

**APPENDIX A
DHX Media Ltd.**

Ownership Declaration

INSTRUCTIONS

Upon request, a separate Declaration is to be completed by the registered holder or his agent for his Shares.

If the declarant is not also the registered holder and beneficial owner of the Shares, the declarant must make reasonable inquiries of the holder, registered holder or beneficial owner, as the case may be, to confirm that the statements made in the declaration as they pertain to the registered holder and beneficial owner are true.

If the declarant is a corporation, partnership, association, trust or other organization, this declaration must be signed by a responsible officer or partner thereof or other duly authorized representative.

All statements set out in this Declaration must be completed.

PLEASE REFER TO THE DIRECTION ATTACHED TO THIS DECLARATION TO DETERMINE STATUS AS A CANADIAN OR NON-CANADIAN.

TO: DHX MEDIA LTD. ("DHX")

In response to a request made by DHX to facilitate compliance with the restrictions on ownership and control of the Shares of DHX pursuant to a Direction (the "Direction") made pursuant to the *Broadcasting Act*, S.C. 1991, Ch. 11 (the "Act") and the Articles and By-Laws of DHX and in connection with:

_____ (Number) Common and Variable Voting Shares

I *[Insert Name]* _____

of *[Insert Full Address]* _____

HEREBY DECLARE THAT, within the meaning of the definitions contained in the Direction and the Articles of DHX, as set forth on the reverse side hereof, as at the date hereof:

- **The Shares listed above are ____ / are not ____ beneficially owned or controlled, directly or indirectly, by one or more Non-Canadians.**

If I am not the registered holder of the Shares, I have asked for and received the registered holder's authority and advice to execute this Declaration on his or her behalf.

This Declaration is made, conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and given by virtue of the *Canada Evidence Act* or the U.S. Federal Rules of Evidence, as applicable.

DECLARED THIS _____ DAY OF _____, _____

Signature of Declarant

If the declarant is a corporation, partnership, association, trust or other organization, provide the name and title of the signatory:

Address of Declarant (Please print):

See Direction on Reverse

APPENDIX C Reverse of Declaration Forms – Copy of Direction

Direction to the CRTC (Ineligibility of Non-Canadians) SOR/97-192 BROADCASTING ACT

Whereas, pursuant to subsection 26(4) of the *Broadcasting Act*, the Minister of Canadian Heritage has consulted with the Canadian Radio-television and Telecommunications Commission with regard to the annexed *Direction to the CRTC (Ineligibility of Non-Canadians)*;

Therefore, His Excellency the Governor General in Council, on the recommendation of the Minister of Canadian Heritage, pursuant to subsection 26(1) of the *Broadcasting Act*, hereby issues the annexed *Direction to the CRTC (Ineligibility of Non-Canadians)*.

INTERPRETATION

1. The definitions in this section apply in this Direction.

"acquiring corporation" means a corporation referred to in paragraph 17(2)(a) of the *Canadian Telecommunications Common Carrier Ownership and Control Regulations* as they read on October 25, 1994, registered as SOR/94-667. (*acquéreur*)

"affiliate corporation" means, in relation to a qualified successor,
(a) a Canadian carrier referred to in subsection 16(2) of the *Telecommunications Act* or any of its subsidiary corporations;
(b) an acquiring corporation or any of its subsidiary corporations; or
(c) a corporation that controls the corporations referred to in paragraphs (a) and (b), or any of its subsidiary corporations. (*société affiliée*)

"Canadian" means

- (a) a citizen within the meaning of subsection 2(1) of the *Citizenship Act* who is ordinarily resident in Canada;
(b) a permanent resident within the meaning of subsection 2(1) of the *Immigration Act* who is ordinarily resident in Canada and has been ordinarily resident in Canada for not more than one year after the date on which that person first became eligible to apply for Canadian citizenship;
(c) a Canadian government, whether federal, provincial or local, or an agency thereof, subject to the *Direction to the CRTC (Ineligibility to Hold Broadcasting Licences)*;
(d) a corporation without share capital where a majority of its directors are appointed or designated, either by their personal names or by their names of office, by one or more of the following, namely,
(i) a federal or provincial statute or any regulation made thereunder,
(ii) the Governor in Council or the lieutenant governor in council of a province, and
(iii) a minister of the Crown in right of Canada or a province;
(e) a qualified corporation;
(f) a qualified mutual insurance company;
(g) a qualified pension fund society;
(h) a qualified cooperative; or
(i) a qualified successor
(i) for the purpose of holding a broadcasting distribution undertaking licence, or
(ii) for the purpose of beneficially owning, directly or indirectly, 50 per cent or less of all the issued and outstanding voting shares, and 50 per cent or less of the votes, of a qualified corporation that holds a broadcasting licence for a distribution undertaking only. (*Canadien*)

"control" means control in any manner that results in control in fact, whether directly through the ownership of securities or indirectly through a trust, an agreement or arrangement, the ownership of a corporation or otherwise. (*contrôle*)

"director" means a person who is a member of the board of directors of a corporation or, where the corporation has no directors, a person performing functions that are similar to the functions performed by directors. (*administrateur*)

"independent member" means a person who is not an officer or employee of, or a contractor who provides goods or services to, a qualified successor or any of its affiliate corporations, who is not a director of any affiliate corporations of the qualified successor, and in respect of whom there are no considerations that could reasonably be anticipated to interfere with the person's ability to act in the best interests of the qualified successor. (*membre indépendant*)

"non-Canadian" means a person or entity that is not a Canadian. (*non-Canadien*)

"qualified cooperative" means a cooperative, not less than 80 per cent of the members of which are Canadians, that is established under an Act of Parliament or under any provincial legislation that relates to the establishment of cooperatives. (*coopérative qualifiée*)

"qualified corporation" means a corporation incorporated or continued under the laws of Canada or a province, where

- (a) the chief executive officer or, where the corporation has no chief executive officer, the person performing functions that are similar to the functions performed by a chief executive officer, and not less than 80 per cent of the directors are Canadians;
(b) in the case of a corporation having share capital, Canadians beneficially own and control, directly or indirectly, in the aggregate and otherwise than by way of security only, not less than 80 per cent of all the issued and outstanding voting shares of the corporation and not less than 80 per cent of the votes; and
(c) in the case of a corporation that is a subsidiary corporation,
(i) the parent corporation is incorporated or continued under the laws of Canada or a province,
(ii) Canadians beneficially own and control, directly or indirectly, in the aggregate and otherwise than by way of security only, not less than 66 2/3 per cent of all of the issued and outstanding voting shares of the parent corporation and not less than 66 2/3 per cent of the votes, and
(iii) the parent corporation or its directors do not exercise control or influence over any programming decisions of the subsidiary corporation where

- (A) Canadians beneficially own and control, directly or indirectly, in the aggregate and otherwise than by way of security only, less than 80 per cent of the issued and outstanding voting shares of the parent corporation and less than 80 per cent of the votes,
(B) the chief executive officer of the parent corporation or, where the parent corporation has no chief executive officer, the person performing functions that are similar to the functions performed by a chief executive officer is a non-Canadian, or
(C) less than 80 per cent of the directors of the parent corporation are Canadian. (*personne morale qualifiée*)

"qualified mutual insurance company" means a mutual insurance company, the head office and principal place of business of which are in Canada and not less than 80 per cent of the board of directors and of each committee of the directors of which are Canadians. (*société mutuelle d'assurance qualifiée*)

"qualified pension fund society" means a pension fund society, not less than 80 per cent of the board of directors of which and of each committee of the directors of which are Canadians, and that is established under *An Act to incorporate the Guarantee and Pension Fund Society of the Dominion Bank*, S.C. 1887, c. 55, *An Act to incorporate the Pension Fund Society of the Bank of Montreal*, S.C. 1885, c. 13, the *Pension Fund Societies Act*, R.S., 1985, c. P-8, or under any provincial legislation that relates to the establishment of pension fund societies. (*société de caisse de retraite qualifiée*)

"qualified successor" means a corporation referred to in paragraph 17(2)(b) or (c) of the *Canadian Telecommunications Common Carrier Ownership and Control Regulations* as they read on October 25, 1994, registered as SOR/94-667, incorporated or continued under the laws of Canada or a province and directly controlled by a Canadian carrier referred to in subsection 16(2) of the *Telecommunications Act*, or by its acquiring corporation, where

- (a) the control of the Canadian carrier and its acquiring corporation has remained unchanged since the date of the coming into force of this Direction;
(b) the chief executive officer of the corporation or, where the corporation has no chief executive officer, the person performing functions that are similar to the functions performed by a chief executive officer, and all its directors are Canadians;
(c) all the voting shares of the corporation that are not beneficially owned and controlled by the Canadian carrier or its acquiring corporation are beneficially owned and controlled by Canadians;
(d) in the case of a corporation referred to in subparagraph (i)(ii) of the definition "Canadian", all the voting shares of the qualified corporation that are not beneficially owned by the corporation are beneficially owned and controlled by Canadians;
(e) the corporation operates only in the operating territory of the Canadian carrier;
(f) the corporation does not beneficially own, directly or indirectly, voting shares of a corporation that holds a broadcasting distribution undertaking licence and that operates outside of the operating territory of the Canadian carrier;
(g) the directors of the corporation and its officers have complete and exclusive control over all programming decisions and
(i) at least 33 1/3 per cent of the directors are independent members, and
(ii) a quorum at any meeting of the directors or of any committee of the directors must include at least one independent member; and
(h) no parent corporation or affiliate corporation of the corporation exercises any control or influence over any programming decisions of the corporation. (*ayant droit qualifié*)

"subsidiary corporation" means a corporation that is controlled by another corporation. (*filiale*)

"voting share" means a share of any class of shares of a corporation carrying voting rights under all circumstances or by reason of any event that has occurred and is continuing or by reason of a condition that has been fulfilled, and includes

- (a) a security that is convertible into such a share at the time a calculation of the percentage of shares owned and controlled by Canadians is made; and
(b) an option or a right to acquire such a share, or the security referred to in paragraph (a), that is exercisable at the time the calculation referred to in that paragraph is made. (*action avec droit de vote*)

DIRECTION

2. The Canadian Radio-television and Telecommunications Commission is hereby directed that no broadcasting licence may be issued, and no amendments or renewals thereof may be granted, to an applicant that is a non-Canadian.

3. Where the Canadian Radio-television and Telecommunications Commission determines that an applicant is controlled by a non-Canadian, whether on the basis of personal, financial, contractual or business relations or any other considerations relevant to determining control, other than the beneficial ownership and control of the voting shares of a qualified successor by a Canadian carrier or its acquiring corporation, the applicant is deemed to be a non-Canadian.

REPEAL

4. The *Direction to the CRTC (Ineligibility of Non-Canadians)* is repealed.

COMING INTO FORCE

5. This Direction comes into force on April 8, 1997.