

The actual liability of the Vendor for such taxes shall after determination or agreement with the law be certified by the Auditor of the Vendor and such certificate shall be binding upon the Purchaser. The amount of the Purchase price shall be reduced by the amount of the selling expenses or any funds retained by the Vendor from Canada pursuant to paragraph (b) of subsection (2) of Clause 1 assigned at the rate of exchange of the Canadian dollar into sterling on the date of such transfer.

(b) As the result of the consideration for the sale of the Vendor shall pay on the date of completion the sum of Seven Million Two Hundred and Fifty Thousand Dollars of lawful money of Canada (\$7,250,000) for the credit of the Vendor to The Royal Bank of Canada at its principal office in Toronto, Ontario.

4. If as a result of the sale herein provided for the Canadian taxes (Federal and/or provincial) of the Vendor for the fiscal period ended on the 31st day of March 1951 or any subsequent fiscal period are reduced then notwithstanding anything herein contained the Vendor shall be entitled to the full benefit of any such reduction (including any refund or taxes consequent thereon) and shall be under no obligation to account to the Purchaser therefor.

5. As from the date hereof the Vendor shall carry on its business in Canada and deal with all its property and assets intended to be comprised in the sale herein provided for and shall cause the business of the Vendor to be carried on as nearly as possible in the same manner as prior to the 15th day of February 1951 and for and in favour of the Vendor may sell, assign, mortgage, lease, sublease, license, or otherwise deal with the said property and assets in the usual and ordinary course of the business in such manner as to the Vendor may seem best but in consideration so far as reasonably practicable with the Purchaser provided always that the Vendor shall not after the date of this agreement and prior to the date of completion:

(a) make any extraordinary or unusual sale or disposition of any of the said property and assets except with the consent of the Purchaser;

(b) pay any dividends or its capital stock out of the assets of the Vendor herein agreed to be sold except an amount contained in subsection (c) hereof provided always that nothing herein contained shall prejudice the Vendor from paying dividends out of the assets of the Vendor referred to in subsection (b) hereof (including the sum of \$100,000 referred to in subsection (b) hereof) for this Clause (b);

(c) transfer any funds from Canada to the United Kingdom or any other country;

(d) make any loan of \$100,000 which has since the 10th day of February 1951 been so transferred;

(e) such funds as are required to produce selling payments which the Vendor may desire to make prior to the date of completion.