

BALLARD POWER SYSTEMS INC.

CONSOLIDATED SHARE DISTRIBUTION PLAN

AMENDED AS OF
March 20, 2024

TABLE OF CONTENTS

SECTION 1 PURPOSE, DEFINITIONS AND INTERPRETATION

1.1	Purpose.....	1
1.2	Definitions	1
1.3	Interpretation	12

SECTION 2 SHARE DISTRIBUTION

2.1	Eligibility	13
2.2	Maximum Shares to be Issued	13
2.3	Determination of Issue Price	13

SECTION 3 RESTRICTED SHARE UNITS

3.1	Awards of Restricted Share Units.....	14
3.2	Awards of Restricted Share Units.....	14
3.3	Restriction Period.....	14
3.4	Accelerated Vesting Event	15
3.5	Conversion of Restricted Share Units.....	17
3.6	Conversion of Restricted Share Units of U.S. Participants.....	17
3.7	Limitations on Conversion; Forfeiture	18
3.8	Exceptions to Limitations	18
3.9	Dividend Equivalents	19
3.10	Issuance of Restricted Share Units to Directors.....	19

SECTION 4 PERFORMANCE SHARE UNITS

4.1	Awards of Performance Share Units	19
4.2	Awards of Performance Share Units	20
4.3	Restriction Period.....	20
4.4	Accelerated Vesting Event	21
4.5	Conversion of Performance Share Units	22
4.6	Conversion of Performance Share Units of U.S. Participants	23
4.7	Limitations on Conversion; Forfeiture	23
4.8	Exceptions to Limitations	24
4.9	Dividend Equivalents	25

**SECTION 5
DEFERRED SHARE UNITS FOR EXECUTIVE OFFICERS**

5.1	Determination of Deferred Share Units for Eligible Executives	25
5.2	Annual Election.....	25
5.3	Termination of Service of Non-U.S. Executives.....	26
5.4	Termination of Service of U.S. Executives	27
5.5	Eligibility to be in the Total Discretion of the Board.....	28
5.6	Determination of Deferred Share Units during Blackout	28

**SECTION 6
DEFERRED SHARE UNITS FOR DIRECTORS**

6.1	Determination of Deferred Share Units for Directors	28
6.2	Annual Election.....	29
6.3	Termination of Service of Non-U.S. Directors.....	30
6.4	Termination of Service of U.S. Directors	32

**SECTION 7
COMMON TERMS OF DEFERRED SHARE UNITS FOR EXECUTIVE OFFICERS
AND DIRECTORS**

7.1	Dividend Equivalents	32
7.2	Eligible Executive's or Eligible Director's Account.....	33

**SECTION 8
PLAN AMENDMENT AND TERMINATION**

8.1	Plan Amendment	33
8.2	Plan Termination.....	35

**SECTION 9
GENERAL**

9.1	Clawback.....	35
9.2	Effective Date of this Plan	37
9.3	Satisfaction of Restricted Share Units, Performance Share Units and Deferred Share Units	37
9.4	Administration.....	37
9.5	Delegation	38
9.6	Regulatory and Shareholder Approval	38
9.7	Limitations on Issue	38
9.8	Specific Limitations on Issue to Directors	38
9.9	Adjustments and Reorganization	39
9.10	Applicable Trading Policies.....	40

9.11	Compliance with Law	40
9.12	Applicable Withholding Tax	41
9.13	No Right to Service	41
9.14	Nature of Restricted Share Units, Performance Share Units and Deferred Share Units	42
9.15	No Other Benefit.....	42
9.16	Unfunded Plan.....	42
9.17	Foreign Participants.....	42
9.18	U.S. Participants, U.S. Executives, U.S. Directors and Section 409A of the Code	42
9.19	Transferability of Awards.....	44
9.20	Successors and Assigns	44
9.21	Notice	45
9.22	Severance	45
9.23	Governing Law	45
9.24	Adoption of Plan	45

BALLARD POWER SYSTEMS INC.
CONSOLIDATED SHARE DISTRIBUTION PLAN
Amended as of June 5, 2012

SECTION 1
PURPOSE, DEFINITIONS AND INTERPRETATION

1.1 Purpose

The purpose of this Plan is to recognise contributions made by Employees and Directors and to promote a greater alignment of interests between Employees and Directors of the Corporation and the Subsidiaries and the shareholders by providing equity incentives. Specifically, this Plan is used to:

- (a) annually recognize contributions made by certain Employees in accordance with the Corporation's bonus plan and allow certain Employees to participate in the long-term success of the Corporation through the granting of Restricted Share Units, Performance Share Units, and Deferred Share Units, and to satisfy any conversion, settlement or surrender of Restricted Share Units, Performance Share Units, or Deferred Share Units; and
- (b) satisfy Annual Retainers and recognise contributions of certain Directors that is reflective of the responsibility, commitment and risk accompanying their management role and to allow them to participate in the long-term success of the Corporation through the granting of Restricted Share Units and Deferred Share Units and to satisfy any redemption of Restricted Share Units and Deferred Share Units.

1.2 Definitions

As used in this Plan, the following terms have the following meanings:

"Accelerated Vesting Event" means the occurrence of any one of the following events:

- (a) a take-over bid (as defined under Securities Legislation) is made for Shares or Convertible Securities which, if successful would result (assuming the conversion, exchange or exercise

of the Convertible Securities, if any, that are the subject of the take-over bid) in any person or persons acting jointly or in concert (as determined under Securities Legislation) or persons associated or affiliated with such person or persons (as determined under Securities Legislation) beneficially, directly or indirectly, owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast more than 50% of the votes attaching to all shares in the capital of the Corporation that may be cast to elect Directors;

- (b) the acquisition or continuing ownership by any person or persons acting jointly or in concert (as determined under Securities Legislation), directly or indirectly, of Shares or of Convertible Securities, which, when added to all other securities of the Corporation at the time held by such person or persons, persons associated with such person or persons, or persons affiliated with such person or persons (as determined under Securities Legislation) (collectively, the "Acquirors"), and assuming the conversion, exchange or exercise of Convertible Securities beneficially owned by the Acquirors, results in the Acquirors beneficially owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast more than 50% of the votes attaching to all shares in the capital of the Corporation that may be cast to elect Directors;
- (c) the sale, lease, exchange or other disposition of all or substantially all of the Corporation's assets, other than to a Subsidiary;
- (d) an amalgamation, merger, arrangement or other business combination (a "Business Combination") involving the Corporation that results in the security holders of the parties to the Business Combination other than Ballard owning, directly or indirectly, shares of the continuing entity that entitle the holders thereof to cast more than 50% of the votes attaching to all shares in the capital of the continuing entity that may be cast to elect directors; or
- (e) any other transaction, a consequence of which is to Privatize the Corporation, receives the approval of, or is accepted by, the security holders of the Corporation (or all classes of security holders of the Corporation whose approval or acceptance is

required) or, if their approval or acceptance is not required in the circumstances, is approved or accepted by the Corporation;

Notwithstanding the foregoing, for purposes of RSUs of Retirement-Eligible U.S. RSU Participants and the RSUs of other U.S. RSU Participants and PSUs of Retirement-Eligible U.S. PSU Participants and the PSUs of other U.S. PSU Participants that are not exempt from Code Section 409A (as a result of the terms of the applicable Performance Share Unit Agreement), an event described in paragraphs (a) or (e) above shall constitute an Accelerated Vesting Event if and when such event results in an objectively determinable change in ownership, change in effective control or sale of substantially all of the assets of the Corporation as described in paragraphs (b), (c) or (d) above, and such event also constitutes a change in ownership, change in effective control or sale of substantially all of the assets of the Corporation as defined under Code Section 409A and applicable guidance thereunder.

"Annual Retainer" for a particular Director means either:

- (a) the aggregate of the annual retainer (including any additional amounts payable for serving as lead Director or committee Chair or member of a committee) and the Attendance Fee, payable to that Director, or
- (b) the annual retainer (which may include any additional amounts payable for serving as lead Director or committee Chair or member of a committee), payable to that Director,

as determined by the Board;

"Applicable Laws" means all applicable federal, provincial and foreign laws, rules and regulations, the rules, regulations and requirements of any stock exchange(s) on which the Shares are listed for trading;

"Applicable Withholding Tax" has the meaning set forth in Section 9.12;

"Associate", unless otherwise specified, has the meaning ascribed thereto in Securities Legislation;

"Attendance Fee" means, for any 12-month period, amounts payable to a Director as a Board meeting attendance fee or a committee meeting attendance fee;

"Blackout" means a black-out period or other trading restriction imposed by the Corporation;

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

"Cash Equivalent" means the amount of money equal to the Fair Market Value multiplied by the number of vested RSUs or PSUs, as applicable, net of any Applicable Withholding Tax in accordance with Section 9.12, calculated on the conversion date of any RSUs or PSUs, as applicable;

"Cash Remuneration" means the cash portion of an Eligible Directors Annual Retainer payable to an Eligible Director by the Corporation as determined by the Board in its sole and absolute discretion, including all or part of amounts payable in satisfaction of the cash portion of the Eligible Director's Annual Retainer payable to an Eligible Director or in satisfaction of rights or property surrendered by an Eligible Director to the Corporation; it being understood that the amount of Cash Remuneration payable to any Eligible Director may be calculated by the Board in a different manner than Cash Remuneration payable to another Eligible Director;

"Clawback Policy" means the Corporation's written executive compensation clawback policy, as in effect from time to time;

"Code" means the United States Internal Revenue Code of 1986, as amended;

"Committee" means the People & Compensation Committee of the Board, or any other committee to which the Board delegates responsibility for the interpretation and administration of this Plan;

"Convertible Securities" means securities convertible into, exchangeable for or representing the right to, acquire Shares;

"Corporation" means Ballard Power Systems Inc.;

"Deferred Share Unit" or *"DSU"* means a right granted by the Corporation to an Eligible Executive or an Eligible Director under Section 5 or Section 6, respectively, to receive, on a deferred payment basis, a Share on the terms and conditions set out in this Plan;

"Director" means a member of the Board;

"Director Share Ownership Guidelines" means the Corporation's written director share ownership guidelines, as in effect from time to time;

"DSU Credit Dates" means the last day of each calendar quarter or such other dates as determined by the Board in its sole discretion;

"DSU Remuneration" means the portion of an Eligible Directors Annual Retainer payable to an Eligible Director by the Corporation in Deferred Share Units, as determined by the Board in its sole and absolute discretion, including all or part of amounts payable in satisfaction of the portion of the Eligible Director's Annual Retainer payable to an Eligible Director in Deferred Share Units or in satisfaction of rights or property surrendered by an Eligible Director to the Corporation; it being understood that the amount of DSU Remuneration payable to any Eligible Director may be calculated by the Board in a different manner than DSU Remuneration payable to another Eligible Director;

"Effective Date" means the date on which this Plan becomes effective as determined under Section 9.2;

"Eligible Director" means any Director of the Corporation who is not an officer of the Corporation; it being understood that for the purposes of this Plan, the Chairman of the Board shall not be considered to be an officer of the Corporation;

"Eligible Executive" means such executive officer of the Corporation as the Board may designate from time to time as eligible to participate, with respect to Deferred Share Units, in this Plan;

"Eligible Remuneration" means the Cash Remuneration and DSU Remuneration payable to an Eligible Director by the Corporation as determined by the Board in its sole and absolute discretion;

"Employee" means a permanent employee (including Officers, whether or not Directors) of the Corporation or of a Subsidiary, and for greater certainty, includes:

- (a) a part-time employee of the Corporation or a Subsidiary; and
- (b) an individual that is seconded to the Corporation or a Subsidiary who is approved for participation in this Plan by the Board and in respect of whom, to the extent necessary, the Corporation has qualified by way of an exemption, or has obtained an order from any securities commission or other regulatory authority having jurisdiction over the granting of securities based compensation,

provided that an individual will cease to be an Employee on the last day on which the individual works for the Corporation or a Subsidiary;

"Fair Market Value" means the closing sale price per Share at which Shares are traded on the TSX (in respect of securities based compensation issued

or to be issued to a person who is resident in any country other than the U.S.) or NASDAQ (in respect of securities based compensation issued or to be issued to a person who is resident in the U.S.) on the relevant date. If the Shares are not listed on the TSX or NASDAQ, the Fair Market Value will be the value established by the Board based on the average of the closing prices per Share on any other public exchange on which the Shares are listed, or if the Shares are not listed on any public exchange, by the Board based on its determination of the fair value of the Shares;

"Filing Date" for the purpose of Section 5.3(b) and Section 6.3(b), the date on which the relevant notice is filed or deemed to be filed with the Secretary of the Corporation in accordance with Section 5.3(a) or 6.3(a), respectively, provided, however, that the Corporation shall have the discretion to defer the Filing Date to any other date if such deferral is, in the sole opinion of the Corporation, desirable to ensure compliance with Section 9.10;

"Good Reason" means:

- (a) a substantial diminution in the RSU Participant or PSU Participant's authorities, duties, responsibilities, status (including officers, titles, and reporting requirements) from those in effect immediately prior to an Accelerated Vesting Event or the assignment of duties that are materially inconsistent with the regular duties of the RSU Participant or PSU Participant immediately prior to the Accelerated Vesting Event;
- (b) the Corporation requires the RSU Participant or PSU Participant to be based at a location in excess of one hundred (100) kilometers from the location of the RSU Participant or PSU Participant's principal job location or office immediately prior to an Accelerated Vesting Event unless at the request of the RSU Participant or PSU Participant, except for required travel on Corporation business to an extent substantially consistent with the RSU Participant or PSU Participant's business obligations immediately prior to an Accelerated Vesting Event;
- (c) a reduction in the RSU Participant or PSU Participant's base salary, or a substantial reduction in the RSU Participant or PSU Participant's target compensation under any incentive compensation plan, as in effect as of the date of an Accelerated Vesting Event;

- (d) the failure to increase the RSU Participant or PSU Participant's base salary in a manner consistent (both as to frequency and percentage increase) with practices in effect immediately prior to the Accelerated Vesting Event or with practices implemented subsequent to the Accelerated Vesting Event with respect to similarly positioned employees; or
- (e) the failure of the Corporation to continue in effect the RSU Participant or PSU Participant's participation in the Corporation's Share Compensation Arrangements and any employee benefit and retirement plans, policies or practices, at a level substantially similar or superior to and on a basis consistent with the relative levels of participation of other similarly-positioned employees, as existed immediately prior to an Accelerated Vesting Event.

"Incentive Bonus" means all discretionary awards, based on corporate performance and an individual's contribution to the Corporation's results that may be payable to an Eligible Executive by the Corporation as determined by the Board in their sole and absolute discretion pursuant to the Corporation's bonus plan, in respect of a Performance Period;

"Insider" means:

- (a) an insider of the Corporation as defined in Securities Legislation, other than a person who is excluded (in the relevant context) as such by virtue of a policy, staff notice, guidance, rule or requirement of the TSX (including the provisions of the TSX Company Manual); and
- (b) an associate or affiliate (as determined under Securities Legislation) of a person who is an Insider by virtue of (a) above;

"NASDAQ" means the Nasdaq Global Market;

"Officer" means an individual who is an officer of the Corporation or a Subsidiary;

"Performance Period" means, in respect of any particular award of Deferred Share Units to an Eligible Executive, the fiscal year for which the corresponding Incentive Bonus is calculated;

"Performance Share Unit" or *"PSU"* means a right granted by the Corporation to an Employee under Section 4 to receive, on a deferred payment basis, a Share, the Cash Equivalent, or a combination thereof, as

applicable, on the terms and conditions set out in this Plan and the applicable Performance Share Unit Agreement;

"Performance Share Unit Agreement" means a written agreement between the Corporation and the PSU Participant, in substantially the form set out in Schedule A;

"Plan" means this Consolidated Share Distribution Plan, as amended from time to time;

"Predecessor Plans" means the Corporation's Restricted Share Unit Plan, Deferred Share Unit Plan for Executive Officers and Deferred Share Unit Plan for Directors, in each case, dated effective as of December 31, 2008;

"Privatize the Corporation" means any transaction or other act a consequence of which is that the Shares of the Corporation will no longer be listed and posted for trading on any nationally recognized stock exchange in Canada or the United States (such as the TSX, the New York Stock Exchange or NASDAQ);

"PSU Participant" means an Employee who has been awarded Performance Share Units under Section 4;

"Regulatory Approval" means the approval of the TSX and every other stock exchange or securities regulatory agency whose approval is required in the circumstances;

"Remuneration Period" means the period commencing on the date on which Directors are elected at the annual meeting of shareholders of the Corporation and ending on the next succeeding annual meeting, or where the context requires, any portion of such period;

"Restricted Share Unit" or *"RSU"* means a right granted by the Corporation to an Employee or Director under Section 4 to receive, on a deferred payment basis, a Share, the Cash Equivalent, or a combination thereof, as applicable, on the terms and conditions set out in this Plan and the applicable Restricted Share Unit Agreement;

"Restricted Share Unit Agreement" means a written agreement between the Corporation and the PSU Participant, in substantially the form set out in Schedule B;

"Restriction Period" means:

- (a) in respect of any particular award of Performance Share Units, the period commencing on the date of the award of such Performance Share Units and ending on the earlier of:
 - (i) the date, not to exceed three years from the date upon which the Performance Share Units were awarded, specified in the written agreement under which the Performance Share Units were awarded as being the date upon which the Restriction Period expires; and
 - (ii) the date upon which an Accelerated Vesting Event occurs, or
- (b) in respect of any particular award of Restricted Share Units, the period commencing on the date of the award of such Restricted Share Units and ending on the earlier of:
 - (i) the date, not to exceed three years from the date upon which the Restricted Share Units were awarded, specified in the written agreement under which the Restricted Share Units were awarded as being the date upon which the Restriction Period expires; and
 - (ii) the date upon which an Accelerated Vesting Event occurs.

"Retired" with respect to a PSU Participant, means:

- (a) with respect to an Officer or Employee, the termination of his or her employment; or
- (b) with respect to a Director the resignation of his or her office,

for any reason, except where such termination or resignation occurs due to any act or omission of the Director, Officer or Employee that would in law permit the Corporation or Subsidiary to, without notice or payment in lieu of notice, terminate the individual or due to the Director, Officer or Employee dying or becoming Totally Disabled, in each case, in circumstances in which such person has performed valuable service for the Corporation and/or its Subsidiaries and the Board, in its sole discretion, determines such person should be treated as retired or retiring under Section 3 of the Plan, having regard to their age, length of service and the circumstances surrounding their resignation or termination, provided that no Director, Officer or Employee shall be subject to mandatory retirement due to the exercise of the Board's discretion outlined herein or any other provision of this Plan;

"Retirement-Eligible U.S. PSU Participant" means a U.S. PSU Participant who has met at the time of grant of a PSU, or who will meet during the Restriction Period of a PSU, the age, period-of-service and any other threshold requirements to be eligible to retire in accordance with the Corporation's established retirement policy, as in effect from time to time and whose PSUs are subject to Code Section 409A;

"Retirement-Eligible U.S. RSU Participant" means a U.S. RSU Participant who has met at the time of grant of an RSU, or who will meet during the Restriction Period of an RSU, the age, period-of-service and any other threshold requirements to be eligible to retire in accordance with the Corporation's established retirement policy, as in effect from time to time and whose RSUs are subject to Code Section 409A;

"*RSU Participant*" means an Employee or Director who has been awarded Restricted Share Units under Section 4;

"*Securities Legislation*" means the laws, rules and regulations applicable in the Canadian jurisdiction in which the Corporation's principal securities regulator is located in includes, at the date hereof, Multilateral Instrument 62-104 (Take-Over Bids and Issuer Bids);

"*Separation from Service*" has the meaning given to it in section 409A of the Code and applicable regulations;

"*Share*" means a common share in the capital of the Corporation;

"*Share Compensation Arrangement*" has the meaning ascribed to "security based compensation arrangement" in section 613(b) of the TSX Company Manual, as amended from time to time, and includes this Plan;

"*Specified Employee*" means an individual who is a specified employee for purposes of section 1.409A-1(i) of the U.S. Treasury Regulations, as determined in accordance with such regulations;

"*SROF*" has the meaning set forth in Section 9.18(b);

"*Subsidiary*" means a subsidiary of the Corporation, as determined in accordance with Securities Legislation;

"*Termination Date*" means, in respect of an Eligible Executive for the purposes of Deferred Share Units, that Eligible Executive's last day of employment with the Corporation provided, however, that for U.S. Directors and U.S. Executives it means the day on which that person experiences a Separation from Service with the Corporation;

"Terminated Service" means:

- (a) in respect of an Eligible Executive, that Eligible Executive has, except as a result of death, ceased to be an employee of the Corporation on the Termination Date; and
- (b) in respect of an Eligible Director, that Eligible Director has, except as a result of death, ceased to be a director of the Corporation,

provided that for U.S. Executives and U.S. Directors it means that the U.S. Executive or U.S. Director has, except as a result of death, experienced a Separation from Service with the Corporation;

the *"last day on which the individual works for the Corporation or a Subsidiary"* means:

- (a) with respect to an RSU Participant or PSU Participant whose employment is voluntarily terminated by such individual, the last day on which the individual reported for work to the Corporation or a Subsidiary; and
- (b) with respect to an RSU Participant or PSU Participant whose employment has been terminated by the Corporation or a Subsidiary:
 - (i) other than for cause, either:
 - (A) the day specified by the Corporation or such Subsidiary in writing to the individual as being the last day on which the individual is to report for work for the Corporation or a Subsidiary; or
 - (B) if such individual is given pay in lieu of advance notice of a pending effective date of termination, the day on which such notice of termination is given in writing by the Corporation or such Subsidiary to the individual; and
 - (ii) for cause, the day on which the notice of termination was given;

"Totally Disabled", with respect to an RSU Participant or PSU Participant, means that the RSU Participant or PSU Participant:

- (a) is unable to engage in a substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; or
- (b) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than 3 months under an accident and health plan covering Employees;

"*TSX*" means the Toronto Stock Exchange;

"*U.S. Director*" means a Director whose benefit under this Plan is subject to U.S. federal income tax;

"*U.S. Executive*" means an Eligible Executive whose benefit under this Plan is subject to U.S. federal income tax;

"*U.S. PSU Participant*" means a PSU Participant whose benefit under this Plan is subject to U.S. federal income tax; and

"*U.S. RSU Participant*" means an RSU Participant whose benefit under this Plan is subject to U.S. federal income tax.

1.3 Interpretation

In this Plan:

- (a) references to awards made or granted under this Plan or a Section of it shall be deemed to include equivalent awards made or granted under any Predecessor Plan which are outstanding as of the Effective Date;
- (b) a reference to a statute includes all regulations made thereunder, all amendments to the statute or regulations in force from time to time, and any statute or regulation that supplements or supersedes such statute or regulations;
- (c) references to Sections are to sections of this Plan;
- (d) unless the context requires otherwise, words importing the singular include the plural and vice versa; and

- (e) all headings and titles are included for convenience only and they are to be ignored in the interpretation of this Plan.

SECTION 2 SHARE DISTRIBUTION

2.1 Eligibility

The Board may only issue Shares under this Plan to satisfy the redemption or conversion of any Deferred Share Units, Restricted Share Units or Performance Share Units.

2.2 Maximum Shares to be Issued

The aggregate number of Shares that may be reserved for issuance under this Plan and the Corporation's Consolidated Share Option Plan, shall not exceed 6% of the Shares then issued and outstanding (on a non-diluted basis). For greater certainty, any increase in the issued and outstanding Shares will result in an increase in the number of Shares available under this Plan and the Corporation's Consolidated Share Option Plan and any exercise, conversion for Cash Equivalents or Shares, redemption, expiry, termination, clawback or surrender of an award made under this Plan or the Corporation's Consolidated Share Option Plan will make new Shares available under this Plan and the Corporation's Consolidated Share Option Plan. The limit set out in this Section 2.2 shall not limit the Corporation's ability to issue awards that are payable other than in Shares. Shares will not have been issued pursuant to the Plan with respect to any portion of an RSU or PSU that is settled in cash.

2.3 Determination of Issue Price

The issue price of the Shares issued under this Plan on conversion, redemption or maturity of Deferred Share Units, Restricted Share Units or Performance Share Units, will be not less than the closing price per share for the Shares on the TSX (in the case of Shares issued to a person who is resident in any country other than the U.S.) or NASDAQ (in the case of Shares issued to a person who is resident in the U.S.) on the last trading day on the TSX or NASDAQ before the date on which the relevant Deferred Share Units, Restricted Share Units or Performance Share Units were granted.

SECTION 3 RESTRICTED SHARE UNITS

3.1 Awards of Restricted Share Units

The Board, at any time and from time to time, may in its sole discretion select Employees and Directors to whom Restricted Share Units are awarded under Section 3 and will specify the number of Restricted Share Units awarded to each RSU Participant, the Restriction Period in respect of such Restricted Share Units and any vesting criteria or other conditions relating to an award that are consistent with this Plan and that the Board deems appropriate. The award of Restricted Share Units in any year to any Employee is intended to be in the nature of a reward for services rendered or, subject to certain vesting criteria, to be rendered in respect of or over any specified period. Any award made to an RSU Participant will not oblige the Board to make any subsequent awards to that RSU Participant.

3.2 Awards of Restricted Share Units

Each award of Restricted Share Units will be evidenced by a Restricted Share Unit Agreement, which contains the terms and conditions specified by Section 3, and such other terms and conditions as the Board in its sole discretion specifies. At any time prior to the expiry of the Restriction Period in respect of a particular award of Restricted Share Units, the Board may, in its sole discretion, amend any vesting criteria or other conditions specified in the award of such Restricted Share Units, provided that such amendment does not adversely affect the rights of the RSU Participant in respect of such Restricted Share Units, and provided further that with respect to the RSUs of U.S. RSU Participants any such amendment will be undertaken in a manner that will not result in adverse tax consequences under Code Section 409A.

3.3 Restriction Period

Unless otherwise specified in the Restricted Share Unit Agreement awarding Restricted Share Units to an Employee or Director, the Restriction Period in respect of a particular award of Restricted Share Units will commence on the date of the award of such Restricted Share Units and end on the last day permitted under the applicable definition of Restriction Period.

Notwithstanding the foregoing or any other provision of this Plan, and except with respect to RSUs of Retirement-Eligible U.S. RSU Participants and other U.S. RSU Participants whose RSUs are by their terms subject to Code Section 409A, the occurrence of an Accelerated Vesting Event which

is a result of the making of a take-over bid (as contemplated in paragraph (a) of the definition of Accelerated Vesting Event) will have no effect on the date on which the Restriction Period in respect of a particular award of Restricted Share Units will end unless the Board so determines. In such circumstances, the Board will have the power, at its sole discretion and without being required to obtain the approval of shareholders or the holder of any Restricted Share Unit, to make such changes to the terms of Restricted Share Units as it considers fair and appropriate in the circumstances, including but not limited to: (i) the date on which the Restriction Period ends, conditionally or unconditionally; or (ii) otherwise modifying the terms of any Restricted Share Unit to assist the holder to tender into such take-over bid, provided that no such change shall extend the Restriction Period in respect of any Restricted Share Unit beyond the date set out in paragraph (a) of this Section 3.3 in respect of the Restricted Share Unit. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of this Plan be final, conclusive and binding.

3.4 Accelerated Vesting Event

On the occurrence of an Accelerated Vesting Event (but in the case of an Accelerated Vesting Event which is the result of the making of a take-over bid (as contemplated in paragraph (a) of the definition of Accelerated Vesting Event) only if the Board determines that such event affects the date on which the Restriction Period in respect of a particular award of Restricted Share Units will end the Board may, in its sole and absolute discretion deem to be satisfied the vesting conditions specified in a portion of Restricted Share Units granted to each RSU Participant under the Plan and such portion of Restricted Share Units will immediately vest (or the vesting conditions of such portion of Restricted Share Units will be deemed to be satisfied) and be settled based on the proportion of the applicable vesting terms achieved up to the occurrence of such Accelerated Vesting Event as determined by the Board in its sole and absolute discretion, provided that, if the transaction that caused the Accelerated Vesting Event is not completed within the time specified therein (and as may be lawfully extended), then, at the discretion of the Board, any Shares received by an RSU Participant shall be deemed null and void and returned to the Corporation and any Restricted Share Units so settled or cancelled shall be deemed reinstated as if such Restricted Share Unit had not been vested, converted, exercised, amended, abridged or otherwise changed and all vesting terms, conditions or schedules shall be reinstated as if not previously waived, deemed satisfied, amended or adjusted in connection with the Accelerated Vesting Event.

Notwithstanding the foregoing, no cancellation, acceleration or waiving of vesting, lapsing of restrictions or payment of a Restricted Share Unit shall occur with respect to any Restricted Share Unit if the Board determines at its discretion and in good faith prior to the occurrence or completion of an Accelerated Vesting Event that such Restricted Share Unit shall be honored or assumed, or new rights substituted therefor (with such honored, assumed or substituted Restricted Share Unit hereinafter referred to as an "*Alternative RSU Award*") by any successor to the Corporation or a parent of the successor to the Corporation and provided that such entity agrees to assume the obligation to provide Alternative RSU Awards and; provided, however, that any such Alternative Award must:

- (a) be for publicly traded equity securities of (i) the Corporation, (ii) the entity surviving the Corporation following the Accelerated Vesting Event or (iii) the parent entity of such surviving entity;
- (b) provide such RSU Participants with rights and entitlements substantially equivalent to or better than the rights, terms and conditions applicable under such replaced Restricted Share Unit, including, but not limited to, an identical or better exercise or vesting schedule (including vesting upon termination of employment), identical or better provisions applicable to subsequent Accelerated Vesting Events and identical or better timing and methods of payment;
- (c) recognize, for the purpose of vesting provisions, the time that the Restricted Share Unit has been held prior to the Accelerated Vesting Event; and
- (d) have substantially equivalent economic value to such Restricted Share Unit being replaced (determined as of the date of the Accelerated Vesting Event).

Notwithstanding Section 3.7 and Section 3.8, where an RSU Participant's employment with the Corporation or a Subsidiary is terminated, either by the RSU Participant for Good Reason or by the Corporation without cause within the 24 months following an Accelerated Vesting Event, any unvested Alternative RSU Award as at the date of such termination shall be deemed to have vested as at the date of such termination and shall be settled on last day on which the individual works for the Corporation or a Subsidiary.

3.5 Conversion of Restricted Share Units

Subject to Section 3.8, as soon as administratively feasible following the last day of the Restriction Period and provided that in no event will the relevant conversion occur following the last day of the third calendar year following the date of grant for such Restricted Share Unit, a particular award of Restricted Share Units will convert and the Corporation will (a) issue to the RSU Participant that number of Shares, disregarding any fractions of a Share and net of Applicable Withholding Tax, equal to the number of Restricted Share Units specified in such award; (b) pay to the RSU Participant the Cash Equivalent to the nearest cent; or (c) issue and pay to the RSU Participant a combination of (a) Shares and (b) Cash Equivalent, such allocation at the sole discretion of the Board, provided that:

- (y) the Restricted Share Units have not expired; and
- (z) any vesting criteria or other conditions specified in the award of such Restricted Share Units has been satisfied (or has been deemed to be satisfied).

If any vesting criteria or other conditions specified in an award of Restricted Share Units has not been satisfied (or deemed to be satisfied) on or prior to the last day of the Restriction Period, those Restricted Share Units will expire and the RSU Participant will not be entitled to be issued any Shares or Cash Equivalent in respect of those Restricted Share Units. The Shares issued upon conversion of Restricted Share Units will be considered fully paid in consideration of past services rendered that are not less in value than the fair equivalent of the money that the Corporation would have received if the Shares had been issued for money on the date on which the Restricted Share Units were granted.

3.6 Conversion of Restricted Share Units of U.S. Participants

With respect to U.S. RSU Participants whose Restricted Share Units convert and who are entitled to receive Shares issued to them in respect of Restricted Share Units in accordance with the provisions of this Section 3, the conversion and issue of Shares with respect to such Restricted Share Units will in all cases occur as soon as administratively feasible following the last day of the Restriction Period, but in all events by the earlier of the 90th day following the last day of the Restriction Period and March 15th of the year following the year in which the last day of the Restriction Period occurs, and no U.S. RSU Participant shall have any ability to designate or influence the taxable year in which any such conversion and delivery of Shares occurs.

3.7 Limitations on Conversion; Forfeiture

Notwithstanding Section 3.5 and Section 3.6 but subject to Section 3.8, in the event that, prior to the end of a Restriction Period, an RSU Participant's employment with the Corporation or a Subsidiary is terminated, either by the RSU Participant or by the Corporation or a Subsidiary, all unconverted Restricted Share Units awarded to that RSU Participant will expire, and be null and void and incapable of being converted into Shares or Cash Equivalent, on and after the last day on which the individual works for the Corporation or a Subsidiary (for any reason other than death or the RSU Participant being Totally Disabled or Retired).

3.8 Exceptions to Limitations

Notwithstanding Section 3.7:

- (a) if an RSU Participant ceases to work for the Corporation or a Subsidiary by reason that he or she is Totally Disabled or by reason of his or her death, the Restriction Period in respect of every award of Restricted Share Units to such RSU Participant will end, any vesting criteria or other conditions specified in any award of Restricted Share Units will, unless otherwise specified in the award, be deemed to have been satisfied and the RSU Participant or the RSU Participant's estate or legal representative, as the case may be, will be entitled to receive any Shares or Cash Equivalent issuable upon conversion of all outstanding Restricted Share Units awarded to the RSU Participant.
- (b) if an RSU Participant ceases to work for the Corporation or a Subsidiary, in circumstances where such RSU Participant is considered to have Retired, the RSU Participant will be entitled to receive any Shares or Cash Equivalent issuable upon conversion of all outstanding Restricted Share Units awarded to the RSU Participant, subject to the terms and conditions of this Plan as if the RSU Participant had continued to work for the Corporation or the Subsidiary, as applicable. For greater certainty, where an RSU Participant is considered to have Retired, every award of Restricted Share Units to the RSU Participant will continue to be subject to the Restriction Period pursuant to Section 3.3 of the Plan or any Restricted Share Unit Agreement, as applicable, and any vesting criteria or other conditions as specified in the award of such Restricted Share Units.

- (c) If an RSU Participant who is deemed to have Retired dies, the RSU Participant's estate shall be entitled to receive any Shares or Cash Equivalent issuable upon the conversion of all outstanding Restricted Share Units awarded to the RSU Participant in accordance with Section 3.8(a) as if the RSU Participant had ceased to work for the Corporation or a Subsidiary due to their death.

3.9 Dividend Equivalents

If explicitly provided for in a specific Restricted Share Unit Agreement, on any date on which a dividend is paid on Shares, an RSU Participant shall be awarded in respect of such applicable RSUs an additional number of RSUs calculated by (a) multiplying the amount of the dividend per Share by the aggregate number of applicable RSUs in respect of which such calculation is made as of the record date for payment of the dividend, and (b) dividing the amount obtained in (a) by the Fair Market Value on the date on which the dividend is paid. Any additional RSUs awarded pursuant to this Section 3.9 shall be subject to the same Restriction Period, vesting criteria or other conditions and other terms as the related RSUs in respect of which such additional RSUs are awarded.

3.10 Issuance of Restricted Share Units to Directors

Subject to terms of this Plan and any rules, approvals and conditions as the Board may impose, an Eligible Director who is also in compliance with the Corporation's Director Share Ownership Guidelines may elect to receive his or her Cash Remuneration and/or DSU Remuneration in the form of Restricted Share Units. The number of Restricted Share Units to be credited to an Eligible Director will be determined by dividing the amount of the Eligible Remuneration to be deferred into Restricted Share Units in respect of the then current Remuneration Period by the Fair Market Value per Share on the date of issue as determined by the Board. An Eligible Director wishing to receive Restricted Share Units in accordance with this Section 3.10 must comply with the Annual Election provisions set out in Section 6.2.

SECTION 4 PERFORMANCE SHARE UNITS

4.1 Awards of Performance Share Units

The Board, at any time and from time to time, may in its sole discretion select Employees to whom Performance Share Units are awarded under Section 4 and will specify the number of Performance Share Units awarded

to each PSU Participant, the Restriction Period in respect of such Performance Share Units and any performance criteria or other conditions relating to an award that are consistent with this Plan and that the Board deems appropriate. The award of Performance Share Units in any year to any Employee is intended to be in the nature of a reward for services rendered or, subject to certain performance criteria, to be rendered in respect of or over any specified period. Any award made to a PSU Participant will not oblige the Board to make any subsequent awards to that PSU Participant.

4.2 Awards of Performance Share Units

Each award of Performance Share Units will be evidenced by a Performance Share Unit Agreement, which contains the terms and conditions specified by Section 4, and such other terms and conditions as the Board in its sole discretion specifies. At any time prior to the expiry of the Restriction Period in respect of a particular award of Performance Share Units, the Board may, in its sole discretion, amend any performance criteria or other conditions specified in the award of such Performance Share Units, provided that such amendment does not adversely affect the rights of the PSU Participant in respect of such Performance Share Units, and provided further that with respect to the PSUs of U.S. PSU Participants any such amendment will be undertaken in a manner that will not result in adverse tax consequences under Code Section 409A.

4.3 Restriction Period

Unless otherwise specified in the Performance Share Unit Agreement awarding Performance Share Units to an Employee, the Restriction Period in respect of a particular award of Performance Share Units will commence on the date of the award of such Performance Share Units and end on the last day permitted under the applicable definition of Restriction Period.:

Notwithstanding the foregoing or any other provision of this Plan, and except with respect to PSUs of Retirement-Eligible U.S. PSU Participants and other U.S. PSU Participants whose PSUs are by their terms subject to Code Section 409A, the occurrence of an Accelerated Vesting Event which is a result of the making of a take-over bid (as contemplated in paragraph (a) of the definition of Accelerated Vesting Event) will have no effect on the date on which the Restriction Period in respect of a particular award of Performance Share Units will end unless the Board so determines. In such circumstances, the Board will have the power, at its sole discretion and without being required to obtain the approval of shareholders or the holder of any Performance Share Unit, to make such changes to the terms of Performance Share Units as it considers fair and appropriate in the

circumstances, including but not limited to: (i) the date on which the Restriction Period ends, conditionally or unconditionally; or (ii) otherwise modifying the terms of any Performance Share Unit to assist the holder to tender into such take-over bid, provided that no such change shall extend the Restriction Period in respect of any Performance Share Unit beyond the date set out in paragraph (a) of this Section 4.3 in respect of the Performance Share Unit. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of this Plan be final, conclusive and binding.

4.4 Accelerated Vesting Event

On the occurrence of an Accelerated Vesting Event (but in the case of an Accelerated Vesting Event which is the result of the making of a take-over bid (as contemplated in paragraph (a) of the definition of Accelerated Vesting Event) only if the Board determines that such event affects the date on which the Restriction Period in respect of a particular award of Performance Share Units will end), the Board may, in its sole and absolute discretion deem to be satisfied the performance criteria specified in a portion of Performance Share Units granted to each PSU Participant under the Plan and such portion of Performance Share Units will immediately vest (or the performance criteria or other conditions of such portion of Performance Share Units will be deemed to be satisfied) and be settled based on the proportion of the applicable performance criteria or other conditions actually achieved up to the occurrence of such Accelerated Vesting Event as determined by the Board in its sole and absolute discretion, provided that, if the transaction that caused the Accelerated Vesting Event is not completed within the time specified therein (and as may be lawfully extended), then, at the discretion of the Board, any Shares received by an PSU Participant shall be deemed null and void and returned to the Corporation and any Performance Share Units so settled or cancelled shall be deemed reinstated as if such Performance Share Unit had not been vested, converted, exercised, amended, abridged or otherwise changed and all vesting terms, conditions or schedules shall be reinstated as if not previously waived, deemed satisfied, amended or adjusted in connection with the Accelerated Vesting Event.

Notwithstanding the foregoing, no cancellation, acceleration or waiving of vesting, lapsing of restrictions or payment of a Performance Unit shall occur with respect to any Performance Unit if the Board determines at its discretion and in good faith prior to the occurrence or completion of an Accelerated Vesting Event that such Performance Unit shall be honored or assumed, or new rights substituted therefor (with such honored, assumed or substituted Performance Unit hereinafter referred to as an "*Alternative*

PSU Award") by any successor to the Corporation or a parent of the successor to the Corporation and provided that such entity agrees to assume the obligation to provide Alternative PSU Awards and; provided, however, that any such Alternative Award must:

- (a) be for publicly traded equity securities of (i) the Corporation, (ii) the entity surviving the Corporation following the Accelerated Vesting Event or (iii) the parent entity of such surviving entity;
- (b) provide such PSU Participants with rights and entitlements substantially equivalent to or better than the rights, terms and conditions applicable under such replaced Performance Unit, including that any performance based vesting conditions shall be converted solely to time based vesting conditions on for the remainder of the applicable Performance Period, and further including but not limited to, an identical or better vesting schedule (including vesting upon termination of employment), identical or better provisions applicable to subsequent Accelerated Vesting Events and identical or better timing and methods of payment;
- (c) recognize, for the purpose of vesting provisions, the time that the Performance Unit has been held prior to the Accelerated Vesting Event; and
- (d) have substantially equivalent or better economic value to such Performance Unit being replaced (determined as of the date of the Accelerated Vesting Event).

Notwithstanding Section 4.7 and Section 4.8, where an PSU Participant's employment with the Corporation or a Subsidiary is terminated, either by the PSU Participant for Good Reason or by the Corporation without cause within the 24 months following an Accelerated Vesting Event, any unvested Alternative PSU Award as at the date of such termination shall be deemed to have vested as at the date of such termination and shall be settled on last day on which the individual works for the Corporation or a Subsidiary.

4.5 Conversion of Performance Share Units

Subject to Section 4.6, as soon as administratively feasible following the last day of the Restriction Period and provided that in no event will the relevant conversion occur following the last day of the third calendar year following the date of grant for such Performance Share Unit, a particular award of Performance Share Units will convert and the Corporation will (a)

issue to the PSU Participant that number of Shares, disregarding any fractions of a Share and net of Applicable Withholding Tax, equal to the number of Performance Share Units specified in such award; (b) pay to the PSU Participant the Cash Equivalent to the nearest cent; or (c) issue and pay to the PSU Participant a combination of (a) Shares and (b) Cash Equivalent, such allocation at the sole discretion of the Board, provided that:

- (y) the Performance Share Units have not expired; and
- (z) any performance criteria or other conditions specified in the award of such Performance Share Units has been satisfied (or has been deemed to be satisfied).

If any performance criteria or other conditions specified in an award of Performance Share Units has not been satisfied (or deemed to be satisfied) on or prior to the last day of the Restriction Period, those Performance Share Units will expire and the PSU Participant will not be entitled to be issued any Shares or Cash Equivalent in respect of those Performance Share Units. The Shares issued upon conversion of Performance Share Units will be considered fully paid in consideration of past services rendered that are not less in value than the fair equivalent of the money that the Corporation would have received if the Shares had been issued for money on the date on which the Performance Share Units were granted.

4.6 Conversion of Performance Share Units of U.S. Participants

With respect to U.S. PSU Participants whose Performance Share Units convert and who are entitled to receive Shares issued to them in respect of Performance Share Units in accordance with the provisions of this Section 4, the conversion and issue of Shares with respect to such Performance Share Units will in all cases occur as soon as administratively feasible following the last day of the Restriction Period, but in all events by the earlier of the 90th day following the last day of the Restriction Period and March 15th of the year following the year in which the last day of the Restriction Period occurs, and no U.S. PSU Participant shall have any ability to designate or influence the taxable year in which any such conversion and delivery of Shares occurs.

4.7 Limitations on Conversion; Forfeiture

Notwithstanding Section 4.5 and Section 4.6 but subject to Section 4.8, in the event that, prior to the end of a Restriction Period, a PSU Participant's employment with the Corporation or a Subsidiary is terminated, either by the PSU Participant or by the Corporation or a Subsidiary, all unconverted

Performance Share Units awarded to that PSU Participant will expire, and be null and void and incapable of being converted into Shares or Cash Equivalent, on and after the last day on which the individual works for the Corporation or a Subsidiary (for any reason other than death or the PSU Participant being Totally Disabled or Retired).

4.8 Exceptions to Limitations

Notwithstanding Section 4.7:

- (a) if a PSU Participant ceases to work for the Corporation or a Subsidiary by reason that he or she is Totally Disabled or by reason of his or her death, the Restriction Period in respect of every award of Performance Share Units to such PSU Participant will end, any performance criteria or other conditions specified in any award of Performance Share Units will, unless otherwise specified in the award, be deemed to have been satisfied and the PSU Participant or the PSU Participant's estate or legal representative, as the case may be, will be entitled to receive any Shares or Cash Equivalent issuable upon conversion of 100% of outstanding Performance Share Units awarded to the PSU Participant.
- (b) if a PSU Participant ceases to work for the Corporation or a Subsidiary, in circumstances where such PSU Participant is considered to have Retired, the PSU Participant will be entitled to receive any Shares or Cash Equivalent issuable upon conversion of all outstanding Performance Share Units awarded to the PSU Participant, subject to the terms and conditions of this Plan as if the PSU Participant had continued to work for the Corporation or the Subsidiary, as applicable. For greater certainty, where a PSU Participant is considered to have Retired, every award of Performance Share Units to the PSU Participant will continue to be subject to the Restriction Period pursuant to Section 4.3 of the Plan or any Performance Share Unit Agreement, as applicable, and any performance criteria or other conditions as specified in the award of such Performance Share Units.
- (c) If a PSU Participant who is deemed to have Retired dies, the PSU Participant's estate shall be entitled to receive any Shares or Cash Equivalent issuable upon the conversion of all outstanding Performance Share Units awarded to the PSU Participant in accordance with Section 4.8(a) as if the PSU

Participant had ceased to work for the Corporation or a Subsidiary due to their death.

4.9 Dividend Equivalents

If explicitly provided for in a specific Performance Share Unit Agreement, on any date on which a dividend is paid on Shares, a PSU Participant shall be awarded in respect of such applicable PSUs an additional number of PSUs calculated by (a) multiplying the amount of the dividend per Share by the aggregate number of applicable PSUs in respect of which such calculation is made as of the record date for payment of the dividend, and (b) dividing the amount obtained in (a) by the Fair Market Value on the date on which the dividend is paid. Any additional PSUs awarded pursuant to this Section 4.9 shall be subject to the same Restriction Period, performance criteria or other conditions and other terms as the related PSUs in respect of which such additional PSUs are awarded.

SECTION 5 DEFERRED SHARE UNITS FOR EXECUTIVE OFFICERS

5.1 Determination of Deferred Share Units for Eligible Executives

Subject to terms of this Plan and any rules, approvals and conditions as the Board may impose, an Eligible Executive may elect to receive his or her Incentive Bonus in the form of Deferred Share Units. Deferred Share Units pursuant to this Plan will be credited to an account maintained for each Eligible Executive by the Corporation once a year at the time Incentive Bonuses are paid. The number of Deferred Share Units (including fractional Deferred Share Units, computed to three digits) to be credited to an Eligible Executive will be determined on the date approved by the Board by dividing the amount of the Incentive Bonus to be deferred into Deferred Share Units by the Fair Market Value per Share on that date.

5.2 Annual Election

- (a) Each Eligible Executive who is not a U.S. Executive may elect, with respect to any particular Performance Period, to receive a percentage (from zero to one hundred percent) of his or her Incentive Bonus in the form of Deferred Share Units. The election must be completed, signed and delivered to the Corporation before the earlier of: (a) the last business day of the Performance Period or (b) the date occurring during the Performance Period that the Corporation has determined or paid the Incentive Bonus for that Performance Period. If no

election is made in respect of a particular Performance Period, such Eligible Executive will receive the Incentive Bonus in cash.

- (b) Each Eligible Executive who is a U.S. Executive may elect, with respect to any particular Performance Period, to receive a percentage (from zero to one hundred percent) of his or her Incentive Bonus in the form of Deferred Share Units. The election must be completed, signed and delivered to the Corporation with respect to any Incentive Bonus, on or before the day prior to the first day of the fiscal year which constitutes the applicable Performance Period. If no election is made in respect of a particular Performance Period, such Eligible Executive will receive the Incentive Bonus in cash.
- (c) If an Eligible Executive who is not a U.S. Executive has Terminated Service during the Performance Period, the Eligible Executive will not be entitled to elect to receive any portion of the Incentive Bonus for such Performance Period in the form of Deferred Share Units.

5.3 Termination of Service of Non-U.S. Executives

- (a) An Eligible Executive who is not a U.S. Executive who has Terminated Service may receive Shares in respect of the Deferred Share Units credited to the Eligible Executive's account (determined in accordance with Section 5.3(b)) by filing with the Secretary of the Corporation a notice of redemption in the form prescribed from time to time by the Corporation on or before December 15 of the first calendar year commencing after the date of the Eligible Executive's Terminated Service. If the Eligible Executive fails to file such notice on or before that December 15, the Eligible Executive will be deemed to have filed with the Secretary of the Corporation a notice of redemption on that December 15.
- (b) Upon receipt or deemed receipt of a notice of redemption, the Corporation shall issue one Share for each whole Deferred Share Unit to the Eligible Executive (net of any Applicable Withholding Tax). Such payment shall be made by the Corporation as soon as reasonably possible following the Filing Date. In no event will payment be made later than December 31 of the first calendar year commencing after the Eligible Executive has Terminated Service.

- (c) In the event of the death of an Eligible Executive who is not a U.S. Executive, the Corporation will, within two months of the Eligible Executive's death, issue one Share for each whole Deferred Share Unit credited to the deceased Eligible Executive's account (net of any Applicable Withholding Tax) to or for the benefit of the legal representative of the Eligible Executive.
- (d) If an Eligible Executive who is not a U.S. Executive who dies after the Eligible Executive has Terminated Service but before filing a notice of redemption with the Corporate Secretary of the Corporation, Section 5.3(c) will apply provided that, in no event will payment be made later than December 31 of the first calendar year commencing after the Eligible Executive has Terminated Service.
- (e) Fractional Shares shall not be issued, and where an Eligible Executive, or a deceased Eligible Executive's legal representative, would be entitled to receive a fractional Share in respect of any fractional Deferred Share Unit, the Corporation shall pay to such Eligible Executive or legal representative, in lieu of such fractional Share, cash equal to the Fair Market Value of such fractional Share, calculated as at the day before such payment is made.

5.4 Termination of Service of U.S. Executives

- (a) In the event that an Eligible Executive who is a U.S. Executive has Terminated Service, the Corporation will issue one Share for each whole Deferred Share Unit credited to the Eligible Executive's account (net of any Applicable Withholding Tax) to the Eligible Executive. Subject to Section 9.10, such payment shall be made by the Corporation on the first business day of the month following the date that is six months after the date of the Eligible Executive's Termination Date.
- (b) In the event of the death of an Eligible Executive who is a U.S. Executive, the Corporation will issue one Share for each whole Deferred Share Unit credited to the deceased Eligible Executive's account (net of any Applicable Withholding Tax) to or for the benefit of the legal representative of the Eligible Executive. Subject to Section 9.10, such payment shall be made by the Corporation on the first business day of the month following the date that is six months after the death of the Eligible Executive who is a U.S. Executive.

- (c) Fractional Shares shall not be issued, and where an Eligible Executive, or a deceased Eligible Executive's legal representative, would be entitled to receive a fractional Share in respect of any fractional Deferred Share Unit, the Corporation shall pay to such Eligible Executive or legal representative, in lieu of such fractional Share, cash equal to the Fair Market Value of such fractional Share, calculated as at the day before such payment is made.

5.5 Eligibility to be in the Total Discretion of the Board

No executive officer shall have any right or entitlement to be selected or designated as an Eligible Executive by the Board. The selection or designation of any executive officer shall be in the sole and absolute discretion of the Board and any decision of the Board shall be final, binding and conclusive on all parties concerned.

5.6 Determination of Deferred Share Units during Blackout

In the event the Board approves the issue of Deferred Share Units to an Eligible Executive as contemplated by this Plan at a meeting of the Board that occurs during a Blackout the number of Deferred Share Units (including fractional Deferred Share Units, computed to three digits) to be credited to the Eligible Executive will be determined on the first trading day after the day on which the Blackout is lifted, terminated or removed by dividing the amount of the Incentive Bonus to be deferred into Deferred Share Units by the Fair Market Value per Share on the first trading day after the day on which the Blackout is lifted, terminated or removed.

SECTION 6 DEFERRED SHARE UNITS FOR DIRECTORS

6.1 Determination of Deferred Share Units for Directors

As determined by the Board in its sole and absolute discretion, an Eligible Director may be entitled to receive a portion of his or her Annual Retainer as Cash Remuneration and DSU Remuneration. Subject to terms of this Plan and any rules, approvals and conditions as the Board may impose, an Eligible Director may elect to receive his or her Cash Remuneration in the form of Deferred Share Units. Deferred Share Units pursuant to this Plan including DSUs issuable in lieu of Cash Remuneration will be credited to an account maintained for each Eligible Director by the Corporation. The number of Deferred Share Units (including fractional Deferred Share Units, computed to three digits) to be credited to an Eligible Director on each DSU Credit Date will be determined by dividing the amount of the Eligible

Remuneration to be deferred into Deferred Share Units in respect of the then current Remuneration Period by the Fair Market Value per Share on the DSU Credit Date.

6.2 Annual Election

Subject to terms of this Plan and any rules, approvals and conditions as the Board may impose,

- (a) each Eligible Director who is not a U.S. Director may elect, with respect to a Remuneration Period, to be paid 100% of his or her Cash Remuneration, net of any Applicable Withholding Taxes, in Deferred Share Units. In addition, any Eligible Director who is in compliance with the Corporation's Director Share Ownership Guidelines and is not a U.S. Director may further elect to be paid 100% of his or her DSU Remuneration and/or Cash Remuneration, net of any Applicable Withholding Taxes, in Restricted Share Units. The election must be completed, signed and delivered to the Corporation:
 - (i) subject to (ii), for any Remuneration Period, by December 31 of each year, in which case the election will apply to all amounts of the Eligible Remuneration payable with respect to services rendered during the following calendar year, notwithstanding the fact that services rendered during the latter portion of the calendar year are rendered in a subsequent fiscal year, and
 - (ii) for an Eligible Director who is not a U.S. Director and who was not an Eligible Director either on the Effective Date or on December 31 of a particular year, within 30 days of becoming an Eligible Director, in which case the election will only apply to the portion of the Eligible Remuneration payable with respect to services rendered no earlier than 30 days after the delivery of the election.
- (b) each Eligible Director who is a U.S. Director may elect, with respect to a Remuneration Period, to be paid 100% of his or her Cash Remuneration, net of any Applicable Withholding Taxes, in Deferred Share Units. In addition, any Eligible Director who is in compliance with the Corporation's Director Share Ownership Guidelines and who is a U.S. Director may further elect to be paid 100% of his or her DSU Remuneration and/or Cash Remuneration, net of any Applicable Withholding Taxes, in Restricted Share Units instead of Deferred Share

Units. The election must be completed, signed and delivered to the Corporation:

- (i) subject to (ii), for any Remuneration Period, by December 31 of each year, in which case the election will apply to all amounts of the Eligible Remuneration payable with respect to services rendered during the following calendar year, notwithstanding the fact that services rendered during the latter portion of the calendar year are rendered in a subsequent fiscal year. When an Eligible Director who is a U.S. Director makes an election relating to Deferred Share Units or Restricted Share Units for a period of performance for which the Corporation has not yet determined the total number of Deferred Share Units or Restricted Share Units that will be payable as compensation to that Eligible Director for the period in question, the Eligible Director's election must specify that the Eligible Director elects to receive 100% of the Eligible Remuneration payable for that period in Deferred Share Units or Restricted Share Units, and the Corporation will apply that percentage at the time that the Corporation determines the number of Deferred Share Units or Restricted Share Units that will be payable during the performance period for which the election is made; and
 - (ii) for an Eligible Director who is a U.S. Director and who was not an Eligible Director either on the Effective Date or on December 31 of a particular year and who has not previously participated in this Plan or any other plan that is required to be aggregated with this Plan for purposes of section 409A of the Code, within 30 days of becoming an Eligible Director, in which case the election will only apply to the portion of the Eligible Remuneration payable with respect to services rendered no earlier than 30 days after the delivery of the election.
- (c) If no election is made in respect of a particular calendar year, the new or existing Eligible Director will receive the Cash Remuneration in cash and DSU Remuneration in Deferred Share Units.

6.3 Termination of Service of Non-U.S. Directors

- (a) An Eligible Director who is not a U.S. Director and who has Terminated Service may receive Shares in respect of the

Deferred Share Units credited to the Eligible Director's account (determined in accordance with Section 6.3(b) by filing with the Secretary of the Corporation a notice of redemption in the form prescribed from time to time by the Corporation on or before December 15 of the first calendar year commencing after the date of the Eligible Director's Terminated Service). If the Eligible Director fails to file such notice on or before that December 15, the Eligible Director will be deemed to have filed with the Secretary of the Corporation a notice of redemption on that December 15.

- (b) Upon receipt or deemed receipt of a notice of redemption, the Corporation shall issue one Share for each whole Deferred Share Unit to the Eligible Director (net of any Applicable Withholding Tax). Such payment shall be made by the Corporation as soon as reasonably possible following the Filing Date. In no event will payment be made later than December 31 of the first calendar year commencing after the Eligible Director has Terminated Service.
- (c) In the event of the death of an Eligible Director who is not a U.S. Director, the Corporation will, within two months of the Eligible Director's death, issue one Share for each whole Deferred Share Unit credited to the deceased Eligible Director's account (net of any Applicable Withholding Tax) to or for the benefit of the legal representative of the Eligible Director.
- (d) If an Eligible Director who is not a U.S. Director dies after the Eligible Director has Terminated Service but before filing a notice of redemption with the Corporate Secretary of the Corporation, Section 6.3(c) will apply provided that, in no event will payment be made later than December 31 of the first calendar year commencing after the Eligible Director has Terminated Service.
- (e) Fractional Shares shall not be issued, and where an Eligible Executive, or a deceased Eligible Executive's legal representative, would be entitled to receive a fractional Share in respect of any fractional Deferred Share Unit, the Corporation shall pay to such Eligible Executive or legal representative, in lieu of such fractional Share, cash equal to the Fair Market Value of such fractional Share, calculated as at the day before such payment is made.

6.4 Termination of Service of U.S. Directors

- (a) In the event that an Eligible Director who is a U.S. Director has Terminated Service, the Corporation will issue one Share for each whole Deferred Share Unit credited to the Eligible Director's account (net of any Applicable Withholding Tax) to the Eligible Director. Except as otherwise provided herein and subject to Section 9.10, such payment shall be made by the Corporation as soon as reasonably possible (but in all events within ninety days) following the first date on which the Eligible Director has Terminated Service. Notwithstanding the foregoing, if an Eligible Director who is a U.S. Director is, at the commencement of Terminated Service, a Specified Employee, then the payment (delivery of Shares) will be delayed at least six (6) months following such commencement of Terminated Service and will occur on the first business day following the expiration of that six (6) month period.
- (b) In the event of the death of an Eligible Director who is a U.S. Director, the Corporation will issue one Share for each whole Deferred Share Unit credited to the deceased Eligible Director's account (net of any Applicable Withholding Tax) to or for the benefit of the legal representative of the Eligible Director. Subject to Section 9.10, such payment shall be made by the Corporation as soon as reasonably possible (but in all cases within ninety days) following the date of death of the Eligible Director.
- (c) Fractional Shares shall not be issued, and where an Eligible Executive, or a deceased Eligible Executive's legal representative, would be entitled to receive a fractional Share in respect of any fractional Deferred Share Unit, the Corporation shall pay to such Eligible Executive or legal representative, in lieu of such fractional Share, cash equal to the Fair Market Value of such fractional Share, calculated as at the day before such payment is made.

SECTION 7 COMMON TERMS OF DEFERRED SHARE UNITS FOR EXECUTIVE OFFICERS AND DIRECTORS

7.1 Dividend Equivalents

On any date on which a dividend is paid on Shares, an Eligible Executive's or Eligible Director's account will be credited with the number of Deferred

Share Units (including fractional Deferred Share Units, computed to three digits) calculated by (i) multiplying the amount of the dividend per Share by the aggregate number of Deferred Share Units that were credited to the Eligible Executive's or Eligible Director's account as of the record date for payment of the dividend, and (ii) dividing the amount obtained in (i) by the Fair Market Value on the date on which the dividend is paid.

7.2 Eligible Executive's or Eligible Director's Account

A written confirmation of the balance in each Eligible Executive's or Eligible Director's account will be sent by the Corporation to the Eligible Executive or Eligible Director upon request of the Eligible Executive or Eligible Director, as the case may be.

SECTION 8 PLAN AMENDMENT AND TERMINATION

8.1 Plan Amendment

Notwithstanding any other provision of this Plan, but subject to any stock exchange or regulatory requirement at the time of any such amendment, and any limitations required to ensure continued compliance with Code Section 409A if and to the extent it is applicable, the Board may at any time, and from time to time, and without obtaining shareholder approval, amend any provision of this Plan and/or any Restricted Share Units, Performance Share Unit and/or Deferred Share Unit governed by it (whether outstanding or otherwise), including, without limitation, any of the following amendments:

- (a) amendments to the definitions within this Plan and other amendments of a clerical nature;
- (b) amendments to any provisions relating to the issuance of Shares, payment of Cash Equivalent, granting or conversion of Restricted Share Units and Performance Share Units or the granting or redemption of Deferred Share Units under this Plan, including but not limited to provisions relating to the term, termination, and number of Restricted Share Units, Performance Share Units or Deferred Share Units to be awarded, provided that, without shareholder approval, such amendment does not entail:
 - (i) a change in the number or percentage of Shares reserved for issuance under this Plan;

- (ii) a reduction of the issue price of the Shares issued under this Plan or the cancellation and reissue of Shares;
 - (iii) a reduction to the Fair Market Value used to calculate the number of Deferred Share Units to be awarded to an Eligible Executive or Eligible Director;
 - (iv) an extension of the time for redemption of a Deferred Share Unit by an Eligible Executive or Eligible Director;
 - (v) an extension beyond the original Restriction Period of a Performance Share Unit held by an PSU Participant;
 - (vi) an extension beyond the original Restriction Period of a Restricted Share Unit held by an RSU Participant;
 - (vii) an increase to the maximum number of Shares that may be:
 - (A) issued to Insiders within a one-year period; or
 - (B) issuable to Insiders at any time,

under Share Compensation Arrangements of the Corporation, which could exceed 10% of the issued and outstanding Shares;
 - (viii) an increase in the maximum number of securities (other than securities issued in respect of the relevant Director's Annual Retainer) that can be granted to Directors (other than Directors who are also Officers) under Share Compensation Arrangements of the Corporation, which could exceed such number of securities in respect of which the underlying Shares have a Fair Market Value on the date of grant of such securities of Cdn\$150,000;
 - (ix) permitting Restricted Share Units, Performance Share Units or Deferred Share Units to be transferable or assignable other than for normal course estate settlement purposes; or
 - (x) a change to the amendment provisions of this Plan;
- (c) any amendment in respect of the persons eligible to participate in this Plan (or any part of this Plan), provided that, without

shareholder approval, such amendment does not permit non-employee Directors to:

- (i) participate as holders of Performance Share Units under Section 4 at the discretion of the Board;
 - (ii) gain or re-gain participation rights under any Section of this Plan at the discretion of the Board if their eligibility (as a class) to participate had never existed or had previously been removed; or
 - (iii) increase limits previously imposed on non-employee Director participation;
- (d) any amendment to add or amend provisions permitting for the granting or settling of cash-settled awards or clawback provisions;
- (e) such amendments as are necessary for the purpose of complying with any changes in any relevant law, rule, regulation, regulatory requirement or requirement of any applicable stock exchange or regulatory authority; or
- (f) amendments to correct or rectify any ambiguity, defective provision, error or omission in this Plan or in any option agreement, Performance Share Unit Agreement or notice to redeem Deferred Share Units.

8.2 Plan Termination

The Board may terminate this Plan, or any portion of it, at any time, but no such termination will, without the consent of the RSU Participant, PSU Participant, Eligible Executive or Eligible Director or unless required by law, adversely affect the rights of an RSU Participant, PSU Participant, Eligible Executive or Eligible Director with respect to Restricted Share Units, Performance Share Units and/or Deferred Share Units to which such person is then entitled under this Plan.

SECTION 9 GENERAL

9.1 Clawback

- (a) Notwithstanding any other provisions in this Plan, any RSU, PSU or DSU which is subject to recovery under any Applicable Law (or any policy adopted by the Corporation pursuant to any

such Applicable Law, including the Corporation's Clawback Policy), will be subject to such deductions and clawback as may be required to be made pursuant to such Applicable Law (or any policy adopted by the Corporation pursuant to any such Applicable Law, including the Corporation's Clawback Policy).

- (b) Without limiting the generality of the foregoing, where the RSU Participant, PSU Participant, Eligible Executive or Eligible Director is determined by the Corporation or any of its Subsidiaries to have breached the Clawback Policy, the Board, in its sole and absolute discretion, may cause all outstanding RSUs, PSUs or DSUs (whether or not vested or exercisable) and the proceeds from the exercise or disposition of any RSUs, PSUs or DSUs, or any Shares received or purchased upon the exercise or settlement of any RSUs, PSUs or DSUs, to be subject to forfeiture and disgorgement to the Corporation, with interest and other related earnings, in accordance with the terms of this Section 9.1 and the terms of the Clawback Policy, if and as applicable.
- (c) In addition, the Board may require forfeiture and disgorgement to the Corporation of outstanding RSUs, PSUs or DSUs and the proceeds from the exercise or disposition of any RSUs, PSUs or DSUs or Shares acquired, received or purchased upon the exercise or settlement of RSUs, PSUs or DSUs, with interest and other related earnings, to the extent required by Applicable Law and any related policy adopted by the Corporation.
- (d) Each RSU Participant, PSU Participant, Eligible Executive and Eligible Director, by accepting or being deemed to have accepted any RSU, PSU or DSU under this Plan, agrees to cooperate fully with the Board, and to cause any and all permitted transferees of such RSU Participant, PSU Participant, Eligible Executive or Eligible Director to cooperate fully with the Board, to effectuate any forfeiture or disgorgement required hereunder. Neither the Board nor the Corporation nor any other person, other than the RSU Participant, PSU Participant, Eligible Executive or Eligible Director and his or her permitted transferees, if any, will be responsible for any adverse tax or other consequences to an RSU Participant, PSU Participant, Eligible Executive or Eligible Director or his or her permitted transferees, if any, that may arise in connection with this Section 9.1.

9.2 Effective Date of this Plan

This Plan is effective as of June 2, 2009. All Restricted Share Units, Performance Share Units and Deferred Share Units outstanding under any Predecessor Plan as at the Effective Date are hereby continued as if granted, in the case of Restricted Share Units, under Section 3, Performance Share Units, under Section 4 or, in the case of Deferred Share Units, under Section 5 or Section 6, as appropriate, of this Plan.

9.3 Satisfaction of Restricted Share Units, Performance Share Units and Deferred Share Units

- (a) Shares issuable under Section 2 will be used to satisfy the conversion of Restricted Share Units and Performance Share Units into, and the redemption of Deferred Share Units for, Shares.
- (b) Notwithstanding any other provision of this Plan, the Board may authorise from time to time the purchase of Shares on the open market (by either the Corporation or a trustee) and the use of those Shares to satisfy the conversion of Restricted Share Units and Performance Share Units into Shares, provided that the terms of any such authorisation shall stipulate that the relevant Shares shall be delivered to the relevant RSU Participant or PSU Participant no later than December 31 of the third calendar year after the year in which the relevant Performance Share Units were awarded.

9.4 Administration

The Board will, in its sole and absolute discretion, but subject to applicable corporate, securities and tax law requirements: (i) interpret and administer this Plan, (ii) establish, amend and rescind any rules and regulations relating to this Plan, and (iii) make any other determinations that the Board deems necessary or desirable for the administration of this Plan. The Board may correct any defect or any omission or reconcile any inconsistency in this Plan in the manner and to the extent the Board deems, in its sole and absolute discretion, necessary or desirable. Any decision of the Board in the interpretation and administration of this Plan will be final, conclusive and binding on all parties concerned. All expenses of administration of this Plan will be borne by the Corporation.

Notwithstanding the foregoing, the Chief Executive Officer, with prior authorisation from the Board, will have the power to allot Shares for grant under this Plan.

9.5 Delegation

The Board may, to the extent permitted by law, delegate any of its responsibilities under this Plan and powers related thereto to the Committee or to one or more officers of the Corporation and all actions taken and decisions made by the Committee or by such officers in this regard shall be final, conclusive and binding on all parties concerned, including, but not limited to, the Corporation, and each RSU Participant, PSU Participant, Eligible Executive and Eligible Director, and, if applicable, the estate or legal representative of any such person.

9.6 Regulatory and Shareholder Approval

Any awards made under this Plan are subject to RSU Participant, PSU Participant, Eligible Executive or Eligible Director receipt of all necessary Regulatory Approvals and all necessary shareholder approvals, if any.

9.7 Limitations on Issue

Notwithstanding any other provision of this Plan, the number of Shares of the Corporation:

- (a) issued to Insiders within any one year under this Plan, when aggregated with the number of Shares issued to Insiders within that one year period under all other Share Compensation Arrangements of the Corporation may not exceed 10% of the issued and outstanding Shares; and
- (b) issuable to Insiders, at any time, under this Plan, when aggregated with the number of Shares that may be issuable to Insiders under all other Share Compensation Arrangements of the Corporation may not exceed 10% of the issued and outstanding Shares.

9.8 Specific Limitations on Issue to Directors

In addition to the limitations set out in Section 9.7, the number of securities (other than securities issued in respect of the relevant Director's Annual Retainer) issued to any one Director (other than Directors who are also Officers), at any time, under this Plan, when aggregated with the number of securities that may be issued to such Director under all other Share Compensation Arrangements of the Corporation annually may not exceed such number of securities in respect of which the underlying Shares have a Fair Market Value on the date of grant of such securities of Cdn\$150,000.

9.9 Adjustments and Reorganization

- (a) The number of Shares which may be issued under, and subject to the terms and conditions of, this Plan in respect of Deferred Share Units will be subject to adjustment in the events and in the manner following:
 - (i) if the Shares are subdivided or consolidated after the Effective Date, or the Corporation pays to holders of Shares of record as of a date after the Effective Date a dividend payable in Shares, the number of Shares which may be issued under this Plan will be adjusted to the number of such shares that may be issued through the combined effect of such exercise and such subdivision, consolidation or stock dividend if the time of the subdivision or consolidation or the record date of such stock dividend had been immediately after the issue of such shares; and
 - (ii) if there is any capital reorganization, reclassification or other change or event affecting the Shares to which paragraph (i) above does not apply, the Board will determine (in its sole discretion) whether in the circumstances it is just and equitable that there be some alteration in the number and kind of shares issuable under this Plan and will make such amendments to the Plan as the Board may deem appropriate in the circumstances.
- (b) In the event of any stock dividend, stock split, combination or exchange of shares, merger, consolidation, spin-off or other distribution (other than normal cash dividends) of the Corporation's assets to shareholders, or any other change in the capital of the Corporation affecting Shares, such proportionate adjustment, if any, as the Board in its sole discretion may deem appropriate to reflect such change, will be made with respect to the number of outstanding Restricted Share Units, Performance Share Units and/or Deferred Share Units governed by this Plan.
- (c) The existence of any Restricted Share Unit, Performance Share Units or Deferred Share Units shall not affect in any way the right or power of the Corporation or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation's capital structure or its

business, or to create or issue any bonds, debentures, shares or other securities of the Corporation or to amend or modify the rights and conditions attaching thereto or to effect the dissolution or liquidation of the Corporation, or any amalgamation, combination, merger or consolidation involving the Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

9.10 Applicable Trading Policies

The Board and each RSU Participant, PSU Participant, Eligible Executive and Eligible Director will ensure that all actions taken and decisions made by the Board or the RSU Participant, PSU Participant, Eligible Executive or Eligible Director, as the case may be, pursuant to this Plan comply with any applicable securities regulation and stock exchange requirements, and policies of the Corporation relating to insider trading or "blackout" periods.

9.11 Compliance with Law

- (a) This Plan, Restricted Share Unit Agreements, Performance Share Unit Agreements and the grant of Restricted Share Units, Performance Share Units and Deferred Share Units and the Corporation's obligation to deliver Shares hereunder shall be subject to all Applicable Laws. The Corporation shall not be obligated by any provision of this Plan or any Restricted Share Unit Agreement or Performance Share Unit Agreement or the grant of any Restricted Share Unit, Performance Share Unit or Deferred Share Unit hereunder to issue Shares in violation of any Applicable Law. In this connection the Corporation shall, to the extent necessary, take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for issuances of such Shares in compliance with Applicable Law.
- (b) Subject to Section 8.1, the Corporation may, at any time and from time to time, postpone or adjust the issuance of any Shares or adjust the number of Restricted Share Units, Performance Share Units or Deferred Share Units issued to any RSU Participant, PSU Participant, Eligible Executive or Eligible Director pursuant to this Plan as the Board in its discretion may deem necessary in order to comply with any Applicable Law.
- (c) If the Shares are listed on a stock exchange, the Corporation will have no obligation to issue any Shares pursuant to this Plan

unless the Shares have been duly listed, upon official notice of issuance, on the stock exchange on which the Shares are listed for trading.

- (d) None of the Corporation, the Board, the Directors, the Chief Executive Officer or any person acting pursuant to authority delegated by the Board or the Committee hereunder shall be liable to any RSU Participant, PSU Participant, Eligible Executive, Eligible Director or any other person for any action taken (whether before or after the grant of any Performance Share Unit or Deferred Share Unit) in connection with this Plan in order to comply with Applicable Law.

9.12 Applicable Withholding Tax

The Corporation and each Subsidiary shall have the right to withhold and deduct such amounts in respect of taxes and other amounts as are required by law to be withheld or deducted ("Applicable Withholding Tax"), in such manner as it determines, including (without limitation) from the Employee's or Director's remuneration. The Corporation may require RSU Participants, PSU Participants, Eligible Executives and/or Eligible Directors to deliver undertakings to, or indemnities in favour of, the Corporation respecting the payment by such RSU Participants, PSU Participants, Eligible Executives or Eligible Directors of applicable income or other taxes. Each Employee and Director (and each legal representative of such person) is responsible for all income and other tax liability arising from any issuance of Performance Share Units, Deferred Share Units, Cash Equivalents and/or Shares under or in accordance with this Plan.

9.13 No Right to Service

- (a) Neither participation in this Plan nor any action under this Plan will, or will be construed to, give any Employee or Director a right to be retained as an employee, executive officer, director or otherwise in the service of the Corporation or a Subsidiary, or interfere in any way with the right of the Corporation or a Subsidiary to terminate the Employee's employment or a Director's service at any time.
- (b) Participation in this Plan by an Employee or Director will be voluntary.
- (c) The payment of any sum of money in lieu of notice of the termination of employment will not be considered as extending the period of employment for the purposes of this Plan.

9.14 Nature of Restricted Share Units, Performance Share Units and Deferred Share Units

Under no circumstances shall Restricted Share Units, Performance Share Units or Deferred Share Units be considered Shares or other securities of the Corporation, nor shall they entitle any RSU Participant, PSU Participant, Eligible Executive or Eligible Director to exercise voting rights or any other rights attaching to Shares or the ownership of Shares or other securities of the Corporation. Restricted Share Units, Performance Share Units and Deferred Share Units will only represent the right, as contemplated in Sections 3, 4, 5 and 6, upon conversion or redemption thereof to receive Shares, and no RSU Participant, PSU Participant, Eligible Executive or Eligible Director shall be considered the owner of the Shares by virtue of the Restricted Share Units, Performance Share Units or Deferred Share Units.

9.15 No Other Benefit

Notwithstanding any other provision of this Plan, the value of a Restricted Share Unit, Performance Share Unit and/or a Deferred Share Unit shall always depend on the value of Shares of the Corporation and no amount will be paid to, or in respect of, an Employee or a Director under this Plan to compensate for a downward fluctuation in the price of a Share, nor will any other form of benefit be conferred upon, or in respect of, an Employee or a Director for such purpose.

9.16 Unfunded Plan

This Plan is unfunded. The Corporation shall not set aside any funds to satisfy the obligations of the Plan.

9.17 Foreign Participants

This Plan is equally open to RSU Participants, PSU Participants, Eligible Executives and Eligible Directors in jurisdictions other than Canada. The terms and conditions offered to foreign RSU Participant, PSU Participants may vary and be more limited than those set forth herein, depending upon local regulations and restrictions.

9.18 U.S. Participants, U.S. Executives, U.S. Directors and Section 409A of the Code

- (a) The Corporation intends that Section 5 and Section 6 comply with the requirements of section 409A of the Code insofar as this Plan pays benefits in respect of Deferred Share Units that
 - (i) are subject to taxation under the Code, and
 - (ii) are subject

to section 409A of the Code, and has drafted and will construe and administer this Plan accordingly.

- (b) The Corporation intends that certain RSUs and PSUs awarded to U.S. RSU Participants and PSU Participants will be exempt from Section 409A of the Code pursuant to U.S. Treasury Regulation 1.409A-1(b)(4) ("Short Term Deferral") to the extent that such RSUs and PSUs convert to Shares with a limited period of time following time the RSUs and PSUs cease to be subject to a substantial risk of forfeiture ("SROF"). Depending on the terms of the applicable Restricted Share Unit Agreement and Performance Share Unit Agreement, in some cases the RSUs and PSUs of Retirement-Eligible U.S. RSU Participants and PSU Participants, or other U.S. RSU Participants and PSU Participants holding, for example, Alternative RSU or PSU Awards following an Accelerated Vesting Event, will be subject to Section 409A (on account of the fact that the conversion may not occur within the Short Term Deferral period following the lapse of the SROF) and as to such RSUs and PSUs, the Plan has been drafted to comply with Section 409A of the Code and will be construed and administered accordingly. In such a case, if a U.S. RSU Participant or PSU Participant becomes entitled to payment of benefits in respect of Restricted Share Units under Section 3 or Performance Share Units under Section 4 (i.e. delivery of Shares) as a result of the RSU Participant or PSU Participant's Separation from Service with the Corporation or a Subsidiary, and if such RSU Participant or PSU Participant is a Specified Employee at the time of such RSU Participant or PSU Participant's Separation from Service, then the payment (delivery of Shares) will be delayed at least six (6) months following such RSU Participant or PSU Participant's Separation from Service with the Corporation or a Subsidiary and will occur on the first business day following the expiration of that six (6) month period.
- (c) Although the Plan generally contemplates that the Corporation may have an obligation to withhold any Applicable Withholding Tax at the time of conversion, the Corporation may also have an obligation to withhold certain employment taxes (as opposed to income taxes) at the time of lapse of the SROF with respect to any RSU, PSU or DSU issued to a U.S. Executive or other employee subject to U.S. employment tax withholding. In such instance, the Corporation shall withhold the necessary

Applicable Withholding Tax upon lapse of the SROF to cover employment taxes due, and then subsequently shall withhold the necessary Applicable Withholding Tax at conversion to cover income taxes due.

- (d) Neither the Corporation nor any of its officers, directors, agents or affiliates shall be obligated, directly or indirectly, to any U.S. RSU Participant or PSU Participant, U.S. Executive, U.S. Director or any other person for any taxes, penalties, interest or like amounts that may be imposed on the U.S. PSU Participant, U.S. Executive, U.S. Director or other person on account of any amounts under this Plan or on account of any failure to comply with any Code section.

9.19 Transferability of Awards

- (a) Rights respecting Restricted Share Units and Performance Share Units will not be transferable or assignable other than by will or the laws of descent and distribution.
- (b) Subject to (a) above, no Eligible Executive or Eligible Director may assign any Deferred Share Unit or any other right, benefit or interest in this Plan in respect of Deferred Share Units without the written consent of the Corporation, and any purported assignment without such consent will be void and need not be recognized by the Corporation, except that in the event of the death of the Eligible Executive or Eligible Director, the legal representatives of the Eligible Executive or Eligible Director will be entitled to receive the amount of any payment otherwise payable to the Eligible Executive or Eligible Director hereunder in respect of Deferred Share Units in accordance with the provisions hereof.

9.20 Successors and Assigns

This Plan will be binding on all successors and assigns of the Corporation and all RSU Participants, PSU Participants, Eligible Executives and Eligible Directors, including without limitation, the estate of any RSU Participants, PSU Participant, Eligible Executive or Eligible Director and the legal representative of such estate, and any receiver or trustee in bankruptcy or representative of the Corporation or any RSU Participants, PSU Participant, Eligible Executive or Eligible Director.

9.21 Notice

Any notice, demand or communication ("Notice") required or permitted to be given hereunder shall be in writing and shall be sufficiently given if delivered:

- (a) if to the Corporation to its Corporate Secretary at its head office; and
- (b) if to an RSU Participant, PSU Participant, Eligible Executive or Eligible Director or to his or her personal representative to the RSU Participant, PSU Participant, Eligible Executive, Eligible Director or personal representative in person or at the RSU Participant's, PSU Participant's, Eligible Executive's or Eligible Director's last known address shown in the records of the Corporation or any Subsidiary.

Any Notice so given shall be deemed conclusively to have been given and received when so delivered.

9.22 Severance

If any provision of this Plan shall be determined by any court of competent jurisdiction to be illegal, invalid or unenforceable, that provision shall be severed from this Plan and the remaining provisions shall continue in full force and effect.

9.23 Governing Law

This Plan and all matters to which reference is made in this Plan will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

9.24 Adoption of Plan

The adoption of this Plan has been duly authorized by the Board.

SCHEDULE A

BALLARD POWER SYSTEMS INC.

PERFORMANCE SHARE UNIT AGREEMENT

This Performance Share Unit Agreement is entered into between Ballard Power Systems Inc. (the "Corporation") and the PSU Participant named below pursuant to the Corporation's Consolidated Share Distribution Plan (the "Plan"), a copy of which is attached hereto, and confirms that:

- (a) on _____ (the "Award Date");
- (b) _____ (the "PSU Participant");
- (c) was granted _____ Performance Share Units;
- (d) having a Restriction Period **[three years less one day]**, expiring on _____;
- (e) **[any further conditions as established by the Committee to be inserted.]**

The grant of the PSUs is made on and subject to the terms and conditions of the Plan, which are incorporated by reference herein.

By signing this Performance Share Unit Agreement, the PSU Participant acknowledges that he or she has read and understands the Plan.

By signing this Performance Share Unit Agreement, the PSU Participant acknowledges that the Corporation may be required to share the PSU Participant's personal information with any applicable stock exchange or otherwise pursuant to applicable federal, provincial and foreign laws, rules and regulations and consents to the sharing of such personal information by the Corporation as required.

IN WITNESS WHEREOF the parties hereof have executed this Performance Share Unit Agreement as of the _____ day of _____.

BALLARD POWER SYSTEMS INC.

PSU Participant

By: _____
Authorized Signatory

SCHEDULE B

BALLARD POWER SYSTEMS INC.

RESTRICTED SHARE UNIT AGREEMENT

This Restricted Share Unit Agreement is entered into between Ballard Power Systems Inc. (the "Corporation") and the RSU Participant named below pursuant to the Corporation's Consolidated Share Distribution Plan (the "Plan"), a copy of which is attached hereto, and confirms that:

- (a) on _____ (the "Award Date");
- (b) _____ (the "RSU Participant");
- (c) was granted _____ Restricted Share Units;
- (d) having a Restriction Period **[three years less one day]**, expiring on _____;
- (e) **[any further conditions as established by the Committee to be inserted.]**

The grant of the RSUs is made on and subject to the terms and conditions of the Plan, which are incorporated by reference herein.

By signing this Restricted Share Unit Agreement, the RSU Participant acknowledges that he or she has read and understands the Plan.

By signing this Restricted Share Unit Agreement, the RSU Participant acknowledges that the Corporation may be required to share the RSU Participant's personal information with any applicable stock exchange or otherwise pursuant to applicable federal, provincial and foreign laws, rules and regulations and consents to the sharing of such personal information by the Corporation as required.

IN WITNESS WHEREOF the parties hereof have executed this Restricted Share Unit Agreement as of the _____ day of _____.

BALLARD POWER SYSTEMS INC.

RSU Participant

By: _____
Authorized Signatory