

The articles of the Corporation are amended as follows:

A. By the creation and designation of 1,250,000 Convertible First Preferred Shares Series 1 of the First Preferred Shares issuable in series of the Corporation.

B. After giving effect to the foregoing, the authorized capital of the Corporation shall consist of an unlimited number of Common Shares, an unlimited number of First Preferred Shares issuable in series by the directors and 1,250,000 Convertible First Preferred Shares Series 1.

C. In addition to the existing rights, privileges, restrictions and conditions attaching to the First Preferred Shares as a class, the rights, privileges, restrictions and conditions attaching to the Convertible First Preferred Shares Series 1, are as follows:

1,250,000 CONVERTIBLE FIRST PREFERRED SHARES SERIES 1

The 1,250,000 Convertible First Preferred Shares Series 1 with a paid-up capital of \$0.0000008 each (hereinafter called the “**Series 1 Convertible Preferred Shares**”), a series of the First Preferred Shares, carry and are subject to the preferences, rights, limitations, conditions and restrictions hereinafter set forth:

1. DEFINITIONS

In the rights, conditions, restrictions, limitations and prohibitions attaching to the Series 1 Convertible Preferred Shares:

- (a) “**Common Shares**” means the Common Shares without par value of the Company and any shares resulting from any increase, subdivision, consolidation or re-classification thereof;
- (b) “**Conversance**” means Conversance Inc.;
- (c) “**Conversion Basis**” means one (1) Common Share for each Series 1 Convertible Preferred Share, subject to the provision of paragraph 8;
- (d) “**Third Amendment to Subscription Agreement**” means the agreement made as of the 11th day of September, 2020 between Conversance, the holder of the Series 1 Convertible First Preferred Shares and the Company;
- (e) “**Triggering Event**” means the date on or before June 30, 2021 on which an arm’s length investor or a group of arm’s length investors acting together purchases from the treasury of Conversance an aggregate of at least 130,139 Class A Shares of Conversance, being 10% of the issued and outstanding capital of Conversance after giving effect to the purchase of the Class A Shares, at a price of at least \$10.00 per Class A Share; and
- (f) “**close of business**” means the normal closing hours of the head office of the Company at which the conversion right is to be exercised, as the case may be.

2. VOTING RIGHTS

The holder of the Series 1 Convertible Preferred Shares shall not be entitled to receive notice of or to attend any meeting of the shareholders of the Company or to vote at any such meeting.

3. DIVIDEND

The holder of the Series 1 Convertible Preferred Shares shall not be entitled to receive dividends.

4. AUTOMATIC CONVERSION

Upon the occurrence of the Triggering Event, the Series 1 Convertible Preferred Shares shall be automatically converted into 1,250,000 Common Shares, subject to the provisions of paragraph 8. If the Triggering Event has occurred on or before June 30, 2021, the solicitor for the Company shall release the Purchased Securities, as that term is defined in the Third Amendment to Subscription Agreement, to the Company and the Company shall deliver to the holder of the Series 1 Convertible Preferred Shares the 1,250,000 Common Shares, subject to the provisions of paragraph 8 and subject to the terms of the Series 1 Convertible Preferred Shares. If the Triggering Event has not occurred by June 30, 2021, the solicitor for the Subscriber shall return the Purchased Securities to the holder of the Series 1 Convertible Preferred Shares, the Series 1 Convertible Preferred Shares shall be redeemed by the Company pursuant to the provisions of paragraph 5 for the payment of \$1.00 and the purchase of the Purchased Securities shall be terminated in accordance with the terms of the Third Amendment to Subscription Agreement.

5. REDEMPTION

- (a) The Company shall call for redemption of all of the Series 1 Convertible Preferred Shares outstanding on June 30, 2021 on payment of \$0.0000008 for each such share to be redeemed if the Triggering Effect has not occurred.
- (b) In any case of redemption by call of the Series 1 Convertible Preferred Shares, the Company shall notify the registered holder of the Series 1 Convertible Preferred Shares to be redeemed in writing of the intention of the Company to redeem such shares. Such notice shall be mailed in an envelope by first class unregistered mail with postage prepaid, addressed to such shareholder at his address as it appears on the books of the Company. Such notice shall set out the date on which redemption is to take place.

On or after the date so specified for redemption, the Company shall pay or cause to be paid to or to the order of the registered holder of the Series 1 Convertible Preferred Shares to be redeemed the redemption price on presentation and surrender at the head office of the Company or any other place within Canada designated in such notice of the certificate representing the Series 1 Convertible Preferred Shares so called for redemption. Such payment shall be made by cheque or cheques payable at par at any branch of the Company's bankers for the time being in Canada. From and after the date specified for redemption in any such notice, the holder of the Series 1 Convertible Preferred Shares called for redemption shall cease to exercise any of the rights of a shareholder respecting these shares unless payment of the redemption price shall not be made upon presentation of the certificate or certificates representing the Series 1 Convertible Preferred Shares called for redemption in accordance with the above provisions, in which case the rights of the holder of these shares shall not be affected. The Company shall have the right, at any time, after having served notice of its intention to redeem the Series 1 Convertible Preferred Shares as aforesaid, to deposit the redemption price of the Series 1 Convertible Preferred Shares so called for redemption or of such of the said shares represented by certificates as have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption in a special account in any chartered bank or any trust company in Canada named in such notice to be paid without interest to or to the order of the holder of the Series 1

Convertible Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificate or certificates representing the same. Upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 1 Convertible Preferred Shares in respect whereof such deposit shall have been made shall be redeemed and the rights of the holder thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest of the total redemption price so deposited against presentation and surrender of the said certificate or certificates held by him. Any interest allowed on any such deposit shall belong to the Company. From and after the date of redemption of the Series 1 Convertible Preferred Shares, the certificates for the shares so redeemed shall be cancelled and such shares may not be reissued.

6. MODIFICATION OF SERIES 1 CONVERTIBLE PREFERRED SHARES

The Company shall not without, but may from time to time with, the approval of the holder of the Series 1 Convertible Preferred Shares then outstanding given as hereinafter specified (in addition to any other sanction which may be necessary) and confirmed by articles of amendment amend, vary, alter, change, cancel or abrogate any of the preferences, rights, privileges, priorities, limitations, conditions or restrictions attaching to the Series 1 Convertible Preferred Shares as a series. The approval of the holder of the Series 1 Convertible Preferred Shares with respect to any matters which may be required to be approved by him may be given in writing by the holder

7. MANNER OF EXERCISING CONVERSION

The conversion of the Series 1 Convertible Preferred Shares may only be effected by the surrender of the certificate representing the same at any time during normal business hours at the office of the solicitors for the Company in exchange for the Common Shares into which the Series 1 Convertible Preferred Shares have been converted.

8. ADJUSTMENT OF CONVERSION BASIS

The Conversion Basis shall be subject to adjustment from time to time in the events and in the manner following:

- (a) If at a time hereafter, the outstanding Common Shares shall be subdivided, redivided or changed into a greater number or consolidated into a lesser number of Common Shares, or if the Common Shares are reclassified, upon the conversion of the Series 1 Convertible Preferred Shares, the holder shall be entitled to receive and shall accept in lieu of the number of pre-capital reorganization Common Shares to be acquired by him, but for the same aggregate consideration payable therefor, the aggregate number of shares of the appropriate classes that the holder of the Series 1 Convertible Preferred Shares would have been entitled to receive as a result of such subdivision, redivision, change, consolidation or reclassification if, on the record date or the effective date thereof, it had been the registered holder of the pre-capital reorganization Common Shares to have been received on conversion of the Series 1 Convertible Preferred Shares and the number of Common Shares shall be amended accordingly;
- (b) If at any time hereafter while the Series 1 Convertible Preferred Shares are outstanding, there is a capital reorganization of the Company not covered in paragraph 8 hereof or a consolidation or merger of the Company as or substantially as an entirety with or into any other corporation, the holder of the Series 1 Convertible Preferred Shares shall be entitled

to receive and shall accept in lieu of the number of pre-capital reorganization Common Shares it would have received on conversion, the number of Common Shares or other securities or property of the Company or of the corporation resulting from such merger or consolidation or to which such sale may be made, as the case may be, that the holder of the Series 1 Convertible Preferred Shares would have been entitled to receive on such capital reorganization, consolidation, merger or sale if, on the record date or the effective date thereof, it had been the registered holder of the number of the pre-capital reorganization Common Shares it would have received on conversion.

9. RULES REGULATING CALCULATIONS OF ADJUSTMENT OF CONVERSION BASIS

For the purposes of paragraph 8 hereof:

- (a) in case a state of fact occurs wherein, in the opinion of the Board of Directors of the Company, the provisions of paragraph 8 hereof are not strictly applicable, or if strictly applicable, would not fairly protect the conversion rights of the holders of the Series 1 Convertible Preferred Shares in accordance with intent and purposes hereof, then the Board of Directors of the Company may make an adjustment in the application of such provisions so as to protect only the conversion rights attaching to the Series 1 Convertible Preferred Shares; and
- (b) if and whenever any action is taken which requires an increase or decrease in the Conversion Basis, the Company shall forthwith notify the holder of the Series 1 Convertible Preferred Shares.

10. PAYMENT FOR FRACTIONAL SHARES

Upon the conversion of any Series 1 Convertible Preferred Shares, the number of full Common Shares issuable upon conversion thereof shall be computed on the basis of the aggregate number of such Series 1 Convertible Preferred Shares to be converted. In any case where a fraction of a Common Share is involved the Company may adjust such fractional interest by payment by cheque of an amount equal to the then current market value of such fractional interest computed on the basis of the last sale price (or last bid price if there be no sales) for the Common Shares on any public market on which the Common Shares trade on the business day on which all such public markets were open next preceding the date of such surrender;

11. TAXES ON CONVERSION

The issuance of certificates for Common Shares upon the conversion of Series 1 Convertible Preferred Shares shall be made without charge to the converting holder of Series 1 Convertible Preferred Shares for any fee or charge in respect of the issuance of such certificates or the Common Shares represented thereby; provided, however, that the Company shall not be required to pay any tax which may be imposed upon the person to whom such Common Shares are issued in respect of the issuance of such Common Shares or the certificates therefor.

6. The amendment has been duly authorized as required by sections 168 and 170 (as applicable) of the *Business Corporations Act*.
La modification a été dûment autorisée conformément aux articles 168 et 170 (selon le cas) de la *Loi sur les sociétés par actions*.
7. The resolution authorizing the amendment was approved by the shareholders/directors (as applicable) of the corporation on
Les actionnaires ou les administrateurs (selon le cas) de la société ont approuvé la résolution autorisant la modification le

2020/09/14


(Year, Month, Day)
(année, mois, jour)

These articles are signed in duplicate.
Les présents statuts sont signés en double exemplaire.

ZTEST ELECTRONICS INC.

(Print name of corporation from Article 1 on page 1)
(Veuillez écrire le nom de la société de l'article un à la page une).

By/
Par :



(Signature)
(Signature)

William R. Johnstone

Secretary

(Description of Office)
(Fonction)