

**TENAZ ENERGY CORP.
TENAZ INCENTIVE PLAN**

1. Purpose

The purpose of this Plan is to:

- (a) attract to, and retain with, the Corporation valuable officers, directors, employees and select consultants through a competitive compensation program;
- (b) promote the interest of valuable officers, directors, employees and select consultants of the Corporation in the future growth and success of the Corporation by providing officers, directors, employees and select consultants with the opportunity to acquire a proprietary interest in the Corporation; and
- (c) align the interests of officers, directors, employees and select consultants of the Corporation with those of Shareholders through a compensation program that encourages the long-term growth of the Corporation and returns to Shareholders.

The Plan seeks to achieve these purposes by providing for awards in the form of Options, RSUs, PSUs, DSUs and Dividend-Equivalent Rights.

2. Definitions

Capitalized terms referred to in this Plan have the meanings set out below:

- (a) "**Account**" means a DSU Account, RSU Account or PSU Account, as applicable.
- (b) "**Act**" means the *Business Corporations Act (Alberta)* as amended from time to time, the regulations and policies thereunder and any replacement legislation.
- (c) "**Affiliate**" has the meaning set forth in the Act.
- (d) "**Applicable Withholding Taxes**" has the meaning set forth in Section 9(i)(ii).
- (e) "**Award**" means any Option, RSU, PSU, DSU or Dividend-Equivalent Right granted under or pursuant to the Plan.
- (f) "**Award Agreement**" means a written agreement evidencing an Award granted under the Plan.
- (g) "**Beneficiary**" means any person designated by a Participant by written instrument filed with the Corporation to receive any amount, securities or property payable under the Plan in the event of a Participant's death or, failing any such effective designation, the Participant's estate, provided that a Beneficiary in respect of DSUs granted to a Participant under the Plan shall be limited to an individual who is a dependent or relation of the Participant or the legal representative of the Participant.
- (h) "**Blackout Expiry Date**" has the meaning set forth in Section 6(a)(iv).
- (i) "**Blackout Restriction Period**" means the period during which no Options are permitted to be exercised and no RSUs, PSUs and a DSUs are permitted to be redeemed due to

trading restrictions imposed by the Corporation in accordance with its trading policies affecting trades by Service Providers in the Corporation's securities.

- (j) **"Board"** means the board of directors of the Corporation and, for the purposes of matters relating to the administration of the Plan, shall be deemed to include any committee of the Board to which such administration has been delegated by the Board.
- (k) **"Change of Control"** means:
 - (i) the acceptance by Shareholders, representing in the aggregate more than fifty percent (50%) of all issued and outstanding Shares, of any offer, whether by way of a takeover bid or otherwise, for all or any portion of the issued and outstanding Shares;
 - (ii) the acquisition, whether by way of an arrangement, merger, amalgamation or other business combination, by a Person, group of Persons or Persons acting jointly or in concert, directly or indirectly, of the beneficial ownership of Shares or rights to acquire Shares, together with such Person's then owned Shares and rights to acquire Shares (if any), representing more than fifty percent (50%) in aggregate of all issued and outstanding Shares (except where such acquisition is part of a bona fide reorganization of the Corporation in circumstances where the affairs of the Corporation are continued, directly or indirectly, and where the shareholdings remain substantially the same following the reorganization as existed prior to the reorganization);
 - (iii) the liquidation, winding-up or dissolution of the Corporation (except where such liquidation, winding-up or dissolution are part of a bona fide reorganization of the Corporation in circumstances where the affairs of the Corporation are continued, directly or indirectly, and where the shareholdings remain substantially the same following the reorganization as existed prior to the reorganization);
 - (iv) the sale, lease or other disposition of all or substantially all of the assets of the Corporation (other than to an affiliate of the Corporation in circumstances where the affairs of the Corporation are continued, directly or indirectly, and where the shareholdings remain substantially the same following the sale, lease or other disposition as existed prior to the sale, lease or other disposition);
 - (v) the election at a meeting of the Corporation's Shareholders of a number of directors of the Corporation, who were not director nominees proposed to the Corporation's Shareholders by the Corporation's prior Board, and would represent a majority of the Board; or
 - (vi) the appointment of a number of directors which would represent a majority of the Board and which were nominated by any holder of Common Shares of the Corporation or by any group of holders of Common Shares of the Corporation acting jointly or in concert and not approved by the Corporation's prior Board.
- (l) **"Corporation"** means Tenaz Energy Corp., and includes any corporate successor thereto.
- (m) **"DSU"** means a deferred share unit credited by means of a bookkeeping entry on the books of the Corporation to a Participant's DSU Account pursuant to Section 6(d) of the Plan or as a Dividend-Equivalent Right pursuant to Section 6(e) of the Plan, representing the right to receive one fully paid Share on the date of redemption, in the manner and subject to the provisions of the Plan.

- (n) **"DSU Account"** has the meaning set forth in Section 6(d)(ii).
- (o) **"DSU Redemption Date"** has the meaning set forth in Section 6(d)(iv).
- (p) **"Dividend-Equivalent Right"** means a dividend-equivalent right granted pursuant to Section 6(e).
- (q) **"Dividend Payment Date"** has the meaning set forth in Section 6(e)(i).
- (r) **"Dividend Record Date"** has the meaning set forth in Section 6(e)(i).
- (s) **"Effective Date"** has the meaning set forth in Section 10.
- (t) **"Employee"** means an employee, within the meaning of the Tax Act, of the Corporation or an Affiliate.
- (u) **"Exchange"** as at any date, means (i) the TSX if the Shares are listed on the TSX on the particular date; or (ii) if the Shares are not listed or posted for trading on such stock exchange at the particular date, any other stock exchange on which the majority of the trading volume and value of the Shares are listed or posted for trading.
- (v) **"Exercise Period"** has the meaning set forth in Section 6(a)(iii).
- (w) **"Exercise Price"** has the meaning set forth in Section 6(a)(ii).
- (x) **"Existing Option Plan"** means the stock option plan of the Corporation dated November 10, 2009.
- (y) **"Existing Options"** means the aggregate number of options to purchase Shares granted and issued and outstanding under the Existing Option Plan as of the Effective Date.
- (z) **"Expiry Date"** has the meaning set forth in Section 6(a)(iii).
- (aa) **"Fair Market Value"** as at any date means the volume weighted average trading price of the Shares on the Exchange for the five days preceding the particular date, provided that if the Shares did not trade during such period on an Exchange then the Fair Market Value will be the fair market value of the Shares as determined by the Board.
- (bb) **"Insider"** has the same meaning as found in the Toronto Stock Exchange Company Manual in respect of the rules governing Security Based Compensation Arrangements, as amended from time to time.
- (cc) **"Insider Participation Limits"** has the meaning set forth in Section 4(b)(i).
- (dd) **"NED"** has the meaning set forth in Section 4(b)(ii).
- (ee) **"NED Participation Limits"** has the meaning set forth in Section 4(b)(ii).
- (ff) **"Option"** means an option to acquire a Share granted pursuant to Section 6(a).
- (gg) **"Participant"** means any individual Service Provider granted an Award under the Plan or whose Award is stated to be governed by the Plan.
- (hh) **"Performance Criteria"** means, in respect of a PSU, the corporate performance criteria

determined by the Board set forth in an Award Agreement in respect of a grant of PSUs.

- (ii) "**PSU**" means a performance share unit credited by means of a bookkeeping entry on the books of the Corporation to a Participant pursuant to Section 6(c) or as a Dividend-Equivalent Right pursuant to Section 6(e), representing the right to receive one fully paid Share on the date of redemption, in the manner and subject to the provisions of the Plan.
- (jj) "**PSU Account**" has the meaning set forth in Section 6(c)(ii).
- (kk) "**PSU Redemption Date**" has the meaning set forth in Section 6(c)(iv).
- (ll) "**PSU Service Year**" has the meaning set forth in Section 6(c)(iii).
- (mm) "**Person**" means any individual or entity, including a corporation, company, partnership, association, joint-share corporation, trust, joint venture, plan or unincorporated organization.
- (nn) "**Plan**" means this Tenaz Incentive Plan, including all schedules, appendices and (or) exhibits as may be attached hereto from time to time, as may be amended, supplemented and (or) restated from time to time.
- (oo) "**Redemption Date**" means, in respect of a DSU, the DSU Redemption Date, in respect of a PSU, the PSU Redemption Date, and in respect of a RSU, the RSU Redemption Date.
- (pp) "**RSU**" means a restricted share unit credited by means of a bookkeeping entry on the books of the Corporation to a Participant pursuant to Section 6(b) or as a Dividend-Equivalent Right pursuant to Section 6(e), representing the right to receive one fully paid Share on the date of redemption, in the manner and subject to the provisions of the Plan.
- (qq) "**RSU Account**" has the meaning set forth in Section 6(b)(ii).
- (rr) "**RSU Redemption Date**" has the meaning set forth in Section 6(b)(iv).
- (ss) "**RSU Service Year**" has the meaning set forth in Section 6(b)(iii).
- (tt) "**Security Based Compensation Arrangements**" means any (1) deferred share unit, performance share unit, restricted share unit, securities for services, stock appreciation right, stock option or stock purchase plan of the Corporation; (2) security purchase from treasury by a Participant which is financially assisted by the Corporation by any means; and (3) other compensation or incentive mechanism involving the issuance or potential issuance of securities of the Corporation from treasury to a Participant, but in all cases does not include arrangements which do not involve the issuance from treasury or potential issuance from treasury of securities of the Corporation or arrangements settled solely in cash and (or) securities purchased on the secondary market.
- (uu) "**Service Provider**" means a director, officer, employee, or independent contractor (directly or indirectly through a corporation) of the Corporation or any Affiliate.
- (vv) "**Shareholders**" means the holders of the Shares from time to time.
- (ww) "**Shares**" means the common shares in the capital of the Corporation.
- (xx) "**Share Units**" means DSUs, PSUs and RSUs, including any Dividend-Equivalent Rights

granted with respect to a DSU, PSU and (or) RSU.

- (yy) "**Tax Act**" means the *Income Tax Act* (Canada) as amended from time to time, the regulations and policies thereunder and any replacement legislation.
- (zz) "**Termination Date**" means, unless otherwise provided in a written employment contract between the Corporation (or an Affiliate) and a Participant, in respect of a Participant the date that the Participant ceases to be actively employed by the Corporation or any Affiliate, or ceases to provide services as a director or independent contractor, in each case for any reason, except as may be required by minimum requirements of applicable employment standards legislation, without regard to any statutory, contractual or common law notice period that may be required by law following the termination of the Participant's employment or services with the Corporation or any Affiliate, and, except as may be required by minimum requirements of applicable employment standards legislation, regardless of whether termination of the employment or services is with or without cause or the provision of any notice, pay in lieu of notice, severance or termination pay that may be required by applicable law, provided that (1) the Board will have sole discretion to determine whether a Participant has ceased active employment or ceased services as a director or independent contractor and the effective date on which the Participant ceased active employment or service as a director or independent contractor; and (2) a Participant will be deemed not to have ceased to be an employee of the Corporation or any of its Affiliates or an independent contractor in the case of a transfer of employment or service between the Corporation and any Affiliate or a transfer of employment or service between Affiliates.
- (aaa) "**Triggering Event**" has the meaning set out in Section 6(d)(iii).
- (bbb) "**Treasury Reserve**" has the meaning set forth in Section 4(a)(i).
- (ccc) "**TSX**" means the Toronto Stock Exchange.
- (ddd) "**Vested Award**" means an Award which has vested in accordance with the provisions of the Plan and the applicable Award Agreement or in respect of which the vesting date has been accelerated pursuant to Sections 4(d), 7 or 9(a).

3. Administration

- (a) The Plan will be administered by the Board, or a committee of the Board as determined by the Board in its sole discretion, which shall, from time to time, at its sole discretion: (i) interpret and administer the Plan and Award Agreements; (ii) establish, amend and rescind any rules and regulations relating to the Plan and Award Agreements; and (iii) make any other determinations that the Board deems necessary or desirable for the administration of the Plan and Award Agreements. The Board may correct any defect or supply any omission or reconcile any inconsistency in the Plan and any Award Agreement in the manner and to the extent the Board considers, in its sole discretion, necessary or desirable. Any decision of the Board with respect to the administration and interpretation of the Plan and any Award Agreement shall be final, conclusive and binding on all parties concerned.
- (b) Notwithstanding any other provision of the Plan, Awards granted to Participants resident in any jurisdiction other than Canada may be made subject to such rules, regulations, provisions and (or) conditions as the Board, in its sole discretion, may determine.
- (c) Subject to the terms of the Plan and applicable law, the Board may delegate to one or

more officers of the Corporation, or to a committee of such officers, the authority, subject to such terms and limitations as the Board may determine, to grant, cancel, modify, waive rights with respect to, alter, discontinue, suspend, or terminate Awards.

4. Treasury Reserve and Available Shares

- (a) The maximum number of Shares available for issuance pursuant to the exercise or redemption, as applicable, of Awards granted under the Plan, Existing Options granted under the Existing Option Plan and any awards that may be granted, issued or otherwise made under all other Security Based Compensation Arrangements of the Corporation is 10% of the total number of issued and outstanding Shares from time to time (on a non-diluted basis) (the "**Treasury Reserve**"), provided that the aggregate maximum number of Shares available for issuance under the Treasury Reserve pursuant to the redemption of all DSUs, RSUs and PSUs (and related Dividend-Equivalent Rights, if applicable) granted under this Plan shall not exceed 5% of the total number of issued and outstanding Shares from time to time (on a non-diluted basis). If an Option is exercised, the Shares covered by such Option will again be available for subsequent issuance under the Plan. If a Share Unit is settled for Shares under the Treasury Reserve, such Shares will again be available for subsequent issuance under the Plan. If an Award expires or is forfeited, disposed of, surrendered, cancelled, or otherwise terminated for any reason without having been exercised or settled, the Shares covered by such Award, if any, will again be available for subsequent issuance under the Plan. The Plan is a "rolling plan" in respect of all Awards and as a result, any and all increases in the number of issued and outstanding Shares will result in an increase to the number of Awards available for grant.
- (b)
 - (i) The number of the Shares (A) issued to Insiders, within any one-year period, and (B) issuable to Insiders, at any time, under the Plan, Existing Options and all other Security Based Compensation Arrangements of the Corporation, shall not exceed 10% of the then issued and outstanding Shares, respectively (the "**Insider Participation Limits**").
 - (ii) The (A) number of Shares issuable to non-employee directors of the Corporation ("**NED**") under the Plan, the Existing Option Plan and all other Security Based Compensation Arrangements of the Corporation shall not exceed 1% of the then issued and outstanding Shares; and (B) the value of Awards and any awards under all other Security Based Compensation Arrangements of the Corporation granted to a NED within any one year period shall not exceed \$150,000 (of which no more than \$100,000 may be attributable to stock options) based on the grant date fair value, other than Awards and awards under other Security Based Compensation Arrangements of the Corporation granted as part of an NED's annual retainer or in lieu of cash fees payable for serving as a director (collectively, the "**NED Participation Limits**").
- (c) In the event that the Board determines that any dividend (other than ordinary cash dividends) or other distribution (whether in the form of cash, Shares, other securities or other property), recapitalization, share split, share dividend, reverse share split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of Shares or other securities of the Corporation, issuance of warrants or other rights to purchase Shares or other securities of the Corporation, or other similar corporate transactions or events affect the Shares (which effect is not adequately dealt with under Section 6(e)) such that an adjustment is determined by the Board to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan and any Awards granted under the Plan, then the Board will, in any manner as it may deem equitable, subject to, if applicable, approval of the Exchange, adjust any or all of: (i) the number and kind of Shares or other securities which

thereafter may be made the subject of Awards; (ii) the number and kind of Shares or other securities subject to outstanding Awards; and (iii) the Fair Market Value or the grant or exercise price with respect to any Award or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding Award; provided, however, that the number of Shares subject to any Award denominated in Shares will always be a whole number.

- (d) If a Change of Control occurs, and unless otherwise provided in an Award Agreement or a written employment contract between the Corporation (or an Affiliate) and a Participant and except as otherwise set out in this Section 4(d), the Board, in its sole discretion, may provide that: (1) the successor corporation will assume each Award or replace it with a substitute Award on terms substantially similar to the existing Award; (2) all Options, RSUs and DSUs (and related Dividend-Equivalent Rights, if applicable) held by the Participant on the Change of Control shall immediately vest and a certain number of PSUs (and related Dividend-Equivalent Rights, if applicable) held by the Participant on the Change of Control shall vest based on performance achieved up to the Change of Control as determined by the Board, in its sole discretion, and in each case, the vested Awards may be surrendered for a cash payment equal to the Fair Market Value thereof (minus any Applicable Withholding Taxes and, in respect of Options, the applicable Exercise Price); or (3) any combination of the foregoing will occur.

5. Eligibility

Any Service Provider shall be eligible to be designated a Participant by the Board.

6. Awards

- (a) **Options.** Subject to the Insider Participation Limits, the Board may grant Options to a Participant subject to the following terms and conditions and any additional terms and conditions, not inconsistent with the provisions of the Plan, as the Board determines at the time of the grant.
- (i) Award Agreement. Each Option shall be evidenced by an Award Agreement containing such terms and conditions as determined by the Board and such other terms and conditions not inconsistent with the Plan as the Corporation, in its sole discretion, may determine appropriate.
- (ii) Exercise Price. The purchase price per Share purchasable under an Option (the "**Exercise Price**") will be determined by the Board and set out in the Award Agreement, provided that the Exercise Price shall not be less than the Fair Market Value of a Share on the date of grant of that Option.
- (iii) Time and Method of Exercise. Subject to Section 7, the Option vesting provisions, the time or times at which an Option may be exercised (the "**Exercise Period**") in whole or in part, the date of expiry of the Exercise Period (the "**Expiry Date**") and the method or methods by which (including, without limitation, on a 'cashless' or 'net exercise' basis), and the form or forms in which payment of the Exercise Price may be made will be determined by the Board and set out in the Award Agreement, provided that no loan or other financial assistance shall be extended by the Corporation or any Affiliate to any Participant (or the Participant's Beneficiary, as applicable) for the purpose of exercising any Option.
- (iv) Blackout Restriction Periods. If the Expiry Date for an Option occurs during a Blackout Restriction Period applicable to the relevant Participant, then the Expiry Date for that Option shall be the date that is the 10th business day after the expiry

date of the Blackout Restriction Period (the "**Blackout Expiry Date**").

- (v) Vesting of Options. No Option may be exercised by a Participant unless it is fully vested. Subject to the provisions of this Plan, Options shall vest, and thereafter be exercisable:
 - (A) over a period of three (3) years from the date on which the Award is made, with no more than one third (1/3) of such Options vesting in any twelve (12) month period therein; or
 - (B) as otherwise determined by the Board in its sole discretion.
 - (vi) Existing Option Plan. No further options shall be granted under the Existing Option Plan from and after the Effective Date. From and after the Effective Date all Existing Options shall continue to be governed by the provisions of the Existing Option Plan and the applicable award agreements.
- (b) **RSUs**. Subject to the Insider Participation Limits and the NED Participation Limits, the Board may grant RSUs to a Participant. Each RSU which will consist of the right to receive one Share as at the date of redemption subject to such restrictions as the Board may impose, which restrictions may lapse separately or in combination at any time or times, in such installments or otherwise as the Board may determine. The Board may impose any conditions or restrictions on the vesting or redemption of RSUs as it may determine appropriate.
- (i) Award Agreement. Each RSU shall be evidenced by an Award Agreement containing the RSU vesting provisions and such conditions or restrictions imposed by the Board and such other terms and conditions not inconsistent with the Plan as the Corporation, in its sole discretion, may determine appropriate.
 - (ii) RSU Account. An Account, designated as a "Restricted Share Unit Account" ("**RSU Account**"), shall be maintained by the Corporation for each Participant. The RSU Account will be credited with RSUs granted to a Participant as of the date of grant of the RSUs.
 - (iii) RSU Service Year. At the time of grant of a RSU, the Board shall specify the year of service of the Participant in respect of which the RSU is granted (the "**RSU Service Year**").
 - (iv) Redemption of RSUs. Subject to Section 7, on the date that is no later than December 15 of the third year following the end of the relevant RSU Service Year as determined by the Board in its sole discretion (the "**RSU Redemption Date**"), RSUs that have vested in accordance with the provisions of the applicable Award Agreement shall be redeemed and, subject to Section 9(i), one Share shall be issued from the treasury of the Corporation to the Participant or the Participant's Beneficiary, as applicable, for each of such vested RSU. If the Corporation does not have sufficient Shares pursuant to the Treasury Reserve to redeem all RSUs in Shares, the Corporation may determine which Participants receive Shares issued from the Treasury Reserve (if any), and the Corporation shall, in the Board's sole discretion, redeem such remaining RSUs in cash (equal to the Fair Market Value (as of the RSU Redemption Date) of the Shares otherwise deliverable), through market purchases of Shares, or a combination thereof. Notwithstanding the foregoing, all payments in respect of a RSU following the applicable RSU Redemption Date shall, subject to Section 6(b)(v), be made no later than December 31st of the third year after the end of the relevant RSU Service Year.

- (v) Blackout Restriction Periods. If the RSU Redemption Date for RSUs occurs during a Blackout Restriction Period applicable to the relevant Participant then payment in respect of the RSUs shall be made by delivering cash (equal to the Fair Market Value (as of the RSU Redemption Date) of the Shares otherwise deliverable), provided that, if the Board determines in its sole discretion (outside of a Blackout Restriction Period) to settle the RSUs in Shares and such determination does not result in the extended RSU Redemption Date being later than December 31 of the third year after the end of the relevant RSU Service Year, then the RSU Redemption Date for the RSUs shall be the date that is the 10th business day after the expiry date of the Blackout Restriction Period.
- (c) **PSUs**. Subject to the Insider Participation Limits, the Board may grant PSUs to a Participant (other than a NED). Each PSU which will consist of the right to receive one Share as at the date of redemption subject to such restrictions as the Board may impose, which restrictions may lapse separately or in combination at any time or times, in such installments or otherwise as the Board may determine. The Board may impose any conditions or restrictions on the vesting or redemption of PSUs as it may determine appropriate. No PSUs shall be granted to a NED.
- (i) Award Agreement. Each PSU shall be evidenced by an Award Agreement containing the PSU vesting provisions and such conditions or restrictions imposed by the Board and such other terms and conditions not inconsistent with the Plan as the Corporation, in its sole discretion, may determine appropriate.
 - (ii) PSU Account. An Account, designated as a "Performance Share Unit Account" ("**PSU Account**"), shall be maintained by the Corporation for each Participant. The PSU Account will be credited with the PSUs granted to a Participant as of the date of grant of the PSUs.
 - (iii) PSU Service Year. At the time of grant of a PSU, the Board shall specify the year of service of the Participant in respect of which the PSU is granted (the "**PSU Service Year**").
 - (iv) Redemption of PSUs. Subject to Section 7, on the date that is no later than December 15 of the third year following the end of the relevant PSU Service Year as determined by the Board in its sole discretion (the "**PSU Redemption Date**"), PSUs that have vested in accordance with the provisions of the applicable Award Agreement shall be redeemed and, subject to Section 9(i), one Share shall be issued from the treasury of the Corporation to the Participant or the Participant's Beneficiary, as applicable, for each such vested PSU. If the Corporation does not have sufficient Shares pursuant to the Treasury Reserve to redeem PSUs in Shares, the Corporation shall, in the Board's sole discretion, redeem such PSUs in cash (equal to the Fair Market Value (as of the PSU Redemption Date) of the Shares otherwise deliverable), through market purchases of Shares, or a combination thereof. Notwithstanding the foregoing, all payments in respect of a PSU following the applicable PSU Redemption Date shall, subject to Section 6(c)(v), be made no later than December 31st of the third year after the end of the relevant PSU Service Year.
 - (v) Blackout Restriction Periods. If the PSU Redemption Date for PSUs occurs during a Blackout Restriction Period applicable to the relevant Participant then payment in respect of the PSUs shall be made by delivering cash (equal to the Fair Market Value (as of the PSU Redemption Date) of the Shares otherwise deliverable), provided that, if the Board determines in its sole discretion (outside of a Blackout

Restriction Period) to settle the PSUs in Shares and such determination does not result in the extended PSU Redemption Date being later than December 31 of the third year after the end of the relevant PSU Service Year, then the PSU Redemption Date for the PSUs shall be the date that is the 10th business day after the expiry date of the Blackout Restriction Period.

- (vi) Performance Criteria and Multiplier. The PSUs shall vest based in whole or in part on the Performance Criteria and any applicable performance or other multiplier(s) set forth in the applicable Award Agreement, provided that the maximum of all applicable multipliers (in aggregate) shall not exceed two times. Notwithstanding any other provision of the Plan, but subject to the limits described in Section 3 and Section 4 and any other applicable requirements of the Exchange, the Board reserves the right to make, in the applicable Award Agreement or otherwise, any additional adjustments to the number of Shares to be issued pursuant to any PSUs if, in the sole discretion of the Board, such adjustments are appropriate in the circumstances having regard to the principal purposes of the Plan and do not extend the PSU Redemption Date in respect of such PSUs to later than December 31st of the third year after the end of the relevant PSU Service Year.
- (d) **DSUs**. Subject to the Insider Participation Limits, the Board may direct that all or a portion of a NED's annual cash fees (paid quarterly) be received in the form of DSUs and each NED shall have the right, but not the obligation, to elect to receive his or her cash fees in DSUs. DSUs may not be redeemed until the Participant has ceased to hold all directorships with the Corporation and any Affiliate. DSUs shall only be granted to a Participant that is a NED.
 - (i) Award Agreement. Each DSU shall be evidenced by an Award Agreement containing such conditions or restrictions imposed by the Board and such other terms and conditions not inconsistent with the Plan as the Corporation, in its sole discretion, may determine appropriate.
 - (ii) DSU Account. An Account, to be designated as a "Deferred Share Unit Account" ("**DSU Account**") shall be maintained by the Corporation for each Participant. The DSU Account will be credited with the DSUs granted to a Participant as of the date of grant of the DSUs and all such DSUs shall vest immediately.
 - (iii) No Payment until Cessation of Employment. Notwithstanding any other provision of the Plan, no payment shall be made in respect of a DSU until after the earliest time of: (i) the Participant's death; or (ii) the latest time that the Participant ceases to be a director of the Corporation or any Affiliate (such time, the "**Triggering Event**").
 - (iv) Redemption of DSUs. After the occurrence of a Triggering Event in respect of a Participant, on December 15 of the calendar year commencing immediately after the date of the Triggering Event, or on such other earlier date determined by the Board, in its sole discretion (the "**DSU Redemption Date**"), all vested DSUs credited to the Participant's DSU Account shall be redeemed and, subject to Section 9(i), one Share shall be issued from treasury of the Corporation to the Participant or the Participant's Beneficiary, as applicable, for each of such vested DSU. If the Corporation does not have sufficient Shares pursuant to the Treasury Reserve to redeem DSUs in Shares, the Corporation shall redeem such DSUs in cash (equal to the Fair Market Value of such Shares as at the DSU Redemption Date), through market purchases of Shares, or a combination thereof. All payments in respect of a DSU following the applicable DSU Redemption Date shall, subject to Section 6(d)(v), be made no later than December 31st of the

calendar year commencing immediately after the occurrence of the Triggering Event.

- (v) Blackout Restriction Periods. If the DSU Redemption Date for DSUs occurs during a Blackout Restriction Period applicable to the relevant Participant then payment in respect of the DSUs shall be made by delivering cash (equal to the Fair Market Value (as of the DSU Redemption Date) of the Shares otherwise deliverable), provided that, if the Board determines in its sole discretion (outside of a Blackout Restriction Period) to settle the DSUs in Shares and such determination does not result in the extended DSU Redemption Date being later than December 31 of the calendar year commencing immediately after the occurrence of the Triggering Event, then the DSU Redemption Date for the DSUs shall be the date that is the 10th business day after the expiry date of the Blackout Restriction Period.
- (vi) Election to Receive Compensation in DSUs. Subject to such rules, regulations and conditions as the Board, in its sole discretion, may impose, a Participant may elect, irrevocably, no later than December 15th of the calendar year preceding the year in which the election is to be effective, to have all or a portion of the Participant's annual cash fees for directorship services in the calendar year following the date of the election, satisfied by way of DSUs (having the same grant value as the cash compensation elected to be received in DSUs) credited to the Participant's DSU Account (with the remainder to be received in cash), by completing and delivering to the Corporation an initial written election in such form as may be approved by the Board. Such election shall set out the percentage of annual cash fees that the Participant wishes to be satisfied in the form of DSUs (with the remaining percentage to be paid in cash), within the limitations of this Section 6(d)(vi), for the calendar year for which the election is made and for subsequent years unless the Participant amends the election pursuant to this Section 6(d)(vi). All DSUs granted pursuant to an election under this Section 6(d)(vi) shall vest immediately.
 - (A) A Participant may initiate or change the percentage of annual cash fees to be satisfied in the form of DSUs for any subsequent calendar year by completing and delivering to the Corporation a new written election no later than December 15 of the calendar year immediately preceding the calendar year to which the annual cash fees relates.
 - (B) Notwithstanding anything in this Section 6(d)(vi), an election can only be made during the time periods prescribed by the Board or otherwise in accordance with Corporation policy, provided that no election will be permitted to be made or altered after December 31st of the calendar year immediately preceding the year in which the election is to be effective.
 - (C) Any election made by a Participant under this Section 6(d)(vi) shall designate the percentage, if any, of the annual cash fees that is to be satisfied in the form of DSUs, all such designations to be in increments of five percent (5%).
 - (D) A Participant's election received by the Corporation under this Section 6(d)(vi) shall be irrevocable and shall continue to apply with respect to annual cash fees for any subsequent calendar year unless the Participant amends the election under this Section 6(d)(vi).
 - (E) Where there is no election that complies with this Section 6(d)(vi) in effect

for a Participant for a particular calendar year, such Participant shall be deemed to have elected to receive annual cash fees for the applicable calendar year in cash.

- (e) **Dividend-Equivalent Rights.** Subject to the Insider Participation Limits and the NED Participation Limits and the limitation on the number of issuable Shares hereunder, the Board may grant to eligible Participants the rights described below as Dividend-Equivalent Rights.
- (i) Unless otherwise determined by the Board in its sole discretion or as may otherwise be set out in the applicable Award Agreement, on the payment date for cash dividends paid on Shares (the "**Dividend Payment Date**"), each Participant's RSU Account, PSU Account and (or) DSU Account, as applicable, shall be credited with additional RSUs, PSUs or DSUs in respect of RSUs, PSUs or DSUs credited to and outstanding in the Participant's Account(s) as of the record date for payment of such dividends (the "**Dividend Record Date**"). The number of such additional RSUs, PSUs or DSUs, as applicable, to be credited to the Participant's Account(s) will be calculated (to two decimal places) by dividing the total amount of the dividends that would have been paid to such Participant if the RSUs, PSUs or DSUs, as applicable, in the Participant's Account(s) (including fractions thereof), as of the Dividend Record Date, were Shares, by the Fair Market Value of a Share on the Dividend Payment Date. The terms and conditions of any such additional RSUs, PSUs or DSUs shall be identical to the terms and conditions of the RSUs, PSUs or DSUs credited to and outstanding in the Participant's Account(s).
 - (ii) Notwithstanding anything else in this Section 6(e), no additional RSUs, PSUs or DSUs will be credited or granted pursuant to this Section 6(e) where the Dividend Record Date relating to dividends falls after the Participant ceases to be a Service Provider.

7. Cessation of Employment and Forfeitures

Except as otherwise provided in the applicable Award Agreement or a written employment contract between the Corporation (or an Affiliate) and a Participant, and subject to any express resolution passed by the Board or exercise of discretion by the Board, and further subject to the conditions that no Option may be exercised in whole or in part after the expiration of the period specified in the applicable Award Agreement and that no redemption can be made in respect of a RSU, PSU or DSU other than during the time periods specified in Sections 6(b), 6(c) and 6(d) of the Plan, the following provisions shall apply to Awards.

- (a) **Options.** If, prior to the expiry of any Options, a Participant ceases to be a Service Provider:
- (i) by reason of the death or long-term disability (as reasonably determined by the Corporation) of such Participant, then:
 - (A) a pro rata portion of the unvested Options held by the Participant will vest based on the number of days elapsed between the applicable grant date and the date of death or long-term disability of such Participant (as reasonably determined by the Corporation) and all remaining unvested Options that are outstanding granted to such Participant shall immediately and automatically terminate; and
 - (B) only such Participant or the Participant's Beneficiary shall have the right

to exercise such Participant's outstanding and vested Options (including, for greater certainty, any Options which vest in accordance with Section 7(a)(i)(A)) at any time up to and including (but not after) the earlier of: (i) the date which is up to twelve (12) months following the date of death or long term disability (as reasonably determined by the Corporation) of such Participant; or (ii) the Expiry Date(s) of such Options unless otherwise determined by the Board at its sole discretion, following which time the unexercised Options shall immediately and automatically terminate; or

- (ii) for any reason, other than as provided in Section 7(a)(i), then:
 - (A) all outstanding unvested Options granted to such Participant shall, unless otherwise provided, immediately and automatically terminate on the Termination Date; and
 - (B) such Participant shall have the right to exercise outstanding vested Options at any time up to and including (but not after) the earlier of: (i) the date which is ninety (90) days following the Termination Date; and (ii) the Expiry Date(s) of the vested Option unless otherwise determined by the Board in its sole discretion, following which time the unexercised Options shall immediately and automatically terminate.

(b) **PSUs and RSUs.** If, prior to the Redemption Date of any PSUs or any RSUs, a Participant ceases to be a Service Provider:

- (i) for any reason including, without limitation, termination of employment for cause or voluntary resignation (but excluding the circumstances described in Section 7(b)(ii) and Section 7(b)(iii)), then all PSUs and RSUs shall be immediately forfeited upon such event, all rights of the Participant under the Plan shall terminate and no cash shall be payable at any time in lieu of such forfeited PSUs and RSUs;
- (ii) by reason of death, long term disability, retirement from active employment (as reasonably determined by the Corporation) or for any other reason as may be specifically approved by the Board (other than for the reasons set forth in Section 7(b)(i) and Section 7(b)(iii)), then all PSUs and RSUs shall continue in accordance with the Plan and the applicable Award Agreement(s) and the Participant or the Participant's Beneficiary shall be entitled to redeem and receive payment for such PSUs and RSUs on each applicable Redemption Date in accordance with the terms of the Plan; or
- (iii) by reason of termination of employment without cause, then the Participant shall be entitled to redeem and receive payment for all PSUs and RSUs that such Participant would be entitled to on each applicable Redemption Date in accordance with the terms of the Plan, provided that:
 - (A) in respect of each such PSU, the PSU Redemption Date falls within the notice period provided to such Participant, as set forth by the Corporation, upon termination of such Participant's employment and, if the PSU Redemption Date falls after completion of the notice period provided in connection with such termination of employment, then such PSU of such Participant shall be immediately forfeited upon such event and all rights of the Participant under the Plan relating thereto shall terminate; and

- (B) in respect of each such RSU, the RSU Redemption Date falls within the notice period provided to such Participant, as set forth by the Corporation, upon termination of such Participant's employment and, if the RSU Redemption Date falls after completion of the notice period provided in connection with such termination of employment, then such RSU of such Participant shall be immediately forfeited upon such event and all rights of the Participant under the Plan relating thereto shall terminate.
- (c) **Awards.** Subject to the other paragraphs in this Section 7, if the relationship of the Participant is terminated for any reason prior to the expiry of an Option or prior to the Redemption Date of a PSU or RSU, whether or not such termination is with or without notice, adequate notice or legal notice, or is with or without legal or just cause, the Participant's rights shall be strictly limited to those provided for in this Section 7, or as otherwise provided in the applicable Award Agreement or written employment contract between the Participant and the Corporation, and, without limiting the generality of the foregoing, in the event that an Option is not vested and exercised prior to the applicable deadline in Section 7(a) or a PSU or RSU is not vested and redeemed prior to the applicable deadline in Section 7(b), such Award shall be forfeited and all rights of the Participant under the Plan to such Award shall immediately terminate upon the applicable deadline and no cash shall be payable at any time in lieu of such forfeited Award. Unless otherwise specifically provided in writing, the Participant shall have no claim to or in respect of any Award which may have or would have vested had due notice of termination of employment been given nor shall the Participant have any entitlement to damages or other compensation in respect of any Award or loss of profit or opportunity which may have or would have vested or accrued to the Participant if such wrongful termination or dismissal had not occurred or if due notice of termination had been given. This provision shall be without prejudice to the Participant's rights to seek compensation for lost employment income or lost employment benefits (other than those accruing under or in respect of the Plan) in the event of any alleged wrongful termination or dismissal.
- (d) **Transfers, Leaves and Transitions.** The transfer of a Service Provider from the Corporation to an Affiliate, from an Affiliate to the Corporation or from one Affiliate to another Affiliate, shall not be considered a cessation of employment or services, nor shall it be considered a cessation of employment if an Employee is placed on such other leave of absence or transition arrangement which is considered by the Corporation as continuing intact the employment relationship for the same period. In the case of a leave of absence or transition arrangement, the employment relationship shall be continued until the date when an Employee's right to employment with the Corporation or an Affiliate is terminated by operation of law or by contract, except that in the event the Employee chooses not to renew active employment at the end of any leave of absence or transition arrangement, the employment relationship shall be deemed to have ceased at the beginning of the leave of absence or transition arrangement.

8. Amendments and Adjustments

The following provisions shall apply to amendments and adjustments to the Plan and Awards.

- (a) **Amendments to the Plan.** Subject to the Exchange requirements, the Board may amend, alter, suspend, discontinue or terminate the Plan and any Awards by resolution of the Board. Any such amendment, alteration, suspension, discontinuance or termination shall only apply to Awards granted after the effective date of such amendment, alteration, suspension, discontinuance or termination, provided that, subject to Section 8(b), Section 8(c) and Section 8(d), any such amendment, alteration, suspension,

discontinuance or termination may apply to outstanding Awards with the consent of the Corporation and the applicable Participants. Without limiting the generality of the foregoing, the Board may, without Shareholder approval, amend or alter the Plan or Awards to reflect amendments or alterations:

- (i) of a "housekeeping" nature;
- (ii) to change the termination provisions of Options which does not entail an extension beyond the original Expiry Date;
- (iii) to comply with any Exchange requirements;
- (iv) amendments necessary for Awards to be effective or comply with applicable laws;
- (v) respecting administration of the Plan or Awards (including suspension or termination of the Plan); or
- (vi) to correct any ambiguity, error or omission in the Plan or any Award,

provided that, without Shareholder approval (in accordance with applicable Exchange requirements) no amendment or alteration shall:

- (A) increase the total number of Shares reserved for issuance under the Plan;
- (B) reduce the exercise price of, or cancel and reissue, Awards granted to Participants of the Corporation or extend the term of any Award granted to Participants of the Corporation, except in connection with a Blackout Restriction Period;
- (C) have the effect of cancelling any Awards and concurrently reissuing such Awards on different (or substantially similar) terms;
- (D) remove or exceed the Insider Participation Limits;
- (E) remove or exceed the NED Participation Limits;
- (F) amend these amendment provisions;
- (G) modify or amend the provisions of the Plan in any manner which would permit Awards, including those previously granted, to be transferable or assignable in a manner otherwise than as provided for by Section 9(e); or
- (H) change the eligible Service Providers under the Plan which would have the potential of broadening or increasing participation by Insiders.

- (b) **Amendments to Awards.** Subject to Section 8(a), the Board may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any Award previously granted, prospectively or retroactively; provided, however, that, subject to the Corporation's rights to adjust Awards under Section 8(c) and Section 8(d), any amendment, alteration, suspension, discontinuation, cancellation or termination that would impair the rights of any Participant or holder or Beneficiary of any Award previously granted, will not (to that extent) be effective without the consent of the Participant or holder or Beneficiary of an Award, as the case may be.

- (c) **Adjustment of Awards upon Certain Acquisitions.** In the event the Corporation or any Affiliate assumes outstanding employee awards or the right or obligation to make future awards in connection with the acquisition of another business or entity, the Board may, subject to Section 8(a) and applicable Exchange requirements (including approval of the Exchange), make any adjustments, not inconsistent with the terms of the Plan, in the terms of Awards as it deems appropriate in order to achieve reasonable comparability or other equitable relationship between the assumed awards and the Awards granted under the Plan as so adjusted.
- (d) **Adjustments of Awards in Certain Circumstances.** Subject to Section 8(a) and applicable Exchange requirements (including approval of the Exchange), the Board is authorized to make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of particular events (including, without limitation, the events described in Sections 4(c) and 4(d)) affecting the Corporation or any Affiliate, the financial statements of the Corporation or any Affiliate, or changes in applicable laws, regulations, or accounting principles, whenever the Board determines such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

9. General Provisions

- (a) **Acceleration.** Subject to Section 8(a), the Board may, in its sole discretion, at any time permit the acceleration of vesting of any or all Awards.
- (b) **Awards May Be Granted Separately or Together.** Awards may, in the sole discretion of the Board, be granted either alone or in addition to, in tandem with, or, subject to Section 8(a), in substitution for any other Award. Awards granted in addition to or in tandem with other Awards may be granted either at the same time as or at a different time from the grant of such other Awards.
- (c) **Payment.** Subject to the terms of the Plan and any applicable Award Agreement, payments or transfers to be made by the Corporation or an Affiliate upon the grant, exercise, surrender, redemption, payment or settlement of an Award may be made in such form or forms as the Board may determine, including, without limitation, cash, Shares, other securities, other Awards, or other property, or any combination thereof, and may be made in a single payment or transfer, in installments, or on a deferred basis, in each case in accordance with rules and procedures established by the Board and applicable Exchange requirements (including Exchange approval as required). Such rules and procedures may include, without limitation, provisions for the payment or crediting of reasonable interest on installment or deferred payments.

No Shares or other securities will be delivered pursuant to any Award until payment in full of any amount required to be paid pursuant to the Plan or the applicable Award Agreement is received by the Corporation (in such form as the Corporation may designate).

The Board may provide for financing broker dealers (including payment by the Corporation of commissions) and may establish procedures (including broker dealer assisted cashless exercise) for payment of Applicable Withholding Taxes.

- (d) **Recoupment.** In addition to the applicable requirements of the Code of Business Conduct and Ethics of the Corporation and any other policies of the Corporation, where: (i) the Award received by a Participant or former Participant was calculated based or contingent upon the achievement of certain financial results that were subsequently the subject of or affected by a material restatement of all or a portion of the Corporation's financial statements for any reason other than a change in accounting policy with retroactive effect;

(ii) the Participant or former Participant failed to comply with the Corporation's internal policies or engaged in intentional misconduct, gross negligence or fraud that, in the Board's opinion, caused, or potentially caused, the need for the restatement; and (iii) the Award received would have been lower had the financial results been properly reported, then the Board may, to the extent permitted by applicable laws and applicable Exchange requirements and to the extent it determines it is in the Corporation's best interest to do so, require reimbursement of all or any portion, as may be determined by the Board after a review of relevant facts and circumstances, of an Award(s) received, Shares issued upon exercise of an Option or payment made pursuant to a redemption of a Share Unit by a Participant or former Participant within 36 months of the date of the restatement.

(e) **Limits on Transfer of Awards.**

(i) No Award (or any right thereunder or in respect thereto) may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant otherwise than by will, by the laws of descent or by the designation of a Beneficiary by a Participant and any such purported assignment, alienation, pledge, attachment, sale or other transfer or encumbrance will be void and unenforceable against the Corporation or any Affiliate.

(ii) Each Award, and each right under any Award, will be exercisable during the Participant's lifetime only by the Participant or, if permissible under applicable law, by the Participant's guardian or legal representative.

(f) **Terms of Awards.** Subject to the terms of the Plan, the term of each Award will be for such period as may be determined by the Board; provided, however, that the term of any Options granted pursuant to the Plan shall not exceed a period of five years from the date of grant.

(g) **No Shareholder Rights.** Under no circumstances shall Options, RSUs, PSUs, DSUs, Dividend-Equivalent Rights or any other Award made under the Plan be considered Shares or other securities of the Corporation, nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Shares or other securities of the Corporation, including, without limitation, voting rights or entitlement to rights on liquidation, nor shall any Participant be considered the owner of Shares by virtue of any Award.

(h) **No Right to Awards.** No Participant or other Person will have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of Participants, or holders or Beneficiaries of Awards under the Plan. The terms and conditions of Awards need not be the same with respect to each recipient.

(i) **Taxes and other Withholdings.**

(i) Neither the Corporation nor any Affiliate is liable for any tax or other liabilities or consequences imposed on any Participant (or any Beneficiary) as a result of the granting or crediting, holding, exercise, surrender or redemption of any Awards under this Plan, whether or not such costs are the primary responsibility of the Corporation or Affiliate. It is the responsibility of the Participant (or Beneficiary) to complete and file any tax returns which may be required under any applicable tax laws within the period prescribed by such laws.

(ii) Notwithstanding anything in this Plan, the Corporation or any Affiliate is authorized to and may deduct or withhold from any Award granted, from any payment due, including any Shares issuable, or transfer made under any Award

or under the Plan or from any other compensation, remuneration or other amount owing to a Participant such amount as may be necessary so as to ensure the Corporation and any Affiliate will be able to comply with the applicable provisions of any federal, provincial, state or local law relating to the withholding of tax or other required deductions (the "**Applicable Withholding Taxes**"), and to take any other action as may be necessary in the opinion of the Corporation or Affiliate, acting reasonably, to satisfy all obligations for the payment of those Applicable Withholding Taxes, including, for greater certainty, requiring a Participant, as a condition to the exercise or redemption of an Award, to deliver or pay to the Corporation or Affiliate, as applicable, an amount equal to any Applicable Withholding Taxes. The Corporation or Affiliate may sell any Shares withheld in respect of a Participant, in such manner and on such terms as it deems appropriate, and shall apply the proceeds of such sale to the payment of Applicable Withholding Taxes or other amounts, and shall not be liable for any inadequacy or deficiency in the proceeds received or any amounts that would have been received, had such Shares been sold in a different manner or on different terms. Any residual proceeds shall be released to the Participant.

- (j) **Collection of Personal Information.** Each Participant shall provide the Corporation with all information that may be required in order to administer the Plan and (or) Awards. The Corporation may from time-to-time transfer or provide access to such information to the Board and (or) a third party service provider for purposes of the administration of the Plan and (or) Awards, provided that such service providers will be provided with such information for the sole purpose of providing such services to the Corporation. By participating in the Plan, each Participant acknowledges that information may be so provided and agrees to its provision on the terms set forth herein. Except as specifically contemplated in this Section 9(k), the Corporation and the Board shall not disclose the personal information of a Participant except: (i) in response to regulatory filings or other requirements for the information by the Exchange or a governmental authority with jurisdiction over the Corporation; (ii) for the purpose of complying with a subpoena, warrant or other order by a court or body having jurisdiction to compel production of the information; or (iii) as otherwise required by law. In addition, personal information of Participants may be disclosed or transferred to another party during the course of, or completion of, a change in ownership of, or the grant of a security interest in, all or a part of the Shares or assets of the Corporation or its Affiliates including through an asset or share sale, or other form of business combination, merger or joint venture, provided that such party is bound by appropriate confidentiality obligations.
- (k) **No Right to Employment.** The grant of an Award will not be construed as giving a Participant the right to be retained in the employ of, as an officer or director of, the Corporation or any Affiliate. Further, the Corporation or an Affiliate may at any time dismiss a Participant from employment, or as an officer or director, free from any liability, or any claim under the Plan, unless otherwise expressly provided in the Plan, any Award Agreement or any written employment contract between the Corporation and the Service Provider.
- (l) **No Right to Consultancy.** The grant of an Award will not be construed as giving a Participant the right to be retained in the service of the Corporation or any Affiliate.
- (m) **Other Employee Benefits.** The amount of any compensation received or deemed to be received by a Participant as a result of the Participant's participation in the Plan will not constitute compensation, earnings or wages with respect to which any other employee benefits of that Participant are determined, including, without limitation, benefits under any bonus, pension, profit-sharing, insurance, termination, severance or salary continuation plan or any other employee benefit plans, nor under any applicable employment standards or other legislation, except as otherwise specifically determined

by the Board Except as otherwise provided in the applicable Award Agreement or a written employment contract between the Corporation (or an Affiliate) and a Participant.

- (n) **Governing Law.** The validity, construction, and effect of the Plan and any rules and regulations relating to the Plan will be determined in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable in Alberta.
- (o) **Severability.** If any provision of the Plan or any Award is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction, that provision will be construed or deemed amended to conform to applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Board, materially altering the intent of the Plan or the Award, that provision will be stricken and the remainder of the Plan and any such Award will remain in full force and effect.
- (p) **No Trust or Fund Created.** The Plan shall be unfunded in all respects. Neither the Plan nor any Award will create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Corporation or any Affiliate and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Corporation or any Affiliate pursuant to an Award, that right will be no greater than the right of any unsecured general creditor of the Corporation or any Affiliate.
- (q) **No Fractional Shares.** No fractional Shares will be issued or delivered pursuant to the Plan or any Award, and, except as otherwise provided, the Board will determine whether cash, other securities, or other property will be paid or transferred in lieu of any fractional Shares or whether those fractional Shares or any rights thereto will be canceled, terminated, or otherwise eliminated.
- (r) **Headings.** Headings are given to the Sections and subsections of the Plan solely as a convenience to facilitate reference. Those headings will not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision of the Plan.

10. Effective Date of Plan

The Plan shall be effective as of May 31, 2022 (the "**Effective Date**").