

GENERAL BY-LAW
A by-law relating generally to the transaction of
the business and affairs of

HARDWOODS DISTRIBUTION INC.

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BE IT ENACTED as a by-law of the Corporation as follows:

SECTION 1 INTERPRETATION

1.1 Definition

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

“**Act**” means the *Canada Business Corporations Act*, or any statute that may be substituted therefor, and the regulations to the Act, as from time to time amended;

“**appoint**” includes “**elect**” and vice versa;

“**articles**” means the articles attached to the certificate of incorporation of the Corporation as from time to time in force and effect;

“**board**” means the board of directors of the Corporation;

“**by-laws**” means this by-law and all other by-laws of the Corporation from time to time in force and effect;

“**Corporation**” means the corporation incorporated under the Act by the said certificate to which the articles are attached, and named “**HARDWOODS DISTRIBUTION INC.**”;

“**meeting of the shareholders**” includes an annual meeting of shareholders and a special meeting of shareholders; and “**special meeting of shareholders**” includes a meeting of any class or classes of shareholders and a special meeting of all shareholders entitled to vote at an annual meeting of shareholders;

“**prescribed**” means prescribed in accordance with the Act; and

“**recorded address**” means in the case of a shareholder the address as recorded in the securities register; and in the case of joint shareholders the address appearing in the securities register in respect of such joint holding or the first address so appearing if there are more than one; and in the case of a director, officer, auditor or member of a committee of the board, the latest address as recorded in the records of the Corporation.

Save as aforesaid, words and expressions defined in the Act, including “**resident Canadian**”, have the same meanings when used herein. Words importing the singular number include the plural and vice versa; and words importing a person include an individual, partnership, association, body corporate, trustee, executor, administrator and legal representative.

1.2 Interpretation

The division of this by-law into sections and other subdivisions and the insertion of headings are convenient reference only and do not affect its interpretation. Words importing the singular number include the plural and vice versa. Any reference in this By-law to gender includes all genders. In this by-law the words “including”, “includes” and “include” means without limitation.

1.3 Subject to Act and Articles

This by-law is subject to, and should be read in conjunction with, the Act and the articles. If there is any conflict or inconsistency between any provision of the Act or the articles and any provision of this by-law, the provision of the Act or articles will govern.

SECTION 2 BUSINESS OF THE CORPORATION

2.1 Registered Office

The registered office of the Corporation shall be in the province in Canada from time to time specified in the articles, and at such location therein initially as is specified in the notice thereof filed with the articles and thereafter as the board may from time to time determine.

2.2 Corporate Seal

The Corporation may, but need not, adopt a corporate seal and if one is adopted it shall be in a form approved from time to time by the board.

2.3 Financial Year

Until changed by the board, the financial year of the Corporation shall end on the last day of December in each year.

2.4 Execution of Instruments

Deeds, documents, bonds, debentures, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by the chairman of the board, chief executive officer, president, vice-chair, vice-president, secretary, treasurer, assistant-secretary or assistant-treasurer or any other office created by by-law or by resolution of the board, or by any two directors. In addition, the board may from time to time determine which directors, officers or other persons may sign in writing any contracts, documents or other instruments requiring execution by the Corporation, and may establish any procedures as it deems necessary to determine how such contracts, documents or other instruments are to be approved prior to execution as provided for herein. Notwithstanding the foregoing, the board may from time to time by resolution appoint any director or directors, officer or officers or any other person or persons on behalf of the Corporation either to sign contracts, documents or other instruments in writing generally or to sign a specific contract, document or other instrument in writing.

Subject to the board resolving otherwise, any person who executes a contract, document or other instrument on behalf of the Corporation as provided for in this section 2.4, or the solicitor for the Corporation, may affix the seal, if any, of the Corporation to any contract, document or instrument in writing which has been executed in accordance with this section 2.4 and may certify a copy of a resolution, by-law, contract, document or instrument in writing of the Corporation to be a true copy thereof.

The signature of any person executing a contract, document or other instrument on behalf of the Corporation, may if specifically authorized by the board, be printed, engraved, lithographed or otherwise mechanically reproduced upon any contracts, documents or instruments in writing or bonds, debentures or other securities of the Corporation executed or issued by or on behalf of the Corporation and all contracts, documents or other instruments in writing or bonds, debentures or other securities of the Corporation on which the signature or signatures of any of the foregoing officers or persons shall be so reproduced, by

authorization by the board, shall be deemed to have been manually signed by such officers or persons whose signature or signatures is or are so reproduced and shall be as valid as if they had been signed manually and notwithstanding that the officers 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 other instruments in writing or bonds, debentures or other securities of the Corporation.

The term “**contract, document or other instrument in writing**” as used herein shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, cheques, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money, conveyances, transfers and assignments of shares, instruments of proxy, stocks, bonds, debentures or other securities and all paper writings or their equivalent on all electronic form.

2.5 Banking Arrangements

The banking business of the Corporation including, without limitation, the borrowing of money and giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the board. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations of powers as the board from time to time prescribe.

2.6 Voting Rights in Other Bodies Corporate

The signing officers of the Corporation under section 2.4 may execute and deliver proxies and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation. Such instruments shall be in favour of such persons as may be determined by the officers executing or arranging for the same. In addition, the board may from time to time direct the manner in which and the persons by whom any particular voting rights or class of voting rights may or shall be exercised.

2.7 Divisions

The board may cause the business and operations of the Corporation or any part thereof to be divided into one or more divisions upon such basis, including without limitation types of business or operations, geographical territories, product lines or goods or services, as may be considered appropriate in each case. In connection with any such division the board or, subject to any direction by the board, the chief executive officer may authorize from time to time, upon such basis as may be considered appropriate in each case:

- (a) **Subdivision and Consolidation** – the further division of the business and operations of any such division into sub-units and the consolidation of the business and operations of any such divisions and sub-units;
- (b) **Name** – the designation of any such division or sub-unit by, and the carrying on of the business and operations of any such division or sub-unit under, a name other than the name of the Corporation; provided that the Corporation shall set out its name in legible characters in all places required by law; and
- (c) **Officers** – the appointment of officers for any such division or sub-unit, the determination of their powers and duties, and the removal of any of such officers so appointed, provided that any such officers shall not, as such, be officers of the Corporation.

SECTION 3 BORROWING AND SECURITY

3.1 Borrowing Power

Without limiting the borrowing powers of the Corporation as set forth in the Act, but subject to the articles, the board from time to time on behalf of the Corporation, without authorization of the shareholders:

- (a) borrow money upon the credit of the Corporation;
- (b) issue, reissue, sell, pledge or hypothecate bonds, debentures, notes or other evidences of indebtedness or guarantee of the Corporation, whether secured or unsecured;
- (c) to the extent permitted by the Act, give directly or indirectly financial assistance to any person by means of a loan, guarantee or otherwise on behalf of the Corporation to secure performance of any present or future indebtedness, liability or obligation of any person; and
- (d) mortgage, pledge, hypothecate or otherwise create a security interest in all or any currently owned or subsequently acquired real or personal, movable or immovable, property of the Corporation including book debts, rights, powers, franchises and undertakings, to secure any such bonds, debentures, notes or other evidences of indebtedness or guarantee or any other present or future indebtedness, liability or 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.

3.2 Delegation

Unless the articles otherwise provide, the board may from time to time delegate to a director, a committee of the board, or an officer of the Corporation any or all of the powers conferred on the board by section 3.1 to such extent and in such manner as the board may determine at the time of such delegation.

SECTION 4 DIRECTORS

4.1 Number of Directors

Until changed in accordance with the Act, the board shall consist of not fewer than the minimum number and not more than the maximum number of directors provided in the articles.

4.2 Qualification

No person shall be qualified for election as a director if such person is less than 18 years of age, is of unsound mind and has been so found by a court in Canada or elsewhere, is not an individual, or has the status of a bankrupt. A director need not be a shareholder. Subject to the Act, at least twenty-five per cent of the directors shall be resident Canadians, or if the number of directors is fewer than four, at least one director shall be a resident Canadian.

4.3 Election and Term

The election of directors shall take place 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 number of directors to be elected at any such meeting shall be the number of directors then in office unless the directors otherwise determine. Where the shareholders adopt an amendment to the articles to increase the number or maximum number of directors, the shareholders may, at the meeting at which they adopt the amendment, elect the additional number of directors authorized by the amendment. The election shall be by resolution. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

4.4 Removal of Directors

Subject to the Act and Sections 4.1 and 4.2, the shareholders may, by resolution passed at a meeting of shareholders specially called for such purpose, remove any director from office and the vacancy created by such removal may be filled at the same meeting, failing which it may be filled by the board.

4.5 Vacation of Office

Subject to the Act, a director ceases to hold office on death, on removal from office by the shareholders, on ceasing to be qualified for election as a director, on receipt of a written resignation by the Corporation, or, if a time is specified in such resignation, at the time so specified, whichever is later. Subject to the Act and Sections 4.1 and 4.2, a quorum of the board may appoint a qualified individual to fill a vacancy in the board.

4.6 Vacancies

Subject to the Act and Sections 4.1 and 4.2, a quorum of the board may fill a vacancy in the board, except a vacancy resulting from an increase in the number or minimum number of directors or from a failure of the shareholders to elect the number or minimum number of directors. In the absence of a quorum of the board, or if the vacancy has arisen from a failure of the shareholders to elect the number or minimum number of directors, the board shall forthwith call a special meeting of shareholders to fill the vacancy. If the board fails to call such meeting or if there are no such directors then in office, any shareholder may call the meeting.

4.7 Appointment of Additional Directors

If the articles of the Corporation so provide, the directors may, within the maximum number permitted by the articles, appoint one or more additional directors, who shall hold office for a term expiring not later than the close of the next annual meeting of the shareholders, but the total number of directors so appointed may not exceed one third of the number of directors elected at the previous annual meeting of shareholders.

4.8 Action by the Board

The board shall manage the business and affairs of the Corporation. The powers of the board may be exercised at a meeting (subject to sections 4.11 and 4.12) at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy in the board, the remaining directors may exercise all the powers of the board so long as a quorum remains in office. Where the Corporation has a board consisting of only one director, that director may constitute a meeting.

4.9 Canadian Directors Present at Meetings

Subject to the Act, the board shall not transact business at a meeting, other than filling a vacancy in the board, unless at least twenty-five percent of the directors present are resident Canadians, or, if the Corporation has fewer than four directors, at least one of the directors present is a resident Canadian, except where:

- (a) a resident Canadian director who is unable to be present approves in writing, or by telephone, electronic or other communication facility, the business transacted at the meeting; and
- (b) the required number of resident Canadians would have been present had that director been present at the meeting.

4.10 Meeting by Telephonic, Electronic or Other Communication Facilities

Subject to the Act, if all the directors of the Corporation consent thereto generally or in respect of a particular meeting, any or all directors may participate in a meeting of the board or of a committee of the board by means of a telephonic, electronic or other communication facility that permits all participants to communicate with each other simultaneously and instantaneously, and a director participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of the board.

4.11 Place of Meetings

Meetings of the board may be held at any place in or outside Canada.

4.12 Calling of Meetings

The board of directors of the Corporation shall meet at least once in every calendar quarter in such place as the directors may agree from time to time and otherwise at the registered office of the Corporation. Meetings of the board may be called by any director or the chief executive officer of the Corporation upon not less than forty-eight (48) hours' written notice, which notice shall contain a notice as to the business proposed to be transacted at such meeting.

4.13 Waiver of Notice of Meeting

A director may waive his right to receive notice of any meeting of the directors, both prospectively and retrospectively, but such waiver must be in writing, or by participation in the meeting, unless the director's participation is for the express purpose of objecting to the transacting of any business without proper notice.

4.14 First Meeting of New Board

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

4.15 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.

4.16 Chair

The chair of any meeting of the board shall be the first mentioned of such of the following officers that is a director and is present at the meeting: chair of the board or chief executive officer. If no such officer is present, the directors present shall choose one of their number to be chair.

4.17 Quorum

Subject to the Act and Section 4.9, unless otherwise agreed to in writing by all of the directors, a quorum for a meeting of directors shall be a majority of the directors except as hereinafter provided. If at any meeting of directors (the "First Meeting"), a quorum shall not be present, then, notwithstanding anything herein contained, the director or directors present at the First Meeting may call a supplementary meeting of the board of directors on not less than five (5) business days' notice to each director, which notice shall describe with particularity the business proposed to be transacted at such meeting. The directors present at the supplementary meeting in person or by telephonic, electronic or other communications facilities that permits all participants to communicate simultaneously and instantaneously shall constitute a quorum for the transaction of the business referred to in the notice of meeting and any business relating thereto which comes before the meeting.

4.18 Votes to Govern

A decision of the board of directors must be approved either by a resolution passed by the affirmative vote of a simple majority of the directors present at a meeting of directors duly called and at which a quorum is present or by a consent resolution signed by all of the directors of the Corporation.

4.19 No Casting Vote

In case of an equality of votes the chair of the meeting shall not be entitled to a second or casting vote.

4.20 Conflict of Interest

A director or officer of the Corporation shall disclose to the Corporation, in the manner and to the extent provided by the Act, any interest that such director or officer has in a material contract or transaction, whether made or proposed, with the Corporation, if such director or officer (a) is a party to the contract or transaction; (b) is a director or an officer, or an individual acting in a similar capacity, of a party to the contract or transaction; or (c) has a material interest in a party to the contract or transaction. Such a director shall not vote on any resolution to approve the same except as provided by the Act.

4.21 Remuneration and Expenses

The directors 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 board or any committee thereof. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving remuneration therefor.

SECTION 5 COMMITTEES

5.1 Committees of the Board

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

5.2 Transaction of Business

The powers of a 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 entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at any place in or outside Canada.

5.3 Advisory Bodies

The board may from time to time appoint such advisory bodies as it may deem advisable.

5.4 Procedure

Unless otherwise determined by the board, each committee and advisory body shall have power to fix its quorum at not less than a majority of its members, to elect its chair and to regulate its procedure.

SECTION 6 OFFICERS

6.1 Appointment

The board may from time to time appoint a chief executive officer, president, one or more vice-presidents (to which title may be added words indicating seniority or function), a secretary, a treasurer, a comptroller, a general manager and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. One person may hold more than one office. The board may specify the duties of and, in accordance with this by-law and subject to the Act, delegate to such officers powers to manage the business and affairs of the Corporation.

6.2 Powers and Duties of Officers

The powers and duties of all officers shall be such as the terms of their engagement call for or as the board or (except for those whose powers and duties are to be specified only by the board) the chief executive officer may specify. The board and (except as aforesaid) the chief executive officer may, from time to time and subject to the provisions of the Act, vary, and/or limit the powers and duties of any officer. 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 or the chief executive officer otherwise directs.

6.3 Term of Office

The board, in its discretion, may remove and discharge any or all of the officers of the Corporation either with or without cause at any meeting called for that purpose and may elect or appoint others in their place or places. Any officer or employee of the Corporation, not being a member of the board, may also be removed and discharged, either with or without cause, by the chairman, vice-chair,

chief executive officer or president. If, however, there is a contract with an officer or employee derogating from the provisions of this Section, such removal or discharge shall be subject to the provisions of such contract. Otherwise, each officer appointed by the board shall hold office until a successor is appointed or until the officer resigns.

6.4 Agents and Attorneys

The Corporation, by or under the authority of 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 power to subdelegate) of management, administration or otherwise as may be thought fit.

6.5 Conflict of Interest

An officer shall disclose any interest in a material contract or material transaction, whether made or proposed, with the Corporation in accordance with section 4.20.

SECTION 7 PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

7.1 Limitation of Liability

All directors and officers of the Corporation in exercising their powers and discharging their duties shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, and without limiting any defences available to a director or an officer under the Act or otherwise, no director or officer shall be liable for the acts, omissions, failures, neglects or defaults of any other director, officer or employee, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired 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 the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgement or oversight on the part of such director or officer, or for any other loss, damage or misfortune which shall happen in the execution of the duties of office or in relation thereto; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof.

7.2 Indemnity

Subject to the Act, the Corporation shall indemnify a director or an 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 entity, and their heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgement, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation, or other entity, if (a) such 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; and (b) 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. The Corporation shall also indemnify such persons in such other circumstances as the Act or law permits or requires. Nothing in this by-law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this by-law.

7.3 Insurance

Subject to the Act, the Corporation may purchase and maintain insurance for the benefit of an individual referred to in section 7.2 hereof as the board may from time to time determine.

SECTION 8 SHARES

8.1 Allotment of Shares

The board may from time to time allot or grant options to purchase the whole or any part of the authorized and unissued shares of the Corporation at such times and 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.

8.2 Transfer Agents and Registrars

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

8.3 Non-recognition of Trust

Subject to the Act, the Corporation may treat the registered holder of any share as the person exclusively entitled to vote, to receive notices, to receive any dividend or other payment in respect of the share, and otherwise to exercise all the rights and powers of an owner of the share.

8.4 Form of Security Certificates

Subject to the Act, security certificates, if required, will be in the form that the board approves from time to time or that the Corporation adopts.

8.5 Replacement of Share Certificates

The board or any officer or agent designated by the board may direct the issue of a new share or other such certificate in lieu of and upon cancellation of a certificate that has been mutilated or in substitution for a certificate claimed to have been lost, destroyed or wrongfully taken on payment of such reasonable 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.

SECTION 9 DIVIDENDS

9.1 Dividends

Subject to 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. Any dividend unclaimed after a period of six (6) years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

9.2 Payments of Dividends

Any dividend payable in cash to shareholders shall be paid by cheque, by electronic means or by such other method as the directors may determine. The payment will be made to or to the order of each registered holder of shares in respect of which the payment is to be made. Cheques will be sent to the registered holder's recorded address, unless the holder otherwise directs. In the case of joint holders, the payment will be made to the order of all such joint holders and, if applicable, sent to them at their recorded address, unless such joint holders otherwise direct. The sending of the cheque or the sending of the payment by electronic means or the sending of the payment by a method determined by the directors in an amount equal to the dividend or other distribution to be paid less any tax that the Corporation is required to withhold will satisfy and discharge the liability for the payment, unless payment is not made upon presentation, if applicable.

9.3 Record Date

The board may, within the prescribed period, fix in advance a date as the record date for the purpose of determining shareholders entitled: (a) to receive payment of a dividend; or (b) for other purposes; and notice of the record date shall be given within the prescribed period in the manner provided by the Act. If no date is fixed, the record date for the determination of the shareholders entitled to receive payment of any dividend or for such other purposes shall be at the close of business on the day on which the directors pass the resolution relating thereto.

SECTION 10 MEETING OF SHAREHOLDERS

10.1 Annual Meeting

Subject to the Act, the board shall call an annual meeting of shareholders once in each calendar year for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing auditors and for the transaction of such other business as may properly be brought before the meeting.

10.2 Special Meetings

Subject to the Act, the board, the chair of the board, a director, the chief executive officer or a shareholder or shareholders holding in aggregate shares having the right to cast at least 5% of votes at a meeting of the shareholders shall have power to call a special meeting of shareholders at any time.

10.3 Place of Meetings

Meetings of shareholders shall be held at the registered office of the Corporation or elsewhere in the municipality in which the registered office is situate or, if the board shall so determine, at some other place in Canada.

10.4 Participation in Meeting by Electronic Means

Any person entitled to attend a meeting of shareholders may participate in the meeting, in accordance with the Act, by means of a telephonic, electronic or other communication facility that permits all participants to communicate simultaneously and instantaneously with each other during the meeting, if the Corporation makes available such a communication facility. A person participating in a meeting by such means is deemed for the purposes of the Act to be present at the meeting.

10.5 Meeting held by Electronic Means

If the directors or the shareholders of a Corporation call a meeting of shareholders pursuant to the Act, those directors or shareholders, as the case may be, 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 simultaneously and instantaneously with each other during that meeting.

10.6 Notice of Meeting

Subject to the Act, the Notice of the time and place of each meeting of shareholders shall be given in the manner provided in Section 11 within the prescribed period by the board, 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. Notice of a meeting of shareholders called for any purpose other than consideration of the financial statements and auditor's report, election of directors and reappointment of the incumbent auditor shall state the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and shall state the text of any special resolution to be submitted to the meeting.

10.7 Waiver of Notice of Meeting

A shareholder may waive his right to receive notice of any meeting of the shareholders, both prospectively and retrospectively.

10.8 Record Date for Notice

The board may, within the prescribed period, fix in advance a date as the record date for the purpose of determining the shareholders: (a) entitled to receive notice of a meeting of shareholders; (b) entitled to vote at a meeting of shareholders; or (c) for any other purpose, and notice of any such record date shall be given within the prescribed period before such record date, by newspaper advertisement in the manner provided in the Act. If no such 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 day immediately preceding the day on which the notice is given or, if no notice is given, shall be the day on which the meeting is held.

10.9 Chair, Secretary and Scrutineers

The chair of any meeting of shareholders shall be the first mentioned of such of the following officers as have been appointed and who is present at the meeting: chair of the board, the chief executive officer, the president or a vice president who is a shareholder. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chair. If the secretary of the Corporation is absent, the chair 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 chair with the consent of the meeting.

10.10 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 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 by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.

10.11 Quorum

A quorum for a meeting of shareholders shall be at least two persons present in person and holding or representing by valid proxy not less than 10% of the outstanding shares entitled to vote at such meeting. If at any meeting of shareholders (the "First Meeting") a quorum shall not be present, then, notwithstanding anything herein contained, the shareholders present at the First Meeting may call a supplementary meeting of the shareholders on not less than five (5) business days' notice to each shareholder, which notice shall describe with particularity the business proposed to be transacted at such meeting. The shareholders present at the supplementary meeting in person or by telephonic, electronic or other communication facility that permits all participants to communicate simultaneously and instantaneously with each other during the meeting, if the Corporation makes available such a communication facility, shall constitute a quorum for the transaction of the business referred to in the notice of meeting and any business relating thereto which may come before the meeting.

10.12 Proxyholders and Representatives

Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, to attend and act as the shareholder's representative at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the shareholder or the shareholder's agent or attorney and shall conform to the requirements of the Act. Furthermore, a shareholder may authorize in writing (including by resolution of its directors or governing body in the case of a body corporate or association), an individual or entity to represent it at a meeting of shareholders and such individual may exercise on the shareholder's behalf, all the powers it could exercise if it were an individual shareholder. The authority of such an individual or entity shall be established by depositing with the Corporation evidence of such authority in such form as may be satisfactory to the secretary of the Corporation or the chair of the meeting (including, a certified copy of such resolution). Any such proxyholder, attorney, agent or other representative need not be a shareholder.

10.13 Time for Deposit of Proxies

The board may specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting by not more than 48 hours, excluding Saturdays and holidays, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or if, no such time having been specified in such notice, it has been received by the secretary of the Corporation or by the chair of the meeting or any adjournment thereof prior to the time of voting.

10.14 Joint Shareholders

If two or more persons hold shares jointly, any of them present in person or duly represented 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 and vote, they shall vote as one of the shares jointly held by them.

10.15 Votes to Govern

At any meeting of shareholders every question shall, unless otherwise required by the articles of by-laws or by law, be determined by a majority of the votes cast on the question. In case of an equality of votes either upon a show of hands or upon a poll, the chair of the meeting shall not be entitled to a second or casting vote.

10.16 Show of Hands

Subject to the Act, any question at a meeting of shareholders shall be decided by a show of hands, unless a ballot thereon is required or demanded as hereinafter provided, and upon a show of hands every person who is present 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, a declaration by the chair 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. Any vote referred to in this section 10.16 may be held, in accordance with the Act partly or entirely by means of telephonic, electronic or other communication facility, if the Corporation makes available such a communication facility. Any person participating in a meeting of shareholders under sections 10.4 or 10.5 and entitled to vote at that meeting may vote, in accordance with the Act, by means of the telephonic, electronic or other communication facility that the Corporation has made available for that purpose.

10.17 Ballots

On any question proposed for consideration at a meeting of shareholders, and whether or not a show of hands has been taken thereon, the chair may require a ballot or any person who is present and entitled to vote on such question at the meeting may demand a ballot. A ballot so required or demanded shall be taken in such manner as the chair 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 such 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.

10.18 Adjournment

The chair at a meeting of shareholders may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn the meeting from time to time and from place to place. If a meeting of shareholders is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earlier meeting that is adjourned. Subject to the Act, if a meeting of shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

SECTION 11 NOTICES

11.1 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, the regulations thereunder, 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 given or if delivered to the person's recorded address or if mailed to such person at such recorded address by prepaid ordinary or air mail or if sent to such person at such recorded address by any means of prepaid transmitted or recorded communication. A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered for dispatch. A notice so delivered shall be deemed to have been received when it is personally delivered; a notice so

mailed shall be deemed to be received at the time it would be delivered in the ordinary course of mail and a notice so sent shall be deemed to have been received on the day it is transmitted. The 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 to be reliable.

11.2 Notice to Joint Shareholders

If two or more persons are registered as joint holders of any share, any notice may be addressed to all such joint holders, but notice addressed to one of such persons shall be sufficient notice to all of them.

11.3 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, the day of giving the notice shall be excluded and the day of the meeting or other event shall be included.

11.4 Undelivered Notices

If any notice given to a shareholder pursuant to section 11.1 is returned on two consecutive occasions because the shareholder cannot be found, the Corporation shall not be required to give any further notices to such shareholder until informed in writing by the shareholder of a new address.

11.5 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.

11.6 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 such person derives title to such share prior to the name and address of such person being entered on the securities register (whether such notice was given before or after the happening of the event upon which he became so entitled) and prior to such person furnishing to the Corporation the proof of authority or evidence of entitlement prescribed by the Act.

11.7 Waiver of Notice

Any shareholder, proxyholder, director, officer, auditor or member of a committee of the board, or any other person entitled to receive notice of a meeting of shareholder or any other notice from the Corporation, may at any time waive any notice, or waive or abridge the time for any notice, required to be given to such person under the Act, the regulations thereunder, 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 a committee of the board which may be given in any manner.

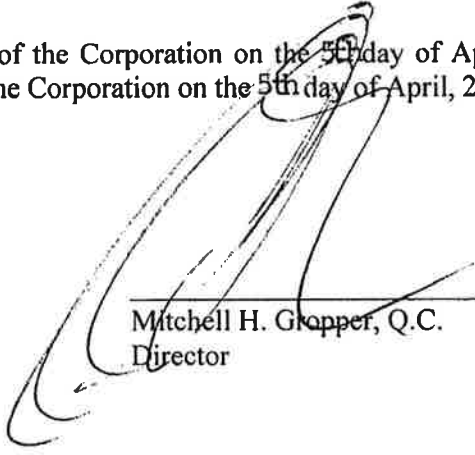
**SECTION 12
EFFECTIVE DATE**

12.1 Effective Date

This by-law shall come into force when made by the board in accordance with the Act.

(remainder of this page intentionally left blank)

The foregoing by-law was made by the directors of the Corporation on the 5th day of April, 2011 and confirmed without variation by the shareholder of the Corporation on the 5th day of April, 2011.



Mitchell H. Gropper, Q.C.
Director

