
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE
SECURITIES EXCHANGE ACT OF 1934**

For the month of January, 2022

Commission File Number 001-35078

POINTS.COM INC.

(Translation of registrant's name into English)

**111 Richmond Street West, Suite 700
Toronto, ON, M5H 2G4, Canada**

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Exhibits 99.1 to 99.8 to this report, furnished on Form 6-K, is furnished, not filed, and will not be incorporated by reference into any registration statement filed by the registrant under the Securities Act of 1933, as amended.

EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
<u>99.1</u>	<u>Material Change Report dated January 4, 2022</u>
<u>99.2</u>	<u>Notice of Change in Corporate Structure dated January 4, 2022</u>
<u>99.3</u>	<u>Articles of Amalgamation dated January 1, 2022</u>
<u>99.4</u>	<u>By-Law "A" adopted and confirmed on January 1, 2022</u>
<u>99.5</u>	<u>By-Law No. 1 adopted and confirmed on January 1, 2022</u>
<u>99.6</u>	<u>By-Law No. 2 adopted and confirmed on January 1, 2022</u>
<u>99.7</u>	<u>By-Law No. 3 adopted and confirmed on January 1, 2022</u>
<u>99.8</u>	<u>By-Law No. 4 adopted and confirmed on January 1, 2022</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

POINTS.COM INC.

Date: January 4, 2022

By: /s/ Erick Georgiou
Name: Erick Georgiou
Title: Chief Financial Officer

FORM 51-102F3

**MATERIAL CHANGE REPORT
NATIONAL INSTRUMENT 51-102**

ITEM 1 Name and Address of Company

Points.com Inc., formerly Points International Ltd. ("**Points**")
111 Richmond Street West, Suite 700
Toronto, Ontario, M5H 2G4

ITEM 2 Date of Material Change

January 1, 2022

ITEM 3 News Release

A news release with respect to the material change referred to in this report was disseminated on January 4, 2022 through newswires in Canada and the United States, a copy of which has been filed and is available for review on SEDAR at www.sedar.com and EDGAR at www.sec.gov.

ITEM 4 Summary of Material Change

Points International Ltd. completed the amalgamation with its wholly-owned subsidiary Points.com Inc. effective January 1, 2022. The amalgamated entity continued under the name "Points.com Inc."

ITEM 5 Full Description of Material Change

5.1 Full Description of Material Change

Points International Ltd. completed the amalgamation with its wholly-owned subsidiary Points.com Inc. effective January 1, 2022. The amalgamated entity continued under the name "Points.com Inc." and its trading symbols on the TSX and Nasdaq remain unchanged. The amalgamation was undertaken in order to optimize Points' corporate tax structure.

5.2 Disclosure for Restructuring Transactions

Not applicable.

ITEM 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

ITEM 7 Omitted Information

Not applicable.

ITEM 8 Executive Officer

For further information, please contact:

Erick Georgiou
Chief Financial Officer
erick.georgiou@points.com
416 595-0000

ITEM 9 Date of Report

January 4, 2022

NOTICE OF CHANGE IN CORPORATE STRUCTURE
Section 4.9 of National Instrument 51-102

ITEM 1: Names of the parties to the transaction

Points.com Inc., formerly Points International Ltd. ("**Points**"), and Points.com Inc., a former wholly-owned subsidiary of Points International Ltd.

ITEM 2: Description of the transaction

Points International Ltd. completed the amalgamation with its wholly-owned subsidiary Points.com Inc. effective January 1, 2022. The amalgamated entity continued under the name "Points.com Inc." and its trading symbols on the TSX and Nasdaq remain unchanged. The amalgamation was undertaken in order to optimize Points' corporate tax structure.

ITEM 3: Effective date of the transaction

January 1, 2022.

ITEM 4: Names of each party, if any, that ceased to be a reporting issuer after the transaction and of each continuing entity

Not applicable.

ITEM 5: Date of reporting issuer's first financial year-end after the transaction (if paragraph (a) or subparagraph (b)(ii) of section 4.9 applies)

Not applicable.

ITEM 6: Periods, including comparative periods, if any, of the interim financial reports and annual financial statements required to be filed for the reporting issuer's first financial year after the transaction (if paragraph (a) or subparagraph (b)(ii) of section 4.9 applies)

Not applicable.

ITEM 7: Documents filed under NI 51-102 that described the transaction and where those documents can be found in electronic format (if paragraph (a) or subparagraph (b)(ii) of section 4.9 applies)

Not applicable.

DATED January 4, 2022.



Certificate of Amalgamation

Canada Business Corporations Act

Certificat de fusion

Loi canadienne sur les sociétés par actions

Points.com Inc.

Corporate name / Dénomination sociale

1361236-8

Corporation number / Numéro de société

I HEREBY CERTIFY that the above-named corporation resulted from an amalgamation, under section 185 of the *Canada Business Corporations Act*, of the corporations set out in the attached articles of amalgamation.

JE CERTIFIE que la société susmentionnée est issue d'une fusion, en vertu de l'article 185 de la *Loi canadienne sur les sociétés par actions*, des sociétés dont les dénominations apparaissent dans les statuts de fusion ci-joints.

Isabelle Foley

Deputy Director / Directeur adjoint

2022-01-01

Date of Amalgamation (YYYY-MM-DD)
Date de fusion (AAAA-MM-JJ)

**Canada Business Corporations Act (CBCA)
 FORM 9
 ARTICLES OF AMALGAMATION
 (Section 185)**

1 - Corporate name of the amalgamated corporation

Points.com Inc.

2 - The province or territory in Canada where the registered office is situated (do not indicate the full address)

Ontario

3 - The classes and any maximum number of shares that the corporation is authorized to issue

See attached schedule

4 - Restrictions, if any, on share transfers

None.

5 - Minimum and maximum number of directors (for a fixed number of directors, please indicate the same number in both boxes)

Minimum number Maximum number

6 - Restrictions, if any, on the business the corporation may carry on

None.

7 - Other provisions, if any

See attached schedule

8 - The amalgamation has been approved pursuant to that section or subsection of the Act which is indicated as follows:

<input type="radio"/> 183 - Long form : approved by special resolution of shareholders	<input checked="" type="radio"/> 184(1) - Vertical short-form : approved by resolution of directors	<input type="radio"/> 184(2) - Horizontal short-form : approved by resolution of directors
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9 - Declaration

I hereby certify that I am a director or an authorized officer of the following corporation:

Name of the amalgamating corporations	Corporation number	Signature
Points.com Inc.	1 3 4 7 5 1 1 - 5	<small>Digitally signed by:</small> Rob Maclean <small>2718F728BA1A2</small>
Points International Ltd.	4 2 6 7 9 1 5	<small>Digitally signed by:</small> Rob Maclean <small>2718F728BA1A2</small>

Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding six months or to both (subsection 250(1) of the CBCA).

Schedule

1. the Corporation is authorized to issue an unlimited number of shares designated as Common Shares and an unlimited number of shares designated as Preferred Shares, issuable in series of which:

- (a) one (1) consists of a series designated as the Series One Preferred Share;
- (b) one (1) consists of a series designated as the Series Two Preferred Share (the "**Series 2 Preferred Share**");
- (c) one (1) consists of a series designated as the Series Three Preferred Share (the "**Series 3 Preferred Share**");
- (a) one (1) consists of a series designated as the Series Four Preferred Share (the "**Series 4 Preferred Share**"); and
- (b) one (1) consists of a series designated as the Series Five Preferred Share (the "**Series 5 Preferred Share**").

PREFERRED SHARES

1. **Privileges of Preferred Shares.** The Preferred Shares shall have attached to them, as a class, the rights, privileges, restrictions and conditions as hereinafter set forth.

- (a) The Preferred Shares may from time to time be issued in one or more series and, subject to the following provisions, and subject to the sending of articles of amendment in prescribed form and the issuance of a certificate of amendment in respect thereof, the directors may fix from time to time and before issue of a series of Preferred Shares, the number of shares which are to comprise that series and the designation, rights, privileges, restrictions and conditions to be attached to that series of Preferred Shares including, without limiting the generality of the foregoing, the rate or amount of dividends or the method of calculating dividends, the dates of payment of dividends, the redemption, purchase and/or conversion prices and terms and conditions of redemption, purchase and/or conversion, and any sinking fund or other provisions.
 - (b) The Preferred Shares of each series shall, with respect to the payment of dividends and the distribution of assets or return of capital in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other return of capital or distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs, rank on a parity with the Preferred Shares of every other series and be entitled to preference over the Common Shares and over any other shares of the Corporation ranking junior to the Preferred Shares. The Preferred Shares of any series may also be given other preferences, not inconsistent with these articles, over the Common Shares and any other shares of the Corporation ranking junior to the Preferred Shares of a series as may be fixed in accordance with clause 1(a).
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- (c) If any cumulative dividends or amounts payable on the return of capital in respect of a series of Preferred Shares are not paid in full, all series of Preferred Shares shall participate rateably in respect of accumulated dividends and return of capital.
- (d) Unless the directors otherwise determine in the articles of amendment designating a series of Preferred Shares, the holder of each share of a series of Preferred Shares shall not, as such, be entitled to receive notice of or vote at any meeting of shareholders, except as otherwise specifically provided in the Canada *Business Corporations Act*.

SERIES ONE PREFERRED SHARES

The rights, privileges, restrictions and conditions attaching to the Series One Preferred Shares are as follows:

1. Intentionally deleted.
 2. ***Certain Definitions.*** For the purposes of these Series One Preferred Share provisions, the following terms shall have the following meanings:
 - (a) "**Amended and Restated CIBC Debenture**" means that certain debenture issued by the Corporation to CIBC Capital Partners, a division of the Canadian Imperial Bank of Commerce, on March 15, 2001 as such debenture may be amended and restated from time to time;
 - (b) "**Conversion Event**" means any of:
 - (i) the repayment in full of the principal and accrued interest owing under the Amended and Restated CIBC Debenture (other than in connection with a Liquidation Event or where a dividend is or remains payable pursuant to section 3(a));
 - (ii) the conversion of greater than \$2,000,000 principal amount of the Amended and Restated CIBC Debenture into common shares of the Corporation; or
 - (iii) the payment in full of a dividend pursuant to section 3(a); and
 - (c) "**Dividend Event**" means any of:
 - (i) any merger or consolidation of the Corporation (or a subsidiary of the Corporation which owns all or substantially all of the assets of the Corporation) into or with another corporation (except one in which the holders of shares of the Corporation immediately prior to such merger or consolidation continue to hold at least a majority of the voting power of the shares of the surviving or acquiring corporation);
 - (ii) any Person (other than Canadian Imperial Bank of Commerce) (and such Person's Affiliates and Associates, and any Person acting jointly or in concert with such Person) (collectively, an "**Acquiror**") acquiring greater than 50% of the votes attached to the Corporation's securities entitled to vote for the election of the Corporation's board of directors or greater than 50% of the equity (by value) of the Corporation; or
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(iii) any sale of all or substantially all of the assets of the Corporation;

(d) "**Affiliate**" means an "affiliate" as defined by the *Canada Business Corporations Act*;

(e) "**Associate**" means an "associate" as defined by the *Canada Business Corporations Act*; and

(f) "**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.

3. Dividends Upon Certain Mergers, Consolidations and Asset Sales.

(a) Upon the occurrence of a Dividend Event, the Corporation will pay a cash dividend to the holders of the Series One Preferred Shares in an aggregate amount equal to the amount, if any, by which "A" exceeds "B" where:

(i) "A" is the aggregate amount which would be payable to the holders of Series One Preferred Shares pursuant to section 5 assuming the Corporation dissolved on the date of such Dividend Event; and

(ii) "B" is the amount paid-up on the Series One Preferred Shares.

For the purposes of section 3(a)(i), the value of the assets of the Corporation available for distribution among its shareholders on the dissolution shall be the value attributable to the equity of the Corporation implied by the transaction giving rise to the Dividend Event, as agreed by the Corporation and the holders of the Series One Preferred Shares or, failing such agreement, as determined by a nationally recognized business valuator agreed to by the Corporation and the holders of the Series One Preferred Shares or appointed by a court. For greater certainty, in the case of a transaction described in either (i) or (ii) of the definition of Dividend Event, it is acknowledged that that specific transaction only values the common shares of the Corporation (as opposed to the equity of the Corporation) and appropriate additions are required to value the equity of the Corporation.

(b) In connection with section 3(a):

(i) the Corporation shall not enter into an agreement of merger or consolidation unless such agreement provides for a payment of the dividend to the holders of the Series One Preferred Shares of the amount required by section 3(a);

- (ii) if an Acquiror beneficially owns greater than 50% of the outstanding common shares, in aggregate, but the Corporation cannot legally pay to the holder of the Series One Preferred Shares the dividend required by section 3(a), the Corporation shall pay such amount (or any part thereof) when it is legally able to do so and the unpaid amount shall increase at a rate of 11% per annum, compounded annually; and
 - (iii) the Corporation shall not sell all or substantially all of its assets unless it pays the dividend required by section 3(a) immediately following completion of such sale.
- (c) Other than pursuant to section 3(a), the holders of the Series One Preferred Shares shall not be entitled to receive any dividends.

4. **Voting Rights.** Except as provided for in the *Canada Business Corporations Act*, the holders of Series One Preferred Shares shall not be entitled to any voting rights in respect of their Series One Preferred Shares.

5. **Liquidation, Dissolution or Winding-Up.** In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs (a "**Liquidation Event**") prior to a Conversion Event, the holders of the Series One Preferred Shares shall be entitled to receive from the assets of the Corporation an aggregate of the amount paid-up thereon and \$4,000,000 before any amount shall be paid or any assets of the Corporation distributed to the holders of any common shares or shares of any other class ranking junior to the Series One Preferred Shares. After payment to the holders of the Series One Preferred Shares of the amount so payable to them as provided herein, the holders of the Series One Preferred Shares shall be entitled to share in further distributions of the assets of the Corporation pro rata with the holders of the common shares and any participating shares ranking junior to the Series One Preferred Shares; provided, however, that in no event shall the holders of the Series One Preferred Shares be entitled to receive in excess of \$24,000,000 pursuant to this section 5. For the purposes of determining, in this section 5, pro rata sharing between the holders of Series One Preferred Shares, the holders of the common shares and the holders of any other participating shares ranking junior to the Series One Preferred Shares, the Series One Preferred Shares shall be regarded as being that number of common shares into which the Amended and Restated CIBC Debenture is convertible immediately prior to the Liquidation Event. The payment under this section 5 in excess of the amount paid-up on the Series One Preferred Shares shall be reduced by the amount of any dividends (other than amounts in respect of the increase in the unpaid amount provided in section 3(b)(ii)) previously paid in accordance with section 3.

6. **Automatic Conversion.** On the occurrence of a Conversion Event, all outstanding Series One Preferred Shares shall be deemed, as at the time of such Conversion Event, to be converted into a like number of fully paid and non-assessable common shares of the Corporation and the holders thereof shall be deemed to be the holders of such common shares as of and from such time. Notwithstanding that any such holder shall then be deemed to be the holder of the appropriate number of common shares, the Corporation and the transfer agent shall not be required to deliver certificates representing the common shares until surrender of the certificates representing the Series One Preferred Shares that have been so deemed to have been converted.

7. **Election.** The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate such that no holder of Series One Preferred Shares shall be required to pay tax on dividends received on the Series One Preferred Shares under section 187.2 of Part IV.1 of such *Act* or any successor or replacement provision of similar effect.

SERIES 2 PREFERRED SHARE

The Series 2 Preferred Share shall have the following rights, privileges, restrictions and conditions:

1. Definitions

For the purposes of these Series 2 Preferred Share provisions:

- (a) "**Act**" shall mean the *Canada Business Corporations Act*;
 - (b) "**affiliate**" shall be construed such that one person shall be deemed to be an affiliate of another person if one of them is controlled (directly or indirectly) by the other or both are controlled (directly or indirectly) by the same person or group of persons, and for this purpose "control" shall be construed such that any combination of a person, its affiliates and persons acting jointly or in concert with either of them (the "**Control Group**") shall control another person if the Control Group is the beneficial owner of securities of such person sufficient to elect a majority of the board of directors (or, if the person is not a corporation, any comparable body) of such person;
 - (c) "**Agency**" shall mean any domestic or foreign court, tribunal, federal, state, provincial, or local government or governmental agency or authority or other regulatory authority (include stock exchange and similar regulatory authorities) or administrative agency or commission (including the Ontario Securities Commission and the Securities Exchange Commission) or any elected or appointed public official;
 - (d) "**associate**" shall have the meaning attributed to it for the purposes of the *Securities Act* (Ontario);
 - (e) "**business day**" shall mean every day except a Saturday, Sunday or a day that is a statutory holiday in Toronto, Ontario or a federal holiday in the United States of America;
 - (f) a "**Change of Control**" shall be deemed to have occurred if, before the expiry of the Warrants any combination of a person (other than the holder of the Series 2 Preferred Share), its affiliates or associates and persons acting jointly or in concert with any of them becomes the beneficial owner of shares of the Corporation or any successor to the Corporation sufficient to elect a majority of the board of directors;
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- (g) "**CIBC Debenture**" shall mean the 11% \$6,000,000 convertible debenture, amended and restated as of February 8, 2002, issued by the Corporation to CIBC Capital Partners, a division of Canadian Imperial Bank of Commerce;
 - (h) "**Common Shares**" shall mean common shares in the capital of the Corporation;
 - (i) "**Current Market Price**" shall mean, at any date:
 - (i) if the Common Shares are listed on any Canadian stock exchange, the price per share that is equal to the weighted average of the prices at which the Common Shares have traded in board lots on the TSX Venture Exchange for each of the trading days on which those shares traded falling not more than 20 business days before that date or, if the common shares are not then listed on the TSX Venture Exchange, on the stock exchange on which the Common Shares are then listed and have traded in the greatest volume during the relevant period;
 - (ii) if the Common Shares are not listed on any stock exchange, the weighted average of the prices at which the Common Shares have traded in the over-the-counter market for each of the trading days on which those shares traded falling not more than 20 business days before that date, and
 - (iii) if the Common Shares are not listed on any stock exchange and are not traded in the over-the-counter market, \$0.67 per Common Share (as constituted at the date of the issuance of the Series 2 Preferred Share). If, subsequent to the date of the issuance of the Series 2 Preferred Share, the Corporation takes any action affecting the Common Shares that, in the opinion of the board of directors of the Corporation or the holder of the Series 2 Preferred Share, would adversely affect the rights of the holders of the Series 2 Preferred Share, the Current Market Price shall be adjusted as the board of directors, acting in good faith determines after consultation with an investment dealer or investment bank approved by the holder of the Series 2 Preferred Share (such approval not to be withheld unreasonably), but subject in all cases to any necessary regulatory approvals.
 - (j) "**Equity Shares**" shall mean any shares of the Corporation (other than Common Shares) that confer upon the holder the right to participate in the distribution of assets upon a Liquidation Event and are not restricted to a fixed sum (or to a fixed sum plus accrued but unpaid dividends) on that distribution.
 - (k) "**Laws**" means all laws, statutes, by-laws, rules, regulations, orders, decrees, ordinances, protocols, codes, guidelines, policies, notices, directions and judgements of any Agency;
 - (l) "**Liquidation Entitlement**" shall mean an amount equal to the greater of (a) the subscription price of the Series 2 Preferred Share plus a return on that subscription price equal to 7% per annum, calculated on a daily basis from the date of issue of the Series 2 Preferred Share to the date of the Liquidation Event and (b) the product of the number of Underlying Shares and the per share amount to be distributed to the holders of the Common Shares upon the Liquidation Event after giving effect to any payments to be paid on the Series 2 Preferred Share and any other shares (other than the Series 2 Preferred Share) ranking prior to the Common Shares upon the Liquidation Event;
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- (m) "**Liquidation Event**" shall mean the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary;
 - (n) "**Parent**" means USA Interactive, a corporation incorporated under the laws of Delaware, and any successors thereto;
 - (o) "**person**" shall mean an individual, corporation, partnership, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity that may be treated as a person under applicable law;
 - (p) "**Redemption Amount**" shall mean (a) in the event of redemption on March 31, 2013, an amount equal to the greater of (i) the subscription price of the Series 2 Preferred Share plus a return on that subscription price equal to 7% per annum, calculated on a daily basis from the date of issue of the Series 2 Preferred Share to the date on which the Series 2 Preferred Share is redeemed in accordance with section 7, and (ii) the product of the number of Underlying Shares and the Current Market Price of the Common Shares on March 31, 2013, and (b) in the event of redemption upon a Change of Control, an amount equal to the greater of 125% of the amount specified in (a)(i), and (ii) the product of the number of Underlying Shares and the greater of (A) the weighted average closing price of the Common Shares on the principal stock exchange on which the Common Shares then are traded for the 10 days ending on the trading day immediately prior to public announcement of the Change of Control, and (B) the fair market value of the consideration paid per Common Share in the transaction resulting in the Change of Control;
 - (q) "**Series One Preferred Share**" shall mean the Series One Preferred Share in the capital of the Corporation;
 - (r) "**Series 3 Preferred Share**" shall mean the Series 3 Preferred Share in the capital of the Corporation;
 - (s) "**Transfer**" shall mean any direct or indirect sale, gift, transfer, assignment, pledge, encumbrance, hypothecation or other disposition in any manner whatsoever;
 - (t) "**Underlying Shares**" shall mean, subject to adjustment in accordance with section 10,18,432,427 Common Shares; and
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- (u) "**Warrants**" shall mean the warrants represented by the common share warrant certificate issued by the Corporation pursuant to the subscription agreement between the Corporation and the Parent dated March 21, 2003.

2. **Ranking**

The Series 2 Preferred Share shall in all respects (including the payment of dividends and distribution of assets upon a Liquidation Event) rank equally with the Series One Preferred Share. If the Corporation would be unable to make any payment or distribution in full in accordance with the terms of the Series One Preferred Share and the Series 2 Preferred Share, that payment or distribution shall be made on a *pro rata* basis, calculated by reference to the amounts that would be received by the holders of the Series One Preferred Share and the Series 2 Preferred Share assuming the payment or distribution of the full amount to be paid or distributed in respect of those shares in accordance with their terms and without any such *pro ration*.

3. **Liquidation, Dissolution or Winding-Up**

In the event of a Liquidation Event, the holder of the Series 2 Preferred Share shall be entitled to receive from the assets of the Corporation an amount equal to the Liquidation Entitlement.

4. **Dividends**

The Corporation shall not declare or pay any dividend on the Common Shares unless it concurrently declares and pays a dividend on the Series 2 Preferred Share in an amount equal to the product of the number of Common Shares comprising the Underlying Shares and the dividend declared or paid per Common Share. Any such dividend shall be paid to the holder of the Series 2 Preferred Share in the same form (cash, shares, other securities or other property) as it is paid to the holders of the Common Shares.

5. **Conversion Right**

The holder of the Series 2 Preferred Share shall have the right, exercisable at any time prior to 5:00pm (local time in Toronto) on March 31, 2013 (and thereafter if the Corporation fails to redeem the Series 2 Preferred Share pursuant to section 7) to convert the Series 2 Preferred Share into the Underlying Shares. All of the Underlying Shares shall be issued as fully paid and non-assessable. This conversion right may be exercised by the holder of the Series 2 Preferred Share delivering to the Corporation the certificate for the Series 2 Preferred Share together with a notice in writing (the "**Conversion Notice**") confirming the intention of the holder to convert the Series 2 Preferred Share and specifying the date (which shall be at least two business days following the delivery of the notice) on which that conversion is to be effective (the "**Conversion Date**") and the address to which the certificates for the Underlying Shares are to be delivered. The Underlying Shares shall be, and shall be deemed to be, issued to the holder of the Series 2 Preferred Share on the Conversion Date and the holder of the Series 2 Preferred Share shall be deemed to be the registered holder of the Underlying Shares, and shall be deemed to have ceased to be the registered holder of the Series 2 Preferred Share, for all purposes effective the Conversion Date. The Corporation shall promptly, and in any event within three business days after the Conversion Date, deliver to the address specified by the holder of the Series 2 Preferred Share in the Conversion Notice certificates evidencing the Underlying Shares.

6. Automatic Conversion

The Series 2 Preferred Share shall be (and shall be deemed to be) automatically converted into one Series 3 Preferred Share on the date that the Series 2 Preferred Share is Transferred by the holder to a person that is not an affiliate of the Parent or the holder ceases to be an affiliate of the Parent. The Series 3 Preferred Share shall be, and shall be deemed to be, issued to the former holder of the Series 2 Preferred Share on the date of automatic conversion, and the former holder of the Series 2 Preferred Share shall be deemed to be the registered holder of the Series 3 Preferred Share and shall be deemed to have ceased to be the registered holder of the Series 2 Preferred Share for all purposes effective the date of automatic conversion. Notwithstanding that the holder shall then be deemed to be the holder of the Series 3 Preferred Share, the Corporation and the transfer agent shall not be required to deliver a certificate representing the Series 3 Preferred Share until three business days following surrender of the certificate representing the converted Series 2 Preferred Share.

7. Redemption

Unless a Conversion Notice has been delivered to the Corporation or the Series 2 Preferred Share has been converted under section 6, the Corporation shall, subject to subsection 32(2) of the Act, redeem the Series 2 Preferred Share upon the earlier of March 31, 2013 and the third business day following a Change of Control. If the Corporation is precluded from redeeming the Series 2 Preferred Share on that date as a result of subsection 32(2) of the Act, it shall redeem the Series 2 Preferred Share as soon as it ceases to be precluded from doing so pursuant to that subsection. At least three business days before the date specified for redemption (the "**Redemption Date**") of the Series 2 Preferred Share, the Corporation shall deliver to the holder a notice in writing (the "**Redemption Notice**") of the intention of the Corporation to redeem the Series 2 Preferred Share. The Redemption Notice shall set out the Redemption Amount, the details of its calculation and the Redemption Date. On the Redemption Date, the Corporation shall deliver to the holder of the Series 2 Preferred Share at its address on the register maintained by the Corporation or such other address as the holder of the Series 2 Preferred Share may have notified the Corporation in writing a certified cheque or bank draft payable to the holder in an amount equal to the Redemption Amount. On and after the Redemption Date, the Series 2 Preferred Share shall cease to be entitled to dividends or any other participation in the assets of the Corporation and the holder shall cease to be a shareholder in respect of the Series 2 Preferred Share and shall not be entitled to exercise any of the rights of shareholders in respect of the Series 2 Preferred Share, unless the Redemption Amount is not paid as provided in this section, in which case the rights of the holder shall remain unaffected. The holder of the Series 2 Preferred Share may, in its sole discretion, waive or consent to the abridgment of the Redemption Notice.

8. Voting Rights

The holder of the Series 2 Preferred Share shall be entitled to receive, concurrently with its first dissemination, notice of all meetings of shareholders of the Corporation and to attend all meetings of shareholders of the Corporation. In addition to the right to vote separately as a series and as part of a class of shares to the fullest extent permitted under applicable law and the right provided in section 9(b), the holder of the Series 2 Preferred Share shall be entitled to vote, together with the holders of Common Shares, on all matters at all meetings of holders of Common Shares. In each case, the holder of the Series 2 Preferred Share shall be entitled to cast that number of votes equal to the number of Underlying Shares, provided that until Warrants have been exercised, in whole or in part, that number of votes shall not exceed 19.9% of the total number of votes that then may be cast at meetings of holders of Common Shares.

9. Board Representation

So long as the Series 2 Preferred Share is outstanding, unless otherwise approved the holder of the Series 2 Preferred Share, voting separately and as a series:

- (a) the board of directors of the Corporation shall be comprised of not more than the maximum number of directors permitted under the Articles of the Corporation and, subject to compliance with applicable Laws, each committee of the board of directors of the Corporation, other than any independent committee formed in connection with matters that relate to the holder of the Series 2 Preferred Share or its affiliates, shall be comprised of not more than four directors, and the Corporation shall not permit any committee of the board of directors of any subsidiary of the Corporation, other than any independent committee formed in connection with matters that relate to the holder of the Series 2 Preferred Share or its affiliates, to be comprised of more than four directors;
 - (b) the board of directors of the Corporation shall include two directors (who need not be "resident Canadians", as defined in the Act) elected by the holder of the Series 2 Preferred Share, voting separately and as a series;
 - (c) except as required by applicable Laws, every committee of the board of directors of the Corporation, other than any independent committee formed in connection with matters that relate to the holder of the Series 2 Preferred Share or its affiliates, shall include one of the directors elected by the holder of the Series 2 Preferred Share;
 - (d) except as required by applicable Laws, the Corporation shall not permit the board of directors of any subsidiary of the Corporation to be constituted without one of the individuals elected by the holder of the Series 2 Preferred Share as a director of the Corporation; and
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- (e) except as required by applicable Laws, the Corporation shall not permit any committee of the board of directors of any subsidiary of the Corporation, other than any independent committee formed in connection with matters that relate to the holder of the Series 2 Preferred Share or its affiliates, to be constituted without one of the individuals elected by the holder of the Series 2 Preferred Share as a director of the Corporation.

10. Anti-Dilution

- (a) If, before the Conversion Date, the Corporation:
 - (i) issues Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all the holders of the Common Shares as a stock dividend;
 - (ii) makes a distribution on the Common Shares payable in Common Shares or securities exchangeable for or convertible into Common Shares (other than as dividends paid in the ordinary course);
 - (iii) divides its outstanding Common Shares into a greater number of shares; or
 - (iv) consolidates its outstanding Common Shares into a smaller number of shares,

(any of these events being a "**Common Share Reorganization**"), the holder of the Series 2 Preferred Share shall be entitled to receive and shall accept in lieu of the Underlying Shares that it would have received on the Conversion Date, the aggregate number of shares that it would have been entitled to receive as a result of the Common Share Reorganization if, on the effective date of the Common Share Reorganization, the holder the Series 2 Preferred Share had been the holder of the Underlying Shares that it otherwise would have received on the Conversion Date.

- (b) If, before the Conversion Date, the Corporation fixes a record date for the issue of rights, options or warrants to all or substantially all of the holders of the Common Shares or to all or substantially all of the holders of the Common Shares resident in Canada under which those holders are entitled, during a period expiring not more than forty-five days after the record date for that issue (the "**Rights Period**"), to subscribe for or purchase Common Shares or securities exchangeable for or convertible into Common Shares at a price per share (or an exchange or conversion price per share during the Rights Period in the case of securities exchangeable or convertible into Common Shares) of less than 95% of the Current Market Price for the Common Shares on that record date (any of these events being a "**Rights Offering**"), the number of Underlying Shares shall be adjusted effective immediately after the end of the Rights Period to a number determined by multiplying the number of Underlying Shares in effect immediately prior to the end of the Rights Period by a fraction:
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- (i) the numerator of which shall be the number of Common Shares outstanding, or the number of Common Shares that would be outstanding if the convertible or exchangeable securities issued in connection with the Rights Offering were converted into or exchanged for Common Shares during the Rights Period, in both cases after giving effect to the Rights Offering and including the number of Common Shares actually issued or subscribed for during the Rights Period upon exercise of the rights, warrants or options under the Rights Offering; and
- (ii) the denominator of which shall be the aggregate of:
 - (A) the number of Common Shares outstanding as of the record date for the Rights Offering; and
 - (B) a number determined by dividing:(1) either: (a) the product of the number of Common Shares issued or subscribed for during the Rights Period upon the exercise of the rights, warrants, or options under the Rights Offering and the price at which those Common Shares are offered, or (b) the product of the exchange or conversion price of the securities offered and the number of Common Shares for or into which the securities offered pursuant to the Rights Offering could have been exchanged or converted during the Rights Period; by (2) the Current Market Price of the Common Shares as of the fifth trading day preceding the record date for the Rights Offering.

Any Common Shares owned by or held for the account of the Corporation or any subsidiary of the Corporation shall be deemed not to be outstanding for the purpose of this computation.

- (c) If, before the Conversion Date, the Corporation fixes a record date for the issue or the distribution to all or substantially all the holders of the Common Shares or all or substantially all of the holders of the Common Shares resident in Canada of securities of the Corporation (including rights, options or warrants to acquire Equity Shares or securities exchangeable for or convertible into Equity Shares or property or assets and including evidences of indebtedness) or any property or other assets (including cash and securities of other persons) and that issuance or distribution does not constitute a dividend paid in the ordinary course, a Common Share Reorganization or a Rights Offering (any of these non-excluded events being a "**Special Distribution**"), the number of Underlying Shares shall be adjusted effective immediately after that record date to a number determined by multiplying the number of Underlying Shares in effect on that record date by a fraction:
 - (i) the numerator of which shall be the number of Common Shares outstanding on that record date multiplied by the Current Market Price of the Common Shares on that record date; and
 - (ii) the denominator of which shall be:
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- (A) the product of the number of Common Shares outstanding on that record date and the Current Market Price of the Common Shares on that record date; less
- (B) the fair market value, as determined by the board of directors of the Corporation after consultation with a qualified and independent valuator approved by the holder of the Series 2 Preferred Share (such approval not to be withheld unreasonably), of those securities or property or other assets issued or distributed in the Special Distribution to the holders of the Common Shares.

Any Common Shares owned by or held for the account of the Corporation or any subsidiary of the Corporation shall be deemed not to be outstanding for the purpose of this computation.

- (d) If, before the Conversion Date, the Common Shares are reclassified or changed into other shares or other securities (other than pursuant to a Common Share Reorganization), or there is a consolidation, amalgamation or merger of the Corporation with or into any other corporation or other person (other than a consolidation, amalgamation or merger that does not result in any reclassification of the outstanding Common Shares or a change of the Common Shares into other shares), or a transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation or other entity (any of these events being a "**Capital Reorganization**"), if the Series 2 Preferred Share is to be converted after the effective date of that Capital Reorganization, the holder of the Series 2 Preferred Share shall be entitled to receive and shall accept in lieu of the Underlying Shares to which it otherwise was entitled, the aggregate number of shares, other securities or other property that it would have been entitled to receive as a result of that Capital Reorganization if, on the effective date of that Capital Reorganization, the holder of the Series 2 Preferred Share had been the registered holder of the number of Common Shares to which the holder otherwise was entitled upon conversion of the Series 2 Preferred Share. If, in the opinion of the board of directors of the Corporation or the holder of the Series 2 Preferred Share, the rights of the holder of the Series 2 Preferred Share otherwise would be adversely affected, the appropriate adjustments as determined by the board of directors, acting in good faith after consultation with an investment dealer or an investment bank approved by the audit committee of the board of directors of the Corporation (or, if no audit committee is extant, the board of directors of the Corporation) and the holder of the Series 2 Preferred Share (such approvals not to be withheld unreasonably) shall be made in respect of any such Capital Reorganization in the application of the provisions set out in this section 10 with respect to the rights and provisions set out in this section with respect to the rights and interests thereafter of the holder of the Series 2 Preferred Share so that these provisions shall continue to result in corresponding adjustments, in relation to any shares, other securities or other property thereafter deliverable upon the conversion of the Series 2 Preferred Share.
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- (e) If, before the Conversion Date, the Corporation grants or issues (or agrees to grant or issue) Common Shares (other than Common Shares issued pursuant to rights granted or issued by the Corporation prior to March 21, 2003) or securities exchangeable for or convertible into Common Shares to any holders of securities of any of its subsidiaries or issues Common Shares on any conversion of the CIBC Debenture (each such grant or issue being an "**Adjusting Transaction**"), the number of Underlying Shares shall be adjusted effective immediately after the time of each such Adjusting Transaction (each such time being a "**Time of Grant**") to a number determined by adding to the number of Underlying Shares immediately prior to the Time of Grant a number of Underlying Shares equal to (A) the product of (x) the number (the "**Aggregate Number**") that is the aggregate of (aa) the number of Underlying Shares in effect immediately prior to the Time of Grant and (bb) the aggregate number of Common Shares in respect of which subscription forms and the requisite consideration have been delivered to the Corporation pursuant to the Warrants prior to the Time of Grant, and (y) a fraction:
- (A) the numerator of which shall be the number of Common Shares outstanding after the Time of Grant if the Corporation issued Common Shares, or the number of Common Shares that would be outstanding if the convertible or exchangeable securities granted or issued (or agreed to be granted or issued) at the Time of Grant were immediately converted into or exchanged for Common Shares; and
 - (B) the denominator of which shall be the number of Common Shares outstanding immediately prior to the Time of Grant,

minus (B) the Aggregate Number.

Any Common Shares owned by or held for the account of the Corporation or any subsidiary of the Corporation shall be deemed not to be outstanding for the purpose of this computation.

- (f) The adjustments provided for in this section 10 are cumulative and shall be made successively whenever an event referred to therein shall occur, subject to the following:
- (i) No adjustment shall be required to be made in the number of Common Shares issuable upon conversion of the Series 2 Preferred Share unless it would result in a change of at least one share, provided, however, that any adjustments which, except for the provisions of this paragraph (i) would otherwise have been required to be made, shall be carried forward and taken into account in any subsequent adjustment.
 - (ii) No adjustment in the number of Common Shares issuable upon the conversion of the Series 2 Preferred Share shall be made in respect of any event described in section 10 (other than the subdivision or consolidation of Common Shares as part of a Common Share Reorganization), if the holder of the Series 2 Preferred Share is entitled to participate in that event on the same terms as it had converted the Series 2 Preferred Share prior to or on the effective date or record date of the event.
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- (iii) The issue from time to time of Common Shares as dividends paid in the ordinary course of Common Shares to holders of Common Shares who exercise an option or election to receive substantially equivalent dividends in Common Shares in lieu of receiving a cash dividend, shall not to be a Common Share Reorganization.
- (iv) If there is a dispute with respect to adjustments provided for in section 10, that dispute shall be conclusively determined by the Corporation's auditors, or if they are unable or unwilling to act, by such other firm of independent chartered accountants as may be approved by the audit committee of the board of directors of the Corporation (or, if no audit committee is extant, the board of directors of the Corporation) and the holder of the Series 2 Preferred Share (such approvals not to be withheld unreasonably) and the resulting determination shall be binding upon the Corporation, the holder of the Series 2 Preferred Share and all other shareholders of the Corporation.
- (v) If, before the Conversion date, the Corporation takes any action affecting the Common Shares that is not contemplated in section 10 and that in the opinion of the board of directors of the Corporation or the holder of the Series 2 Preferred Share would adversely affect the rights of the holder of the Series 2 Preferred Share, the number of Common Shares issuable upon conversion shall be adjusted as the board of directors, acting in good faith determines after consultation with an investment dealer or investment bank approved by the audit committee of the board of directors of the Corporation (or, if no audit committee is extant, the board of directors of the Corporation) and the holder of the Series 2 Preferred Share (such approvals not to be withheld unreasonably), but subject in all cases to any necessary regulatory approvals or consents.
- (vi) If the Corporation sets a record date to determine the holders of the Common Shares for the purpose of entitling them to receive any dividend or distribution or any subscription or purchase rights and shall, after that date and before the distribution to those shareholders of any such dividend, distribution or subscription or purchase rights, legally abandon its plan to pay or deliver that dividend, distribution or subscription or purchase rights, no adjustment in the number of Common Shares issuable upon conversion of the Series 2 Preferred Share shall be required by reason of the setting of such record date.
- (vii) In the absence of a resolution of the directors fixing a record date for a Special Distribution, the Corporation shall be deemed to have fixed as the record date for that Special Distribution the date on which it is effected.

At least twenty-one days (or such shorter period as may be agreed in writing by the holder of the Series 2 Preferred Share) prior to the effective date or record date, as the case may be, of any event that requires or might require adjustment in any of the rights of the Series 2 Preferred Share (including an adjustment of the number of Underlying Shares), the Corporation shall give notice to the holder of the Series 2 Preferred Share of the particulars of that event and, if determinable, the required adjustment.

11. Approval Rights

So long as the Series 2 Preferred Share is outstanding, unless otherwise approved by the holder of the Series 2 Preferred Share, voting separately and as a series, the Corporation shall not, and shall not permit any of its subsidiaries to:

- (a) create any class or series of securities of the Corporation (including, without limitation, equity, debt or hybrid securities);
- (b) create, incur, assume, or otherwise become directly or indirectly liable upon or in respect of, or suffer to exist, any indebtedness for borrowed money, other than in the ordinary course of business;
- (c) redeem, repurchase, purchase for cancellation or otherwise acquire for value any of its outstanding securities;
- (d) declare or pay dividends or declare or make other distributions on its outstanding securities; or
- (e) amend the Articles of the Corporation, provided that no such approval shall be required for the Corporation to comply with its legal obligations under the terms (as they exist on the date of issue of the Series 2 Preferred Share and as modified by the CIBC Consent Agreement dated March 21, 2003) of the Series One Preferred Share and the CIBC Debenture, or for the holder of the Series One Preferred Share or the CIBC Debenture to exercise their rights thereunder.

12. Election

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate such that no holder of a Series 2 Preferred Share shall be required to pay tax on dividends received, or deemed to be received, on the Series 2 Preferred Share under section 187.2 of Part IV.I of such act or any successor or replacement provision of similar effect.

SERIES 3 PREFERRED SHARE

The Series 3 Preferred Share shall have the following rights, privileges, restrictions and conditions:

1. Definitions

For the purposes of these Series 3 Preferred Share provisions:

- (a) "*Act*" shall mean the *Canada Business Corporations Act*;
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- (b) "**affiliate**" shall be construed such that one person shall be deemed to be an affiliate of another person if one of them is controlled (directly or indirectly) by the other or both are controlled (directly or indirectly) by the same person or group of persons, and for this purpose "control" shall be construed such that any combination of a person, its affiliates and persons acting jointly or in concert with either of them (the "Control Group") shall control another person if the Control Group is the beneficial owner of securities of such person sufficient to elect a majority of the board of directors (or, if the person is not a corporation, any comparable body) of such person;
 - (c) "**associate**" shall have the meaning attributed to it for the purposes of the *Securities Act* (Ontario);
 - (d) "**business day**" shall mean every day except a Saturday, Sunday or a day that is a statutory holiday in Toronto, Ontario or a federal holiday in the United States of America;
 - (e) a "**Change of Control**" shall be deemed to have occurred if, before the expiry of the Warrants any combination of a person (other than the holder of the Series 3 Preferred Share), its affiliates or associates and persons acting jointly or in concert with any of them becomes the beneficial owner of shares of the Corporation or any successor to the Corporation sufficient to elect a majority of the board of directors;
 - (f) "**Liquidation Entitlement**" shall mean an amount equal to the subscription price of the Series 2 Preferred Share plus a return on that subscription price equal to 7% per annum, calculated on a daily basis from the date of issue of the Series 2 Preferred Share to the date of the Liquidation Event;
 - (g) "**Liquidation Event**" shall mean the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary;
 - (h) "**person**" shall mean an individual, corporation, partnership, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity that may be treated as a person under applicable law;
 - (i) "**Redemption Amount**" shall mean (a) in the event of redemption on March 31, 2013, an amount equal to the subscription price of the Series 2 Preferred Share plus a return on that subscription price equal to 7% per annum, calculated on a daily basis from the date of issue of the Series 2 Preferred Share to the date on which the Series 3 Preferred Share is redeemed in accordance with section 4, and (b) in the event of redemption upon a Change of Control, an amount equal to 125% of the amount specified in (a);
 - (j) "**Series One Preferred Share**" shall mean the Series One Preferred Share in the capital of the Corporation;
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- (k) "**Series 2 Preferred Share**" shall mean the Series 2 Preferred Share in the capital of the Corporation; and
- (l) "**Warrants**" shall mean the warrants represented by the common share warrant certificate issued by the Corporation pursuant to the subscription agreement between the Corporation and USA Interactive dated March 21, 2003.

2. **Ranking**

The Series 3 Preferred Share shall in all respects (including the distribution of assets upon a Liquidation Event) rank equally with the Series One Preferred Shares. If the Corporation would be unable to make any payment or distribution in full in accordance with the terms of the Series One Preferred Shares and the Series 3 Preferred Share, that payment or distribution shall be made on a pro rata basis, calculated by reference to the amounts that would be received by the holders of the Series One Preferred Shares and the Series 3 Preferred Share assuming the payment or distribution of the full amount to be paid or distributed in respect of those shares in accordance with their terms and without any such *pro ration*.

3. **Liquidation; Dissolution or Winding-Up**

In the event of a Liquidation Event, the holder of the Series 3 Preferred Share shall be entitled to receive from the assets of the Corporation an amount equal to the Liquidation Entitlement.

4. **Redemption**

The Corporation shall, subject to subsection 32(2) of the Act, redeem the Series 3 Preferred Share upon the earlier of March 31, 2013 and the third business day following a Change of Control. If the Corporation is precluded from redeeming the Series 3 Preferred Share on that date as a result of subsection 32(2) of the Act, it shall redeem the Series 3 Preferred Share as soon as it ceases to be precluded from doing so pursuant to that subsection. At least three business days before the date specified for redemption (the "**Redemption Date**") of the Series 3 Preferred Share, the Corporation shall deliver to the holder a notice in writing (the "**Redemption Notice**") of the intention of the Corporation to redeem the Series 3 Preferred Share. The Redemption Notice shall set out the Redemption Amount, the details of its calculation and the Redemption Date. On the Redemption Date, the Corporation shall deliver to the holder of the Series 3 Preferred Share at its address on the register maintained by the Corporation or such other address as the holder of the Series 3 Preferred Share may have notified the Corporation in writing a certified cheque or bank draft payable to the holder in an amount equal to the Redemption Amount. On and after the Redemption Date, the Series 3 Preferred Share shall cease to be entitled to dividends or any other participation in the assets of the Corporation and the holder shall cease to be a shareholder in respect of the Series 3 Preferred Share and shall not be entitled to exercise any of the rights of shareholders in respect of the Series 3 Preferred Share, unless the Redemption Amount is not paid as provided in this section, in which case the rights of the holder shall remain unaffected. The holder of the Series 3 Preferred Share may, in its sole discretion, waive or consent to the abridgment of the Redemption Notice.

5. Voting Rights

The holder of the Series 3 Preferred Share shall be entitled to vote separately as a series and as part of a class of shares to the fullest extent permitted under applicable law.

6. Election

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate such that no holder of a Series 3 Preferred Share shall be required to pay tax on dividends received, or deemed to be received, on the Series 3 Preferred Share under section 187.2 of Part IV.I of such act or any successor or replacement provision of similar effect.

SERIES FOUR PREFERRED SHARE

The Series Four Preferred Share shall have the following rights, privileges, restrictions and conditions:

1. Definitions

For the purposes of these Series Four Preferred Share provisions:

- (a) "**Act**" shall mean the *Canada Business Corporations Act*;
 - (b) "**affiliate**" shall be construed such that one person shall be deemed to be an affiliate of another person if one of them is controlled (directly or indirectly) by the other or both are controlled (directly or indirectly) by the same person or group of persons, and for this purpose "**control**" shall be construed such that any combination of a person, its affiliates and persons acting jointly or in concert with either of them (the "**Control Group**") shall control another person if the Control Group is the beneficial owner of securities of such person sufficient to elect a majority of the board of directors (or, if the person is not a corporation, any comparable body) of such person;
 - (c) "**Agency**" shall mean any domestic or foreign court, tribunal, federal, state, provincial, or local government or governmental agency or authority or other regulatory authority (include stock exchange and similar regulatory authorities) or administrative agency or commission (including the Ontario Securities Commission and the Securities Exchange Commission) or any elected or appointed public official;
 - (d) "**associate**" shall have the meaning attributed to it for the purposes of the *Securities Act* (Ontario);
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- (e) "**business day**" shall mean every day except a Saturday, Sunday or a day that is a statutory holiday in Toronto, Ontario or a federal holiday in the United States of America;
 - (f) a "**Change of Control**" shall be deemed to have occurred if, before the expiry of the Warrants any combination of a person (other than the holder of the Series Four Preferred Share), its affiliates or associates and persons acting jointly or in concert with any of them becomes the beneficial owner of shares of the Corporation or any successor to the Corporation sufficient to elect a majority of the board of directors;
 - (g) "**CIBC Debenture**" shall mean the 11% \$6,000,000 convertible debenture, amended and restated as of February 8, 2002, issued by the Corporation to CIBC Capital Partners, a division of Canadian Imperial Bank of Commerce, as the same may be amended, amended and restated and transferred from time to time;
 - (h) "**Common Shares**" shall mean common shares in the capital of the Corporation;
 - (i) "**Current Market Price**" shall mean, at any date:
 - (i) if the Common Shares are listed on any Canadian stock exchange, the price per share that is equal to the weighted average of the prices at which the Common Shares have traded in board lots on the Toronto Stock Exchange for each of the trading days on which those shares traded falling not more than 20 business days before that date or, if the common shares are not then listed on the Toronto Stock Exchange, on the stock exchange on which the Common Shares are then listed and have traded in the greatest volume during the relevant period;
 - (ii) if the Common Shares are not listed on any stock exchange, the weighted average of the prices at which the Common Shares have traded in the over-the-counter market for each of the trading days on which those shares traded failing not more than 20 business days before that date, and
 - (iii) if the Common Shares are not listed on any stock exchange and are not traded in the over-the-counter market, \$0.767 per Common Share (as constituted at the date of the issuance of the Series Four Preferred Share). If, subsequent to the date of the issuance of the Series Four Preferred Share, the Corporation takes any action affecting the Common Shares that, in the opinion of the board of directors of the Corporation or the holder of the Series Four Preferred Share, would adversely affect the rights of the holders of the Series Four Preferred Share, the Current Market Price shall be adjusted as the board of directors, acting in good faith determines after consultation with an investment dealer or investment bank approved by the holder of the Series Four Preferred Share (such approval not to be withheld unreasonably), but subject in all cases to any necessary regulatory approvals;
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- (j) "**Equity Shares**" shall mean any shares of the Corporation (other than Common Shares) that confer upon the holder the right to participate in the distribution of assets upon a Liquidation Event and are not restricted to a fixed sum (or to a fixed sum plus accrued but unpaid dividends) on that distribution;
 - (k) "**Laws**" means all laws, statutes, by-laws, rules, regulations, orders, decrees, ordinances, protocols, codes, guidelines, policies, notices, directions and judgements of any Agency;
 - (l) "**Liquidation Entitlement**" shall mean an amount equal to the greater of (a) the subscription price of the Series Four Preferred Share plus a return on that subscription price equal to 7% per annum, calculated on a daily basis from the date of issue of the Series Four Preferred Share to the date of the Liquidation Event and (b) the product of the number of Underlying Shares and the per share amount to be distributed to the holders of the Common Shares upon the Liquidation Event after giving effect to any payments to be paid on the Series Four Preferred Share and any other shares (other than the Series Four Preferred Share) ranking prior to the Common Shares upon the Liquidation Event;
 - (m) "**Liquidation Event**" shall mean the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary;
 - (n) "**Parent**" means InterActiveCorp., a corporation incorporated under the laws of Delaware, and any successors thereto;
 - (o) "**person**" shall mean an individual, corporation, partnership, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity that may be treated as a person under applicable law;
 - (p) "**Redemption Amount**" shall mean (a) in the event of redemption on March 31; 2013, an amount equal to the greater of (i) the subscription price of the Series Four Preferred Share plus a return on that subscription price equal to 7% per annum, calculated on a daily basis from the date of issue of the Series Four Preferred Share to the date on which the Series Four Preferred Share is redeemed in accordance with section 7, and (ii) the product of the number of Underlying Shares and the Current Market Price of the Common Shares on March 31, 2013, and (b) in the event of redemption upon a Change of Control, an amount equal to the greater of (i) 125% of the amount specified in and (ii) the product of the number of Underlying Shares and the greater of (A) the weighted average closing price of the Common Shares on the principal stock exchange on which the Common Shares then are traded for the 10 days ending on the trading day immediately prior to public announcement of the Change of Control, and (B) the fair market value of the consideration paid per Common Share in the transaction resulting in the Change of Control;
 - (q) "**Series One Preferred Share**" shall mean the Series One Preferred Share in the capital of the Corporation;
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- (r) "**Series Two Preferred Share**" shall mean the Series Two Preferred Share in the capital of the Corporation;
- (s) "**Series Five Preferred Share**" shall mean the Series Five Preferred Share in the capital of the Corporation;
- (t) "**Transfer**" shall mean any direct or indirect sale, gift, transfer, assignment, pledge, encumbrance, hypothecation or other disposition in any manner whatsoever;
- (u) "**Underlying Shares**" shall mean, subject to adjustment in accordance with section 10, 4,504,069 Common Shares; and
- (v) "**Warrants**" shall mean the warrants represented by the common share warrant certificate issued by the Corporation pursuant to the subscription agreement between the Corporation and the Parent dated March 21, 2003.

2. **Ranking**

The Series Four Preferred Share shall in all respects (including the payment of dividends and distribution of assets upon a Liquidation Event) rank equally with the Series One Preferred Share and the Series Two Preferred Share. If the Corporation would be unable to make any payment or distribution in full in accordance with the terms of the Series One Preferred Share, the Series Two Preferred Share and the Series Four Preferred Share, that payment or distribution shall be made on a *pro rata* basis, calculated by reference to the amounts that would be received by the holders of the Series One Preferred Share, the Series Two Preferred Share and the Series Four Preferred Share assuming the payment or distribution of the full amount to be paid or distributed in respect of those shares in accordance with their terms and without any such *pro ration*.

3. **Liquidation, Dissolution or Winding-Up**

In the event of a Liquidation Event, the holder of the Series Four Preferred Share shall be entitled to receive from the assets of the Corporation an amount equal to the Liquidation Entitlement.

4. **Dividends**

The Corporation shall not declare or pay any dividend on the Common Shares unless it concurrently declares and pays a dividend on the Series Four Preferred Share in an amount equal to the product of the number of Common Shares comprising the Underlying Shares and the dividend declared or paid per Common Share. Any such dividend shall be paid to the holder of the Series Four Preferred Share in the same form (cash, shares, other securities or other property) as it is paid to the holders of the Common Shares.

5. **Conversion Right**

The holder of the Series Four Preferred Share shall have the right, exercisable at any time prior to 5:00pm (local time in Toronto) on March 31, 2013 (and thereafter if the Corporation fails to redeem the Series Four Preferred Share pursuant to section 7) to convert the Series Four Preferred Share into the Underlying Shares. All of the Underlying Shares shall be issued as fully paid and non-assessable. This conversion right may be exercised by the holder of the Series Four Preferred Share delivering to the Corporation the certificate for the Series Four Preferred Share together with a notice in writing (the "**Conversion Notice**") confirming the intention of the holder to convert the Series Four Preferred Share and specifying the date (which shall be at least two business days following the delivery of the notice) on which that conversion is to be effective (the "**Conversion Date**") and the address to which the certificates for the Underlying Shares are to be delivered. The Underlying Shares shall be, and shall be deemed to be, issued to the holder of the Series Four Preferred Share on the Conversion Date and the holder of the Series Four Preferred Share shall be deemed to be the registered holder of the Underlying Shares, and shall be deemed to have ceased to be the registered holder of the Series Four Preferred Share, for all purposes effective the Conversion Date. The Corporation shall promptly, and in any event within three business days after the Conversion Date, deliver to the address specified by the holder of the Series Four Preferred Share in the Conversion Notice certificates evidencing the Underlying Shares.

6. Automatic Conversion

The Series Four Preferred Share shall be (and shall be deemed to be) automatically converted into one Series Five Preferred Share on the date that the Series Four Preferred Share is Transferred by the holder to a person that is not an affiliate of the Parent or the holder ceases to be an affiliate of the Parent. The Series Five Preferred Share shall be, and shall be deemed to be, issued to the former holder of the Series Four Preferred Share on the date of automatic conversion, and the former holder of the Series Four Preferred Share shall be deemed to be the registered holder of the Series Five Preferred Share and shall be deemed to have ceased to be the registered holder of the Series Four Preferred Share for all purposes effective the date of automatic conversion. Notwithstanding that the holder shall then be deemed to be the holder of the Series Five Preferred Share, the Corporation and the transfer agent shall not be required to deliver a certificate representing the Series Five Preferred Share until three business days following surrender of the certificate representing the converted Series Four Preferred Share.

7. Redemption

Unless a Conversion Notice has been delivered to the Corporation or the Series Four Preferred Share has been converted under section 6, the Corporation shall, subject to subsection 32(2) of the Act, redeem the Series Four Preferred Share upon the earlier of March 31, 2013 and the third business day following a Change of Control. If the Corporation is precluded from redeeming the Series Four Preferred Share on that date as a result of subsection 32(2) of the Act, it shall redeem the Series Four Preferred Share as soon as it ceases to be precluded from doing so pursuant to that subsection. At least three business days before the date specified for redemption (the "**Redemption Date**") of the Series Four Preferred Share, the Corporation shall deliver to the holder a notice in writing (the "**Redemption Notice**") of the intention of the Corporation to redeem the Series Four Preferred Share. The Redemption Notice shall set out the Redemption Amount, the details of its calculation and the Redemption Date. On the Redemption Date, the Corporation shall deliver to the holder of the Series Four Preferred Share at its address on the register maintained by the Corporation or such other address as the holder of the Series Four Preferred Share may have notified the Corporation in writing a certified cheque or bank draft payable to the holder in an amount equal to the Redemption Amount. On and after the Redemption Date, the Series Four Preferred Share shall cease to be entitled to dividends or any other participation in the assets of the Corporation and the holder shall cease to be a shareholder in respect of the Series Four Preferred Share and shall not be entitled to exercise any of the rights of shareholders in respect of the Series Four Preferred Share, unless the Redemption Amount is not paid as provided in this section, in which case the rights of the holder shall remain unaffected. The holder of the Series Four Preferred Share may, in its sole discretion, waive or consent to the abridgment of the Redemption Notice

8. Voting Rights

The holder of the Series Four Preferred Share shall be entitled to receive; concurrently with its first dissemination, notice of all meetings of shareholders of the Corporation and to attend all meetings of shareholders of the Corporation. In addition to the right to vote separately as a series and as part of a class of shares to the fullest extent permitted under applicable law and the right provided in section 9, the holder of the Series Four Preferred Share shall be entitled to vote, together with the holders of Common Shares, on all matters at all meetings of holders of Common Shares. In each case, the holder of the Series Four Preferred Share shall be entitled to cast that number of votes equal to the number of Underlying Shares, provided that until Warrants have been exercised, in whole or in part, that number of votes shall not exceed 19.9% of the total number of votes that then may be cast at meetings of holders of Common Shares less that number of votes that may be cast by the holder of the Series Two Preferred Share and provided further that the number of votes may not be less than zero.

9. Board Representation

So long as the Series Four Preferred Share is outstanding, unless otherwise approved by the holder of the Series Four Preferred Share, voting separately and as a series, the board of directors of the Corporation shall include one director (who need not be a "resident Canadian", as defined in the Act) elected by the holder of the Series Four Preferred Share, voting separately and as a series.

10. Anti-Dilution

(a) If, before the Conversion Date, the Corporation:

- (i) issues Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all the holders of the Common Shares as a stock dividend;
- (ii) makes a distribution on the Common Shares payable in Common Shares or securities exchangeable for or convertible into Common Shares (other than as dividends paid in the ordinary course);
- (iii) divides its outstanding Common Shares into a greater number of shares; or
- (iv) consolidates its outstanding Common Shares into a smaller number of shares,

(any of these events being a "**Common Share Reorganization**"), the holder of the Series Four Preferred Share shall be entitled to receive and shall accept in lieu of the Underlying Shares that it would have received on the Conversion Date, the aggregate number of shares that it would have been entitled to receive as a result of the Common Share Reorganization if, on the effective date of the Common Share Reorganization, the holder the Series Four Preferred Share had been the holder of the Underlying Shares that it otherwise would have received on the Conversion Date.

- (b) If, before the Conversion Date, the Corporation fixes a record date for the issue of rights, options or warrants to all or substantially all of the holders of the Common Shares or to all or substantially all of the holders of the Common Shares resident in Canada under which those holders are entitled, during a period expiring not more than forty-five days after the record date for that issue (the "**Rights Period**"), to subscribe for or purchase Common Shares or securities exchangeable for or convertible into Common Shares at a price per share (or an exchange or conversion price per share during the Rights Period in the case of securities exchangeable or convertible into Common Shares) of less than 95% of the Current Market Price for the Common Shares on that record date (any of these events being a "**Rights Offering**"), the number of Underlying Shares shall be adjusted effective immediately after the end of the Rights Period to a number determined by multiplying the number of Underlying Shares in effect immediately prior to the end of the Rights Period by a fraction:
- (i) the numerator of which shall be the number of Common Shares outstanding, or the number of Common Shares that would be outstanding if the convertible or exchangeable securities issued in connection with the Rights Offering were converted into or exchanged for Common Shares during the Rights Period, in both cases after giving effect to the Rights Offering and including the number of Common Shares actually issued or subscribed for during the Rights Period upon exercise of the rights, warrants or options under the Rights Offering; and
 - (ii) the denominator of which shall be the aggregate of:
 - (A) the number of Common Shares outstanding as of the record date for the Rights Offering; and
 - (B) a number determined by dividing: (1) either: (a) the product of the number of Common Shares issued or subscribed for during the Rights Period upon the exercise of the rights, warrants, or options under the Rights Offering and the price at which those Common Shares are offered, or (b) the product of the exchange or conversion price of the securities offered and the number of Common Shares for or into which the securities offered pursuant to the Rights Offering could have been exchanged or converted during the Rights Period; by (2) the Current Market Price of the Common Shares as of the fifth trading day preceding the record date for the Rights Offering.
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Any Common Shares owned by or held for the account of the Corporation or any subsidiary of the Corporation shall be deemed not to be outstanding for the purpose of this computation.

- (c) If, before the Conversion Date, the Corporation fixes a record date for the issue or the distribution to all or substantially all the holders of the Common Shares or all or substantially all of the holders of the Common Shares resident in Canada of securities of the Corporation (including rights, options or warrants to acquire Equity Shares or securities exchangeable for or convertible into Equity Shares or property or assets and including evidences of indebtedness) or any property or other assets (including cash and securities of other persons) and that issuance or distribution does not constitute a dividend paid in the ordinary course, a Common Share Reorganization or a Rights Offering (any of these non-excluded events being a "**Special Distribution**"), the number of Underlying Shares shall be adjusted effective immediately after that record date to a number determined by multiplying the number of Underlying Shares in effect on that record date by a fraction:
- (i) the numerator of which shall be the number of Common Shares outstanding on that record date multiplied by the Current Market Price of the Common Shares on that record date; and
 - (ii) the denominator of which shall be:
 - (A) the product of the number of Common Shares outstanding on that record date and the Current Market Price of the Common Shares on that record date; less
 - (B) the fair market value, as determined by the board of directors of the Corporation after consultation with a qualified and independent valuator approved by the holder of the Series Four Preferred Share (such approval not to be withheld unreasonably), of those securities or property or other assets issued or distributed in the Special Distribution to the holders of the Common Shares.

Any Common Shares owned by or held for the account of the Corporation or any subsidiary of the Corporation shall be deemed not to be outstanding for the purpose of this computation.

- (d) If, before the Conversion Date, the Common Shares are reclassified or changed into other shares or other securities (other than pursuant to a Common Share Reorganization), or there is a consolidation, amalgamation or merger of the Corporation with or into any other corporation or other person (other than a consolidation, amalgamation or merger that does not result in any reclassification of the outstanding Common Shares or a change of the Common Shares into other shares), or a transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation or other entity (any of these events being a "**Capital Reorganization**"), if the Series Four Preferred Share is to be converted after the effective date of that Capital Reorganization, the holder of the Series Four Preferred Share shall be entitled to receive and shall accept in lieu of the Underlying Shares to which it otherwise was entitled, the aggregate number of shares, other securities or other property that it would have been entitled to receive as a result of that Capital Reorganization if, on the effective date of that Capital Reorganization, the holder of the Series Four Preferred Share had been the registered holder of the number of Common Shares to which the holder otherwise was entitled upon conversion of the Series Four Preferred Share. If, in the opinion of the board of directors of the Corporation or the holder of the Series Four Preferred Share, the rights of the holder of the Series Four Preferred Share otherwise would be adversely affected, the appropriate adjustments as determined by the board of directors, acting in good faith after consultation with an investment dealer or an investment bank approved by the audit committee of the board of directors of the Corporation (or, if no audit committee is extant, the board of directors of the Corporation) and the holder of the Series Four Preferred Share (such approvals not to be withheld unreasonably) shall be made in respect of any such Capital Reorganization in the application of the provisions set out in this section 10 with respect to the rights and provisions set out in this section with respect to the rights and interests thereafter of the holder of the Series Four Preferred Share so that these provisions shall continue to result in corresponding adjustments, in relation to any shares, other securities or other property thereafter deliverable upon the conversion of the Series Four Preferred Share.
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- (e) If, before the Conversion Date, the Corporation grants or issues (or agrees to grant or issue) Common Shares (other than Common Shares issued pursuant to rights granted or issued by the Corporation prior to March 21, 2003) or securities exchangeable for or convertible into Common Shares to any holders of securities of any of its subsidiaries or issues Common Shares on any conversion of the CIBC Debenture (each such grant or issue being an "**Adjusting Transaction**") the number of Underlying Shares shall be adjusted effective immediately after the time of each such Adjusting Transaction (each such time being a "**Time of Grant**") to a number determined by adding to the number of Underlying Shares immediately prior to the Time of Grant a number of Underlying Shares equal to (A) the product of (x) the number (the "**Aggregate Number**") that is the aggregate of (aa) the number of Underlying Shares in effect immediately prior to the Time of Grant and (bb) the aggregate number of Common Shares in respect of which subscription forms and the requisite consideration have been delivered to the Corporation pursuant to the Warrants prior to the Time of Grant, and (y) a fraction:
- (A) the numerator of which shall be the number of Common Shares outstanding after the Time of Grant if the Corporation issued Common Shares, or the number of Common Shares that would be outstanding if the convertible or exchangeable securities granted or issued (or agreed to be granted or issued) at the Time of Grant were immediately converted into or exchanged for Common Shares; and
 - (B) the denominator of which shall be the number of Common Shares outstanding immediately prior to the Time of Grant,
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minus (B) the Aggregate Number.

Any Common Shares owned by or held for the account of the Corporation or any subsidiary of the Corporation shall be deemed not to be outstanding for the purpose of this computation.

- (f) The adjustments provided for in this section 10 are cumulative and shall be made successively whenever an event referred to therein shall occur, subject to the following:
- (i) No adjustment shall be required to be made in the number of Common Shares issuable upon conversion of the Series Four Preferred Share unless it would result in a change of at least one share, provided, however, that any adjustments which, except for the provisions of this paragraph (i) would otherwise have been required to be made, shall be carried forward and taken into account in any subsequent adjustment.
 - (ii) No adjustment in the number of Common Shares issuable upon the conversion of the Series Four Preferred Share shall be made in respect of any event described in section 10 (other than the subdivision or consolidation of Common Shares as part of a Common Share Reorganization), if the holder of the Series Four Preferred Share is entitled to participate in that event on the same terms as it had converted the Series Four Preferred Share prior to or on the effective date or record date of the event.
 - (iii) The issue from time to time of Common Shares as dividends paid in the ordinary course of Common Shares to holders of Common Shares who exercise an option or election to receive substantially equivalent dividends in Common Shares in lieu of receiving a cash dividend, shall not to be Common Share Reorganization.
 - (iv) If there is a dispute with respect to adjustments provided for in section 10, that dispute shall be conclusively determined by the Corporation's auditors, or if they are unable or unwilling to act, by such other firm of independent chartered accountants as may be approved by the audit committee of the board of directors of the Corporation (or, if no audit committee is extant, the board of directors of the Corporation) and the holder of the Series Four Preferred Share (such approvals not to be withheld unreasonably) and the resulting determination shall be binding upon the Corporation, the holder of the Series Four Preferred Share and all other shareholders of the Corporation.
 - (v) If, before the Conversion date, the Corporation takes any action affecting the Common Shares that is not contemplated in section 10 and that in the opinion of the board of directors of the Corporation or the holder of the Series Four Preferred Share would adversely affect the rights of the holder of the Series Four Preferred Share, the number of Common Shares issuable upon conversion shall be adjusted as the board of directors, acting in good faith determines after consultation with an investment dealer or investment bank approved by the audit committee of the board of directors of the Corporation (or, if no audit committee is extant, the board of directors of the Corporation) and the holder of the Series Four Preferred Share (such approvals not to be withheld unreasonably), but subject in all cases to any necessary regulatory approvals or consents.
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- (vi) If the Corporation sets a record date to determine the holders of the Common Shares for the purpose of entitling them to receive any dividend or distribution or any subscription or purchase rights and shall, after that date and before the distribution to those shareholders of any such dividend, distribution or subscription or purchase rights, legally abandon its plan to pay or deliver that dividend, distribution or subscription or purchase rights, no adjustment in the number of Common Shares issuable upon conversion of the Series Four Preferred Share shall be required by reason of the setting of such record date.
- (vii) In the absence of a resolution of the directors fixing a record date for a Special Distribution, the Corporation shall be deemed to have fixed as the record date for that Special Distribution the date on which it is effected.

At least twenty-one days (or such shorter period as may be agreed in writing by the holder of the Series Four Preferred Share) prior to the effective date or record date, as the case may be, of any event that requires or might require adjustment in any of the rights of the Series Four Preferred Share (including an adjustment of the number of Underlying Shares), the Corporation shall give notice to the holder of the Series Four Preferred Share of the particulars of that event and, if determinable, the required adjustment.

11. Approval Rights

So long as the Series Four Preferred Share is outstanding, unless otherwise approved by the holder of the Series Four Preferred Share, voting separately and as a series, the Corporation shall not, and shall not permit any of its subsidiaries to:

- (a) create any class or series of securities of the Corporation (including, without limitation, equity, debt or hybrid securities);
- (b) create, incur, assume, or otherwise become directly or indirectly liable upon or in respect of, or suffer to exist, any indebtedness for borrowed money, other than in the ordinary course of business;
- (c) redeem, repurchase, purchase for cancellation or otherwise acquire for value any of its outstanding securities;
- (d) declare or pay dividends or declare or make other distributions on its outstanding securities; or
- (e) amend the Articles of the Corporation,

provided that no such approval shall be required for the Corporation to comply with its legal obligations under the terms (as they exist on the date of issue of the Series Four Preferred Share and as modified by the CIBC Consent Agreement dated March 21, 2003) of the Series One Preferred Share and the CIBC Debenture, or for the holder of the Series One Preferred Share or the CIBC Debenture to exercise their rights thereunder.

12. Election

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate such that no holder of a Series Four Preferred Share shall be required to pay tax on dividends received, or deemed to be received, on the Series Four Preferred Share under section 187.2 of Part IV.I of such act or any successor or replacement provision of similar effect.

SERIES FIVE PREFERRED SHARE

The Series Five Preferred Share shall have the following rights, privileges, restrictions and conditions:

1. Definitions

For the purposes of these Series Five Preferred Share provisions:

- (a) "**Act**" shall mean the *Canada Business Corporations Act*;
 - (b) "**affiliate**" shall be construed such that one person shall be deemed to be an affiliate of another person if one of them is controlled (directly or indirectly) by the other or both are controlled (directly or indirectly) by the same person or group of persons, and for this purpose "**control**" shall be construed such that any combination of a person, its affiliates and persons acting jointly or in concert with either of them (the "**Control Group**") shall control another person if the Control Group is the beneficial owner of securities of such person sufficient to elect a majority of the board of directors (or, if the person is not a corporation, any comparable body) of such person;
 - (c) "**associate**" shall have the meaning attributed to it for the purposes of the *Securities Act* (Ontario);
 - (d) "**business day**" shall mean every day except a Saturday, Sunday or a day that is a statutory holiday in Toronto, Ontario or a federal holiday in the United States of America;
 - (e) a "**Change of Control**" shall be deemed to have occurred if, before the expiry of the Warrants any combination of a person (other than the holder of the Series Five Preferred Share), its affiliates or associates and persons acting jointly or in concert with any of them becomes the beneficial owner of shares of the Corporation or any successor to the Corporation sufficient to elect a majority of the board of directors;
 - (f) "**Liquidation Entitlement**" shall mean an amount equal to the subscription price of the Series Four Preferred Share plus a return on that subscription price equal to 7% per annum, calculated on a daily basis from the date of issue of the Series Four Preferred Share to the date of the Liquidation Event;
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- (g) "**Liquidation Event**" shall mean the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary;
- (h) "**person**" shall mean an individual, corporation, partnership, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity that may be treated as a person under applicable law;
- (i) "**Redemption Amount**" shall mean (a) in the event of redemption on March 31, 2013, an amount equal to the subscription price of the Series Four Preferred Share plus a return on that subscription price equal to 7% per annum, calculated on a daily basis from the date of issue of the Series Four Preferred Share to the date on which the Series Five Preferred Share is redeemed in accordance with section 4, and (b) in the event of redemption upon a Change of Control, an amount equal to 125% of the amount specified in (a);
- (j) "**Series One Preferred Share**" shall mean the Series One Preferred Share in the capital of the Corporation;
- (k) "**Series Three Preferred Share**" shall mean the Series 3 Preferred Share in the capital of the Corporation;
- (l) "**Series Four Preferred Share**" shall mean the Series Four Preferred Share in the capital of the Corporation; and
- (m) "**Warrants**" shall mean the warrants represented by the common share warrant certificate issued by the Corporation pursuant to the subscription agreement between the Corporation and USA Interactive dated March 21, 2003.

2. Ranking

The Series Five Preferred Share shall in all respects (including the distribution of assets upon a Liquidation Event) rank equally with the Series One Preferred Shares and the Series Three Preferred Share. If the Corporation would be unable to make any payment or distribution in full in accordance with the terms of the Series One Preferred Shares, Series Three Preferred Share and the Series Five Preferred Share, that payment or distribution shall be made on a *pro rata* basis, calculated by reference the amounts that would be received by the holders of the Series One Preferred Shares, Series Three Preferred Share and the Series Five Preferred Share assuming the payment or distribution of the full amount to be paid or distributed in respect of those shares in accordance with their terms and without any such *pro ration*.

3. Liquidation, Dissolution or Winding-Up

In the event of a Liquidation Event, the holder of the Series Five Preferred Share shall be entitled to receive from the assets of the Corporation an amount equal to the Liquidation Entitlement.

4. Redemption

The Corporation shall, subject to subsection 32(2) of the Act, redeem the Series Five Preferred Share upon the earlier of March 31, 2013 and the third business day following a Change of Control. If the Corporation is precluded from redeeming the Series Five Preferred Share on that date as a result of subsection 32(2) of the Act, it shall redeem the Series Five Preferred Share as soon as it ceases to be precluded from doing so pursuant to that subsection. At least three business days before the date specified for redemption (the "**Redemption Date**") of the Series Five Preferred Share, the Corporation shall deliver to the holder a notice in writing (the "**Redemption Notice**") of the intention of the Corporation to redeem the Series Five Preferred Share. The Redemption Notice shall set out the Redemption Amount, the details of its calculation and the Redemption Date. On the Redemption Date, the Corporation shall deliver to the holder of the Series Five Preferred Share at its address on the register maintained by the Corporation or such other address as the holder of the Series Five Preferred Share may have notified the Corporation in writing a certified cheque or bank draft payable to the holder in an amount equal to the Redemption Amount on and after the Redemption Date, the Series Five Preferred Share shall cease to be entitled to dividends or any other participation in the assets of the Corporation and the holder shall cease to be a shareholder in respect of the Series Five Preferred Share and shall not be entitled to exercise any of the rights of shareholders in respect of the Series Five Preferred Share, unless the Redemption Amount is not paid as provided in this section, in which case the rights of the holder shall remain unaffected. The holder of the Series Five Preferred Share may, in its sole discretion, waive or consent to the abridgment of the Redemption Notice

5. Voting Rights

The holder of the Series Five Preferred Share shall be entitled to vote separately as a series and as part of a class of shares to the fullest extent permitted under applicable law.

6. Election

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate such that no holder of a Series Five Preferred Share shall be required to pay tax on dividends received, or deemed to be received, on the Series Five Preferred Share under section 187.2 of Part IV.I of such act or any successor or replacement provision of similar effect.

COMMON SHARES

1. **Privileges of Common Shares.** The Common Shares shall have attached to them the rights, privileges, restrictions and conditions as hereinafter set forth.

- (a) Except for meetings at which only holders of another specified class or series of shares of the Corporation are entitled to vote separately as a class or series, each holder of a Common Share is entitled to receive notice of, to attend and to vote at all meetings of the shareholders of the Corporation.
 - (b) Subject to the rights, privileges, restrictions and conditions attached to any other class of shares of the Corporation, the holders of the Common Shares are entitled to receive dividends if, as and when declared by the directors of the Corporation.
 - (c) Subject to the rights, privileges, restrictions and conditions attached to any other class of shares of the Corporation, the holders of the Common Shares are entitled to share equally in the remaining property of the Corporation upon liquidation, dissolution or winding-up of the Corporation.
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Schedule

7. Other provisions, if any

The board of directors of the Corporation may, at any time and from time to time, by resolution appoint one or more additional directors, who shall hold office for a term expiring not later than the close of the next following annual meeting of shareholders of the Corporation, provided that the total number of directors so appointed by the board of directors of the Corporation during the period between any two annual meetings of shareholders of the Corporation shall not exceed one-third of the number of directors elected at the earlier of such two annual meetings of shareholders of the Corporation.



Form 2

Initial Registered Office Address and First Board of Directors

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

Formulaire 2

Siège social initial et premier conseil d'administration

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

1 Corporate name
Dénomination sociale

Points.com Inc.

2 Address of registered office
Adresse du siège social

111 Richmond Street West
Suite 700
Toronto ON M5H 2G4

3 Additional address
Autre adresse

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

See attached schedule / Voir l'annexe ci-jointe

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
T. Robert MacLean

T. Robert MacLean
416-595-0000

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).

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 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

Schedule / Annexe

Members of the board of directors / Membres du conseil d'administration

		Resident Canadian Résident Canadien
Leontine van Leeuwen-Atkins	111 Richmond Street West, Suite 700, Toronto ON M5H 2G4, Canada	Yes / Oui
Christopher J.D. Barnard	111 Richmond Street West, Suite 700, Toronto ON M5H 2G4, Canada	Yes / Oui
David Adams	111 Richmond Street West, Suite 700, Toronto ON M5H 2G4, Canada	Yes / Oui
David Bruce Croxon	111 Richmond Street West, Suite 700, Toronto ON M5H 2G4, Canada	Yes / Oui
Jane Skoblo	111 Richmond Street West, Suite 700, Toronto ON M5H 2G4, Canada	Yes / Oui
John W. Thompson	111 Richmond Street West, Suite 700, Toronto ON M5H 2G4, Canada	Yes / Oui
T. Robert MacLean	111 Richmond Street West, Suite 700, Toronto ON M5H 2G4, Canada	Yes / Oui
Michael Beckerman	111 Richmond Street West, Suite 700, Toronto ON M5H 2G4, Canada	Yes / Oui

Adopted and confirmed as By-Law "A" of Points.com Inc. a corporation formed by the amalgamation of Points Intentional Ltd. and Points.com Inc. on January 1, 2022.

POINTS INTERNATIONAL LTD.

BY-LAW "A"

(Effective November 10, 2004)

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of POINTS INTERNATIONAL LTD. (hereinafter called the "**Corporation**") as follows:

1. All of the by-laws of the Corporation heretofore in force are hereby repealed without prejudice to any action heretofore taken thereunder.
2. The numbers designating the by-laws hereby repealed may be allocated to any by-laws of the Corporation hereafter enacted by the directors of the Corporation.

PASSED by the directors of the Corporation on April 22, 2004.

CONFIRMED by the shareholders of the Corporation on June 24, 2004.

Adopted and confirmed as By-Law No. 1 of Points.com Inc. a corporation formed by the amalgamation of Points Intentional Ltd. and Points.com Inc. on January 1, 2022.

POINTS INTERNATIONAL LTD.

BY-LAW NO. 1

(Effective November 10, 2004)

A by-law relating generally to the conduct of the affairs of POINTS INTERNATIONAL LTD. (the "**Corporation**").

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of the Corporation as follows:

INTERPRETATION

1. Definitions

In this by-law and all other by-laws of the Corporation, unless the context otherwise specifies or requires:

- (a) "Act" means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44 and the regulations thereunder, as from time to time amended, and every statute or regulation that may be substituted therefor and, in the case of such amendment or substitution, any reference in the by-laws of the Corporation shall be read as referring to the amended or substituted provisions;
- (b) "by-law" means any by-law of the Corporation from time to time in force and effect;
- (c) all terms contained in the by-laws which are defined in the Act shall have the meanings given to such terms in the Act;
- (d) words importing the singular number only shall include the plural and vice versa; words importing any gender shall include all genders; words importing persons shall include partnerships, syndicates, trusts and any other legal or business entity; and
- (e) the headings used in the by-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

2. Unanimous Shareholder Agreements

The provisions of this by-law are subject to the terms of any unanimous shareholder agreement in effect from time to time in respect of the Corporation and, to the extent of any inconsistency between this by-law and any such unanimous shareholder agreement, such unanimous shareholder agreement shall prevail over this by-law.

REGISTERED OFFICE

3. The Corporation may from time to time (i) by resolution of the directors change the place and address of the registered office of the Corporation within the Province in Canada specified in its articles, and (ii) by an amendment to its articles, change the Province in Canada in which its registered office is situated.

SEAL

4. The Corporation may, but need not, have a corporate seal. An instrument or agreement executed on behalf of the Corporation by a director, an officer or an agent of the Corporation is not invalid merely because the corporate seal, if any, is not affixed thereto.

DIRECTORS

5. Number and Powers

The number of directors, or the minimum and maximum number of directors of the Corporation, is set out in the articles of the Corporation. If a minimum and maximum number of directors is set out in the articles of the Corporation, the number of directors of the Corporation shall be the number of directors elected by the shareholders of the Corporation at the most recent meeting of shareholders. At least twenty-five per cent of the directors (or one director, if the Corporation has less than four directors) shall be resident Canadians. If the Corporation is a distributing corporation and any of its outstanding securities are held by more than one person, it shall have at least three directors, at least two of whom are not officers or employees of the Corporation or its affiliates.

The directors shall manage, or supervise the management of, the business and affairs of the Corporation and may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation and are not by the Act, the articles, the by-laws, any special resolution of the Corporation, a unanimous shareholder agreement or by statute expressly directed or required to be done in some other manner.

6. Duties

Every director and officer of the Corporation in exercising their powers and discharging their duties shall:

- (a) act honestly and in good faith with a view to the best interests of the Corporation; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Every director and officer of the Corporation shall comply with the Act, the regulations thereunder, the Corporation's articles and by-laws and any unanimous shareholder agreement.

7. Qualification

Every director shall be an individual 18 or more years of age and no one who is of unsound mind and has been so found by a court in Canada or elsewhere or who has the status of a bankrupt shall be a director.

8. Election of Directors

Directors shall be elected by the shareholders of the Corporation by ordinary resolution. Whenever at any election of directors of the Corporation the number or the minimum number of directors required by the articles is not elected by reason of the lack of consent, disqualification, incapacity or death of any candidates, the directors elected at that meeting may exercise all the powers of the directors if the number of directors so elected constitutes a quorum, but such quorum of directors may not fill the resulting vacancy or vacancies.

An individual who is elected or appointed to hold office as a director is not a director and is deemed not to have been elected or appointed to hold office as a director unless:

- (a) he or she was present at the meeting when the election or appointment took place and he or she did not refuse to hold office as a director; or
- (b) he or she was not present at the meeting when the election or appointment took place and:
 - (i) he or she consented to hold office as a director in writing before the election or appointment or within 10 days after it, or
 - (ii) he or she has acted as a director pursuant to the election or appointment.

9. Term of Office

A director's term of office (subject to the provisions (if any) of the Corporation's articles and paragraph 12 below), unless such director was elected for an expressly stated term, shall be from the date of the meeting at which such director is elected or appointed until the close of the annual meeting of shareholders next following such director's election or appointment or until such director's successor is elected or appointed. If qualified, a director whose term of office has expired is eligible for re-election as a director.

10. Ceasing to Hold Office

A director ceases to hold office if such director:

- (a) dies or sends to the Corporation a written resignation and such resignation, if not effective upon receipt by the Corporation, becomes effective in accordance with its terms;
- (b) is removed from office in accordance with paragraph 12 below;
- (c) becomes bankrupt; or
- (d) is found by a court in Canada or elsewhere to be of unsound mind.

11. Vacancies

Notwithstanding any vacancy among the directors, the remaining directors may exercise all the powers of the directors so long as a quorum of the number of directors remains in office. Subject to subsections 111(1) and (3) of the Act and to the provisions (if any) of the Corporation's articles, where there is a quorum of directors in office and a vacancy occurs, such quorum of directors may appoint a qualified person to fill such vacancy for the unexpired term of such appointee's predecessor.

12. Removal of Directors

Subject to subsection 109(2) of the Act and unless the articles of the Corporation provide for cumulative voting, the shareholders of the Corporation may by ordinary resolution at a special meeting remove any director before the expiration of such director's term of office and may, by a majority of the votes cast at the meeting, elect any person in such director's stead for the remainder of such director's term.

If a meeting of shareholders was called for the purpose of removing a director from office as a director, the director so removed shall vacate office forthwith upon the passing of the resolution for such director's removal.

13. Validity of Acts

An act of a director or officer is valid notwithstanding an irregularity in their election or appointment or a defect in their qualification.

MEETINGS OF DIRECTORS

14. Place of Meetings

Meetings of directors and of any committee of directors may be held at any place.

15. Calling Meetings

A meeting of directors may be convened at any time by the Chairman (if any), the Vice-Chairman (if any), the Managing Director (if any) or any two or more directors, and the Secretary shall upon direction of any of the foregoing convene a meeting of directors.

16. Chair of Meetings

The chair of any meeting of the directors shall be the first mentioned of such of the following persons as have been appointed and who is present at the meeting: the Chairman (if any), the Vice-Chairman (if any) or the Managing Director (if any). If all of the foregoing directors are absent or unable or refuse or fail to so act, the directors present shall choose one of their number to be chair of the meeting.

17. Notice

Notice of the time and place for the holding of any such meeting shall be sent to each director not less than two days (exclusive of the day on which the notice is sent but inclusive of the day for which notice is given) before the date of the meeting; provided that meetings of the directors or of any committee of directors may be held at any time without formal notice if all the directors are present (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) or if all the absent directors have waived notice. The notice shall specify any matter referred to in subsection 115(3) of the Act that is to be dealt with at the meeting.

For the first meeting of directors to be held following the election of directors at an annual or special meeting of the shareholders or for a meeting of directors at which a director is appointed to fill a vacancy in the board, no notice of such meeting need be given to the newly elected or appointed director or directors in order for the meeting to be duly constituted, provided a quorum of the directors is present.

18. Waiver of Notice

Notice of any meeting of directors or of any committee of directors or any irregularity in any meeting or in the notice thereof may be waived in any manner by any director, and such waiver may be validly given either before or after the meeting to which such waiver relates. Attendance of a director at a meeting of directors is a waiver of 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.

19. Electronic Participation

Where all the directors of the Corporation consent thereto (either before or after the meeting), a director may participate in a meeting of directors or of any committee of directors by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, and a director participating in a meeting by such means shall be deemed for the purposes of the Act and the by-laws to be present at that meeting.

20. Quorum and Voting

A majority of the number of directors of the Corporation, if the articles of the Corporation provide for a fixed number, or the minimum number of directors required by the articles of the Corporation shall constitute a quorum for the transaction of business. Subject to subsections 111(1), 114(4) and 117(1) of the Act, no business shall be transacted by the directors except at a meeting of directors at which a quorum is present and at which at least twenty-five per cent of the directors present are resident Canadians or, if the Corporation has less than four directors, at least one of the directors present is a resident Canadian. Questions arising at any meeting of directors 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 in addition to the chair's original vote as a director.

21. Adjournment

Any meeting of directors or of any committee of directors may be adjourned from time to time by the chair of the meeting, with the consent of the meeting, to a fixed time and place. No notice of the time and place for the holding of the adjourned meeting need be given to any director if the time and place of the adjourned meeting is announced at the original meeting. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The directors who form the quorum at the adjourned meeting need not be the same directors who formed the quorum at the original meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment.

22. Resolutions in Writing

A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or committee of directors, is as valid as if it had been passed at a meeting of directors or committee of directors.

COMMITTEES OF DIRECTORS

23. General

The directors may from time to time appoint from their number a Managing Director or one or more committees of directors. The directors may delegate to such Managing Director or each such committee any of the powers of the directors, except that no Managing Director or such committee shall have the authority to:

- (a) submit to the shareholders any question or matter requiring the approval of the shareholders;
- (b) fill a vacancy among the directors or in the office of auditor, or appoint additional directors;
- (c) subject to subsection 189(2) of the Act, issue securities except as authorized by the directors;
- (d) issue shares of a series under section 27 of the Act except as authorized by the directors;
- (e) declare dividends;
- (f) purchase, redeem or otherwise acquire shares issued by the Corporation;
- (g) pay any commission referred to in section 41 of the Act, except as authorized by the directors;
- (h) approve a management proxy circular;
- (i) approve a take-over bid circular or directors' circular;
- (j) approve any annual financial statements to be placed before the shareholders of the Corporation; or
- (k) adopt, amend or repeal by-laws of the Corporation.

Unless the directors determine otherwise, each committee (except for the audit committee) shall have power to fix its quorum at not less than a majority of its members, to elect its chair and to determine its own rules of procedure. Each member of a committee shall serve during the pleasure of the board of directors and, in any event, only so long as such member shall be a director. The directors may fill vacancies in a committee by election from among their number.

24. Audit Committee

If the Corporation is a distributing corporation and any of its outstanding securities are held by more than one person, the board of directors shall elect annually from among their number an audit committee to be composed of not fewer than three directors, a majority of whom are not officers or employees of the Corporation or any of its affiliates.

Each member of the audit committee shall serve during the pleasure of the board of directors and, in any event, only so long as such member shall be a director. The directors may fill vacancies in the audit committee by election from among their number.

Subject to the following paragraph and unless the board of directors determines otherwise, the audit committee shall have power to fix its quorum at not less than a majority of its members, to elect its chair and to determine its own rules of procedure.

The auditor of the Corporation is entitled to receive notice of every meeting of the audit committee and, at the expense of the Corporation, to attend and be heard thereat; and, if so requested by a member of the audit committee, shall attend every meeting of the committee held during the term of office of the auditor. The auditor of the Corporation or any member of the audit committee may call a meeting of the committee.

The audit committee shall review the financial statements of the Corporation prior to approval thereof by the board of directors and shall have such other powers and duties as may from time to time by resolution be assigned to it by the board.

REMUNERATION OF DIRECTORS, OFFICERS AND EMPLOYEES

25. The remuneration to be paid to the directors of the Corporation shall be such as the directors shall from time to time by resolution determine and such remuneration shall be in addition to the salary paid to any officer or employee of the Corporation who is also a director. The directors may also by resolution award special remuneration to any director in undertaking any special services on the Corporation's behalf other than the normal work ordinarily required of a director of a corporation. The confirmation of any such resolution or resolutions by the shareholders shall not be required. The directors may fix the remuneration of the officers and employees of the Corporation. The directors, officers and employees shall also be entitled to be paid their travelling and other expenses properly incurred by them in connection with the affairs of the Corporation.

FOR THE PROTECTION OF DIRECTORS AND OFFICERS

26. No director or officer for the time being of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense suffered or incurred by the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, firm or corporation including any person, firm or corporation with whom or which any moneys, securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his or her respective office of trust or in relation thereto, unless the same shall happen by or through his or her failure to exercise the powers and to discharge the duties of his or her office honestly and in good faith with a view to the best interests of the Corporation, and in connection therewith to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, provided that nothing herein contained shall relieve a director or officer from the duty to act in accordance with the Act or regulations made thereunder or relieve him from liability for a breach thereof.

INDEMNITIES TO DIRECTORS AND OTHERS

27. Subject to the provisions hereof and subsections 124(3) and (4) of the Act, the Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation or another individual who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity.

The Corporation may not indemnify an individual pursuant hereto unless the individual:

- (a) acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the Corporation's request; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful.

Subject to the Act, the Corporation may purchase and maintain insurance for the benefit of the persons listed in the first paragraph of this paragraph 27, in such form and amount as the board of directors of the Corporation may from time to time determine, against any liability incurred by that person:

- (a) in his or her capacity as a director or officer of the Corporation, except where the liability relates to that person's failure to act honestly and in good faith with a view to the best interests of the Corporation; or
- (c) in his or her capacity as a director or officer of another body corporate where the person acts or acted in that capacity at the Corporation's request, except where the liability relates to that person's failure to act honestly and in good faith with a view to the best interests of the body corporate.

The Corporation is hereby authorized to execute agreements evidencing its indemnity in favour of the foregoing persons to the full extent permitted by law.

OFFICERS

28. Appointment of Officers

The directors may annually or as often as may be required appoint such officers as they shall deem necessary, who shall have such authority and shall perform such functions and duties as may from time to time be prescribed by resolution of the directors, delegated by the directors or by other officers or properly incidental to their offices or other duties, provided that no officer shall be delegated the power to do anything referred to in paragraph 23 above. Such officers may include, without limitation, any of a "Chairman", a "Vice-Chairman", a "Managing Director", a "Chief Executive Officer", a "President", a "Chief Financial Officer", a "Chief Technology Officer", a "Controller", a "Secretary", a "Treasurer", one or more "Vice-Presidents", one or more "Assistant Secretaries" and/or one or more "Assistant Treasurers". None of such officers (except the Chairman, Managing Director and Vice-Chairman) need be a director of the Corporation. The Managing Director shall be a resident Canadian within the meaning of the Act. A director may be appointed to any office of the Corporation. Two or more of such offices may be held by the same person.

29. Removal of Officers

All officers shall be subject to removal by resolution of the directors at any time, with or without cause. The directors may appoint a person to an office to replace an officer who has been removed or who has ceased to be an officer for any other reason.

30. Duties of Officers may be Delegated

In case of the absence or inability or refusal to act of any officer of the Corporation or for any other reason that the directors may deem sufficient, the directors may delegate all or any of the powers of such officer to any other officer or to any director for the time being.

SHAREHOLDERS' MEETINGS

31. Annual or Special Meetings

The directors of the Corporation:

- (a) shall call an annual meeting of shareholders not later than 18 months after the Corporation comes into existence and subsequently not later than 15 months after holding the last preceding annual meeting but no later than 6 months after the end of the Corporation's preceding financial year; and
- (b) may at any time call a special meeting of shareholders.

32. Place of Meetings

Meetings of shareholders of the Corporation shall be held at such place within Canada as the directors may determine, or at a place outside Canada if the place is specified in the articles or all the shareholders entitled to vote at the meeting agree that the meeting is to be held at that place.

33. Chair of Shareholders Meeting

The chair of any meeting of shareholders shall be the first mentioned of such of the following persons as have been appointed and who is present at the meeting: the Chairman (if any), the Vice-Chairman (if any) or the Managing Director (if any). If no such director is present within fifteen (15) minutes from the time fixed for holding the meeting, the shareholders present entitled to vote shall choose another director as chair of the meeting and if no director is present or if all the directors present decline to take the chair then the shareholders present shall choose one of their number to be chair.

34. Electronic Participation and Voting

Subject to the Act, any person entitled to attend a meeting of shareholders may participate in the meeting by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the Corporation makes available such a communication facility. A person participating in a meeting by such means is deemed for all purposes of the Act and the by-laws to be present at the meeting. Subject to the Act, if the directors or the shareholders of the Corporation call a meeting of shareholders pursuant to the Act, those directors or shareholders, as the case may be, may determine that the meeting 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. Subject to the Act, any vote at a meeting of shareholders may be held entirely by means of a telephonic, electronic or other communication facility, if the Corporation makes available such a communication facility, and any person participating in a meeting of shareholders by means of such facility and entitled to vote at that meeting may vote by means of such facility, provided that any such facility made available by the Corporation shall enable the votes to be gathered in a manner that permits their subsequent verification and permit 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.

35. Record Dates for Shareholder Meetings

Subject to section 134 of the Act, the directors may fix in advance a date as the record date for the purpose of determining shareholders entitled to receive notice of a meeting of shareholders and/or entitled to vote at a meeting of shareholders, but such record date shall not precede by more than 60 days or by less than 21 days the date on which the meeting is to be held.

If no record date is fixed, the record date for the determination of the shareholders entitled to receive notice of a meeting of the shareholders and to vote shall be:

- (a) at the close of business on the day immediately preceding the day on which the notice is given; or
- (b) if no notice is given, the day on which the meeting is held.

36. Shareholder List

The Corporation shall prepare an alphabetical list of the shareholders entitled to receive notice of a meeting and vote at the meeting, showing the number of shares held by each shareholder:

- (a) if a record date for determining the shareholder entitled to receive notice of the meeting and/or entitled to vote at the meeting has been fixed, not later than 10 days after that date; or
- (b) if no record date has been fixed, on the record date established in accordance with paragraph 35 above.

A shareholder whose name appears on such list is entitled to vote the shares shown opposite such shareholder's name at the meeting to which the list relates.

37. Notice

A notice stating the day, hour and place of meeting and, if special business is to be transacted thereat, stating (i) the nature of that business in sufficient detail to permit the shareholder to form a reasoned judgment thereon, and (ii) the text of any special resolution to be submitted to the meeting, shall be sent to each shareholder entitled to vote at the meeting, to each director of the Corporation and to the auditor (if any) of the Corporation. Such notice shall be personally delivered or sent by prepaid mail, if the Corporation is a distributing corporation, not less than 21 days (or, if the Corporation is not a distributing corporation, not less than such number of days as may be fixed by the directors) and not more than 60 days (exclusive of the day of mailing and of the day for which notice is given) before the date of every meeting, and shall be addressed to the latest address of each such person as shown in the records of the Corporation or its transfer agent, or if no address is shown therein, then to the last address of each such person known to the Secretary. Notwithstanding the foregoing, a meeting of shareholders may be held for any purpose at any date and time and, subject to subsection 132(2) of the Act, at any place without notice if all the shareholders and other persons entitled to notice of such meeting are present in person or represented by proxy at the meeting (except where a shareholder or such other person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called) or if all the shareholders and other persons entitled to notice of such meeting and not present in person nor represented by proxy thereat waive notice of the meeting. Notice of any meeting of shareholders or the time for the giving of any such notice or any irregularity in any such meeting or in the notice thereof may be waived in any manner by any shareholder, the duly appointed proxy of any shareholder, any director or the auditor of the Corporation and any other person entitled to attend a meeting of shareholders, and any such waiver may be validly given either before or after the meeting to which such waiver relates.

The auditor (if any) of the Corporation is entitled to receive notice of every meeting of shareholders of the Corporation and, at the expense of the Corporation, to attend and be heard thereat on matters relating to the auditor's duties.

38. Omission of Notice

The accidental omission to give notice of any meeting to or the non-receipt of any notice by any person shall not invalidate any resolution passed or any proceeding taken at any meeting of shareholders.

39. Votes

Every question submitted to any meeting of shareholders shall be decided in the first instance on a show of hands and in case of an equality of votes the chair of the meeting shall neither on a show of hands nor on a ballot have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder or proxy nominee.

At any meeting, unless a ballot is demanded by a shareholder or proxyholder entitled to vote at the meeting, either before or after any vote by a show of hands, a declaration by the chair of the meeting that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

If at any meeting a ballot is demanded on the election of a chair or on the question of adjournment or termination, the ballot shall be taken forthwith without adjournment. If a ballot is demanded on any other question or as to the election of directors, the ballot shall be taken in such manner and either at once or later at the meeting or after adjournment as the chair of the meeting directs. The result of a ballot shall be deemed to be the resolution of the meeting at which the ballot was demanded. A demand for a ballot may be made either before or after any vote by show of hands and may be withdrawn.

Where two or more persons hold the same share or shares jointly, any one of such persons present at a meeting of shareholders has the right, in the absence of the other or others, to vote such share or shares, but if more than one of such persons are present or represented by proxy and vote, they shall vote together as one on the share or shares jointly held by them.

40. Proxies

Votes at meetings of the shareholders may be cast either personally or by proxy. At every meeting at which a shareholder is entitled to vote, such shareholder (if present in person) or the proxyholder for such shareholder shall have one vote on a show of hands. Upon a ballot on which a shareholder is entitled to vote, such shareholder (if present in person or by proxy) shall (subject to the provisions, if any, of the Corporation's articles) have one vote for every share registered in such shareholder's name.

Every shareholder entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder or proxyholders or one or more alternate proxyholders, who need not be a shareholder, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by the proxy.

An instrument appointing a proxyholder shall be in writing and executed by the shareholder or such shareholder's attorney authorized in writing, or may be an electronic document that satisfies the requirements of Part XX.1 of the Act, and is valid only at the meeting in respect of which it is given or at any adjournment thereof.

An instrument appointing a proxyholder may be in the following form or in any other form which complies with the requirements of the Act:

"The undersigned shareholder of POINTS INTERNATIONAL LTD. hereby appoints _____ of _____, whom failing, _____ of _____ as the nominee of the undersigned to attend and act for and on behalf of the undersigned at the meeting of the shareholders of the said Corporation to be held on the _____ day of _____, _____ and at any adjournment thereof in the same manner, to the same extent and with the same power as if the undersigned were present, whether personally or by telephonic, electronic or other means, at the said meeting or such adjournment thereof.

DATED

Signature of Shareholder

This form of proxy must be signed by a shareholder or such shareholder's attorney authorized in writing."

The directors may from time to time pass regulations regarding the lodging of instruments appointing a proxyholder at some place or places other than the place at which a meeting or adjourned meeting of shareholders is to be held and for particulars of such instruments to be sent in writing, faxed or otherwise communicated by electronic means that produces a written copy before the meeting or adjourned meeting to the Corporation or any agent of the Corporation appointed for the purpose of receiving such particulars and providing that instruments appointing a proxyholder so lodged may be voted upon as though the instruments themselves were produced at the meeting or adjourned meeting and votes given in accordance with such regulations shall be valid and shall be counted. The chair of the meeting of shareholders may, subject to any regulations made as aforesaid, in the chair's discretion, accept written or faxed communication, or electronic communication that produces a written copy, as to the authority of anyone claiming to vote on behalf of and to represent a shareholder notwithstanding that no instrument of proxy conferring such authority has been lodged with the Corporation, and any votes given in accordance with such written, faxed or electronic communication accepted by the chair of the meeting shall be valid and shall be counted.

41. Adjournment

The chair of the meeting may with the consent of the meeting adjourn any meeting of shareholders from time to time to a fixed time and place. If the meeting is adjourned for less than 30 days, no notice of the time and place for the holding of the adjourned meeting need be given to any shareholder, other than by announcement at the earliest meeting that is adjourned. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting but, unless the meeting is adjourned by one or more adjournments for an aggregate of more than 90 days, subsection 149(1) of the Act does not apply. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The persons who form the quorum at the adjourned meeting need not be the same persons who formed the quorum at the original meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

42. Quorum

Five persons present and each holding or representing by proxy at least one issued share of the Corporation shall be a quorum of any meeting of shareholders for the choice of a chair of the meeting (subject to paragraph 33) and for the adjournment of the meeting to a fixed time and place but may not transact any other business; for all other purposes a quorum for any meeting shall be persons present not being less than five in number and holding or representing by proxy not less than 15% of the total number of votes represented by the issued shares of the Corporation for the time being enjoying voting rights at such meeting. If a quorum is present at the opening of a meeting of shareholders, the shareholders present may proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting.

Notwithstanding the foregoing, if the Corporation has four or less shareholders, or four or less shareholders of any class or series of shares, such shareholders present in person or by proxy constitutes a meeting and a quorum for such meeting.

43. Persons Entitled to be Present

The only persons entitled to be present at a meeting of the shareholders shall be those entitled to vote thereat, the directors and auditors of the Corporation and others who, although not entitled to vote, are entitled or required under any provision of the Act or the articles or by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.

SHARES AND TRANSFERS

44. Issuance

Subject to the articles of the Corporation, shares in the Corporation may be issued at such time and issued to such persons and for such consideration as the directors may determine.

45. Security Certificates

Security certificates (and the form of transfer power on the reverse side thereof) shall (subject to compliance with section 49 of the Act) be in such form as the directors may from time to time by resolution approve and such certificates shall be signed by a director or officer of the Corporation; provided that, unless the directors otherwise determine, certificates representing shares in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. A share certificate shall be signed manually by at least one director or officer of the Corporation or by or on behalf of the transfer agent and/or registrar of the Corporation. Any additional signatures required may be printed or otherwise mechanically reproduced. A share certificate executed as aforesaid shall be valid notwithstanding that one of the directors or officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate.

46. Agent

The directors may from time to time by resolution appoint or remove an agent to maintain a central securities register and branch securities registers for the Corporation.

47. Surrender of Security Certificates

Subject to the Act, no transfer of a security issued by the Corporation shall be recorded or registered unless and until either (i) the security certificate representing the security to be transferred has been surrendered and cancelled, or (ii) if no security certificate has been issued by the Corporation in respect of such share, a duly executed security transfer power in respect thereof has been presented for registration.

48. Defaced, Destroyed, Stolen or Lost Security Certificates

The directors or any officer or agent designated by the directors may in their or its discretion direct the issue of a new share certificate in lieu of and upon cancellation of a share certificate that has been mutilated or in substitution for a share certificate claimed to have been lost, destroyed or wrongfully taken on payment of such reasonable fee and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the directors may from time to time prescribe, whether generally or in any particular case.

DIVIDENDS

49. Declaration and Payment of Dividends

The directors may from time to time by resolution declare and the Corporation may pay dividends on its issued shares, subject to the provisions (if any) of the Corporation's articles.

The directors shall not declare and the Corporation shall not pay a dividend if there are reasonable grounds for believing that:

- (a) the Corporation is, or would after the payment be, unable to pay its liabilities as they become due; or
 - (b) the realizable value of the Corporation's assets would thereby be less than the aggregate of its liabilities and stated capital of all classes.
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The Corporation may pay a dividend by issuing fully paid shares of the Corporation and, subject to section 42 of the Act, the Corporation may pay a dividend in money or property.

50. Joint Securityholders

In case several persons are registered as the joint holders of any securities of the Corporation, any one of such persons may give effectual receipts for all dividends and payments on account of dividends, principal, interest and/or redemption payments on redemption of securities (if any) subject to redemption in respect of such securities.

51. Dividend Cheques

A dividend payable in money shall be paid by cheque drawn on the Corporation's bank to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by prepaid ordinary mail to each such person in accordance with the notice provisions of this by-law, unless such holder otherwise directs. In the case of joint holders the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and mailed to them in accordance with the notice provisions of this by-law. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

52. Non-Receipt of Dividend 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.

53. Unclaimed Dividends

Notwithstanding anything herein to the contrary, any dividend, whether by way of shares, money or property, unclaimed or unpaid 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.

RECORD DATES

54. Shareholders' Meetings

Subject to section 134 of the Act, the directors may fix in advance a date as the record date for the purpose of determining shareholders entitled to receive notice of a meeting of shareholders and/or entitled to vote at a meeting of shareholders, but such record date shall not precede by more than 60 days or by less than 21 days the date on which the meeting is to be held.

If no record date is fixed, the record date for the determination of the shareholders entitled to receive notice of a meeting of the shareholders and to vote shall be:

- (a) at the close of business on the day immediately preceding the day on which the notice is given; or
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- (b) if no notice is given, the day on which the meeting is held.

55. Dividends, Distributions or Other Purposes

Subject to section 134 of the Act, the directors may fix in advance a date as the record date for the determination of shareholders (i) entitled to receive payment of a dividend, (ii) entitled to participate in a liquidation or distribution, (iii) for any other purpose (other than to establish a shareholder's right to receive notice of a meeting or to vote), but such record date shall not precede by more than 60 days the particular action to be taken.

If no record date is fixed, the record date for the determination of shareholders for any purpose other than to establish a shareholder's right to receive notice of a meeting or to vote shall be at the close of business on the day on which the directors pass the resolution relating thereto.

VOTING SECURITIES IN OTHER ISSUERS

56. All securities of any other body corporate or issuer of securities carrying voting rights held from time to time by the Corporation may be voted at all meetings of shareholders, bondholders, debenture holders or holders of such securities, as the case may be, of such other body corporate or issuer and in such manner and by such person or persons as the directors of the Corporation shall from time to time determine and authorize by resolution. The duly authorized signing officers of the Corporation may also from time to time execute and deliver for and on behalf of the Corporation proxies and/or arrange for the issuance of voting certificates and/or other evidence of the right to vote in such names as they may determine without the necessity of a resolution or other action by the directors.

NOTICES, ETC.

57. Service

Any notice or other document required to be given or sent by the Corporation to any shareholder or director or the auditor of the Corporation shall be delivered personally or sent by prepaid mail or by fax, electronic mail or other electronic means capable of producing a written copy addressed to:

- (a) such shareholder at such shareholder's latest address as shown on the records of the Corporation or its transfer agent;
- (b) such director at such director's latest address as shown in the records of the Corporation or in the last notice filed under section 106 or 113 of the Act; and
- (c) the auditor of the Corporation at the auditor's latest address known to the Corporation.

With respect to every notice or other document sent by prepaid mail, it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed and put into a post office or into a post office letter box.

58. Shareholders Who Cannot be Found

If the Corporation sends a notice or document to a shareholder and the notice or document is returned on two consecutive occasions because the shareholder cannot be found, the Corporation is not required to send any further notices or documents to the shareholder until the shareholder informs the Corporation in writing of the shareholder's new address.

59. Shares Registered in More than One Name

All notices or other documents shall, with respect to any shares in the capital of the Corporation registered in more than one name, be given to whichever of such persons is named first in the records of the Corporation and any notice or other document so given shall be sufficient notice or delivery of such document to all the holders of such shares.

60. Persons Becoming Entitled by Operation of Law

Every person who by operation of law, transfer or by any other means whatsoever shall become entitled to any shares in the capital of the Corporation shall be bound by every notice or other document in respect of such shares which prior to such person's name and address being entered on the records of the Corporation shall have been duly given to the person or persons from whom such person derives title to such shares.

61. Deceased Shareholder

Any notice or other document delivered or sent by post or left at the address of any shareholder as the same appears in the records of the Corporation shall, notwithstanding that such shareholder be then deceased and whether or not the Corporation has notice of such shareholder's death, be deemed to have been duly served in respect of the shares held by such shareholder (whether held solely or with other persons) until some other person be entered in such shareholder's stead in the records of the Corporation as the holder or one of the holders thereof and such service shall for all purposes be deemed a sufficient service of such notice or other document on such shareholder's heirs, executors or administrators and all persons (if any) interested with such shareholder in such shares.

62. Signatures to Notices

The signature of any director or officer of the Corporation to any notice may be written, printed or otherwise mechanically reproduced.

63. Computation of Time

Where a given number of days' notice or notice extending over any period is required to be given under any provisions of the articles or by-laws of the Corporation, the day of service, posting or other communication of the notice shall, unless it is otherwise provided, be counted in such number of days or other period and such notice shall be deemed to have been given or sent on the day of service, posting or other communication.

64. Proof of Service

A certificate of any officer of the Corporation in office at the time of the making of the certificate or of an agent of the Corporation as to facts in relation to the mailing or delivery or service or other communication of any notice or other documents to any shareholder, director, officer or auditor or as to the publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every shareholder, director, officer or auditor of the Corporation, as the case may be.

65. Omissions and Errors

The accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the directors or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

66. Waiver of Notice

Any shareholder (or such shareholder's duly appointed proxyholder), director, officer, auditor or member of a committee of the directors may at any time waive any notice, or waive or abridge the time for any notice, required to be given to such person under any provisions of the Act, the articles, the by-laws or otherwise and such waiver or abridgement shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of shareholders or of the directors which may be given in any manner.

CHEQUES, DRAFTS, NOTES, ETC.

67. All cheques, drafts or orders for the payment of money and all notes, acceptances and bills of exchange shall be signed by such officer or officers or other person or persons, whether or not officers of the Corporation, and in such manner as the directors, or such officer or officers as may be delegated authority by the directors to determine such matters, may from time to time designate.

EXECUTION OF CONTRACTS, ETC.

68. Unless the directors determine otherwise, contracts, documents or instruments in writing requiring the signature of the Corporation may be signed by any two of the directors and officers of the Corporation and all contracts, documents or instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The directors are authorized from time to time by resolution to appoint any officer or officers, any director or directors, or any other person or persons on behalf of the Corporation either to sign contracts, documents or instruments in writing generally or to sign specific contracts, documents or instruments in writing.

The corporate seal, if any, of the Corporation may, when required, be affixed to contracts, documents or instruments in writing signed as aforesaid or by an officer or officers, person or persons appointed as aforesaid by resolution of the board of directors.

The term "contracts, documents or instruments in writing" as used in this by-law shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, powers of attorney, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of securities and all paper writings.

In particular, without limiting the generality of the foregoing, any two of the directors and officers of the Corporation are authorized to sell, assign, transfer, exchange, convert or convey all securities owned by or registered in the name of the Corporation and to sign and execute (under the seal of the Corporation or otherwise) all assignments, transfers, conveyances, powers of attorney and other instruments that may be necessary for the purpose of selling, assigning, transferring, exchanging, converting or conveying any such securities.

The signature or signatures of any officer or director of the Corporation and/or of any other officer or officers, person or persons appointed as aforesaid by resolution of the directors may, if specifically authorized by resolution of the directors, be printed, engraved, lithographed or otherwise mechanically reproduced upon all contracts, documents or instruments in writing or bonds, debentures or other securities of the Corporation executed or issued by or on behalf of the Corporation and all contracts, documents or instruments in writing or securities of the Corporation on which the signature or signatures of any of the foregoing officers, directors or persons shall be so reproduced, by authorization by resolution of the directors, shall be deemed to have been manually signed by such officers, directors or persons whose signature or signatures is or are so reproduced and shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that the officers, directors or persons whose signature or signatures is or are so reproduced may have ceased to hold office at the date of delivery or issue of such contracts, documents or instruments in writing or securities of the Corporation.

FINANCIAL YEAR

69. The financial year of the Corporation shall end on such day in each year as the board of directors may from time to time by resolution determine.

PASSED by the directors of the Corporation on April 22, 2004.

CONFIRMED by the shareholders of the Corporation on June 24, 2004.

Adopted and confirmed as By-Law No. 2 of Points.com Inc. a corporation formed by the amalgamation of Points Intentional Ltd. and Points.com Inc. on January 1, 2022.

**POINTS INTERNATIONAL LTD.
(the "Corporation")**

BY-LAW NO. 2

A by-law amending By-Law No. 1 of POINTS INTERNATIONAL LTD. (the "Corporation").

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of the Corporation as follows:

1. Section 42 of By-Law No. 1 of the Corporation is replaced in its entirety with the following:

"42. Quorum

One person present and holding or representing by proxy at least one issued share of the Corporation shall be a quorum of any meeting of shareholders for the choice of a chair of the meeting (subject to paragraph 33) and for the adjournment of the meeting to a fixed time and place but may not transact any other business; for all other purposes a quorum for any meeting shall be persons present not being less than one in number and holding or representing by proxy not less than 15% of the total number of votes represented by the issued shares of the Corporation for the time being enjoying voting rights at such meeting. If a quorum is present at the opening of a meeting of shareholders, the shareholders present may proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting."

PASSED by the directors of the Corporation on March 11, 2009.

CONFIRMED by the shareholders of the Corporation on May 6, 2009.

Adopted and confirmed as By-Law No. 3 of Points.com Inc. a corporation formed by the amalgamation of Points Intentional Ltd. and Points.com Inc. on January 1, 2022.

POINTS INTERNATIONAL LTD.

(the "Corporation")

BY-LAW NO. 3

A by-law amending By-Law No. 1 of POINTS INTERNATIONAL LTD. (the "Corporation").

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of the Corporation as follows:

1. Section 45 of By-Law No. 1 of the Corporation is replaced in its entirety with the following:

"45. Security Certificates

Security certificates (and the form of transfer power on the reverse side thereof), if any, shall (subject to compliance with section 49 of the Act) be in such form as the directors may from time to time by resolution approve and such certificates shall be signed by a director or officer of the Corporation; provided that, unless the directors otherwise determine, certificates representing shares in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. A share certificate shall be signed manually by at least one director or officer of the Corporation or by or on behalf of the transfer agent and/or registrar of the Corporation. Any additional signatures required may be printed or otherwise mechanically reproduced. A share certificate executed as aforesaid shall be valid notwithstanding that one of the directors or officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate."

2. Section 47 of By-Law No. 1 of the Corporation is replaced in its entirety with the following:

"47. Surrender of Security Certificates

Subject to the Act, no transfer of a security issued by the Corporation which is represented by a certificate shall be recorded or registered unless and until the security certificate representing the security to be transferred has been surrendered and cancelled."

PASSED by the directors of the Corporation on January 26, 2011.

CONFIRMED by the shareholders of the Corporation on May 3, 2011.

Adopted and confirmed as By-Law No. 4 of Points.com Inc. a corporation formed by the amalgamation of Points Intentional Ltd. and Points.com Inc. on January 1, 2022.

ADVANCE NOTICE BY-LAW

BY-LAW NO. 4

A by-law relating generally to the nomination of persons for election of directors of POINTS INTERNATIONAL LTD. (the "**Corporation**").

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of the Corporation as follows:

INTRODUCTION

1. The purpose of this Advance Notice By-Law (the "**By-Law**") is to establish the conditions and framework under which holders of record of common shares of the Corporation may exercise their right to submit director nominations by fixing a deadline by which such nominations must be submitted by a shareholder to the Corporation prior to any annual or special meeting of shareholders, including without limitation setting forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form.

NOMINATIONS OF DIRECTORS

2. Subject to the applicable provisions of the Act (as defined below) and the articles of the Corporation, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board of directors of the Corporation (the "**Board**") may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:
 - (a) by or at the direction of the Board, including pursuant to a notice of meeting;
 - (b) by or at the direction or request of one or more shareholders pursuant to a "proposal" made in accordance with the applicable provisions of the Act, or a requisition of a shareholders' meeting by one or more shareholders made in accordance with the applicable provisions of the Act; or
 - (c) by any person (a "**Nominating Shareholder**") who:
 - (A) at the close of business on the date of the giving by the Nominating Shareholder of the notice provided for below in this By-Law and at the close of business on the record date for notice of such meeting, is entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or beneficially owns shares that are entitled to be voted at such meeting; and
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(B) complies with the notice procedures set forth below in this By-Law.

3. In addition to any other applicable requirements, for a nomination to be validly made by a Nominating Shareholder, the Nominating Shareholder must have given notice thereof that is both timely (in accordance with paragraph 4 below) and in proper written form (in accordance with paragraph 5 below) to the Secretary of the Corporation at the principal executive office of the Corporation.
 4. To be timely, a Nominating Shareholder's notice to the Secretary of the Corporation must be made:
 - (a) in the case of an annual meeting of shareholders (including an annual and special meeting), not less than thirty (30) days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than fifty (50) days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
 - (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes as well), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.
 5. To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Corporation must be in writing and must set forth:
 - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (each, a "**Proposed Nominee**"):
 - (A) the name, age, business address and residential address of the Proposed Nominee;
 - (B) the principal occupation or employment of the Proposed Nominee for the past five years;
 - (C) the status of such Proposed Nominee as a "resident Canadian" (as such term is defined in the Act);
 - (D) each class or series and number of securities in the capital of the Corporation which are, directly or indirectly, owned beneficially or of record by, or under the control or direction of, the Proposed Nominee and his or her Representatives (as defined below) as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, and the principal amount and the date(s) on which such securities were acquired;
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- (E) full particulars regarding any contract, agreement, arrangement, understanding or relationship (collectively, "**Arrangements**"), including without limitation financial, compensation and indemnity related Arrangements, between the Proposed Nominee or any of his or her Representatives and any Nominating Shareholder or any of its Representatives; and
 - (F) any other information relating to the Proposed Nominee or his or her associates or affiliates that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below), provided that any such additional information, if requested or received, shall be made publicly available to shareholders of the Corporation.
- (b) as to each Nominating Shareholder giving the notice and each beneficial owner, if any, on whose behalf the nomination is made:
- (A) the name, age, business address and, if applicable, residential address of such person;
 - (B) each class or series and number of securities in the capital of the Corporation which are, directly or indirectly, owned beneficially or of record by, or under the control or direction of, such person and its Representatives as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, and the principal amount and the date(s) on which such securities were acquired;
 - (C) full particulars regarding (i) any proxy or other Arrangement pursuant to which such person or any of its Representatives has a right to vote or direct the voting of any shares of the Corporation, and (ii) any other Arrangement of such person or any of its Representatives relating to the voting of any shares of the Corporation or the nomination of any person(s) to the Board;
 - (D) full particulars regarding their interests in, or rights or obligations associated with, any Arrangement of such person or any of its Representatives, the purpose or effect of which is to alter, directly or indirectly, the economic interest of such person or any of its Representatives in a security of the Corporation or the economic exposure of any such person or any of its Representatives to the Corporation;
 - (E) full particulars of any direct or indirect interest of such person or any of its Representatives in any contract with the Corporation or any of the Corporation's affiliates, competitors or material suppliers;
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- (F) full particulars regarding any Arrangement, including without limitation financial, compensation and indemnity related Arrangements, between the Nominating Shareholder or any Representative of the Nominating Shareholder and any Proposed Nominee or any of its Representatives;
- (G) a representation that the Nominating Shareholder is a holder of record of securities of the Corporation, or a beneficial owner, entitled to vote at such meeting and intends to appear in person or by proxy at the applicable shareholders' meeting to propose such nomination;
- (H) a representation as to whether such person or any of its Representatives intends to deliver a proxy circular and/or form of proxy to any shareholder of the Corporation in connection with such nomination or otherwise solicit proxies or votes from shareholders of the Corporation in support of such nomination; and
- (I) any other information relating to such person or any of its Representatives that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below), provided that any such additional information, if requested or received, shall be made publicly available to shareholders of the Corporation.

6. The Corporation may require any Proposed Nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such Proposed Nominee to serve as a director of the Corporation or a member of any committee of the Board, with respect to independence or any other relevant criteria for eligibility (including any stock exchange requirements), or that could be material to a reasonable shareholder's understanding of the independence or eligibility, or lack thereof, of such Proposed Nominee.
 7. Unless otherwise specified in this By-Law, all information to be provided in a timely notice pursuant to paragraph 5 above shall be provided as of the date of such notice. If requested by the Corporation, the Nominating Shareholder shall update such information forthwith so that it is true and correct in all material respects as of the record date for the meeting of shareholders to which such notice relates and the date that is ten (10) business days prior to the date of the meeting, or any adjournment or postponement thereof.
 8. For the avoidance of doubt, the procedures set forth in this By-Law shall be the exclusive means for any person to bring nominations for election to the Board before any annual or special meeting of shareholders of the Corporation. No person shall be eligible for election as a director of the Corporation unless such person has been nominated in accordance with the provisions of this By-Law; provided, however, that nothing in this By-Law shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which such shareholder would have been entitled to submit a proposal pursuant to the provisions of the Act.
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9. Notwithstanding any other provision of this By-Law or any other by-law of the Corporation, any notice or other document or information required to be given to the Secretary of the Corporation pursuant to this By-Law may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time by the Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery to the Secretary at the address of the principal executive office of the Corporation, emailed (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is a not a business day in the Province of Ontario or later than 5:00 p.m. (Toronto time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day in the Province of Ontario.
10. Notwithstanding any of the foregoing, the Board may, in its sole discretion, waive all or any of the requirements of this By-Law.
11. The chair of the meeting shall have the duty and the power to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such provisions, to declare that such defective nomination shall be disregarded.

EFFECTIVE DATE

12. This By-Law was approved and adopted by the Board on March 2, 2016 (the "**Effective Date**") and is and shall be effective and in full force and effect in accordance with its terms and conditions from and after such date. Notwithstanding the foregoing, if this By-Law is not approved by ordinary resolution of the shareholders of the Corporation present in person or voting by proxy at the next meeting of those shareholders validly held following the Effective Date, then this By-Law shall terminate and be void and of no further force and effect following the termination of such meeting of shareholders.

GOVERNING LAW

13. This By-Law shall be interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in that province.

DEFINED TERMS

14. For purposes of this By-Law:
 - (a) "**Act**" means the *Canada Business Corporations Act* and the regulations thereunder, as from time to time amended, and every statute or regulation that may be substituted therefor and, in the case of such amendment or substitution, any reference in this By-Law shall be read as referring to the amended or substituted provisions;
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- (b) "**Applicable Securities Laws**" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada;
- (c) "**public announcement**" means disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and
- (d) "**Representatives**" of a person means the affiliates and associates of such person, all persons acting jointly or in concert with such person or any of the foregoing, and the affiliates and associates of any of such persons acting jointly or in concert, and "**Representative**" means any one of them.

PASSED by the directors of the Corporation on March 2, 2016.

CONFIRMED by the shareholders of the Corporation on May 5, 2016.
