

BY-LAW NO. 16

A by-law relating generally to
the conduct of the affairs of

CANADIAN TIRE CORPORATION, LIMITED

BE IT ENACTED as a by-law of CANADIAN TIRE CORPORATION,
LIMITED (hereinafter called the "**Corporation**") as follows:

SECTION ONE

INTERPRETATION

1.01 Definitions

In the by-laws of the Corporation, unless the context otherwise requires:

- (1) "**Act**" means the *Business Corporations Act*, R.S.O. 1990, c. B.16, as from time to time amended, and every statute that may be substituted therefor and, in the case of such substitution, any reference in the by-laws of the Corporation to provisions of the Act shall be read as references to the provisions substituted therefor in the new statute or statutes;
- (2) "**appoint**" includes "elect" and vice-versa;
- (3) "**articles**" means the articles of the Corporation as from time to time amended or restated;
- (4) "**board**" means the board of directors of the Corporation;
- (5) "**business day**" means a day other than a Saturday, Sunday or any other day on which Canadian chartered banks in Toronto, Ontario generally are closed for business;
- (6) "**by-laws**" means this by-law and all other by-laws of the Corporation from time to time in force and effect;
- (7) "**meeting of shareholders**" includes an annual meeting of shareholders and a special meeting of shareholders;

- (8) "**officers**" means the officers appointed by the board from time to time;
- (9) "**recorded address**" means in the case of a shareholder the address of the shareholder as recorded in the securities register of the Corporation; and in the case of joint shareholders means the address appearing in such securities register in respect of such joint holding or the first address so appearing if there is more than one address; and in the case of a director, officer, auditor or member of a committee of the board means the person's latest address as recorded in the records of the Corporation;
- (10) "**Regulations**" means the regulations made under the Act, as from time to time amended and every regulation that may be substituted therefor and, in the case of such substitution, any references in the by-laws of the Corporation to provisions of the Regulations shall be read as references to the substituted provisions therefor in the new regulations;
- (11) "**Securities Transfer Act**" means the *Securities Transfer Act* (Ontario) S.O. 2006, c.8., as from time to time amended, and every statute that may be substituted therefor and, in the case of such substitution, any reference in the by-laws of the Corporation to provisions of the Securities Transfer Act shall be read as references to the provisions substituted therefor in the new statute or statutes;
- (12) "**security**" means a share, stock, bond, debenture, note or warrant or another right evidencing an interest in a person and commonly known as a security;
- (13) "**security certificate**" means a document or other instrument in writing evidencing a security;
- (14) "**signing officer**" means, in relation to any instrument, any person authorized to sign the same on behalf of the Corporation by Section 2.03 or by a resolution passed pursuant thereto;
- (15) "**special meeting of shareholders**" includes a meeting of the holders of any class or classes of shares at which special business is conducted and any annual meeting of shareholders at which special business is conducted;
- (16) "**Vice-President**" includes an Executive Vice-President and a Senior Vice-President;

- (17) all terms contained in the by-laws that are not otherwise defined in the by-laws and which are defined in the Act shall have the meanings given to such terms in the Act;
- (18) the singular shall include the plural and vice-versa; the masculine shall include the feminine and neuter and vice-versa; and the word "person" shall include individuals, bodies corporate, corporations, companies, partnerships, syndicates, trusts, unincorporated organizations and any number or aggregate of persons; and
- (19) the headings used in the by-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

1.02 Conflict with Laws

In the event of any inconsistency between the by-laws and mandatory provisions of the Act or the Securities Transfer Act, the provisions of the Act or the Securities Transfer Act, as applicable, shall prevail.

SECTION TWO

BUSINESS OF THE CORPORATION

2.01 Corporate Seal

The Corporation may, but need not, have a corporate seal. The form of any corporate seal shall be adopted and may be changed by resolution of the board.

2.02 Financial Year

Until changed by the board, the financial year of the Corporation shall end on December 31 in each year if such date is a Saturday but if such date is not a Saturday shall end on the Saturday nearest to, whether before or after, December 31 in the year in question.

2.03 Execution of Instruments

Contracts, documents or instruments in writing requiring the signature of the Corporation may be signed on behalf of the Corporation by (a) any two officers of the Corporation; (b) any two directors of the Corporation, or (c) any one officer together with any one director of the Corporation; and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. In addition,

the board shall have power from time to time by resolution to appoint any officer or officers or any other person or persons on behalf of the Corporation to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing. The corporate seal of the Corporation may be affixed to contracts, documents or instruments in writing signed as aforesaid but any such contract, document or instrument in writing is not invalid solely because the corporate seal of the Corporation is not affixed thereto.

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, movable or immovable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of securities and all paper writings.

In particular, without limiting the generality of the foregoing (a) any two officers of the Corporation; (b) any two directors of the Corporation, or (c) any one officer together with any one director of the Corporation signing together shall have authority to sell, assign, transfer, exchange, convert or convey any and all securities owned by or registered in the name of the Corporation and to sign and execute (under the corporate 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 any such securities.

Subject to Section 8.05, the signature of the Chairman of the Board, the President, any Vice-President, the Secretary, the Treasurer, any Assistant-Secretary, any Assistant-Treasurer, any director of the Corporation and/or any other officer or officers, person or persons, appointed as aforesaid by resolution of the board may, if specifically authorized by resolution of the board, be printed, engraved, lithographed or otherwise mechanically or electronically reproduced upon any contracts, documents or instruments in writing or on security certificates executed or issued by or on behalf of the Corporation and all contracts, documents or instruments in writing or security certificates of the Corporation on which the signature or signatures of any of the foregoing officers or directors or persons authorized as aforesaid shall be so reproduced pursuant to a specific authorization by resolution of the board, shall be deemed to have been manually signed by such officers or directors or persons whose signature or signatures is or are so reproduced and shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that the officers or directors or persons whose signature or signatures is or are so reproduced may have ceased to hold office at the date of the delivery or issue of such contracts, documents or instruments in writing or security certificates of the Corporation.

2.04 Custody of Securities

All securities owned by the Corporation shall be lodged (in the name of the Corporation or another person authorized by the Corporation) with a chartered bank or a trust company or in a safety deposit box or, if so authorized by resolution of the board, with such other depositaries or in such other manner as may be determined from time to time by resolution of the board.

All security certificates for securities owned by the Corporation may be issued or held in the name of a nominee or nominees of the Corporation (and if issued or held in the names of more than one nominee shall be held in the names of the nominees jointly with the right of survivorship) and may be endorsed in blank with endorsement guaranteed in order to enable transfer thereof to be completed and registration thereof to be effected.

2.05 Securities in other Persons

All securities of any other person carrying voting rights held from time to time by the Corporation may be voted at any and all meetings of shareholders, bondholders, debenture holders or holders of other securities of such other person by the signing officers of the Corporation. The signing officers of the Corporation may for and on behalf of the Corporation execute and deliver proxies and arrange for the issuance of voting certificates or other evidence of the right to vote at any such meeting in such names as they may determine without the necessity of a resolution or other action by the board.

SECTION THREE

BORROWING AND SECURITIES

3.01 Borrowing Power

Without limiting the borrowing powers of the Corporation set forth in the Act, the board may, without authorization of the shareholders, from time to time:

- (1) borrow money upon the credit of the Corporation;
- (2) issue, reissue, sell or pledge debt obligations of the Corporation, whether secured or unsecured;
- (3) subject to the Act, give a guarantee on behalf of the Corporation to secure performance of an obligation of any person; and
- (4) charge, mortgage, hypothecate, pledge or otherwise create a security interest in all or any currently owned or subsequently acquired real or

personal, movable or immovable, tangible or intangible, property of the Corporation, including book debts, rights, powers, franchises and undertaking, to secure any obligation of the Corporation.

Nothing in this section limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

3.02 Delegation

The board may from time to time by resolution delegate to such one or more of the directors and officers of the Corporation as may be designated by the board all or any of the powers conferred on the board by Section 3.01 or by the Act to such extent and in such manner as the board shall determine at the time of each such delegation.

SECTION FOUR

DIRECTORS

4.01 Action by the Board and Quorum

The board shall manage or supervise the management of the business and affairs of the Corporation. A majority of the number of directors as determined from time to time by the directors or shareholders in accordance with the Act and the articles shall form a quorum for the transaction of business at any meeting of the board and, notwithstanding any vacancy in the board, the remaining directors may exercise all the powers of the board so long as a quorum of the board remains in office. No business shall be transacted at a meeting unless a quorum of the board is present.

4.02 Qualification

No person shall be qualified for election as a director if disqualified in accordance with the Act. A director need not be a shareholder. The board shall be comprised of a percentage of Canadian residents at least equal to that prescribed from time to time by the Act.

4.03 Election and Term

The election of directors shall take place yearly at each annual meeting of shareholders and all the directors then in office shall retire but, if qualified, shall be eligible for re-election. The voting on the election of directors shall be by show of hands unless a ballot is demanded by any shareholder. If an election of directors is not held at

the proper time, the incumbent directors shall continue in office until their successors are elected.

4.04 Electronic Participation

Subject to the Act, if all of the directors present at or participating in the meeting consent, a director may participate in a meeting of the board or a committee of the board by means of such telephonic, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in a meeting by such means shall be deemed to be present at that meeting. A consent is effective whether given before, at or after the meeting and may be given with respect to all meetings of the board and committees of the board.

4.05 Place of Meetings

Meetings of the board may be held at any place within or outside Ontario provided that in any financial year of the Corporation, a majority of the meetings of the board shall be held within Canada.

4.06 Calling of Meetings

Subject to the Act, meetings of the board shall be held from time to time on such day and at such time and at such place as the board, the Chairman of the Board, the President, any Vice-President who is a director or any two directors of the Corporation may determine and the Secretary, when directed by the board, the Chairman of the Board, the President, any Vice-President who is a director or any two directors, shall convene a meeting of the board.

4.07 Notice of Meeting

Notice of the date, time and place of each meeting of the board shall be given in the manner provided in Section 11.01 to each director not less than five days before the time when the meeting is to be held. Except where the Act requires the purpose thereof or the business to be transacted thereat to be specified in a notice of a meeting of directors, a notice of a meeting of directors need not but shall whenever possible specify the purpose of or business to be transacted at the meeting.

A director may in any manner waive notice of or otherwise consent to a meeting of the board.

4.08 First Meeting of New Board

Provided a quorum of directors is present, each newly elected board may without notice hold its first meeting if such meeting is held immediately following the meeting of shareholders at which such board is elected.

4.09 Adjourned Meeting

Notice of an adjourned meeting of the board is not required if the time and place of the adjourned meeting is announced at the original meeting.

4.10 Regular Meetings

The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such regular meetings or a notice with similar information shall be sent to each director at least five days before the time at which the first meeting referred to therein is to be held and no other notice shall be required of the time and place of any such regular meeting. Except where the Act requires the purpose thereof or the business to be transacted thereat to be specified, notice of the purpose of and business to be transacted at a regular meeting need not but shall whenever possible be given as provided in Section 4.07.

4.11 Chairman

The chairman of any meeting of the board shall be the Chairman of the Board or, if the Chairman of the Board is not present, the President if the President is a director and present or, if the President is not a director or is not present, a Vice-President who is a director and is present. If no such officer is present, the directors present shall choose one of their number to be chairman.

4.12 Votes to Govern

At all meetings of the board every question shall be decided by a majority of the votes cast on the question.

4.13 Conflict of Interest

A director who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation, or who is a director or officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation, shall disclose in writing to the Corporation or request to have entered in the minutes of the meetings of

the directors the nature and extent of the interest of such director, including a material change in such interest, at the time and in the manner provided by the Act. A director interested in a contract or transaction so referred to the board shall not attend any part of a meeting of the board during which the contract or transaction is discussed and shall not vote on any resolution to approve the same except as permitted by the Act. If no quorum exists for the purpose of voting on a resolution to approve a contract or transaction only because a director is not permitted to be present at the meeting by reason of this section, the remaining directors shall be deemed to constitute a quorum for the purposes of voting on the resolution. Where all of the directors are required to disclose their interests pursuant to this section, the contract or transaction may be approved only by the shareholders.

4.14 Remuneration and Expenses

The directors who are not salaried officers or employees of the Corporation or any subsidiary of the Corporation shall be paid such remuneration for their services as the board may from time to time determine. The directors shall also be entitled to be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the shareholders or of the board or any committee thereof or otherwise in the performance of their duties.

SECTION FIVE

COMMITTEES

5.01 Committee of Directors

The board may appoint a committee of directors, however designated, and delegate to such committee any of the powers of the board except those which pertain to items which, under the Act, a committee of directors has no authority to exercise.

5.02 Transaction of Business

The powers of any committee of the board may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all members of such committee who would have been entitled to vote on the resolution at a meeting of the committee. Meetings of any committee of the board may be held at any place within or outside Ontario. Unless otherwise determined by the board, each committee shall have power to fix its quorum at not less than a majority of its members, to elect its chairman and to regulate its procedure.

5.03 Executive Committee

The directors are authorized to elect from among their number an executive committee. Any member of the executive committee may be removed or replaced at any time by the board and shall cease to be a member of the executive committee upon ceasing to be a director. The board may delegate to such executive committee any of the powers of the board except those which pertain to items which under the Act a committee of directors has no authority to exercise. The executive committee shall elect from its own number a chairman. Unless otherwise ordered by the executive committee, the Secretary of the Corporation shall be the secretary of the executive committee. The members of the executive committee shall be entitled to receive such remuneration for acting as members of the executive committee as the board of directors may from time to time determine.

SECTION SIX

OFFICERS

6.01 Appointment

The board may from time to time appoint a Chairman of the Board, a President, one or more Vice-Presidents (to which title may be added words indicating seniority or function), a Secretary, a Treasurer, a Controller and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. The board may specify the duties of such officers and, subject to the provisions of the Act and of the by-laws, delegate to such officers specified powers to manage the business and affairs of the Corporation. Except in the case of the Chairman of the Board who shall be a director, an officer may but need not be a director and one person may hold more than one office. In the event of the absence or inability to act of any officer or for any other reason that the board may deem sufficient, the board may delegate all or any of the powers of such officer to any other officer or to any director. In addition to the appointment of officers, the board may make such other appointments of individuals to positions it may designate from time to time.

6.02 Chairman of the Board

The Chairman of the Board shall, when present, preside at all meetings of the board and of shareholders and shall be vested with and may exercise such powers and shall perform such other duties as may from time to time be assigned by the board. During the absence or disability of the Chairman of the Board, the duties of the Chairman of the Board shall be performed and the powers of the Chairman of the Board shall be exercised by another director appointed by the board.

6.03 President

Unless and until the board designates any other officer of the Corporation to be the Chief Executive Officer of the Corporation, the President shall be the Chief Executive Officer of the Corporation and, subject to the authority of the board, shall have responsibility for the management of the business and affairs of the Corporation and such other powers and duties as the board may specify. The President shall be vested with and may exercise all the powers and shall perform all the duties of the Chairman of the Board if none is appointed or if the Chairman of the Board is absent or unable to act.

6.04 Vice-President

Each Vice-President shall have such powers and duties as the board or the President may specify.

6.05 Secretary

The Secretary shall give or cause to be given as and when instructed, all notices to shareholders, directors, officers, auditors and members of committees of the board. The Secretary shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, papers, records, documents and instruments belonging to the Corporation except when some other officer or agent has been appointed for that purpose and shall have such other powers and duties as the board may specify.

6.06 Treasurer

The Treasurer shall keep proper accounting records in compliance with the Act and, subject to any resolution of the board, shall have the care and custody of all the funds and securities of the Corporation and shall in the Treasurer's discretion deposit the same in the name of the Corporation in a bank or banks or with another depositary or depositaries or otherwise hold the same in safekeeping. The Treasurer shall render to the board whenever required an account of all transactions for which the Treasurer is responsible and of the financial position of the Corporation and shall have such other powers and duties as the board may specify.

6.07 Powers and Duties of Other Officers

The powers and duties of all other officers shall be such as the terms of their engagement call for or as the board may specify. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board otherwise directs.

6.08 Variation of Powers and Duties

Subject to the provisions of the Act, the board may from time to time vary, add to or limit the powers and duties of any officer.

6.09 Term of Office

The board, in its discretion, may remove any officer of the Corporation, with or without cause. Subject to the right of the board to remove any officer, each officer appointed by the board shall hold office until the officer's successor is appointed or until the earlier of the officer's resignation or death.

6.10 Terms of Employment and Remuneration

The terms of employment and the remuneration of an officer appointed by the board shall be settled by the board from time to time. The fact that any officer or employee is a director or shareholder of the Corporation shall not disqualify the officer or employee from receiving such remuneration as an officer or employee of the Corporation.

6.11 Agents and Attorneys

The board shall have power from time to time to appoint agents or attorneys for the Corporation in or outside Canada with such powers (including the powers to subdelegate) as may be thought fit.

6.12 Conflict of Interest

An officer who is a party to, or who is a director or officer of or who has a material interest in any person who is a party to, a material contract or transaction or proposed material contract or transaction with the Corporation shall disclose such interest in accordance with Section 4.13.

SECTION SEVEN

PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

7.01 Submission of Contracts or Transactions to Shareholders for Approval

The board in its discretion may submit any contract, act or transaction for approval, ratification or confirmation at any meeting of shareholders called for the purpose of considering the same and any contract, act or transaction that shall be approved, ratified or confirmed by a resolution passed by a majority of the votes cast at

any such meeting (unless any different or additional requirement is imposed by the Act or by the Corporation's articles or any other by-law) shall be as valid and as binding upon the Corporation and upon all the shareholders as though it had been approved, ratified or confirmed by every shareholder of the Corporation.

7.02 For the Protection of Directors and Officers

Subject to the Act and Sections 4.13 and 6.12 hereof, in supplement of and not by way of limitation upon any rights conferred upon directors and officers by the provisions of the Act, it is declared that no director or officer shall be disqualified by office from, or vacate the office of director or officer by reason of, holding any office with or place of profit under the Corporation or under any body corporate in which the Corporation shall be a shareholder or by reason of being otherwise in any way directly or indirectly interested in or contracting with the Corporation or any such body corporate as vendor, purchaser or otherwise or being concerned in any contract or arrangement made or proposed to be entered into with the Corporation or any such body corporate in which the officer or director is in any way directly or indirectly interested as vendor, purchaser or otherwise nor shall any director or officer be liable to account to the Corporation or any of its shareholders or creditors for any profit arising from any such office or place of profit. Subject to the provisions of the Act and Sections 4.13 and 6.12 hereof, no contract or arrangement entered into by or on behalf of the Corporation in which any director or officer shall be in any way directly or indirectly interested shall be avoided or voidable and no director or officer shall be liable to account to the Corporation or any of its shareholders or creditors for any profit realized by or from any such contract or arrangement by reason of the fiduciary relationship of such director or officer with the Corporation. Subject to the provisions of the Act and Sections 4.13 and 6.12 hereof, no director or officer shall be obliged to make any declaration of interest or refrain from voting in respect of a contract or proposed contract with the Corporation in which such director or officer is in any way directly or indirectly interested.

7.03 Limitation of Liability

Except as otherwise provided in the Act, no director or officer of the Corporation 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 incurred by the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any persons including any person with whom or which any moneys, securities or effects shall be lodged or deposited for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of such director or officer or in relation

thereto unless the same shall happen by or through a failure to exercise the powers and to discharge the duties of the office of director or officer honestly, in good faith and in the best interests of the Corporation and in connection therewith to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The directors for the time being of the Corporation shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name of or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the board. If any director or officer of the Corporation shall be employed by or shall perform services for the Corporation otherwise than as a director or officer or shall be a member of a firm or a shareholder, director or officer of a company which is employed by or performs services for the Corporation, the fact that the person is a director or officer of the Corporation shall not disentitle such director or officer or such firm or company, as the case may be, from receiving proper remuneration for such services.

7.04 Indemnity

Subject to the limitations contained in the Act, the Corporation shall indemnify a director or officer, a former director or officer, or another individual who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another person, and the heirs and legal representatives of each such person, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other action or proceeding in which the individual is involved because of that association with the Corporation or other person, if:

- (1) the individual acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which the individual acted as a director or officer or in a similar capacity at the Corporation's request;
- (2) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful; and
- (3) a court or other competent authority has not judged that the individual has committed any fault or omitted to do anything that the individual ought to have done.

The Corporation shall also indemnify each such person in such other circumstances as the Act permits or requires. Nothing in this by-law shall limit the right of any individual entitled to indemnity to claim indemnity apart from the provisions of this by-law.

7.05 Insurance

The Corporation may purchase and maintain insurance for the benefit of any person referred to in Section 7.04 against such liabilities and in such amounts as the board may from time to time determine and are permitted by the Act.

SECTION EIGHT

SHARES AND OTHER SECURITIES

8.01 Allotment

The board may from time to time allot or grant options to purchase any authorized and unissued shares of the Corporation at such times, to such persons and for such consideration as the board shall determine, provided that no share shall be issued until it is fully paid as provided by the Act. Shares may be issued as uncertificated securities or be represented by share certificates in accordance with the provisions of the Act and the Securities Transfer Act.

8.02 Registration of Transfers

All transfers of securities of the Corporation shall be made in accordance with the Act and the Securities Transfer Act. Subject to the provisions of the Act and the Securities Transfer Act, no transfer of securities represented by a security certificate shall be registered in a securities register except upon presentation of the certificate representing such securities with an endorsement which complies with the Act and the Securities Transfer Act made thereon or delivered therewith duly executed by an appropriate person as provided by the Act and the Securities Transfer Act, together with such reasonable assurance that the endorsement is genuine and effective as the board may from time to time prescribe, and only upon payment of all applicable taxes and any fees prescribed by the board and compliance with such restrictions on transfer as are authorized by the articles.

8.03 Transfer Agents and Registrars

The board may from time to time appoint one or more agents to maintain, in respect of each class of securities of the Corporation issued by it in registered form, a securities register and one or more branch securities registers. Such a person may be designated as transfer agent and registrar according to the person's functions and one person may be designated as both registrar and transfer agent. The board may at any time terminate such appointment.

8.04 Non-recognition of Trusts

Subject to the provisions of the Act and the Securities Transfer Act, the Corporation may treat as absolute owner of any security of the Corporation the person in whose name the security is registered in the securities register as if that person had full legal capacity and authority to exercise all rights of ownership, irrespective of any indication to the contrary through knowledge or notice or description in the Corporation's records or on the security certificate.

8.05 Share Certificates and Written Evidence of Ownership

Every holder of one or more shares of the Corporation that are certificated securities under the Act shall be entitled, at the shareholder's option, to a share certificate, or to a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate, stating the number and class or series of shares held by the shareholder as shown on the share register. Share certificates and acknowledgements of a shareholder's right to a share certificate, respectively, shall be in such form as the board shall from time to time approve. Any share certificate shall be signed in accordance with Section 2.03 and need not be under the corporate seal; provided that, unless the board otherwise determines, certificates representing shares in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. The signature of one of the signing officers or, in the case of share certificates which are not valid unless countersigned by or on behalf of a transfer agent and/or registrar, the signatures of both signing officers, may be printed or mechanically reproduced in facsimile upon share certificates and every such facsimile signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. A share certificate executed as aforesaid shall be valid notwithstanding that one or both of the officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate.

8.06 Replacement of Share Certificates

The board or any officer or agent designated by the board may in the discretion of the board or such officer or agent direct the issue of a new share certificate in lieu of and upon cancellation of a share certificate that has been mutilated or in substitution for a share certificate claimed to have been lost, destroyed or wrongfully taken on payment of such fee and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the board may from time to time prescribe, whether generally or in any particular case.

8.07 Uncertificated Securities

Holders of uncertificated securities of the Corporation shall be entitled to receive written notice or other documentation evidencing their ownership interest, as provided by the Act.

8.08 Joint Securityholders

If two or more persons are registered as joint holders of any securities of the Corporation, the Corporation shall not be bound to issue more than one security certificate in respect thereof, and delivery of a security certificate representing securities held by any such joint holder to any one of such persons shall be sufficient delivery to all of them. Any one of such persons may give effectual receipts for the security certificate issued in respect thereof or for any dividend, bonus, return of capital or other money or consideration payable or in respect of such securities.

8.09 Deceased Securityholder

In the event of the death of a holder, or of one of the joint holders, of any security of the Corporation, the Corporation shall not be required to make any entry in the securities register in respect thereof or to make payment of any dividend, bonus, return of capital or other money or consideration thereon except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation and its transfer agents.

SECTION NINE

DIVIDENDS

9.01 Dividends

Subject to the provisions of the Act, the board may from time to time declare dividends payable to the shareholders according to their respective rights and interests in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation.

9.02 Dividend Cheques

A dividend payable in cash shall be paid either electronically by direct deposit or by cheque drawn on the Corporation's bankers or one of them to the order of each registered holder of shares of the class or series in respect of which it has been declared and, if paid by cheque, mailed by prepaid ordinary mail to such registered holder at the recorded address of such holder, unless such holder otherwise directs. In the case of joint holders any cheque issued shall, unless such joint holders otherwise

direct, be made payable to the order of all of such joint holders and mailed to them at their recorded address. The mailing of such cheque as set out in this section, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

9.03 Non-receipt of Cheques

In the event of non-receipt of any dividend cheque by the person to whom it is sent as set out in Section 9.02, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the Corporation may from time to time prescribe, whether generally or in any particular case.

9.04 Record Date for Dividends and Rights

The board may fix in advance a date, preceding by not more than 50 days the date for the payment of any dividend or the date for the issue of any warrant or other evidence of the right to subscribe for securities of the Corporation, as a record date for the determination of the persons entitled to receive payment of such dividend or to exercise the right to subscribe for such securities, and notice of any such record date shall be given not less than seven days before such record date in the manner provided by the Act. If no record date is so fixed, the record date for the determination of the persons entitled to receive payment of any dividend or to exercise the right to subscribe for securities of the Corporation shall be at the close of business on the business day on which the resolution relating to such dividend or right to subscribe is passed by the board.

9.05 Unclaimed Dividends

Any dividend unclaimed after a period of six years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation, except as otherwise required by law.

SECTION TEN

MEETINGS OF SHAREHOLDERS

10.01 Annual Meetings

The annual meeting of shareholders shall be held, subject to the Act, at such time in each year and at such place as the board, the Chairman of the Board or the President may from time to time determine, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual

meeting, electing directors, appointing an auditor and for the transaction of such other business as may properly be brought before the meeting.

10.02 Special Meetings

The board, the Chairman of the Board or the President shall have the power to call a special meeting of shareholders at any time.

10.03 Place of Meetings

Subject to the Corporation's articles, a meeting of shareholders of the Corporation shall be held at such place in or outside of Ontario as the board may determine or, in the absence of such a determination, at the place where the registered office of the Corporation is located. If, pursuant to Section 10.07, the Corporation makes available a telephonic, electronic or other communication facility that permits all participants of a shareholders meeting to communicate with each other simultaneously and instantaneously during the meeting and otherwise complies with the Act, any person entitled to attend such meeting may participate by means of such communication facility in the manner prescribed by the Act, and any person participating in the meeting by such means is deemed to be present at the meeting for the purposes of the Act and the by-laws.

10.04 Notice of Meetings

Notice of the time and place of each meeting of shareholders shall be given in the manner set forth in Section 11.01 not less than 21 days nor more than 50 days before the date of the meeting to each director, to the auditor and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting. A shareholder and any other person entitled to attend a meeting of shareholders may in any manner waive notice of or otherwise consent to a meeting of shareholders.

10.05 List of Shareholders Entitled to Notice

For every meeting of shareholders, the Corporation shall prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares held by each shareholder entitled to vote at the meeting. If a record date for the meeting is fixed pursuant to Section 10.06, the shareholders listed shall be those registered at the close of business on such record date. If no record date is fixed, the shareholders listed shall be those registered at the close of business on the business day immediately preceding the day on which notice of the meeting is given. The list shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation, or at the place

where the central securities register is maintained and at the meeting of shareholders for which the list was prepared.

10.06 Record Date for Notice

The board may fix in advance a date, preceding the date of any meeting of shareholders by not more than 60 days and not less than 30 days (or pursuant to the time limitations as may be prescribed by the Act from time to time), as a record date for the determination of the shareholders entitled to receive notice of the meeting, provided that notice of any such record date shall be given not less than seven days before such record date by newspaper advertisement in the manner provided in the Act and, if any shares of the Corporation are listed for trading on a stock exchange in Canada, by written notice to each such stock exchange. If no record date is so fixed, the record date for the determination of the shareholders entitled to receive notice of the meeting shall be at the close of business on the business day immediately preceding the day on which the notice is given.

10.07 Meetings Held by Electronic Means

If the directors or shareholders of the Corporation call a meeting of shareholders pursuant to the Act, the directors may determine that the meeting shall be held, in accordance with the Act, entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate with each other simultaneously and instantaneously during the meeting.

10.08 Chairman, Secretary and Scrutineers

The chairman of any meeting of shareholders shall be the Chairman of the Board or, if the Chairman of the Board is not present within 15 minutes from the time fixed for holding the meeting, the President or, if the President is not present within such time period, the persons present and entitled to vote shall choose one of their number to be chairman. If the Secretary of the Corporation is absent, the chairman shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chairman with the consent of the meeting.

10.09 Persons Entitled to be Present

The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and the auditor of the Corporation and others who, although not entitled to vote are entitled or required under any provision of the Act or the articles or the by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chairman of the meeting or with the consent of the meeting.

10.10 Quorum

Two persons present in person, each being a shareholder entitled to vote at the meeting or a duly appointed proxyholder for an absent shareholder entitled to vote at the meeting, shall be a quorum at any meeting of shareholders for the purpose of choosing a chairman of the meeting and the adjournment of the meeting; for all other purposes unless a greater number of persons is required to be present or a greater number of shares is required to be represented at the meeting by the Act or the articles or any other by-law a quorum at:

- (1) any meeting of holders of common shares shall be not less than two persons present in person, each being a shareholder entitled to vote at the meeting or a duly appointed proxyholder for an absent shareholder entitled to vote at the meeting, who hold or represent by proxy not less than 50% of the total number of issued common shares of the Corporation; and
- (2) any meeting of any other class of shares of the Corporation shall be not less than two persons present in person, each being a shareholder entitled to vote at the meeting or a duly appointed proxyholder for an absent shareholder entitled to vote at the meeting, who hold or represent by proxy not less than 25% of the total number of issued shares of the Corporation of the class in question enjoying voting rights at such meeting.

If at any meeting, the requisite quorum is not present within half an hour after the time appointed for the meeting, then the meeting shall be adjourned to such date not being less than 10 days later and to such time and place as may be announced by the chairman at the meeting or thereafter by the Secretary of the Corporation, and, subject to the Act, it shall not be necessary to give notice of the adjourned meeting. At such adjourned meeting the persons present at such meeting, provided that there are at least two such persons present in person, each being a shareholder entitled to vote at the meeting or a duly appointed proxyholder for an absent shareholder entitled to vote at the meeting, shall be a quorum for the transaction of the business for which the meeting was originally called.

10.11 Right to Vote

The persons entitled to vote at any meeting of shareholders shall be the persons entitled to vote in accordance with the Act and the articles.

10.12 Joint Shareholders

If two or more persons hold shares jointly, any one of them present in person or represented by proxy at a meeting of shareholders may, in the absence of the other or others, vote the shares; but if two or more of those persons are present in

person or represented by proxy and vote, they shall vote as one the shares jointly held by them.

10.13 Votes to Govern

At any meeting of shareholders every question shall, unless otherwise required by the articles, by-laws or the Act, be determined by a majority of the votes cast on the question.

10.14 Show of Hands

Subject to the provisions of the Act, any question at a meeting of shareholders shall be decided by a show of hands, which may include such other indication of a vote made by means of the telephonic, electronic or other communication facility, if any, made available by the Corporation for that purpose (subject to Section 10.07), unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands, every person who is present in person or participating by means of any telephonic, electronic or other communication facility that the Corporation has made available for such purpose, and entitled to vote, shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, subject to the Act, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question. For the purpose of this section, if at any meeting the Corporation has made available to shareholders the means to vote electronically, any vote made electronically shall be included in tallying any votes by show of hands.

10.15 Ballots

On any question proposed for consideration at a meeting of shareholders, and whether or not a vote by show of hands has been taken thereon, any shareholder or proxyholder entitled to vote at the meeting or the chairman of the meeting may require or demand a ballot. A ballot so required or demanded shall be taken in such manner as the chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the shares which the person is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said question.

SECTION ELEVEN

NOTICES

11.01 Method of Giving Notices

Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act (including the Regulations), the articles, the by-laws or otherwise to a shareholder, director, officer, auditor or member of a committee of the board shall be sufficiently given if: delivered personally to the person to whom it is to be given; delivered to the recorded address of the person; mailed to the person's recorded address by prepaid or ordinary or air mail; sent to the person's recorded address by any means of prepaid transmitted or recorded communication; or an electronic document is provided in accordance with Section Twelve of this by-law.

A notice delivered as set out in this section is deemed to have been given when it is delivered personally or to the recorded address; a notice mailed as set out in this section shall be deemed to have been given when deposited in a post office or public letter box and shall be deemed to have been received on the fifth day after so depositing; a notice sent by means of transmitted or recorded communication as set out in this section is deemed to have been dispatched or delivered to the appropriate communication company or agency or its representative for dispatch; and a notice sent by electronic means as set out in this section and Section Twelve shall be deemed to have been given upon receipt of reasonable confirmation of transmission to the designated information system indicated by the person entitled to receive such notice. The Secretary or Assistant Secretary may change or cause to be changed the recorded address of any shareholder, director, officer, auditor or member of a committee of the board in accordance with any information believed by the Secretary or Assistant Secretary to be reliable.

11.02 Signature on Notices

The signature of any director or officer of the Corporation on any notice or document to be given by the Corporation may be written, stamped, mechanically reproduced or electronically reproduced in whole or in part.

11.03 Proof of Service

With respect to every notice sent by post it is sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed as provided in this by-law and put into a post office or into a letter box. With respect to every notice or other document sent as an electronic document it is sufficient to prove that the electronic document was properly addressed to the designated information system as provided in this by-law and sent by electronic means. A certificate of the Chairman of the Board, the President, a Vice-President, the Secretary or the Treasurer

or of any other officer of the Corporation in office at the time of the making of the certificate or of a transfer officer of any transfer agent or branch transfer agent of shares of any class of the Corporation as to the facts in relation to the mailing or delivery of any notice or other document to any shareholder, director, officer, auditor or member of a committee of the board or publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every shareholder, director, officer, auditor or member of a committee of the board as the case may be.

11.04 Notice to Joint Shareholders

All notices with respect to shares registered in more than one name shall, if more than one address appears on the records of the Corporation in respect of such joint holdings, be given to all of such joint shareholders at the first address so appearing, and notice so given shall be sufficient notice to the holders of such shares.

11.05 Computation of Time

In computing the date when notice must be given under any provision requiring a specified number of days notice of any meeting or other event both the date of giving the notice and the date of the meeting or other event shall be excluded.

11.06 Undelivered Notices

If any notice given to a shareholder pursuant to Section 11.01 is returned on three consecutive occasions because the shareholder cannot be found, the Corporation shall not be required to give any further notices to such shareholder until the shareholder informs the Corporation in writing of the shareholder's new address.

11.07 Omissions and Errors

The accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

11.08 Deceased Shareholders

Any notice or other document given (pursuant to Section 11.01) to the address of any shareholder as the same appears in the records of the Corporation shall, notwithstanding that such shareholder is then deceased, and whether or not the Corporation has notice of the death of such shareholder, be deemed to have been duly served in respect of the shares held by such shareholder (whether held solely or with any person or persons) until some other person is entered in such shareholder's stead in the records of the Corporation as the holder or one of the holders thereof and such service shall for all purposes be deemed a sufficient service of such notice or document

on such shareholder's heirs, executors or administrators and on all persons, if any, interested with such shareholder in such shares.

11.09 Persons Entitled by Death or Operation of Law

Every person who, by operation of law, transfer, death of a shareholder or any other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the shareholder from whom the person derives title to such share prior to the person's name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which the person became so entitled) and prior to the furnishing by such person to the Corporation of the proof of authority or evidence of the person's entitlement prescribed by the Act.

11.10 Waiver of Notice

Any shareholder (or the shareholder's duly appointed proxyholder), director, officer, auditor or member of a committee of the board may at any time waive any notice, or waive or abridge the time for any notice, required to be given to the shareholder, director, officer, auditor or member of a committee of the board under any provision of the Act (including the Regulations), the articles, the by-laws or otherwise and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of shareholders or of the board or of a committee of the board which may be given in any manner.

SECTION TWELVE

ELECTRONIC DOCUMENTS

12.01 Creation and Provision of Information

Unless the articles provide otherwise, and subject to and in accordance with the Act, the Corporation may satisfy any requirement of the Act to create or provide a notice, document or other information to any person by the creation, and provision, of an electronic document. Except as provided in the Act, "electronic document" means any form of representation of information or of concepts fixed in any medium in or by electronic, optical or other similar means that can be read or perceived by an individual and that complies with the *Electronic Commerce Act, 2000*, S.O. 2000, c. 17, as from time to time amended, and every statute that may be substituted therefor.

SECTION THIRTEEN

EFFECTIVE DATE

13.01 Effective Date

This by-law shall come into force upon being confirmed, with or without variation, by a majority of the votes cast at a meeting of the shareholders of the Corporation who are entitled to vote thereon duly called for the purpose of considering the same.

13.02 Repeal of By-Laws

Upon this by-law coming into force, By-law No. 14 of the Corporation is hereby repealed provided that such repeal shall not affect the previous operation of such by-law so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under or the validity of any contract or agreement made pursuant to such by-law prior to its repeal. All officers and persons acting under the repealed by-law shall continue to act as if appointed under the provisions of this by-law and all resolutions of the shareholders or board with continuing effect passed under the repealed by-law shall continue to be good and valid except to the extent inconsistent with this by-law and until amended or repealed.

ENACTED this 11th day of March, 2010.

WITNESS the seal of the Corporation.

“Stephen G. Wetmore”

President

“Robyn A. Collver”

Secretary