

(9) Any amendment to the articles of the Corporation to delete or vary any preference, right, condition, restriction, limitation or prohibition attaching to the Class A Shares or to create any shares ranking in priority to or on a parity with the Class A Shares, in addition to the authorization by a special resolution required by The Business Corporations Act, may be made with the authorization (as hereinbefore defined) of the holders of the Class A Shares. "

THESE ARTICLES ARE EXECUTED IN DUPLICATE FOR DELIVERY TO THE MINISTER.

CERTIFIED

NAMES AND SEALS OF THE AMALGAMATING CORPORATIONS AND SIGNATURES AND DESCRIPTIONS OF OFFICE OF THEIR PROPER OFFICERS.

CANADIAN TIRE CORPORATION, LIMITED

By: *J. D. Muncaster*
J. D. Muncaster, President

By: *R. Law*
R. Law, Secretary

CANADIAN TIRE TRAVEL SERVICE LIMITED

By: *J. W. Kron*
J. W. Kron, President

By: *R. Law*
R. Law, Secretary

MOR POWER SALES & SERVICES LIMITED

By: *A. B. Malcolm*
A. B. Malcolm, President

By: *R. Law*
R. Law, Secretary

MOTOMASTER LIMITED

By: *J. W. Kron*
J. W. Kron, President

By: *R. Law*
R. Law, Secretary

TIMBERLINE HOME CENTRES LIMITED

By: *J. W. Kron*
J. W. Kron, President

By: *R. Law*
R. Law, Secretary