

Interest rates on U.S. \$148,500,000 (Cdn. \$218,517,750 translated at the exchange rate at August 31, 2000) have been fixed by means of interest rate swaps at 11.4%. Interest rates on the balance of the bank loans fluctuate with the Canadian bankers' acceptances and averaged 8.2% for the year.

The banks hold as collateral a first ranking charge on all assets and undertakings of the Company. Under the credit agreement, the Company has undertaken to maintain certain financial covenants. The Company was in compliance with the covenants it made under the bank loans at August 31, 2000.

Principal repayments on long-term debt in each of the next five years and thereafter are approximately as follows:

(thousands of Canadian dollars)

2001	3,000
2002	3,000
2003	3,000
2004	3,000
2005	3,000
Thereafter	282,355
	<u>297,355</u>

11. SHARE CAPITAL

Authorized

The Company is authorized to issue an unlimited number of Class A participating shares ("Class A Voting Shares"), Class B non-voting participating shares ("Class B Non-Voting Shares"), Class A Preferred Shares, and Class 1 and Class 2 Preferred Shares.

Class A Voting Shares are convertible at any time into an equivalent number of Class B Non-Voting Shares. The Class B Non-Voting Shares are convertible into an equivalent number of Class A Voting Shares in limited circumstances.