



5. Check a or B  
**Cocher A ou B**

- A) The amalgamation agreement has been duly adopted by the shareholders of each of the amalgamating corporations as required by subsection 176 (4) of the *Business Corporations Act* on the date set out below.
- A) *Les actionnaires de chaque société qui fusionne ont dûment adopté la convention de fusion conformément au paragraphe 176 (4) de la Loi sur les sociétés par actions à la date mentionnée ci-dessous.*

**or**  
**ou**

- B) The amalgamation has been approved by the directors of each amalgamating corporation by a resolution as required by section 177 of the *Business Corporations Act* on the date set out below.
- (B) *Les administrateurs de chaque société qui fusionne ont approuvé la fusion par voie de résolution conformément à l'article 177 de la Loi sur les sociétés par actions à la date mentionnée ci-dessous.*

The articles of amalgamation in substance contain the provisions of the articles of incorporation of  
*Les statuts de fusion reprennent essentiellement les dispositions des statuts constitutifs de*

and are more particularly set out in these articles.  
 et sont énoncés textuellement aux présents statuts.

Names of amalgamating corporations <i>Dénomination sociale des sociétés qui fusionnent</i>	Ontario Corporation Number <i>Numéro de la société en Ontario</i>	Date of Adoption/Approval <i>Date d'adoption ou d'approbation</i> Year / année Month / mois Day / jour
Brascan Financial Corporation	318046	December 30, 2004
Trilon Holdings Inc.	852564	December 30, 2004

6. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise.  
*Limites, s'il y a lieu, imposées aux activités commerciales ou aux pouvoirs de la société.*

None

7. The classes and any maximum number of shares that the corporation is authorized to issue:  
*Catégories et nombre maximal, s'il y a lieu, d'actions que la société est autorisée à émettre :*

An unlimited number of common shares

8. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series:

*Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions qui peut être émise en série :*

N/A

9. The issue, transfer or ownership of shares is/is not restricted and the restrictions (if any) are as follows:  
*L'émission, le transfert ou la propriété d'actions est/n'est pas restreinte. Les restrictions, s'il y a lieu, sont les suivantes :*

The right to transfer shares of the Amalgamated Corporation shall be restricted in that no shareholder shall be entitled to transfer any share or shares without either:

1. the approval of the directors of the Amalgamated Corporation expressed by a resolution passed at a meeting of the board of directors or by an instrument or instruments in writing signed by a majority of the directors; or
2. the approval of the holders of at least a majority of the shares of the Amalgamated Corporation entitling the holders thereof to vote in all circumstances (other than holders of shares who are entitled to vote separately as a class) for the time being outstanding expressed by a resolution passed at a meeting of the holders of such shares or by an instrument or instruments in writing signed by the holders of a majority of such shares.

10. Other provisions, (if any):  
*Autres dispositions, s'il y a lieu :*

- (a) The number of shareholders of the Amalgamated Corporation, exclusive of persons who are in its employment and exclusive of persons who, having been formerly in the employment of the Amalgamated Corporation, were, while in that employment, and have continued after the termination of that employment to be, shareholders of the Amalgamated Corporation, is limited to not more than fifty, two or more persons who are the joint registered owners of one or more shares being counted as one shareholder.
- (b) Any invitation to the public to subscribe for securities of the Amalgamated Corporation is prohibited.


11. The statements required by subsection 178(2) of the *Business Corporations Act* are attached as Schedule "A".  
*Les déclarations exigées aux termes du paragraphe 178(2) de la Loi sur les sociétés par actions constituent l'annexe "A"*

12. A copy of the amalgamation agreement or directors' resolutions (as the case may be) is/are attached as Schedule "B".  
*Une copie de la convention de fusion ou les résolutions des administrateurs (selon le cas) constitue(nt) l'annexe "B".*

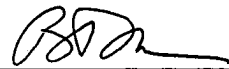
These articles are signed in duplicate.  
Les présents statuts sont signés en double exemplaire.

Names of the amalgamating corporations and signatures and descriptions of office of their proper officers.  
Dénomination sociale des sociétés qui fusionnent, signature et fonction de leurs dirigeants régulièrement désignés.

**BRASCAN FINANCIAL CORPORATION**

By:   
Name: L. QUAN  
Title: VP + CFO

**TRILON HOLDINGS INC.**

By:   
Name: B. DAVIS  
Title: VP

Schedule "A"

CANADA )

PROVINCE OF ONTARIO )

TO WIT: )

IN THE MATTER OF the *Business Corporations Act* (Ontario) and the Articles of Amalgamation of Brascan Financial Corporation and Trilon Holdings Inc.

I, LEMIS QUAN, of the City of Toronto, in the Province of Ontario, hereby certify that:

1. I am the VP & CFO of Brascan Financial Corporation and have knowledge of the matters herein declared.
2. There are reasonable grounds for believing that:
  - (a) each amalgamating corporation is and the amalgamated corporation will be able to pay its liabilities as they become due;
  - (b) the realizable value of the amalgamated corporation's assets will not be less than the aggregate of its liabilities and stated capital of all classes; and
  - (c) no creditor will be prejudiced by the amalgamation.

DATED at Toronto, this 30th day of December, 2004.

  
 \_\_\_\_\_  
 Name: Lemis W. Quan  
 Title: Vice President & CFO

Schedule "A"

CANADA )

PROVINCE OF ONTARIO )

TO WIT: )

IN THE MATTER OF the *Business Corporations Act* (Ontario) and the Articles of Amalgamation of Brascan Financial Corporation and Trilon Holdings Inc.


I, BRYAN DAVIS, of the City of Toronto, in the Province of Ontario, hereby certify that:

1. I am the VP of Trilon Holdings Inc. and have knowledge of the matters herein declared.

2. There are reasonable grounds for believing that:

- (a) each amalgamating corporation is and the amalgamated corporation will be able to pay its liabilities as they become due;
- (b) the realizable value of the amalgamated corporation's assets will not be less than the aggregate of its liabilities and stated capital of all classes; and
- (c) no creditor will be prejudiced by the amalgamation.

DATED at Toronto, this 30th day of December, 2004.

  
 Name: B. DAVIS  
 Title: VP

# Schedule "B"

## AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT is made as of the 30<sup>th</sup> day of December, 2004,

### AMONG:

BRASCAN FINANCIAL CORPORATION, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "BFC")

- and -

TRILON HOLDINGS INC., a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Trilon")

- and -

BRASCAN CORPORATION, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Brascan")

### RECITALS:

A. BFC and Trilon have agreed to amalgamate pursuant to the *Business Corporations Act* (Ontario) and for such purpose Brascan has agreed to make available its Class A Preference Shares;

B. BFC and Trilon have each made disclosure to the other of their respective assets and liabilities; and

C. It is desirable that this amalgamation should be effected.

NOW THEREFORE in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the parties agree as follows:

#### 1. Interpretation

In this Agreement, the following terms have the following meanings:

1.1 "Act" means the *Business Corporations Act* (Ontario);

1.2 "Agreement" means this amalgamation agreement, and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this Agreement;

1.3 "Amalgamated Corporation" means the corporation continuing from the amalgamation of the Amalgamating Corporations;

1.4 "Amalgamating Corporations" means BFC and Trilon;

1.5 "Amalgamation" means the amalgamation of the Amalgamating Corporations as contemplated in this Agreement;

1.6 "Dissenting Shareholder" means a shareholder of BFC who, in connection with the special resolution of the preferred shareholders of BFC which approves and adopts this Agreement, has sent to BFC a written objection and a demand for payment within the time limits and in the manner prescribed by Sections 185(6) and 185(10) of the Act respectively with respect to his preferred shares; and

1.7 "Effective Date" means the date of the Amalgamation as set forth in the certificate of amalgamation issued to the Amalgamated Corporation.

Words and phrases used but not defined in this Agreement and defined in the Act shall have the same meaning in this Agreement as in the Act unless the context or subject matter otherwise requires.

2. **Agreement to Amalgamate**

The Amalgamating Corporations do hereby agree to amalgamate pursuant to the provisions of Section 174 of the Act as of the Effective Date and to continue as one corporation on the terms and conditions set out in this Agreement.

3. **Name**

The name of the Amalgamated Corporation shall be that of an Ontario numbered company.

4. **Registered Office**

The registered office of the Amalgamated Corporation shall be in the Municipality of Metropolitan Toronto in the Province of Ontario and will initially be located at BCE Place, 181 Bay Street, Suite 300, Toronto, Ontario, M5J 2T3.

5. **Authorized Capital**

The Amalgamated Corporation is authorized to issue one class of shares consisting of an unlimited number of shares to be designated as "common shares".

6. **Private Company Restrictions**

6.1 The right to transfer shares of the Amalgamated Corporation shall be restricted in that no shareholder shall be entitled to transfer any share or shares without either:

6.1.1 the approval of the directors of the Amalgamated Corporation expressed by a resolution passed at a meeting of the board of directors or by an instrument or instruments in writing signed by a majority of the directors; or

6.1.2 the approval of the holders of at least a majority of the shares of the Amalgamated Corporation entitling the holders thereof to vote in all circumstances (other than holders of shares who are entitled to vote separately as a class) for the time being outstanding expressed by a resolution passed at a meeting of the holders of such shares or by an instrument or instruments in writing signed by the holders of a majority of such shares.

6.2 The number of shareholders of the Amalgamated Corporation, exclusive of persons who are in its employment and exclusive of persons who, having been formerly in the employment of the Amalgamated Corporation, were, while in that employment, and have continued after the termination of that employment to be, shareholders of the Amalgamated Corporation, is limited to not more than fifty, two or more persons who are the joint registered owners of one or more shares being counted as one shareholder.

6.3 Any invitation to the public to subscribe for securities of the Amalgamated Corporation is prohibited.

7. **Number of Directors**

The board of directors of the Amalgamated Corporation shall, until otherwise changed in accordance with the Act, consist of a minimum number of one and a maximum number of ten directors.

8. **Business**

There shall be no restrictions on the business which the Amalgamated Corporation is authorized to carry on.

9. **Initial Directors**

The first directors of the Amalgamated Corporation shall be the persons whose names and addresses appear below:

<u>Name</u>	<u>Address</u>	<u>Resident Canadian</u>
George E. Myhal	Suite 300, 181 Bay Street, BCE Place, Toronto, Ontario, M5J 2T3	Yes
Frank N.C. Lochan	Suite 300, 181 Bay Street, BCE Place, Toronto, Ontario, M5J 2T3	Yes
Lenis W. Quan	Suite 300, 181 Bay Street, BCE Place, Toronto, Ontario, M5J 2T3	Yes
Brian D. Lawson	Suite 300, 181 Bay Street, BCE Place, Toronto, Ontario, M5J 2T3	Yes

Such directors shall hold office until the next annual meeting of shareholders of the Amalgamated Corporation or until their successors are elected or appointed.

10. **Amalgamation**

On the Effective Date:

10.1 a Dissenting Shareholder will be entitled to be paid the fair value for the issued shares of BFC held by the shareholder, by BFC or the Amalgamated Corporation in accordance with the Act;

10.2 each issued and outstanding share of BFC (other than the shares held by Dissenting Shareholders) will, on and from the Effective Date, be converted into issued shares in the capital of the Amalgamated Corporation or Brascan as follows:

- 10.2.1 each issued and outstanding Class A Share will be cancelled;
- 10.2.2 each issued and outstanding Class B Non-Voting Share will be cancelled;
- 10.2.3 each issued and outstanding Floating Rate Class I Preferred Share, Series A will become one Brascan Class A Preference Share, Series 13;
- 10.2.4 each issued and outstanding Floating Rate Class II Preferred Share, Series Two will become one Brascan Class A Preference Share, Series 14;
- 10.2.5 each issued and outstanding Class II Preferred Share, Series Three (will become one Brascan Class A Preference Share, Series 13);
- 10.2.6 each issued and outstanding Auction Perpetual Class II Preferred Share, Series Four will become one Brascan Class A Preference Share, Series 15;
- 10.2.7 each issued and outstanding Class III Preferred Share, Series One will be cancelled;
- 10.2.8 each issued and outstanding Class III Preferred Share, Series Two will be cancelled; and

10.3 each issued share and outstanding share of Trilon will, on and from the Effective Date, be converted into issued shares in the capital of the Amalgamated Corporation or Brascan as follows:

- 10.3.1 each issued and outstanding common share will become one common share of the Amalgamated Corporation;
- 10.3.2 each issued and outstanding Senior Preference Share (other than those held by Brascan) will become one Brascan Class A Preference Share, Series 16;
- 10.3.3 each issued and outstanding Senior Preference Share held by Brascan will become one common share of the Amalgamated Corporation;
- 10.3.4 each issued and outstanding Class A Participating Preference Share will become one common share of the Amalgamated Corporation;
- 10.3.5 each issued and outstanding Class B Participating Preference Share will become one common share of the Amalgamated Corporation;
- 10.3.6 each issued and outstanding Class A Junior Preference Share will become one common share of the Amalgamated Corporation; and
- 10.3.7 each issued and outstanding Class B Junior Preference Share will become one common share of the Amalgamated Corporation.

11. **Stated Capital Accounts**

- 11.1 The stated capital account in the records of Brascan shall be:

- (a) for the Class A Preference Shares, Series 13, an amount equal to the number of Class A Preference Shares, Series 13 issued on the Amalgamation multiplied by \$25;
  - (b) for the Class A Preference Shares, Series 14, an amount equal to the number of Class A Preference Shares, Series 14 issued on the Amalgamation multiplied by \$100;
  - (c) for the Class A Preference Shares, Series 15, an amount equal to the number of Class A Preference Shares, Series 15, issued on the Amalgamation multiplied by \$25; and
  - (d) for the Class A Preference Shares, Series 16, an amount equal to \$1.
- 11.2 The stated capital account in the records of the Amalgamated Corporation shall be for the Common Shares, an amount equal \$1.

**12. Payment by Brascan**

On the Effective Date, Brascan shall issue its Class A Preference Shares to BFC shareholders on the basis specified in Section 10.3.

**13. By-Laws**

The by-laws of the Amalgamated Corporation, until repealed, amended or altered, shall be the by-laws of BFC.

**14. Conditions Precedent**

The respective obligations of the parties hereto to consummate the transactions contemplated hereby, and in particular the Amalgamation, are subject to the satisfaction, on or before the Effective Date, of the following conditions any of which may be waived by the mutual consent of such parties without prejudice to their rights to rely on any other or others of such conditions:

14.1 the Class A Preference Shares of Brascan, Series 13 and 14 will be freely tradeable in all jurisdictions in Canada in which holders reside and the Class A Preference Shares of Brascan, Series 13 and 14 will have been conditionally approved for listing on or before the Effective Date by the Toronto Stock Exchange, subject to fulfilling all of the requirements of the Toronto Stock Exchange;

14.2 all necessary governmental or regulatory approvals and consents in respect of the Amalgamation have been obtained; and

14.3 no action, suit or proceeding shall have been threatened or taken before or by any court or tribunal and no law shall be proposed or enacted nor there shall have occurred or been threatened a change (or any condition, event or development involving a prospective change) in the business, assets, capitalization, financial condition or prospects of the Amalgamating Corporations or any of their respective subsidiaries, which, in the sole judgment of either of the Amalgamating Corporations in any such case, might make it inadvisable for Brascan or the Amalgamating Corporations to proceed with the Amalgamation.

**15. Termination**

This Agreement may, prior to the issuance of a certificate of amalgamation, be terminated by the board of directors of BFC or Trilon notwithstanding the approval of the shareholders of BFC and Trilon of the terms and conditions hereof.

16. **Filing of Documents**

Upon the shareholders of each of the Amalgamating Corporations approving this Agreement by special resolution in accordance with the Act, the Amalgamating Corporations shall jointly file with the Director under the Act articles of amalgamation and such other documents as may be required.

17. **Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.


18. **Entire Agreement**

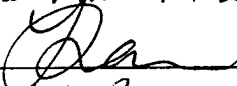
This Agreement constitutes the entire agreement between the parties pertaining to the subject matter of this Agreement. There are no warranties, conditions, or representations (including any that may be implied by statute) and there are no agreements in connection with such subject matter except as specifically set forth or referred to in this Agreement. No reliance is placed on any warranty, representation, opinion, advice or assertion of fact made either prior to, contemporaneous with, or after entering into this Agreement, or any amendment or supplement thereto, by any party to this Agreement or its directors, officers, employees or agents, to any other party to this Agreement or its directors, officers, employees or agents, except to the extent that the same has been reduced to writing and included as a term of this Agreement, and none of the parties to this Agreement has been induced to enter into this Agreement or any amendment or supplement by reason of any such warranty, representation, opinion, advice or assertion of fact. Accordingly, there shall be no liability, either in tort or in contract, assessed in relation to any such warranty, representation, opinion, advice or assertion of fact, except to the extent contemplated above.

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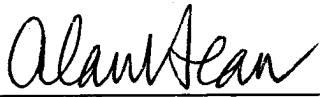
IN WITNESS WHEREOF the parties hereto have executed this Agreement.

**BRASCAN FINANCIAL CORPORATION**


by:   
Name: *F. D. Kerr*  
Title: *Vice President & Secretary*

by:   
Name: *Louis W. Arian*  
Title: *Vice President & CFO*

**TRILON HOLDINGS INC.**

by:   
Name: *Alan V. Dean*  
Title: *Vice President & Secretary*

**BRASCAN CORPORATION**

by:   
Name: *Brian K. Davis*  
Title: *Senior Vice President, Finance*