

CPR'S SHARE PURCHASE PLAN

Plan Document (Canadian)

October 2000

Table Of Contents

Section 1 -- Definitions.....

Section 2 – Establishment of the Plan.....

Section 3 – Participation and Enrollment

Section 4 – Contribution to the Plan

Section 5 – Administration of the Plan

Section 6 -- Investment

Section 7 -- Distribution.....

Section 8 – Withdrawals from Plan Account.....

Section 9 – Change of Status Provisions

Section 10 – Plan Amendment and Termination

Section 11 – Market Fluctuation.....

Section 12 – Income Taxes.....

Section 13 – Trading on Undisclosed Information.....

Section 14 – General Provisions.....

Section 1 — Definitions

For the purpose of the Plan:

“**Account**” means the account held in the name of each Participant by the Plan Administrator recording Shares purchased with ~~Participant~~Employee Contributions.

“**Active**” means employees who are currently working for CPR including those on approved leave, ~~bridging, furlough, and~~ spare boards and bridging.

“**Basic Administration Expenses**” as determined at CPR’s discretion may include but are not limited to the establishment and tracking of accounts, payroll deductions, quarterly statements, ancillary administration costs and any brokerage fees applicable to the purchase of Shares.

“**CPR**” means Canadian Pacific Railway Company and its Canadian majority owned subsidiaries.

“**Continuous Service**” of an Eeligible ~~e~~Employee means an uninterrupted period of continuous employment as determined with the rules of CPR as in effect from time to time. An Eeligible Employee’s continuous service shall not be considered interrupted by either temporary leaves of absence permitted by CPR (including but not limited to maternity, parental, adoption or short term disability) or periods in which an Eeligible Employee is laid-off with recall rights (until the recall period has expired) or periods on approved leave, furlough, ~~spare boards~~ and bridging.

“**Custodial Agreement**” means any agreement or agreements executed from time to time between CPR and the Plan Administrator.

“**Eligible Bargaining Unit**” means any bargaining unit that has entered into an agreement with CPR to participate in the Plan.

“**Eligible Employee**” means all CPR employees in Canada who:

- i) are regular full-time and part time Aactive non-union employees; or
- ii) are regular full-time and part time Aactive employees in an Eligible Bargaining Unit; or
- iii) are full-time Eligible Bargaining Unit Representatives;

and

- iv) have completed six months of Continuous Service; and
- v) have reached the age of majority under the laws applicable to such employee; and
- vi) are in the Continuous Service of CPR and have been designated as eligible to participate in the Plan and such designation has not been revoked; and

vii) are not subject to the laws of a jurisdiction where either an offering of Shares by CPR or the purchase of Shares by a Participant under the Plan would violate applicable laws, provided, however, that CPR reserves the discretion to refuse to offer any employee or group of employees the opportunity to participate in the Plan where operating the Plan in respect of such employee or employees is or becomes onerous (including, without limitation, having regard to the costs involved), impossible, illegal or impracticable, as determined by CPR.

“Legal Representative” means executor or executrix appointed under the deceased's will or Court appointed administrator or trustee of the deceased's estate.

“Market Price” means, for purchases and sales of Shares, the prices at which Shares are purchased or sold on the relevant day on the applicable Stock Exchange.

“Participant” means a person who is an Eligible Employee who has elected to participate in the Plan and who makes contributions to the Plan pursuant to section 4.1.

“Plan” means ~~CPR's the Canadian Pacific Railway's~~ Share Purchase Plan.

“Plan Administrator” means the trust company or companies and/or other Corporations appointed by CPR from time to time to administer the Plan on behalf of CPR and the Participants.

“Plan Year” means the period of twelve calendar months commencing on January 1 and ending on December 31 of each year, or such other period as may be determined by CPR.

~~-~~
“Retirement” means termination of employment of the Participant at a time when the Participant is entitled to an immediate pension under the provisions of the Canadian Pacific Railway Company Pension Plan. This includes early retirement.

“Salary” means regular eligible earnings (excluding bonuses and subsidies) for Eligible Bargaining Unit represented employees as determined by CPR in accordance with its regular practices in effect from time to time; means base pay (excluding bonuses and subsidies) for non-union employees. In either case it shall ~~include~~exclude any compensation received by the Participant during any periods of compensated leave ~~disability or similar leaves of absence~~ in which the compensation is ~~not~~ paid to the Participant directly by CPR.

“Shares” means Canadian Pacific Limited (“CPL”) common shares previously issued and traded through the facilities of the Stock Exchange.

“Stock Exchange” means the Toronto Stock Exchange on which the Shares are posted for trading.

Section 2 — Establishment of the Plan

2.1 Purpose

The purpose of the Plan is to make available to Eligible Employees a means of acquiring Shares through payroll deductions. Participation in the Plan is voluntary and CPR is not making any recommendation to employees as to whether or not they should participate.

2.2 Effective date of the Plan and Geographic Qualification

The Plan shall become effective in Canada on such dates as CPR may determine, subject to the satisfaction of all securities, regulatory or other relevant legal requirements in any jurisdiction in which the Plan is to be effective.

CPR reserves at its discretion the right to refuse to offer employees or employee groups the opportunity to participate in the Plan in any jurisdiction where operating the Plan in such jurisdiction or in respect of employees subject to the laws of such jurisdiction is or becomes onerous (including, without limitation, having regard to the costs involved), impossible, illegal or impracticable, as determined by CPR.

2.3 Government Regulations

The terms and conditions of this Plan including the acquisition, sale and delivery of Shares are subject to compliance with all applicable regulatory requirements.

2.4 Employee Eligibility

CPR reserves the right to restrict participation in the Plan to any employee or employee groups at any time at its sole discretion.

Section 3 — Participation and Enrolment

3.1 Enrolment

Eligible Employees may elect to enrol as Participants in the Plan in any calendar month in which they are eligible. To enrol, the Eligible Employee must complete and deliver to the Plan Administrator such forms of authorization and designation as may be specified by CPR from time to time. The forms will be processed as soon as practicable once the appropriate completed form is received and processed by both the Plan Administrator and CPR's Pay Services.

The Plan Administrator will send a written letter of confirmation of enrolment to the Participant where applicable as soon as practicable.

Section 4 — Contribution to the Plan

4.1 Participant Contributions

Participants may contribute via payroll deductions a percentage of their Salary ranging from a minimum of one per cent (1%) to a maximum of five per cent (5%) (based on whole percentages) for investment under the Plan. If a Participant's Salary changes the payroll deductions will be automatically adjusted accordingly.

In addition, Participants may contribute, via personal cheque or money order, for investment under the Plan, lump sum contributions. Such lump sum contributions are considered outside a Participant's regular payroll contributions and cannot exceed a total of \$2,000.00 (CDN) per Plan Year (with the exception of the first twelve (12) month period in which the employee's group or bargaining unit becomes eligible for participation under the Plan where the participant may contribute lump sum contributions not to exceed \$4,000.00 (CDN)). Lump sum payments are to be sent directly to the Plan Administrator accompanied by such forms of authorization and designation as may be specified by CPR from time to time. Any charges related to "Non Sufficient Funds ("NSF") cheques will be payable by the Participant.

In the case of full-time Eligible Bargaining Unit Rrepresentatives where contributions via payroll deductions are not possible, contributions may be made via lump sum contributions not to exceed \$6,000.00 (CDN) per Plan Year (with the exception of the first twelve (12) month period in which the Eligible Bargaining Unit Rrepresentative becomes eligible for participation under the Plan where the Eligible Bargaining Unit Rrepresentative may contribute lump sum contributions not to exceed \$8,000.00 (CDN). CPR will identify such Eligible Bargaining Unit Rrepresentatives to the Plan Administrator.

4.2 Changes to an Participant's Employee's Contribution Level

A Participant may change contribution levels, in whole percentages, once per calendar quarter by providing to the Plan Administrator such forms of authorization and designation as specified by CPR from time to time no later than two (2) weeks prior to the last day of that quarter. The change will be implemented as soon as practicable once the appropriate completed form is received and processed by both the Plan Administrator and CPR's Pay Services.

4.3 Voluntary Suspension of Contributions

Participants may voluntarily cease payroll contributions and suspend their participation in the Plan by providing to the Plan Administrator such forms of authorization and designation as specified by CPR from time to time. The suspension will be implemented as soon as practicable once the appropriate completed form is received and processed by both the Plan Administrator and CPR's Pay Services. Participants may voluntarily resume payroll contributions by providing to the Plan Administrator the appropriate completed form. If the voluntary suspension should exceed a period of twelve (12) consecutive months, CPR may, at its discretion, terminate the participation in the Plan of the Participant in accordance with the provisions of Section 4.5.

4.4 Paid Leaves of Absence

Subject to Sections 4.3 and 4.5, a Participant shall continue to make contributions during any leave of absence for which the Participant receives Salary.

4.5 Termination of Participation

Participants may, at their discretion, terminate their participation in the Plan at any time in accordance with Section 8 by providing to the Plan Administrator such forms of authorization and designation as specified by CPR from time to time. The termination will be implemented as soon as practicable once the appropriate completed form is received and processed by both the Plan Administrator and CPR's Pay Services.

The Plan Administrator may, on behalf of CPR, terminate the participation in the Plan of any Participant who has had nil (zero) balances or has not made any contributions for a consecutive period exceeding twelve (12) months unless stated otherwise. The Plan Administrator will keep track of Participants who have not made contributions for such period and will, on behalf of CPR, terminate the participation in the Plan of such Participants. In the event of such termination share certificates will be issued in accordance with Section 8.3. The Participant will be charged share certificate issuing fees or other similar charges.

The Plan Administrator will issue a share certificate for all whole Shares recorded in such Plan Account, plus a cash payment equal to any unallocated contributions plus the value of any fraction of a Share as determined in accordance with the provisions of Section 8.1.

The Plan Administrator will send a written letter of confirmation of termination from the Plan to the Participant where applicable as soon as practicable.

Any former Participant who chooses to re-join the Plan shall be subject to a mandatory six (6) month waiting period prior to re-enrolment. The Plan Administrator will keep track of such period and will, on behalf of CPR, re-enrol the former Participant who has completed such waiting period.

Dividends received within the period as a result of Share holdings within the Account do not qualify as contributions for the purposes of determining inactivity.

Section 5 — Administration of the Plan

5.1 Responsibility for Administration

CPR will be responsible for the administration of the Plan and for the interpretation of its provisions. Where any reference in the Plan is made to any action to be taken, consent, approval or opinion to be given, direction or decision to be exercised or made by CPR, it shall be read as Canadian Pacific Railway Company acting through its authorized officers or by any other person authorized by CPR for the purposes of the Plan.

5.2 Appointment of Plan Administrator

CPR shall appoint (and by their participation in the Plan, Participants authorize CPR to appoint) one or more Plan ~~A~~administrators to perform such functions as may be specified in the Custodial Agreement(s). Any reference in the Plan to the purchase or sale of Shares by the Plan ~~A~~administrator shall be read to include the purchase or sale of Shares effected through such broker(s) or agent(s) as may be appointed by the Plan Administrator.

5.3 Rules and Procedure

CPR may from time to time adopt rules and procedures in respect of the administration of the Plan, provided that all such rules and procedures shall be consistent with the provisions of the Plan as in effect from time to time. Such rules and procedures may vary for different employees. The rules and procedures shall be binding on all Participants and Eligible Employees in respect of whom such rules and procedures are applicable.

5.4 Delegation of Administrative Responsibilities

CPR may delegate to third parties, including the Plan Administrator, the whole or any part of the administration of the Plan and shall determine the scope of such delegation. Any decision taken by CPR or its delegate in carrying out their responsibilities with respect to the administration of the Plan, including the interpretation or application of any rules or procedures adopted, pursuant to Section 5.3, shall be final and binding on the Participants and their beneficiaries.

5.5 Costs and Expenses

CPR shall pay Basic Administration Expenses in connection with the operation of the Plan as determined by CPR, save to the extent such costs are met out of any interest income earned by the Plan as contemplated in Section 6.~~54~~.

All fees outside Basic Administration Expenses, including, without limitation, any brokerage or other charges in connection with the sale of Shares, issuance of share certificates or transfer of Shares are payable by the Participant in accordance with Section 8. All fees charged in connection with the Participant's use of the Plan Administrator's service call centre are payable by the Participant.

5.6 Participant Statements

Each Participant will receive from the Plan Administrator a statement as of the end of each calendar quarter (or such other times as may be determined by CPR), which statement shall contain such information in respect of such Participants' Plan Accounts as CPR may determine from time to time or as otherwise may be required by law (including foreign law) to the extent applicable to the Participants in question.

5.7 Reports and Voting

The Plan Administrator will deliver to each Participant all notices of meetings, forms of proxy, statements or other material distributed by Canadian Pacific Limited to holders of common shares. The delivery will be accomplished as promptly as practicable, by mail or otherwise.

Notices or other instructions given by an Eligible Employee or a Participant to CPR or Plan Administrator shall be in such form as is determined by CPR from time to time.

5.8 Voting Rights

The Plan Administrator shall furnish or cause to be furnished to each Participant who has Shares recorded in any Plan Account a copy of all notices sent to shareholders in respect of shareholder meetings at which the Shares are entitled to be voted and shall request from each such Participant instructions as to the voting at such meeting of the aggregate number of the Participant's whole Shares on the record date of such meeting. If the Participant furnishes such instructions to the Plan Administrator on a timely basis, the Plan Administrator shall vote such number of whole Shares in accordance with the instructions of the Participant. If the Participant fails to furnish timely instructions to the Plan Administrator, the Plan Administrator shall not vote the Participant's whole Shares. The Plan Administrator shall not vote any fractional Shares allocated to Participant's Plan Accounts.

Section 6 — Investment

6.1 Acquisition of Common Shares

CPR will deduct the authorized amount from each Participant's Salary each pay period and will forward the Participant's contribution to the Plan Administrator as expediently as practicable. The Plan Administrator will purchase the requisite number of shares through the facilities of the applicable Stock Exchange as soon as practicable upon receipt of such contributions by the Plan Administrator and will allocate the appropriate shares to the Participant after each purchase. Any lump sum contributions will be invested as soon as practicable upon receipt of such contributions by the Plan Administrator. The number of common shares purchased depends upon the Market Price of Shares at the time purchases are made and the total amount of contributed funds available for the purchase of such shares. CPR will be responsible for all brokerage commissions or similar fees incurred in connection with such purchases.:-

6.2 Allocations

Allocations of Shares are made to each Participant's account in proportion to the contributions received. Allocations are made in whole and fractional Shares. At all times, the Shares purchased with the Participant's contribution are held for the account of the Participant.

6.3 Dividends

In the event a cash dividend is paid to holders of Shares, the net amount of such cash dividend attributable to Shares allocated to Plan Accounts shall be applied to purchase additional Shares in accordance with Section 6.2. The net amount of the cash dividend which is available for the purchase of Shares shall be determined after deduction from the gross amount of the cash dividend of such amount of income tax (if any) as is required to be withheld in accordance with applicable law (including foreign law) to the extent applicable to the Participant in question.

Wherever any reference is made in the Plan to Shares purchased or acquired with ~~Employee~~Participant ~~C~~Contributions, such reference shall be deemed to include any Shares purchased with net cash dividends as contemplated above.

Each Participant shall receive quarterly confirmation from the Plan Administrator, which will include all changes, if any, in the amount of common shares held for the Participant's account.

6.4 Interest Income

Any interest income earned on ~~Participant~~Employee Contributions during the interval between receipt by the Plan Administrator of the contributions and the payment for Shares purchased in accordance with Section 6.1~~2~~ shall be applied to meet any ~~b~~Basic ~~A~~Administration ~~e~~Expenses as contemplated in Section 5.5. No interest income will accrue to the benefit of the Participant.

6.5 Shares acquired after end of Plan Year

Where ~~Employee~~Participant Contributions and/or purchases are made in respect of a Plan Year, but are not settled until after the end of that Plan Year, such Shares will be reflected in the new Plan Year.

-

6.6 Maintenance of Records

The Plan Administrator will maintain records of the Plan Accounts held in the name of each Participant and all transactions with respect to such Plan Accounts, including a record of whole and fractional Shares allocated, the dates of allocation and the price at which such allocations are made; and hold, for a period ~~of mutually agreed upon by CPR and the Plan Administrator~~five (5) years, all forms of authorization and designation as specified by CPR from time to time submitted by CPR employees .

Section 7 — Distribution

At the time of purchase through the facilities of the Stock Exchange all Participants acquire whole beneficial ownership of all Shares and of any fractional interest in Shares acquired for their account. Notwithstanding any other provisions of this [Plan agreement](#), no fractional common share certificates will be issued.

All Shares are registered in the name of the Plan Administrator and remain so registered until delivery is requested. Participants may request that a certificate for any or all whole Shares credited to their accounts be delivered to them at any time. Upon such a request the Plan Administrator will be entitled to charge share certificate issuing fees or other similar charges which shall be payable by the Participant.

Section 8 — Withdrawals from Plan Account

8.1 Sale of Shares

Participants may instruct the Plan Administrator at any time, subject to other terms and conditions of the Plan, to sell any or all of their whole Shares. The Plan Administrator shall sell such shares on the Stock Exchange as soon as practicable upon receipt of such forms of authorization and designation as may be specified by CPR from time to time. The Plan Administrator will subsequently issue the proceeds less any brokerage or similar charges, which shall be payable by the Participant, via cheque or direct deposit as directed by the Participant.

The price of the fractional shares will be the same as the price of the whole Shares. Fractional shares may only be withdrawn upon termination of participation in the Plan.

8.2 Transfer of Shares

Participants may instruct the Plan Administrator at any time, subject to other terms and conditions of the Plan, to transfer any or all of their Shares to another financial institution. The Plan Administrator shall transfer such shares as soon as practicable upon receipt of such forms of authorization and designation as may be specified by CPR from time to time. Any fees applicable to the transfer of Shares to another financial institution shall be payable by the Participant.

8.3 Issuance of Share Certificates

Participants may instruct the Plan Administrator at any time, subject to other terms and conditions of the Plan, to issue a share certificate for any or all of their Shares. The Plan Administrator shall arrange for the issuance of such share certificate(s) as soon as practicable upon receipt of such forms of authorization and designation as may be specified by CPR from time to time. Any fees applicable to the issuance of share certificates shall be payable by the Participant.

8.4 Compliance with Securities Laws

Any sale or other transfer of Shares pursuant to this Section 8 may only be made in compliance with applicable securities laws.

Section 9 — Change of Status Provisions

9.1 ~~Non-compensated Leave Disability Leave, Unpaid Leave of Absence~~ or Layoff

In the event that a Participant is on non-compensated leave (not receiving compensation from CPR), ~~on disability leave, takes an unpaid leave of absence,~~ or is laid off, contributions to the Plan via payroll deduction will be suspended. Such Participants may continue to participate via direct lump sum contributions in accordance with Section 4.1.

If participation is suspended for more than twelve (12) consecutive months, the provisions of Section 4.5 apply with the exception that CPR will bear any related expenses associated with the issuance of the share certificate(s) and the six (6) month waiting period to re-enrol will be waived.

For the purposes of the administration of this Plan, the status of any non-compensated leavedisability, unpaid leave of absence and layoff, shall be determined in accordance with provisions of the applicable collective agreement(s), labour legislation or past practice.

9.3 Transfer to a Non-eligible Bargaining Unit

In the event that a Participant is transferred to a bargaining unit that is not eligible to participate in the Plan, participation in the Plan will be suspended. If participation is suspended for more than twelve (12) consecutive months, the provisions of Section 4.5 apply with the exception that CPR will bear any related expenses associated with the issuance of the share certificate(s) and the six month waiting period to re-enrol will be waived.

9.4 Resignation, Retirement, or Termination of Employment Without Cause, or Termination With Cause

In the case of the resignation, retirement, ~~termination without cause, or termination with cause~~ or termination of employment (with or without cause) of a Participant, which the Plan Administrator will be notified of by CPR, the Participant shall elect either:

- a) to have the Plan Administrator issue a share certificate for any or all whole Shares recorded in such Plan Account, plus a cash payment equal to any unallocated contributions plus the value of any fraction of a Share in accordance with the provisions of Section 8.3, ~~8.3~~, with the exception that any fees applicable to the issuance of share certificates and transaction fees will be payable by CPR; or

- b) to have the Plan Administrator sell any or all whole Shares on the Stock Exchange at the Market Price prevailing on the date of such sale, and to receive the ~~net~~-sale proceeds, plus a cash payment equal to any unallocated contributions plus the value of any fraction of a Share in accordance with the provisions of Section 8-~~1~~;
or
- c) to have the Plan Administrator transfer any or all whole Shares to another financial institution and receive a cash payment equal to any unallocated contributions plus the value of any fraction of a Share in accordance with the provisions of Section 8-~~1~~, with the exception that any fees applicable to the transfer of shares and transaction fees will be payable by CPR.

If the Participant fails to make an election within ninety (90) calendar days of any of the above captioned events taking place, the Plan Administrator shall ~~elect~~ to issue a share certificate to the Participant for all whole shares recorded in such Account, plus a cash payment equal to any unallocated contributions plus the value of any fraction of a Share. The Plan Administrator shall send the share certificate and any cash payment to the last known address for the Participant.

9.5 Death

In the case of the death of a Participant, which the Plan Administrator will be notified of by CPR, the Legal Representative for the Participant's estate shall elect either:

- a) to have the Plan Administrator issue a share certificate for any whole Shares recorded in such Plan Account, plus a cash payment equal to any unallocated contributions plus the value of any fraction of a Share in accordance with the provisions of Section 8-~~3~~ with the exception that any fees applicable to the issuance of share certificates and transaction fees will be payable by CPR; or
- b) to have the Plan Administrator sell any whole Shares on the Stock Exchange at the Market Price prevailing on the date of such sale, and to receive the net sale proceeds, plus a cash payment equal to any unallocated contributions plus the value of any fraction of a Share, if any, in accordance with Section 8-~~1~~.

If the Legal Representative fails to make an election, or no Legal Representative comes forward to CPR, within ninety (90) calendar days of the Participant's death, the Plan Administrator shall elect to issue to the deceased's estate a share certificate for all whole shares recorded in such Account, plus a cash payment equal to any unallocated contributions plus the value of any fraction of a Share. The Plan Administrator shall send the share certificate and any cash payment to the last known address for the Participant or Legal Representative.

Section 10 — Plan Amendment and Termination

10.1 Plan Amendment

CPR reserves the right to amend the Plan, in whole or in part, at any time at its discretion

without the consent of Participants, provided that no such amendment shall have the effect of reducing any benefits accrued to any Participant as of the date of Amendment.

10.2 Plan Termination

The Plan may be terminated at any time by CPR. Upon termination of the Plan, all Shares held by the Plan Administrator and any cash balances remaining in Plan Accounts shall be distributed to the relevant Participants. No further ~~Participant~~~~Employee~~ Contributions shall thereafter be made.

10.3 Plan Administrator Duties

No amendment, change, or modification shall be made to the Plan that will alter the duties of the Plan Administrator, without CPR's and the Plan Administrator's written consent.

Section 11 — Market Fluctuation

CPR makes no representations or warranties with respect to the Plan or the Shares whatsoever. CPR shall not indemnify any Participant under the Plan against loss resulting from fluctuations in the price of the underlying Shares. Participants are expressly advised that all of the Participant's contributions will be invested in ~~the~~ Shares, and the value of any Participant's Shares ~~assets~~ in the Plan will fluctuate as the trading price of the Shares fluctuates on the Stock Exchange.

In seeking the benefits of participation in the Plan, a Participant solely accepts the risk of a decline in the market price of the Shares.

Section 12 — Income Taxes

CPR and Participants acknowledge that the subsequent sale of Shares by the Participant may result in income tax consequences including without limitation a taxable capital gain, or an allowable capital loss to the Participant under Canadian tax law.

The Participant shall be responsible to pay any and all income tax consequences resulting from participation in the Plan or the sale of Shares, including without limitation:

- a) tax consequences from a capital gain;
- b) tax consequences from the payment and receipt of dividends;
- c) tax consequences from the payment by CPR of brokerage or other fees, where deemed under applicable law, to be a taxable benefit to the Participant;

Participants are expressly advised that Canadian tax laws are complex and subject to change and each Participant is solely responsible to contact his or her own qualified financial advisor to determine what current effect any applicable tax legislation may have with respect to his or her participation in the Plan or the sale of Shares, and to determine

any tax consequences.

Participants will be provided with the appropriate tax forms.

Section 13 — Trading on Undisclosed Information

No Participant shall in any manner participate in the trading of Shares based upon insider or undisclosed corporate information as prohibited by law, and any such Participant action may be subject to prosecution.

Section 14 — General Provisions

14.1 No Additional Rights to Employment

- (a) The opportunity to participate in this Plan does not form part of any person's contract of employment, nor does the existence of a contract of employment between any person and CPR give such person any right or entitlement to participate in the Plan or any expectation that an opportunity to participate in the Plan will be offered to the person subject to any conditions or at all.
- (b) The rights and obligations of a Participant under the terms of his or her contract of employment with CPR shall not be affected by participation in this Plan.
- (c) The opportunity to acquire Shares pursuant to the Plan shall not afford a Participant or any Eligible Employee any rights or additional rights to compensation or damages in consequence of the loss or termination of the Participant's office or employment with CPR for any reason whatsoever.
- (d) A Participant shall not be entitled to any compensation for damages for any loss or potential loss which he may suffer by reason of being or becoming unable to acquire Shares under the Plan in consequence of the loss or termination of his or her -office or employment with CPR for any reason (including, without limitation, any breach of contract by CPR) or in any other circumstances whatsoever.

14.2 Liability

No Participant shall make any claim or demand against CPR or the Plan Administrator and CPR and the Plan Administrator shall not be liable with respect to:

- (a) the performance of Shares on the Stock Exchange at or during any period of time;

(b) changes in the local currency value of Shares held by a Participant, where applicable, resulting from fluctuations in the exchange rates between the Canadian or United States dollar and any other currency;

(c) ~~(e)~~ income taxes payable in respect of ParticipantEmployee Contributions, except to the extent that:

(i) ~~(i)~~ the EE employer is required by law to withhold any such amounts either from a Participant's Salary or from payments under the Plan; or

(ii) ~~(ii)~~ the EE employer (but not the EE employee) is liable for such payment under applicable law.

14.3 Participants Agreement to be Bound by Plan Terms

Participation in the Plan by any Participant shall be construed as acceptance by the Participant of the terms and conditions of the Plan and all rules and procedures adopted hereunder, and as the Participant's agreement to be bound thereby.

14.4 Indemnification

By electing to participate in the Plan a Participant shall agree to indemnify:

(a) CPR; and

(b) the Plan Administrator and any other person who is or becomes liable to account for tax, social security contributions or any other regulatory or statutory contributions on behalf of the Participant

against any amount of or representing tax, ~~social security contributions~~ or any other regulatory or statutory contributions for which CPR (or such other person) is liable to account in respect or in consequence of the facilitation of ParticipantEmployee Contributions, for the benefit of such Participant and which (as between the Participant and CPR or such other person) is the liability of the Participant but which CPR or such other person cannot otherwise lawfully recover from the Participant (whether by way of deduction from payroll or otherwise).

14.5 Assignment Exemption from Seizure and Bankruptcy

Except as may otherwise be specifically provided by any applicable law, no right of a person under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge encumbrance or charge and any attempt by anyone to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void, and any Shares or money to which any person is entitled under the Plan are exempt from execution, seizure and attachment. Any Shares withdrawn from any Plan Account

may only be transferred (including any transfer pursuant to Section 8.2 in accordance with applicable securities laws.

If, notwithstanding the foregoing, a Participant is deprived by applicable law of interests in Shares or ceases to retain beneficial interest in the Shares, then all rights under the Plan will cease forthwith and no further Shares will be allocated under the Plan to that Participant.

14.6 Share Certificates

Share certificates, if issued pursuant to any provision of the Plan, shall bear any legend that is necessary or is deemed advisable in order to comply with applicable securities laws, including any legends referring to restrictions on transfer in any jurisdiction.

14.7 Physical, Mental or Legal Incapacity of the Participant

If any payment is to be made under the Plan to a minor or other person who is physically, mentally or legally incompetent, the Plan Administrator shall pay the same to the parent or guardian or other person having legal custody of, or being the legally appointed representative of, such person, to be applied by such parent, guardian, person having custody or legally appointed representative for the benefit of such person, without the Plan Administrator being further liable to see to the application thereof and so that any such payment shall be a complete discharge of any liability under the Plan and of CPR.

14.8 Governing Law and Compliance with Laws

The Plan shall be governed by and construed in accordance with the laws of the province of Alberta, Canada.

Notwithstanding any provision of this Plan, CPR shall operate the Plan in compliance with all applicable laws and regulations of all jurisdictions where CPR has, in accordance with the terms of this Plan, decided to offer the Plan.

14.9 Discretionary Relief

Notwithstanding any other provision of the Plan, CPR may, at its discretion, waive any condition of the Plan if specific individual circumstances warrant such waiver.

