

General regulations

REGULATION NO. 1

**GENERAL REGULATIONS RELATING TO THE INTERNAL MANAGEMENT
OF**

THE QUEBEC YWCA FOUNDATION

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REGULATION NO. 1

**GENERAL BY-LAWS PERTAINING TO THE INTERNAL MANAGEMENT OF
THE QUEBEC YWCA FOUNDATION**

1.00 INTERPRETATION

1.01 Definitions

For the purposes of these Regulations, unless the context otherwise requires :

- a) "Constitution" refers, as the case may be, to the Memorandum of Agreement, the Letters Patent, the Supplementary Letters Patent, the Letters Patent of Amalgamation and any amendments thereto;
- b) "Act" means the *Companies Act* (R.S.Q., c. C-38), including any subsequent amendments thereto and any legislation replacing the same;
- c) "Legal person" means the legal person referred to in Part III of the Act;
- b) "By-law(s)" means any by-law of the Corporation then in force.

The singular number is deemed to include the plural and vice versa, and any word likely to include a gender is deemed to include the masculine and feminine.

1.02 Precedence

In the event of a contradiction between the Act, the incorporating act or the by-laws of the legal person, the Act prevails over the incorporating act and the by-laws, and the incorporating act prevails over the by-laws.

1.03 Delay

In calculating any time limit provided for in the regulations, if the date set for doing something falls on a non-legal day (such as the sending of a notice), it can be validly done on the first legal day thereafter. The day marking the starting point is not counted, but the due date is. Non-legal days are counted as part of the deadline, but if the last day is a non-legal day, the deadline must be postponed to the next legal day.

2.00 OBJECTS

The corporate mission is approved by the Board of Directors and the General Meeting, and periodically reviewed to meet contemporary needs.

3.00 HEADQUARTERS AND OTHER OFFICES

3.01 Headquarters

The head office of the legal person is located in Quebec City, as indicated in its incorporating act. The legal person may transfer or change the address of its head office in accordance with the provisions of the Act.

3.02 Other offices

The corporation may, in addition to its head office, establish and maintain any other office or establishment, inside or outside Quebec, as determined by the Board of Directors.

4.00 BOOK AND CORPORATE SEAL

4.01 Legal entity book

The corporation must keep at its head office at least one book containing the following:

- a) its memorandum and articles of association;
- b) regulations and amendments;
- c) any declaration or request submitted to the Enterprise Registrar and filed in the Enterprise Register;
- d) resolutions and minutes of meetings of directors, committees and members, and of votes taken at all such meetings. These minutes must be certified by the president of the corporation or by the chairman of the meeting or by the secretary of the corporation.
- e) an annually prepared list of the corporate body's volunteer members, including name, address and occupation, as well as the start and end date of registration, if applicable;
- f) a list of the corporation's directors, including their names, addresses and occupations, and the dates on which they became or ceased to be directors;

- g) a register of mortgages in which all mortgages and charges on the corporation's property must be entered, with a brief description of the property concerned, the amount of the mortgage or charge and the names of the mortgagees or assignees. In the case of mortgages and charges securing the payment of bonds and other securities payable to order or to bearer, it is only necessary to indicate the name of the trustee in whose favour the mortgage is constituted.

4.02 Accounting books

The legal entity also keeps, at its head office, one or more books in which are entered its receipts and disbursements and the matters to which they relate, its financial transactions as well as its receivables and liabilities.

4.03 Corporate seal

It is not necessary for the legal entity to have a seal, and under no circumstances is a document issued by the legal entity invalid for lack of a seal. The legal entity may, however, have one or more seals.

5.00 MEMBERS OF THE LEGAL ENTITY

5.01 Category

The legal entity comprises three (3) categories of members: founding members, volunteer members and participating members.

a) Founding members

The Founding Members are the signatories of the application for incorporation of the not-for-profit corporation under Part III of the Act. The Founding Members have the right to participate in all activities of the corporation, to receive notice of, attend and vote at meetings of members. The Founding Members designate the Volunteer Members.

b) Volunteer members

The Founding Members may, by resolution, designate any parent of a young person enrolled in the activities of the corporation who is interested in the objects and activities of the corporation, as a Volunteer Member insofar as such parent complies with the eligibility standards established from time to time by the Founding Members. It is mandatory to be designated as a Volunteer Member,

a parent must either perform tasks, render services or donate time in order to participate in the realization of the objects of the corporate body. Volunteer members have the right to participate in all activities of the corporation, to receive notice of and attend members' meetings, and to vote at such meetings.

c) Participating member

The Board of Directors may, by resolution, designate any person interested in the objects and activities of the corporation as a participating member, provided such person meets the eligibility standards established from time to time by the Board of Directors. At the invitation of the Board of Directors, participating members may attend meetings of the corporate body's members, but have no voting rights.

5.02 Membership and subscription

The Board of Directors may, by resolution, set the membership fees for each category of member, as well as the dues to be paid to the corporation, the period of time they cover and when they become payable. Membership fees and dues are non-refundable in the event of expulsion, suspension or withdrawal of a member.

5.03 Certificates or cards

The Board of Directors may issue membership certificates or cards to any member in good standing. Membership certificates or cards must be signed by at least one (1) member of the Board of Directors, or otherwise as directed by the Board. In addition, the form and content of certificates or cards must be approved by the Board of Directors.

5.04 Withdrawal

A member may withdraw at any time by written notice delivered to the secretary of the legal entity. Such withdrawal does not release the member from any membership fees or dues that were due prior to the withdrawal.

5.05 Suspension or expulsion

A member who violates any by-law of the corporation may be suspended and struck off the membership list at the discretion of the Board of Directors, on seven (7) days' notice.

In addition, a member who violates a by-law of the legal entity, or who behaves in a manner incompatible with the interests of the legal entity, may be expelled by the Board of Directors. Expulsion cannot take place

if the member in question has had the right to be heard at a meeting of the Board of Directors convened for this purpose. The Board's decision is final and without appeal, and must be communicated to the member concerned in writing.

6.00 MEMBER MEETINGS

6.01 Annual General Meeting

The annual meeting of members of the legal entity is held each year on the date and at the time chosen by the Board of Directors within four (4) months of the end of the legal entity's fiscal year. The purpose of the meeting is to:

- a) to elect directors;
- b) ratify the by-laws, resolutions and actions taken by the Board of Directors and officers since the last annual meeting of members;
- c) review the financial statements and the auditor's report, if any;
- d) appoint an auditor, if necessary; and
- e) to transact any other business that may come before the meeting.

6.02 Annual General Meeting

A Special General Meeting of members may be called by the President or the Board of Directors at any time. However, the Board of Directors is obliged to convene a Special General Meeting of members upon written requisition, signed by at least ten percent (10%) of the members, within twenty-one (21) days of receipt of such requisition. The written requisition must specify the purpose of the special meeting. If the Board of Directors fails to convene such a meeting within the stipulated period, it may be convened by the signatories of the written requisition.

An Annual General Meeting can also serve as a Special General Meeting.

6.03 Location of meetings

Members' meetings are held at the head office of the legal entity, or outside Quebec if its constitution so provides or if all members entitled to attend consent.

6.04 Notice of convocation

Notice of each annual or special meeting of members shall be given to those members entitled to attend. Such notice may be validly served by mail, registered mail, facsimile or any other means of communication that includes proof of receipt. The notice must be sent to the address or contact details entered in the Register of Members in the corporate body's Book. If the address of a member does not appear in the said Register of Members of the Corporate Body Book, the notice may be delivered to any address which in the judgment of the Secretary will reach such member as soon as practicable. Notice must be served at least ten (10) days prior to the date set for the meeting.

Notice of a meeting must specify the date, time and place. Notice of an annual meeting may specify the purpose of the meeting. The notice of a special general meeting must mention any business to be considered and disposed of at the meeting. The signature on the notice of meeting may be mechanically reproduced.

6.05 Irregularities

The unintentional omission to send the notice of meeting to one or more members does not render the decisions adopted at the meeting null and void. Similarly, the unintentional omission from the notice of a matter that should have been considered does not prevent the meeting from considering the matter, unless it is detrimental or likely to be detrimental to the member's interests.

6.06 Waiver of notice

A meeting of members may be held without prior notice if all the members of the corporation are present or if they give their written consent to the holding of the meeting. A member may waive notice of a members' meeting before, during or after the meeting. His mere presence at the meeting is equivalent to a waiver, unless he attends to oppose its holding on the grounds of an irregularity in the constitution of the meeting.

6.07 Chairman and secretary of the meeting

The president of the legal entity, or in his absence, the first vice-president, presides at members' meetings. The corporate secretary acts as secretary at members' meetings. The absence of any of these officers at the appointed time of a meeting entitles the members, subject to quorum, to appoint from among themselves a chairman and a secretary for that meeting.

6.08 Quorum

A majority of founding and volunteer members, present in person, is required to constitute a quorum at a members' meeting. A quorum is required for the duration of the meeting.

6.09 Adjournment

If a quorum is present and with the consent of the members present, a meeting of members may be adjourned to a date and time fixed by the Chairman of the meeting. Members constituting a quorum at the original meeting are not required to constitute a quorum at the continuation thereof. No notice is required if the continuation meeting is held less than sixty (60) days after the initial meeting.

At any time during the meeting, the Chairman may adjourn the meeting in the event of disturbance or confusion making it impossible to proceed in an orderly fashion. In such a case, it is not necessary to give notice of the adjourned meeting.

6.10 Procedure at assemblies

The chairman of any members' meeting ensures that the meeting runs smoothly and directs the proceedings. He has discretionary power over all matters, and his decisions are binding on all members. Subject to the corporation's by-laws, the Chairman may declare certain motions inadmissible, establish the procedure to be followed and expel from a meeting any person who is not entitled to attend, as well as any member who causes a disturbance or fails to comply with his or her directives.

A declaration by the Chairman of any meeting that a resolution has been carried unanimously or carried by a majority or defeated or not carried by a majority shall be evidence of such fact.

Should the Chairman fail to discharge his duties faithfully, the members may at any time remove him from office and replace him with another person chosen from among the members.

6.11 Right to vote

Only founding and volunteer members are entitled to vote at annual or special meetings. Each voting member is entitled to one (1) vote. Voting by proxy is not permitted.

6.12 Decision by majority

Unless otherwise stipulated by law, all matters submitted to the Members' Meeting must be decided by a simple majority of validly cast votes (50% + 1). The Chairman has no casting vote in the event of a tie.

6.13 Show of hands

Voting is by show of hands unless a secret ballot is requested. If the vote is by show of hands, members vote by raising their hands, and the number of votes is calculated according to the number of hands raised.

6.14 Vote by secret ballot

If the Chairman of the meeting so orders, or if at least twenty-five percent (25%) of the founder members and volunteers present so request, the vote is taken by secret ballot. Each member gives the scrutineer(s) a ballot paper on which to record his or her choice. A request for a secret ballot may be made or withdrawn at any time prior to the adjournment of the meeting, even after a show of hands has been held. The result of a secret ballot takes precedence over a show of hands.

6.15 Scrutineer

In the case of a secret ballot, the chairman of the meeting appoints one or more scrutineers. The deputy returning officer distributes and collects the ballots, compiles the results and communicates them to the chairman of the meeting.

7.00 BOARD

7.01 Number

The affairs of the legal person are administered by a Board of Directors consisting of a minimum of three (3) and a maximum of twelve (12) persons. However, the number of directors may be modified in accordance with the *Companies Act* (R.S.Q. c. C-38).

7.02 Qualifications

The following qualifications are required to be elected as a director and to continue in office:

- a) be a natural person, at least 18 years of age, who is not under guardianship or curatorship, subject to the provisions of article 327 of the *Civil Code of Québec*;

- b) not be a person declared incompetent by the court of another province, territory or country or political subdivision thereof;
- c) not to be an unreleased bankrupt;
- d) not be prohibited by a court of law from exercising this function.

7.03 Election and term of office

The corporation's first directors remain in office until the first meeting of members.

Forty percent (40%) of directors are appointed for a two-year term.

(2) years from the date of their election and may be renewed for a further five years.

(5) times for a total term of ten (10) years, as the case may be. The term of office of sixty percent (60%) of the directors is three (3) years from the date of their election. Directors are elected at the annual meeting of members unless a vacancy occurs during their term. A retiring director is eligible for re-election.

7.04 Resignation

A director may resign from office by giving written notice to the corporation. A resignation need not state reasons and takes effect on the date of delivery of the notice unless a later date is specified.

7.05 Impeachment

Unless otherwise provided in the Articles of Incorporation, the members may, by ordinary resolution, remove a director from office at an annual meeting or at a special meeting duly called for that purpose. The director who is the subject of a request for removal must be informed of the place, date and time of the meeting within the same timeframe as that provided for the calling of the special meeting. The director may attend and speak at the meeting, and state his or her reasons for opposing the resolution proposing his or her removal from office. Dismissal need not be based on specific grounds, and neither the corporate body nor the voting members incur any liability to the director as a result of the dismissal. Any vacancy resulting from the dismissal of a director may be filled by resolution of the members at the meeting at which the dismissal is pronounced or, failing that, in accordance with the Act.

7.06 Vacancy

A vacancy occurs when a director resigns or is removed from office. A vacancy also occurs when a director ceases to be eligible to hold office or dies.

7.07 Declaration

When a director ceases to hold office, for whatever reason, he or she retains the right to communicate this fact to the Registraire des entreprises du Québec by signing and filing a declaration of current status in accordance with the *Act respecting the legal publicity of enterprises* (RLRQ, c. P-44.1).

7.08 Replacement

In the event of a vacancy on the Board of Directors, the directors remaining in office may replace him or her by resolution appointing a suitably qualified person for the remainder of the term. Directors may continue to act despite one or more vacancies, provided quorum is maintained.

7.09 Compensation

Directors are not remunerated for their duties as directors, but may be remunerated if they are employees or officers of the corporation. Directors are entitled to be reimbursed for reasonable travel and other expenses incurred in the performance of their duties as directors.

7.10 Power of the Board of Directors

The Board of Directors administers the affairs of the legal entity. Generally speaking, the directors enter into all contracts that the corporation may enter into, and exercise all powers that the corporation is authorized to exercise. In addition, the directors may take any and all measures deemed necessary to enable the corporation to accept, acquire, lease, alienate, sell or exchange any property, movable or immovable, as well as any and all rights and interests pertaining thereto. They may also solicit or receive bequests, gifts and donations of all kinds under the conditions they determine, with the aim of promoting the objectives of the corporate body.

7.11 Irregularity

Notwithstanding the subsequent discovery of an irregularity in the election of the Board of Directors or in the election or appointment of a director or the absence or loss of the qualifications of eligibility of the latter, the acts regularly performed by them are valid and bind the legal person as if the election had been regular.

or each eligible person. This clause applies only to acts performed prior to the election or appointment of the successor(s) of the person(s) concerned.

7.12 Conflict of interest

Directors must avoid placing themselves in a situation of conflict of interest between their personal interests and their obligations as directors of the legal entity. A director must disclose such a conflict of interest to the Board of Directors as soon as he or she becomes aware of it, and this disclosure must be recorded in the minutes of the proceedings of the Board of Directors or in the signed resolution in lieu thereof. Such disclosure does not have the effect of prohibiting the act in question if the other members of the Board of Directors determine that it does not harm or contravene the objects of the legal entity.

8.00 BOARD MEETINGS

8.01 Convocation

Meetings of the Board of Directors may be called at any time by the Chairman or by any two directors jointly. Notice of each meeting, specifying the place, date and time, shall be served on each director at his last known address at least two (2) legal days prior to the date fixed for the meeting. Notice may be duly served by courier, registered mail, facsimile or e-mail if proof of receipt is provided.

A meeting may be held without prior notice if all directors are present or if absent directors have consented. The meeting of the Board of Directors immediately following the annual meeting of members may be held without notice.

Any director may, in writing or by any other means, waive notice of a meeting of the Board of Directors before, during or after the meeting. The mere fact of attending such a meeting is equivalent to a waiver, unless the sole purpose of the meeting is to oppose its holding on the grounds that it was improperly convened. Signing a written resolution in lieu of a meeting also constitutes a waiver of notice.

8.02 Location

Meetings of the Board of Directors are held at the head office of the legal entity or at any other location in or outside Québec, as determined by the President or the Board of Directors.

8.03 Participation by telephone

Directors may, if all agree, take part in a meeting of the Board of Directors using means that enable all participants to communicate orally with each other, in particular by telephone. A director participating in the meeting by such means is deemed to have attended.

8.04 Quorum

A majority of directors in office constitutes a quorum for a meeting of the Board of Directors. A quorum must exist for the duration of the meeting.

8.05 Adjournment

The Chairman of the meeting may adjourn any meeting of the Board of Directors with the consent of the directors present without further notice. A quorum is required for a continuation, but the directors present need not be the same as those who attended the original meeting. In the absence of a quorum at the continuation, the initial meeting is deemed to have ended after its adjournment.

8.06 Vote

Directors are each entitled to one vote, and all questions are decided by a majority of the votes cast. Voting is by a show of hands, unless the chairman of the meeting or a director requests a poll, in which case the vote is taken by ballot and the secretary of the corporation acts as scrutineer. Voting by proxy is not permitted, and the Chairman of the meeting has no casting vote in the event of a tie. Directors participating by telephone or other electronic means must communicate the meaning of their vote verbally to the meeting secretary.

8.07 Resolution in lieu of meeting

Resolutions written and signed by all directors authorized to vote thereon at a meeting of the Board of Directors have the same force as if they had been adopted at such a meeting. A copy of these resolutions must be kept in the minute and resolution book of the corporation.

8.08 Chairman and secretary of the meeting

The president of the legal entity chairs meetings of the Board of Directors, and the secretary of the legal entity acts as secretary of said meetings. The absence of either of these persons from a meeting gives the directors the right to vote.

present the right to appoint any other person as chairman or secretary of the meeting.

8.09 Procedure

The Chairman ensures that the meeting runs smoothly. He must submit to the Board proposals requiring a vote. The agenda for any meeting of the Board of Directors is presumed to include a period during which directors may submit their proposals. Should the Chairman fail to perform his duties faithfully, the directors may remove him from office during the meeting and replace him with another director present. Only directors are authorized to attend Board meetings. Officers, agents or other persons whose presence is justified by the interests of the corporation may also attend, with the consent of the majority of directors present.

Only the secretary of the meeting has the right to record the proceedings mechanically or electronically, for the sole purpose of drawing up the minutes of the meeting. The recording must be destroyed as soon as it has been transcribed.

9.00 MANAGERS

9.01 Nomination

The Board of Directors may, annually or when required, appoint or elect a President from among the Directors, one or more Vice-Presidents, a Secretary, a Treasurer and a General Manager, as well as any other officers deemed necessary. The officers of the corporation have the powers and duties prescribed by the Board of Directors. In the absence of an officer, or for any other valid reason, the Board of Directors may delegate the powers and authority of such officer to another officer or director of the corporation.

9.02 Cumulative

A person may hold more than one office. An officer does not have to be a director of the legal entity, except in the case of the Chairman.

9.03 Duration of functions

Unless otherwise agreed, an officer holds office from the time of acceptance of his nomination or election until a successor or replacement is elected or appointed or his term of office expires prematurely.

9.04 Resignation or dismissal

An officer may resign his office at any time by delivering his written resignation by courier, registered or certified mail or in person to the President or Secretary at a meeting of the Board of Directors. Such resignation is subject to any existing employment contract between the officer and the corporation.

The Board of Directors may remove any officer from office, with or without cause, at any time, unless his contract of employment or the resolution by which he was engaged provides otherwise.

9.05 Vacancy

Any vacancy occurring in an officer position may be filled by the Board of Directors at any time.

9.06 Compensation

Executive compensation is set by the Board of Directors.

9.07 Chairman

The President presides at all meetings of the Board of Directors and all meetings of the members, unless another person is appointed to preside at the meeting. He signs all documents requiring his signature, and has general control and supervision over the affairs of the corporation, unless a General Manager is appointed.

9.08 Vice President

In the absence of the Chairman, or if he is unable to act, the Vice-Chairman, or if there is more than one, the First Vice-Chairman, assumes the powers and duties of the Chairman.

9.09 Secretary

The Secretary is responsible for the safekeeping of the corporate documents, book and seal. He acts as secretary at meetings of the Board of Directors and of the members. He drafts and countersigns minutes, and sends notices of meetings and other notices to directors, officers and members. He executes any other mandate entrusted to him by the Board of Directors.

9.10 Treasurer

The treasurer has custody of the corporation's securities and all financial documents. He deposits the funds with the financial institution chosen by the Board of Directors. He allows the corporation's books and accounts to be examined by the auditors.

directors. When required by the President of the legal entity, he submits to each meeting of the Board of Directors a detailed statement of receipts and disbursements and a report on the financial situation of the legal entity. The Treasurer signs or countersigns documents requiring his signature.

9.11 General Manager or manager

The Board of Directors may appoint a Managing Director, who need not be a director of the corporate entity. The Board of Directors may delegate to him all their powers except those which they are required to exercise themselves. He must comply with all instructions received from the Board of Directors, and must provide them with any information they may require concerning the affairs of the legal entity. His remuneration is fixed by the directors. Without limiting the foregoing, the legal person may enter into a management contract with a legal person for the performance of management duties.

9.12 Other positions

The Board of Directors may, from time to time, create such other offices and appoint such officers, employees or agents to fill such offices as it may deem advisable, who shall exercise such powers and perform such duties and functions as the Board of Directors shall by resolution determine.

9.13 Conflict of interest

The conflict of interest provisions for directors apply to officers and other representatives, with the necessary modifications.

10.00 COMPENSATION AND EXEMPTION

10.01 Compensation and reimbursement of expenses

The legal person is required to indemnify a director, officer, mandatary or other representative, as well as their heirs, legatees and assigns, for any loss suffered as a result of or in connection with the performance of his duties, and must also reimburse him for reasonable expenses incurred for the same purposes, in each case in accordance with the following provisions.

10.02 Defense - Legal action by

The legal entity assumes the defense of a director, officer, agent or representative who is sued by a third party for an act performed in the exercise of his or her duties, and who must pay any damages resulting from this act, unless the person sued has committed a gross fault or a personal fault separable from the exercise of his or her duties. In particular, the following will be considered as such misconduct

for a director, officer, agent or representative to have breached his or her duties of loyalty and honesty towards the legal entity, in particular by placing himself or herself in a situation of conflict of interest.

This assumption of defense involves the payment or reimbursement of reasonable legal and out-of-court costs and expenses incurred by the director, officer, agent or other representative thus sued by a third party.

Payment of damages includes out-of-court settlements and any fines imposed.

10.03 Expenses - Prosecution

However, in the case of penal or criminal proceedings, the legal person assumes payment of the expenses of the director, officer, mandatary or other representative only to the extent that the latter had reasonable grounds to believe that his or her conduct was in compliance with the law, or that the director, officer, mandatary or other representative is discharged or acquitted.

10.04 Legal action by

If the legal person itself sues the director, officer, mandatary or representative for an act or omission committed in the performance of his or her duties, it undertakes to assume the judicial and extrajudicial expenses reasonably incurred by this director, officer, mandatary or representative if it is unsuccessful and the court so decides. If the legal person is only partially successful, the court may determine the amount of expenses it must assume.

10.05 Insurance liability

The legal person may take out and maintain, for the benefit of its directors, officers, agents or other representatives, as well as their heirs, legatees and assigns, insurance covering their personal liability by reason of the fact that they perform these functions. However, such insurance is subject to the exclusions and restrictions imposed by the insurer, and shall never cover liability arising from failure to act honestly and faithfully toward the legal person, gross negligence or personal fault separable from the performance of duties carried out in the service of the legal person.

10.06 Reimbursement of expenses

Subject to a contractual agreement specifying or restricting this obligation, the legal entity is required to reimburse a director, officer, agent or other representative for reasonable and necessary expenses incurred by him or her in the performance of his or her duties, plus interest from the day they were paid by the legal entity.

him. Reimbursement is made on production of all relevant supporting documents.

10.07 Compensation after functions

Subject to a contractual agreement specifying or restricting this obligation, the indemnities provided for in the preceding paragraphs may also be claimed after the termination of the duties of a director, officer, mandatary or representative of the legal entity.

11.00 FINANCIAL YEAR AND AUDIT

11.01 Financial year

The corporation's fiscal year ends on a date determined by the Board of Directors.

11.02 Auditor

The members may decide, at their annual meeting, to appoint an auditor to prepare the financial statements and manage the accounts of the legal entity. In such a case, the auditor holds office until the next annual meeting or until a successor has been appointed.

11.03 Chartered accountant

Subject to legal requirements and to the members' choice not to appoint an auditor, the Board of Directors may appoint, until the next annual meeting of members, one or more public accountants to prepare the financial statements and manage the accounts of the legal entity.

11.04 Restrictions

A director, officer or employee of the legal entity or of an enterprise with which it is affiliated, or a partner, employer or employee of a person holding such a position, may not be appointed a chartered accountant or auditor of the legal entity.

11.05 End of mandate

The auditor's or chartered accountant's term of office ends upon death, resignation, dismissal, expiry of his or her mandate, if declared incompetent by a court, if he or she declares bankruptcy or if he or she loses the qualifications required to perform this function with his or her professional order.

11.06 Vacancy

In the event of a vacancy in the position of auditor, the Board of Directors may fill it by appointing a qualified replacement, who will hold office until the next meeting of members, at which time a successor may be appointed. In the event of a vacancy in the position of Chartered Accountant, the Board of Directors may fill the vacancy by appointing a qualified replacement, who will hold office until the expiry of the term of office.

11.07 Compensation

The auditor's remuneration is set by the members, unless this power is delegated to the directors. In the case of a chartered accountant, remuneration is determined by the Board of Directors.

12.00 REPRESENTATION OF THE LEGAL ENTITY

12.01 Representation

Any director or any person designated by the Board of Directors is authorized and empowered :

- a) to represent the legal entity in any writ of attachment before or after judgment served on it;
- b) prepare and sign affidavits that may be required in the event of opposition or other legal proceedings;
- c) to file any petition for dissolution or liquidation or any petition for bankruptcy against any debtor of the legal entity;
- d) to attend and vote at meetings of creditors and to grant proxies in respect thereof;
- e) to respond to any interrogatories on facts and articles and other procedures that may be required in litigation concerning the legal entity;
- f) to represent the legal entity in all other matters.

12.02 Sign documents

Contracts, documents and instruments in writing, including releases and discharges, requiring the signature of the legal entity may be validly signed by the President or Senior Vice-President of the legal entity. The Board of Directors may also designate any other person to sign, alone or jointly with one or more other persons, and to deliver on behalf of the legal entity any documents, documents or instruments in writing, including releases and discharges, requiring the signature of the legal entity.

all contracts, documents and instruments in writing, and such authorization may be given by resolution in general or specific terms.

12.03 Cheques and drafts

All cheques, bills of exchange and other instruments, bills or evidences of indebtedness, issued, accepted or endorsed in the name of the corporation shall be signed by the director(s), officer(s) or representative(s) designated by resolution of the Board of Directors.

12.03 Deposits

The corporation's funds are deposited with the financial institution designated by resolution of the Board of Directors.

13.00 OTHER PROVISIONS

13.01 Employees

The Board of Directors may appoint agents, representatives or employees, determine their duties and fix their remuneration. These persons are under the control of the Board of Directors. This control may be delegated to a director, an officer, the managing director or another manager.

13.02 Modifications

The directors may from time to time enact or adopt by-laws, not contrary to law or to the constitution of the corporation, relating to all matters dealt with in the by-laws governing the corporation, and may revoke, amend or re-enact the by-laws of the corporation. However, such by-laws (except, on the one hand, by-laws which relate merely to the representatives, officers and employees of the legal person and which do not have to be approved and ratified by the members in order to come into force definitively and, on the other hand, by-laws which, under the provisions of the said laws, must be approved and ratified by the members before coming into force) and each revocation, amendment or reinstatement of such by-laws, unless ratified in the interim at a special meeting of the members of the corporation duly called for that purpose, shall be in force only until the next annual meeting of the corporation and, if not ratified at such meeting, shall cease to be in force, but only from the date of such meeting.



13.03 Declarations

The President or any other director or person authorized by the Board of Directors may sign the declarations required under the *Act respecting the legal publicity of enterprises* (RLRQ, c. P-44.1).