

**THE QUEEN'S BENCH
Winnipeg Centre**

BETWEEN:

THE MANITOBA SECURITIES COMMISSION,

Applicant,

– and –

CROCUS INVESTMENT FUND,

Respondent,

**RECEIVER'S REPORT #2
DATED: August 2, 2005**

**THE QUEEN'S BENCH
Winnipeg Centre**

BETWEEN:

THE MANITOBA SECURITIES COMMISSION,

Applicant,

– and –

CROCUS INVESTMENT FUND,

Respondent,

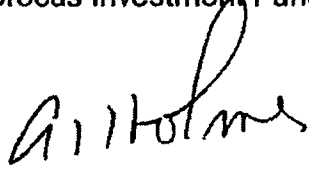
RECEIVER'S REPORT #2

1. The Articles of Incorporation of Crocus Investment Fund ("CIF") are currently in the form attached as Exhibit A to this Report.
2. By virtue of s. 6(2) of *the Labour Sponsored Investment Funds Act*, SM 2005, c.43, the Board of Directors of CIF was mandated to amend the Articles of the company to correspond to the amended *Labour Sponsored Venture Capital Corporations Act*.
3. There has been no Board of Directors of CIF since June 29, 2005. The Receiver has therefore taken the liberty of requesting this Honourable Court to authorize it to present the Articles of Amendment to the Director appointed under *The Corporations Act* in order to make the Articles consistent with the new legislation.
4. The suggested Articles of Amendment are set out in Exhibit B to this Report.

5. The Receiver requests the relief set out in the Notice of Motion that accompanies this Report.

RESPECTFULLY SUBMITTED BY:

Deloitte & Touche Inc. in its capacity as
Court-Appointed Receiver and Manager of
Crocus Investment Fund

A handwritten signature in cursive script that reads "A. R. Holmes".

Per: A. R. Holmes
Senior Vice-President



The Corporations Act
Loi sur les corporations
RESTATED ARTICLES OF INCORPORATION (share capital)
STATUTS CONSTATIFS MIS À JOUR (corporation avec capital actions)

Corporation No.
N° de la corporation



The Corporations Act /
Loi sur les corporations

CERTIFICATE / CERTIFICAT
ARTICLES EFFECTIVE /
LES STATUTS PRENNENT EFFET LE

25 OCT / OCT 2001

[Signature]
DIRECTOR, CORPORATIONS BRANCH /
DIRECTEUR, DIRECTION DES CORPORATIONS

<p>1. Name of Corporation / Dénomination sociale</p> <p>CROCUS INVESTMENT FUND</p>	<p>2. Corporation Number N° de la corporation</p> <p>2859018</p>
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<p>3. The address in full of the registered office (include postal code) Adresse complète du bureau enregistré (inclure le code postal)</p> <p>303 - 275 Broadway Winnipeg, Manitoba R3C 4M6</p>

<p>4. Number (or minimum and maximum number) of directors Nombre (ou nombre minimal et maximal) d'administrateurs</p> <p>Minimum Three (3) - Maximum Eleven (11)</p>

5. Directors/ Administrateurs	
Name in full / Nom complet	Address in full / Adresse complète
As set forth in the attached Schedule A hereto.	

<p>6. The classes and any maximum number of shares that the corporation is authorized to issue Catégories et tout nombre maximal d'actions que la corporation est autorisée à émettre</p>

The Corporation is authorized to issue five classes of shares and any additional classes of shares from time to time by filing articles of amendment under The Corporations Act. The Corporation is currently authorized to issue Class A Common Shares and Class L Special Shares in unlimited numbers for unlimited consideration; Class G Special Shares in unlimited numbers for maximum consideration of \$2,000,000; Series One Class I Special Shares to a maximum of 200,000 for unlimited consideration; and Series Two Class I Special Shares to a maximum of 1,000,000 for unlimited consideration.

7. The rights, privileges, restrictions and conditions attaching to the shares, if any
Droits, privilèges, restrictions et conditions dont les actions sont assorties, s'il y a lieu

As set forth in the attached Schedule B hereto.

8. Restrictions, if any, on share transfers/ Restrictions au transfer des actions, s'il y a lieu

As set forth in the attached Schedule B hereto.

9. Restrictions, if any, on business the corporation may carry on/
Limites imposées quant à l'entreprise que la corporation peut exercer, s'il y a lieu

The business of the Fund is restricted to (a) the operation of an investment fund that will make investments in qualified Manitoba business entities with a view to earning income and promoting and maintaining (i) capital retention and economic stability in Manitoba, (ii) employee ownership of qualified Manitoba businesses, and (iii) business continuity, job retention and creation, and the ownership of Manitoba businesses by Manitobans; and (b) providing investment capital and other financial assistance and other services to Manitoba businesses to enable them to create, maintain and protect jobs.

10. Other provisions, if any/Autres dispositions, s'il y a lieu

As set forth in the attached Schedule B hereto.

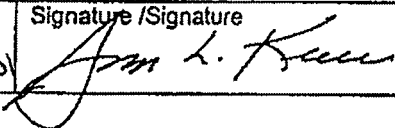
The foregoing restated articles of incorporation correctly set out, without substantive change, the corresponding provisions of the articles of incorporation as amended and supersede the original articles of incorporation. Les statuts constitutifs mis à jour, dont les dispositions correspondent essentiellement à celles des statuts constitutifs modifiés, remplacent les statuts constitutifs originaux.

Date / Date

Signature / Signature

Description of Office: / Description du poste
President and Chief Executive Officer

October 24, 2001



SCHEDULE "A"
TO THE RESTATED ARTICLES OF INCORPORATION
OF CROCUS INVESTMENT FUND

5. Directors

Name in Full	Address in Full
ROBERT HILLIARD	155 Borebank Street Winnipeg, Manitoba R3N 1E1
PETER OLFERT	432 Dunrobin Avenue Winnipeg, Manitoba R3K 0T8
CHARLES E. CURTIS	596 South Drive Winnipeg, Manitoba R3T 0B1
DAVID G. FRIESEN	Highway 30, P.O. Box 720 Altona, Manitoba R0G 0B0
DIANE BERESFORD	565 Whytewold Road Winnipeg, Manitoba R3J 2W8
WALDRON FOX-DECENT	4553 Roblin Boulevard Winnipeg, Manitoba R3R 0G2
LEA BATURIN	26 Bramton Street Winnipeg, Manitoba R2M 4P8
ALBERT R. BEAL	R.R. 2, Box 15 Lorette, Manitoba R0A 0Y0
JOHN CLARKSON	42 Harradence Close Winnipeg, Manitoba R3Y1K5

SCHEDULE "B"
TO THE RESTATED ARTICLES OF INCORPORATION
OF CROCUS INVESTMENT FUND

The Corporation is currently authorized to issue Class A Common Shares, Class G Special Shares, Class L Special Shares and Class I Special Shares (Series One and Series Two), which have attached thereto the following rights, privileges, restrictions and conditions:

1. **Definitions.** Where used herein, the following words and phrases, unless there is something in the context otherwise inconsistent therewith, shall have the following meanings, respectively:

"Act" means *The Corporations Act* (Manitoba), as amended from time to time;

"Board" means the board of directors of the Fund;

"Class G Shares" means Class G Special Shares in the capital of the Fund;

"Class I Shares" means the Class I Special Shares in the capital of the Fund;

"Class L Shares" means Class L Special Shares in the capital of the Fund;

"Common-Law Partner" has the same meaning as in the *Income Tax Act* (Canada);

"Common Shares" means Class A Common Shares in the capital of the Fund;

"Fund" means Crocus Investment Fund, established by Subsection 3(1) of the *Fund Act*;

"Fund Act" means *The Crocus Investment Fund Act* (Manitoba), as amended from time to time;

"Qualifying Trust", in relation to an individual, means a trust governed by a registered retirement savings plan or a registered retirement income fund where the annuitant under the plan or fund is the individual or his or her spouse or Common-Law Partner;

"Valuation Date" means the last business day of each week, or such other date or dates determined by by-law of the Board.

PART I

COMMON SHARES

The Common Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

1. **Limitations on the issue of Common Shares.** A Common Share shall be issued only to an individual or a trust governed by a registered retirement savings plan, as that term is defined in the *Income Tax Act* (Canada).
2. **Dividends.** The holder of a Common Share shall be entitled to receive non-cumulative dividends in an amount determined by and at the discretion of the Board from time to time.
3. **Voting Rights.** The holder of a Common Share shall be entitled to receive notice of and to attend all meetings of the shareholders of the Fund and each such holder shall be entitled to one vote at any meeting of shareholders of the Fund at which holders of Common Shares are entitled to vote, without regard to the number of Common Shares owned by the holder.

4. **Election of Directors.** Holders of Common Shares, as a group, are entitled to elect two persons as directors of the Fund.

5. **Restrictions on Transfer.** A Common Share may not be transferred except as follows:

- (a) by an individual to
 - (i) his or her brother , sister, parent, child, spouse or Common-Law Partner, or former spouse or Common-Law Partner;
 - (ii) the trustee of a Qualifying Trust for the individual;
- (b) by the trustee of a Qualifying Trust for an individual to
 - (i) the individual or his or her brother, sister, parent, child, spouse or Common-Law Partner, or former spouse or Common-Law Partner;
or
 - (ii) the trustee of another Qualifying Trust for the individual;
- (c) as a consequence of the death of an individual, to the individual's estate or to his or her heirs;
- (d) to the Fund on a repurchase of the share;
- (e) when the transfer is necessitated by an involuntary loss or interruption of employment of the holder or of an individual whose Qualifying Trust is the holder of the share, and the loss or interruption of employment is not compensated through employment insurance or workers' compensation benefits; or

- (f) when the transfer is at least
 - (i) seven years after the share's original acquisition date, if that date is before June 1997; or
 - (ii) eight years after the share's original acquisition date, if that date is after May 1997.

6. Retraction.

- (a) Except as otherwise provided in this Section 6, a holder of a Common Share is only entitled to require the Fund to repurchase the share on or after the eighth anniversary of its original acquisition date if that acquisition date is after May 1997, or on or after the seventh anniversary of its original acquisition date if that acquisition date is before June 1997;
- (b) A holder of a Common Share shall be entitled to require the Fund to repurchase the share if the Board is satisfied that:
 - (i) the holder acquired the share as a consequence of the death of the individual to whom or to whose Qualifying Trust the share was issued;
 - (ii) the holder, or an individual from whom the holder acquired the share or whose Qualifying Trust is the holder of the share, has experienced an involuntary loss or interruption of employment that was not compensated through employment insurance benefits or workers compensation benefits; or

- (iii) the holder requested the repurchase within 60 days after the share was issued to the holder;

- (c) Where the holder of a Common Share requests that the Fund repurchase the share pursuant to paragraph 6(b)(iii) of this Part, the holder shall be deemed to have rescinded his/her subscription for the share so repurchased and the share shall be deemed for all purposes never to have been issued;

- (d) Subject to the provisions of the Act where, pursuant to paragraph 6(b)(iii) of this Part, a holder of a Common Share is entitled to require the Fund to repurchase that share and has given to the Fund a request that such share be repurchased, the Fund shall repurchase the holder's Common Share on the Valuation Date on which the request for repurchase is tendered on the Fund where it is received before 3:00 p.m. (Winnipeg time) on such date, or, if such request for repurchase is not received on a Valuation Date or is received after 3:00 p.m. (Winnipeg time) on a Valuation Date, on the next Valuation Date immediately following the date upon which the request for repurchase is tendered on the Fund. If on any Valuation Date the Fund is not able to repurchase all of the shares for which it has received requests for repurchase, then the Fund shall repurchase rateably amongst the requests it has received, as many of the Common Shares as it is lawfully entitled to repurchase, and the balance of shares for which it has received such a request shall be considered to have been tendered for repurchase at the immediately following Valuation Date;

- (e) On any Valuation Date, the repurchase price of a Common Share shall be:

- (i) if the repurchase is pursuant to a request made within sixty (60) days after the date upon a share is issued, the amount of the consideration for which the Common Share was issued; and
 - (ii) in any other case, the fair value of a Common Share on the Valuation Date as determined by the Board.
- (f) Where, at any time, the holder of a Common Share gives notice to the Fund requiring the Fund to purchase such share pursuant to paragraph 6(b)(iii) of this Part, paragraph 6(b)(iii) will not apply to permit the holder to require the Fund to repurchase any Common Shares acquired by the holder after the date on which the notice is given.
- (g) The by-laws of the Fund may establish conditions precedent to the right of a holder of Common Shares to redeem a Common Share upon the occurrence of the event described in paragraph 6(b)(ii) of this Part.

7. **Liquidation, Dissolution or Winding-Up.** Subject to the prior rights of the holders of any shares or series of shares ranking senior to the Common Shares with respect to priority in the distribution of property and assets, on the liquidation, dissolution or winding-up of the Fund, the holders of the Common Shares shall be exclusively entitled to receive rateably, share for share, any remaining property or assets of the Fund.

PART II

CLASS G SHARE PROVISIONS

The Class G Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

1. **Definitions.** Where used in this Part the following words and phrases, unless there is something in the context otherwise inconsistent therewith, shall have the following meanings, respectively:

- (a) **"Accumulated Losses"** means, at any particular time, the net loss of the Fund incurred in a month, if any, calculated in accordance with GAAP, subject to the Adjustment, aggregated for all months in which a net loss has occurred ended prior to the particular time;
- (b) **"Adjustment"** means such adjustments in respect of the revenues and expenses of the Fund in a month as may be considered appropriate by management of the Fund in consultation with the auditors of the Fund for the purposes of normalizing revenues and expenses of the Fund over the financial year;
- (c) **"Class G Liquidation Entitlement"** means, in respect of a Class G Share, the sum of \$1.00 per Class G Share multiplied by the number of Class G Shares issued and outstanding, minus the Accumulated Losses, divided by the number of Class G Shares issued and outstanding;
- (d) **"GAAP"** means generally accepted accounting principles applicable to the Fund applied on a consistent basis from year to year.

2. **Limitation on the Issue of Class G Shares.** The Class G Shares shall be issued only to the Minister of Finance in trust for Her Majesty in right of Manitoba.

3. **Dividends.** The holder of Class G Shares shall not be entitled to receive dividends.

4. **Voting Rights.** The holder of Class G Shares shall be entitled to receive notice of and to attend all meetings of the shareholders of the Fund and shall be entitled to one vote at any meeting of shareholders of the Fund at which the holder of Class G Shares is entitled to vote, without regard to the number of shares owned by the holder.

5. **Election of Directors.** The holder of the issued and outstanding Class G Shares of the Fund shall be entitled to elect one person as a director of the Fund.

6. **Restrictions on Transfer.** Class G Shares may not be transferred by the holder thereof without the prior approval of the Lieutenant Governor in Counsel.

7. **Retraction and Conversion.** Class G Shares are not redeemable at the option of either the holder of the Class G Shares or the Fund.

8. **Liquidation, Dissolution or Winding-Up.** Subject to the rights of the holders of the Class I Shares, on the liquidation, dissolution or winding-up of the Fund, the holder of Class G Shares and the holder of Class L Shares shall receive rateably, share for share, without preference or distinction the Class G Liquidation Entitlement and the Class L Liquidation Entitlement (as hereinafter defined), respectively, before any further property or assets of the Fund are distributed.

PART III

CLASS L SHARES

The Class L Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

1. **Limitations on the issue of Class L Shares.** Class L Shares shall be issued only to the Manitoba Federation of Labour.

2. **Dividends.** The holder of Class L Shares shall not be entitled to receive dividends.

3. **Voting Rights.** The holder of Class L Shares shall be entitled to receive notice of and to attend all meetings of the shareholders of the Fund and each such holder shall be entitled to one vote at any meeting of shareholders of the Fund at which holders of Class L Shares are entitled to vote, without regard to the number of Class L Shares owned by the holder.

4. **Election of Directors.** The holder of the issued and outstanding Class L Shares of the Fund is entitled to elect four (4) directors to the Board. The holder of the Class L Shares of the Fund may elect one (1) additional director for each director elected by the holders of the Class I Shares or appointed by the Board, and each such additional director shall hold office until the conclusion of the next meeting at which a director is elected by the holders of the Class I Shares, or appointed by the Board.

5. **Restriction on Transfer.** Class L Shares may not be transferred by the Manitoba Federation of Labour without the prior approval of the Lieutenant Governor in Council.

6. **Retraction.** The Fund shall not purchase, redeem or otherwise acquire any of its issued Class L Shares.

7. **Liquidation, Dissolution or Winding-Up.** Subject to the rights of the holders of the Class I Shares, on the liquidation, dissolution or winding-up of the Fund, the holder of Class G Shares and the holder of Class L Shares shall receive rateably, share for share, without preference or distinction the Class G Liquidation Entitlement and the Class L Liquidation Entitlement, respectively, before any further property or assets of

the Fund are distributed. The "Class L Liquidation Entitlement", in relation to a Class L share, means the amount paid by the holder for the issue of the share.

PART IV

CLASS I SHARES

The Class I Shares and the different series thereof, shall have attached thereto the following rights, privileges, restrictions and conditions:

1. **Definitions.** Where used in this Part (including Part IV(A) and (B)) the following words and phrases, unless there is something in the context otherwise inconsistent therewith, shall have the following meanings, respectively:

"Net Asset Value Per Common Share" means the fair value of each Common Share of the Fund as at each Valuation Date as determined by the Board in accordance with the rules set out in the Fund Act and in the valuation policies of the Fund, all as described in the Prospectus,

"Prospectus" means the Prospectus of the Fund for the continuous offering for sale to the public of Common Shares of the Fund dated January 12, 2001, as amended from time to time and any renewal prospectus;

"Redemption Amount" means, in relation to Series One Shares the price payable by the Fund to a holder of a Series One Share for the redemption of a Series One Share and is an amount equal to the Net Asset Value Per Common Share on the Redemption Date, multiplied by the number of Series One Shares being redeemed and, in relation to Series Two Shares, means the price payable by the Fund to a holder of a Series Two Share for the redemption of a Series Two Share and is an amount equal to the Net Asset Value Per Common Share

on the Redemption Date, multiplied by the number of Series Two Shares being redeemed;

"Redemption Date" the date upon which the Fund shall redeem a Series One Share or a Series Two Share, as the case may be, pursuant to a Redemption Request and shall be the Valuation Date on which the Redemption Request is tendered to the Fund where it is received before 3:00 p.m. (Winnipeg time) on such date, or, if such Redemption Request is not received on a Valuation Date or is received at or after 3:00 p.m. (Winnipeg time) on a Valuation Date, on the next Valuation Date following the date on which the Redemption Request is received by the Fund.

"Redemption Request" means a request in writing given to the Fund by a holder of a Series One Share or Series Two Share specifying such holder's desire for redemption, the number of Series One Shares or Series Two Shares which such holder desires to have redeemed and the Redemption Date;

"Series One Provisions" means, in addition to the rights, privileges, restrictions, conditions and limitations attaching to the Class I Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series One Shares as described herein;

"Series One Shares" means the first series of Class I Shares in the capital stock of the Fund designated by the Board as Series One Class I Special Shares;

"Series Two Provisions" means, in addition to the rights, privileges, restrictions, conditions and limitations attaching to the Class I Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series One Shares as described herein;

"Series Two Shares" means the second series of Class I Shares in the capital stock of the Fund designated by the Board as Series Two Class I Special Shares;

"Valuation Date" means the last business day of each week, or such other date or dates as may be determined by the Fund from time to time.

2. **Rights, Privileges, Restrictions and Conditions attaching to Class I Shares.**

Class I Shares shall be issued only to institutional or corporate investors, the Minister of Finance in trust for Her Majesty in right of Manitoba, or the Minister of Finance (Canada) in trust for Her Majesty in right of Canada. The Class I Shares may at any time and from time to time be issued in one or more series. The Board may fix before issue the number of Class I Shares in each series, the designation, rights, privileges, restrictions and conditions attaching to the Class I Shares of each series, including, without limitation, any voting rights, any right to receive dividends, which may be cumulative or non-cumulative and variable or fixed and may include a provision for the means of determining the amount of such dividends or the dates of payment thereof, any terms and conditions of redemption or purchase, any conversion rights, any rights on the liquidation, dissolution or winding-up of the Fund, any sinking fund provisions, any restrictions on transfer and other provisions not inconsistent with the Fund Act.

3. **Dividends and Distributions.** The Class I Shares of each series may, with respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, have such preferences over the Class I Shares of every other series and be entitled to such preference over the Common Shares, Class G Shares and Class L Shares as the Board may fix before the issue thereof.

4. **Voting.** A holder of a Class I Share of a series shall only be entitled to vote in accordance with the voting rights attached to such series of Class I Shares as

established by the Board at the time of their issue. The voting rights established by the Board in respect of a series of Class I Shares shall provide that a holder is limited, except in respect to election of directors, if any, in which that series is entitled to participate, to one vote at any meeting of shareholders of the Fund at which a holder of Class I Shares series is entitled to vote, without regard to the number of shares owned by the holder.

5. **Restriction on Transfer.** A Class I Share may not be transferred if such transfer is in contravention of the restrictions on transfer, if any, specified by the Board as permitted by Section 2 of this Part.

6. **New Series.** Upon the creation of any Series of Class I Shares, Articles of Amendment setting forth the rights, privileges, restrictions and conditions attaching to the Class I Shares of the Series shall be filed under the Act.

PART IV(A)

SERIES ONE PROVISIONS

The Series One Class I Shares shall have attached thereto, in addition to the rights, privileges, restrictions, conditions and limitations attaching to the Class I Shares as a class, the following rights, privileges, restrictions and conditions:

1. **Dividends.** Subject to the prior rights of any shares or series of shares ranking senior to the Series One Shares with respect to priority in the payment of dividends, the Series One Shares shall participate equally, share for share in any dividend declared by the Board on Common Shares (and with all shares or series of shares ranking equally to the Common Shares with respect to the payment of dividends), and all dividends which the Board may declare and pay in any fiscal year of the Fund on Common Shares shall also be declared and paid in equal amounts per share and at the same time or times on all Series One Shares at the time issued and outstanding, without preference

or distinction.

2. **Voting Rights.** A holder of a Series One Shares shall be entitled to receive notice of and to attend all meetings of the shareholders of the Fund and, except with respect to the election of a director as provided in Section 3 of this Part IV(A), each such holder shall be entitled to one vote at any meeting of shareholders of the Fund at which holders of Series One Shares are entitled to vote, without regard to the number of Series One Shares owned by the holder.
3. **Election of Directors.** Holders of Series One Shares shall not be entitled to elect or to vote in respect of the election of any directors of the Fund
4. **Restriction on Transfer.** A Series One Share shall not be transferred by the holder thereof.
5. **Retraction Rights.** A holder of a Series One Share shall be entitled to require the Fund to redeem at any time or from time to time all or any of the Series One Shares owned by the holder by tendering to the Fund, at its registered office, the certificate or certificates representing the Series One Share(s) which the holder desires to have the Fund redeem, together with a Redemption Request, and unless such redemption is contrary to any applicable law, the Fund shall redeem such Series One Share(s) by paying or causing to be paid to or to the order of the holder the Redemption Amount for the Series One Share(s) to be redeemed, together with an amount equal to all dividends declared thereon and unpaid on the Redemption Date.
6. **Liquidation, Dissolution or Winding-Up.** Subject to the prior rights of the holders of any shares or series of shares ranking senior to the Series One Shares with respect to priority in the distribution of property and assets, the holders of Series One Shares shall be entitled to share equally, share for share, without preference or distinction, with the holders of Common Shares (and with the holders of all shares or

series of shares ranking equally to the Common Shares with respect to the distribution of property and assets) in all remaining property and assets of the Fund in the event of the liquidation, dissolution or winding-up of the Fund, whether voluntary or involuntary, or any other distribution of the assets of the Fund among its shareholders for the purposes of winding up its affairs.

7. **Amendments to Series One Provisions.** The Series One Provisions may be repealed, altered, modified, amended or varied only with the prior approval of the holders of the Series One Shares in addition to any other approval required by the Act or any other statutory provision of like or similar effect applicable to the Fund from time to time in force.

PART IV(B)
SERIES TWO PROVISIONS

The Series Two Class I Shares shall have attached thereto, in addition to the rights, privileges, restrictions, conditions and limitations attaching to the Class I Shares as a class, the following rights privileges, restrictions and conditions

1. **Dividends.** Subject to the prior rights of any shares or series of shares ranking senior to the Series Two Shares with respect to priority in the payment of dividends, the Series Two Shares shall participate equally, share for share in any dividend declared by the Board on Common Shares (and with all shares or series of shares ranking equally to the Common Shares with respect to the payment of dividends), and all dividends which the Board may declare and pay in any fiscal year of the Fund on Common Shares shall also be declared and paid in equal amounts per share and at the same time or times on all Series Two Shares at the time issued and outstanding, without preference or distinction.

2. **Voting Rights.** A holder of a Series Two Share shall be entitled to receive notice of and to attend all meetings of the shareholders of the Fund and each such holder shall be entitled to one vote at any meeting of shareholders of the Fund at which holders of Series Two Shares are entitled to vote, without regard to the number of Series Two Shares owned by the holder

3. **Election of Directors.**

- (a) Holders of Series Two Shares shall not be entitled to elect any directors of the Fund until such time as there are at least 50,000 Series Two Shares issued and outstanding, and for so long as at least 50,000 Series Two Shares are issued and outstanding, holders of Series Two Shares, voting exclusively and separately and as a class, shall be entitled to elect one person as director of the Fund and for this purpose each holder of a Series Two Share is entitled to one vote for each Series Two Share owned by the holder. Nothing herein contained shall be deemed to restrict the right of the Fund from time to time to increase or decrease the number of its directors as permitted by the Fund Act;
- (b) For the purposes of exercising the right to elect a director as provided in this section, a quorum for a separate meeting of the holders of the Series Two Shares shall be holders of Series Two Shares being not less than one in number and holding or representing by proxy not less than 51% of the then issued and outstanding Series Two Shares;
- (c) Any meeting of the holders of the Series Two Shares for the purpose of electing a director may be held upon not less than 21 days' notice to the holders of Series Two Shares. In all other respects the formalities to be observed with respect to giving of notice and the conduct of such meetings shall be those from time to time required by the Act or prescribed in the

by-laws of the Fund with respect to the meetings of shareholders generally;

- (d) Any vacancy occurring in the office of the director elected to represent the holders of Series Two Shares in accordance with the foregoing provisions may be filled by the Board electing a representative of a holder of Series Two Shares to fill the vacancy. Whether or not such vacancy is so filled by the Board, the registered holders of at least 51% of the then issued and outstanding Series Two Shares shall have the right to require the Secretary of the Fund to call a meeting of the holders of the Series Two Shares for the purpose of filling the vacancy or replacing the person filling such vacancy who has been appointed by the Board and the foregoing provisions of this section shall apply in respect of the calling of such meeting.

4. Restriction on Transfer. The right to transfer Series Two Shares shall be restricted in that no holder of a Series Two Share shall be entitled to transfer a Series Two Share except to an Institutional Investor.

5. Retraction Rights.

- (a) Commencing on the fifth anniversary of the date the holder's Series Two Shares were issued or, if the holder's Series Two Shares were issued pursuant to the exercise of a warrant, on the fifth anniversary of the date such warrant was issued, or, if such warrant was issued pursuant to the exercise of a right to acquire a warrant, on the fifth anniversary of the date such right was issued, a holder of Series Two Shares shall be entitled to require the Fund to redeem all or any portion of the Series Two Shares owned by the holder by tendering to the Fund at its registered office the certificate or certificates representing the Series Two Share(s) which the

holder desires to have the Fund redeem, together with a Redemption Request. On the Redemption Date, unless such redemption will be contrary to any applicable law, the Fund shall redeem such Series Two Share(s) by paying or causing to be paid to or to the order of the holder the Redemption Amount for the Series Two Share(s) to be redeemed, together with an amount equal to all dividends declared thereon and unpaid;

- (b) If on or before the fifth anniversary of the date the holder's Series Two Shares were issued or, if the holder's Series Two Shares were issued pursuant to the exercise of a warrant, on or before the fifth anniversary of the date such warrant was issued, or, if such warrant was issued pursuant to the exercise of a right to acquire a warrant, on the fifth anniversary of the date such right was issued, a holder of Series Two Shares presents to the Fund a sworn declaration of a senior officer of the holder declaring that such holder's reserve fund for expenses which may be incurred by the holder during a strike or strikes by its members has been eliminated as a result of such strike or strikes and that the holder requires all or some of its Series Two Shares to be redeemed by the Fund for the purpose of replenishing such reserve fund or for paying additional expenses relating to such strike or strikes, then such holder shall be entitled at that time to require the Fund to redeem all or part of the Series Two Shares owned by such holder in the manner provided in sub-paragraph (a) hereof.

6. **Liquidation, Dissolution or Winding-Up.** Subject to the prior rights of the holders of any shares or series of shares ranking senior to the Series Two Shares with respect to priority in the distribution of property and assets, the holders of Series Two Shares shall be entitled to share equally, share for share, without preference or distinction, with the holders of Common Shares (and with the holders of all shares or series of shares ranking equally to the Common Shares with respect to the distribution

of property and assets) in all remaining property and assets of the Fund in the event of the liquidation, dissolution or winding-up of the Fund, whether voluntary or involuntary, or any other distribution of the assets of the Fund among its shareholders for the purpose of winding up its affairs

7. **Amendments to Series Two Provisions.** The Series Two Provisions may be repealed, altered, modified, amended or varied only with the prior approval of the holders of the Series Two Shares in addition to any other approval required by the Act or any other statutory provision of like or similar effect applicable to the Fund from time to time in force.

PART V

ADDITIONAL PROVISIONS

1. **Board May Appoint Independent Director.** In addition to the directors elected by the shareholders of the Fund, the Board may appoint as a director one individual who:

- (a) is not an officer or employee of the Fund;
- (b) is not a director, officer or employee of the holder of the Class L Shares or the Government of Manitoba; and
- (c) is not a director, officer, employee, member or shareholder of any firm or corporation that is engaged to provide services to the Fund.

provided always that a majority of the directors on the Board shall be elected by the holder of the Class L Shares.

The Corporations Act /
Loi sur les corporations
ARTICLES OF AMENDMENT
CLAUSES MODIFICATRICES

MANITOBA



The Corporations Act /
Loi sur les corporations

Corporation No. 2859018
N° de la corporation

CERTIFICATE / CERTIFICAT

**ARTICLES EFFECTIVE /
LES STATUTS PRENNENT EFFET LE**

27 JUIN / JUN 2002

[Signature]
DIRECTOR, CORPORATIONS BRANCH /
DIRECTEUR, DIRECTION DES CORPORATIONS

1-Name of Corporation / Dénomination sociale

CROCUS INVESTMENT FUND

2-Corporation Number /
N° de la corporation

2859018

3- a) The amendment to the articles has been authorized by: / La modification apportée aux statuts a été autorisée par résolution:

directors	<input checked="" type="checkbox"/>	administrateurs
shareholders	<input type="checkbox"/>	actionnaires
members	<input type="checkbox"/>	members

b) pursuant to Section 27(4)
conformément à l'article

c) and the articles are amended as follows: / et les statuts de la corporation sont modifiés de la façon suivante:

To:

1. Create a new series of Class I Special Shares namely, Series Three Class I Special Shares of an unlimited number for an unlimited consideration.
2. Add the rights, privileges, restrictions and conditions attaching to the Series Three Class I Special Shares set forth in Schedule 1 attached hereto.

Date / Date	Signature /Signature	Description of Office: / Description du poste
June 26, 2002	<i>[Signature]</i>	President & CEO

Instructions: Specify the relevant subsection pursuant to which the amendment is authorized, and the changes which are being made. Specify whether amendment authorized by directors, shareholders or members. The resolution authorizing the amendment is not required to be attached hereto.

Directives: Énoncer chacune des modifications apportées aux statuts, en mentionnant la disposition de la loi qui l'autorise. Indiquer également s'il s'agit d'une modification adoptée par résolution des administrateurs ou par résolution des actionnaires ou membres. Il n'est pas nécessaire de fournir une copie de cette résolution.

SCHEDULE 1

TO THE ATTACHED ARTICLES OF AMENDMENT

The Series Three Class I Special Shares shall have attached thereto, in addition to the rights, privileges, restrictions, conditions and limitations attaching to the Class I Shares as a class, the following rights, privileges, restrictions and conditions:

1. **Dividends.** Subject to the prior rights of any shares or series of shares ranking senior to the Series Three Shares with respect to priority in the payment of dividends, the Series Three Shares shall participate equally, share for share in any dividend declared by the Board on Common Shares (and with all shares or series of shares ranking equally to the Common Shares with respect to the payment of dividends), and all dividends which the Board may declare and pay in any fiscal year of the Fund on Common Shares shall also be declared and paid in equal amounts per share and at the same time or times on all Series Three Shares at the time issued and outstanding, without preference or distinction.
2. **Voting Rights.** Holders of Series Three Shares shall be entitled to receive notice of and to attend all meetings of the shareholders of the Fund and, except with respect to the election of a director as provided in Section 3 below, each such holder shall be entitled to one vote at any meeting of shareholders of the Fund at which holders of Series Three Shares are entitled to vote, without regard to the number of Series Three Shares owned by the holder.
3. **Election of Directors.** Holders of Series Three Shares shall not be entitled to elect or to vote in respect of the election of any directors of the Fund
4. **Restriction on Transfer.** Series Three Shares shall not be transferred by the holder or holders thereof.
5. **Retraction Rights.**
 - (a) Commencing on the fifth anniversary of the date the holder's Series Three Shares were issued or, if the holder's Series Three Shares were issued pursuant to the exercise of a warrant, on the fifth anniversary of the date such warrant was issued, or, if such warrant was issued pursuant to the exercise of a right to acquire a warrant, on the fifth anniversary of the date such right was issued, a holder of Series Three Shares shall be entitled to require the Fund to redeem all or any portion of the Series Three Shares owned by the holder by tendering to the Fund at its registered office the certificate or certificates representing the Series Three Share(s) which the holder desires to have the Fund redeem, together with a Redemption Request. On the Redemption Date, unless such redemption will be contrary to any applicable law, the Fund shall redeem such Series Three Share(s) by paying or causing to be paid to or to the order of the holder the Redemption Amount for the Series Three

Share(s) to be redeemed, together with an amount equal to all dividends declared thereon and unpaid.

6. Liquidation, Dissolution or Winding-Up. Subject to the prior rights of the holders of any shares or series of shares ranking senior to the Series Three Shares with respect to priority in the distribution of property and assets, the holders of Series Three Shares shall be entitled to share equally, share for share, without preference or distinction, with the holders of Common Shares (and with the holders of all shares or series of shares ranking equally to the Common Shares with respect to the distribution of property and assets) in all remaining property and assets of the Fund in the event of the liquidation, dissolution or winding-up of the Fund, whether voluntary or involuntary, or any other distribution of the assets of the Fund among its shareholders for the purposes of winding up its affairs.

7. Amendments to Series Three Provisions. The Series Three Provisions may be repealed, altered, modified, amended or varied only with the prior approval of the holders of the Series Three Shares in addition to any other approval required by the Act or any other statutory provision of like or similar effect applicable to the Fund from time to time in force.

The Corporations Act /
Loi sur les corporations
ARTICLES OF AMENDMENT
CLAUSES MODIFICATRICES

MANITOBA



The Corporations Act /
Loi sur les corporations

Corporation No. 2859018
N° de la corporation

CERTIFICATE / CERTIFICAT

**ARTICLES EFFECTIVE /
LES STATUTS PRENNENT EFFET LE**

27 SEP / SEP 2002

[Signature]
DIRECTOR, CORPORATIONS BRANCH /
DIRECTEUR, DIRECTION DES CORPORATIONS

1-Name of Corporation / Dénomination sociale CROCUS INVESTMENT FUND	2-Corporation Number / N° de la corporation 2859018
---	--

3- a) The amendment to the articles has been authorized by: / La modification apportée aux statuts a été autorisée par résolution:

- | | | |
|--------------|-------------------------------------|-----------------|
| directors | <input checked="" type="checkbox"/> | administrateurs |
| shareholders | <input type="checkbox"/> | actionnaires |
| members | <input type="checkbox"/> | members |

b) pursuant to Section 27(4)
conformément à l'article

c) and the articles are amended as follows: / et les statuts de la corporation sont modifiés de la façon suivante:

To:

1. Amend the rights, privileges, restrictions and conditions attaching to the Series Three Class I Special Shares which were created by Articles of Amendment dated June 27, 2002 by replacing them with the rights, privileges, restrictions and conditions set forth in Schedule I attached hereto.

Date / Date	Signature /Signature	Description of Office: / Description du poste
September 27, 2002	<i>[Signature]</i>	President and Chief Executive Officer

Instructions: Specify the relevant subsection pursuant to which the amendment is authorized, and the changes which are being made. Specify whether amendment authorized by directors, shareholders or members. The resolution authorizing the amendment is not required to be attached hereto.

Directives: Énoncer chacune des modifications apportées aux statuts, en mentionnant la disposition de la loi qui l'autorise. Indiquer également s'il s'agit d'une modification adoptée par résolution des administrateurs ou par résolution des actionnaires ou membres. Il n'est pas nécessaire de fournir une copie de cette résolution.

SCHEDULE 1

TO THE ATTACHED ARTICLES OF AMENDMENT

The rights, privileges, restrictions and conditions of the Series Three Class I Special Shares set out in the Schedule I attached to the Articles of Amendment of Crocus Investment Fund (the "Fund") dated June 27, 2002 are hereby deleted and replaced with the following:

"The Series Three Class I Special Shares (the "Series Three Shares") shall have attached thereto, in addition to the rights, privileges, restrictions, conditions and limitations attaching to the Class I Shares as a class, the following rights, privileges, restrictions and conditions:

1. **Definitions.** Where used herein, the following and phrases, unless there is something in the context otherwise inconsistent therewith, shall have the following meanings, respectively:

"**Corporation Agreement**" means that certain Corporation Agreement to be entered into between the Fund and Fonds De Solidarité Des Travailleurs Du Québec (F.T.Q.) to be dated as of September 27, 2002;

"**Net Asset Value Per Common Share**" means the fair value of each Common Share of the Fund as at each Valuation Date as determined by the Board of Directors of the Fund in accordance with the rules set out in the Fund Act and in the valuation policies of the Fund;

"**Series Three Redemption Amount**" means the price payable by the Fund to the holder of a Series Three Share for the redemption of a Series Three Share as set out in the Corporation Agreement;

"**Series Three Redemption Date**" means the date upon which the Fund shall redeem Series Three Shares pursuant to a Series Three Redemption Request and shall be not more than thirty (30) days after the day on which the Series Three Redemption Request is received by the Fund

"**Series Three Redemption Request**" means a request in writing given by the holder of Series Three Shares to the Fund specifying such holder's desire for redemption, the number of Series Three Shares which such holder desires to have redeemed and the Series Three Redemption Date;

"**Series Three Redemption Valuation Date**" means the date on which a Series Three Redemption Request is received by the Fund in respect of the purchase of a Series Three Share where it is received before 3:00 p.m. (Winnipeg time) on such date, or, if such Series Three Redemption Request is not received on a Valuation Date or is received at or after 3:00 p.m. (Winnipeg time) on a Valuation Date, as at the next Valuation Date following the date on which the Series Three Redemption Request is received by the Fund.

"Valuation Date" means the last business day of each week, or such other date or dates as may be determined by the Fund from time to time;

2. **Voting Rights.** Holders of Series Three Shares shall be entitled to receive notice of and to attend all meetings of the shareholders of the Fund and, except with respect to the election of a director as provided in Section 3 below, each such holder shall be entitled to one vote at any meeting of shareholders of the Fund at which holders of Series Three Shares are entitled to vote, without regard to the number of Series Three Shares owned by the holder.
3. **Election of Directors.** Holders of Series Three Shares shall not be entitled to elect or to vote in respect of the election of any directors of the Fund
4. **Restriction on Transfer.** Series Three Shares shall not be transferred by the holder or holders thereof.
5. **Retraction Rights.** Commencing on the date that is eighteen (18) months from the date the holder's Series Three Shares were issued or such earlier date as set out in the Corporation Agreement, a holder of Series Three Shares shall be entitled, from time to time, to require the Fund to redeem all or any portion of the Series Three Shares owned by the holder as provided by the Corporation Agreement, by tendering to the Fund at its registered office the certificate or certificates representing the Series Three Share(s) which the holder desires to have the Fund redeem, together with a Series Three Redemption Request. On the Series Three Redemption Date, unless such redemption will be contrary to Section 34 of *The Corporations Act* (Manitoba), the Fund shall redeem such Series Three Share(s) by paying or causing to be paid to or to the order of the holder the Series Three Redemption Amount for the Series Three Share(s) to be redeemed.
6. **Redemption.** The Corporation shall have the right, at its option at any time after the date that is twelve (12) months from the date the holder's Series Three Shares were issued, and from time to time, on notice, to redeem all of the Series Three Shares held by such holder, or that portion of the Series Three Shares as provided by the Corporation Agreement, by paying or causing to be paid to or to the order of the holder the Series Three Redemption Amount for the Series Three Share(s) to be redeemed.
7. **Liquidation, Dissolution or Winding-Up.** The holders of Series Three Shares shall be entitled, in priority to the holders of all other classes of shares or series of shares to share equally in all remaining property and assets of the Fund in the event of the liquidation, dissolution or winding-up of the Fund, whether voluntary or involuntary, or any other distribution of the assets of the Fund among its shareholders for the purposes of winding up its affairs.
8. **Amendments to Series Three Provisions.** The Series Three provisions may be repealed, altered, modified, amended or varied only with the prior approval of the holders of the Series Three Shares in addition to any other approval required by the Act or any other statutory provision of like or similar effect applicable to the Fund from time to time in force."

The Corporations Act/
Loi sur les corporations
ARTICLES OF AMENDMENT
CLAUSES MODIFICATRICES

MANITOBA



The Corporations Act /
Loi sur les corporations

Corporation No. 2859018
N° de la corporation

CERTIFICATE / CERTIFICAT

**ARTICLES EFFECTIVE /
LES STATUTS PRENNENT EFFET LE**

12 NOV NOV 2002

[Signature]
DIRECTOR, CORPORATIONS BRANCH /
DIRECTEUR, DIRECTION DES CORPORATIONS

1-Name of Corporation / Dénomination sociale

CROCUS INVESTMENT FUND

2-Corporation Number /
N° de la corporation
2859018

3- a) The amendment to the articles has been authorized by: / La modification apportée aux statuts a été autorisée par résolution:

directors administrateurs
shareholders actionnaires
members membres

b) pursuant to Section 27(4)
conformément à l'article

c) and the articles are amended as follows: / et les statuts de la corporation sont modifiés de la façon suivante:

To:

- Amend the rights, privileges, restrictions and conditions attaching to the Series Three Class I Special Shares which were created by Articles of Amendment dated June 27, 2002 and amended by Articles of Amendment on September 27, 2002, by replacing them with the rights, privileges, restrictions and conditions set forth in Schedule I attached hereto.

Date / Date	Signature / Signature	Description of Office: / Description du poste
November 8, 2002	<i>[Signature]</i>	President and Chief Executive Officer

Instructions: Specify the relevant subsection pursuant to which the amendment is authorized, and the changes which are being made. Specify whether amendment authorized by directors, shareholders or members. The resolution authorizing the amendment is not required to be attached hereto.

Directives: Énoncer chacune des modifications apportées aux statuts, en mentionnant la disposition de la loi qui l'autorise. Indiquer également s'il s'agit d'une modification adoptée par résolution des administrateurs ou par résolution des actionnaires ou membres. Il n'est pas nécessaire de fournir une copie de cette résolution.

SCHEDULE 1

TO THE ATTACHED ARTICLES OF AMENDMENT

The rights, privileges, restrictions and conditions of the Series Three Class I Special Shares set out in the Schedule I attached to the Articles of Amendment of Crocus Investment Fund (the "Fund") dated September 27, 2002 are hereby deleted and replaced with the following:

"The Series Three Class I Special Shares (the "Series Three Shares") shall have attached thereto, in addition to the rights, privileges, restrictions, conditions and limitations attaching to the Class I Shares as a class, the following rights, privileges, restrictions and conditions:

1. **Definitions.** Where used herein, the following words and phrases, unless there is something in the context otherwise inconsistent therewith, shall have the following meanings, respectively:

"**Corporation Agreement**" means that certain Corporation Agreement to be entered into between the Fund and Fonds De Solidarité Des Travailleurs Du Québec (F.T.Q.) to be dated as of November 15, 2002;

"**Net Asset Value Per Common Share**" means the fair value of each Common Share of the Fund as at each Valuation Date as determined by the Board of Directors of the Fund in accordance with the rules set out in the Fund Act and in the valuation policies of the Fund;

"**Series Three Purchase Price**" means the price per Series Three Share, being an amount equal to the Net Asset Value Per Common Share on the Valuation Date immediately following November 15, 2002;

"**Series Three Redemption Amount**" means the price payable by the Fund to the holder of a Series Three Share for the redemption of a Series Three Share in an amount equal to the greater of:

- (a) the Net Asset Value Per Common Share on the Series Three Redemption Valuation Date less an amount equal to all dividends paid upon such Series Three Share prior to the Series Three Redemption Date, and
- (b) the amount equal to the Series Three Purchase Price;

"**Series Three Redemption Date**" means the date upon which a Series Three Redemption Request is received by the Fund;

"**Series Three Redemption Request**" means a request in writing given by the holder of Series Three Shares to the Fund specifying such holder's desire for

redemption of the number of Series Three Shares which such holder desires to have redeemed on the Series Three Redemption Date;

"Series Three Redemption Valuation Date" means the date on which a Series Three Redemption Request is received by the Fund in respect of the purchase of a Series Three Share where it is received before 3:00 p.m. (Winnipeg time) on such date, or, if such Series Three Redemption Request is not received on a Valuation Date or is received at or after 3:00 p.m. (Winnipeg time) on a Valuation Date, as at the next Valuation Date following the date on which the Series Three Redemption Request is received by the Fund.

"Valuation Date" means the last business day of each week, or such other date or dates as may be determined by the Fund from time to time;

2. **Dividends.** The holders of the Series Three Shares shall be entitled to receive the following amounts as dividends:

- (a) in preference and priority to any payment of dividends on all other classes of shares or series of shares of the Fund, fixed preferential cumulative cash dividends, at the rate per annum equal to 10% per share of the Series Three Purchase Price. The fixed preferential cumulative dividend on the Series Three Shares shall be payable half-yearly on the last day of April and October in each year;
- (b)
 - (i) in preference and priority to any payment of dividends on all other classes of shares or series of shares of the Fund, a fixed preferential cumulative cash dividend (the "2004 Dividend") on each Series Three Share issued and outstanding as of 5:00 p.m. (Central Time) on November 15, 2004, in an amount per unredeemed Series Three Share equal to 10% of the Series Three Redemption Amount, payable on November 15, 2004; and
 - (ii) thereafter, in each year, in preference and priority to any payment of dividends on all other classes of shares or series of shares of the Fund, a fixed preferential cumulative cash dividend in an amount equal to the 2004 Dividend on each Series Three Share issued and outstanding as of 5:00 p.m. (Central Time) on November 15th of that year, payable on November 15th of that year, provided that in the event that any of the Series Three Shares are redeemed at any time prior to November 15th in any such year, then the 2004 Dividend for that portion of such year shall be calculated and paid, in respect of each Series Three Share being redeemed, on the date of such redemption; and
- (c) interest in the amount of 10% per annum (compounded monthly

and to be paid annually) on the amount of any unpaid dividends which are payable on the Series Three Shares in accordance with (a) and (b) above. In the event any of the Series Three Shares are redeemed at any time prior to November 15th in any year, then a dividend for that portion of such year shall be calculated in accordance with (a) and (b) above and paid on the date of such redemption.

3. **Voting Rights.** Holders of Series Three Shares shall be entitled to receive notice of and to attend all meetings of the shareholders of the Fund and, except with respect to the election of a director as provided in Section 4 below, each such holder shall be entitled to one vote at any meeting of shareholders of the Fund at which holders of Series Three Shares are entitled to vote, without regard to the number of Series Three Shares owned by the holder.

4. **Election of Directors.** Holders of Series Three Shares shall not be entitled to elect or to vote in respect of the election of any directors of the Fund.

5. **Restriction on Transfer.** Series Three Shares shall not be transferred by the holder or holders thereof.

6. **Retraction Rights.** Commencing on the date that is eighteen (18) months from the date the holder's Series Three Shares were issued or such earlier date as set out in the Corporation Agreement, a holder of Series Three Shares shall be entitled, from time to time, to require the Fund to redeem all or any portion of the Series Three Shares owned by the holder as provided by the Corporation Agreement, by tendering to the Fund at its registered office the certificate or certificates representing the Series Three Share(s) which the holder desires to have the Fund redeem, together with a Series Three Redemption Request. On the Series Three Redemption Date, unless such redemption will be contrary to Section 34 of *The Corporations Act (Manitoba)*, the Fund shall redeem such Series Three Share(s) by paying or causing to be paid to or to the order of the holder the Series Three Redemption Amount for each Series Three Share to be redeemed. The Fund shall, in the event the provisions of section 2.06 of the Corporation Agreement apply, redeem all or a portion of the Series Three Shares, which number of shares shall be determined and which redemption shall occur in accordance with section 2.06 of the Corporation Agreement.

7. **Redemption.** The Fund shall have the right, at its option at any time after the date that is twelve (12) months from the date the holder's Series Three Shares were issued, and from time to time, on notice, to redeem all of the Series Three Shares held by such holder, or that portion of the Series Three Shares as provided by the Fund Agreement, by paying or causing to be paid to or to the order of the holder the Series Three Redemption Amount for each Series Three Share to be redeemed.

8. **Liquidation, Dissolution or Winding-Up.** The holders of Series Three Shares shall be entitled, in priority to the holders of all other classes of shares or series of shares to share equally in all remaining property and assets of the Fund in the event of the liquidation, dissolution or winding-up of the Fund, whether voluntary or involuntary, or any other distribution of the assets of the Fund among its shareholders for the purposes of winding up its affairs.

9. **Amendments to Series Three Provisions.** The Series Three provisions may be repealed, altered, modified, amended or varied only with the prior approval of the holders of the Series Three Shares in addition to any other approval required by the Act or any other statutory provision of like or similar effect applicable to the Fund from time to time in force."

The Corporations Act /
Loi sur les corporations
ARTICLES OF AMENDMENT
CLAUSES MODIFICATRICES



The Corporations Act /
Loi sur les corporations

Corporation No. 2859018
N° de la corporation

CERTIFICATE / CERTIFICAT
ARTICLES EFFECTIVE /
LES STATUTS PRENNENT EFFET LE
3^e JAN JAN 2005

[Signature]
DIRECTOR, CORPORATIONS BRANCH /
DIRECTEUR, DIRECTION DES CORPORATIONS

1-Name of Corporation / Dénomination sociale CROCUS INVESTMENT FUND	2-Corporation Number / N° de la corporation 2859018
---	--

a) The amendment to the articles has been authorized by: / La modification apportée aux statuts a été autorisée par résolution:

- | | | |
|--------------|-------------------------------------|-----------------|
| directors | <input checked="" type="checkbox"/> | administrateurs |
| shareholders | <input type="checkbox"/> | actionnaires |
| members | <input type="checkbox"/> | members |

b) pursuant to Section 167(5) of The Corporations Act (Manitoba)
conformément à l'article

c) and the articles are amended as follows: / et les statuts de la cororation sont modifiés de la façon suivante:

To:

1. Correct certain clerical errors which were contained in the Corporation's Restated Articles of Incorporation dated October 25, 2001, in the manner more particularly set out in Schedule 1 hereto.

Date / Date	Signature /Signature	Description of Office: / Description du poste
December 18, 2002	<i>[Signature]</i>	President and Chief Executive Officer

Instructions: Specify the relevant subsection pursuant to which the amendment is authorized, and the changes which are being made. Specify whether amendment authorized by directors, shareholders or members. The resolution authorizing the amendment is not required to be attached hereto.

Directives: Énoncer chacune des modifications apportées aux statuts, en mentionnant la disposition de la loi qui l'autorise. Indiquer également s'il s'agit d'une modification adoptée par résolution des administrateurs ou par résolution des actionnaires ou membres. Il n'est pas nécessaire de fournir une copie de cette résolution.

SCHEDULE 1

TO THE ATTACHED ARTICLES OF AMENDMENT

The Restated Articles of Incorporation of Crocus Investment Fund (the "Fund") dated October 25, 2001 (the "Restated Articles"), including the rights, privileges, restrictions and conditions attaching to the shares of the Fund, as set out in Schedule B to the said Restated Articles, be corrected as follows:

1. By deleting the text in section 6 of the Restated Articles and replacing the following therefor:

" The Corporation is authorized to issue four classes of shares and any additional classes of shares from time to time by filing articles of amendment under The Corporations Act. The Corporation is currently authorized to issue Class A Common Shares and Class L Special Shares in unlimited numbers for unlimited consideration; Class G Special Shares in unlimited numbers for maximum consideration of \$2,000,000; Class I Special Shares, issuable in any number of series, in an unlimited number and for unlimited consideration, of which Series One Class I Special Shares are authorized only to a maximum of 200,000 for unlimited consideration and Series Two Class I Special Shares to a maximum of 1,000,000 for unlimited consideration"

2. That the words "pursuant to paragraph 6(b)(iii) of this Part" in the first line of subsection 6(d) of Part I of Schedule B to the Restated Articles be deleted, and the words "pursuant to paragraphs 6(a), 6(b)(i) or 6(b)(ii) of this Part" be replaced therefor.

The Corporations Act/
Loi sur les corporations
ARTICLES OF AMENDMENT
CLAUSES MODIFICATRICES

Exhibit B

MANITOBA

Corporation No. 2859018
N° de la corporation

1-Name of Corporation / Dénomination sociale CROCUS INVESTMENT FUND	2-Corporation Number / N° de la corporation 2859018
---	--

3- a) The amendment to the articles has been authorized by: / La modification apportée aux statuts a été autorisée par résolution:

court order	<input checked="" type="checkbox"/>	
directors	<input type="checkbox"/>	administrateurs
shareholders	<input type="checkbox"/>	actionnaires
members	<input type="checkbox"/>	members

b) pursuant to Subsection 4(1.2) of *The Labour-Sponsored Investment Funds Act (Various Acts Amended)* conformément à l'article

c) and the articles are amended as follows: / et les statuts de la corporation sont modifiés de la façon suivante:

To:

1. Amend the Corporation's Restated Articles of Incorporation dated October 25, 2001 (as amended by Articles of Amendment dated June 27, 2002, Articles of Amendment dated September 27, 2002, Articles of Amendment dated November 12, 2002 and Articles of Amendment dated January 3, 2003), in the manner set out in Schedule 1 hereto.

Date / Date	Signature /Signature	Description of Office: / Description du poste
July , 2005		Receiver and Manager of Crocus Investment Fund pursuant to Order of Court of Queen's Bench, a true copy of which is attached as Schedule 2 hereto

Instructions: Specify the relevant subsection pursuant to which the amendment is authorized, and the changes which are being made. Specify whether amendment authorized by directors, shareholders or members. The resolution authorizing the amendment is not required to be attached hereto.

Directives: Énoncer chacune des modifications apportées aux statuts, en mentionnant la disposition de la loi qui l'autorise. Indiquer également s'il s'agit d'une modification adoptée par résolution des administrateurs ou par résolution des actionnaires ou membres. Il n'est pas nécessaire de fournir une copie de cette résolution.

SCHEDULE 1

TO THE ATTACHED ARTICLES OF AMENDMENT

The Restated Articles of Incorporation of Crocus Investment Fund (the "Fund") dated October 25, 2001 (as amended by Articles of Amendment dated June 27, 2002, Articles of Amendment dated September 27, 2002, Articles of Amendment dated November 12, 2002 and Articles of Amendment dated January 3, 2003) (the "Restated Articles"), including the rights, privileges, restrictions and conditions attaching to the shares of the Fund, as set out in Schedule B to the said Restated Articles, be amended as follows:

1. That Section 4 of Part I. of Schedule B to the Restated Articles be deleted, and the following be replaced therefor:

"Election of Directors. Holders of Common Shares of the Fund, as a group, are entitled to elect at least four (4) persons as directors of the Fund."

2. That the following be added as Subsection 5(e.1) of Part I of Schedule B to the Restated Articles:

"(e.1) when the transfer is necessitated by the holder, or the individual whose Qualifying Trust is the holder of the share, becoming disabled and permanently unfit for work or terminally ill after the share was issued and before the transfer; or"

3. That the following be added as Paragraph 6(b)(ii.1) of Part I of Schedule B to the Restated Articles:

"(ii.1) the holder, or the individual whose Qualifying Trust is the holder of the share, has become disabled and permanently unfit for work or terminally ill after the share was issued; or"

4. That Section 5 of Part II of Schedule B to the Restated Articles be deleted in its entirety.

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5. That Section 4 of Part III of Schedule B to the Restated Articles be deleted, and the following be replaced therefor:

"Election of Directors. The holder of the issued and outstanding Class L Shares of the Fund is entitled to elect one-half (1/2) of the directors of the Fund."

voter.

6. That the words "a majority" in the second last line of Section 1 of Part V of Schedule B to the Restated Articles be deleted and the words "one-half (1/2)" be replaced therefor.