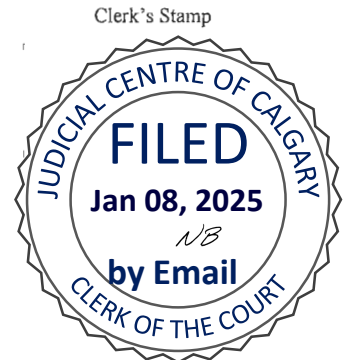


Received Jan 6, 2025

COURT FILE NUMBER 2001-17016  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
APPLICANT STEPHEN SMYTH AS REPRESENTATIVE APPLICANT  
RESPONDENT TERVITA CORPORATION  
DOCUMENT AFFIDAVIT



C10331 CMH  
Jan 13, 2025

**BROUGHT PURSUANT TO THE CLASS  
PROCEEDINGS ACT, SA 2003, c C-16.5**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT LAWSON LUNDELL LLP  
Barristers and Solicitors  
1100, 225 – 6<sup>th</sup> Avenue SW  
Calgary, AB T2P 1N2  
**Attention: Grant Vogeli, K.C. and Jonathan H. Selnes**  
Phone: (403) 269-6900  
Fax: (403) 269-9494  
Email: [gvogeli@lawsonlundell.com](mailto:gvogeli@lawsonlundell.com) / [jselnes@lawsonlundell.com](mailto:jselnes@lawsonlundell.com)  
File No. 037384-151880

**AFFIDAVIT #3 OF STEPHEN SMYTH**

*Sworn on August 29<sup>th</sup>, 2024*

I, STEPHEN SMYTH, of Calgary, Alberta, SWEAR THAT:

1. I am the proposed Representative Applicant in this action. As such, I have personal knowledge of the matters sworn to in this Affidavit, except where such matters are stated to be based upon information and belief, in which case I believe such information to be true.

**Purpose of this Affidavit**

2. I am swearing this Affidavit in support of my application (as the proposed Representative Applicant) for approval of the settlement agreement and certification of class proceedings against the Respondent Tervita Corporation (**Tervita**) solely for the purpose of settlement pursuant to the Alberta *Class Proceedings Act*, SA 2003, c. C-16.5 (the **Act**) and for approval of the form of notice of the proposed settlement to the proposed settlement class members (the **Application**).

### The Action

3. In 2016, Tervita restructured its affairs under the *Companies' Creditors Arrangements Act*, RSC 1985, c. C—36 (the **CCAA**). Following Tervita's restructuring under the CCAA, the company established the 2017 Restricted Stock Unit Plan (the **2017 RSU Plan**). Tervita issued restricted share units (**2017 RSUs**) as a form of long-term incentive plan for selected employees as participants, which was intended to:
  - (a) assist in attracting, retaining, engaging, and rewarding participants of Tervita (Article 1); and
  - (b) provide an opportunity for participants to earn competitive total compensation (Article 1).
4. A copy of the RSU Plan is attached as **Exhibit A**.
5. I was granted 5,100 2017 RSUs at a grant price of \$10.00 per unit on June 1, 2017 pursuant to the terms of the 2017 RSU Plan.
6. The 2017 RSUs granted to me were to mature on January 2, 2020 (the **Maturity Date**). Tervita was required to payout the 2017 RSUs as soon as reasonably possible after the Maturity Date.
7. Prior to maturity I, and a number of other RSU holders, ceased employment with Tervita, but we continued to maintain a portion of our 2017 RSUs and associated RSU holder rights after the cessation of our employment pursuant to the termination terms of the 2017 RSU Plan. Unless they were terminated with cause or voluntarily quit, other former employees who hold 2017 RSUs granted under the 2017 RSU Plan are in the same position.
8. Tervita did not pay out the 2017 RSUs to the 2017 RSU holders based on the value of Tervita's shares on the Maturity Date. Instead, Tervita paid out the 2017 RSUs to the 2017 RSU holders based on the value of Tervita's shares on March 27, 2020, almost three months later.
9. A more detailed explanation of these events and Tervita's rationale for providing the pay out for 2017 RSUs to the 2017 RSU holders on March 27, 2020 instead of the Maturity Date are set out in my first Affidavit and in the Affidavit #1 of Brenda Mickelson of Secure Energy Services Inc. (**Secure**).
10. I commenced this Action on December 23, 2020 by filing an Originating Application to pursue certification of class proceedings against Tervita under the Act to recover the damages to the proposed settlement class arising from Tervita's decision not to pay out the 2017 RSUs to the 2017 RSU holders on the Maturity Date.

11. The proposed settlement class includes:

All persons who are current and former employees (excluding those that are Designated Individuals as defined in Tervita's Insider Trading Policy, were terminated for cause, or voluntarily quit) of Tervita who were granted RSUs pursuant to Tervita's 2017 Restricted Stock Unit Plan with a maturity date of January 2, 2020 but did not materially vest until March 27, 2020 (the **Settlement Class**).

#### **Background to the settlement**

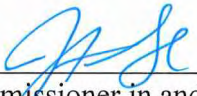
12. Following the filing of the Originating Application, on February 19, 2021, I was cross-examined by Tervita's then counsel on my first Affidavit that I swore in support of certification of class proceedings.
13. On July 2, 2021, Tervita merged with Secure. Despite this merger, I shall continue to refer to Tervita where appropriate for ease of reference.
14. On August 12, 2021, Tervita subsequently changed its counsel of record in this Action from Norton Rose Fulbright Canada LLP to Dentons Canada LLP.
15. Beginning in November 2021, my counsel engaged in *without prejudice* settlement negotiations with Tervita's counsel, which were adversarial in nature.
16. These settlement negotiations between counsel culminated in a settlement of all claims in this Action on November 24, 2022, subject to the Court's approval and the fact that if an individual opts-out of the settlement, they can continue on with their individual claims against Tervita.
17. The proposed settlement is a compromise that is intended to achieve a practical result that benefits the proposed Settlement Class members (as defined in Ms. Mickelson's Affidavit #1) and Tervita (now Secure) after recognizing the risks to both parties if this matter did not settle.
18. After the negotiation process, I believe that the proposed settlement is the best settlement that could be achieved with Tervita.
19. I approved the proposed settlement because I believe it is fair, reasonable, and in the best interests of the proposed Settlement Class.
20. I believe the proposed settlement is fair and reasonable because it will result in the payment of an additional \$699,615 to the proposed Settlement Class (if approved and they do not opt-out). This additional payment of \$699,615 is 53% of the amount claimed after deducting \$348,967.44 for the twenty (20) 2017 RSU holders whose claims were released, employees who resigned before their 2017 RSUs vested, or for the Designated Individuals who could not have been paid out their 2017 RSUs until March 27, 2020. This is explained in greater detail in Ms. Mickelson's Affidavit #1.

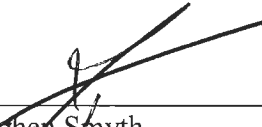
21. I believe the proposed settlement is in the best interests of the proposed Settlement Class. This additional payment of \$699,615 reflects Tervita's recognition that it faces the risk that it did in fact breach obligations owed to the proposed Settlement Class relating to the 2017 RSU Plan by deciding not to provide the settlement payment of an additional \$1,303,193.88 to the proposed Settlement Class based on the value of Tervita's shares on January 2, 2020, rather than on March 27, 2020.
22. This proposed settlement also reflects my belief that there is a significant risk that my claims on behalf of the class would be dismissed if this matter moved forwards to a hearing on the merits. This significant risk is why Tervita has not acknowledged any wrongdoing and denies that it is liable in way to me or the proposed Settlement Class members.
23. This proposed settlement also brings certainty and allows the proposed Settlement Class members to paid now rather than waiting for the resolution of their claims on the merits, which I am informed by my counsel, Jonathan H. Selnes of Lawson Lundell LLP (**Class Counsel**) would be a drawn out process over a lengthy period of time, and would be subject to appeal even if I was successful.
24. I am informed by Class Counsel that as part of the settlement, Tervita has agreed to a consent certification order for the purpose of settlement only, subject to approval from the Court of King's Bench of Alberta.
25. I am prepared to act as the Representative Applicant in this matter for the settlement. I believe that I can fairly and adequately represent the interests of the proposed Settlement Class and I am committed to fulfilling my duties and obligations as the proposed Representative Applicant.
26. I am not aware of any interest that conflicts with the interests of the other proposed Settlement Class members.

#### **Notice to the Class of the Settlement Approval Hearing**

27. As of August 28, 2024, the proposed Settlement Class is comprised of one hundred and five (105) members of which twenty-five (25) remain employees of Secure following its merger with Tervita on July 2, 2021.
28. I have reviewed the proposed form of Notice (as defined in Ms. Mickelson's Affidavit #1) and agree with the proposed plan for providing notice to the proposed Settlement Class members as set out in greater detail in Ms. Mickelson's Affidavit #1 and the Application, particularly its Schedule "A".

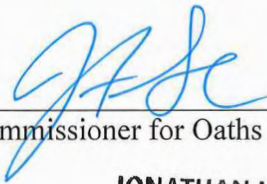
SWORN BEFORE ME at the City of Calgary, )  
 in the Province of Alberta, this 29<sup>th</sup> day of )  
 August, 2024. )  
 )  
 )  
 )  
 )  
 )

  
 \_\_\_\_\_  
 Commissioner in and for the Province of  
 Alberta

  
 \_\_\_\_\_  
 Stephen Smyth

**JONATHAN H. SELNES**  
 BARRISTER & SOLICITOR

This is **Exhibit A** to the Affidavit #3 of Stephen Smyth sworn before me at the City of Calgary, in the Province of Alberta, this 29th day of August, 2024.



---

Commissioner for Oaths in and for Alberta

**JONATHAN H. SELNES**  
BARRISTER & SOLICITOR

# **RESTRICTED STOCK UNIT PLAN**

**V1**

**January 1, 2017**

Policy Owner: Vice President, HR & IT

Policy Creator: General Counsel & Corporate Secretary

Policy Created: January 1, 2017

Date Approved by the Board:

Date of Last Review:

Date of Last Change:

Date of Last Distribution to Employees:



**EARTH MATTERS**



## RESTRICTED STOCK UNIT PLAN

### 1. PURPOSE

The purpose of the Restricted Stock Unit Plan (the "**Plan**") is to:

- (a) assist in attracting, retaining, engaging, and rewarding Participants of the Corporation; and
- (b) provide an opportunity for Participants to earn competitive total compensation.

### 2. DEFINED TERMS

In this Plan (including any schedules to this Plan):

- (a) "**Affiliate**" has the meaning given to that term in the Securities Act;
- (b) "**BCA**" means the *Business Corporations Act* (Canada);
- (c) "**Board**" means the Board of Directors of the Corporation;
- (d) "**CEO**" means the Chief Executive Officer of the Corporation;
- (e) "**Change of Control**" means:
  - (i) a merger, amalgamation or consolidation in which;
    - (A) the Corporation is a constituent party; or
    - (B) a subsidiary of the Corporation is a constituent party and the Corporation issues Shares pursuant to such merger, amalgamation or consolidation, except any such merger, amalgamation or consolidation involving the Corporation or a subsidiary in which the Shares of the Corporation outstanding immediately prior to such merger, amalgamation or consolidation continue to represent, or are converted into or exchanged for shares that represent, immediately following such merger, amalgamation or consolidation, at least a majority of the voting securities of (1) the surviving or resulting corporation; or (2) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger, amalgamation or consolidation, the parent corporation of such surviving or resulting corporation;
  - (ii) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or





substantially all the assets of the Corporation and its subsidiaries taken as a whole, or the sale or disposition (whether by merger, amalgamation, consolidation or otherwise) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation; or

- (iii) any liquidation, dissolution or winding up of the Corporation or any other distribution of the Corporation's assets among its shareholders for the purpose of winding up its affairs;
- (g) **"Constructive Dismissal"** means constructive dismissal as defined in the common law; however, it does not include any of the following with respect to a Participant:
  - (i) a reduction in compensation unless greater than 20% of the Participant's total compensation;
  - (ii) a change in duties where such change is reasonably required pursuant to a reorganization or restructuring of the Corporation;
  - (iii) a re-location of position; and
  - (iv) a promotion.
- (h) **"Corporation"** means Tervita Corporation, and includes any Affiliate, Subsidiary or successor entity thereof;
- (i) **"Director"** means a member of the Board;
- (j) **"Exchange"** means the Toronto Stock Exchange or such other stock exchange on which the Shares are listed and posted for trading;
- (k) **"Fair Market Value"** means the volume weighted average trading price of the Shares on the Exchange (or if the Shares are listed on more than one Exchange, on such Exchange as may be designated by the Board for such purpose) for the five Trading Days immediately preceding the date of grant of Restricted Stock Units and, for this purpose, the volume weighted average trading price shall be calculated by dividing the total value by the total volume of Shares traded for such period. If the Corporation is not a public issuer such that there is no public trade of the Shares on the date in question, then the Fair Market Value of the Shares will be determined using the most recent fair market valuation of the Shares, as determined by the Board in its sole discretion (having regard to the Board's fiduciary obligations under applicable laws) from time to time;



- (l) **"For Cause"** means any act or omission of the Participant which would at law permit an employer to, without notice or payment in lieu of notice, terminate the employment of an Employee, including without limitation:
  - (i) wilful and serious misconduct;
  - (ii) habitual and deliberate neglect of duty;
  - (iii) incompetent performance of duties;
  - (iv) wilful disobedience to the Corporation's instructions; or
  - (v) dishonesty, including, without limitation, any circumstance in which the Participant is convicted of a criminal act relating to employment;
- (m) **"HRCC"** means the Human Resources & Compensation Committee of the Board, established and duly authorized to act in accordance with the By-Laws of the Corporation and the BCA;
- (n) **"Liquidity Event"** means (i) a sale of all or substantially all of the assets of the Corporation; (ii) a sale of securities of the Corporation pursuant to which the shareholders of the Corporation sell 75% or more of the Shares issued and outstanding at the time; (iii) a merger, amalgamation, arrangement or other business combination pursuant to which the shareholders of the Corporation own less than 25% of the issued and outstanding Shares after completion of the transaction; or (iv) an initial public offering, whether on a treasury or secondary basis, resulting in the holding by the public of Shares of the Corporation, directly or indirectly, or a transaction giving rise to a listing on an organized trading facility, including through an amalgamation, securities exchange take-over bid, or other transaction having a similar result, pursuant to which the shareholders of the Corporation own less than 25% of the Shares of the Corporation after completion of the transaction;
- (o) **"Maturity Date"** has the meaning given to that term in Section 5;
- (p) **"Notice Period"** means the notice period for termination of employment agreed to between the Corporation (or its Subsidiary) and the Participant, or, in the absence of any such agreement, the statutory minimum notice period required under applicable legislation;
- (q) **"Participant"** has the meaning given to that term in Section 4;
- (r) **"Plan"** means this Restricted Stock Unit Plan of the Corporation, and as the same may be duly amended or varied from time to time in accordance with the provisions of this Plan;



- (s) **"Restricted Stock Unit"** means a conditional right to payment which has been granted to a Participant to receive an amount of money determined in accordance with the provisions of this Plan;
- (t) **"Restricted Stock Unit Agreement"** has the meaning given to that term in Section 14;
- (u) **"Securities Act"** means the *Securities Act* (Alberta), including the rules and regulations promulgated thereunder, as may be amended from time to time;
- (v) **"Share"** means a common share in the capital of the Corporation, as adjusted in accordance with Section 11;
- (w) **"Subsidiary"** has the meaning given to that term in the Securities Act;
- (x) **"Successor Corporation"** has the meaning given to that term in Section 8;
- (y) **"Tax Act"** means the *Income Tax Act* (Canada), including the regulations promulgated thereunder;
- (z) **"Term"** has the meaning given to that term in Section 5; and
- (aa) **"Trading Day"** means any day on which the Exchange is open for trading.

### 3. GOVERNANCE

- (a) The Board will administer the Plan in its sole discretion. The Board will have the full power and sole responsibility to interpret the provisions of the Plan and to make regulations and formulate administrative provisions for its implementation, and to make such changes in the regulations and administrative procedures as, from time to time, the Board deems proper and in the best interests of the Corporation. Such regulations and provisions may include the delegation to the HRCC or to any Director, officer or employee of the Corporation of such administrative duties and powers of the Board as it may, in its sole discretion, deem fit. The Board may amend the Plan to correct, remedy or reconcile any errors, inconsistencies or ambiguities in this Plan. The determinations of the Board in the administration of the Plan will be final and conclusive.
- (b) The Board may, in its discretion but subject to any necessary approvals the Exchange, provide for the extension of the maturation of a Restricted Stock Unit, accelerate the maturation of any Restricted Stock Unit, eliminate or make less restrictive any restrictions contained in a Restricted Stock Unit, waive any restriction or other provision of the Plan or a Restricted Stock Unit or otherwise amend or modify a Restricted Stock Unit in any manner that is either: (a) not adverse to the holder of such Restricted Stock Unit; or (b) consented to by such holder.



- (c) All administrative costs of the Plan will be paid by the Corporation.
- (d) The Board will have the authority to approve, for each Restricted Stock Unit granted under the Plan, the Term of each Restricted Stock Unit granted. The Board shall also have the authority to approve any amendments to the Term in accordance with applicable law.
- (e) Grants to Participants will be determined in the sole discretion of the Board and may be made periodically throughout the year, subject to any blackout periods imposed by the policies of the Corporation, the Board, in its sole discretion, or the Exchange or any regulatory body having jurisdiction over the securities of the Corporation.

#### 4. PARTICIPATION AND GRANT OF UNITS

- (a) Management may recommend to the Board, employees, Directors or officers of the Corporation for participation in the Plan (each a "**Participant**") and may recommend to the Board for its approval the number of Restricted Stock Units to be granted in aggregate to such Participants. The Board will consider such recommendation and may, in its sole discretion, approve such Participants for participation in the Plan and approve the number of Restricted Stock Units to be granted to such Participants.
- (b) A designated Participant will have the right not to participate in the Plan, and any decision not to participate will not affect his or her employment with the Corporation. Participation in the Plan does not confer upon the Participant any right to continued employment with the Corporation.

#### 5. TERM

Except as otherwise provided herein or unless otherwise determined by the Board, each Restricted Stock Unit granted pursuant to the Plan will have a fixed term (a "**Term**") of not more than 36 months, commencing on the grant date and ending on the day which is 36 months following the grant date of the Restricted Stock Unit (the "**Maturity Date**"). Restricted Stock Units issued under this Plan will mature on the Maturity Date.

#### 6. PAYMENT

- (a) Amount Payable

The amount payable to each Participant will, in respect of a particular grant of Restricted Stock Units be the amount determined by multiplying the number of Restricted Stock Units held by such Participant that matured on the Maturity Date of such Restricted Stock Units by the Fair Market Value of the Shares as at the Maturity Date.



(b) Timing of Payment

Unless otherwise provided in this Plan, the amount payable to each Participant pursuant to Section 6(a) will be paid as soon as reasonably practicable following the Maturity Date.

(c) Form of Payment

The amount payable to each Participant pursuant to Section 6(a) will be paid in cash in Canadian currency and shall be subject to applicable withholding taxes as required by applicable legislation. Amounts payable to Directors pursuant to Section 6(a) may be settled in Shares, in the sole discretion of the Board.

**7. TERMINATION**

(a) Voluntary Termination

If a Participant voluntarily terminates his or her employment with the Corporation, all unpaid Restricted Stock Units held by such Participant as at the date of the Participant's termination, whether matured or unmatured, will be cancelled effective on the last day of such Participant's employment with the Corporation.

(b) Involuntary Termination Other than For Cause

If the employment of a Participant with the Corporation is terminated by the Corporation for any reason other than For Cause, all unpaid and matured Restricted Stock Units held by such Participant as at the last day of the Participant's employment with the Corporation shall be payable in accordance with Section 6.

Subject to the following, any unmatured Restricted Stock Units held by such Participant on the last day of employment will continue to mature in accordance with the Plan. The number of unmatured Restricted Stock Units that will continue to mature will be pro-rated by the number of full calendar months of active employment of the Participant during the Term to the total number of months in the Term. Such number of Restricted Stock Units will be paid in accordance with Section 6 and the balance of unmatured Restricted Stock Units held by such Participant will be cancelled effective on the last day of employment with the Corporation.

For the purposes of this Section 7(b), if a Participant's employment is terminated due to Constructive Dismissal, such termination shall be treated as an involuntary termination by the Corporation other than For Cause.



(c) Involuntary Termination For Cause

If the employment of a Participant is terminated by the Corporation For Cause, all unpaid Restricted Stock Units held by such Participant as at the date of termination, whether matured or unmatured, will be cancelled on the Participant's last day of active employment with the Corporation.

(d) Death

If the employment of a Participant with the Corporation is terminated as a result of the death of such Participant, all unpaid and matured Restricted Stock Units held by the Participant as at the date of death will be payable to the named beneficiary or alternatively to the estate of such Participant in accordance with Section 6.

For the purposes of this Section 7(d), the Maturity Date for a number of unmatured Restricted Stock Units shall be the date of the death of the Participant and the number of unmatured Restricted Stock Units that will mature will be pro-rated by the number of full calendar months of active employment of the Participant during the Term to the total number of months in the Term. Such number of Restricted Stock Units will be paid in accordance with Section 6 as soon as administratively possible and in any event, within 30 days of the end of the Corporation's then current fiscal year and the balance of unmatured Restricted Stock Units held by such Participant will be cancelled effective on the last day of employment with the Corporation.

(e) Disability

If a Participant has his or her employment terminated as a result of the "disability" of such Participant, all unpaid and matured Restricted Stock Units held by such Participant as of the last day of such Participant's active employment with the Corporation will be payable in accordance with Section 6.

Subject to the following, any unmatured Restricted Stock Units held by such Participant as of the date of disability will continue to mature in accordance with the Plan. The number of unmatured Restricted Stock Units that will continue to mature will be pro-rated by the number of full calendar months of active employment of the Participant during the Term to the total number of months in the Term. Such number of Restricted Stock Units will be paid in accordance with Section 6 and the balance of unmatured Restricted Stock Units held by such Participant will be cancelled effective on the last day of employment with the Corporation.

For the purposes of the foregoing, a Participant shall be considered to be suffering from a "disability" if he or she is eligible for benefits under a Corporation-sponsored long term disability benefits plan.





(f) Leaves of Absence

If a Participant commences a parental or other leave approved by the Corporation for a period of longer than three months, all unpaid and matured Restricted Stock Units held by the Participant as at the last day of such Participant's active employment with the Corporation will be payable in accordance with Section 6.

The number of unmatured Restricted Stock Units held by such Participant as at the commencement of the leave of absence will continue to mature in accordance with the Plan. The number of unmatured Restricted Stock Units that will continue to mature will be pro-rated by the number of full calendar months of active employment of the Participant during the Term to the total number of months in the Term. Such number of Restricted Stock Units will be paid in accordance with Section 6, provided however, that payment in respect of such Restricted Stock Units will be made on the earlier of (i) the return of the Participant to active employment, or (ii) December 31 of the third year following the year the Restricted Stock Units were granted. All other unmatured Restricted Stock Units held by the Participant shall be cancelled.

No additional grants of Restricted Stock Units may be made to a Participant while such Participant is on a leave of absence.

(g) No Future Grants; No Cash Payments

Upon the occurrence of any of the foregoing events listed under Sections 7(a) to (f) in respect of a Participant, such Participant will not be entitled to receive any further Restricted Stock Unit grants and, except as set forth herein, will not be entitled to receive any cash payment for the value of any unpaid Restricted Stock Units, matured or unmatured, held by the Participant as at the date of occurrence of such event.

## **8. CHANGE OF CONTROL**

In the event of a Change of Control, the surviving, continuing, successor or purchasing corporation or Affiliate thereof, as the case may be (the "**Successor Corporation**"), may either assume the Corporation's rights and obligations under outstanding Restricted Stock Units or substitute for outstanding Restricted Stock Units substantially equivalent units in the Successor Corporation.

In the event that an assumption or substitution of Restricted Stock Units is not made by the Successor Corporation prior to a Change of Control, then any unmatured Restricted Stock Units held by a Participant will accelerate and fully mature effective on the date of the Change of Control and all such Participant's Restricted Stock Units will be payable in accordance with Section 6.



If the employment of a Participant is terminated by the Corporation within 90 days of a Change of Control (either preceding or subsequent to) for any reason other than For Cause, then any unmatured Restricted Stock Units held by the Participant will accelerate and fully mature effective on the date of the Change of Control and all such Participant's Restricted Stock Units will be payable in accordance with Section 6.

Notwithstanding the foregoing, in the event the Corporation undertakes a Change of Control, the Board may, in its sole discretion, prior to completion of the Change of Control, require that some or all of the Restricted Stock Units be cancelled, repriced or otherwise revised, in which case the Board will deal with the Restricted Stock Units in the manner it deems fair and reasonable.

## **9. LIQUIDITY EVENT**

This Plan shall survive a Liquidity Event and will continue in full force and effect. Any unpaid and matured Restricted Stock Units held by a Participant as at the date of a Liquidity Event will be payable in accordance with Section 6. Any unmatured Restricted Stock Units held by a Participant as at the date of a Liquidity Event will continue to mature in accordance with this Plan.

Notwithstanding the foregoing, in the event the Corporation undertakes a Liquidity Event, the Board may, in its sole discretion, prior to completion of the Liquidity Event, require that some or all of the Restricted Stock Units be cancelled, repriced or otherwise revised, in which case the Board will deal with the Restricted Stock Units in the manner it deems fair and reasonable.

## **10. TAXES, REPORTING AND WITHHOLDING**

Notwithstanding anything else contained herein, each Participant will be responsible for the payment of all applicable taxes, including, but not limited to, income taxes payable in connection with the payment of the value of the Restricted Stock Units and the Corporation, its employees and agents will bear no liability in connection with the payment of such taxes. The Corporation shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments.

## **11. ADJUSTMENTS**

In the event that the outstanding number of Shares of the Corporation is increased or decreased, or changed into, or exchanged for a different number or kind of shares or other securities of the Corporation or another corporation, whether through a stock dividend, stock split, consolidation, recapitalization, amalgamation, reorganization, arrangement or other transaction, and such transaction or event is not a Change in Control, the Board may make appropriate adjustment in the number or kind of shares or securities upon which Restricted Stock Units are based under the Plan, and as regards to Restricted Stock Units previously granted or to be granted pursuant to the Plan, in the number and kind of shares or securities upon which the Restricted Stock Units are based.





## **12. AMENDMENTS TO THE PLAN**

The Board may revise, suspend or discontinue this Plan in whole or in part, if it determines, in its sole discretion that such revision, suspension or discontinuance is in the best interests of the Corporation. No such revision, suspension, or discontinuance shall alter or impair the rights of a Participant in respect of matured Restricted Stock Units of such Participant, without the consent of that Participant. In addition, no such revision, suspension or discontinuance shall result in adverse taxation under applicable law, unless otherwise determined by the Board with the consent of the Participant.

## **13. TRANSFERABILITY**

Restricted Stock Units are not transferable other than by legally valid will or according to the laws of descent and distribution.

## **14. RESTRICTED STOCK UNIT AGREEMENT**

- (a) The Corporation and each Participant to whom Restricted Stock Units are granted hereunder will enter into a written agreement (the “**Restricted Stock Unit Agreement**”), which agreement will set out the number of Restricted Stock Units, the Term, the Maturity Date, the circumstances when the maturity of the Restricted Stock Units may be accelerated, if any, and any other terms approved by the Board, all in accordance with the provisions of this Plan. The Restricted Stock Unit Agreement will be in such form as the Board may from time to time approve or authorize the Directors, officers or employees of the Corporation to enter into and may contain such terms as may be considered necessary in order that the Restricted Stock Unit will comply with any provision respecting Restricted Stock Units in the Tax Act or other applicable laws or regulations having jurisdiction over the Corporation. Such agreements may also contain such other provisions not inconsistent with the provision hereof as the Board may determine.
- (b) In the event of a conflict between the terms of this Plan and the terms of any Restricted Stock Unit Agreement between a Participant and the Corporation, the terms of this Plan shall prevail.

## **15. EMPLOYMENT**

Nothing contained in the Plan will confer upon any Participant any right with respect to employment or continuance of employment with, or the provision of services to, the Corporation or any Subsidiary of the Corporation, or interfere in any way with the right of the Corporation or any Subsidiary of the Corporation to terminate the Participant’s employment or services at any time. Participation in the Plan by a Participant is voluntary.

## **16. GOVERNING LAW**

This Plan shall be governed by, administered and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.



#### **17. EFFECTIVE DATE**

This Plan is dated effective as of January 1, 2017. Questions about this Plan should be directed to the Human Resources department or to the Vice President, HR & IT.