

BY-LAW NUMBER 1

of

OUT ON THE SHELF INC.

ENACTED January 29, 2008

TABLE OF CONTENTS

ARTICLE I INTERPRETATION	1
1.1 Definitions	1
1.2 Interpretation	1
ARTICLE II HEAD OFFICE	2
2.1 Head Office	2
ARTICLE III SEAL	2
3.1 Seal	2
ARTICLE IV DIRECTORS	2
4.1 Duties and Number	2
4.2 Qualifications	2
4.3 Election and Removal	2
4.4 Vacation of Office	3
4.5 Filling Vacancies	3
ARTICLE V MEETINGS OF DIRECTORS.....	3
5.1 Place of Meeting	3
5.2 Notice	3
5.3 Error or Omission in Giving Notice.....	4
5.4 Adjournment	4
5.5 Regular Meetings	4
5.6 Quorum	4
5.7 Voting	5
5.8 Detailed Voting Ballot	5
5.9 Telephone Participation	5
5.10 Meetings by Other Electronic Means.....	5
ARTICLE VI POWERS OF DIRECTORS	5
6.1 Administer Affairs	5
6.2 Expenditures	6
6.3 Borrowing Power	6
6.4 Fund Raising	6
6.5 Agents and Employees.....	6
6.6 Executive Committee	6
6.7 Additional Committees or Advisory Councils.....	7
ARTICLE VII REMUNERATION OF DIRECTORS	7
7.1 Remuneration of Directors.....	7
ARTICLE VIII OFFICERS	8
8.1 Appointment	8
8.2 Remuneration of Officers	8
8.3 Removal of Officers.....	8
8.4 Vacancies	8
8.5 Duties of Officers May be Delegated	8
8.6 Powers and Duties	9
ARTICLE IX FOR THE PROTECTION OF DIRECTORS AND OFFICERS	10
9.1 For the Protection of Directors and Officers	10
ARTICLE X INDEMNITIES TO DIRECTORS AND OTHERS	11
10.1 Indemnities to Directors and Others	11
ARTICLE XI INTERESTED DIRECTOR CONTRACTS.....	11
11.1 Conflict of Interest	11
11.2 Submission of Contracts or Transactions to Members for Approval	11

ARTICLE XII MEMBERS	12
12.1 Entitlement.....	12
12.2 Resignation.....	12
12.3 Termination of Membership.....	12
ARTICLE XIII MEMBERSHIP DUES	12
13.1 Dues.....	12
ARTICLE XIV MEMBERS' MEETINGS.....	13
14.1 Time and Place of Annual Meeting.....	13
14.2 Annual Meetings.....	13
14.3 Special Meetings.....	13
14.4 Notice.....	13
14.5 Waiver of Notice.....	14
14.6 Error or Omission in Giving Notice.....	14
14.7 Quorum.....	14
14.8 Chairperson of the Meeting.....	14
14.9 Adjournment.....	14
14.10 Meetings by Teleconference.....	14
14.11 Meetings by Other Electronic Means.....	14
14.12 Votes.....	15
14.13 Proxies.....	15
ARTICLE XV VOTING SHARES AND SECURITIES.....	16
15.1 Voting Shares and Securities.....	16
15.2 Custody of Securities.....	17
ARTICLE XVI EXECUTION OF INSTRUMENTS.....	17
16.1 Execution of Instruments.....	17
ARTICLE XVII CHEQUES, DRAFTS, NOTES, ETC.....	17
17.1 Cheques, Drafts, Notes, Etc.....	17
ARTICLE XVIII NOTICES.....	18
18.1 Service.....	18
18.2 Signature to Notices.....	18
18.3 Computation of Time.....	18
18.4 Proof of Service.....	18
ARTICLE XIX RULES AND REGULATIONS	18
19.1 Rules and Regulations.....	18
ARTICLE XX BY-LAWS.....	18
20.1 By-laws.....	18
ARTICLE XXI AUDITORS.....	19
21.1 Auditors.....	19
ARTICLE XXII FINANCIAL YEAR	19
22.1 Financial Year.....	19

**BY-LAW NUMBER 1 of
OUT ON THE SHELF INC.**

A By-Law relating generally to the conduct of the affairs of the Corporation.

BE IT ENACTED as a by-law of **OUT ON THE SHELF INC.** as follows:

ARTICLE I
INTERPRETATION

1.1 Definitions. In this By-law, unless the context otherwise specifies or requires:

- (a) "**Act**" means the *Canada Corporations Act*, R.S.C. 1970, c. C-32 as from time to time amended and every statute that may be substituted therefor and, in the case of such substitution, any references in the By-laws of the Corporation to provisions of the Act shall be read as references to the substituted provisions therefor in the new statute or statutes;
- (b) "**By-laws**" means any By-law of the Corporation from time to time in force and effect;
- (c) "**Corporation**" means **OUT ON THE SHELF INC.**, a federal non-share capital Corporation incorporated under the Act;
- (d) "**Letters Patent**" means the letters patent and any supplementary letters patent of the Corporation; and
- (e) "**Regulations**" means the regulations made under the Act as from time to time amended from time to time amended and every regulation that may be substituted therefor and, in the case of such substitution, any references in the By-laws of the Corporation to provisions of the regulations shall be read as reference to the substituted provisions therefor in the new regulations.

1.2 Interpretation. This By-law shall, unless the context otherwise require, be construed and interpreted in accordance with the following:

- (a) all terms contained and which are defined in the Act, or the Regulations shall have the meanings given to such terms in the Act or such Regulations;
- (b) words importing the singular number only shall include the plural and vice versa; and the word "person" shall include bodies corporate, corporations, companies, partnerships, syndicates, trusts and any number of aggregate of persons; and
- (c) the headings used in the By-laws are inserted for reference purposes only and are not to be construed or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

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

ARTICLE II HEAD OFFICE

2.1 Head Office. Until changed in accordance with the Act, the head office of the Corporation shall be in the City of Guelph, in the County of Wellington, in the Province of Ontario.

ARTICLE III SEAL

3.1 Seal. The seal of the Corporation shall be such as the board of directors may by resolution from time to time approve.

ARTICLE IV DIRECTORS

4.1 Duties and Number. The affairs of the Corporation shall be managed by a board of directors, comprised of a minimum of three (3) directors, who may be known and referred to as directors, trustees or governors and who may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation that are not by the By-law or by statute expressly directed or required to be done in some other manner by a majority of the directors at a meeting of the board of directors and sanctioned. The number of directors shall be determined from time to time by a majority of the directors at a meeting of the board of directors and sanctioned by an affirmative vote of at least two-thirds (2/3) of the members at a meeting duly called for the purpose of determining the number of directors.

4.2 Qualifications. Every director shall be an individual, eighteen (18) or more years of age, with power under law to contract. Directors need not be members.

4.3 Election and Removal. Those named in the letters patent shall become the first directors of the Corporation whose terms of office on the board of directors shall continue until their successors are elected. At the first meeting of members, the board of directors then elected shall replace the provisional directors named in the Letters Patent. The directors' term of office (subject to the provisions, if any, of the Letters Patent or By-laws) shall be from the date of the meeting at which they are elected or appointed until the annual meeting next following or until their successors are elected or appointed. Directors shall be elected yearly by the members at the annual meeting on a show of hands unless a poll is demanded and if a poll is demanded such election shall be by ballot. The whole board of directors shall retire at the annual meeting at which the election of directors is to be made but, subject to the provisions of this By-law, shall be eligible for re-election; provided always that the members of the Corporation may, by resolution passed by at least two-thirds (2/3) of the votes cast at a general meeting of which notice specifying the intention to pass such resolution has been given, remove any director

before the expiration of that director's term of office and may, by a majority of the votes cast at the meeting, elect any person in the director's stead for the remainder of the director's term.

4.4 Vacation of Office. The office of a director shall ipso facto be vacated if the director:

- (a) becomes bankrupt or suspends payment of debts generally or compounds with creditors or makes an authorized assignment or is declared insolvent;
- (b) is found to be a mentally incompetent person or becomes of unsound mind;
- (c) if by notice in writing to the Corporation resigns office, which resignation shall be effective at the time it is received by the Corporation or at the time specified in the notice, whichever is later;
- (d) dies; or
- (e) is removed from office in accordance with paragraph 4.3.

4.5 Filling Vacancies. Subject to the provisions of paragraph 4.3, any vacancy occurring in the board of directors may be filled for the remainder of the term by the directors then in office, if they shall see fit to do so, so long as there is a quorum of directors in office; otherwise such vacancy shall be filled at the next annual meeting of the members at which the directors for the ensuing year are elected, but if there is not a quorum of directors, the remaining directors shall forthwith call a meeting of the members to fill the vacancy, and, in default or if there are no directors then in office, the meeting may be called by any member. If the number of directors is increased between the terms, a vacancy or vacancies, to the number of the authorized increase, shall thereby be deemed to have occurred, which may be filled in the manner above provided.

ARTICLE V **MEETINGS OF DIRECTORS**

5.1 Place of Meeting. Meetings of the board of directors may be held at any time and at any place within or outside Canada.

5.2 Notice. A meeting of directors may be convened by the Chairperson of the board, the Vice-Chairperson of the board, the President, if a director, a Vice-President who is a director or any two (2) directors at any time and the Secretary, when directed or authorized by any of such officers or any two (2) directors, shall convene a meeting of directors. Unless sent by mail, forty-eight (48) hours' notice of such meeting shall be given to each director. Notice of any such meeting that is sent by mail shall be served in the manner specified in paragraph 18.1 of this By-law not less than fourteen (14) days (exclusive of the day on which the notice is delivered or sent but inclusive of the day for which notice is given) before the meeting is to take place; provided always that a director may in any manner and at any time waive notice of a meeting of directors and attendance of a director at a meeting of directors shall constitute a waiver of notice of the meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called; provided further that meetings of directors may be held at any time without notice if all the directors are

present (except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called) or if all of the absent directors waive notice before or after the date of such meeting.

If the first meeting of the board of directors following the election of directors by the members is held immediately thereafter, then for such meeting or for a meeting of the board of directors at which a director is appointed to fill a vacancy in the board, no notice shall be necessary to the newly elected or appointed directors or director in order to legally constitute the meeting, provided that a quorum of the directors is present.

5.3 Error or Omission in Giving Notice. No error or accidental omission in giving notice of any meeting of directors shall invalidate or make void any resolution passed or any proceeding taken at such meeting.

5.4 Adjournment. Any meeting of directors may be adjourned from time to time by the chairperson of the meeting, with the consent of the meeting, to a fixed time and place. Notice of any adjourned meeting of directors is not required to be given if the time and place of the adjourned meeting is announced at the original meeting. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat.

The directors who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

5.5 Regular Meetings. The board of directors may appoint a day or days in any month or months for regular meetings of the board of directors at a place or hour to be named by the board of directors and a copy of any resolution of the board of directors fixing the place and time of regular meetings of the board of directors shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meetings.

5.6 Quorum. A majority of the directors shall form a quorum for the transaction of business and, notwithstanding any vacancy among the directors, a quorum of directors may exercise all the powers of directors.

5.7 Voting. Each director is authorized to exercise one (1) vote. Questions arising at any meeting of directors shall be decided by a majority of votes. In case of an equality of votes, the chairperson of the meeting shall not have a second or casting vote in addition to an original vote.

5.8 Detailed Voting Ballot: Where a director is unable to participate at a meeting of the directors of the Corporation then, subject to this By-law, the director may have his or her vote recorded for the purposes of the meeting by means of a detailed voting ballot. The detailed voting ballot shall be provided by the Secretary to any director who indicates his or her inability to attend a meeting of directors in person or by teleconference. The completed and signed voting ballot must be returned by the absent director to the Secretary and to another director of the Corporation who will be attending the meeting of directors prior to the commencement of the meeting at which the absent director's vote is to be counted. The voting ballot must contain sufficient detail concerning matters to be raised at the meeting to allow a director who is unable to attend the meeting the opportunity to make a reasoned judgment on the matters contained therein. A director's vote by ballot will only be counted if the motion on the floor of the meeting is identical to that contained in the mail ballot. The deposit of a ballot with the Secretary and a director of the Corporation will not constitute that director present for the purposes of establishing a quorum at any meeting of directors.

5.9 Telephone Participation. The directors of the Corporation may meet by teleconference provided that either a majority of the directors consent to meeting by teleconference or meetings by teleconference have been approved by resolution passed by the board of directors at a meeting of the directors of the Corporation.

5.10 Meetings by Other Electronic Means. The directors of the Corporation may meet by other electronic means that permits each director to communicate adequately with each other, provided that:

- (a) the board of directors of the Corporation has passed a resolution addressing the mechanics of holding such a meeting and dealing specifically with how security issues should be handled, the procedure for establishing quorum and recording votes;
- (b) each director has equal access to the specific means of communication to be used; and
- (c) each director has consented in advance to meeting by electronic means using the specific means of communication proposed for the meeting.

ARTICLE VI **POWERS OF DIRECTORS**

6.1 Administer Affairs. The directors of the Corporation may administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, save as hereinafter provided, generally, may exercise all such other powers and do all such other acts and things as the Corporation is by its Letters Patent or otherwise authorized to exercise and do.

6.2 Expenditures. The directors shall have power to authorize expenditures on behalf of the Corporation from time to time and may delegate by resolution to an officer or officers of the Corporation the right to employ and pay salaries to employees. The directors shall have the power to make expenditures for the purpose of furthering the objects of the Corporation. The directors shall have the power to enter into a trust arrangement with a trust company for the purpose of creating a trust fund in which the capital and interest may be made available for the benefit of promoting the interest of the Corporation in accordance with such terms as the board of directors may prescribe.

6.3 Borrowing Power. Subject to the proviso that the Corporation shall not incur debts, other than debts, for current operating expenses, debts incurred in connection with the purchase and sale of investments and debts incurred in the course of administering charitable activities, the directors of the Corporation may from time to time:

- (a) borrow money upon the credit of the Corporation;
- (b) limit or increase the amount to be borrowed;
- (c) issue or cause to be issued bonds, debentures or other securities of the Corporation and pledge or sell the same for such sums upon such terms, covenants and conditions and at such prices as may be deemed expedient; and
- (d) secure any such bonds, debentures, or other securities, or any other present or future borrowing or liability of the Corporation, by mortgage, hypothec, charge or pledge of all or any currently owned or subsequently acquired real and personal, movable and immovable, property of the Corporation, and the undertaking and rights of the Corporation.

The powers hereby conferred shall be deemed to be in supplement of and not in substitution for any powers to borrow money for the purposes of the Corporation possessed by its directors or officers independently of a borrowing By-law.

6.4 Fund Raising. The board of directors shall take such steps as they may deem requisite to enable the Corporation to acquire, accept, solicit or receive legacies, gifts, grants, settlements, bequests, endowments and donations of any kind whatsoever for the purpose of furthering the objects of the Corporation.

6.5 Agents and Employees. The board of directors may appoint such agents and engage such employees as it shall deem necessary from time to time and such persons shall have such authority and shall perform such duties as shall be prescribed by the board of directors at the time of such appointment.

6.6 Executive Committee. The board of directors may establish an executive committee comprised of such individuals as the board may from time to time appoint to the executive committee. The executive committee shall exercise such powers as are authorized by the board of directors. Reasonable notice of meetings of the executive committee shall be given in the manner provided in paragraph 18.1. Subject to the Act, the provisions of paragraphs 5.1 and 5.2 hereof, shall apply to the executive committee. A quorum at any meeting of the executive committee shall be a majority of the directors. Subject to the By-laws and any resolution of the

board of directors, the executive committee may otherwise meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit and may from time to time adopt, amend or repeal rules or procedures in this regard.

Executive committee members shall be subject to removal by resolution of the board of directors of the Corporation. Executive committee members shall receive no remuneration for serving as such, but are entitled to reasonable expenses incurred in the exercise of their duty.

6.7 Additional Committees or Advisory Councils. There may also be such additional committees or advisory councils as determined by the board of directors. Terms of reference for such committees or advisory councils shall be determined by the board of directors or agreed upon by its members at the first meeting of each committee or advisory council. Except as otherwise provided in the By-laws, all committees or advisory councils other than the executive committee, are subject to the following:

- (a) the chairpersons and members shall be appointed by the executive committee, if any, otherwise by the board of directors, from among the members of the board of directors or otherwise for a term of one (1) year, and may be reappointed for one (1) or more additional terms of one (1) year;
- (b) the committee or advisory council shall meet at least annually, and more frequently at the will of its chairperson or as required by its terms of reference and as requested by the executive committee, if any, otherwise by the board of directors; and
- (c) the committee or advisory council shall be responsible to, and report after each meeting to, the executive committee, if any, otherwise to the board of directors.

Subject to the foregoing, each such committee or advisory council may establish its own rules of procedure and may appoint subcommittees provided however that such rules of procedure shall be subject to any terms of reference or guidelines which may be approved from time to time by the executive committee, if any, otherwise by the board of directors.

The board may remove any committee member and may fix any remuneration for such committee members; provided however, that no remuneration will be paid to committee members who are also members of the board of directors.

ARTICLE VII **REMUNERATION OF DIRECTORS**

7.1 Remuneration of Directors. The directors shall serve without remuneration and directors shall not directly or indirectly receive any profit from their positions as such; provided that directors may be reimbursed for reasonable expenses incurred by them in the performance of their duties.

ARTICLE VIII
OFFICERS

8.1 Appointment. The board of directors may annually, or more often as may be required, appoint a Chairperson of the board, a Vice-Chairperson of the board, a President, an Executive Director, an Administrator, a Secretary, one (1) or more Vice-Presidents, a Treasurer and one (1) or more Assistant Secretaries and/or one (1) or more Assistant Treasurers. Notwithstanding the foregoing, each incumbent officer shall continue in office until the earlier of:

- (a) that officer's resignation, which resignation shall be effective at the time the written resignation is received by the Corporation or at the time specified in the resignation, whichever is later;
- (b) the appointment of a successor;
- (c) that officer ceasing to be a director if such is a necessary qualification of appointment;
- (d) the meeting at which the directors annually appoint the officers of the Corporation;
- (e) that officer's removal; or
- (f) that officer's death.

A director may be appointed to any office of the Corporation but none of the said officers need be a director or member of the Corporation except that the Chairperson of the board and the Vice-Chairperson of the board shall be directors of the Corporation. Two (2) or more of the aforesaid offices may be held by the same person. In case and whenever the same person holds the offices of Secretary and Treasurer that person may but need not be known as the Secretary-Treasurer. The board of directors may from time to time appoint such other officers and agents as it shall deem necessary who shall have such authority and shall perform such duties as may from time to time be prescribed by the board of directors.

8.2 Remuneration of Officers. The remuneration of all officers appointed by the board of directors shall be determined from time to time by resolution of the board of directors.

8.3 Removal of Officers. All officers, in the absence of agreement to the contrary, shall be subject to removal by resolution of the board of directors at any time, with or without cause.

8.4 Vacancies. If the office of any officer of the Corporation shall be or become vacant by reason of death, resignation, disqualification or otherwise, the directors, by resolution, may appoint a person to fill such vacancy.

8.5 Duties of Officers May be Delegated. In case of the absence or inability to act of any officer of the Corporation or for any other reason that the board of directors may deem sufficient, the board of directors may delegate all or any of the powers of any such officer to any other officer or to any director for the time being.

8.6 Powers and Duties. All officers shall sign such contracts, documents or instruments in writing as require their respective signature and shall respectively have and perform all powers and duties incident to their respective offices and such other powers and duties respectively as may from time to time be assigned to them by the board of directors. The duties of the officers shall include:

- (a) **Chairperson of the board.** The Chairperson of the board, if any, shall, when present, preside at all meetings of the board of directors, committees of directors, if any, and the members.
- (b) **Vice-Chairperson of the board.** If the Chairperson of the board is absent or is unable or refuses to act, the Vice-Chairperson of the board, if any, shall, when present, preside at all meetings of the board of directors, committees of directors, if any, and the members.
- (c) **President.** The President shall be the chief executive officer of the Corporation, unless otherwise determined by resolution of the board of directors. The President shall be vested with and may exercise all of the powers and shall perform all of the duties of the Chairperson of the board and/or Vice-Chairperson of the board if none be appointed or if the Chairperson of the board and the Vice-Chairperson of the board are absent or are unable or refuse to act; provided, however, that, unless the President is a director, the President shall not preside as chairperson at any meeting of directors or of committees of directors, if any, and, subject to paragraph 14.8 of this By-law, at any meeting of members.
- (d) **Vice-President.** The Vice-President or, if more than one (1), the Vice-Presidents, in order of seniority, shall be vested with all the powers and shall perform all the duties of the President in the absence or inability or refusal to act of the President; provided, however, that a Vice President who is not a director shall not preside as chairperson at any meeting of the board of directors or of committees of directors, if any, and that a Vice-President who is not a director shall not, subject to paragraph 14.8 of this By-law, preside at any meeting of members.
- (e) **Secretary.** The Secretary shall give or cause to be given notices for all meetings of the board of directors or committees of directors, if any, and members when directed to do so and have charge of the corporate seal of the Corporation, the minute books of the Corporation and of the documents and registers referred to in Section 109 of the Act.
- (f) **Treasurer.** Subject to the provisions of any resolution of the board of directors, the Treasurer shall have the care and custody of all the funds and securities of the Corporation and shall deposit the same in the name of the Corporation in such banks or with such depository or depositories as the board of directors may direct. The Treasurer shall keep or cause to be kept the requisite books of account and accounting records. The Treasurer may be required to give such bond for the faithful performance of the Treasurer's duties as the board of directors in their uncontrolled discretion may require but no director shall be liable for failure to require any bond or for the insufficiency of any bond or for any loss by reason of the failure of the Corporation to receive any indemnity thereby provided.

- (g) **Assistant Secretary and Assistant Treasurer.** The Assistant Secretary or, if more than one (1), the Assistant Secretaries in order of seniority, and the Assistant Treasurer or, if more than one (1), the Assistant Treasurers in order of seniority, shall respectively perform all the duties of the Secretary and the Treasurer, respectively, in the absence or inability or refusal to act of the Secretary or the Treasurer, as the case may be.
- (h) **Executive Director.** The board of directors may from time to time appoint an Executive Director and may delegate to that person full power to manage and direct the business and affairs of the Corporation (except such matters and duties as by law must be transacted or performed by the board of directors and/or by the members) and to employ and discharge agents and employees of the Corporation or may delegate to that person any lesser authority. The Executive Director shall conform to all lawful orders given by the board of directors of the Corporation and shall at all reasonable times give to the Corporation and shall at all reasonable times give to the directors or any of them all information they may require regarding the affairs of the Corporation.

ARTICLE IX
FOR THE PROTECTION OF DIRECTORS AND OFFICERS

9.1 For the Protection of Directors and Officers. Except as otherwise provided in the Act, no director or officer for the time being of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person including any person with whom or which any moneys, securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of the director's or officer's respective office or trust or in relation thereto unless the same shall happen by or through the director's or officer's own willful neglect or default. The directors and officers for the time being of the Corporation shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the board of directors. If any director or officer of the Corporation shall be employed by or shall perform services for the Corporation otherwise than as a director or officer or shall have an interest in a person who is employed by or performs services for the Corporation, the fact of being a director or officer of the Corporation shall not disentitle such director or officer or such person, as the case may be, from receiving proper remuneration for such services.

ARTICLE X
INDEMNITIES TO DIRECTORS AND OTHERS

10.1 Indemnities to Directors and Others. Every director or officer of the Corporation or other person who has undertaken or is about to undertake any liability on behalf of the Corporation or any corporation controlled by it and their heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation, from and against:

- (a) all costs, charges and expenses whatever which such director, officer or other person sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against the director, officer or other person for or in respect of any act, deed, matter or thing whatever, made, done or permitted by them, in or about the execution of the duties of such office or in respect of any such liability; and
- (b) all other costs, charges and expenses which the director, officer or other person sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by their own willful neglect or default.

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

ARTICLE XI
INTERESTED DIRECTOR CONTRACTS

11.1 Conflict of Interest. A director who is in any way directly or indirectly interested in a contract or proposed contract with the Corporation shall make the disclosure required by the Act and, except as provided by the Act, no such director shall vote on any resolution to approve any such contract. In supplement of and not by way of limitation upon any rights conferred upon directors by Section 98 of the Act and specifically subject to the provisions contained in that section, it is declared that no director shall be disqualified by any such office from, or vacate any such office by reason of, holding any office or place or profit under the Corporation or under any corporation in which the Corporation shall be a shareholder or by reason of being otherwise in any way directly or indirectly interested or contracting with the Corporation as vendor, purchaser or otherwise or being concerned in any contract or arrangement made or proposed to be entered into with the Corporation in which the director is in any way directly or indirectly interested as vendor, purchaser or otherwise. Subject to compliance with the Act, no contract or arrangement entered into by or on behalf of the Corporation in which any director shall be in any way directly or indirectly interested shall be avoided or voidable and no director shall be liable to account to the Corporation or any of its members or creditors for any profit realized by or from any such contract or arrangement by reason of any fiduciary relationship.

11.2 Submission of Contracts or Transactions to Members for Approval. The board of directors in its discretion may submit any contract, act or transaction with the Corporation for

approval or ratification at any annual meeting of the members or at any general meeting of the members called for the purpose of considering the same and, subject to the provisions of Section 98 of the Act, any such contract, act or transaction that shall be approved or ratified or confirmed by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act or the Letters Patent) shall be as valid and as binding upon the Corporation and upon all the members as though it had been approved, ratified or confirmed by every member of the Corporation.

ARTICLE XII **MEMBERS**

12.1 Entitlement. The members of the Corporation shall be those persons as may from time to time be admitted into membership by the Secretary in accordance with rules for membership in the Corporation which have been approved by resolution of the board of directors and those persons as may from time to time be admitted into membership in the Corporation by resolution of the board of directors. Each member shall be promptly informed by the Secretary of their admission as a member.

12.2 Resignation. Members may withdraw from the Corporation by delivering to the Corporation a resignation in writing which shall be effective from acceptance thereof by the board of directors. In the case of resignation, a member shall remain liable for payment of any assessment or other sum levied or which became payable by the member to the Corporation prior to acceptance by the Corporation.

12.3 Termination of Membership. The interest of a member in the Corporation is not transferable and lapses and ceases to exist:

- (a) upon death; or
- (b) dissolution; or
- (c) when the member's period of membership (if any) expires; or
- (d) when the member ceases to be a member by resignation.

or otherwise in accordance with the By-laws; provided always that the members of the Corporation may, by resolution passed by at least two-thirds (2/3rds) of the votes cast at a special meeting of which notice specifying the intention to pass such resolution has been given (provided the member shall be granted the opportunity to be heard) terminate the membership of any member of the Corporation.

ARTICLE XIII **MEMBERSHIP DUES**

13.1 Dues. There shall be no dues or fees payable by members except such, if any, as shall from time to time be fixed by unanimous vote of the board of directors, which vote shall become effective only when confirmed by a vote of the members at an annual or other general meeting.

The Secretary shall notify the members of the dues or fees at any time payable by them and, if any are not paid within thirty (30) days of the date of such notice, the members in default shall thereupon automatically cease to be members of the Corporation, but such defaulting members may on payment of all unpaid dues or fees be reinstated by unanimous vote of the board of directors.

ARTICLE XIV **MEMBERS' MEETINGS**

14.1 Time and Place of Annual Meeting. Subject to compliance with Section 102 of the Act, the annual meeting of the members shall be held annually on such day in each year and at such time as the directors may by resolution determine at any place within Canada or, if all of the members so agree, outside Canada.

14.2 Annual Meetings. At every annual meeting, in addition to any other business that may be transacted, the report of the directors, the financial statements and the report of the auditors shall be presented and the directors shall be elected and auditors appointed for the ensuing year, The members may consider and transact any business either special or general at any meeting of members.

14.3 Special Meetings. Other meetings of the members may be convened by order of the Chairperson of the board, the Vice-Chairperson of the board, the President if a director or a Vice-President who is a director and member or by the board of directors at any date and time and at any place within Canada or, if all of the members so agree, outside Canada. The board of directors shall call a special general meeting of members on written requisition of members carrying not less than five per cent (5%) of the voting rights.

14.4 Notice. Notice of any annual or special general meeting of members shall be provided to members of the Corporation by any of the following means:

- (a) by mail sent to each member not less than fourteen (14) days (exclusive of the day on which the notice is delivered or sent but inclusive of the date for which the notice is given) before the meeting is to take place;
- (b) by electronic means such as e-mail or facsimile at least forty-eight (48) hours before the meeting;
- (c) by notice published in a regular newsletter of the Corporation which is sent to each member of the Corporation individually; or
- (d) where the Corporation has more than one hundred (100) members, by notice published in a local newspaper circulating in a community where the majority of the members reside.

Notice of any meeting where special business will be transacted should contain sufficient information to permit the member to form a reasoned judgment on the decision to be taken. Notice of each meeting of members must remind the member that the member has the right to vote by proxy.

14.5 Waiver of Notice. A member and any other person entitled to attend a meeting of members may in any manner waive notice of a meeting of members and attendance of any such person at a meeting of members shall constitute a waiver of notice of the meeting except where such person attends a meeting for the express purposes of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

14.6 Error or Omission in Giving Notice. No error or omission in giving notice of any annual or special meeting or any adjourned meeting shall invalidate any resolution passed or any proceedings taken at any meeting of members.

14.7 Quorum. A quorum at any meeting of the members (unless a greater number of members and/or proxies are required to be present by the Act or by the Letters Patent or any other By-law) shall be persons present being two (2) in number and being or represented by proxy two (2) members. No business shall be transacted at any meeting unless the requisite quorum be present at the time of the transaction of such business. If a quorum is not present at the time appointed for a meeting of members or within such reasonable time thereafter as the members present may determine, the persons present and entitled to vote may adjourn the meeting to a fixed time and place but may not transact any other business and the provisions of paragraph 18.1 with regard to notice shall apply to such adjournment.

14.8 Chairperson of the Meeting. In the event that the Chairperson of the board and the Vice-Chairperson of the board are absent, the President is absent or is not a director and there is no Vice-President present who is a director and a member, the persons who are present and entitled to vote shall choose another director as chairperson of the meeting and if no director is present or if all the directors present decline to take the chair then the persons who are present and entitled to vote shall choose one (1) of their number to be chairperson.

14.9 Adjournment. The chairperson of any meeting of members may with the consent of the meeting adjourn the same from time to time to a fixed time and place and no notice of such adjournment need be given to the members. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

14.10 Meetings by Teleconference. If a majority of the members of the Corporation consent (either at a meeting of members by simple resolution or by consents signed individually by a majority of the members), a meeting of members of the Corporation may be held by teleconference.

14.11 Meetings by Other Electronic Means. The members of the Corporation may meet by other electronic means that permits each member to communicate adequately with each other, provided that:

- (a) the members of the Corporation have passed a resolution addressing the mechanics of holding such a meeting and dealing specifically with how security issues should be handled, the procedure for establishing quorum and recording votes;
- (b) each member has equal access to the specific means of communication to be used; and

- (c) each member has consented in advance to meeting by electronic means using the specific means of communication proposed for the meeting.

14.12 Votes. Every question submitted to any meeting of members shall be decided in the first instance by a show of hands by a majority of votes unless otherwise specifically provided in the Act or by these By-laws. In the case of an equality of votes the chairperson of the meeting shall not, both on a show of hands and at a poll, have a second or casting vote in addition to the vote or votes to which the chairperson may be otherwise entitled.

No member shall be entitled either in person or by proxy to vote at meetings of members of the Corporation unless the member has paid all dues or fees, if any, then payable by the member.

At any meeting, unless a poll is determined, a declaration by the chairperson of the meeting that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

A poll may be demanded either before or after any vote by show of hands by any person entitled to vote at the meeting. If at any meeting a poll is demanded on the election of a chairperson or on the question of adjournment, it shall be taken forthwith without adjournment. If at any meeting a poll is demanded on any other question or as to the election of directors, the vote shall be taken by ballot in such manner and either at once, later in the meeting or after adjournment as the chairperson of the meeting directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A demand for a poll may be withdrawn.

14.13 Proxies. Votes at meetings of the members may be given either personally or by proxy or, in the case of a member who is a body corporate or association, by an individual authorized by a resolution of the board of directors or governing body of the body corporate or association to represent it at meetings of members of the Corporation. At every meeting at which a member is entitled to vote, every member and/or person appointed by proxy to represent one (1) or more members and/or individual so authorized to represent a member who is present in person shall have one (1) vote on a show of hands. Upon a poll and subject to the provisions, if any, of the Letters Patent, every member who is entitled to vote at the meeting and who is present in person or represented by an individual so authorized shall have one (1) vote and every person appointed by proxy shall have one (1) vote for each member who is entitled to vote at the meeting and who is represented by such proxy holder.

A proxy shall be executed by the member or the member's attorney authorized in writing or, if the member is a body corporate or association, by an officer or attorney thereof duly authorized.

A person appointed by proxy need not be a member.

A proxy may be in the following form:

The undersigned member of OUT ON THE SHELF INC. hereby appoints _____ of _____ or failing the person appointed above, _____ of _____ as the proxy of the undersigned to attend and act at the _____ meeting of the members of the said Corporation to be held on the ____ day of _____, 20____, and at any adjournment or adjournments thereof in the same manner, to the same extent and with the same power as if the undersigned were present at the said meeting or such adjournment or adjournments thereof.

DATED the _____ day of _____, 20____.

Signature of member

The directors may from time to time make regulations regarding the lodging of proxies at some place or places other than the place at which a meeting or adjourned meeting of members is to be held and for particulars of such proxies to be cabled or telegraphed or sent by facsimile or in writing before the meeting or adjourned meeting to the Corporation or any agent of the Corporation for the purpose of receiving such particulars and provided that proxies so lodged may be voted upon as though the proxies themselves were produced at the meeting or adjourned meeting and votes given in accordance with such regulations shall be valid and shall be counted. The chairperson of any meeting of members may, subject to any regulations made as aforesaid, in the chairperson's discretion accept telegraphic or cable or facsimile or written communication as to the authority of any person claiming to vote on behalf of and to represent a member notwithstanding that no proxy conferring such authority has been lodged with the Corporation, and any votes given in accordance with such telegraphic or cable or facsimile or written communication accepted by the chairperson of the meeting shall be valid and shall be counted.

ARTICLE XV
VOTING SHARES AND SECURITIES

15.1 Voting Shares and Securities. All of the shares or other securities carrying voting rights of any company or corporation held from time to time by the Corporation may be voted at any and all meetings of shareholders, bondholders, debenture holders or holders of other securities (as the case may be) of such company or corporation and in such manner and by such person or persons as the board of directors of the Corporation shall from time to time determine. The duly authorized signing officers of the Corporation may also from time to time execute and deliver for and on behalf of the Corporation proxies and/or arrange for the issuance of voting certificates and/or other evidence of the right to vote in such names as they may determine without the necessity of a resolution or other action by the board of directors.

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

All share certificates, bonds, debentures, notes or other obligations belonging to the Corporation may be issued or held in the name of a nominee or nominees of the Corporation (and if issued or held in the names of more than one (1) nominee shall be held in the names of the nominees jointly with the right of survivorship) and shall be endorsed in blank with endorsement guaranteed in order to enable transfer to be completed and registration to be effected.

ARTICLE XVI **EXECUTION OF INSTRUMENTS**

16.1 Execution of Instruments. Contracts, documents or instruments in writing requiring the signature of the Corporation may be signed by any one (1) director or officer of the Corporation and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The board of directors shall have power from time to time by resolution to appoint any officer or officers or any person or persons on behalf of the Corporation either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing.

The seal of the Corporation may, when required, be affixed to contracts, documents and instruments in writing signed as aforesaid or by any officer or officers, person or persons, appointed as aforesaid by resolution of the board of directors.

In particular without limiting the generality of the foregoing, any two (2) of the Chairperson of the board, the Vice-Chairperson of the board, the President, a Vice-President, the Secretary, the Treasurer or the Executive Director shall have authority to sell, assign, transfer, exchange, convert or convey any and all shares, stocks, bonds, debentures, rights, warrants or other securities owned or registered in the name of the Corporation and to sign and execute (under the seal of the Corporation or otherwise) all assignments, transfers, conveyances, powers of attorney and other instruments that may be necessary for the purpose of selling, assigning, transferring, exchanging, converting or conveying any such shares, stocks, bonds, debentures, rights, warrants or other securities.

ARTICLE XVII **CHEQUES, DRAFTS, NOTES, ETC.**

17.1 Cheques, Drafts, Notes, Etc. All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange, shall be signed by such officer or officers or person or persons, whether or not officers of the Corporation, and in such manner as the board of directors may from time to time designate by resolution.

ARTICLE XVIII
NOTICES

18.1 Service. Any notice or other document required by the Act, the Regulations, the Letters Patent or the By-laws to be sent to any member or director or to the auditor shall be delivered personally or sent by prepaid mail or by telegram or cable or facsimile to any such member or director at their latest address as shown in the records of the Corporation and to the auditor at its business address, or, if no address be given therein, then to the last address of such member or director known to the Secretary; provided always that notice may be waived or the time for the notice may be waived or abridged at any time with the consent in writing of the person entitled thereto.

18.2 Signature to Notices. The signature of any director or officer of the Corporation to any notice or document to be given by the Corporation may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.

18.3 Computation of Time. Where a given number of days' notice or notice extending over a period is required to be given under the By-laws or Letters Patent of the Corporation the day of service or posting of the notice shall not, unless it is otherwise provided, be counted in such number of days or other period.

18.4 Proof of Service. With respect to every notice or other document sent by post, it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed as provided in paragraph 18.1 of this by-law and put into a Post Office or into a letter box. A certificate of an officer of the Corporation in office at the time of the making of the certificate as to facts in relation to the sending or delivery of any notice or other document to any member, director, officer or auditor or publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every member, director, officer or auditor of the Corporation as the case may be.

ARTICLE XIX
RULES AND REGULATIONS

19.1 Rules and Regulations. The board of directors may prescribe such rules and regulations not inconsistent with the By-laws relating to the management and operation of the Corporation and other matters provided for in these By-laws as they may deem expedient, provided that such rules and regulations shall have force and effect only until the next annual meeting of the members of the Corporation when they shall be confirmed and in default of confirmation at such annual meeting of members shall at and from that time cease to have force and effect.

ARTICLE XX
BY-LAWS

20.1 By-laws. The board of directors may from time to time enact By-laws relating in any way to the Corporation or to the conduct of its affairs, including, but not limited to, By-laws providing for applications for supplementary letters patent, and may from time to time by By-law amend, repeal or re-enact the By-laws but no By-law shall be effective until sanctioned by at

least two-thirds (2/3) of the votes cast at a meeting of the members duly called for the purpose of considering same and the repeal or amending of By-laws not embodied in the Letters Patent shall not be enforced or acted upon until the approval of the Minister of Industry.

ARTICLE XXI
AUDITORS

21.1 Auditors. The members shall, at each annual meeting, appoint an auditor to audit the accounts of the Corporation for report to members who shall hold office until the next following annual meeting; provided, however, that the directors may fill any casual vacancy in the office of the auditor. The remuneration of the auditors shall be fixed by the board of directors.

ARTICLE XXII
FINANCIAL YEAR

22.1 Financial Year. The financial year of the Corporation shall terminate on the 31st day of December in each year or on such other date as the directors may from time to time by resolution determine.

ENACTED the 29th day of January, 2008.

WITNESS the seal of the Corporation.

Maureen Nathalie Crawford,
President

Robert Karl Gruber,
Secretary