

POWER CORPORATION OF CANADA, LIMITED

BY-LAW "T"

General Administrative By-Laws

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POWER CORPORATION OF CANADA, LIMITED

BY-LAW "T"

SECTION ONE

Name of Company, Situation of Offices and Corporate Seal

Article 1. Name. The corporate name of the Company is: Power Corporation of Canada, Limited.

Article 2. Offices. The Head Office and chief place of business of the Company shall be in the City of Montreal.

The Company may, in addition to its Head Office and chief place of business, establish and maintain such other offices and agencies elsewhere within or without Canada as the Directors may from time to time determine.

Article 3. Corporate Seal. The corporate seal of the Company shall be circular in form and shall bear the name of the Company and the year of its incorporation. The Chairman, the President, or, if elected or appointed, any Vice-President, or, if appointed, the General Manager, the Comptroller, the Secretary, the Treasurer, or any such other officer or Director of the Company as the Directors may by resolution from time to time authorize so to do, shall have authority to affix the corporate seal of the Company to any document requiring the same.

SECTION TWO

Shareholders

Article 1. Annual General Meeting. The Annual General Meeting of the Shareholders of the Company shall be held at the Head Office of the Company or at such other place within Canada and on such date in each year and at such time as may be fixed from time to time by resolution of the Directors, to consider the Balance Sheet, General Statement of Income and Expenditure, Statement of Surplus and report of the Auditor or Auditors, to elect Directors, to consider and, if deemed fit, to sanction any By-Laws and the repeal, amendment or re-enactment of any By-Laws to be sanctioned thereat, to appoint an Auditor or Auditors and to fix or to authorize the Board of Directors to fix his or their remuneration, and to consider, deal with and dispose of such other business as may properly come before the meeting.

Any Annual General Meeting may also constitute a Special General Meeting to consider, deal with and dispose of any business to be considered, dealt with and disposed of any at Special General Meeting.

Article 2. Special Meetings. Special General Meetings of the Shareholders may be called at any time by or by order of the Chairman, by or by order of the President, or by order of the Directors of the Company.

Special General Meetings of the Shareholders shall be held at the Head Office of the Company or at such other place within Canada as may be fixed from time to time by the Chairman or the President or by resolution of the Directors, as the case may be. The Directors of the Company shall furthermore on the requisition of shareholders holding not less than one-tenth of the issued shares carrying voting rights, call a Special General Meeting of Shareholders.

Article 3. Notice of Meeting. Notice of each Annual General Meeting and of each Special General Meeting of the Shareholders shall be served by any literate person upon the Shareholders entitled thereto or mailed by unregistered mail, postage prepaid, enclosed in a wrapper, sealed or unsealed, in the discretion of the person charged with the giving of such notice, addressed to such Shareholders at their respective addresses as they appear in the books of the Company, at least fourteen (14) days prior to the date fixed for such meeting. If the address of any Shareholder does not appear in the books of the Company, then such notice may be mailed to such address as the person sending the notice may consider to be the most likely to reach promptly such Shareholder. No notice of the time, place or purpose of any meeting of Shareholders, whether prescribed by the By-Laws or by statute, need be given to any Shareholders who attend in person or by proxy or to any Shareholders who, in writing or by telegraph or cable, either before or after the holding of any such meeting, waive such notice. Irregularities in the notice or in the giving thereof, as well as the accidental omission to give notice of any meeting to, or the non-receipt of any such notice by any of the Shareholders, shall not invalidate any proceedings at any such meeting.

Such notice shall specify the time and place of each such meeting. The notice of any Annual General Meeting may, but need not, specify the purposes of such meeting, except that such notice shall specify in general terms any By-Laws and the repeal, amendment or re-enactment of any By-Laws to be sanctioned at any such meeting and any business which would otherwise be considered, dealt with and disposed of at a Special General Meeting. The notice of any Special General Meeting shall specify in general terms any business to be considered, dealt with and disposed of at such meeting.

No notice of any adjourned meeting need be given.

The signature to any notice of any meeting may be written, stamped, typewritten, printed or otherwise mechanically reproduced thereon.

A certificate of the Secretary or of any other duly authorized officer of the Company in office at the time of the making of the certificate or of any officer of any transfer agent or registrar of transfers of shares of the Company with respect to the service or mailing of any notice shall be conclusive evidence thereof and shall be binding on every Shareholder.

Article 4. Chairman. The President of the Company, or such other person as may from time to time be appointed for the purpose by the Board of Directors, shall preside at meetings of Shareholders.

Article 5. Quorum. Four (4) or more persons personally present and representing (in their own right or by proxy or on behalf of a corporation holding at least one share carrying voting rights thereat and duly authorized by resolution of the directors of such corporation) shares of the capital stock of the Company carrying not less than 25% of the voting rights carried by all of the outstanding shares of the capital stock of the Company entitling the holders thereof to vote at such meeting, shall constitute a quorum for an Annual General Meeting or Special General Meeting of Shareholders.

Article 6. Proxy. Shareholders shall be entitled to vote in person or, if a corporation, by a representative duly authorized by resolution of the directors of such corporation. Shareholders shall also be entitled to vote by proxy, but the holder of any such proxy need not himself be a Shareholder.

The instrument appointing a proxy may be in the following form or in any other appropriate form:—

“I/We, the undersigned, being a Shareholder of Power Corporation of Canada, Limited hereby
“nominate, constitute and appoint _____ or, failing him,
“_____ my/our attorney, representative and/or proxy with full power and
“authority to attend, vote and otherwise act for me/us in my/our name and on my/our behalf at the
“Annual (or Special) General Meeting of Shareholders of the Company, to be held at
“_____ on _____, the _____ day of _____ 19____, and
“at any and all adjournments thereof, with full power of substitution, and I/We, the undersigned, hereby
“revoke all other instruments of proxy given by me/us, the undersigned, which might be used in respect
“of such meeting and any and all adjournments thereof.
“Given this _____ day of _____”.

Signatures to instruments of proxy need not be witnessed.

The Directors may by resolution, prior to any meeting of Shareholders, fix the time when all the instruments of proxy to be used at or in connection with such meeting, and, if so determined by the Directors, any adjournment thereof, must be deposited with the Secretary of the Company or such other agent as the Directors may from time to time determine in order to be valid for use at or in connection with any such meeting.

The Directors may also by resolution permit particulars of instruments of proxy for use at or in connection with any such meeting and, if so determined by the Directors, any adjournment thereof, to be cabled, telegraphed or radioed to the Secretary of the Company prior to any such meeting, and, in such event, such instruments of proxy, if otherwise in order, shall be valid and any votes cast in accordance therewith shall be counted.

The chairman of any meeting of Shareholders may also in his discretion, unless otherwise determined by resolution of the Directors, accept telegraphic, cable or radio communication as to the authority of anyone claiming to vote on behalf of or to represent a Shareholder notwithstanding that no instrument of proxy conferring such authority has been lodged with the Company and any votes cast in accordance with such telegraphic, cable or radio communication accepted by the chairman shall be valid and shall be counted.

Article 7. Voting. Every question submitted to any meeting of Shareholders may be decided either by a show of hands or by poll.

If at any meeting a poll is to be taken, it shall be taken in such manner and either at once or after adjournment as the chairman directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was taken whether or not a vote on a show of hands shall previously have been taken on the same question.

At all meetings of Shareholders every Shareholder present in person or by proxy or, if a corporation, by a duly authorized representative shall be entitled to one vote for each share carrying voting rights at such meeting registered in his or its name on the books of the Company unless by statute, or under the terms of the Letters Patent incorporating the Company or any Letters Patent supplementary thereto, some other scale of voting is fixed, in which event such scale of voting shall be adopted. The chairman of any meeting may direct that a vote by poll be taken and any Shareholder or the authorized representative of a corporation entitled to vote may demand a poll upon any corporate action by Shareholders. A demand for a poll may be withdrawn. No Shareholder shall be entitled, either in person or by proxy, to vote at any meeting unless he has paid all calls then payable upon all of the shares held by him.

The chairman of any meeting of Shareholders shall, in the event of an equality of votes, have, both on a show of hands and on a poll, a casting vote in addition to any and all other votes to which he may otherwise be entitled at such meeting.

The act of the holders of shares of the capital stock of the Company carrying a majority of the voting rights thereat shall be the act of the Shareholders, except where the vote or consent of the holders of a greater number of shares is required or directed by statute or by the Letters Patent incorporating the Company or Letters Patent supplementary thereto or by the By-Laws.

Article 8. Procedure at Meetings. The Chairman of any meeting of Shareholders shall conduct the procedure thereat in all respects and his decision on all matters or things, including, but without in any way limiting the generality of the foregoing, any question regarding the validity or invalidity of any instruments of proxy, shall be conclusive and binding upon the Shareholders.

A declaration by the chairman at any meeting that a resolution has been carried or carried unanimously or carried by any particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

The chairman at any meeting of Shareholders shall have the power at any time during the proceedings to adjourn the meeting from time to time and from place to place and no notice of any such adjourned meeting need be given. In the event of any such adjournment, any business which could have been considered, dealt with and disposed of at the original meeting may be considered, dealt with and disposed of at any such adjourned meeting.

Article 9. Scrutineers. The chairman at any meeting of Shareholders may appoint two persons (who may but need not be Directors, officers, employees or Shareholders of the Company) to act as Scrutineers at such meeting.

Article 10. Date of Record and Closing of Books. The Directors may fix in advance a date not exceeding thirty (30) days preceding the date of any meeting of Shareholders as the record date for the determination of the Shareholders entitled to notice of and to vote at any such meeting and only Shareholders of record on the date so fixed by the Directors shall be entitled to notice of and to vote at such meeting, notwithstanding any transfer of shares on the books of the Company after any such record date.

The Directors may also close the share transfer books of the Company for a period not exceeding thirty (30) days preceding the date of any meeting of Shareholders.

Article 11. Addresses of Shareholders. Every Shareholder shall furnish to the Company an address to or at which all corporate notices intended for such Shareholder may be mailed or served upon him.

SECTION THREE

Board of Directors

Article 1. Number of Directors. The Board of Directors shall consist of eleven (11) Directors.

Article 2. Qualification and Term of Office. Each Director shall be elected at the Annual General

Meeting of the Shareholders (except as herein otherwise provided for filling vacancies or for the election of additional Directors) by a majority of the votes cast at the meeting at which such election shall take place. It shall not be necessary that the voting for the election of Directors of the Company be conducted by ballot, unless voting by ballot is requested by some one present and entitled to vote at the meeting at which such election takes place. Each Director so elected shall hold office until the election of his successor unless he shall resign or his office become vacant by death or other cause. A retiring Director shall be eligible for re-election if otherwise qualified. No person shall be elected as a Director of the Company or appointed to fill any vacancy unless he or any other Company of which he is an officer or Director is the registered holder of at least one share of the Company and is not in arrears in respect of any calls thereon.

Article 3. Meetings and Notices. Immediately after the Annual General Meeting of Shareholders in each year there shall be held a meeting of such of the newly elected Directors as are then present, provided they shall constitute a quorum, without further notice, for the election or appointment of officers of the Company and for the transaction of such other business as may come before the meeting.

Regular meetings of the Board of Directors may be held at such place, within or without Canada, and at such time, with or without notice, as the Board of Directors may by resolution from time to time determine. Any meeting of the Board of Directors convened otherwise than in conformity with the provisions of any such resolution shall be a special meeting.

Special meetings of the Board of Directors may be called by or by the order of the Chairman, if any, or by or by the order of the President, or by or by the order of a Vice-President who is also a Director, if any, or by or by order of any two Directors, and may be held at the Head Office of the Company or at such other place within or without Canada as the Board of Directors may from time to time determine. Notice specifying the place, day and hour of each such special meeting shall be served by any literate person upon each of the Directors or left at his usual residence or usual place of business, or shall be mailed by unregistered mail, postage prepaid, or sent by telegram or cable addressed to each of the Directors at their respective addresses as they appear on the books of the Company, at least two (2) days prior to the date fixed for such meeting. If the address of any Director does not appear in the books of the Company, then such notice may be mailed to such address as the person sending the notice may consider to be most likely to reach promptly such Director.

Except in such cases where it is otherwise expressly provided by statute, no notice of any regular or special meetings of the Board of Directors need specify the purposes for which it is called or the nature of the business to be transacted at such meeting.

No notice of the time and place of any meeting of the Board of Directors need be given to any Director who attends such meeting or who, in writing or by telegram or cable, either before or after the holding thereof, waives such notice.

Article 4. Quorum. The Directors may, by resolution, from time to time fix the quorum for meetings of Directors, but until so fixed, three (3) Directors shall constitute a quorum. Any meeting of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the By-Laws of the Company for the time being vested in or exercisable by the Directors generally.

Questions arising at any meeting of the Directors shall be decided by a majority of the votes of those present and, in the case of an equality of votes, the chairman of the meeting shall have a casting vote in addition to the vote to which he is entitled as a Director.

Article 5. Removal of Directors. Any Director may be removed (either with or without cause) at any meeting of the Shareholders called for that purpose by a vote of shares represented and carrying a majority of the voting rights carried by all of the outstanding shares of the capital stock of the Company entitling the holders thereof to vote at the meeting and by resolution at the same meeting or at any subsequent meeting another duly qualified Shareholder may be elected in his stead. The person so elected shall hold office during such time only as the Director in whose place he was elected would have held the same if he had not been removed.

Article 6. Vacation of Office. The office of a Director shall automatically be vacated:

- (a) if he becomes bankrupt or suspends payment to his creditors or makes an assignment for the benefit of his creditors or is declared insolvent; or

- (b) if he is found to be a lunatic or becomes of unsound mind; or
- (c) if he ceases to hold the required number of shares to qualify him for his office; or
- (d) if by notice in writing to the Company he resigns his office; or
- (e) if he dies; or
- (f) if he is removed at any meeting of Shareholders called for the purpose.

Article 7. Filling of Vacancies. In case of any vacancy occurring in the Board of Directors including any vacancy caused by any increase in the number of the Directors, or otherwise, the Directors then in office, by the affirmative vote of a majority of such remaining Directors as may be present at the meeting, shall have power at any time and from time to time to appoint any other Shareholder as a Director and any Director so appointed shall hold office until the election of his successor, unless his office shall again become vacant.

Article 8. Remuneration. The remuneration to be paid to the Directors shall be such as the Directors shall from time to time determine and such remuneration shall be in addition to the salary of any officer of the Company who is also a member of the Board of Directors. The Directors may also by resolution award special remuneration to any Director undertaking any special services on the Company's behalf. The Directors shall also be entitled to be paid their travelling and other expenses properly incurred by them in connection with the affairs of the Company.

Article 9. By-Laws and Resolutions. All By-Laws and resolutions of the Directors shall be made, enacted or passed at duly convened meetings. Nevertheless, the signature of all the Directors of the Company to any By-Law or resolution which might be made, passed or enacted by the Directors shall give to such By-Law or resolution the same force and effect as if the same had been unanimously made, passed or enacted by all the Directors respectively at a meeting held to consider the same.

Article 10. General Powers of Directors. The Directors of the Company may manage and administer the affairs of the Company in all things and may make or cause to be made for the Company any description of contract which the Company may by law enter into; and generally may exercise all such powers and authority and do all such acts and things as the Company is by statute and by Letters Patent incorporating the Company or Letters Patent supplementary thereto or otherwise authorized to exercise and do and which are not by the By-Laws or by statute directed or required to be exercised or done only by the Company in a general meeting of its Shareholders.

The Directors may also, from time to time, purchase, lease or otherwise acquire, alienate, sell, exchange or otherwise dispose of stocks, rights, warrants, options and other securities, lands, buildings and/or other property, moveable or immovable, real or personal, or any right or interest therein owned by the Company, for such consideration and upon such terms and conditions as they may deem advisable.

The Directors may also conduct in all other particulars the affairs of the Company not otherwise provided for by statute.

All acts done by any meeting of the Board of Directors or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the election of any such Board of Directors or person acting as aforesaid or that it or any of them was disqualified, be as valid as if every such Board or person had been duly elected and had been qualified to be the Board of Directors or a Director, as the case may be.

Article 11. Power to Allot Stock and Grant Options. Subject to the provisions, if any, of the Letters Patent incorporating the Company and Letters Patent supplementary thereto restricting the allotment and issue of the shares of the capital stock of the Company, the Directors may, by resolution, from time to time accept subscriptions, allot, issue, grant options in respect of or otherwise dispose of the whole or any part of the unissued shares of the Company to such persons, firms, partnerships, companies or corporations on such terms and conditions and for such consideration not contrary to statute or to the Letters Patent incorporating the Company and Letters Patent supplementary thereto as the Directors think fit.

The Directors may, from time to time, call in and demand from the Shareholders the whole or any part of the amount unpaid on shares subscribed or held by them. The demand shall state that, in the event of non-

payment, the shares in respect of which the call was made will be liable to be forfeited. Each Shareholder shall pay the amount called on his shares at the time or times and at the place or places fixed by the Directors. Interest shall run on the amount of each call at the rate of Six per centum (6%) per annum from the day appointed for the payment of such call to the time of actual payment thereof.

Article 12. Power to Declare Dividends. The Directors may, from time to time as they may deem advisable, declare and pay dividends out of the net profits or surplus of the Company to the Shareholders according to their respective rights and interest therein.

The dividends payable upon any share which is not fully paid up shall be reduced by the proportion which the amount not paid up thereon bears to the full consideration for such share. No amount paid on a share in advance of calls shall, while carrying interest, be treated for the purpose of this By-Law as paid on the share.

Transfers of shares shall not pass the right to any dividends declared thereon before the registration of the transfer thereof. In case two or more persons are registered as the joint holders of any share, any one of such persons may give effective receipts for all dividends in respect of such share.

The Directors may, before declaring any dividends or making any distribution of profits, set aside out of the profits of the Company, such sums as they think proper as a reserve or reserves which, subject to the special provisions, if any, of the Letters Patent incorporating the Company or Letters Patent supplementary thereto with respect to preferred shares, shall at the discretion of the Directors be applicable for any purpose to which the profits of the Company may be applied.

Subject to the rights of persons entitled to shares with special rights as to dividends, if any, the Directors may by resolution provide that the amount of any dividend that they may lawfully declare shall be paid, in whole or in part, in capital stock of the Company and for that purpose they may authorize the issue of shares of the Company as fully paid, or partly paid, or may credit the amount of such dividend on the shares of the Company already issued but not fully paid, and, in the latter case, the liability of the holders of such shares shall be reduced by the amount of such dividend.

Article 13. Indemnification and Exoneration of Directors. The Company hereby consents and agrees that each and every Director of the Company shall be deemed to have assumed office on the express understanding and agreement and condition that every Director of the Company and his heirs, executors, administrators and estate and effects respectively, shall, from time to time and at all times, be indemnified and saved harmless out of the funds of the Company from and against:

- (a) All costs, charges and expenses whatsoever which such Director sustains or incurs in or about any action, suit or proceedings which is brought, commenced or prosecuted against him for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him in or about the execution of the duties of his offices;
- (b) All other costs, charges and expenses which he sustains or incurs in or about or in relation to the affairs thereof except such costs, charges or expenses as are occasioned by his own wilful neglect or default.

No Director, auditor or officer for the time being of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Company shall be placed out or invested or for any loss or damages arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation with whom or which any moneys, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his respective office or trust or in relation thereto unless the same shall happen by or through his own wilful act or default.

The Directors of the Company are hereby authorized from time to time to give indemnities to any Director or other person who has undertaken or is about to undertake any liability in the ordinary course of business on behalf of the Company or any company controlled by it and to secure such Director or other

person against loss by mortgage, pledge and/or charge upon the whole or any part of the real or immoveable and personal or moveable property of the Company or otherwise.

Article 14. Contracts with Directors. The Company may enter into contracts or transact business with one or more of its Directors or with any firm of which one or more of its Directors are members, shareholders or employees or with any other company, corporation or association of which one or more of its Directors are shareholders, directors, officers or employees and any such contract or transaction shall not be invalidated or in any wise affected by the fact that such Director or Directors have or may have interests therein which are or might be adverse to the interest of the Company; such Director must declare his interest at a meeting of Directors or such interest must be known to the other Directors acting upon or in reference to such contract or transaction; a general notice that a Director is a member of any specified partnership, firm, company or corporation, and is to be regarded as interested in any subsequent transaction with such partnership, firm, company or corporation, shall be sufficient disclosure under this Article and, after such general notice, it shall not be necessary to give any special notice relating to any particular transaction with such partnership, firm, company or corporation; no such interested Director shall vote in respect of any contract or proposed contract in which he is so interested as aforesaid, and if he does so vote his vote shall not be counted — provided, however, that this prohibition shall not apply:

- (a) in the case of any contract by or on behalf of the Company to give to the Directors or any of them security for advances or by way of indemnity;
- (b) in the case where there is no quorum of Directors in office who are not so interested;
- (c) in the case of any contract between the Company and any other company where the interest of the Director in the last mentioned company consists solely in his being a Director or officer of such last mentioned company, and the holder of not more than the number of shares in such last mentioned company requisite to qualify him as a Director.

A Director of this Company may be or become a Shareholder or Director of any company in which this Company may be interested as vendor, purchaser, shareholder or otherwise, and no such Director shall be accountable for any benefits received as Shareholder or Director of such company.

Article 15. Directors Age Restrictions. No person who shall have attained seventy-five (75) years of age shall be eligible for election or re-election as a Director of the Company, provided, however, that nothing herein contained shall prevent or prohibit any person who, at the time of this enactment, is a Director of the Company and who has already attained or who attains, during his current term of office, seventy-five (75) years of age from remaining and acting as a Director of the Company during the remainder of his current term of office, and provided, further, that nothing herein contained shall prevent or prohibit any person who becomes a Director of the Company after the time of this enactment and who attains seventy-five (75) years of age during a current term of office from remaining and acting as a Director of the Company during the remainder of his then current term of office.

Article 16. Honorary Directors. The Board of Directors of the Company may appoint as an Honorary Director any person who, having been a Director of the Company, shall have ceased to be a Director and shall have ceased to be eligible for election or re-election as a Director of the Company by reason only of the fact that such person shall have attained seventy-five (75) years of age.

No such person shall be so appointed as an Honorary Director for a term of more than one (1) year, but shall be eligible for reappointment.

An Honorary Director shall be entitled to attend Meetings of the Board, but shall have no vote thereat and shall have none of the authority, powers, duties or responsibilities of a Director.

An Honorary Director shall make himself available at such times when he may be so requested by the Board of Directors or the President of the Company to advise and consult with the Board of Directors and the Executive Committee in respect of matters concerning the affairs of the Company.

An Honorary Director shall be paid the same remuneration as that paid from time to time to the individual members of the Board of Directors of the Company for their services in that capacity and all out-of-pocket disbursements actually and properly incurred by him at the request of the Board or of the Executive Committee or of the Chairman or of the President in connection with the affairs of the Company.

SECTION FOUR

Officers

Article 1. Officers. The Executive Officers of the Company shall be the Chairman, if appointed, the President and, if elected or appointed, one or more Vice-Presidents, the General Manager, the Comptroller, the Secretary, the Treasurer, one or more Assistant-Secretaries or Assistant-Treasurers and such other officers as the Board of Directors may from time to time deem necessary and appoint as Executive Officers. The President and, if elected or appointed, the other Executive Officers of the Company shall exercise such powers and authority and shall perform such duties, respectively, in addition to those specified in this By-Law as shall from time to time be prescribed by the Board of Directors. The same person may hold more than one of the said offices. None of the Executive Officers of the Company, except the Chairman, if appointed, and the President, need be Directors or Shareholders of the Company.

The Directors may also from time to time appoint other agents, officers and servants of the Company within or without Canada, who may be given such titles and who shall exercise such powers and authority and perform such duties of management, or otherwise, (including the power of sub-delegation) as the Directors may from time to time determine.

In case of the absence of any officer of the Company or for any other reason that the Directors may deem sufficient, the Directors may delegate for the time being the powers and authority of such officer to any other officer or to any Director of the Company.

Article 2. Chairman. The Chairman shall, if appointed, preside at all meetings of the Board of Directors, and shall, subject to the control of the Directors, exercise general supervision over the affairs of the Company and shall exercise such other powers and authority and perform such other duties as the Directors may from time to time prescribe. The Chairman shall be ex-officio a member of all standing committees.

Article 3. President. The President shall, subject to the control of the Directors, administer and manage the affairs of the Company generally. The President shall preside at all meetings of the Shareholders, unless otherwise determined by the Board of Directors, and in the event of the absence, inability or failure of the Chairman to act, the President shall preside at all meetings of the Board of Directors. The President shall be ex-officio a member of all standing committees. The President shall exercise such other powers and authority and perform such other duties as may from time to time be prescribed by the Directors of the Company.

Article 4. Vice-Presidents. The Vice-President or, if more than one, the Vice-Presidents, if elected or appointed, shall, subject to the control of the President, exercise such powers and authority and perform such duties as may from time to time be prescribed by the Directors.

Article 5. General Manager. The General Manager, if appointed, shall, subject to the control of the President, manage the operations of the Company generally, and he shall exercise such other powers and authority and perform such other duties as may from time to time be prescribed by the Directors.

Whenever the General Manager shall also be a Director, he may be designated "Managing Director".

Article 6. Comptroller. The Comptroller, if appointed, shall, subject to the control of the President, be the Chief Accounting Officer of the Company and he shall exercise such other powers and authority and perform such other duties as may from time to time be prescribed by the Directors.

Article 7. Secretary. The Secretary, if appointed, shall attend to the giving and service of all notices of the Company and shall keep the Minutes of all Meetings of the Directors, the Executive Committee and the Shareholders in a book or books to be kept for that purpose. He shall keep in safe custody the corporate seal of the Company. He shall have charge of the records of the Company including books containing the names and addresses of the members of the Board of Directors of the Company, together with copies of all reports made by the Company, and such other books and papers as the Directors may direct. He shall be responsible for the keeping and filing of all books, reports, certificates and all other documents required by law to be kept and filed by the Company. He shall be subject to the control of the President and shall exercise

such other powers and authority and perform such other duties as may from time to time be prescribed by the Directors.

Assistant-Secretaries may perform any of the duties of the Secretary.

Article 8. Treasurer. The Treasurer, if appointed, shall have general charge of the finances of the Company. He shall deposit all moneys and other valuable effects of the Company in the name and to the credit of the Company in such banks or other depositaries as the Directors may from time to time designate, and shall render to the President and to the Directors, whenever so directed, an account of the financial condition of the Company and of all his transactions as Treasurer: and as soon as possible after the close of each fiscal year he shall make and submit to the President and to the Directors a like report for such fiscal year. He shall have charge and custody of and be responsible for the keeping of the books of account. He shall be subject to the control of the President and shall exercise such other powers and authority and perform such other duties as may from time to time be prescribed by the Directors.

Assistant-Treasurers may perform any of the duties of the Treasurer.

Whenever the Secretary shall also be the Treasurer, he may be designated "Secretary-Treasurer"; whenever the Assistant-Secretary shall also be the Assistant-Treasurer, he may be designated "Assistant-Secretary-Treasurer".

Article 9. Removal and Discharge. The Directors by an affirmative vote of the majority of the Board, may remove any Executive Officer from office, either with or without cause. Any agent, officer or servant who is not an Executive Officer of the Company may be discharged by the President with or without cause.

Article 10. Vacancy. Any vacancy occurring in the office of any Executive Officer or of any other officer appointed by the Directors may be filled by the Directors.

SECTION FIVE

Executive Committee

Article 1. Election. The Directors may from time to time whenever the Board of Directors consist of more than six (6) elect from their number an Executive Committee consisting of such number of members, but not less than three (3), as the Directors may from time to time determine.

Article 2. Chairman, Quorum and Procedure. The Executive Committee shall have power to appoint a Chairman and a Vice-Chairman, to fix its quorum, which quorum shall consist of not less than a majority of its members, and to determine its own procedure.

Article 3. Secretary. The Secretary of the Company shall act as Secretary of the Executive Committee unless some other Secretary be appointed by the Executive Committee.

Article 4. Powers. The Executive Committee shall be authorized to exercise all of the powers and authority of the Directors when the Board of Directors is not in session, except such powers and authority which by law must be exercised by the Board of Directors only and subject to any restrictions or regulations from time to time imposed by the Directors.

Article 5. Proceedings open to the Board. All proceedings of the Executive Committee shall be open to the examination of the Board of Directors of the Company and shall be reported to the Board of Directors if and when the Board of Directors so directs.

Article 6. Resolutions. The signature of all of the members of the Executive Committee to any resolution which might be passed by the Executive Committee shall give to such resolution the same force and effect as if such resolution had been unanimously passed by all of the members of the Executive Committee at a meeting held to consider the same.

Article 7. Meetings. Meetings of the Executive Committee may be held at the Head Office of the Company or at such other place within or without Canada as the Executive Committee may from time to time determine.

Meetings of the Executive Committee may be called by or by the order of the Chairman, by or by the order of the President, by or by the order of the Chairman of the Executive Committee, by or by the order of the Vice-Chairman of the Executive Committee, or by or by the order of any two members of the Executive Committee.

Article 8. Remuneration. The members of the Executive Committee shall be entitled to receive such remuneration for their services as members of the Executive Committee as the Directors may from time to time determine.

Article 9. Removal and filling of Vacancies. The Directors may from time to time remove any member of the Executive Committee from office.

The Directors may also from time to time fill any vacancy which may occur in the membership of the Executive Committee.

SECTION SIX

Capital Stock

Article 1. Share Certificates and Stock Transfers. Certificates representing shares of the capital stock of the Company shall be in such form as shall be approved by the Directors. Such certificates shall bear the signature of the Chairman, or the President, or a Vice-President and the Secretary or Assistant-Secretary of the Company, provided that the signature of the Chairman, or the President or Vice-President may be engraved, lithographed or otherwise mechanically reproduced thereon, and should the Company have appointed a Transfer Agent, the signature of the Secretary or Assistant-Secretary may also be engraved, lithographed or otherwise mechanically reproduced on such certificate. Any certificates bearing the facsimile reproductions of the signatures of any such authorized officers shall be deemed to have been manually signed by them and shall be as valid to all intents and purposes as if they had been so manually signed notwithstanding that the persons whose signatures are so reproduced shall, at the time that the certificate is issued or on the date of such certificate, have ceased to be officers of the Company. Unless required by the rules of any Stock Exchange on which the securities of the Company are at any time listed, it shall not be necessary to affix the corporate seal of the Company to any share certificate.

Article 2. Transfer of Shares. The Secretary or such other officer or officers as may be specifically charged with that duty, or such other agent or agents as may from time to time be appointed for that purpose by the Company, shall keep in Canada a register of transfers, in which shall be recorded particulars of every transfer of shares in the capital of the Company entered on such register.

The register of transfers may be kept at the head office of the Company or at such other office or place in Canada as may from time to time be designated by resolution of the Directors, and one or more branch registers of transfers may be kept at such office or offices of the Company or other place or places within Canada or elsewhere as may from time to time be designated by resolution of the Directors.

In each branch register of transfers shall be recorded particulars of every transfer of shares in the capital of the Company entered on such branch register of transfers.

A book or books shall be kept at the Head Office of the Company or at the place within Canada where the register of transfers is kept, in which shall be recorded a copy of particulars of every transfer of shares in the capital of the Company entered on every branch register of transfers.

All transfers of shares of capital stock shall be made in the register of transfers of the Company, but no transfer shall be recorded nor shall the same be valid or permitted to be entered in such register of transfers unless or until the certificates representing the shares of capital stock to be transferred have been surrendered and cancelled as aforesaid.

No transfer of shares whereof the whole amount has not been paid shall be made without the consent of the Directors. Where a share upon which a call is unpaid is transferred with the consent of the Directors, the transferee shall be liable for the call to the same extent and with the same liability to forfeiture of the share as if he had been the holder of the share, and the transferor shall also remain liable for the call until it has been paid.

The Company shall not be bound to see to the execution of any trust whether express, implied or constructive, in respect of any share, and the receipt of the Shareholder in whose name such share stands in the books of the Company shall be a valid and binding discharge to the Company for any dividend or money payable in respect of such share, whether notice of any such trust has been given to the Company or not; and the Company shall not be bound to see to the application of the money paid upon such receipt.

Article 3. Record Date and Closing of Books. The Directors may fix in advance, by resolution, a date not exceeding thirty (30) days preceding the date for the payment of any dividend or the date for the allotment

of rights or the date when any change or conversion or exchange of share capital shall go into effect as the record date for the determination of the Shareholders entitled to receive payment of any such dividend or to receive any such allotment of rights or to exercise the rights in respect of such change or conversion or exchange of share capital with the effect that only Shareholders of record on the date so fixed by the Directors shall be entitled to receive payment of such dividend or allotment of rights or to exercise such rights, as the case may be, and notwithstanding any transfer of any shares on the books of the Company after such record date.

The Directors may also close the share transfer books of the Company for a period not exceeding thirty (30) days preceding the date for the payment of any dividend or the date for the allotment of rights or the date when any change or conversion or exchange of share capital shall go into effect.

Article 4. Transfer Agents and Registrars. The Directors may, from time to time, appoint or remove transfer agents and/or registrars of transfers of shares and make regulations generally from time to time with reference to the transfer and registration of the shares of the Company. Upon such appointment being made, all certificates of shares thereafter issued shall be countersigned by one of such transfer agents and/or one of such registrars of transfers and shall not be valid unless so countersigned.

Article 5. Lost and Destroyed Certificates. The Directors may, upon such terms and conditions as to indemnity and otherwise as they may deem advisable, direct that a new certificate or certificates of shares may be issued to replace any certificate or certificates of shares theretofore issued by the Company that have been worn out, lost, stolen or destroyed, and the Directors, when authorizing the issuance of such new certificate or certificates, may, in their discretion, and as a condition precedent thereto, require the owner of such worn out, lost, stolen or destroyed certificate or certificates or his legal representatives to give to the Company and/or transfer agent or transfer agents and to such registrar or registrars as may be authorized or required to countersign such new certificate or certificates a bond in such sum as they may direct, as indemnity against any claim that may be made against them or either of them for or in respect of the shares of stock represented by the certificate alleged to have been worn out, lost, stolen or destroyed.

SECTION SEVEN

Fiscal Year, Accounts and Audit

Article 1. Fiscal Year. The fiscal year of the Company shall end on the 30th day of June in each year.

Article 2. Accounts. The Directors shall cause to be kept proper books of account with respect to:—

- (a) All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
- (b) All sales and purchases by the Company;
- (c) The assets and liabilities of the Company;
- (d) All other transactions affecting the financial position of the Company.

Article 3. Audit. The Company at each Annual General Meeting shall appoint an auditor or auditors to hold office until the next Annual General Meeting and until the appointment of his or their successor or successors unless he or they shall resign or his or their offices become vacant by death. At least once in every fiscal year such auditor or auditors shall examine the accounts of the Company and any Balance Sheet laid before the Company at any Annual Meeting and shall report thereon to the Shareholders. The directors may fill any casual vacancy in the office of auditor.

SECTION EIGHT

Contracts, Cheques, Drafts, Bank Accounts

Article 1. Contracts. Any and all deeds, documents, instruments and writings signed by and on behalf and in the name of the Company by the Chairman or by the President, or by any Vice-President or by the General Manager together with the Secretary or Assistant-Secretary, or by such other person or persons as the Directors may from time to time authorize, shall be binding upon the Company. Any such authorization may be general or confined to specific instances. Save as aforesaid or otherwise in this By-Law provided, no

agent, officer or servant shall have any power or authority to bind the Company by any contract or engagement or to pledge its credit.

Article 2. Cheques and Drafts. All cheques, bills of exchange or other orders for the payment of money, notes or other evidences of indebtedness issued, accepted or endorsed in the name of the Company shall be signed by such agents, officers or servants of the Company and in such manner as shall from time to time be determined by resolution of the Directors, and any one of such agents, officers or servants may alone endorse notes and drafts for collection on account of the Company through its bankers and endorse notes and cheques for deposit with the Company's bankers for the credit of the Company or the same may be endorsed "for collection" or "for deposit" with the bankers of the Company by using the Company's rubber stamp for the purpose. Any one of such agents, officers or servants so appointed may arrange, settle, balance and certify all books and accounts between the Company and the Company's bankers and may receive all paid cheques and vouchers and sign all the bank's forms of settlement of balances and releases or verification slips.

Article 3. Deposits. All funds of the Company shall be deposited from time to time to the credit of the Company in such bank or banks or trust company or trust companies or with such depository or depositaries as the Directors may from time to time approve.

Article 4. Custody of Securities. All shares and securities owned by the Company may be lodged (in the name of the Company) with a chartered bank or a trust company, or with such other depositaries as may be determined from time to time by the Directors.

All share certificates, bonds, debentures, debenture stock certificates, notes or other obligations owned by the Company may be issued or held in the name of a nominee or nominees of the Company (and, if issued or held in the names of more than one nominee, shall be held in the names of nominees jointly with right of survivorship) and shall be endorsed in blank in order to enable transfer to be completed and registration to be effected.

SECTION NINE

General Borrowing Powers

Article 1. General Borrowing Powers. The Directors may from time to time:

- (a) Borrow money upon the credit of the Company;
- (b) Limit or increase the amount to be borrowed;
- (c) Issue bonds, debentures, debenture stock, notes and other securities of the Company;
- (d) Sell, pledge, exchange or otherwise dispose of such bonds, debentures, debenture stock, notes and other securities for such sums and at such prices as may be deemed expedient;
- (e) Grant, bargain, sell, alienate, convey, confirm, assign, hypothecate, mortgage, pledge or charge, and cede and transfer all or any of the real and personal, moveable and immoveable property and rights, both freehold and leasehold, undertaking and business and other property, assets and rights of the Company, including uncalled capital, both present and future, of whatsoever kind and where-soever situate, to secure any such bonds, debentures, debenture stock, notes and other securities or any money borrowed or any other liability of the Company.

The Directors may from time to time delegate any or all of the foregoing powers to such officers or Directors of the Company to such extent and in such manner as the Directors may from time to time determine.

Nothing herein contained shall limit or restrict the borrowing of money by the Company on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Company.

SECTION TEN

Company Representation for Certain Purposes

Article 1. Declarations. The Chairman, the President, any Vice-President, the General Manager, the Comptroller, the Secretary and the Treasurer or any one of them or any other officer or person thereunto authorized by the Directors is authorized and empowered to appear and make answer for the Company to all writs, orders and interrogatories upon articulated facts issued out of any Court and to declare for and on behalf of the Company any answer to writs of attachment by way of garnishment in which the Company is

garnishee and to make all affidavits and sworn declarations in connection therewith or in connection with any and all judicial proceedings to which the Company is a party and to make demands of abandonment or petitions for winding-up or bankruptcy orders upon any debtor of the Company and to attend and vote at all meetings of creditors of the Company's debtors and grant proxies in connection therewith.

Article 2. Representation at Meetings. The Chairman, the President, any Vice-President, the General Manager, the Comptroller, the Secretary and the Treasurer or any one of them or any other officer or person thereunto authorized by the Directors shall represent the Company and attend and vote at any and all meetings of Shareholders or members of any firm, syndicate, company or corporation in which this Company has shares or is otherwise interested and any action taken and/or vote cast by them or him at any such meetings shall be deemed to be the act and/or vote of the Company.

The Chairman, the President, any Vice-President, the General Manager, the Comptroller, the Secretary and the Treasurer or any two of them shall moreover be empowered to authorize any person (whether an officer of the Company or not) to attend, vote and otherwise act at any and all meetings of Shareholders or members of any firm, syndicate, company or corporation in which this Company has shares or is otherwise interested, and for such purpose shall be empowered to execute and deliver from time to time for and on behalf and in the name of the Company, an instrument or instruments of proxy in such form and terms as such officers so executing and delivering the same may see fit, including therein but without in any way limiting or restricting the generality of the foregoing, provision for the appointment of a substitute proxy and the revocation of all instruments of proxy given by the Company prior thereto with respect to any such meeting.

SECTION ELEVEN

Employees' Stock Purchase Plans

Article 1. Employees' Stock Purchase Plans.

- (a) The Company may from time to time enter into such scheme with such trustee or trustees for the purchase by such trustee or trustees of fully paid shares of the capital stock of the Company to be held by or for the benefit of employees of the Company, including any director holding a salaried employment or office in the Company, as may from time to time be approved by resolution of the Board of Directors of the Company;
- (b) Pursuant to any such scheme, the Company may provide out of the Company's funds, moneys required for the purchase by such trustee or trustees of fully paid Shares of the Capital stock of the Company;
- (c) The employees by whom or for whose benefit the said Shares would be held under the said scheme shall be such employees, including employees to whom options to purchase the said Shares have been or may hereafter be granted, as may from time to time be determined by resolution of the Board of Directors of the Company;
- (d) The number of and the price at which the said Shares may be purchased by the said employees under the said scheme shall be determined by resolution of the Board of Directors of the Company; and
- (e) The moneys provided by the Company for the purchase of fully paid Shares of the capital stock of the Company by the trustee or trustees shall be reimbursed to the Company by the trustee or trustees at such time or times, in such amounts and at such rate of interest and upon such other terms and conditions as may from time to time be determined by resolution of the Board of Directors of the Company.

SECTION TWELVE

Repeal of Previous By-laws

Article 1. Previous By-laws. All of the By-laws of the Company heretofore enacted, with the exception only of such By-laws which, prior to the time when this By-law comes into force and effect, have been confirmed by Supplementary Letters Patent, are hereby repealed with effect only when this By-law effecting such repeal comes into force and effect as herein provided.

SECTION THIRTEEN

Time when By-law Effective

Article 1. Effective Date. This By-law shall come into force and effect at the time when it is duly sanctioned by the Shareholders of the Company.

