



Industry  
Canada

Industrie  
Canada

## Certificate of Incorporation

*Canada Business Corporations Act*

## Certificat de constitution

*Loi canadienne sur les sociétés par actions*

**CLEARWATER SEAFOODS INCORPORATED**

Corporate name / Dénomination sociale

**791149-1**

Corporation number / Numéro de société

I HEREBY CERTIFY that the above-named corporation, the articles of incorporation of which are attached, is incorporated under the *Canada Business Corporations Act*.

JE CERTIFIE que la société susmentionnée, dont les statuts constitutifs sont joints, est constituée en vertu de la *Loi canadienne sur les sociétés par actions*.

Marcie Girouard

Director / Directeur

**2011-07-07**

Date of Incorporation (YYYY-MM-DD)

Date de constitution (AAAA-MM-JJ)

Canada



Industry Canada / Industrie Canada

**Form 1**  
**Articles of Incorporation**  
*Canada Business Corporations Act (s. 6)*

**Formulaire 1**  
**Statuts constitutifs**  
*Loi canadienne sur les sociétés par actions (art. 6)*

- 1 Corporate name  
Dénomination sociale  
**CLEARWATER SEAFOODS INCORPORATED**

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- 2 The province or territory in Canada where the registered office is situated  
La province ou le territoire au Canada où est situé le siège social  
**NS**

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- 3 The classes and any maximum number of shares that the corporation is authorized to issue  
Catégories et le nombre maximal d'actions que la société est autorisée à émettre  
**The corporation is authorized to issue an unlimited number of common shares.**

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- 4 Restrictions on share transfers  
Restrictions sur le transfert des actions  
**None**

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- 5 Minimum and maximum number of directors  
Nombre minimal et maximal d'administrateurs  
**Min. 3 Max. 10**

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- 6 Restrictions on the business the corporation may carry on  
Limites imposées à l'activité commerciale de la société  
**None**

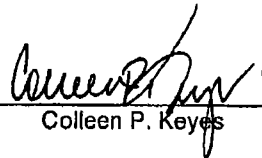
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- 7 Other Provisions  
Autres dispositions  
**See attached schedule / Voir l'annexe ci-jointe**

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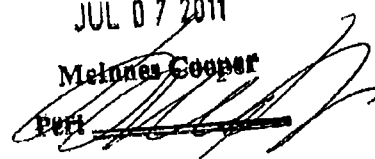
- 8 Incorporator's Declaration: I hereby certify that I am authorized to sign and submit this form.  
Déclaration des fondateurs : J'atteste que je suis autorisé à signer et à soumettre le présent formulaire.

Colleen P. Keyes      1300-1969 Upper Water Street,  
Purdy's Wharf Tower II, Halifax  
NS  
B3J 2V1, Canada

  
Colleen P. Keyes

**Filed Electronically  
with Industry Canada**

**JUL 07 2011**

**Melina Cooper**  
  
Peri

Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Nota : Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ ou d'un emprisonnement maximal de six mois, ou de ces deux peines (paragraphe 250(1) de la LCSA).

**Schedule / Annexe**  
**Other Provisions / Autres dispositions**

APPOINTMENT OF DIRECTORS: The directors may appoint one or more directors, who shall hold office for a term expiring not later than the close of the next annual general meeting of shareholders, but the total number of directors so appointed may not exceed one third of the number of directors elected at the previous annual general meeting of shareholders.



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**Form 2**

**Formulaire 2**

**Initial Registered Office Address  
and First Board of Directors**

**Siège social initial et premier  
conseil d'administration**

*Canada Business Corporations Act  
(CBCA) (s. 19 and 106)*

*Loi canadienne sur les sociétés par  
actions (LCSA) (art. 19 et 106)*

**1** Corporate name  
Dénomination sociale  
**CLEARWATER SEAFOODS INCORPORATED**

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**2** Address of registered office  
Adresse du siège social  
**757 Bedford Highway  
Bedford NS B4A 3Z7**

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**3** Additional address  
Autre adresse

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**4** Members of the board of directors  
Membres du conseil d'administration

		Resident Canadian Résident Canadien
Tyrone Cotie	757 Bedford Highway, Bedford NS B4A 3Z7, Canada	Yes / Oui
Bob Wight	69 Coventry Lane, Dartmouth NS B2V 2K5, Canada	Yes / Oui
Colin MacDonald	1414 Thornvale Avenue, Halifax NS B3H 4C2, Canada	Yes / Oui

**5** Declaration: I certify that I have relevant knowledge and that I am authorized to sign this form.  
Déclaration : J'atteste que je possède une connaissance suffisante et que je suis autorisé(e) à signer le présent formulaire.

Original signed by / Original signé par  
Colleen P. Keyes

Colleen P. Keyes  
902-444-8432


Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).  
Nota : Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ ou d'un emprisonnement maximal de six mois, ou de ces deux peines (paragraphe 250(1) de la LCSA).

**Certificate of Arrangement**

**Certificat d'arrangement**

**Canada Business Corporations Act**

**Loi canadienne sur les sociétés par actions**

<p><b>CLEARWATER SEAFOODS INCORPORATED</b></p>	<p><b>791149-1</b></p>
<p>Name of CBCA corporation(s) involved - Dénomination(s) de la (des) société(s) L.C.S.A. concerné(s)</p>	<p>Corporation number - Numéro de la société</p>
<p>I hereby certify that the arrangement set out in the attached articles of arrangement, involving the above-referenced corporation(s), has been effected under section 192 of the <i>Canada Business Corporations Act</i>.</p>	<p>Je certifie que l'arrangement mentionné dans les clauses d'arrangement annexées, concernant la (les) société(s) susmentionnée(s), a pris effet en vertu de l'article 192 de la <i>Loi canadienne sur les sociétés par actions</i>.</p>
<p> _____ Marcie Girouard Director - Directeur</p>	<p><b>October 2, 2011 – le 2 octobre 2011</b>  Date of Arrangement – Date de l'arrangement</p>



Industry Canada Industrie Canada  
Canada Business Corporation Act Loi canadienne sur les sociétés par actions

FORM 14.1  
ARTICLES OF ARRANGEMENT  
(SECTION 192)

FORMULAIRE 14.1  
CLAUSES D'ARRANGEMENT  
(ARTICLE 192)

1 -- Name of the applicant corporation(s) - Dénomination sociale de la(des) requérante(s) <b>CLEARWATER SEAFOODS INCORPORATED</b>	2 -- Corporation No.(s) - N <sup>o</sup> (s) de la(des) société(s) <b>791149-1</b>
3 -- Name of the corporation(s) the articles of which are amended, if applicable Dénomination sociale de la(des) société(s) dont les statuts sont modifiés, le cas échéant <b>CS ManPar Inc.</b>	4 -- Corporation No.(s) - N <sup>o</sup> (s) de la(des) société(s) <b>4088760</b>
5 -- Name of the corporation(s) created by amalgamation, if applicable Dénomination sociale de la(des) société(s) issue(s) de la(des) fusion(s), le cas échéant <b>NOT APPLICABLE</b>	6 -- Corporation No.(s) - N <sup>o</sup> (s) de la(des) société(s) <b>N/A</b>
7 -- Name of the dissolved corporation(s), if applicable Dénomination sociale de la(des) société(s) dissoute(s), le cas échéant <b>NOT APPLICABLE</b>	8 -- Corporation No.(s) - N <sup>o</sup> (s) de la(des) société(s) <b>N/A</b>
9 -- Name of other corporations involved, if applicable Dénomination sociale des autres sociétés en cause, le cas échéant <b>SEE SCHEDULE "A" ATTACHED HERETO</b>	10 -- Corporation No.(s) or jurisdiction of incorporation N <sup>o</sup> (s) de la(des) société(s) ou loi sous le régime de laquelle elle est constituée

11 -- In accordance with the order approving the arrangement - Conformément aux termes de l'ordonnance approuvant l'arrangement

- a.  The articles of the above named corporation(s) are amended in accordance with the attached plan of arrangement  
Les statuts de la(des) société(s) susmentionné(s) sont modifiés en conformité avec le plan d'arrangement ci-joint

The name of \_\_\_\_\_ is changed to \_\_\_\_\_

La dénomination sociale de \_\_\_\_\_ est modifiée pour \_\_\_\_\_

- b.  The following bodies corporate are amalgamated in accordance with the attached plan of arrangement  
Les personnes morales suivantes sont fusionnées conformément au plan d'arrangement ci-joint
- c.  The above named corporation(s) is(are) liquidated and dissolved in accordance with the attached plan of arrangement  
La(des) société(s) susmentionnée(s) est(sont) liquidée(s) et dissoute(s) conformément au plan d'arrangement ci-joint
- d.  The plan of arrangement attached hereto, involving the above named body(ies), corporate is hereby effected  
Le plan d'arrangement ci-joint portant sur la(les) personne(s) morale(s) susmentionnée(s) prend effet

See Schedule "B".

Commencing at 12:01 a.m. (Eastern Time) on  
October 2, 2011, each of the events  
set out in section 3.1 of the Plan of Arrangement  
(attached hereto as Schedule "B") shall occur  
and shall be deemed to occur in the following  
order without any further act or formality.

Signature <i>RD Wight</i>	Printed Name - Nom en lettres mouliées <b>Robert D. Wight</b>	12 -- Capacity or - En qualité de <b>Director</b>	13 -- Tel. No. - N <sup>o</sup> de tél. <b>(902) 457-8181</b>
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**OCT 02 2011**

**SCHEDULE "A"**

**Item 9 of Form 14.1 – Articles of Arrangement (Section 192)**

Name of other corporations involved, if applicable	Corporate No(s) or Jurisdiction of Incorporation
CLEARWATER SEAFOODS INCOME FUND	ONTARIO
CLEARWATER SEAFOODS HOLDINGS TRUST	ONTARIO
CLEARWATER SEAFOODS LIMITED PARTNERSHIP	NOVA SCOTIA
CS MANPAR INC.	408876-0
7914091 CANADA INC.	791409-1

## SCHEDULE "B"

### Plan of Arrangement

#### Under Section 192 of the *Canada Business Corporations Act*

#### ARTICLE 1 - INTERPRETATION

- 1.1. In this Plan of Arrangement, the following terms have the following meanings:
- (a) "7.25% Convertible Debentures" means the 7.25% convertible unsecured subordinated debentures of the Fund due March 31, 2014;
  - (b) "10.5% Convertible Debentures" means the 10.5% convertible unsecured subordinated debentures of the Fund due December 31, 2013;
  - (c) "Agreement of Limited Partnership" means the amended and restated limited partnership agreement dated July 31, 2002 relating to the formation of the Limited Partnership, as amended;
  - (d) "Arrangement", "herein", "hereof", "hereto", "hereunder" and similar expressions mean and refer to the arrangement pursuant to Section 192 of the CBCA set forth in this Plan of Arrangement as supplemented, modified or amended, and not to any particular article, section or other portion hereof;
  - (e) "Arrangement Agreement" means the amended and restated agreement dated as of July 25, 2011, among the Fund, Newco, CSHT, the Limited Partnership, CS ManPar and Holdco with respect to the Arrangement and all amendments thereto;
  - (f) "Articles of Arrangement" means the articles in respect of the Arrangement required under subsection 192(6) of the CBCA to be filed with the Director after the Final Order has been granted;
  - (g) "Book Entry System" has the meaning ascribed to it in subsection 4.3(a) hereof;
  - (h) "Business Day" means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in the Halifax Regional Municipality, in the Province of Nova Scotia, for the transaction of banking business;
  - (i) "CBCA" means the *Canada Business Corporations Act* R.S.C. 1985, c. C-44, and the regulations thereto, as now in effect and as it may be amended from time to time prior to the Effective Date;
  - (j) "CDS" means CDS Clearing and Depository Services Inc.;
  - (k) "CDS Participant" has the meaning ascribed to it in subsection 4.3(b);



- (l) "Certificate" means the certificate to be issued by the Director pursuant to subsection 192 of the CBCA giving effect to the Arrangement;
- (m) "Class B GP Units" means Class B general partnership units of the Limited Partnership that are indirectly exchangeable on a one-to-one basis for Units of the Fund, and each is accompanied by a Special Trust Unit;
- (n) "Class B LP Units" means Class B units of the Limited Partnership;
- (o) "Court" means the Supreme Court of Nova Scotia;
- (p) "CFFI" Clearwater Fine Foods Incorporated a corporation formed under the federal laws of Canada;
- (q) "CS ManPar" means CS ManPar Inc., a corporation incorporated under the laws of Canada, being the managing general partner of the Limited Partnership;
- (r) "CSHT" means Clearwater Seafoods Holdings Trust, a trust governed by the laws of Ontario formed pursuant to the CSHT Declaration of Trust;
- (s) "CSHT Declaration of Trust" means the declaration of trust of CSHT dated July 17, 2002, as amended;
- (t) "Debentures" means collectively, the 7.25% Convertible Debentures and the 10.5% Convertible Debentures;
- (u) "Declaration of Trust" means the amended and restated declaration of trust of the Fund dated June 5, 2002, as amended;
- (v) "Director" means the Director appointed under Section 280 of the CBCA;
- (w) "Effective Date" means the date the Arrangement is effective under the CBCA, which is expected to be December 31, 2011 or such other date as may be determined by the parties;
- (x) "Effective Time" means 12:01 a.m. (Eastern Time) on the Effective Date or such other time as may be determined by the parties;
- (y) "Exchange Agent" means Computershare Investor Services Inc. or such other Person as may be designated by the Fund and its officers;
- (z) "Exchange Agreement" means the exchange agreement dated July 31, 2002 between the Fund, the Trust, the Limited Partnership, CS ManPar, CFFI and Atlantic Shrimp Company Limited, as amended from time to time;
- (aa) "Final Order" means the final order of the Court approving the Arrangement pursuant to subsection 192 of the CBCA, as such order may be, amended or varied at any time prior to the Effective Time, or if appealed, then, until such appeal is withdrawn or denied, as affirmed or as amended on appeal;
- (bb) "Fund" means Clearwater Seafoods Income Fund, an unincorporated open-ended investment trust governed by the laws of the Province of Ontario;

- (cc) "General Partner" means collectively, CS ManPar and CFFI;
- (dd) "GP Common Shares" means the common shares of CS ManPar;
- (ee) "Holdco" means 7914091 Canada Inc., a corporation incorporated under the laws of Canada;
- (ff) "Holdco Properties" means, collectively, all of the Class B LP Units (and associated Special Trust Units) and all of the GP Common Shares owned by Holdco;
- (gg) "Indenture" means the Indenture dated June 15, 2004, between the Fund and Computershare Trust Company of Canada as amended by a first supplemental trust indenture dated March 9, 2007, to provide for the creation and issuance of the 7.25% Convertible Debentures and a second supplemental indenture dated November 18, 2010, to amend the terms of the 10.5% Convertible Debentures;
- (hh) "Interim Order" means the interim order of the Court containing declarations and directions with respect to the Arrangement, as such order may be amended or modified by the Court;
- (ii) "Limited Partnership" means Clearwater Seafoods Limited Partnership, a limited partnership governed by the *Limited Partnerships Act* (Nova Scotia);
- (jj) "Meeting" means the annual and special meeting of Unitholders to be held, among other things, to consider the Arrangement and related matters, and any adjournment thereof;
- (kk) "Newco" means Clearwater Seafoods Incorporated, a corporation incorporated under the laws of Canada and a wholly-owned subsidiary of the Fund;
- (ll) "Newco Shares" means common shares in the capital of Newco;
- (mm) "Parties" has the meaning ascribed thereto in Section 5.1 hereof;
- (nn) "Person" means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;
- (oo) "Plan of Arrangement" means this plan of arrangement;
- (pp) "Securities Act" means the *Securities Act* (Nova Scotia), as now in effect and as it may be amended from time to time prior to the Effective Time;
- (qq) "Special Trust Units" means the special voting units of the Fund;
- (rr) "Subsidiary" means, with respect to any Person, any corporation, partnership, limited partnership, trust or other Person controlled, directly or indirectly, by that

Person, where "control" has the meaning attributed to such term in the Securities Act;

- (ss) "Units" means the trust units of the Fund;
- (tt) "Unitholder" means a holder of Voting Units; and
- (uu) "Voting Units" means, collectively, the Units and the Special Trust Units.

#### 1.2. Headings

The division of this Plan of Arrangement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement.

#### 1.3. Interpretations

- (a) Unless reference is specifically made to some other document or instrument, all references herein to articles and sections are to articles and sections of this Plan of Arrangement.
- (b) Unless the context otherwise requires, words importing the singular number shall include the plural and vice versa; words importing any gender shall include all genders; and words importing persons shall include individuals, partnerships, associations, corporations, funds, unincorporated organizations, governments, regulatory authorities, and other entities.

#### 1.4. Calculation of Days

- (a) Unless otherwise specified, time periods within or following which any act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following, if the last day of the period is not a Business Day.
- (b) In the event that the date on which any action is required to be taken hereunder by any of the parties is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.

#### 1.5. Statutory References

References in this Plan of Arrangement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

## ARTICLE 2 - ARRANGEMENT AGREEMENT

### 2.1. Arrangement

This Plan of Arrangement is made pursuant to, is subject to the provisions of, and forms part of, the Arrangement Agreement.

### 2.2. Binding Effect

This Plan of Arrangement, upon the filing of the Articles of Arrangement and the issue of the Certificate shall become effective on, and be binding on and after, the Effective Time on:

- (a) the Unitholders, including Holdco;
- (b) Newco;
- (c) the trustees of the Fund;
- (d) the trustees of CSHT;
- (e) the Limited Partnership; and
- (f) CS ManPar

### 2.3. Certificate

The Articles of Arrangement shall be filed and issued with respect to this Arrangement in its entirety. The Certificate shall be conclusive evidence that the Arrangement has become effective and that each of the provisions of Article 3 has become effective in the sequence and at the times set out therein. If no Certificate is required to be issued by the Director pursuant to Section 192(7) of the CBCA, the Arrangement shall become effective on the date the Articles of Arrangement are filed with the Director pursuant to Section 192(6) of the CBCA.

### 2.4. Order of Completion of Steps

Other than as expressly provided for herein, no portion of this Plan of Arrangement shall take effect with respect to any other party or person until the Effective Time. All of the steps and events listed in Article 3 shall be completed in accordance with the following:

- (a) the steps and events listed shall be completed on the Effective Date, unless otherwise specified, in the numerical order and sequence provided in Article 3, without further act or formality;
- (b) each of such steps and events shall be mutually conditional, such that no single event may occur without all events occurring in sequence, thereby effecting the integrated transaction which constitutes the Arrangement; and
- (c) upon implementation of the first step of the Arrangement, each of the other steps will occur automatically and in sequence until each of the steps is completed and the Arrangement is effective, provided that if any of the steps in Article 3 fails to occur or be completed then all of the steps will be deemed not to have occurred.

### ARTICLE 3 - ARRANGEMENT

#### 3.1. Steps

Commencing at the Effective Time, each of the events set out below shall occur and shall be deemed to occur in the following order without any further act or formality except as otherwise provided herein:

- (a) the Declaration of Trust shall be amended, to the extent necessary, to facilitate the Arrangement as provided herein;
- (b) the CSHT Declaration of Trust shall be amended, to the extent necessary, to facilitate the Arrangement as provided herein;
- (c) the Agreement of Limited Partnership shall be amended, to the extent necessary, to facilitate the Arrangement as provided herein;
- (d) the Exchange Agreement shall be amended, to the extent necessary, to facilitate the Arrangement as provided therein;
- (e) the GP Common Shares will be split on a 458,455,2352 for every one GP Common Share basis with fractions rounded to the nearest whole number on the split, such that the number of GP Common Shares held by Holdco will be equal to the number of Special Trust Units outstanding;
- (f) Holdco will exchange its Class B GP Units for Class B LP Units on a one-for-one basis;
- (g) all of the issued and outstanding Voting Units held by Unitholders (that are not Special Trust Units) shall be transferred to Newco (free of any claims) in consideration for Newco Shares on the basis of one (1) Newco Share for each Voting Unit so transferred and there shall be added to the stated capital account maintained for the Newco Shares an amount to be determined by the board of directors of Newco in accordance with Section 28 of the CBCA;
- (h) Holdco will transfer all of the Class B LP Units (and the associated Special Trust Units) and all of its GP Common Shares (collectively, the "Holdco Properties") to Newco in exchange for 23,381,217 Newco Shares;
- (i) the one hundred (100) Newco Shares issued to the Fund in connection with the incorporation and organization of Newco shall be purchased for cancellation by Newco for consideration of one dollar (\$1.00) per Newco Share, and shall be cancelled;
- (j) (i) the Trust will distribute all of its assets, including all of its interest in the Limited Partnership, to the Fund, (ii) the Fund will assume all of the liabilities of the Trust, and (iii) the Trust will be dissolved in accordance with applicable law and the CSHT Declaration of Trust; and
- (k) (i) the Fund will distribute all of its assets, including all of its interest in the Limited Partnership, to Newco, (ii) Newco will assume all of the liabilities of the Fund including the Fund's obligations under the Indenture and the Fund will be released therefrom, in accordance with the terms of the Indenture, and (iii) the Fund will be dissolved in accordance with applicable law and the Declaration of Trust.

### **3.2. Exchange of Units and the Holdco Properties for Newco Shares**

Upon the exchange at the Effective Time of Units and the Holdco Properties for Newco Shares pursuant to Sections 3.1(g) and 3.1(h), respectively:

- (a) each former holder of Units or the Holdco Properties shall cease to be the holder of the Units or the Holdco Properties so exchanged and the name of each such holder shall be removed from the register of holders of Units or the Holdco Properties;
- (b) each such holder of Units or the Holdco Properties shall become the holder of the Newco Shares exchanged for the Units or the Holdco Properties held by such holder and shall be added to the register of holders of Newco Shares in respect thereof; and
- (c) Newco shall become the holder of the Units or the Holdco Properties so exchanged and shall be added to the register of holders of Units or the Holdco Properties in respect thereof.

### **3.3. Updates to Securities Registers**

The Fund, Newco, CSHT, the Limited Partnership and CS ManPar shall make appropriate entries in their securities register to reflect the matters referred to in Section 3.1.

## **ARTICLE 4 - OUTSTANDING CERTIFICATES AND FRACTIONAL SECURITIES**

### **4.1. Extinguishment of Rights**

Any certificates formerly representing Units that are not deposited, as necessary, together with any other documents as may reasonably be required shall, from and after the Effective Date, represent only the right to receive Newco Shares in respect thereof. If certificates formerly representing Units have not been so deposited, as necessary, on or before the sixth anniversary of the Effective Date, such certificates shall cease to represent a right or claim of any kind or nature and the right of the holder of the Units previously represented thereby to receive Newco Shares shall be deemed to be surrendered to Newco, together with all interest or distributions thereon held for such holder.

### **4.2. No Fractional Newco Shares**

No certificates representing fractional Newco Shares shall be issued under this Arrangement. In lieu of any fractional Newco Shares, each registered holder of Units otherwise entitled to a fractional interest in a Newco Shares will receive the nearest whole number of Newco Shares (with fractions equal to exactly 0.5 being rounded up).

### **4.3. Book Entry System and Certificates**

It is agreed that:

- (a) Registration of interests in and transfers of the Newco Shares will be made through a book-based system (the "Book Entry System") administered by CDS. On or about the Effective Date, Newco will deliver to CDS one or more

certificates evidencing the aggregate number of Newco Shares issued in connection with the Arrangement.

- (b) Newco Shares may be purchased, transferred or surrendered for redemption through a participant in the CDS depository service (a "CDS Participant"). All rights of holders of Newco Shares may be exercised through, and all payments or other property to which such holder is entitled, may be made or delivered by, CDS or the CDS Participant through which the holder holds such Newco Shares. Upon purchase of such Newco Shares, the holders will receive only a customer confirmation from the registered dealer which is a CDS Participant and from or through which the Newco Shares are purchased.
- (c) Newco may issue certificates representing Newco Shares to one or more shareholders, where such issuances are warranted in the opinion of Newco. Newco also has the option to terminate registration of the Newco Shares through the Book Entry System, in which case certificates for the Newco Shares in fully registered form would be issued to beneficial owners of such Newco Shares or their nominees.

#### **4.4. Lost or Missing Unit Certificates**

In the event that any certificate which, immediately prior to the Effective Time, represented an interest in one or more outstanding Units that were exchanged for Newco Shares pursuant to Section 3.1 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such certificate to have been lost, stolen or destroyed, the registered holder thereof in the register of Units maintained by the Exchange Agent shall, as a condition precedent to the receipt thereof, provide to Newco a bond, in form and substance satisfactory to Newco, or shall otherwise indemnify Newco to its satisfaction, in its sole and absolute discretion, against any claim that may be made against them with respect to the certificate alleged to have been lost, stolen or destroyed.

### **ARTICLE 5 - AMENDMENTS**

#### **5.1. Right to Amend**

The parties to the Arrangement Agreement (the "Parties") may amend this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment must be: (i) set out in writing; (ii) approved by all Parties; and (iii) filed with the Court, and, if made following the Meeting, approved by the Court; and (iv) communicated to the Director and, if and as required by the Court, to the Unitholders.

#### **5.2. Amendments Before Meeting**

Any amendment to this Plan of Arrangement may be proposed by any of the Parties at any time prior to or at the Meeting (provided that the other Parties shall have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

**5.3. Amendments Before or Following the Effective Time**

Any amendment, modification or supplement to this Plan of Arrangement may be made prior to or following the Effective Time by the agreement of the Parties without approval of the Court or the Unitholders, provided that it concerns a matter which, in the reasonable opinion of the Parties is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any Unitholder.

**ARTICLE 6 - GENERAL**

**6.1. Further Assurances**

Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order to further document or evidence any of the transactions or events set out herein. The Parties may agree not to implement this Plan of Arrangement, notwithstanding the passing of the Arrangement Resolution and the receipt of the Final Order.

**6.2. Severability of Plan of Arrangement Provisions**

If, prior to the Effective Date, any term or provision of this Plan of Arrangement is held by the Court to be invalid, void or unenforceable, the Court, at the request of any parties, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Plan of Arrangement shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation.

**6.3. Governing Laws**

This Plan of Arrangement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein. Any questions as to the interpretation or application of this Plan of Arrangement and all proceedings taken in connection with this Plan of Arrangement and its provisions shall be subject to the exclusive jurisdiction of the Court.

**6.4. Time**

Time is of the essence in the performance of the Parties' respective obligations.



**BY-LAW NO. 1**  
**of**  
**CLEARWATER SEAFOODS INCORPORATED**  
**(the "Corporation")**

## TABLE OF CONTENTS

	<u>Page</u>
<b>ARTICLE 1 - INTERPRETATION</b> .....	1
1.1 Interpretation .....	1
<b>ARTICLE 2 - CORPORATE SEAL</b> .....	1
2.1 Corporate Seal .....	1
<b>ARTICLE 3 - FINANCIAL YEAR</b> .....	1
3.1 Financial Year .....	1
<b>ARTICLE 4 - DIRECTORS</b> .....	1
4.1 Number .....	1
4.2 Quorum .....	1
4.3 Calling of Meetings .....	1
4.4 Notice of Meetings .....	1
4.5 Meeting by Telephonic or Electronic Facility .....	2
4.6 Chair .....	2
4.7 Voting at Meetings .....	2
4.8 Board Committees .....	2
<b>ARTICLE 5 - OFFICERS</b> .....	2
5.1 General .....	2
5.2 President .....	2
5.3 Vice-President .....	3
5.4 Secretary .....	3
5.5 Treasurer or Chief Financial Officer .....	3
5.6 Assistants .....	3
5.7 Variation of Duties .....	3
5.8 Term of Office .....	3
<b>ARTICLE 6 - INDEMNIFICATION AND INSURANCE</b> .....	3
6.1 Indemnification of Directors and Officers .....	3
6.2 Insurance .....	4
<b>ARTICLE 7 - SHAREHOLDERS</b> .....	4
7.1 Quorum .....	4
7.2 Casting Vote .....	4
7.3 Scrutineers .....	4
7.4 Electronic Meetings and Voting .....	4
7.5 Attendance at Meetings of Shareholders .....	4
<b>ARTICLE 8 - DIVIDENDS AND RIGHTS</b> .....	5
8.1 Declaration of Dividends .....	5
8.2 Cheques .....	5
8.3 Non-Receipt of Cheques .....	5
8.4 Unclaimed Dividends .....	5
<b>ARTICLE 9 - EXECUTION OF INSTRUMENTS</b> .....	5
9.1 Authorized Signatories .....	5
9.2 Facsimile Signatures .....	6
9.3 Shareholder Approval of Contracts .....	6

<b>ARTICLE 10 - NOTICE</b> .....	6
<b>10.1</b> <b>Delivery by Mail</b> .....	6
<b>10.2</b> <b>Electronic Delivery</b> .....	6
<b>10.3</b> <b>Notice to Joint Shareholders</b> .....	6
<b>10.4</b> <b>Failure to Give Notice</b> .....	6
<b>10.5</b> <b>Waiver of Notice</b> .....	7

**BY-LAW NO. 1**  
**of**  
**CLEARWATER SEAFOODS INCORPORATED**  
**(the "Corporation")**

**Relating to the Business and Affairs of the Corporation**

**ARTICLE 1 - INTERPRETATION**

**1.1 Interpretation**

Expressions used in this By-law shall have the same meanings as corresponding expressions in the *Canada Business Corporations Act* (the "Act").

**ARTICLE 2 - CORPORATE SEAL**

**2.1 Corporate Seal**

Until changed by the directors, the corporate seal of the Corporation shall be in the form impressed in the margin hereof.

**ARTICLE 3 - FINANCIAL YEAR**

**3.1 Financial Year**

Until changed by the directors, the financial year of the Corporation shall end on the last day of December in each year.

**ARTICLE 4 - DIRECTORS**

**4.1 Number**

Subject to the Articles of the Corporation, the number of directors of the Corporation shall be that number of directors as may be determined by the directions from time to time within the minimum and maximum permitted by the Articles of the Corporation.

**4.2 Quorum**

A quorum of directors shall be a majority of the number of directors then in office or such greater or lesser number as the directors or shareholders may from time to time determine.

**4.3 Calling of Meetings**

Meetings of the directors shall be held at such time and place as the Chair of the Board, the President or any two directors may determine.

**4.4 Notice of Meetings**

Notice of the time and place of each meeting of directors will be given to each director not less than 48 hours before the time when the meeting is to be held. No notice of a meeting will be

necessary if all the directors in office are present or if those absent waive notice of the meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. Subject to the Act, a notice of a meeting of the Board need not specify the purpose of or the business to be transacted at the meeting.

**4.5 Meeting by Telephonic or Electronic Facility**

A meeting of directors or of a committee of directors may be held by means of a telephonic, electronic or other communication facility that permits all persons participating in the meeting to communicate adequately with each other, and a director participating in a meeting by such means is deemed to be present at that meeting.

**4.6 Chair**

The Chair of the Board, if any, or in the Chair's absence the Vice-Chair of the Board, if any, or in the absence of both, the President if a director, or otherwise a director chosen by the directors at the meeting, shall be chair of any meeting of shareholders or meeting of directors.

**4.7 Voting at Meetings**

At meetings of directors each director shall have one vote and questions shall be decided by a majority of votes. In case of an equality of votes the chair of the meeting shall not have a second or casting vote.

**4.8 Board Committees**

The board of directors may appoint from its members one or more committees of directors, however designated, and delegate to any committee any of the powers of the board except those which, under the Act, a committee of directors has no authority to exercise. The powers of a committee of directors may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all the members of that committee who would have been entitled to vote on that resolution at a meeting of that committee. Meetings of any committee may be held at any place. Unless otherwise determined by the board, each committee will have the power to fix its quorum at not less than a majority of its members, to elect its chair and to regulate its procedure.

**ARTICLE 5 - OFFICERS**

**5.1 General**

The directors may from time to time appoint a Chair of the Board, a Vice-Chair of the Board, a President, one or more Vice-Presidents, a Secretary, a Treasurer or Chief Financial Officer and such other officers as the directors may determine.

**5.2 President**

Unless the directors otherwise determine, the President shall be the chief executive officer of the Corporation and shall have general supervision of its business and affairs.

**5.3 Vice-President**

A Vice-President shall have such powers and duties as the directors or the President may determine.

**5.4 Secretary**

The Secretary shall give required notices to shareholders, directors, auditors and members of committees, act as secretary of meetings of directors and shareholders when present, keep and enter minutes of such meetings, maintain the corporate records of the Corporation, have or provide for custody of the corporate seal and shall have such other powers and duties as the directors or the Chief Executive Officer may determine.

**5.5 Treasurer or Chief Financial Officer**

The Treasurer or Chief Financial Officer shall keep proper accounting records in accordance with the Act, have supervision over the safekeeping of securities and the deposit and disbursement of funds of the Corporation, report as required on the financial position of the Corporation, and have such other powers and duties as the directors or the Chief Executive Officer may determine.

**5.6 Assistants**

Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant unless the directors or the Chief Executive Officer otherwise direct.

**5.7 Variation of Duties**

The directors may, from time to time, vary, add to or limit the powers and duties of any officer.

**5.8 Term of Office**

Each officer shall hold office until the officer's successor is elected or appointed, provided that the directors may at any time remove any officer from office but such removal shall not affect the rights of such officer under any contract of employment with the Corporation.

**ARTICLE 6 - INDEMNIFICATION AND INSURANCE**

**6.1 Indemnification of Directors and Officers**

The Corporation shall indemnify a director or officer, a former director or officer or a person who acts or acted at the Corporation's request as a director or officer, or in a similar capacity, of another entity, and the heirs and legal representatives of such a person to the extent permitted by the Act. Such indemnity is in addition to and not in substitution for any rights, indemnities and protections to which any such person may otherwise be entitled.

**6.2 Insurance**

The Corporation may purchase and maintain insurance for the benefit of any person referred to in the preceding section to the extent permitted by the Act.

**ARTICLE 7 - SHAREHOLDERS**

**7.1 Quorum**

A quorum for a meeting of shareholders shall be two (2) persons present and each entitled to vote at the meeting but only to appoint a Chair of the meeting and adjourn the meeting. For all other purposes, a quorum for a meeting of shareholders shall be at least two (2) persons present and each entitled to vote at the meeting and authorized to cast at the meeting in aggregate not less than twenty-five (25%) of the total number of votes attaching to all shares of the Corporation carrying the right to vote at that meeting.

**7.2 Casting Vote**

In case of an equality of votes at a meeting of shareholders the Chair of the meeting shall not have a second or casting vote.

**7.3 Scrutineers**

The Chair at any meeting of shareholders may appoint one or more persons (who need not be shareholders) to act as scrutineer or scrutineers at the meeting.

**7.4 Electronic Meetings and Voting**

If the directors call a meeting of shareholders, the directors may determine that the meeting of shareholders shall be held entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, and any vote at that meeting of shareholders shall be held entirely by means of that communication facility. A meeting of shareholders may also be held at which some, but not all, persons entitled to attend may participate and vote by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting/such a communication facility, if the Corporation makes one available. A person participating in a meeting by such means is deemed to be present at the meeting. Any vote at a meeting of shareholders may be also held entirely by means of a telephonic, electronic or other communication facility, if the Corporation makes one available, even if none of the persons entitled to attend otherwise participates in the meeting by means of a communication facility. For the purpose of voting, a communication facility that is made available by the Corporation must enable the votes to be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each shareholder or group of shareholders voted.

**7.5 Attendance at Meetings of Shareholders**

The only persons entitled to attend a meeting of shareholders are persons entitled to vote at the meeting, whether as or on behalf of a registered shareholder or as proxy holder, directors, the

auditor of the Corporation, the Chairman of the board, if any, the President and all such other persons permitted by the Chairman of the meeting.

## ARTICLE 8 - DIVIDENDS AND RIGHTS

### 8.1 Declaration of Dividends

Subject to the Act, the directors may from time to time declare dividends payable to the shareholders according to their respective rights and interests in the Corporation.

### 8.2 Cheques

A dividend or other amount payable in cash with respect to the outstanding shares of the Corporation may be paid by cheque drawn on a financial institution or by electronic means to or to the order of each registered holder of shares of the class or series in respect of which it is to be paid. Cheques may be sent by prepaid ordinary mail or delivered to a registered holder at that holder's recorded address, unless that holder has otherwise directed. In the case of joint holders, a cheque or payment by electronic means will, unless those joint holders have otherwise directed, be made payable to the order of all of those joint holders and if more than one address is recorded in the securities register of the Corporation in respect of the joint holding, the cheque will be mailed or delivered to the first address so recorded or the amount paid by electronic means to the first address or account so recorded. The mailing or electronic delivery of a dividend or other amount, as provided in this section, unless it is not paid on due presentation, or the payment of the dividend in the manner directed by the registered holder, net of any tax, levy, or duty which the Corporation was required to and did withhold, will satisfy and discharge all liability for the sum to which a holder is entitled.

### 8.3 Non-Receipt of Cheques

In the event of non-receipt of any dividend cheque by the person to whom it is sent as aforesaid, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the directors may from time to time prescribe, whether generally or in any particular case.

### 8.4 Unclaimed Dividends

Any dividend unclaimed after a period of six (6) years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

## ARTICLE 9 - EXECUTION OF INSTRUMENTS

### 9.1 Authorized Signatories

Deeds, transfers, assignments, agreements, proxies and other instruments may be signed on behalf of the Corporation in such manner as the directors may determine from time to time and, in the absence of such a determination, by any two directors or by the sole director if there is only one; except that insider trading reports may be signed on behalf of the Corporation by any one director or officer of the Corporation. Unless otherwise stipulated by the board of directors or by law, the corporate seal of the Corporation need not be applied to any deed, transfer,



assignment, agreement, proxy or other instrument in order for the deed, transfer, assignment, agreement, proxy or other instrument to be validly executed on behalf of the Corporation.

**9.2 Facsimile Signatures**

A signature of an individual authorized to sign on behalf of the Corporation may, if authorized by such individual by specific or general authorization, be written, printed, stamped, engraved, lithographed or otherwise mechanically or electronically reproduced. Any instruments so signed shall be as valid as if it had been signed manually, even if that individual has ceased to hold office when any instrument so signed is issue or delivered, until such authorization is revoked.

**9.3 Shareholder Approval of Contracts**

Subject to the Act, any contract entered into or action taken or omitted, by or on behalf of the Corporation shall, if duly approved by a resolution of the shareholders, be deemed for all purposes to have received prior approval by the shareholders.

**ARTICLE 10 - NOTICE**

**10.1 Delivery by Mail**

A notice mailed to a director, auditor or member of a committee shall be deemed to have been received at the time it would be delivered in the ordinary course of mail unless there are reasonable grounds for believing that the director did not receive the notice or the document at that time or at all.

**10.2 Electronic Delivery**

Provided the addressee has consented in writing or electronically in accordance with the Act and the regulations thereunder, the Corporation may satisfy the requirement to send any notice or document referred to in this or any other by-law of the Corporation by creating and providing an electronic document in compliance with the Act and the regulations under the Act. An electronic document is deemed to have been received when it enters the information system designated by the addressee or, if the document is posted on or made available through a generally accessible electronic source, when the addressee receives notice in writing of the availability and location of that electronic document, or, if such notice is sent electronically, when it enters the information system designated by the addressee.

**10.3 Notice to Joint Shareholders**

Notice to one joint shareholder is sufficient notice to all of them. Such notice shall be addressed to all such joint shareholders and sent to the address for them on the Corporation's securities register, or to the first such address if there is more than one.

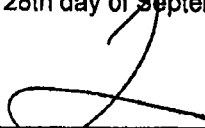
**10.4 Failure to Give Notice**

Accidental omission to give any notice to any shareholder, director, auditor or member of a committee or non-receipt of any notice or any error in a notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice.

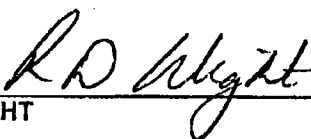
**10.5 Waiver of Notice**

Any person entitled to receive notice under the Act, the articles or the by-laws may waive that notice or content to a shorter notice period than may be stipulated therein. Waiver, either before or after the event referred to in the notice, shall cure any default in that notice.

**RESOLVED THAT** the foregoing by-law is made a by-law of the Corporation by the signatures hereto of all of the directors of the Corporation pursuant to the *Canada Business Corporations Act*, as of the 28th day of September, 2011.

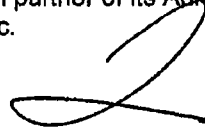
  
\_\_\_\_\_  
TYRONE COTIE

  
\_\_\_\_\_  
COLIN MACDONALD

  
\_\_\_\_\_  
BOB WIGHT

**RESOLVED THAT** the foregoing by-law is confirmed as a by-law of the Corporation by the signature hereto of the sole shareholder of the Corporation pursuant to the *Canada Business Corporations Act*, as of the 28th day of September, 2011.

**CLEARWATER SEAFOODS INCOME FUND**, by  
the general partner of its Administrator, CS  
ManPar Inc.

  
Per: \_\_\_\_\_  
Tyrone Cotie  
Assistant Secretary

## **BORROWING BY-LAW**

### **CLEARWATER SEAFOODS INCORPORATED (the "Corporation")**

#### **By-Law No. 2**

A By-law respecting the borrowing of money, the issuing of securities and the securing of liabilities by the Corporation.

**BE IT ENACTED** as a By-law of the Corporation as follows:

1. Without limiting the borrowing powers of the Corporation as set forth in the *Canada Business Corporations Act*, R.S.N. 1985, c-44, as amended (the "Act"), but subject to the articles and any unanimous shareholder agreement, the directors may from time to time on behalf of the Corporation, without any authorization of the shareholders:
  - (a) Borrow money upon the credit of the Corporation;
  - (b) Issue, reissue, sell or pledge bonds, debentures, notes or other evidence of indebtedness or guarantee of the Corporation, whether secured or unsecured;
  - (c) To the extent permitted by the Act, give a guarantee on behalf of the Corporation to secure performance of any present or future indebtedness, liability or obligation of any person; and
  - (d) Mortgage, hypothecate, pledge or otherwise create a security interest in all or any currently owned or subsequently acquired real or personal, movable or immovable, property of the Corporation, including book debts, rights, powers, franchises and undertakings, to secure any such bonds, debentures, notes or other evidence of indebtedness or guarantee or any other present or future indebtedness, liability or obligation of the Corporation.

Nothing in this section limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

2. The directors may from time to time delegate to a committee of the directors, a director or officer of the Corporation or any other person as may be designated by the directors all or any of the powers conferred on the directors by section 1 above or by the Act to such extent and in such manner as the directors may determine at the time of such delegation.

RESOLVED THAT the foregoing by-law is made a by-law of the Corporation by the signatures hereto of all of the directors of the Corporation pursuant to the *Canada Business Corporations Act*, as of the 28th day of September, 2011.

\_\_\_\_\_  
TYRONE COTIE

\_\_\_\_\_  
BOB WIGHT

  
\_\_\_\_\_  
COLIN MACDONALD

RESOLVED THAT the foregoing by-law is confirmed as a by-law of the Corporation by the signature hereto of the sole shareholder of the Corporation pursuant to the *Canada Business Corporations Act*, as of the 28th day of September, 2011.

**CLEARWATER SEAFOODS INCOME  
FUND**, by the general partner of its  
Administrator, CS ManPar Inc.

Per: \_\_\_\_\_  
Tyrone Cotie  
Assistant Secretary