

BY-LAWS
OF
OR ROYALTIES INC.
(Formerly OSISKO GOLD ROYALTIES LTD)

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BY-LAWS
OF
OSISKO GOLD ROYALTIES LTD

1. **INTERPRETATION**

The following words and phrases, some of which are defined in section 2 of the *Business Corporations Act* (Québec), whenever used in the by-laws of the Corporation, shall, unless there be something in the context inconsistent therewith, have the following meanings:

"**Act**" means the *Business Corporations Act* (Québec), as amended, and includes any subsequent amendment thereto and any other statute which may be substituted therefor;

"**affiliates**" means legal persons one of whom is a subsidiary of the other, or legal persons who are controlled by the same person;

"**articles**" means the articles of constitution, of amendment, of amalgamation and of continuance of the Corporation and articles confirming a compromise or arrangement or any correction, as well as any further amendment thereto;

"**by-laws**" means the by-laws of the Corporation from time to time in force and effect and any amendments thereto;

"**clear days**" means, when reference is made to the sending of a notice of a meeting that neither the day on which the notice is sent nor the day upon which such meeting is to be held shall be counted in calculating such notice;

"**court**" means the Superior Court of Québec;

"**directors**" means the Board of Directors of the Corporation;

"**enterprise registrar**" means the registrar entrusted with keeping, preserving and ensuring the publicity of the register instituted pursuant to the Legal Publicity Act;

"**group**" means any legal person, any group of persons or any group of properties, including an organization, joint venture or trust;

"**Legal Publicity Act**" means *An Act respecting the legal publicity of enterprises* (Québec), as amended, and includes any subsequent amendment thereto and any other statute which may be substituted therefor;

"**reporting issuer**" means a reporting issuer within the meaning of that expression in the *Securities Act* (Québec);

"**resolution**" or "**ordinary resolution**" means a resolution that requires a majority of the votes cast at a shareholders meeting by the shareholders entitled to vote on the resolution, or a resolution that requires the signature of all such shareholders;

"**Securities Transfer Act**" means *An Act respecting the transfer of securities and the establishment of security entitlements* (Québec) as amended and includes any subsequent amendment thereto and any other statute which may be substituted therefor;

"security" means a share and, in the case of a reporting issuer, a debenture, bond or note that is dealt in or traded on a securities exchange or financial market;

"shareholder" means a shareholder who is registered in the securities register of a corporation, and includes a shareholder's representative; and

"special resolution" means a resolution that requires at least two thirds (2/3) of the votes cast at a shareholders meeting by the shareholders entitled to vote on the resolution, or a resolution that requires the signature of all such shareholders.

Subject to the foregoing, the words and phrases defined in the Act shall have the same meaning whenever used herein.

The titles herein have been inserted for convenience of reference only and shall not affect the interpretation of the terms and provisions hereof.

Words importing the singular number only shall include the plural and vice versa; words importing the masculine gender shall include the feminine gender; and words importing persons shall include in addition to natural persons and legal persons, partnerships, trusts, associations and any other groups of persons that are not constituted as legal persons.

2. NAME OF CORPORATION, HEAD OFFICE AND SEAL

2.1 Name

2.1.1 The name of the Corporation is the name set out in its articles.

2.1.2 The name of the Corporation must appear on all its negotiable instruments, contracts, invoices and purchase orders for goods or services. The Corporation may also, subject to the provisions of the Act, operate under and identify itself by a name other than its own.

2.2 Head Office

2.2.1 The head office of the Corporation must be permanently located in Québec.

2.2.2 The Corporation may, by resolution of its Board of Directors, relocate its head office within the judicial district in which it is located. It may also by special resolution, relocate its head office to another judicial district in Québec.

2.2.3 The Corporation must declare to the enterprise registrar any change of address of its head office in accordance with the Legal Publicity Act

2.2.4 In addition to its head office, the Corporation may establish and maintain other offices, establishments, branches and agencies elsewhere, inside or outside Québec.

2.3 Seal

2.3.1 The Corporation may adopt a seal without however being required to do so. The seal of the Corporation, if any, shall in particular, bear the name of the Corporation and, if deemed appropriate, the year of its constitution.

2.3.2 Any director or officer of the Corporation or any other person authorized for such purpose from time to time, by the Board of Directors, shall have authority to affix the seal of the Corporation to any document requiring same.

3. **RECORDS AND DOCUMENTS**

3.1 **Records of the Corporation**

The Corporation must prepare and maintain, at its head office, records containing

- a) the articles and the by-laws;
- b) minutes of meetings and resolutions of shareholders;
- c) the names and domiciles of the directors, and the dates of the beginning and end of their term of office; and.
- d) a securities register.

The shareholders may examine such records during the regular office hours of the Corporation and obtain extracts thereof without charge.

3.2 **Securities Register**

3.2.1 The securities register of the Corporation must contain the following information with respect to its shares:

- a) the names, in alphabetical order, and the addresses of present and past shareholders;
- b) the number of shares held by each such shareholder;
- c) the date and details of the issue and transfer of each share; and
- d) any amount due on any share.

3.2.2 The register must contain, if the Corporation is a reporting issuer, the same information with respect to the Corporation's debentures, bonds and notes, with the necessary modifications.

3.3 **Accounting Records, Minutes and Resolutions of the Board**

The Corporation must prepare and maintain accounting records and records containing the minutes of meetings and resolutions of the Board of Directors and its committees. The records must be kept at the Corporation's head office or at any other place designated by the Board.

Except as otherwise provided by law, only the directors and the auditor may have access to the records hereinabove referred to.

3.4 **Keeping of Records**

Except as otherwise provided by the applicable laws, the Corporation may keep all or any of the records and accounting records it is required to keep under the Act at a place outside its head office, if the provisions thereof are satisfied.

The Corporation is required to retain all accounting records for a period of six (6) years after the end of the financial year to which they relate.

3.5 List of Shareholders

The Corporation if it is a reporting issuer or has fifty (50) or more shareholders must prepare and maintain, in addition to the securities register, a list of its shareholders containing the name and address of and the number of shares owned by each of them.

4. ANNUAL MEETINGS AND MEETINGS OF SHAREHOLDERS

4.1 Calling of Meetings

4.1.1 The annual meeting of the shareholders of the Corporation shall be held not later than eighteen (18) months after its constitution and, subsequently, not later than fifteen (15) months after the last preceding annual shareholders meeting, on such date (once at least in every calendar year and not later than six (6) months reckoning from the end of the Corporation's financial year) as the Board of Directors may determine, from time to time, by resolution.

4.1.2 The Board of Directors calls the annual shareholders meeting. Otherwise, such meeting may be called by the shareholders in accordance with the provisions of the Act and of the by-laws.

4.1.3 The annual shareholders meeting is held at the place within Québec determined by the Board of Directors. It may also be held at a place outside Québec, if the articles so allow or, in the absence of such a provision, if all the shareholders entitled to vote at the meeting agree thereto.

4.1.4 Notice of a shareholders meeting must be sent to each shareholder entitled to vote at the meeting and to each director seven (7) clear days before the meeting.

4.1.5 However, if the Corporation is a reporting issuer, the notice of meeting must be sent not less than twenty-one (21) days clear and not more than sixty (60) days before the meeting.

Except where the Corporation is a reporting issuer, in any case where the convening of a meeting of the shareholders is considered by the Chair of the Board, the President, the Executive Vice President or any one of the Vice Presidents who is a director, in his discretion, to be a matter of urgency, notice of a meeting of shareholders may be given in writing or verbally, by telephone, or as provided in paragraph 4.1.7 not less than two (2) clear days before such meeting is to be held, and such notice shall be adequate for the meeting so convened.

4.1.6 The notice of meeting must specify, the date, time and place of the meeting. It must also contain the other particulars required by the Act and it must, more particularly state the business on the agenda in sufficient detail to permit the shareholders to form a reasoned judgment on it. It must contain the text of any special resolution to be submitted to the meeting.

4.1.7 The notice of a meeting of shareholders shall be validly sent if served upon all shareholders entitled thereto or deposited at their respective domiciles or ordinary establishments or sent by mail, postage prepaid to their respective addresses as they appear on the books of the Corporation. Such notice may also be delivered by hand to the shareholder or his representative.

If a shareholder requests or accepts it, any notice may be forwarded to him, in accordance with the applicable laws, by fax, electronic mail or by any other technological means, at the disposal of the shareholder and deemed appropriate by the Board of Directors.

- 4.1.8 In the case of joint holders of a share, all notices shall be given to that one of them whose name stands first in the books of the Corporation, and notice so given shall be sufficient notice to each of such joint holders.
- 4.1.9 Any shareholders or directors may, in writing, by fax or by electronic mail filed with the records of the meeting, either before or after the holding thereof, waive notice of a shareholders meeting. Their attendance at the meeting is a waiver of notice of the meeting unless they attend the meeting for the sole purpose of objecting to the holding of the meeting on the grounds that it was not lawfully called or held.
- 4.1.10 If the Corporation is a reporting issuer or has fifty (50) or more shareholders, the Board of Directors may, by resolution, fix in advance a date as the record date for the purpose of determining shareholders entitled to receive notice of a shareholders meeting, receive payment of a dividend, participate in a liquidation, distribution and vote at a shareholders meeting or for any other purpose.

For the purpose of determining which shareholders are entitled to receive notice of a shareholders meeting or vote at the meeting, the record date must be not less than twenty-one (21) clear days and not more than sixty (60) days before the meeting.

- 4.1.11 Irregularities in the notice or in the giving thereof to, or the accidental omission to give notice to, or the non-receipt of any such notice by any of the shareholders shall not invalidate any action taken by or at any such meeting.

4.2 **Proxies**

- 4.2.1 A shareholder may be represented at a shareholders meeting by a proxyholder. A shareholder so represented is deemed to be present at the meeting. Any person, whether or not a shareholder of the Corporation, may be appointed a proxyholder.
- 4.2.2 A proxy must be in writing and signed by the shareholder. In addition to the date, the proxy must include the name of the proxyholder and, if applicable, revoke any former proxy.

Unless otherwise indicated, a proxy lapses one (1) year after the date it is given. It may be revoked at any time.

- 4.2.3 A proxyholder has the same rights as the shareholder represented to speak at a shareholders meeting in respect of any matter and to vote at the meeting.

However, a proxyholder who has conflicting instructions from more than one (1) shareholder may not vote by a show of hands.

4.3 **Conduct of Meeting**

- 4.3.1 Any person entitled to attend a shareholders meeting may participate in the meeting by means of any equipment enabling all participants to communicate directly with one another. A person participating in a meeting by such means is deemed to be present at the meeting.
- 4.3.2 A shareholders meeting may be held solely by means of equipment enabling all participants to communicate directly with one another.
- 4.3.3 A quorum of shareholders is present at a shareholders meeting if, at the opening of the meeting, two holders holding more than twenty-five (25%) of the shares that carry the right to vote at the meeting are present in person or represented by proxy. If a quorum is present at the opening of a meeting of shareholders, the shareholders present, in person or by proxy,

may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting.

If a quorum is not present at the opening of a meeting, the meeting, if convened on the requisition of shareholders, shall be dissolved. In any other case, the shareholders present may adjourn the meeting to the place, date and hour fixed by resolution, notice of this second meeting or adjourned meeting to be given to all shareholders entitled thereto, as hereinafter provided. The quorum, at this second meeting or adjourned meeting, shall consist solely of the persons present thereat and entitled to vote. At this second meeting or adjourned meeting, any business may be transacted which might have been transacted at the original meeting.

If a shareholders meeting is adjourned for less than thirty (30) days, it is not necessary to give notice of the adjourned meeting other than by announcement at the original meeting. If a shareholders meeting is adjourned by one (1) or more adjournments, for an aggregate of thirty (30) days or more, notice of the adjourned meeting must be given as for an original meeting.

4.3.4 Unless otherwise provided in the articles, each shareholder is entitled, during a meeting to one (1) vote on a show of hands and, upon a ballot, to one (1) for each share carrying voting rights registered in his or its name in the books of the Corporation.

4.3.5 Any matter submitted to a meeting of shareholders shall be decided by a majority of the votes cast at such meeting except matters as to which a number of votes or the consent of the holders of shares entitled to more than the majority of the votes cast is required or directed by the applicable laws by the articles or by the by-laws of the Corporation.

4.3.6 The vote at a meeting of shareholders shall be decided by show of hands or, at the demand of the Chair of the meeting or of any shareholder entitled to vote, by ballot. A ballot may be demanded either before or after any vote by show of hands.

The vote may be held by any means of communication made available by the Corporation.

4.3.7 A natural person authorized by a resolution of the Board of Director or of the management of a shareholder who is a legal person or a group may participate in and vote at a shareholders meeting. A person acting for a shareholder as administrator of the property of others may participate in and vote at a shareholders meeting.

4.3.8 If two (2) or more persons hold shares jointly, one (1) of those shareholders present at a shareholders meeting may, in the absence of the others, exercise the voting right attached to those shares. If two (2) or more of such shareholders are present at the meeting, they must vote as one (1).

4.3.9 Any shareholder participating in a shareholders meeting by means of equipment enabling all participants to communicate directly with one another may vote by any means enabling votes to be cast in a way that allows them to be verified afterwards and protects the secrecy of the vote when a ballot has been requested.

4.3.10 At a shareholders meeting, unless a vote is demanded, a declaration by the Chair of the meeting that a resolution of the shareholders has been carried and an entry to that effect in the minutes of the meeting constitute, in the absence of any evidence to the contrary, proof of such fact, without it being necessary to prove the number or proportion of the votes recorded for and against the resolution.

4.3.11 The Chair of the Board or, in his absence, the President or, in his absence, the Executive Vice President or one of the Vice Presidents who is a director (to be designated by the meeting, in the event of more than one such Vice President being present) shall preside at all meetings of the shareholders. If all of the aforesaid officers are absent or decline to act, the shareholders

present may choose one person among them to act as Chair of the meeting. The Chair of the meeting may appoint one (1) or more scrutineers (who need not be shareholders) to act as scrutineers at such meeting. In the event of an equality of votes, the Chair of the meeting of shareholders shall not be entitled to cast a second or casting vote in respect of any matter submitted to the vote of the meeting.

- 4.3.12 Every shareholder shall provide the Corporation with an address to which all notices intended for such shareholder shall be sent and, if any shareholder fails to provide such address, any such notice may be sent to him at any other address of such shareholder at that time appearing on the books of the Corporation. If no address appears on the books of the Corporation, such notice may be sent to such address as the person sending the notice may consider to be the most likely to result in such notice promptly reaching such shareholder. If a shareholder requests or specifically consents to receive any notice intended for him by fax, electronic mail or by any other technological means, he must provide the fax or electronic address or any other address where he wishes to receive them.

5. **SPECIAL SHAREHOLDERS MEETING**

5.1 **Calling of Meeting**

- 5.1.1 The Board of Directors, the Chair of the Board or the President, or the Executive Vice President or any Vice President who is a member of the Board of Directors may, at any time, call a special meeting of the shareholders.

- 5.1.2 The holders of not less than ten percent (10%) of the shares that carry the right to vote at a shareholders meeting sought to be held may requisition the Board of Directors to call a shareholders meeting for the purposes stated in the requisition.

The requisition, signed by at least one (1) shareholder, must state the business to be transacted at the meeting and must be sent to each director and to the Corporation at the head office of the Corporation.

- 5.1.3 On receiving the requisition, the Board of Directors calls a shareholders meeting to transact the business stated in the requisition. If the Board of Directors does not within twenty-one (21) days after receiving the requisition call a meeting, any shareholder who signed the requisition may call the meeting.

5.2 **Applicable Provisions**

The provisions of section 4 apply to special shareholders meeting, with the necessary modifications.

6. **BOARD OF DIRECTORS**

6.1 **Number of Directors**

- 6.1.1 The Board of Directors of the Corporation shall consist of a such fixed or minimum and maximum number of directors as set out in the articles of the Corporation. In the latter case, the precise number thereof shall be the number determined from time to time by resolution of the Board of Directors, failing which it shall be the number of directors corresponding to the number thereof elected at the last annual meeting of shareholders.

- 6.1.2 If circumstances prevent a shareholders meeting from electing the fixed number or minimum number of directors required by the articles, the directors elected at that meeting may exercise all the powers of the directors if the number of directors so elected constitutes a quorum

6.2 Capacity

6.2.1 Any natural person may be a director of the Corporation, except:

- a) a minor;
- b) a person of full age under tutorship or curatorship;
- c) a bankrupt
- d) a person prohibited by the court from holding such office; and
- e) a person declared incapable by decision of a court of another jurisdiction.

6.2.2 A director is not required to be a shareholder of the Corporation.

6.3 Election and Term of Office

6.3.1 Each director shall (except as otherwise provided in the by-laws) be elected at the annual meeting of the shareholders by a majority of the votes cast in respect of such election. It shall not be necessary that the voting for the election of the directors be conducted by ballot, unless voting by ballot is expressly requested by the Chair of the meeting or someone 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, removal or other cause.

6.3.2 The office of a director shall automatically become vacant if he becomes disqualified for the office of director under the *Civil Code of Québec*.

6.3.3 The decisions taken by the directors during a meeting of the Board of Directors shall be valid notwithstanding the subsequent discovery of any irregularity in the election or appointment of one (1) or more directors or of their inability to serve as directors.

6.4 Advance Notice

Subject to the provisions of the Act and the articles of the Corporation, a nominee will not be eligible for election as director of the Corporation unless such nomination is made in accordance with the following procedures. Nominations of a person for election to the Board of Directors may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors, (a) by or at the direction of the Board of Directors or an authorized officer of the Corporation, including pursuant to a notice of meeting, (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act or (c) by any person (a "**Nominating Shareholder**") (i) who, at the close of business on the date of the giving of the notice provided for below in this Section 6.4 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and (ii) who complies with the notice procedures set forth below in this Section 6.4:

- (i) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Secretary of the Corporation at the registered office of the Corporation in accordance with this Section 6.4.

- (ii) To be timely, a Nominating Shareholder's notice to the Secretary of the Corporation must be made:
 - (a) In the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 50 days after the date (the "**Notice Date**") on which the first Public Announcement (as defined below) of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
 - (b) In the case of a special meeting (other than an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made. Notwithstanding the foregoing, the Board of Directors may, in its sole discretion, waive any requirement in this paragraph (b). In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above.
- (iii) To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Corporation must set forth (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class or series and number of shares in the share capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, and (iv) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and (b) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below). The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.
- (iv) No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this Section 6.4; provided, however, that nothing in this Section 6.4 shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The Chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (v) For purposes of this Section 6.4, (i) "**Public Announcement**" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly

filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and (ii) "**Applicable Securities Laws**" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.

- (vi) Notwithstanding any other provision of the by-laws, notice given to the Secretary of the Corporation pursuant to this Section 6.4 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Secretary at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Montreal time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

6.5 Functions and Powers of Board of Directors

- 6.5.1 The Board of Directors exercises all the powers necessary to manage, or supervise the management of, the business and affairs of the Corporation.

Except to the extent provided by the Act, such powers may be exercised without shareholder approval and may be delegated to a director, an officer or one or more committees of the Board.

- 6.5.2 The Board of Directors of the Corporation may, on behalf of the Corporation:

- (a) borrow money;
- (b) issue, reissue, sell or hypothecate its debt obligations;
- (c) enter into a suretyship to secure performance of an obligation of any person; and
- (d) hypothecate all or any of its property, owned or subsequently acquired, to secure any obligation.

- 6.5.3 The Board of Directors may designate the officers of the Corporation, appoint directors or other persons as officers and specify their functions.

The officers are mandataries of the Corporation.

The Board of Directors may create one or more committees made up of directors.

6.6 Remuneration of Directors

- 6.6.1 Each of the directors of the Corporation shall receive such remuneration as the Board of Directors shall fix, from time to time, by resolution.

- 6.6.2 The directors shall be entitled to be repaid by the Corporation all such reasonable travelling (including hotel and incidental) expenses as they may incur in attending meetings of the

directors or shareholders or which they may otherwise incur in or about the business of the Corporation.

- 6.6.3 Any director who, by request of the directors or of an authorized officer, performs special services for the Corporation may be paid such extra remuneration as the Board of Directors may determine.

6.7 Meetings of the Board of Directors and Notice

- 6.7.1 Immediately after each annual meeting of the shareholders, a meeting, called "annual meeting", of such of the newly elected directors as are then present shall be held, without further notice, provided they shall constitute a quorum, for the election and/or appointment of the officers of the Corporation, and the transaction of such other business as may come before them.
- 6.7.2 Regular meetings of the Board of Directors may be held at such places, within or outside Québec, at such time and upon such notice as may be determined, from time to time, by resolution of the Board of Directors. A copy of any resolution of the Board of Directors determining the place and date of such regular meetings shall be sent to each director immediately after its adoption, but no other notice will be required for a regular meeting.
- 6.7.3 Any meeting of the Board of Directors convened otherwise than in conformity with the provisions of paragraphs 6.7.1 and 6.7.2 shall be a special meeting.
- 6.7.4 Special meetings of the Board of Directors may be called, at any time and from time to time, by or on the order of the Chair of the Board, the President, the Executive Vice President, any Vice President who is a director or by any two (2) directors. Notice specifying the place, day and hour of a meeting, as well as any matter to be dealt with relating to the powers of the Board of Directors may not delegate under the Act, shall be served upon each of the directors or left at his usual residence or usual place of work, or shall be sent by mail postage prepaid, at his address as it appears on the books of the Corporation, at least two (2) clear days prior to the date fixed for such meeting. If the address of any director does not appear in the books of the Corporation, then such notice shall be sent to such address as the person sending the notice may consider to be the most likely to result in such notice promptly reaching such director. Any special meeting so convened may be held at the head office of the Corporation or at such other place approved by resolution of the directors.
- 6.7.5 Notice of an adjourned annual or special meeting of the Board of Directors is not required to be given if the time and place of the adjourned meeting is announced at the same time as the adjournment.
- 6.7.6 If a director requests or accepts it, any notice may be forwarded to him in accordance with the applicable laws, by fax, electronic mail or by any other technological means at the disposal of the director and deemed appropriate by the Board of Directors.
- 6.7.7 In any case where the convening of a meeting is considered by the Chair of the Board, the President, the Executive Vice President, or one of the Vice Presidents who is a director, in his discretion, to be a matter of urgency, he may give verbal or written notice of a meeting of the Board of Directors by telephone or as provided in section 6.7.6 not less than one (1) hour before such meeting is to be held, and such notice shall be adequate for the meeting so convened.
- 6.7.8 Special meetings of the Board of Directors may be held at such time and place and for such purposes without notice, when all directors are present or when those absent shall have waived in writing the notice of the said meeting either before or after the meeting, and attendance of a director at a meeting of directors is a waiver of notice of the meeting, except

where the director attends a meeting for the sole purpose of objecting to the holding of the meeting on the grounds that it was not lawfully called.

- 6.7.9 The directors may, if all consent thereto, participate in a meeting of the Board of Directors by means of equipment enabling all participants to communicate directly with one another. In such a case they are deemed to be present at the meeting.
- 6.7.10 Only the directors may attend a meeting of the Board of Directors. Other persons may be admitted, if need be, with the consent of the majority of the directors present at the meeting.
- 6.7.11 The secretary of the meeting may, for purposes of drafting the minutes record the proceedings of the Board of Directors.

6.8 Chair of the Meeting

The Chair of the Board or, in his absence, the President, if he is a director, or, in his absence, the Executive Vice President or one of the Vice Presidents who is a director (to be designated by the meeting, in the event of more than one such Vice President being present) shall preside at all meetings of the directors. If all of the aforesaid officers be absent or decline to act, the persons present may choose one of their number to act as Chair of the meeting. The Chair of any meeting of the directors shall be entitled to vote as director in respect of any matter submitted to the vote of the meeting, but, in the event of an equality of votes, shall not be entitled to cast a second or casting vote.

6.9 Quorum

The directors may, from time to time, fix by resolution the quorum for meetings of directors, but until otherwise fixed, a majority of the directors in office from time to time 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 for the time being vested in or exercisable by the directors under the Act, the articles or the by-laws of the Corporation despite any vacancy on the Board. Questions arising at any meetings of directors shall be decided by the affirmative vote of a majority of the directors present thereat. A quorum shall be maintained throughout the meeting.

6.10 Presumption of Approval to Resolutions of the Board

A director who is present at a meeting of the Board or a committee of the Board is deemed to have consented to any resolution passed at the meeting unless:

- a) the director's dissent has been entered in the minutes;
- b) the director sends a written dissent to the secretary of the meeting before the meeting is adjourned; or
- c) the director delivers a written dissent to the Chair of the Board or of the meeting, sends it to the chair by any means providing proof of the date of receipt or delivers it to the head office of the Corporation immediately after the meeting is adjourned.

A director is not entitled to dissent after voting for or consenting to a resolution.

A director who was not present at a meeting at which a resolution was passed is deemed to have consented to the resolution unless the director records his or her dissent in accordance with this section within seven (7) days after becoming aware of the resolution.

6.11 Resolutions in Writing

A resolution in writing, signed by all the directors entitled to vote on the resolution, has the same force as if it had been passed at a meeting of the Board or, as the case may be, of a committee of the Board.

6.12 Cessation of Office and Vacancy of Directors

6.12.1 A director ceases to hold office when he or she becomes disqualified from being a director of a Corporation, resigns or is removed from office.

The resignation of a director becomes effective at the time the director's written resignation is received by the Corporation, or at the time specified in the resignation, whichever is later.

6.12.2 Despite the expiry of a director's term, the director, unless he or she resigns, remains in office until re-elected or replaced.

6.12.3 The shareholders may, by ordinary resolution at a special meeting, remove any director or directors.

If certain shareholders have an exclusive right to elect one (1) or more directors, a director so elected may only be removed by ordinary resolution of those shareholders.

A vacancy created by the removal of a director may be filled at the shareholders meeting at which the director is removed or, if it is not, at a subsequent meeting of the Board of Directors.

6.12.4 A quorum of directors may fill a vacancy on the board.

6.12.5 If there is no quorum of directors or if there has been a failure to elect the fixed number or minimum number of directors required by the articles, the directors then in office must without delay call a special shareholders meeting to fill the vacancies on the Board.

If the directors refuse or fail to call a meeting or if there are no directors then in office, the meeting may be called by any shareholder.

6.12.6 A director appointed or elected to fill a vacancy holds office for the unexpired term of his or her predecessor.

6.12.7 A director whose removal is to be proposed at a shareholders meeting may attend the meeting and be heard or, if not in attendance, may explain, in a written statement read by the person presiding over the meeting or made available to the shareholders before or at the meeting, why he or she opposes the resolution proposing his or her removal.

6.12.8 If the articles so provide, the directors of a corporation that is a reporting issuer or has fifty (50) or more shareholders may appoint one (1) or more additional directors to hold office for a term expiring not later than the close of the next annual shareholders meeting, but the total number of directors so appointed may not exceed one third (1/3) of the number of directors elected at the previous annual shareholders meeting.

7. COMMITTEES

7.1 Committees of Directors

7.1.1 The Board of Directors may, by resolution, create one or more committees made up of directors and delegate to such committee or committees any of their powers as permitted by

the Act. Each committee shall consist of such number of members as the Board of Directors may determine from time to time, by resolution.

- 7.1.2 The Board of Directors may, from time to time, by resolution, remove any member, with or without cause, or add to or otherwise change the membership of any committee.
- 7.1.3 The Board of Directors may, from time to time, by resolution, adopt rules relating to the calling and holding of and the quorum at meetings of any committee of directors and the procedure thereat, and repeal, amend or re-enact the same.
- 7.1.4 Subject to any such rules as aforesaid, any committee shall within its activities and the delegation of power by the Board of Directors, while the Board of Directors is not in session, be competent to exercise all or any of the powers vested in the Board of Directors.
- 7.1.5 Each committee shall keep regular minutes and records of its proceedings and of all resolutions adopted by it and shall report the same to the Board of Directors, upon request.
- 7.1.6 The remuneration, if any, to be paid to the members of each committee of directors shall be such as the Board of Directors shall, by resolution, determine.

7.2 **Other Committees**

The Board of Directors may create any other committee which it deems appropriate, consisting either of members or of non-members of the Board of Directors, with advisory powers only. Unless otherwise instructed by the Board, each committee so set up has the power to fix its own quorum at not less than the majority of its members, to elect its own president and to determine its own proceedings.

8. **OFFICERS**

8.1 **Management**

- 8.1.1 The management of the Corporation shall consist of at least a Chair, a President and a Chief Executive Officer. There may also be elected or appointed a Chief Financial Officer, a Chief Operating Officer, one or more Vice Presidents (one of whom may be appointed Executive Vice President), a Secretary, a Treasurer, one or more Assistant Secretaries and/or Assistant Treasurers and/or General Managers.
- 8.1.2 Such officers shall be elected or appointed, as the case may be, by the Board of Directors, at its first meeting after each annual meeting of the shareholders, and shall hold office until their successors shall have been elected or appointed. Other officers may also be appointed as the Board of Directors may, from time to time, deem necessary. In addition, it may create or abolish offices or change the titles of the officers of the Corporation, when necessary.
- 8.1.3 Such officers shall respectively perform the duties specified in the by-laws and those as shall, from time to time, be prescribed by the Board of Directors. The same person may hold more than one (1) office, provided, however, that the same person shall not hold the office of President and Vice President. None of such officers of the Corporation, except the Chair of the Board need be a director of the Corporation.

8.2 **Chair of the Board and Chief Executive Officer**

Unless the Board of Directors decides otherwise pursuant to this Section 8, the Chair of the Board is the Chief Executive Officer. The Chair and Chief Executive Officer shall preside at all meetings of shareholders and of the Board of Directors and is responsible for monitoring, directing and controlling the activities and business affairs of the Corporation, under the direction of the Board of Directors. He shall

have such other powers and duties as the Board of Directors may determine, from time to time, by resolution.

In the event of the absence or disability of the Chair and Chief Executive Officer, the Board may appoint the President or any director to preside at any meeting of the Board and to perform such other duties of the Chair as the Board may direct.

8.3 President

The President may but shall not necessarily be chosen from among the directors. In the absence of the Chair of the Board, he shall preside at all meetings of the shareholders and, if he is a director, of the Board of Directors. He shall have such other powers and perform such other duties as the Board of Directors may determine, from time to time, by resolution.

8.4 Chief Financial Officer

The Chief Financial Officer is responsible for monitoring the finances of the Corporation. As such, he shall supervise the Treasurer of the Corporation and the Assistant Treasurers, as the case may be. He deposits money and other valuable effects of the Corporation, in the name and to the credit of the Corporation, with all banks, trust companies or other depositaries the Board of Directors may designate from time to time by resolution. He shall be responsible for investments the Corporation may make and shall implement the investment practices and policies that the Board of Directors may determine from time to time. Where required by the Board of Directors, he shall render an account of the financial situation of the Corporation and all his transactions as Chief Financial Officer; and as soon as possible after the closing of each fiscal year, he shall prepare and submit a report on the past-fiscal year to the Board of Directors. Where there is no Treasurer, he shall be responsible for the safekeeping, deposit and keeping of all account books and other documents which, according to laws governing the Corporation, the Corporation is required to keep. He shall perform all other duties incumbent upon a Chief Financial Officer, along with any other duty the Board of Directors may determine, from time to time, by resolution, subject to the control of the Board of Directors.

8.5 Chief Operating Officer

The Chief Operating Officer is responsible for monitoring, directing and controlling the operations of the Corporation under the direction of the President and/or the Chief Executive Officer. He shall have such other powers and perform such other duties as the Board of Directors may determine, from time to time, by resolution.

8.6 Executive Vice President

An Executive Vice President (as determined by the Board) shall be vested with all the powers and shall perform all the duties of the President in the absence, disability or refusal to act of the President. If an Executive Vice President exercises any such duty or power, the absence, disability or refusal to act of the President shall be presumed with reference thereto. The Executive Vice President, or if more than one, the executive vice presidents, shall also have such other powers and duties as may from time to time be assigned to him, her or them respectively by the Board of Directors or the President.

8.7 Vice President or Vice Presidents

The Vice President or, if more than one, the Vice Presidents, in order of seniority, shall be vested with all the powers and shall perform all the duties of the President or the Executive Vice President or inability or refusal to act of the President or Executive Vice President, provided, however, that a vice present who is not an independent director shall not preside as Chair at any meeting of the shareholders or of the Board of Directors. The Vice President or, if more than one, the Vice Presidents, in order of seniority, shall sign such contracts, documents or instruments in writing as require his or their signatures and shall also have

such other powers and duties as may from time to time be assigned to him or them by resolution of the Board of Directors.

8.8 Treasurer and Assistant Treasurers

8.8.1 The Treasurer shall have general charge of the finances of the Corporation. He shall deposit all moneys and other valuable effects of the Corporation in the name and to the credit of the Corporation, in such banks, savings and credit unions, trust companies or other depositories, as the Board of Directors may, from time to time, designate, by resolution. He shall have charge and custody of and be responsible for the keeping of the books of account required under the laws governing the Corporation. He shall render to the Board of Directors, whenever directed by the Board, an account of the financial condition of the Corporation and of all his operations as Treasurer. He shall perform all the acts incidental to the office of Treasurer, as well as those that may be assigned to him, from time to time, by resolution of the Board of Directors, the whole subject to the control of the Board of Directors.

8.8.2 Assistant Treasurers may perform any of the duties of the Treasurer delegated to them, from time to time, by the Board of Directors or by the Treasurer.

8.9 Secretary and Assistant Secretaries

8.9.1 The Secretary shall attend to the giving of all notices of the Corporation and shall draft and keep the minutes of all meetings of the shareholders and of the Board of Directors in a book or books to be kept for that purpose. He shall keep in safe custody, if any, the seal of the Corporation. He shall have charge of the records of the Corporation, including books containing the names and addresses of the shareholders and directors, together with copies of all reports made by the Corporation, and such other books and papers as the Board of Directors may direct. He shall be responsible for the keeping and filing of all books, reports, certificates and other documents required by the applicable laws to be kept and filed by the Corporation. He shall perform all such other duties as appertain to his office or as may be required, from time to time, by resolution of the Board of Directors.

8.9.2 Assistant Secretaries may perform any of the duties of the Secretary delegated to them, from time to time, by the Board of Directors or by the Secretary.

8.10 Secretary-Treasurer

Whenever the Secretary shall also be the Treasurer, he may, at the option of the Board of Directors, be designated the "Secretary-Treasurer".

8.11 General Manager

The directors of the Corporation may, from time to time, appoint a General Manager chosen or not from among the directors. He shall manage the affairs of the Corporation, under the supervision of the President or the Executive Vice President or Vice President, and shall exercise such powers as may be delegated to him, from time to time, by resolution of the Board of Directors, and such authority may be either general or specific.

8.12 Removal

The Board of Directors may, by resolution, remove any officers and dismiss them as employees of the Corporation, either with or without cause. Any employee of the Corporation, other than an officer appointed by the Board of Directors, may be discharged from his position and dismissed, either with or without cause, by the President, Executive Vice President, any Vice President or the General Manager. If, however, there be no cause for such removal or discharge and there be a special contract derogating from

the provisions of this section, such removal or discharge shall be subject to the provisions of such contract.

8.13 Remuneration of Officers

The remuneration of all officers of the Corporation shall be fixed, from time to time, by resolution of the Board of Directors.

9. DUTIES OF DIRECTORS AND OFFICERS

9.1 General Provisions

9.1.1 Subject to the Act, the directors are bound by the same obligations as are imposed by the *Civil Code of Québec* on any director of a legal person.

Consequently, in the exercise of their functions, the directors are duty-bound toward the Corporation to act with prudence and diligence, honesty and loyalty and in the interest of the Corporation.

In their capacity as mandataries of the Corporation, the officers are bound, among other things, by the same obligations as are imposed on the directors under the preceding subparagraph.

9.1.2 No provision of the articles, the by-laws, a resolution or a contract may relieve any of the directors from their obligations, or from liability for a breach of their obligations.

9.2 Good Faith Reliance

A director is presumed to have fulfilled the obligation to act with prudence and diligence if the director relied, in good faith and based on reasonable grounds, on a report, information or an opinion provided by

- (a) an officer of the Corporation who the director believes to be reliable and competent in the functions performed;
- (b) legal counsel, professional accountants or other persons retained by the Corporation as to matters involving skills or expertise the director believes are matters within the particular person's professional or expert competence or as to which the particular person merits confidence; or
- (c) a committee of the Board of Directors of which the director is not a member if the director believes the committee merits confidence.

9.3 Disclosure of Interest

9.3.1 A director or officer must disclose the nature and value of any interest (as such expression is defined in the relevant provision of the Act) he or she has in a contract or transaction to which the Corporation is a party.

9.3.2 A director or an officer must disclose any contract or transaction to which the Corporation and any of the following are a party:

- (a) an associate of the director or officer;
- (b) a group of which the director or officer is a director or officer;

- (c) a group in which the director or officer or an associate of the director or officer has an interest.

The director or officer satisfies the requirement if he or she discloses, in a case specified in subparagraph b) the directorship or office held within the group or, in a case specified in subparagraph c) the nature and value of the interest he or she or his or her associate has in the group.

- 9.3.3 Unless it is recorded in the minutes of the first meeting of the Board of Directors at which the contract or transaction is discussed, the disclosure of an interest, contract or transaction must be made in writing to the Board of Directors as soon as the director becomes aware of the interest, contract or transaction.
- 9.3.4 In the case of an officer who is not a director; the disclosure required by paragraphs 9.3.1 and 9.3.2 must be made as soon as
 - (a) the officer becomes an officer;
 - (b) the officer becomes aware that the contract or transaction is to be discussed or has been discussed at a meeting of the Board; or
 - (c) the officer or the officer's associate acquires an interest in the contract or transaction, if it was entered into earlier.
- 9.3.5 The disclosure required by paragraphs 9.3.1 and 9.3.2 must be made even in the case of a contract or transaction that does not require approval by Board of Directors.
- 9.3.6 No director may vote on a resolution concerning a contract or operation described in paragraphs 9.3.1 and 9.3.2 or be present during deliberations concerning same, except in the circumstances provided for in the Act.

In addition, as provided in the Act, in certain circumstances, the contract or operation may be approved solely by the shareholders.

10. **INDEMNIFICATION AND LIABILITY INSURANCE**

10.1 **Indemnification**

Subject to section 10.2 the Corporation must indemnify a director or officer of the Corporation, a former director or officer of the Corporation, a mandatary, or any other person who acts or acted at the Corporation's request as a director or officer of another group against all costs, charges and expenses reasonably incurred in the exercise of their functions, including an amount paid to settle an action or satisfy a judgment, or arising from any investigative or other proceeding in which the person is involved if

- (a) the person acted with honesty and loyalty in the interest of the Corporation or, as the case may be, in the interest of the other group for which the person acted as director or officer or in a similar capacity at the Corporation's request; and
- (b) in the case of a proceeding that is enforced by a monetary penalty, the person had reasonable grounds for believing that his or her conduct was lawful.

The Corporation must also advance moneys to such a person for the costs, charges and expenses of a proceeding referred to in the section 10.1.

10.2 Interdiction or Reimbursement of Indemnification

In the event that a court or any other competent authority judges that the conditions set out in subparagraphs (a) and (b) of the first paragraph of section 10.1 are not fulfilled, the Corporation may not indemnify the person and the person must repay to the Corporation any monies advanced under that section.

Furthermore, the Corporation may not indemnify a person referred to in section 10.1 if the court determines that the person has committed an intentional or gross fault. In such a case, the person must repay to the Corporation any moneys advanced.

10.3 Advances or Indemnification for Cost and Expenses

A Corporation may, with the approval of the court, in respect of an action by or on behalf of the Corporation or other group referred to in section 10.1 against a person referred to in that section, advance the necessary monies to the person or indemnify the person against all costs, charges and expenses reasonably incurred by the person in connection with the action, if the person fulfils the conditions set out in such section.

10.4 Liability Insurance

A Corporation may purchase and maintain insurance for the benefit of its directors, officers and other mandataries against any liability they may incur as such or in their capacity as directors, officers or mandataries of another group, if they act, or acted in that capacity at the Corporation's request.

11. SHARES, CERTIFICATES, TRANSFERS, DIVIDENDS

11.1 Issue of Shares

11.1.1 Subject to paragraph 11.1.3, shares may be issued at the times, to the persons and for the consideration the Board of Directors determines.

11.1.2 Shares may be issued whether or not they are fully paid. However, shares may only be considered paid if consideration equal to the issue price determined by the Board of Directors has been paid to the Corporation.

11.1.3 A Corporation may also issue instruments, certificates or other evidences of an exchange right, option or right to acquire shares of the Corporation.

11.2 Share Certificates

11.2.1 Unless otherwise provided in the articles, shares are issued as certificated shares unless the Board of Directors determines by resolution, that the shares of any class or series of shares or certain shares of a class or series are to be issued as uncertificated shares. An uncertificated share is represented by an entry in the securities register in the name of the shareholder.

The Board of Directors may also, by resolution, determine that a certificated share becomes an uncertificated share as soon as the paper certificate is surrendered to the Corporation.

Inversely, the Board of Directors may also, by resolution, determine that an uncertificated share becomes a certificated share on delivery to the shareholder of a certificate in the shareholder's name or, in the case of a control agreement under the Securities Transfer Act, on delivery to the purchaser, within the meaning of such Act, of a certificate in the purchaser's name, unless there are provisions inconsistent with such an agreement, in which case those

provisions apply. The Board of Directors must give notice of the resolution to the shareholders of the classes or series of shares concerned.

- 11.2.2 Certificates representing shares in the share capital of the Corporation shall be in such form as shall be approved by the Board of Directors. Such certificates shall bear the signature of at least two (2) of the Corporation's directors or officers or by a person acting in their name. Any signature may be affixed by a person acting for any of such persons. The signature may be affixed by an automatic device or electronic process. The seal of the Corporation, if any, need not be affixed on any share certificate.

- 11.2.3 In the case of certificated shares, the Corporation must issue to the shareholder, without charge, a certificate in registered form.

The Corporation is not required to issue more than one certificate for shares held jointly by two (2) or more persons.

However, in the absence of any evidence to the contrary, the certificate is proof of the shareholder's title to the shares represented by the certificate.

In the case of uncertificated shares, the Corporation must send the shareholder a written notice containing the information required under the first subparagraph of this paragraph.

- 11.2.4 A damaged, lost or destroyed certificate must be replaced in accordance with the Securities Transfer Act.

11.3 **Unpaid Shares**

- 11.3.1 Unless the terms of payment for shares are determined by contract, the Board of Directors may call for payment of all or part of the unpaid amounts on shares subscribed or held by the shareholders.

A call for payment is deemed to be made on the day the Board of Directors passes a resolution providing for it. Notice of the call for payment stating the amount due and the time for payment must be sent to the shareholders.

- 11.3.2 If a shareholder does not make the required payment following a call for payment, the Board of Directors may confiscate, without further formality, the shares for which payment has not been made. The confiscation is recorded in the securities register.

The Board of Directors may transfer the shares so confiscated to a new acquirer, register their transfer and, if applicable, cancel their certificates, whether or not the shareholder has returned the endorsed certificates to the Corporation, and issue a new certificate to the acquirer.

- 11.3.3 If the terms of payment for shares are determined by contract, the Board of Directors may, after sending a demand letter, confiscate the shares without further formality if the shareholder who subscribed for or acquired them has failed to comply with the terms.

If the acquirer is not bound by a contract with the Corporation with respect to payment of the shares, the provisions relating to a call for payment apply to the acquirer.

- 11.3.4 Within ten (10) days after disposing of the confiscated shares, the Corporation must inform the shareholder of the proceeds obtained from the disposition and remit any surplus to the shareholder. The shareholder is liable for the unpaid balance on the shares if the proceeds of disposition do not cover the amounts payable.

- 11.3.5 Instead of confiscating shares, the Corporation may apply to the court in order to recover the amounts due from defaulting shareholders.
- 11.3.6 A shareholder who is in arrears with respect to a call for payment or has defaulted on payment of shares in accordance with the contract between the shareholder and the Corporation may not vote at any shareholders meeting.
- 11.3.7 The unpaid amounts of the unpaid shares held by a shareholder who exercises, as concerns such shares, his right to demand the repurchase set out in section 377 and following of the Act become due as of the time when the shareholder sends to the Corporation the notice provided in section 376 of the Act.

11.4 Transfers of Shares

- 11.4.1 Any transfer of shares in the share capital of the Corporation and details related thereto must be recorded in the securities register or in the part of the securities register in which the date and details of transfers of shares are kept, which may be maintained in whole or in part at the head office of the Corporation or elsewhere on the conditions permitted by law. The registration of the transfer constitutes a complete and valid registration. All shares in the share capital of the Corporation shall be transferable on the securities register regardless of the location where the certificate representing the shares to be transferred was issued.
- 11.4.2 As regards certificated shares, no transfer of shares in the share capital of the Corporation is valid and may be recorded in the securities register unless the certificates representing the shares to be transferred have been surrendered or cancelled. However, should the Corporation's shares be listed on a Canadian or US stock exchange and be entered in the book entry system of a clearing house approved by the securities authorities, share transfers carried out in accordance with the rules and practices of such exchange or clearing house, as the case may be, shall be valid, in accordance with the conditions permitted by law, despite the fact that no certificate representing the shares transferred shall have been surrendered or cancelled. The transfer of uncertificated shares shall be effected on the condition prescribed by law.
- 11.4.3 No transfer of shares the amount of which has not been paid in full shall take place without the consent of the board of directors. In no circumstances shall shares be transferred where a call for payment thereon is outstanding.

11.5 Transfer Agents and Registrars

The Board of Directors may appoint or remove by resolution, from time to time, transfer agents and registrars of transfers and transmissions of shares in the share capital of the Corporation and make regulations generally, from time to time, with reference to the transfer and transmission of shares in the share capital of the Corporation. Upon any such appointment being made, all certificates representing shares in the share capital of the Corporation thereafter issued shall be countersigned by one of such transfer agents and/or of such registrars of transfers and shall not be valid unless so countersigned.

11.6 Declaration and Payment of Dividends

- 11.6.1 Unless otherwise provided in the articles, the Board of Directors may declare and the Corporation may pay a dividend either in money or property or by issuing fully paid shares or options or rights to acquire fully paid shares of the Corporation.

If shares of the Corporation are issued in payment of a dividend, the Corporation may add all or part of the value of those shares to the appropriate issued and paid-up share capital account.

- 11.6.2 The Corporation may not declare and pay a dividend, except by issuing shares or options or rights to acquire shares, if there are reasonable grounds for believing that the Corporation is, or would after the payment be, unable to pay its liabilities as they become due.
- 11.6.3 The Corporation may deduct from the dividends payable to a shareholder any amount due to the Corporation by the shareholder, on account of calls for payment or otherwise.
- 11.6.4 Any dividend in money may be paid by cheque or warrant made payable to, and sent by mail to the last address on the books of the Corporation of, the shareholder entitled thereto and, in the case of joint holders, to the address on in the books of the Corporation or to that one of them whose name stands first in the books of the Corporation. The mailing of such cheque or warrant shall constitute payment, unless the cheque or warrant is not paid upon presentation.

12. **FINANCIAL YEAR, ACCOUNTS AND AUDITOR**

12.1 **Financial Year**

The financial year of the Corporation shall end on the date determined, from time to time, by resolution of the Board of Directors.

12.2 **Accounts**

- 12.2.1 The directors shall ensure that proper accounting books are kept with respect to receipts and disbursements by the Corporation as well as the sources of such receipts and disbursements, all sales and all purchases of goods by the Corporation, the assets and liabilities of the Corporation and all other transactions affecting the Corporation's financial position.
- 12.2.2 Account books shall be kept at the Corporation's head office or at any other location which the directors deem proper and the directors may examine them at all reasonable times.

12.3 **Auditors**

The shareholders appoint the auditors at each annual meeting of the shareholders. The remuneration of the auditors is fixed by the directors. Directors, officers or representatives of the Corporation are not permitted to be auditors of the Corporation. Should the auditors cease for any reason to perform their duties prior to the expiration of their term, the directors may appoint successor auditors who shall hold office for the unexpired portion of their predecessors' term. The shareholders of the Corporation may appoint multiple auditors and may demand periodic audits.

13. **CONTRACTS, CHEQUES, DRAFTS AND DEPOSITS**

13.1 **Contracts**

Contracts, documents or instruments in writing requiring the signature of the Corporation may be signed by one person, which holds the office of Chair of the Board, President and Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Executive Vice President, Vice President, Director, Secretary, Treasurer, Assistant-Secretary or Assistant-Treasurer or any other office created by by-law or by resolution of the Board. All contracts documents or instruments in writing signed shall be binding upon the Corporation without any further authorization or formality. The Board of Directors is authorized from time to time by resolution to appoint one or several persons on behalf of the Corporation either to sign contracts, documents or instruments in writing.

The corporate seal, if any, may, when required, be affixed to contracts, documents or instruments in writing signed as aforesaid or by an officer or officers, person or persons appointed as aforesaid by resolution of the Board of Directors.

The term "contracts, documents or instruments in writing" as used in this by-law shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or moveable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, warrants, bonds, debentures or other securities and all paper writings.

In particular, without limiting the generality of the foregoing, one person which holds the office of Chair of the Board, President and Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Executive Vice President, Vice President, Director, Secretary, Treasurer, Assistant-Secretary or Assistant-Treasurer or any other office created by by-law or by resolution of the Board are hereby authorized to sell, assign, transfer, exchange, convert or convey all shares, bonds, debentures, rights, warrants or other securities owned by or registered in the name of the Corporation and to sign and execute, under the seal of the Corporation or otherwise, all assignments, transfers, conveyances, powers of attorney and other instruments that may be necessary for the purpose of selling, assigning, transferring, exchanging, converting or conveying or enforcing or exercising any voting rights in respect of any such shares, bonds, debentures, rights, warrants or other securities.

The signature or signatures of any officer or director of the Corporation or of any other officer or officers, person or persons appointed as aforesaid by resolution of the Board of Directors may, if specifically authorized by resolution of the Directors, be printed, engraved, lithographed or otherwise mechanically reproduced upon all contracts, documents or instruments in writing and bonds, debentures or other securities of the Corporation executed or issued by or on behalf of the Corporation and all contracts, documents or instruments in writing or bonds, debentures or other securities of the Corporation on which the signatures of any of the foregoing officers, Directors or persons shall be so reproduced, by authorization by resolution of the Board of Directors, shall be deemed to have been duly signed by such officers, shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that the officers, Directors or persons whose signature or signatures are reproduced may have ceased to hold office at the date of the delivery of such contracts, documents or instruments in writing or bonds, debentures or other securities of the Corporation.

13.2 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 Corporation shall be signed by such person or persons and in such manner as shall be determined, from time to time, by resolution of the Board of Directors; any one of such persons may alone endorse notes and drafts for collection on account of the Corporation through its bankers or other depositaries and endorse notes and cheques for deposit with the Corporation's bankers or other depositaries for the credit of the Corporation or the same may be endorsed "for collection" or "for deposit" with the bankers or other depositaries of the Corporation by using the Corporation's rubber stamp for the purpose. Any one of such persons or agents may arrange, settle, balance and certify all books and accounts between the Corporation and the Corporation's bankers or other depositaries and may receive all paid cheques and vouchers and sign all the bank's forms of settlement of balance and release on verification slips. To the extent the directors do not adopt a resolution as to the execution of the documents referred to in this section 13.2, the rules set out in section 13.1 shall apply thereto.

13.3 **Deposits**

The funds of the Corporation may be deposited, from time to time, to the credit of the Corporation with one or more banks, savings and credit unions or other depositaries as the Board of Directors may, by resolution, appoint as bankers of the Corporation.

14. **AUTHORIZED REPRESENTATIVES AND PROXIES**

14.1 **Appearances and Declarations**

The Chair of the Board and Chief Executive Officer, the President, , the Chief Financial Officer, the Chief Operating Officer, the Executive Vice President, any Vice President, the Treasurer, Secretary, Secretary-Treasurer, any Assistant Treasurer, any Assistant Secretary, the General Manager, the Controller and any other officer or person nominated for the purpose by the President or any Vice President are, and each of them is, authorized and empowered:

- (a) to appear and make answer for, on behalf and in the name of the Corporation, to all writs, orders and interrogatories upon articulated facts issued out of any court;
- (b) to declare for, on behalf and in the name of the Corporation, and answer to writs of attachment by way of garnishment in which the Corporation 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 Corporation is a party;
- (c) to make demands of abandonment or petition for winding-up or bankruptcy orders upon any debtor of the Corporation; and
- (d) to attend and vote at all meetings of creditors of the Corporation's debtors and grant proxies in connection therewith.

14.2 **Representation at Meetings**

14.2.1 The Chair and Chief Executive Officer, President, Chief Financial Officer, Chief Operating Officer, Executive Vice President, any Vice President, the General Manager, the Secretary, the Treasurer of the Corporation or any other person so authorized by resolution of the Board of Directors shall have full power and authority to represent the Corporation and act on its behalf at any meeting, assembly or other reunion of shareholders, partners, members or persons holding an interest in any legal person, partnership, trust, fund, association, syndicate, body or any other group of persons that is not constituted as a legal person in which the Corporation holds shares, partnership units or any interests, to attend and to vote thereat, to waive notice and execute any document setting out a motion or resolution and to exercise any and all rights and privileges attached to such interests.

14.2.2 Any officer or person authorized under paragraph 14.2.1 shall, in addition, be empowered to date and execute, any instrument appointing any of the aforesaid persons proxy or attorney to represent the Corporation at any such meeting, assembly or other reunion.

14.3 **Declarations to the Enterprise Registrar**

All declarations prescribed under the Legal Publicity Act may be executed for and on behalf of the Corporation by any director or officer of the Corporation.

15. **BORROWING POWERS - BANKS AND FINANCIAL INSTITUTIONS**

In addition to the borrowing powers conferred upon the directors by the articles and by the Act, including more particularly those of section 115 of the Act, the Board of Directors is hereby authorized on behalf of the Corporation, from time to time:

- (a) to borrow money and obtain advances, upon the credit of the Corporation, from any bank, savings and credit union, lending institution or other person, upon such terms and conditions, at such time, in such sums and in such manner as the Board of Directors, in its discretion, may deem expedient;
- (b) to issue, reissue, sell or hypothecate bonds, debentures, notes or other securities or debt obligations of the Corporation and to give as security or sell the same for such sums and at such prices as may be deemed expedient by the Board of Directors;
- (c) to enter into a suretyship the secure performance of an obligation of any person;
- (d) to hypothecate all or any of the property owned or subsequently acquired by the Corporation to secure performance of an obligation and, in particular, to give, renew, alter, vary or substitute any security on the property of the Corporation as may be taken by a bank under the provisions of the *Bank Act* (Canada), and enter into promises to give such security under such Act for any indebtedness contracted or to be contracted by the Corporation;
- (e) to raise and assist in raising money for, and to aid by way of bonus, loan, promise, endorsement, suretyship, guarantee or otherwise, any person and to guarantee the performance or fulfilment of any contracts or obligations of any such person; and
- (f) to delegate to such officer(s) or director(s) of the Corporation, by resolution, all or any of the foregoing powers hereby conferred upon the Board of Directors.

The powers of borrowing and giving security hereby authorized shall be deemed to be continuing powers and may be exercised from time to time hereafter, until the repeal of this section 15 and notice thereof has been given in writing to whosoever may be acting on the faith thereof.

16. **ADOPTION AND AMENDMENT OF THE BY-LAWS**

- 16.1.1 Unless otherwise provided in the articles, the Board of Directors adopts the Corporation's by-laws. Such by-laws are effective as of the date of the resolution of the Board.

The by-laws must be submitted to the shareholders for approval at the next shareholders meeting, and the shareholders may, by ordinary resolution, ratify, reject or amend them. They cease to be effective at the close of the meeting if they are rejected by or not submitted to the shareholders. However, by-laws amendments relating to procedural matters with respect to shareholders meetings take effect only once they have received shareholder approval.


A by-law adopted by the shareholders on a shareholder proposal submitted in accordance with sections 194 to 206 of the Act is effective as of its adoption and requires no other approval. It may only be repealed with the approval of the shareholders.

The rules of this section 16 apply, with the necessary modifications and subject to the by-laws, to the amendment or repeal of by-laws.

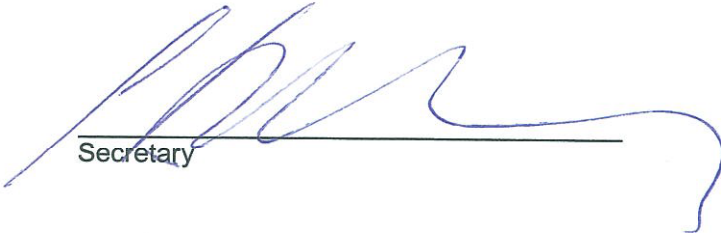
16.1.2 Despite paragraph 16.1.1, any new by-law made by the Board of Directors that has substantially the same purpose or effect as a by-law previously rejected by or not submitted to the shareholders at the meeting is not effective until confirmed by the shareholders.

Adopted by the directors on April 30, 2014.

Approved by the sole shareholder on April 30, 2014.



President



Secretary