

- (a) To increase the authorized capital of the Corporation by the creation of an unlimited number of common shares.
- (b) To declare that the rights, privileges, restrictions and conditions attaching to the common shares are as set out in Schedule A.
- (c) To exchange the 34,856,988 issued and outstanding Class A Preferred Shares for the same number of common shares on the basis of 1 Class A Preferred share for 1 common share.
- (d) To exchange the 28,811,853 issued and outstanding Class B Preferred Shares for the same number of common shares on the basis of 1 Class B Preferred share for 1 common share.
- (e) To exchange the 24,085,408 issued and outstanding Common Shares for the same number of common shares on the basis of 1 Common Share for 1 common share.
- (f) To cancel the authorized Class A Preferred Shares entirely, together with the rights, privileges, restrictions and conditions attaching thereto.
- (g) To cancel the authorized Class B Preferred Shares entirely, together with the rights, privileges, restrictions and conditions attaching thereto.
- (h) To cancel the authorized Common Shares entirely, together with the rights, privileges, restrictions and conditions attaching thereto.
- (i) To declare that, after giving effect to the foregoing, the classes and any maximum number of shares that the Corporation shall be authorized to issue shall be an unlimited number of common shares.
- (j) To delete in their entirety the transfer restrictions contained in section 8 of the articles of the Corporation, and insert the following in their place:

“None.”

SCHEDULE A

COMMON SHARE ATTRIBUTES

The holders of common shares shall be entitled to require the Corporation to redeem the common shares as follows:

- (a) Common shares are redeemable at any time on demand by the registered holders thereof upon delivery to the Corporation at its registered office of a duly completed and properly executed notice requesting the Corporation to redeem common shares (the "**Redemption Notice**") at a redemption price per share as hereinafter determined (the "**Redemption Price**"), together with the share certificates representing the shares to be redeemed. The form of Redemption Notice is available upon written request submitted to the Secretary of the Corporation at its registered office.
- (b) If at the time a Redemption Notice is received by the Corporation, the common shares are traded on the AIM market operated by the London Stock Exchange ("**AIM**") or traded or quoted on any exchange or market which the directors of the Corporation consider, in their sole discretion, provides representative fair market value prices for the common shares, the Redemption Price per common share (the "**Market Redemption Price**") shall be the lesser of (i) 90 percent of the "market price" of the common shares on AIM (or, if the common shares are not traded on AIM, on the principal market on which the common shares are then traded or quoted) for the 10 trading days immediately prior to the date on which the Redemption Notice was received by the Corporation; and (ii) the "closing market price" on AIM (or, if the common shares are not traded on AIM, on the principal market on which the common shares are then traded or quoted) on the date on which the Redemption Notice was received by the Corporation. The Redemption Price, if paid in cash, shall be payable in lawful money of Canada.
- (c) For the purposes of the calculation pursuant to clause (1) (b) above: (i) the term "**market price**" shall mean an amount equal to the simple average of the closing price of the common shares for each of the 10 trading days on which there was a closing price; provided that, if the applicable exchange or market does not provide a closing price but only provides the highest and lowest prices of the common shares traded on a particular day, the market price shall be an amount equal to the simple average of the average of the highest and lowest prices for each of the 10 trading days on which there were highest and lowest

prices; provided further that if there was trading on the applicable exchange or market for fewer than five of the 10 trading days, the market price shall be the simple average of the following prices established for each of the 10 trading days: (A) the average of the bid and offer prices for each day on which there was no trading; (B) the weighted average trading price of the common shares for each day that there was trading if the exchange or market provides a weighted average trading price; and (C) the average of the highest and lowest prices of the common shares for each day that there was trading, if the market provides only the highest and lowest prices of common shares traded on a particular day; and (ii) the term “closing market price” shall mean an amount equal to the closing price of the common shares provided that there was a trade on the date of receipt by the Corporation of the Redemption Notice and the applicable exchange or market provides a closing price; or, failing which, an amount equal to the average of the highest and lowest prices of the common shares provided that there was trading on the date of receipt by the Corporation of the Redemption Notice and the applicable exchange or other market provides only the highest and lowest prices of common shares traded on a particular day; or, failing which, the average of the last bid and offer prices if there was no trading on the date of receipt by the Corporation of the Redemption Notice.

- (d) The aggregate amount payable by the Corporation in respect of the Market Redemption Price during any calendar month shall, subject to the limitations set out in clause (1) (e) below, be satisfied in cash on or prior to the last day of the calendar month following the calendar month in which the Redemption Notice in respect of the common shares to be redeemed is received by the Corporation.
- (e) Notwithstanding anything else to the contrary in clause (1) (d) above, if the aggregate Market Redemption Price for all common shares in respect of which Redemption Notices are received by the Corporation in any calendar month exceeds \$50,000 (the “**Monthly Cash Payment Amount**”), then the registered holders of common shares so tendered for redemption will be entitled only to their pro-rata share of the Monthly Cash Payment Amount, with the entitlement to the remaining amount of the Market Redemption Price for such common shares being settled, at the sole discretion of the directors of the Corporation, as follows:
 - (i) by a promissory note or notes (the “**Notes**”) issued by the Corporation or, in the sole discretion of the directors of the Corporation, by one or more of the Corporation’s subsidiaries

which will (A) have a maturity date determined in the sole discretion of the directors of the Corporation, provided that such maturity date shall be a date no later than ten years after the end of the calendar month in which the Redemption Notice for such common shares is received by the Corporation; and (B) bear interest at market rates as determined by the directors of the Corporation having regard to such factors as they deem appropriate; and (C) be repayable at any time or times by the issuer thereof without notice, bonus or penalty, all of such Notes having an aggregate principal amount equal to the unpaid portion of the Market Redemption Price; or

- (ii) by the distribution of a pro rata portion of the assets (including, but not limited to the shares of the Corporation's subsidiaries held by the Corporation) of the Corporation (net of the Corporation's liabilities) in respect of such common shares except that, to the extent that the Corporation's assets include cash, cash equivalents or marketable securities, the directors of the Corporation may, in their sole discretion, determine to distribute Notes (having an aggregate principal amount equal to the value of the pro rata portion of such cash, cash equivalents and marketable securities) instead of distributing such cash, cash equivalents and marketable securities.
- (f) If at the time a Redemption Notice is received by the Corporation:
- (i) the common shares are not traded on AIM or traded or quoted on any exchange or market which the directors of the Corporation consider, in their sole discretion, provides representative fair market value prices for the common shares; or
 - (ii) the normal trading of the common shares is suspended on all stock exchanges on which the common shares are traded or quoted or the trading of the common shares was suspended on such stock exchanges for more than five of the 10 trading days immediately prior to the date on which the Redemption Notice was received by the Corporation; or
 - (iii) such redemption would result in the common shares ceasing to be admitted to trading on AIM or ceasing to be traded or quoted on any other exchange or market on which the common shares are so traded or quoted,

the Corporation shall satisfy the Redemption Price by either:

- (iv) making an in specie distribution of a *pro rata* portion of the assets (including, but not limited to, the shares of the Corporation's subsidiaries held by the Corporation) of the Corporation (net of the Corporation's liabilities) in respect of the common shares to be redeemed except that, to the extent that the Corporation's assets include cash, cash equivalents or marketable securities, the directors of the Corporation may determine to issue and/or distribute Notes (having an aggregate principal amount equal to the value of the pro rata portion of such cash and marketable securities) instead of distributing such cash, cash equivalents and marketable securities; or
- (v) determining, in a manner determined by the directors of the Corporation, a valuation for the common shares of the Corporation (the "**Non-Market Redemption Price**") and delivering to holders of the common shares to be redeemed Notes having an aggregate principal amount equal to the Non-Market Redemption Price per common share.

The Corporation will use its reasonable commercial efforts to ensure that *in specie* distributions are made (x) no later than the last day of the calendar month following the calendar month in which the Redemption Notice in respect of the common shares is received or (y) where a valuation is required pursuant to clause (1) (f)(v), a date (which shall in no event be later than 120 days after the Redemption Notice in respect of the common shares to be redeemed by the Corporation is received by the Corporation) which is no more than 7 days after the date on which the valuation for the common shares is determined.

- (g) If a part only of the common shares represented by any certificate tendered for redemption is redeemed, a new share certificate for the balance of the common shares represented by such certificate shall be issued at the expense of the Corporation.
- (h) Upon the Corporation's receipt of a Redemption Notice, the registered holder of the common shares in respect of which such Redemption Notice has been received shall thereafter cease to be entitled to dividends on such common shares, including any dividends thereon which are declared payable on a date subsequent to the date of receipt of such Redemption Notice, and such registered holder shall thereafter

not be entitled to exercise any of the rights of a shareholder in respect of the common shares to be redeemed unless payment of the applicable Redemption Price has not been made in accordance with the terms of this Schedule A, in which case the rights of such registered holder of common shares which would otherwise have been redeemed shall remain unaffected.

- 6. The amendment has been duly authorized as required by sections 168 and 170 (as applicable) of the *Business Corporations Act*.
La modification a été dûment autorisée conformément aux articles 168 et 170 (selon le cas) de la Loi sur les sociétés par actions.
- 7. The resolution authorizing the amendment was approved by the shareholders/directors (as applicable) of the corporation on
Les actionnaires ou les administrateurs (selon le cas) de la société ont approuvé la résolution autorisant la modification le

2006/03/14

(Year, Month, Day)
(année, mois, jour)

These articles are signed in duplicate.
Les présents statuts sont signés en double exemplaire.

Sandvine Corporation

(Name of Corporation) (If the name is to be changed by these articles set out current name)
(Dénomination sociale de la société) (Si l'on demande un changement de nom, indiquer ci-dessus la dénomination sociale actuelle).

By/
Par :



(Signature)
(Signature)

Secretary

(Description of Office)
(Fonction)