

SCHEDULE 6 – PLAN OF ALLOCATION

PLAN OF ALLOCATION

THE DEFINED TERMS

1. For the purposes of this Plan of Allocation, the definitions set out in the Settlement Agreement, except as modified herein, apply to and are incorporated into this Plan of Allocation and, in addition, the following definitions apply:
 - (a) “**Acquisition Expense**” means the total monies paid by the Claimant (including brokerage commissions) to acquire Qualified Shares;
 - (b) “**Authorized Claimant**” means a Class Member who: (i) submitted a properly completed Claim Form and all required supporting documentation to the Administrator; (ii) suffered a Net Loss; and (iii) the Administrator has determined is eligible to receive a Distribution from the Compensation Fund;
 - (c) “**Claimant**” means a Class Member who submits a properly completed Claim Form and all required supporting documentation to the Administrator, on or before the Claims Bar Deadline;
 - (d) “**Compensation Fund**” means the Settlement Amount less Class Counsel Fees and the Administration Expenses;
 - (e) “**Database**” means the web-based database in which the Administrator stores information received from the Defendants and/or acquired through the claims process;
 - (f) “**Distribution**” means payment to Authorized Claimants in accordance with this Plan of Allocation, the Settlement Agreement and any order of the Ontario Court;
 - (g) “**Distribution List**” means a list containing the name and address of each Authorized Claimant, the calculation of his/her/its Net Loss and the calculation of the Authorized Claimant’s *pro rata* share of the Compensation Fund;
 - (h) “**Disposition Proceeds**” means the total proceeds paid to the Claimant (without deducting any commissions paid in respect of the dispositions) in consideration of

the sale of all of his/her/its Qualified Shares; provided however that, with respect to any Qualified Shares that the Claimant continues to hold, they shall be deemed to have been disposed of for an amount equal to the number of Qualified Shares still held, multiplied by the difference between the average price per security paid for those Qualified Shares (including any commissions paid in respect thereof determined on a per security basis) and \$1.70;

- (i) “**Qualified Shares**” means Shares purchased or acquired during the Class Period;
- (j) “**FIFO**” means the principle of first-in first-out, wherein securities are deemed to be sold in the same order that they were purchased (i.e. the first securities purchased are deemed to be the first sold); and which requires, in the case of a Claimant who held Shares at the commencement of the Class Period, that those Shares be deemed to have been sold completely before Qualified Shares are sold;
- (k) “**Net Loss**” means that the Claimant’s Disposition Proceeds are less than the Claimant’s Acquisition Expense; and is the difference between: (1) the Claimant’s Acquisition Expense; and (2) the Claimant’s Disposition Proceeds;
- (l) “**Nominal Entitlement**” means an Authorized Claimant’s nominal damages as calculated pursuant to the formula set forth herein, and which forms the basis upon which each Authorized Claimant’s *pro rata* share of the Compensation Fund is calculated;
- (m) “**Reference**” means the procedure by which a Claimant who disagrees with the Administrator’s decision relating to eligibility for compensation, the determination of the number of Qualified Shares, or the amount of the Net Loss, may appeal the Administrator’s decision and have it reviewed by the Referee; and
- (n) “**Website**” means the website at www.coldfxclassaction.com .

THE OVERVIEW

2. The Plan of Allocation contemplates a determination of eligibility and an allocation and Distribution to each Authorized Claimant of a share of the Compensation Fund calculated as the ratio of his/her/its Nominal Entitlement to the total Nominal Entitlement of all

Authorized Claimants multiplied by the amount of the Compensation Fund. An Authorized Claimant will be eligible to participate in the Distribution of the Compensation Fund only if he, she or it has a Net Loss on the disposition of Qualified Shares.

3. For the purposes of determining the amount an Authorized Claimant may recover pursuant to this Settlement, the Plan of Allocation reflects the Plaintiffs' damages theory, namely:
 - (a) the Defendants represented that the financial statements of CV were prepared and reported in accordance with GAAP;
 - (b) the Defendants maintained that the financial statements of CV fairly represented in all material respects that CV's financial results and representations could be relied upon by investors; and
 - (c) subsequent disclosure releases acted to reduce the artificial inflation of the Share value that had existed during CV's 2006 Fiscal Year and 2007 Q1, namely, that on March 26, 2007, CV issued a press release announcing that previously reported U.S. sales in the fourth quarter of 2006 and the first quarter of 2007 did not reflect the actual sell through of product from the retailers to consumers. It was stated that significant rebalancing and product returns could have a serious impact on CV's cash position and working capital. CV's share value declined over the 10 trading days following these disclosures;

CALCULATION OF COMPENSATION

Calculation of Net Loss

4. A Claimant must have sustained a Net Loss in order to be eligible to receive compensation, in the form of a payment, from the Compensation Fund.
5. The Administrator shall first determine whether a Claimant sustained a Net Loss. If the Claimant has sustained a Net Loss he/she/it become an Authorized Claimant, and the Administrator will go on to calculate his/her/its Nominal Entitlement.

Formulae for Calculating Nominal Entitlement

6. The Administrator will apply FIFO to distinguish the sale of CV securities held at the beginning of the Class Period from the sale of Qualified Shares, and will continue to apply FIFO to determine the purchase transactions which correspond to the sale of Qualified Shares. The date of sale or disposition shall be the trade date, as opposed to the settlement date, of the transaction. The Administrator will use this data in the calculation of an Authorized Claimant's Nominal Entitlement according to the formulas listed below.

7. An Authorized Claimant's Nominal Entitlement will be calculated as follows:
 - (a) **No Nominal Entitlement shall be available for any Qualified Shares *disposed of prior to the alleged corrective disclosure, that is, prior to March 26, 2007.***

 - (b) **For Qualified Shares *disposed of during the 10 trading day period following the alleged corrective disclosure, that is, on or between March 26 and April 9, 2007, the Nominal Entitlement shall be:***
 - (i) an amount equal to the number of Qualified Shares thus disposed of, multiplied by the difference between the volume weighted average price paid for those Qualified Shares (including any commissions paid in respect thereof) and the price received upon the disposition of those Qualified Shares (without deducting any commissions paid in respect of the disposition).

 - (c) **For Qualified Shares *disposed of after the 10 trading day period following the alleged corrective disclosure, that is, after the close of trading on April 9, 2007, the Nominal Entitlement shall be the lesser of:***
 - (i) an amount equal to the number of Qualified Shares thus disposed of, multiplied by the difference between the volume weighted average price paid for those Qualified Shares (including any commissions paid in respect thereof) and the price received upon the disposition of those Qualified Shares (without deducting any commissions paid in respect of the disposition); and

 - (ii) an amount equal to the number of Qualified Shares thus disposed of, multiplied by the difference between the volume weighted average price paid for those Qualified Shares (including any commissions paid in respect thereof) and \$1.70 [being the 10 trading day volume weighted average trading price of CV common shares on the TSX from March 27 to April 9, 2007].

(d) For Qualified Shares still held at the time the Claim Form is completed, the Nominal Entitlement shall be:

- (i) an amount equal to the number of Qualified Shares still held, multiplied by the difference between the volume weighted average price paid for those Qualified Shares (including any commissions paid in respect thereof) and \$1.70 [being the 10 trading day volume weighted average trading price of CV common shares on the TSX from March 27 to April 9, 2007].

8. Each Authorized Claimant's actual compensation will be a portion of the Compensation Fund calculated as the ratio of his/her/its Nominal Entitlement to the total Nominal Entitlements of all Authorized Claimants multiplied by the amount of the Compensation Fund.

GENERAL PRINCIPLES OF THE ADMINISTRATION

9. The administration to be established shall:

- (a) implement and conform to the Plan of Allocation;
- (b) employ secure, paperless, web-based systems with electronic registration and record keeping, wherever practical; and
- (c) be bilingual in all respects and include a bilingual website and a bilingual toll-free telephone help service to be operated by live operators at times that accommodate access by potential members of the Class across Canada.

THE ADMINISTRATOR

10. The Administrator shall have such powers and rights reasonably necessary to discharge its duty and obligation to implement and administer the Escrow Account and the Plan of Allocation in accordance with their terms, subject to the direction of the Ontario Court.

The Administrator's Duties and Responsibilities

11. The Administrator shall administer the Plan of Allocation under the oversight and direction of the Ontario Court and act as trustee in respect of the monies held within the Escrow Account upon receipt from Sutts Strosberg LLP.

12. The Administrator shall, wherever practical, develop, implement and operate an administration system utilizing web-based technology and other electronic systems for the following:
 - (a) receipt of Defendants' data, via Computershare Limited or via Broadridge Financial Solutions, Inc. concerning the identity and contact information of registered holders or beneficial owners of Shares, respectively;
 - (b) class notification, as required;
 - (c) opt-out recording, analysis and reporting;
 - (d) claim filing and document collection;
 - (e) claim evaluation, analysis, and Reference procedures;
 - (f) distribution analysis and Distributions;
 - (g) *cy prè*s award distribution, if any, and reporting thereon;
 - (h) Administration Expense payments; and
 - (i) cash management, audit control and reporting thereon.

13. The Administrator's duties and responsibilities shall include the following:
 - (a) recording, analyzing, determining the validity of and reporting in respect of opt-outs;
 - (b) if practicable, providing any person who submits an Opt-Out Form prior to the Opt-Out Deadline, but whose Opt-Out Form is not properly completed or does not include some of the required supporting documentation, an opportunity to remedy any deficiency therewith;
 - (c) receiving the monies in the Escrow Account from Sutts Strosberg LLP and investing them in trust in accordance with the Settlement Agreement;

- (d) preparing any protocols required for submission to and approval of the Ontario Court;
- (e) providing the hardware, software solutions and other resources necessary for an electronic web-based bilingual claims processing centre to function in a commercially reasonable manner;
- (f) providing, training and instructing personnel in such reasonable numbers as are required for the performance of its duties in the most expedient, commercially reasonable manner;
- (g) instituting a tracing process to locate a current address for those Class Members whose Second Long Form Notice is returned “address unknown,” and re-mailing the Second Long Form Notice, at least forty five (45) days prior to the Claims Bar Deadline, to those Class Members for whom the tracing process provides a new mailing address, and who have not yet filed a Claim Form;
- (h) developing, implementing and operating electronic web-based systems and procedures for receiving, processing, evaluating and decision making respecting the claims of Class Members, including making all necessary inquiries to determine the validity of such claims;
- (i) if practicable, providing any Claimant whose Claim Form is not properly completed or does not include some of the required supporting documentation, an opportunity to remedy the deficiency as stipulated in the Settlement Agreement;
- (j) making timely assessments of eligibility for compensation and providing prompt notice thereof;
- (k) making Distributions from the Compensation Fund in a timely fashion;
- (l) dedicating sufficient personnel to communicate with a Claimant in either English or French as the Claimant elects;

- (m) using its best efforts to ensure that its personnel provide timely, helpful and supportive assistance to Claimants in completing the claims application process and in responding to inquiries respecting claims;
 - (n) preparing for, attending and defending its decisions at all References;
 - (o) distributing and reporting on any *cy prè*s awards;
 - (p) making payments of Administration Expenses;
 - (q) maintaining a database with all information necessary to permit the Ontario Court to evaluate the progress of the administration, as may, from time to time, be required;
 - (r) reporting to the Ontario Court respecting claims received and administered, and Administration Expenses; and
 - (s) preparing such financial statements, reports and records as directed by the Ontario Court.
14. The Administrator shall cause the information in the Database to be posted and accessible at the settlement Website.
15. Information in the Database concerning a claim shall be accessible to the Claimant electronically. Each Claimant shall be supplied with a personal user identification name and personal password that will permit the Claimant to access only his/her/its own information in the Database.
16. Once a Claim Form and required supporting documentation is received by the Administrator, the Administrator shall:
- (a) determine the number of Qualified Shares;
 - (b) decide whether the Claimant is eligible to participate in the Distribution;
 - (c) determine the number of Shares the Claimant held at the commencement of the Class Period;

- (d) calculate the Claimant's Nominal Entitlement;
 - (e) if the total value of the Nominal Entitlements of all Authorized Claimants exceeds the settlement monies, calculate the amount of the Claimant's *pro rata* share of the Compensation Fund; and
 - (f) depending upon the value of all valid claims for compensation, prejudgment interest up to a cap of 4%.
17. Once the Administrator determines a Claimant's Authorized Claimant status, the respective number of his, her or its Qualified Shares; his, her or its Net Loss and his her or its *pro rata* share of the Compensation Fund, the Administrator shall advise the Claimant of the Administrator's decision by posting its decision on the Website accessible to the Claimant by personal identification name and personal password.
18. The Administrator may deal with Claimants in a manner that is not through an electronic medium as and when it determines that such a step is feasible and/or necessary. However, in all cases the information acquired concerning Claimants shall be entered into the Database.
19. A decision of the Administrator in respect of a claim and any Claimant's entitlement to participate in or a share of the Distribution, subject to the Claimant's right to elect to refer the decision to the Referee for review, will be final and binding upon the Claimant and the Administrator.

THE REFEREE

20. The Referee shall have such powers and rights as are reasonably necessary to discharge her duties and obligations.
21. The Referee shall establish and employ a summary procedure to review any disputes arising from a decision of the Administrator, and may enter into such mediation and arbitration proceedings as the Referee may deem necessary.
22. All decisions of the Referee shall be in writing and shall be final and conclusive and there shall be no appeal therefrom whatsoever.

The Procedure for References

23. If a Claimant disagrees with the Administrator's decision relating to eligibility to share in the Distribution, the determination of the number of Qualified Shares, or the amount of the Net Loss, a Claimant may elect a Reference by the Referee by delivering a written election for review to the Administrator within fifteen (15) days of receipt of the Administrator's decision.
24. The election for a Reference must set out the basis for the disagreement with the Administrator's decision and attach all documents relevant to the review which have not previously been delivered to the Administrator. This election for a Reference must be accompanied by a certified cheque or money order, payable to the Administrator, in the amount of \$150.
25. Upon receipt of an election for a Reference, the Administrator shall deliver to the Referee a copy of:
 - (a) the election for a Reference and accompanying documents;
 - (b) the Administrator's decision on eligibility, the number of Qualified Shares and its calculation of the Nominal Entitlement, as applicable; and
 - (c) the Claim Form and supporting documents.
26. The Referee will carry out the Reference in the least expensive, most summary manner possible. The Referee will provide all necessary procedural directions and the review will be in writing unless the Referee provides different directions.
27. The Administrator shall participate in the process established by the Referee to the extent directed by the Referee.
28. The Referee shall deliver a written decision to the Claimant and the Administrator. If the Referee disturbs the Administrator's decision relating to eligibility to share in the Distribution, the number of Qualified Shares or Net Loss, the Administrator shall return the \$150 deposit to the Claimant. If the Referee does not disturb the Administrator's decision, the Administrator shall add the \$150 to the Compensation Fund.

ADMINISTRATION EXPENSES

29. The Administrator shall pay the fees, disbursements, taxes and other costs of:
- (a) the Administrator;
 - (b) the Referee; and
 - (c) such other persons at the direction of the Ontario Court;
- out of the Compensation Fund in accordance with the provisions of the Settlement Agreement, the Approval Order and any other orders of the Ontario Court.
30. The costs of giving the notices required pursuant to the Approval Order and the Plan of Allocation are not to be paid by the Administrator from its fee.

DISTRIBUTION TO AUTHORIZED CLAIMANTS

31. As soon as practicable after the completion of the claims submission and election for review process, the Administrator will bring a motion for authorization to make Distributions from the Compensation Fund. In support of this motion the Administrator will file the Distribution List with the Ontario Court.
32. No Distribution shall be made by the Administrator until authorized by the Ontario Court.
33. The Administrator may make interim Distributions if authorized by the Ontario Court.
34. Each Authorized Claimant whose name appears on the Distribution List shall comply with any condition precedent to Distribution that the Ontario Court may impose.
35. The Administrator shall make Distributions from the Compensation Fund forthwith after receipt of authorization from the Ontario Court to make Distributions to the Authorized Claimants whose names are on the Distribution List.
36. If the Escrow Account is in a positive balance after one hundred eighty (180) days from the date of Distribution of the Compensation Fund (whether by reason of tax refunds, uncashed cheques or otherwise), the Administrator shall, if feasible, reallocate such balance among those Claimants whose names are on the Distribution List in an equitable and

economic fashion. Any balance below CAN\$40,000.00 which still remains thereafter shall be donated as follows: 76% to the Small Investor Protection Association and 24% to the *Fonds d'Aide*. Under no circumstances will any repayment be made to the Contributing Parties.

RESTRICTION ON CLAIMS

37. Any Class Member who does not submit a Claim Form and required supporting documentation with the Administrator on or before the Claims Bar Deadline will not be permitted to participate in the Distribution without permission of the Ontario Court. The Administrator will not accept or process any Claim Form received after the Claims Bar Deadline unless directed to do so by the Ontario Court.

NO ASSIGNMENT

38. No amount payable under the Plan of Allocation may be assigned without the written consent of the Administrator.

ADMINISTRATOR'S FINAL REPORT TO THE ONTARIO COURT

39. Upon the conclusion of the administration, or at such other time as the Ontario Court directs, the Administrator shall report to the Ontario Court on the administration and shall account for all monies it has received, administered and disbursed by Distribution or otherwise and may obtain orders from the Ontario Court discharging it as Administrator.