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COMPANIES FORM No. 128(1)

Statement of rights attached to allotted shares

128(1)

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this margin

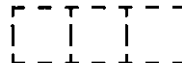
Pursuant to section 128(1) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies

For official use

Company number



2928224

Name of company

*Insert full name
of company

* BMO NESBITT BURNS INTERNATIONAL LTD.

has allotted shares with rights which:

i. are not stated in the company's memorandum or articles or in any resolution or agreement to which section 380 of the above Act applies, and

ii. are not in all respects uniform with those attached to shares previously allotted.

The class[es]† of such shares and the date of the first allotment of shares in each class and the rights attached to each class are:

†Delete as
appropriate

Class of Shares	Date of first allotment
Pref. Shares of Cdn \$1 each	18 October 1994
Description of Rights Amended by Board Resolution dated 15 May 1995 Allotment of 8,000,000 Pref. Shares of Cdn.\$1 each having the rights and restrictions set out in the attached Amending Resolution of the Directors of the Company passed on the above date. See Appendix 1 attached	

Signed

SECRETARY
[Director] [Secretary]† Date 18 May 1995Presentor's name, address and
reference (if any):REF PJP
Crossman Block
Aldwych House
Aldwych
London WC2B 4DB

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General Section

Post room



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1985 Edition

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Companies G128(1)

APPENDIX 1

No. 2928224

COMPANIES HOUSE 23/05/95

BMO NESBITT BURNS INTERNATIONAL LTD.

PREFERENCE SHARES

IT WAS RESOLVED pursuant to Article 4 of the Company's Articles of Association that the 8,000,000 Preference Shares of Cdn \$1 each resolved to be allotted to The Nesbitt Burns Corporation Limited shall have the following rights and restrictions:-

As regards income

1. The profits which the Company may determine to distribute in respect of any financial year shall be applied in the first place in paying to the holders of the Preference Shares as a class a non-cumulative preferential dividend at such rate, calculated on the par value of the capital for the time being paid up or credited as paid up thereon in respect of that year, as the Directors may determine, and thereafter the balance of such profits shall be applied in paying to the holders of the Ordinary Shares a dividend in proportion to the par value of the capital for the time being paid up or credited as paid up thereon.
2. The holders of the Preference Shares shall not be entitled to share in any surplus profits after payment of a dividend on the Ordinary Shares, and if no dividend is declared, or no dividend is declared in favour of the holders of the Preference Shares, in any year, no arrears of dividend on the Preference Shares shall arise in respect of that year or be carried forward to a later year.
3. No preference dividend shall be paid without the SFA's prior written consent unless subsequent to and after the payment there will be financial resources of at least 120% of the financial resources requirement, as defined in chapter nine of the SFA rule book.

As regards capital:

4. On a return of assets on liquidation or otherwise, the surplus assets of the Company remaining after the payment of its liabilities shall be applied first in paying to the holders of the Preference Shares the sum of Cdn \$1 per share being the nominal value thereof or in

proportion to the capital for the time being paid up or credited as paid up thereon, and thereafter in paying to the holders of the Ordinary Shares the sum of Can \$1 per share being the nominal value thereof or in proportion to the capital for the time being paid up or credited as paid up thereon.

5. The holders of the Preference Shares shall not be entitled to be paid any arrears, deficiency or accruals of any dividend on the Preference Shares not payable in any previous year.
6. Any balance of assets remaining shall not belong to or be distributed amongst the holders of the Preference Shares but shall instead be payable amongst the holders of the Ordinary Shares in proportion to the capital for the time being paid up or credited as paid up thereon.

As regards general meetings:

7. The holders of the Preference Shares shall not be entitled to any notice of general meetings of the Company or to attend or vote thereat unless there is at such meeting a resolution proposing any modification of the rights attaching to the Preference Shares or a resolution proposing to wind up the Company.

As regards redemption:

8. Subject to and in accordance with the provisions of the Act and these provisions, the Preference Shares may be redeemed by the Company in the proportions and on the dates from time to time determined by the Company in its absolute discretion.
9. No Preference Shares shall be redeemed without the SFA's prior written consent unless subsequent to and after the redemption there will be financial resources of at least 120% of the financial resources requirement, as defined in chapter nine of the SFA rule book.
10. On receipt of notice in writing from the Company each registered holder of the Preference Shares shall surrender to the Company on the dates so fixed the certificate of his shares which are to be redeemed to enable the Company to cancel the said shares.
11. Upon such cancellation the Company shall pay to the registered holder of the Preference Shares the amount payable in respect of such redemption provided that if any certificate so surrendered

includes any Preference Shares not redeemable at that time, the Company shall issue to the registered holder a fresh certificate for the balance of the Preference Shares not redeemable.

12. If there is more than one registered holder of Preference Shares, on each occasion on which the Preference Shares are redeemed the proportion of each registered holder's Preference Shares to be redeemed shall be that proportion which that holder's Preference Shares bears to the total number of Preference Shares then in issue.
13. The Company shall pay on each of the Preference Shares so redeemed (but without any sum representing any arrears, deficiency or accruals of any dividend thereon not payable in any previous year) the sum of Cdn \$1 payable in cash on redemption.

Certified a true copy of the Terms of Issue of the Preference Shares allotted to The Nesbitt Burns Corporation Limited.

 18 May 1995

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Company Secretary