REFORM 2018

(VERSION INCLUDING THE PROVISIONS OF BY-LAW 2020-1)

GENERAL BY-LAWS

OF

SOCIÉTÉ DE GESTION DES HUILES USAGÉES, ("SOGHU")

BY-LAW NUMBER ONE

INTERPRETATION

The following words and terms, when used in the By-laws of the Corporation, shall have the following meanings unless such meaning is incompatible with the context:

1.1 **"Instrument of Incorporation**" means the letters patent constituting the Corporation, the supplemental letters patent, the letters patent of amalgamation and those confirming an arrangement, a compromise or a rectification, and any amendment that may be made thereto.

1.2 **"Antifreeze"** means, according to the EPR Regulation Guidance document of March 2012, coolants and antifreeze intended for use in some vehicules, machinery or motorized equipment, except vegetable coolants and antifreeze, as well as coolants and antifreeze used for aircraft deicing.

1.3 **"Directors"** means the Board of Directors.

1.4 **"Awareness Committee"** means the committee formed and described in subsection 7.1 hereof.

1.5 **"Membership Agreement"** means the agreement the terms and conditions of which are approved by the Board of Directors of the Corporation and to be entered into between the Corporation and a Member.

1.6 **"Brand owner"** means, according to the EPR Regulation Guidance document of March 2012, an enterprise that owns or uses a brand, name or distinguishing guise.

1.7 **"General Manager"** means the person holding the position described in subsection 8.4 hereof.

1.8 **"Assistant General Manager"** means the person holding the position described in subsection 8.5 hereof.

1.9 **"Filters"** means, according to the EPR Regulation Guidance document of March 2012, oil filters used for internal combustion engines, hydraulic systems and transmissions, filters for heating systems using light heating oil and for oil storage tanks, coolant and antifreeze

filters and diesel filters that are considered to be oil filters for the purposes of this Regulation.

1.10 **"Oils"** means, according to the EPR Regulation Guidance document of March 2012, mineral oils, synthetic or vegetable oils intended for lubrification, insulation or heat transfer in vehicles or motorized equipment, or in the operation of hydraulic or transmission systems, as well as brake fluids, except oils that combust when used such as oils intended to be blended with combustion engine fuel, machine tool slideway lubricants, chainsaw chain oils, drawing, stamping, shaping or form oils, drilling oils, conveyor lubricating oils, dust control oils, penetrating oils and rustproof oils.

1.11 **"Act"** means the *Companies Act*, as amended, and also includes any subsequent amendment and any other Act that may be substituted for it.

1.12 **"EQA"** means the *Environment Quality Act*, RS.Q., c. Q.-2, as amended, and also includes any subsequent amendment and any other Act that may be substituted for it.

1.13 **"Member"** means any person described in subsection 3.1 hereof and recognized as such by the By-laws of the Corporation. The use of the word Member includes a Mandatary Member, unless indicated otherwise.

1.14 **"Mandatary Member"** means an entity which, without being covered by the EPR Regulation, is a Member of SOGHU, both on its behalf and on behalf of the enterprises, including, where appropriate, municipalities, that it represents and that must be registered with SOGHU, declares the quantities of Covered Products marketed in Québec and pays the required fees to SOGHU on behalf of these enterprises and municipalities covered by the EPR Regulation.

1.15 **"Marketed"** means to make available to a consumer, user or another person, a Covered Product in Québec, through direct sales or distance sale (by means of the Internet, telephone or other sale method) or by any other form of distribution, including short or long term rental, distribution free of charge, for promotional purposes or in respect of a guarantee, by Members of SOGHU, as prescribed by section 2 of the EPR Regulation.

1.16 **"First supplier"** means according to the EPR Regulation Guidance document of March 2012 an enterprise having a domicile or an establishment in Quebec that acquires a Covered Product outside of Quebec in order to market it in Quebec. The First supplier is the enterprise that is the most upstream in the distribution chain in Quebec and it may be an importer, a broker, a wholesaler, a distributor, a retailer or any other stakeholder in Quebec that first intervenes in the distribution chain of the Covered Product.

1.17 **"Chairman of the Board"** means the Chairman of the Board of Directors.

1.18 **"Covered Products"** means oils, coolants, antifreeze, their filters and containers and other similar products provided for in Division 5 of chapter II of the EPR Regulation or which can be added through amendments to the EPR Regulation.

1.19 **"By-laws"** means the General By-laws of the Corporation, numbered from number one to fifteen inclusive, and all the other by-laws of the Corporation in force from time to time and all the amendments that may be made thereto.

1.20 **"EPR Regulation"** means the *Regulation respecting the recovery and reclamation of products by enterprises* R.S.Q., c. Q-2, r. 40.1 by virtue of the EQA as amended and also includes any subsequent amendment and any regulation replacing it.

1.21 **"Corporation or SOGHU"** means Société de gestion des huiles usagées.

Subject to the foregoing, the words and terms defined in the Act, the EQA or the Regulation have the same meaning when used in the By-laws.

The headings used in the By-laws are only used for reference purposes and have no impact on the interpretation of the terms or provisions of the By-laws.

Any word written in the singular also includes the plural and vice versa; any word written in the masculine also includes the feminine; any word designating persons also includes partnerships, associations, companies or corporations.

BY-LAW NUMBER TWO

BUSINESS NAME, HEAD OFFICE AND CORPORATE SEAL

2.1 BUSINESS NAME

The business name of the Corporation is

SOCIÉTÉ DE GESTION DES HUILES USAGÉES

and its acronym is SOGHU.

2.2 HEAD OFFICE

2.2.1 The head office and the principal place of business of the Corporation are established in the City of Chambly, Province of Québec or at any other place designated by the Board of Directors.

2.2.2 The Corporation may, in addition to its head office and its principal place of business, establish and maintain other offices, places of business, branches and agencies, whether in the Province of Québec of elsewhere, such as the Board of Directors may decide, from time to time, by resolution.

2.3 SEAL

2.3.1 The Corporate Seal is circular in shape and the business name of the Corporation, and the year of its incorporation, shall appear thereon.

2.3.2 The Chairman of the Board, the President, any Vice-President, the Secretary, the Treasurer, any Assistant Secretary, Assistant Treasurer or Director, or any other

Officer of the Corporation whom the Board of Directors may designate and authorize for this purpose, from time to time, shall each and all have the right to affix the Corporate Seal to any document that requires it.

BY-LAW NUMBER THREE

MEMBERS

3.1 CLASSES

The Corporation includes Members (hereinafter "**Member**" or "**Members**") and a Member of the Corporation shall be any natural or legal person who meets the admission standards established, as the case may be, by resolution of the Board of Directors. The Members are entitled to participate in all activities of the Corporation, receive notice of the Meetings of the Members, and attend and vote at these Meetings. They are eligible to be Directors of the Corporation on the terms and conditions established in By-law Number Four and, for this purpose, may, in the case of legal person, designate a person to represent them as Director.

Without restricting the foregoing, a Member of the Corporation is a natural, legal or another person which, upon payment of membership fees and amounts overdue if any, and upon signature of the Membership agreement of the Corporation, is accepted by the Board of Directors of the Corporation, the whole subject to the provisions of the By-laws regarding the suspension, cancellation and withdrawal of Members and according to, where appropriate, the guidelines adopted during a General Meeting by the Members of the Corporation and that:

a) is referred to in section 2 of the EPR Regulation;

b) although outside of Quebec, decides to become a Mandatary Member in order to represent enterprises aimed by section 2 of the EPR Regulation;

c) is designated by the Board of Directors of the Corporation to the benefit of enterprises which may be covered by the EPR Regulation;

(i) and that markets in Québec a Covered Product in Division 5 of chapter VI of the EPR Regulation concerning oils, coolants, antifreeze, their filters and containers and other similar products ("**Covered Product**" or "**Covered Products**"), under a brand, a name or a distinguishing guise owned by the enterprise;

(ii) markets in Quebec a Covered Product under a brand, a name or a distinguishing guise used by the enterprise;

(iii) acts as the first supplier of a Covered Product, whether or not the enterprise is the importer, in the following cases:

1° the enterprise referred to in section 2 of the EPR Regulation has no domicile or establishment in Quebec;

2° the enterprise that markets the Covered Product in Québec acquires the product outside of Québec, regardless of whether the enterprise owning or using the brand, name or distinguishing guise has a domicile or establishment in Québec; or

3° the Covered product, for which it acts as the first supplier, does not bear any brand, name or distinguishing guise.

(iv) for its own use, acquires from outside of Québec or manufactures Covered Products (including any such acquisition or manufacture of Covered Products by a municipality);

(v) is part of a group of enterprises of the same chain, franchise or banner, which are not represented by a Mandatary Member, and markets in Québec Covered Products under the same brand, name or distinguishing guise, or for which they act as first supplier;

(vi) markets in Québec, in one of the cases listed in sub-paragraphs i) to v) a product of which at least a component is a Covered Product, whether or not the main product is covered, as provided by section 3 of the EPR Regulation.

Any Member may, at any time, dismiss its representative by giving written notice to this representative and the General Manager of the Corporation of this dismissal, and replace this representative with another person, by credentials letter delivered to the General Manager of the Corporation.

3.2 MEMBERSHIP FEES AND ANNUAL DUTY

3.2.1 Membership Fees

The Board of Directors shall determine the non-refundable amount of the membership fees payable by every Member.

3.2.2 Duty

The Board of Directors shall determine the amount and all the other terms and conditions regarding the duty which shall be paid to the Corporation by its Members. The duty is non-refundable and any amount due for the Member's membership period shall remain payable in the event of expulsion, suspension or withdrawal of a Member.

3.3 WITHDRAWAL

Any Member may withdraw at any time from the Corporation as such, by serving a written notice addressed to the General Manager. The terms and conditions of a Member's withdrawal shall be established in the Membership Agreement then in force.

3.4 SUSPENSION AND EXPULSION

3.4.1 The Board of Directors, by resolution adopted at a meeting of the Board of Directors duly called for this purpose, may suspend for the period it determines or expel any Member who neglects, despite thirty (30) days' written notice from the Corporation, to pay the duty or any portion thereof when due, who breaches any other provision of the By-laws or the Membership Agreement, or whose conduct or activities are deemed harmful to the Corporation, or who engages in an activity prohibited by the By-laws of the Corporation, who commits an act or makes statements contrary to or incompatible with the objectives of the Corporation, or for just and sufficient cause.

If the default is not remedied, the Board of Directors shall then send through the General Manager or the Assistant General Manager a written notice of not less than seven (7) days informing the Member whose expulsion is proposed of the date of this meeting of the Board of Directors and the proposed resolution. The notice may be delivered in person or sent by mail to the Member's last address appearing in the register of Members of the Corporation. Any Member who is the object of such notice may make representations at the duly called meeting of the Board of Directors.

3.4.2 The decision of the Board of Directors to this end shall be final and not subject to appeal and the Board of Directors is authorized to adopt and follow in this matter the procedure it may determine from time to time.

3.4.3 A suspended Member may not benefit from the privileges of membership as long as the arrears of the environmental levy have not been paid in full and the Board of Directors has not accepted his reinstatement as a Member of the Corporation.

3.5 MAINTENANCE OF OBLIGATIONS

A Member's obligations under the terms of the Membership Agreement shall cease on the effective date of the Member's expulsion. However, the withdrawal or expulsion of the Member shall in no way release the Member from any obligation then due to the Corporation.

3.6 NOTICE TO RECYC-QUÉBEC

In the event of application of one or more of the foregoing subsection with respect to a Member's withdrawal or expulsion, the Corporation shall give notice to Société de récupération et de recyclage du Québec (Recyc-Québec) of the decision of the Board of Directors of the Corporation regarding the withdrawal or expulsion of a Member.

BY-LAW NUMBER FOUR

BOARD OF DIRECTORS

4.1 NUMBER OF DIRECTORS

The Board of Directors is composed of fourteen (14) Directors elected from among the Members or appointed or designated, with or without the right to vote, as stipulated in subsection 4.2.1 hereafter. The members of the Board of Directors with the right to vote are representative of the Members of the Corporation and come from different sectors of activity tied to the categories of Covered Products by the EPR Regulation, to wit the oils category (lubricating and cleaning), the filters category and the antifreeze category.

4.2 STRUCTURE OF THE BOARD OF DIRECTORS

4.2.1 The composition of the Board of Directors, depending on the number of Directors stipulated in the By-laws, is as follows:

- The Vice-President for Eastern Canada of the Canadian Fuels Association who is ex-officio member of the Board of Directors (with the right to vote).

- Eight (8) people, with the right to vote, from companies or an association in the oils category (lubricating and cleaning) that are: Brand owners or users or First suppliers of Covered Products in this category of Covered Products that they market in Quebec: or companies that market in Quebec a product in which a component is a Covered Product in this category; or a representative association of Members covered by this category of Covered Products.

- Three (3) people, with the right to vote, from companies or an association in the filters category that are: Brand owners or users or First suppliers of Covered Products in this category of Covered Products that they market in Quebec; or companies that market in Quebec a product in which a component is a Covered Product in this category; or a representative association of Members covered by this category of Covered Products.

- Two (2) people, with the right to vote, from the antifreeze category that are: Brand owners or users or First suppliers of Covered Products in this category of Covered Products that they market in Quebec; or companies that market in Quebec a product in which a component is a Covered Product in this category; or a representative association of Members covered by this category of Covered Products.

A representative of the Société de récupération et de recyclage du Québec and the Chairman of the Awareness Committee may attend meetings of the Board of Directors as observers.

4.2.2 Subject to paragraph 4.2.1, the Board of Directors of the Corporation may not have more than one person from a same Member of the Corporation to sit as a Director, regardless of the categories of Covered Products.

4.2.3 In the event of a vacancy on the Board of Directors of the Corporation, under the terms of subparagraph d) of paragraph 4.3.2 of this By-law, it is understood that the vacancy shall be filled in accordance with paragraph 4.2.1 of this By-law. The person nominated by the Board to fill the vacant seat will sit on the Board until the mandate of the Director who left the vacant seat expires and shall become eligible when is seat comes up for election as per the provisions of paragraph 4.3.1.

4.3 CAPACITY AND TERM OF OFFICE

4.3.1 Each Director shall take office at the close of the General Meeting of the Members at which he was elected by the majority of the votes cast in this election or at which he was appointed or designated as stipulated in subsection 4.2. It is unnecessary for the Directors of the Corporation to be elected by secret ballot, except at the express request of a person present and entitled to vote at the Meeting at which the said election is held. Subject to what is stipulated hereinafter, each Director thus elected or appointed or designated as stipulated in subsection 4.2 shall remain in office until the second Annual Meeting following his election, appointment or designation or until the election, appointment or designation of his successor, unless he resigns or is incapable of acting, either due to his death, or due to his dismissal or for any other cause**.**

4.3.2 The position of Director shall become vacant, *ipso facto,* upon the occurrence of any of the following events, namely**:**

a) if the Director or the Member whose representative sits on the Board of Directors ceases to be a Member of the Corporation or to possess any other qualification required;

b) if the Member whose representative sits on the Board of Directors becomes bankrupt or makes an authorized assignment of its property for the benefit of its creditors in general or becomes insolvent;

c) if the Director is prohibited or becomes feeble-minded or is otherwise declared incompetent by the Act; or

d) if a Director fails to attend three (3) consecutive meetings of the Board of Directors of the Corporation during the same year of the Corporation, without justification, in the sole opinion of the Board and despite the sending of a notice to this effect, by the Board, to the Director in question.

4.3.3 The members of the Board of Directors whose seats will have been designated as "Seat 1" by the Board of Directors will be elected during an odd-numbered year and the members of the Board of Directors whose seats will have been designated as "Seat 2" by the Board of Directors will be elected during an even-numbered

year, so as to favour turnover on the Board of Directors. An adjustment regarding the length of the Directors' term of office may be established by the Board of Directors of the Corporation so as to comply with this procedure. The election of the Members of the Board of Directors who must be elected shall be held at each Annual General Meeting of the Corporation and all the Directors who have been in office for a two (2) year term shall be eligible for election. The Board of Directors, by resolution, may appoint a Director to replace any Director whose seat becomes vacant during his term of office in order to complete the term of office of the Director who left his seat vacant.

4.3.4 The Board of Directors will determine the procedures to be followed in order to ensure the transition in the event of a reduction in the number of Directors, in particular to maintain the turnover system set out in sub paragraph 4.3.3.

4.3.5 For the purposes of election of the members of the Board of Directors as set forth in sub-section 4.3.3, should there not be more than one candidate running for a seat on the Board of Directors designated for election, the person having submitted her/his candidacy is thus be elected by acclamation.

4.4 DISMISSAL OF DIRECTORS

Only the Members who have the right to elect a Director may dismiss him at a Special General Meeting called for this purpose. The Director who is the object of dismissal shall be informed of the place, date and time of the Meeting within the same notice period as is prescribed for calling the Meeting. The notice of meeting shall also mention that this person is liable to be dismissed and the principal motive for such a dismissal. The Director may attend and speak at the Meeting or, in a written declaration read by the Chair of the Meeting, may set out the grounds of his opposition to the resolution proposing his dismissal. A vacancy created by the dismissal of a Director may be filled at the Meeting at which the dismissal occurred or, failing this, in accordance with the third paragraph of Section 89 of the *Companies Act*. The notice of this Meeting shall mention, as the case may be, the holding of such an election if the dismissal resolution is adopted.

4.5 MANAGEMENT OF THE CORPORATION'S BUSINESS

The management of Corporation's business shall devolve upon its Directors.

4.6 BY-LAWS AND RESOLUTIONS

All the By-laws and all the resolutions of the Directors shall be passed or adopted at duly convened meetings. Nonetheless, the signatures of all the Directors of the Corporation at the bottom of any document (which may be signed in counterpart) or, if appropriate, their approval by email of any such document constituting a by-law or a resolution which could be passed or adopted by the Directors at a meeting, shall give such a by-law or such a resolution the same value and the same effect as if this by-law or this resolution had been passed or adopted, as the case may be, by a vote of the Directors at a meeting duly called and held.

4.7 REMUNERATION OF THE DIRECTORS

The Directors are not entitled to any remuneration.

4.8 HOLDING OF BOARD MEETINGS

The meetings of the Board of Directors of the Corporation shall be called by the Chairman of the Board or the General Manager and shall be held no less than twice a year. A special meeting of the Board of Directors may be called at any time by the Chairman of the Board or, in his absence, by the Vice-Chairman of the Board. Also, it may be requested by means of a written notice, giving the reason, by no less than fifty percent (50%) of the Members of the Board of Directors.

4.9 PLACE OF BOARD MEETINGS

The meetings of the Board of Directors may be held at any place within the Province of Québec or at any other place determined by the Board of Directors.

4.10 NOTICE OF MEETING

A notice of meeting indicating the date, time and place of each regular meeting of the Board of Directors shall be transmitted to each Director by regular mail addressed to Director's last address appearing in the register of the Corporation or by email to his last email address furnished to the General Manager, and this, no less than seven (7) calendar days before the scheduled date of the meeting.

4.11 SPECIAL MEETINGS OF THE BOARD

When it is necessary to call a special meeting of the Directors, a notice of meeting indicating the date, time and place of the meeting shall be transmitted to each Director by email, telephone or fax no less than forty-eight (48) hours before the date of the special meeting. Every Director attending the special meeting of the Board of Directors shall be deemed to have received the said notice of meeting.

4.12 QUORUM

No less than seven (7) of the members of the Board of Directors entitled to vote shall constitute a quorum. Every meeting of the Board of Directors at which there is a quorum shall be competent to exercise each and every one of the mandates, powers and discretions which the Act and the By-laws assign or recognize to the Directors. The questions raised at every meeting of the Directors shall be resolved by the affirmative vote of the majority of the Directors present.

4.13 CHAIRING OF MEETINGS

The Chairman of the Board or, in his absence, the Vice-Chairman of the Board, shall chair all the meetings of the Directors. If the Chairman of the Board or the Vice-Chairman of the Board is absent or refuses to act, the persons present may choose someone from among

their number to act as chairman. The chairman of any meeting of the Board of Directors shall be entitled to vote as a Director on any matter submitted to a vote of the meeting but, in the event of a tie vote, he shall not be entitled to a second vote or a casting vote.

4.14 TELEPHONE MEETING

If all the Directors attending a meeting of the Board consent thereto, one or more of the Directors may participate by telephone or by any other mode of communication allowing all the persons attending the meeting to hear the others, and a Director participating in this way in such a meeting held in this manner shall be deemed to be present at the meeting.

BY-LAW NUMBER FIVE

COMMITTEES

The Board of Directors may constitute all the committees it deems appropriate in the interests of the Corporation and determine their mandates and duties. The members of such committees are not necessarily required to be Members of the Corporation. The chairman, one of the vice-chairmen, as the delegate of the chairman, the General Manager or the Assistant General Manager shall be an ex officio member of such committees. The Board of Directors must constitute a Governance Committee whose mandate will be to supervise the nomination process leading to the appointment of the Directors and to proceed to the evaluation of the applications received or submitted in order to recommend candidates for the positions of Directors of the Corporation, an Audit and Finance Committee and a Human Resources and Appointment Committee.

The committees, within the framework of their mandate and the study of the information submitted to them shall have the sole power of submitting recommendations to the Board of Directors of the Corporation.

BY-LAW NUMBER SIX

EXECUTIVE COMMITTEE

6.1 COMPOSITION

The Board of Directors, by resolution, may elect an Executive Committee composed of the number of members determined from time to time, by resolution of the Board of Directors, which at no time shall be less than three (3).

Each member of the Executive Committee shall hold office at the pleasure of the Board of Directors. The Board of Directors, by resolution, may replace any member from time to time, without any reason, or proceed to increase or make any other change in the composition of the Executive Committee.

6.2 MEETINGS

The Board of Directors, by resolution, may adopt By-laws concerning the calling and holding of meetings of the Executive Committee and concerning the quorum required and

the procedure to follow at these meetings; it may also repeal, amend or reinstate these By-laws.

6.3 POWERS

Subject to the aforesaid By-laws, the Executive Committee may, when the Board of Directors is not sitting, exercise each and every one of the powers specific to the Board of Directors, except the powers to adopt, amend or revoke the By-laws or to appoint any Director of the Corporation, and accomplish all other acts which must be performed by the Directors themselves by virtue of the Act.

6.4 BOOKS

The Executive Committee shall maintain an account and a register in good and valid form of all the resolutions it has adopted and shall transmit them, on request, to the Board of Directors.

6.5 REMUNERATION

The members of the Executive Committee are not entitled to any remuneration in this capacity.

BY-LAW NUMBER SEVEN

AWARENESS COMMITTEE

7.1 AWARENESS COMMITTEE

7.1.1 The Board of Directors, within sixty (60) days of the election of its members, shall proceed with the creation of an Awareness Committee and shall designate the members who compose it. This Committee shall be made up of (9) members and composed as follows:

- one (1) representative of the Ministry of the Environment and Fight against Climate Change (as designated currently or otherwise, as the case may be);
- one (1) representative of the Société Québécoise de récuperation et de recyclage ("RECYC-QUÉBEC");
- two (2) representatives of municipal associations;
- one (1) representative of the recovery businesses;
- one (1) representative of the reclamation businesses;
- one (1) representative of Québec environmental associations;

- one (1) representative of Québec consumer associations; and

- one (1) representative of the Conseil québécois du commerce de détail.

The General Manager or, in his absence, the Assistant General Manager shall be an ex officio member of the Awareness Committee.

7.1.2 The Awareness Committee shall be called at least once (1) a year. The members of the Awareness Committee shall designate from among their number a person to chair the meetings of the Awareness Committee. The Chairman of the Awareness Committee shall sit on the Board of Directors as observer.

7.1.3 The Awareness Committee shall have the function, in particular, of formulating recommendations to the Board of Directors on the development and implementation of measures intended to improve the operation of the recovery and reclamation system pertaining to the Corporation.

7.1.4 While assuring a certain continuity in the members of the Awareness Committee in order to preserve an appropriate level of experience, the Board of Directors shall also favour a renewal of the members of the Awareness Committee to allow the contribution of new experiences and avoid the development of any conflict of interest.

7.2 POWER OF THE AWARENESS COMMITTEE

The Awareness Committee has no authority to act on account or on behalf of the Board of Directors, its sole power being to submit recommendations to the Board of Directors of the Corporation.

BY-LAW NUMBER EIGHT

OFFICERS

8.1 UPPER MANAGEMENT

The upper management of the Corporation shall be composed of a Chairman of the Board and a Vice-Chairman of the Board chosen by and among the Directors entitled to vote, a Secretary and a General Manager and, as the case may be, an Assistant General Manager . One or more Assistant Secretaries and/or Assistant Treasurers may also be appointed. by the Corporation. These Officers shall be elected or appointed, as the case may be, by the Board of Directors at its first meeting after the first General Meeting of the Members and, thereafter, at the first meeting of the Board of Directors after each Annual General Meeting of the Members, and these Officers of the Corporation shall remain in office until their successors have been chosen and elected or appointed in their place. Other Officers may also be elected and/or appointed, as the case may be, when the Board of Directors deems it necessary, from time to time. These Officers shall duly perform the duties, in addition to those specified in the By-laws, which the Board of Directors prescribes from time to time. The same person may hold more than one (1) office, provided, however, that the offices of

Chairman of the Board and Vice-Chairman of the Board are not filled by the same person. It is unnecessary for these officers of the Corporation, except for the Chairman of the Board and the Vice-Chairman of the Board, to be Directors of the Corporation.

8.2 CHAIRMAN OF THE BOARD

The Chairman of the Board of Directors shall be designated by the Directors at the first meeting of the Board of Directors following the Annual General Meeting of the Corporation. The Chairman of the Board or, in his absence, the Vice-Chairman of the Board who is part of the Board of Directors, shall chair all the Meetings of the Members and all the meetings of the Directors. He shall have all the other powers and duties that the Board of Directors may assign to him by resolution from time to time.

8.3 VICE-CHAIRMAN OF THE BOARD

The Vice-Chairman of the Board of Directors shall be designated by the Directors at the first meeting of the Board of Directors following the Annual General Meeting of the Corporation. In the absence of the Chairman of the Board, the Vice-Chairman of the Board shall chair the meetings of the Directors and shall be entitled to vote as a Director on any matter submitted to a vote of the meeting.

8.4 GENERAL MANAGER

8.4.1 The Directors, from time to time, shall appoint a General Manager of the Corporation, chosen or not from among the Directors. The General Manager shall call the meetings of the Board of Directors and manage the business of the Corporation, report to the Board of Directors and exercise the general or special powers the Board of Directors may delegate to him from time to time, by resolution. In the event that a Secretary or Assistant Secretaries are not appointed, he shall have safekeeping of the Corporate Seal and assume the responsibilities of the Secretary and the Assistant Secretaries heretofore described.

8.4.2 In the event that a Treasurer is not appointed, he shall also assume the functions of Treasurer as described, as the case may be, by the Board of Directors.

8.5 ASSISTANT GENERAL MANAGER

8.5.1 The Directors may, if necessary, appoint an Assistant General Manager to the Corporation, chosen or not among the Directors. The Assistant General Manager shall perform the functions delegated or entrusted by the General Manager and exercise the powers that the Board of Directors may, on occasion, delegate to him either generally or in a special way, by resolution.

8.5.2 In the event that a treasurer is not appointed, he will also assume, upon request from the General Manager, the Treasurer's duties, as described, where applicable, by the Board of Directors

8.6 TREASURER AND ASSISTANT TREASURER

The Treasurer shall have the finances of the Corporation under his specific oversight. He shall deposit the Corporation's cash and other securities, in the name and to the credit of the Corporation, with any banks, trust companies or other depositaries which the Board of Directors designates by resolution, from time to time. When required by the Board of Directors, he shall account for the Corporation's financial position and all of his transactions as Treasurer; and as soon as possible after the close of each fiscal year, he shall prepare and submit to the Board of Directors a report on the past fiscal year. He shall be responsible for the custody, deposit and keeping of all the account books and other documents which, according to the laws governing the Corporation, must be kept by the Corporation. He shall perform all the other duties specific to the function of Treasurer, and those which the Board of Directors may assign to him from time to time by resolution, all under the oversight and control of the said Board of Directors.

The Assistant Treasurer may perform any function of the Treasurer which the Board of Directors or the Treasurer may assign to him from time to time.

8.7 SECRETARY AND ASSISTANT SECRETARY

The Secretary shall give and serve any notice of the Corporation and shall draft and retain the minutes of all the Meetings of the Members and meetings of the Board of Directors in a book or books for this purpose. He shall have safekeeping of the Corporate Seal. He shall be responsible for the registers of the Corporation, including the books in which the names and addresses of the Members and the Directors are recorded, jointly with all the copies of all the reports made by the Corporation and all the other books and documents which the Board of Directors may order and/or entrust to him. He shall be responsible for the custody and production of all books, reports, certificates and other documents of which the Act requires the custody and production. He shall perform all the other duties relating to his office, as well as those which the Board of Directors may assign to him from time to time, by resolution.

The Assistant Secretary may perform any function of the Secretary that the Board of Directors or the Secretary may assign to him, from time to time.

8.8 SECRETARY-TREASURER

When the Secretary also performs the functions of Treasurer, he may, at the option of the Board of Directors, be designated as "Secretary-Treasurer".

8.9 DISMISSAL AND TERMINATION

The Board of Directors, by resolution, may dismiss and terminate any Officer or employee of the Corporation at any meeting called for this purpose and may elect or appoint others in their place. Any employee of the Corporation, other than a Director or Officer appointed by the Board of Directors, may also be dismissed from his functions and terminated by the Chairman of the Board or the General Manager.

8.10 REMUNERATION

The remuneration of the General Manager and, as the case may be, the Assistant General Manager of the Corporation shall be determined, from time to time, by resolution of the Board of Directors.

BY-LAW NUMBER NINE

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Each of the Directors and Officers of the Corporation and any person who, at the Corporation's request, acts in this capacity for a legal person of which the Corporation is a Member, shareholder or creditor, and their heirs, liquidators, executors and administrators, assigns, mandataries and representatives, shall be respectively held harmless and guaranteed against the following at all times and indemnified and reimbursed from the Corporation's funds:

a) all fees, charges, expenditures and liability borne, made or incurred by this Director or this Officer or this person in the course or on the occasion of any action, suit or civil, penal or administrative judicial proceeding, instituted, exercised or continued against him, due to or on the occasion of any act or thing done, performed or permitted by him, either before or after the promulgation of this By-law, in or on the occasion of the performance of his functions, and

b) all other fees, charges, expenditures and liability borne, made or incurred by this Director or this Officer or this person in the course or on the occasion of business pertaining or relating to this functions;

the whole with the exception, however, of fees, charges, expenditures and liability resulting from his own fault, carelessness or deliberate omission.

Moreover, no Director or Officer of the Corporation then in office shall be liable for the acts, encashments, negligence or defaults of any other Director or Officer or employee nor for having been party to any encashment or act to allow its execution, nor shall be liable for any damage, loss or expenditure incurred by the Corporation due to the insufficiency or defect of title of any property acquired for and in the name of the Corporation on the order of the Board of Directors or due to the insufficiency of any security in respect of any investments of the Corporation, nor shall be liable for any damage or loss resulting from the bankruptcy, insolvency or prejudicial act of any person, firm or legal person with whom or which any cash, securities or instruments of the Corporation will have been invested or deposited, nor shall be liable for any damage, loss or misfortune of any nature resulting from any transaction that might occur in or pertain to the performance of his function, unless these events result from his own fault, carelessness or deliberate omission.

The Corporation hereby consents to the indemnification stipulated in the By-laws and shall proceed, at the expedient time, to obtain liability insurance coverage of the Directors and Officers of the Corporation with a recognized insurer for an amount deemed sufficient by the Board of Directors.

BY-LAW NUMBER TEN

MEETINGS

10.1 ANNUAL GENERAL MEETING

10.1.1 The Annual General Meeting of the Members of the Corporation shall be held at least once per calendar year and no later than four (4) months after the close of the Corporation's fiscal year on the date determined by the Directors by resolution or on the date determined, as the case may be, by the By-laws.

10.1.2 The Annual General Meetings of the Members of the Corporation shall be held at the Corporation's head office or elsewhere in the Province of Québec, in accordance with a resolution of the Board of Directors**.** The Board of Directors can by resolution decide to hold the annual general meeting of the Members, as well as any other meeting of the Members, by videoconference or any other electronic means that allows the participants to be visible and to be heard as if they were present in person at such meeting.

10.2 SPECIAL MEETINGS

10.2.1 The General Meetings of the Members other than the Annual Meeting shall be Special General Meetings. They may be called, at any time and from time to time by the Chairman of the Board or, in his absence, by the Vice-Chairman of the Board or by resolution of the Board of Directors, or shall be called when no less than one third of the Members of the Corporation so request in writing. Such resolution or request shall specify the purpose for which the Meeting must be called.

10.2.2 The Chairman of the Board or, in his absence, the Vice-Chairman of the Board shall, in the event of the adoption of such a resolution or the receipt of such a request, shall ensure that the Meeting is called by the General Manager of the Corporation, in accordance with this resolution or request. In default of such action, any Director may call the Meeting or this Meeting may be called by the said Members themselves, in accordance with and subject to the provisions of the laws governing the Corporation.

10.2.3 The Special Meetings or Special General Meetings of the Members of the Corporation shall be held at the Corporation's head office or elsewhere in the Province of Québec, in accordance with a resolution of the Board of Directors.

10.3 NOTICE OF MEETINGS

10.3.1 A notice specifying the purpose, place, date and time of any Annual General Meeting or any Special Meeting or Special General Meeting of the Members shall be served on all the Members who are entitled to such notice or left at their respective residence or their respective regular place of business appearing in the register of the Corporation or sent to them by mail, postage-paid, or by fax, at their

respective address, such as it appears in the register of the Corporation, or by email transmitted by the General Manager, or, in his absence, the Assistant General Manager, no less than ten (10) days and no more than sixty (60) days before the date determined for the Meeting; neither the day when such notice is served or sent (day *a quo*), nor that on which such Meeting shall be held (day *ad quem*) shall be counted to determine the said notice period**.**

10.3.2 It is unnecessary to give a notice of the time, place or purpose of a Meeting of the Members, notwithstanding any prescriptions of the Act or the By-laws, to a Member who is present at the Meeting or who, in writing, by fax or by any other means of communication recorded in the file of the Meeting, waives the notice either before or after the holding of the Meeting.

10.3.3 In all cases where the calling of a Meeting of the Members is considered by the Chairman of the Board or, in his absence, by the Vice-Chairman of the Board, at his discretion, to be an urgent matter, notice of the Meeting of the Members may be given in writing or orally, or by telephone, fax or otherwise, no less than fourty-eight (48) hours before the holding of such Meeting, this notice being sufficient for the Meeting thus called.

10.3.4 Mere irregularities in the notice or in the manner of giving it, and the unintentional omission to give notice of a Meeting to a Member or the failure of a Member to receive such notice, shall in no way invalidate the acts taken or committed at the Meeting concerned.

10.4 CHAIRING OF THE MEETINGS

The Chairman of the Board or, in his absence, the Vice-Chairman of the Board, shall chair all the Meetings of the Members. If the Chairman of the Board or the Vice-Chairman of the Board is absent or refuses to act, the persons present may choose someone from among their number to act as chairman. In the event of a tie vote, the chairman of any Meeting of the Members shall be entitled to a second vote or a casting vote on any matter submitted to a vote of the Meeting.

10.5 QUORUM

10.5.1 The Members present of the Corporation shall constitute a quorum, both for the Annual General Meeting of the Members and for a Special General Meeting of the Members of the Corporation. The quorum is required only at the opening of the Meeting.

10.5.2 The acts of the majority of the Members entitled to vote thus present at the said Meeting shall be considered as the acts of all the Members present, except for the case when the vote or consent or a number of Members greater than the majority is required or imposed by the laws of the Province of Québec, by the Instrument of Incorporation or by the By-laws. Subject to the foregoing, the vote of the majority of the Members at any Annual General Meeting who are entitled to vote at the

Meeting shall be sufficient to ratify validly any previous act of the Board of Directors and the Officers of the Corporation.

10.5.3 If there is no quorum at a Meeting of the Members, the Meeting, in the event that it has been called at the request of Members, shall be closed. In any other case, those who are present in person and who are entitled to be counted for the purpose of constituting a quorum shall have the power to adjourn the Meeting to the place, date and time they may then determine, by resolution, on condition that a notice of this second Meeting or adjourned Meeting is subsequently given to all the Members entitled to such notice, in the manner and within the times stipulated in subsection 10.3 of this By-law Number Ten. The quorum, at this second Meeting or adjourned Meeting, shall be constituted according to the requirements of paragraph 10.5.1 of this By-law Number Ten. At this second Meeting or adjourned Meeting, any matter may be validly discussed which could have been validly discussed at the original Meeting**.**

10.6 RIGHT TO VOTE AND PROXY VOTING

10.6.1 At any Meeting of the Members, each Member present at this Meeting shall be entitled to one vote, unless the Instrument of Incorporation prescribes another method of voting, in which case this other method shall be followed. The Mandatary Member present at this Meeting shall be entitled to one vote, unless the Instrument of Incorporation prescribes another method of voting, in which case this other method shall be followed.

10.6.2 Any Member may request, before a vote is held, a secret ballot vote on any matter submitted to a vote of the Members.

10.6.3 Proxy voting is not permitted except for the Members who are legal persons**.**

10.7 TELEPHONE MEETING AND MAIL-IN VOTING

Under reserve of sub-section 10.1.2, no meeting held by telephone and no mail-in vote is permitted.

10.8 AGENDA

At the Annual General Meeting of the Members, the agenda may deal, among others, with the following points:

a) opening of the session;

b) reading of the notice of meeting, as the case may be, and recognition that it has been duly given or duly waived;

c) recognition that there is a quorum;

d) reading of the minutes of the previous Annual General Meeting and Special Meetings of Special General Meetings of the Members held since, as the case may be, and, if applicable, approval of the minutes;

e) presentation of the annual report of the Directors, as the case may be;

f) presentation of the balance state and the general statement of revenue and expenditure;

g) discussion of the auditors' report, as the case may be, and the financial statements, if applicable, their acceptance;

h) presentation of the annual report of the General Manager;

i) election of the Directors, if applicable;

j) appointment of the auditors, if applicable, and determination of their remuneration;

k) approval, ratification, sanction and confirmation, on condition that the notice of meeting mentions it, of the establishment, repeal or amendment of the By-laws, as the case may be;

l) approval, ratification, sanction and confirmation of the acts, decisions and resolutions of the Directors and/or officers of the Corporation since the previous Annual General Meeting;

m) other business, as the case may be, on condition that the notice of meeting mentions it; and

n) closing of the Meeting.

10.9 Any proposition that a Member wishes to submit to the next General Annual Meeting of Members must be received at the Corporation's Head Office by December 31, at the latest, in order to be included in the Agenda.

10.10 No new business may be discussed by the Annual General Meeting without the consent of two thirds ($^2/_3$) of the Members attending the said Meeting. Such a motion of new business shall be presented at the opening of the Meeting and written copies of this motion shall be available for all the Members attending this Meeting. Any new business thus presented shall be discussed at the end of the agenda of this Meeting.

BY-LAW NUMBER ELEVEN

FISCAL YEAR, ACCOUNTS AND AUDIT

11.1 FISCAL YEAR

The Corporation's fiscal year shall end on December 31 of each year or on any other date the Board of Directors may determine.

11.2 ACCOUNTS

11.2.1 The Directors shall arrange to have the appropriate account books kept concerning all the sums of money received and expended by the Corporation, and the objects of its receipts and expenditures, all the sales and all the purchases of securities by the Corporation, the assets and liabilities of the Corporation and all other transactions which affect the Corporation's financial position.

11.2.2 The account books shall be kept at the Corporation's head office or at any other place in the Province of Québec that the Directors deem suitable and the Directors may examine them at any reasonable time.

BY-LAW NUMBER TWELVE

CONTRACTS, CHEQUES, DRAFTS, ACCOUNTS

12.1 CONTRACTS

All instruments, deeds, documents, transfers, commitments, bonds, debentures and other instruments which the Corporation must execute shall be signed by the President or one of the Vice-Presidents or a Director of the Corporation. The Board of Directors may, from time to time, by resolution, authorize other persons to sign on behalf of the Corporation. This authorization may be general or limited to a specific case. Except as stated previously or as otherwise stipulated in the By-laws of the Corporation, no Director, Officer, representative or employee of the Corporation shall have the power or authorization to bind the Corporation by contract or otherwise, or to commit its credit.

12.2 CHEQUES AND DRAFTS

All cheques, bills of exchange and other money orders, notes or debt securities, issued, accepted or endorsed in the name of the Corporation shall be signed by such Director, Officer or representative or such Directors, Officers or representatives of the Corporation and in the manner determined by the Board of Directors, from time to time, by resolution; any of these Directors, Officers or representatives may endorse the notes and drafts alone for collection for the Corporation's account, through its bankers, and endorse the notes and cheques for deposit in the Corporation's bank, to the Corporation's credit; these instruments may also be endorsed "for collection" or "for deposit" in the Corporation's bank, using the Corporation's stamp for this purpose. Any of these Directors, Officers or representatives appointed for this purpose may arrange, settle, verify and certify all the books and accounts between the Corporation and its bankers and may receive all the cheques paid and the vouchers and sign all the audit settlement and discharge settlement forms and bank checklists.

12.3 DEPOSITS

The Corporation's funds may be deposited, from time to time, to the Corporation's credit with such banks or with such trust companies or with such bankers as the Board of Directors approves, from time to time, by resolution.

BY-LAW NUMBER THIRTEEN

REPRESENTATIONS

The Chairman of the Board, the Vice-Chairman of the Board, the General Manager , the Assistant General Manager or the Secretary or any other employee of the Corporation or person appointed for this purpose by the Board of Directors have the authorization and the right, collectively or individually, to appear and answer, for the Corporation and in its name, on any writ, order and examination on affidavit issued by any court of law and to make, for and in the name of the Corporation, any declaration on writ of seizure by garnishment in which the Corporation is garnishee and to make all the affidavits and sworn declarations pertaining thereto or pertaining to any lawsuit in which the Corporation is one of the parties and to petition for the assignment of property or the liquidation of any debtor of the Corporation and to obtain a bankruptcy order against any debtor of the Corporation and to attend and vote at any meeting of the creditors of the debtors of the Corporation and to give proxies to this effect.

Any Director or Officer of the Corporation has the authorization to sign, for and on behalf of the Corporation, all the declarations prescribed under the terms of the *Act respecting the legal publicity of sole proprietorships, partnerships and legal persons.*

BY-LAW NUMBER FOURTEEN

BORROWING

The Board of Directors is hereby authorized, at any time and from time to time:

a) to borrow money and obtain advances on the credit of the Corporation from any bank, savings and credit union, lending institution, corporation, partnership or person, on the terms, covenants and conditions, in the periods, for the amounts, to the extent and in the manner the Board of Directors, at its discretion, may deem suitable;

b) to restrict or increase the amounts to be borrowed;

c) to issue or arrange for the issuance of bonds, debentures or other securities of the Corporation and pledge them as security or sell them for the amounts, on the terms, covenants and conditions and at the price the Board of Directors may deem suitable;

d) notwithstanding the provisions of the *Civil Code of Québec*, to grant a hypothec, even an open hypothec, on the universality of movable and immovable property, present or future, corporeal or incorporeal as stipulated in the *Special Corporate Powers Act* and in any other manner;

e) to hypothecate the immovables or movables or otherwise encumber any of the Corporation's movable property;

f) in guarantee of all discounts, overdrafts, borrowing, credit, advances or other debts, or commitments, on the part of the Corporation to any bank, savings and credit union, lending institution, corporation, partnership or person, and the interest thereon, to hypothecate or otherwise encumber in favour of any bank, savings and credit union, lending institution, corporation, partnership or person, all or part of the Corporation's property, real or personal or mixed, movable or immovable, present or future, and to give any security thereon that a bank may accept under the provisions of the *Bank Act* and to renew, amend, vary or replace such security at its discretion, with the right to promise to give the security according to the *Bank Act* for all debts contracted or to be contracted by the Corporation with any bank;

g) to procure or assist in procuring funds and assist by means of bonuses, loans, promises, endorsements, security or otherwise, any other company with which the Corporation may do business or some of the shares, bonds or other securities which are held by the Corporation and guarantee the performance or accomplishment of all contracts, commitments or obligations of such a company or any person with which the Corporation may do business and, in particular, to secure the payment of the principal and the interest on the bonds or other securities, hypothecs and debts of such a company;

h) to exercise in general each or all of the rights and powers that the Corporation itself may exercise under its letters patent and the laws that govern it; and

i) to delegate, by resolution or By-law, to any Officer or Director, each and every one of the powers hereby conferred on the Board of Directors.

The powers to borrow and pledge security authorized hereby are considered to be permanent powers and not to end after the first use that will be made thereof, and they may be exercised from time to time thereafter, as long as this By-law has not been revoked and a notice of its revocation has not been given to whom it may concern.

BY-LAW NUMBER FIFTEEN

PROMULGATION, REVOCATION AND AMENDMENT OF THE BY-LAWS

The Directors may, from time to time, promulgate or adopt By-laws concerning all the matters discussed in the laws and regulations that govern the Corporation, and they may revoke, amend or reinstate all By-laws. These By-laws (except for the By-laws which simply deal with the representatives, Officers and employees of the Corporation and the By-laws which, by virtue of the provisions of the said laws, must be approved and ratified by the Members and be deposited with the *Registraire des enterprises* before coming into force) and each revocation, amendment or reinstatement of these By-laws, unless they are ratified in the interim at a Special General Meeting of the Members of the Corporation, duly called for this purpose, shall only be in force until the next Annual General Meeting of the Corporation and, if they are not ratified at this Meeting, they shall cease to be in force, but only effective from the date of the said Meeting.