

**BY-LAW NO. 1**

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

**TORONTO PAN AM SPORTS CENTRE INC.**

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BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of Toronto Pan Am Sports Centre Inc. (hereinafter called the "Corporation") as follows:

ARTICLE ONE  
INTERPRETATION

1.1 Definitions

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

- (a) "Act" means the *Business Corporations Act* (Ontario) and the regulations made pursuant thereto, as from time to time amended, and every statute that may be substituted therefor and, in the case of such substitution, any reference in the by-laws of the Corporation to provisions of the Act shall be read as references to the substituted provisions therefor in the new statute or statutes;
- (b) "appoint" includes "elect" and vice versa;
- (c) "board" means the board of directors of the Corporation;
- (d) "by-laws" means this by-law and all other by-laws of the Corporation from time to time in force and effect;
- (e) "City" means the City of Toronto;
- (f) "meeting of shareholders" includes an annual meeting of shareholders and a special meeting of shareholders; "special meeting of shareholders" includes a meeting of any class or classes of shareholders and a special meeting of all shareholders entitled to vote at an annual meeting of shareholders;
- (g) "non-business day" means Saturday, Sunday and any other day that is a holiday as defined in the *Interpretation Act* (Ontario);
- (h) "recorded address" means in the case of a shareholder his latest address as recorded in the securities register; and in the case of joint shareholders the address appearing in the securities register in respect of such joint holding or the first address so appearing if there is more than one; and in the case of a director, officer, auditor or member of a committee of the board his latest address as recorded in the records of the Corporation;
- (i) "shareholders" means the shareholders of the Corporation from time to time and "shareholder" means any one of them;
- (j) "signing officer" means, in relation to any instrument, any person authorized to sign the same on behalf of the Corporation by paragraph 2.1 or by a resolution passed pursuant thereto;
- (k) "University" means The Governing Council of the University of Toronto;

- (l) all terms contained in the by-laws and which are defined in the Act shall have the meanings given to such terms in the Act; and
- (m) the singular shall include the plural and the plural shall include the singular; the masculine shall include the feminine and neuter genders; and the word "person" shall include individuals, bodies corporate, corporations, companies, partnerships, syndicates, trusts, unincorporated organizations and any number or aggregate of persons.

## 1.2 Shareholders Agreement

To the extent that these by-laws conflict with or are inconsistent with the terms and conditions of any shareholders agreement entered into at the date of the execution of these by-laws or in future, such shareholders agreement shall prevail.

## ARTICLE TWO EXECUTION OF DOCUMENTS, BANKING

### 2.1 Execution of Instruments

Contracts, documents or instruments in writing requiring the signature of the Corporation may be signed on behalf of the Corporation by any two officers or directors and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The board 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.

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

The signature or signatures of the Chair of the board, the Vice-Chair of the board, the Secretary, the Treasurer, any other officer of the Corporation, or any director of the Corporation and/or any other person or persons, appointed as aforesaid by resolution of the board may, if specifically authorized by resolution of the directors, be printed, engraved, lithographed or otherwise mechanically reproduced upon any contracts, documents or instruments in writing or bonds, debentures, notes or other securities of the Corporation executed or issued by or on behalf of the Corporation and all contracts, documents or instruments in writing or bonds, debentures, notes or other

securities of the Corporation on which the signature or signatures of any of the foregoing officers or directors or persons authorized as aforesaid shall be so reproduced pursuant to special authorization by resolution of the board, shall be deemed to have been manually signed by such officers or directors or persons whose signature or signatures is or are so reproduced and shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that the officers or directors or persons whose signature or signatures is or are so reproduced may have ceased to hold office at the date of the delivery or issue of such contracts, documents or instruments in writing or bonds, debentures, notes or other securities of the Corporation.

Contracts, documents or instruments in writing may be signed electronically to the extent permitted by applicable laws.

## 2.2 Banking Arrangements

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

## ARTICLE THREE DIRECTORS

### 3.1 Number of Directors and Quorum

The number of directors of the Corporation shall be the number of directors as specified in the articles or, where a minimum and maximum number of directors is provided for in the articles, the number of directors of the Corporation shall be the number of directors determined from time to time by special resolution or, if a special resolution empowers the directors to determine the number, the number of directors determined by resolution of the board. Until changed by the shareholders, the board shall consist of ten (10) members, five of whom shall be appointed by the City and 5 of whom shall be appointed by the University. Subject to paragraph 3.7 and to any shareholders agreement of the Corporation, the quorum for the transaction of business at any meeting of the board shall be a majority of the number of directors comprised of at least three (3) of the directors nominated by the City and at least three (3) of the directors nominated by the University, provided that if at any time the Corporation has fewer than three directors, all directors must be present at any meeting of the board to constitute a quorum.

### 3.2 Qualification

In addition to any qualifications or conditions stipulated in any shareholders agreement of the Corporation, no person shall be qualified for election as

a director if he is less than 18 years of age; if he is a person who has been found under the *Substitute Decisions Act, 1992* (Ontario) or the *Mental Health Act* (Ontario) to be incapable of managing property or who has been found to be incapable by a court in Canada or elsewhere; if he is not an individual; or if he has the status of a bankrupt. A director need not be a shareholder. At least 25 percent of the directors shall be resident Canadians, provided that if the Corporation has less than four directors, at least one director shall be a resident Canadian.

Subject to the foregoing, the board will initially be composed primarily of individuals who are employees and/or officers of the shareholders (the "Staff Members"), provided that each shareholder may nominate up to two (2) non-Staff Members to the board. The shareholders shall regularly consult with each other regarding the composition of the board and will endeavour to ensure that each of them nominates an equal number of Staff Members and non-Staff Members to the board.

### 3.3 Election

Subject to paragraph 3.4, the election of directors shall take place at the first meeting of shareholders and at each succeeding annual meeting of shareholders. Unless otherwise provided in any shareholders agreement of the Corporation, all the directors whose term has expired shall retire but, if qualified, shall be eligible for re-election. The number of directors to be elected at any such meeting shall be the number of directors as specified in the articles or, if a minimum and maximum number of directors is provided for in the articles, the number of directors determined in any shareholders agreement of the Corporation, or by special resolution of the shareholders. The voting on the election shall be by show of hands unless a ballot is demanded by any shareholder. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

### 3.4 Term

Each director shall serve for a term of two (2) years. Incumbent directors may be re-elected. Each director shall continue to serve on the board until his or her successor is elected or appointed.

### 3.5 Vacancies and Removal of Directors

Subject to the provisions of the Act, if a director resigns or is removed by the shareholder who nominated him or her or otherwise ceases to be a director for any reason (the "Retiring Director"), the shareholders shall, as soon as possible, by ordinary resolution passed at a meeting specially called for such purpose or a quorum of the board shall fill the vacancy by appointing another individual nominated by the shareholder who nominated the Retiring Director.

### 3.6 Vacation of Office

A director ceases to hold office when he dies or, subject to the Act, resigns; he is removed from office by the shareholders in accordance with the Act; he

becomes of unsound mind and is so found by a court in Canada or elsewhere or if he acquires the status of a bankrupt.

### 3.7 Action by the Board

Subject to any shareholders agreement of the Corporation, the board shall manage or supervise the management of the business and affairs of the Corporation. The powers of the board may be exercised at a meeting at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy in the board, subject to any shareholders agreement, the remaining directors may exercise all the powers of the board so long as a quorum of the board remains in office.

### 3.8 Meeting by Telephone

Except for a meeting that is open to public as provided in any shareholders agreement of the Corporation, a director may participate in a meeting of the board or of a committee of the board by means of such telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in such a meeting by such means is deemed to be present at the meeting.

### 3.9 Place of Meetings

Subject to any shareholders agreement of the Corporation, meetings of the board shall be held at any place in Toronto determined by the directors from time to time and otherwise at the registered office of the Corporation.

### 3.10 Calling of Meetings

Subject to the Act and any shareholders agreement of the Corporation, meetings of the board shall be held from time to time on such day and at such time and at such place as the board may determine and the Secretary, when directed by the board, shall convene a meeting of the board.

### 3.11 Notice of Meeting

Notice of the date, time and place of each meeting of the board shall be given in the manner provided in paragraph 10.1 to each director not less than 5 business days before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified.

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

3.12 First Meeting of New Board

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

3.13 Adjourned Meeting

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

3.14 Regular Meetings

The board shall meet at least once in every calendar quarter. In addition, the board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such regular meetings shall be sent to each director forthwith after being passed and to any other person required by any shareholders agreement of the Corporation, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be transacted thereat to be specified.

3.15 Chair

The chair of any meeting of the board shall be the first mentioned of such of the following officers as have been appointed and who is a director and is present at the meeting: the Chair of the board or the Vice-Chair of the board. If no such officer is present, the directors present shall choose one of their number to be chair.

3.16 Votes to Govern

At all meetings of the board every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes the chair of the meeting shall not be entitled to a second or casting vote.

3.17 Conflict of Interest

A director or officer who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or transaction or proposed material contract or transaction with the Corporation shall disclose in writing to the Corporation or request to have entered in the minutes of the meetings of the directors the nature and extent of his interest at the time and in the manner provided by the Act. Any such contract or transaction or proposed contract or transaction shall be referred to the board or shareholders for approval even if such contract is one that in the ordinary course of the Corporation's business would not require approval by the board or shareholders, and a director interested in a contract or transaction so referred to the board shall not attend any part of a meeting of the board during which the contract or transaction is discussed and shall not vote on any resolution to approve the same

except as permitted by the Act. If no quorum exists for the purpose of voting on a resolution to approve a contract or transaction only because a director is not permitted to be present at the meeting by reason of this section, the remaining directors shall be deemed to constitute a quorum for the purposes of voting on the resolution. Where all of the directors are required to disclose their interests pursuant to this section, the contract or transaction may be approved only by the shareholders. In addition to the foregoing, the directors and officers of the Corporation shall comply with the conflict of interest rules and requirements arising under any shareholders agreement of the Corporation or applicable law.

### 3.18 Remuneration and Expenses

The directors shall not be remunerated for serving as such but may be reimbursed for their reasonable out-of-pocket expenses in attending board meetings in accordance with a policy approved by the board. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving remuneration therefor.

## ARTICLE FOUR COMMITTEES

### 4.1 Audit Committee

The board shall elect from among their number an Audit Committee composed of four (4) members of the board, comprised of two (2) directors who are nominees of each of the City and the University. The Audit Committee may have a chair and vice-chair who shall be nominees of the City and the University, respectively, on an alternating basis every two (2) years. The Audit Committee shall have the powers and duties provided in the Act and any additional powers and duties set forth in any shareholders agreement of the Corporation. The Audit Committee shall report to the board.

### 4.2 Other Committees and Councils

The board shall establish a Finance and Human Resources Committee and a Planning Committee, each of which shall be comprised of two (2) directors who are nominees of each of the City and the University and each of which may have a chair and vice-chair who shall be nominees of the City and the University, respectively, on an alternating basis every two (2) years. Each committee shall have the mandate and responsibilities and be delegated such authorities as determined by the board from time to time.

The board shall establish a Sports Advisory Council and a Community Advisory Council, each of which may have a chair and vice-chair who shall be directors and who shall be nominees of the City and the University, respectively, on an alternating basis every two (2) years and such other members as the board determines including members who are not directors. The functions of the councils shall be advisory

only and the councils shall have the mandate and responsibilities as determined by the board from time to time.

The board may from time to time establish other committees and determine the mandate, responsibilities and membership of such committees. The functions of any such other committees shall be advisory only.

#### 4.3 Procedure/Transaction of Business

The powers of a committee of directors may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Unless otherwise determined by the board and subject to any shareholders agreement, each committee shall have power to fix its quorum at not less than a majority of its members, and to regulate its procedure.

### ARTICLE FIVE OFFICERS

#### 5.1 Appointment

The board shall have a Chair and Vice-Chair, both of whom shall be directors. The Corporation shall have such other officers as the board appoints from time to time. The Corporation shall hire such senior managers as the board determines from time to time. The board shall determine the duties and responsibilities of such senior managers. Subject to paragraph 5.2, an officer may but need not be a director and one person may hold more than one office. All officers shall sign such contracts, documents, or instruments in writing as require their respective signatures. In the case of the absence or inability to act of any officer or for any other reason that the board may deem sufficient, the board may delegate all or any of the powers of such officer to any other officer or to any director for the time being.

#### 5.2 Chair/Vice-Chair of the Board

The Chair of the board shall be a director and shall, when present, preside at all meetings of the board and committees of the board. The Chair of the board shall be vested with and may exercise such powers and shall perform such other duties as may from time to time be assigned to him by the board.

The Vice-Chair of the board shall be a director and shall be vested with and may exercise such powers and shall perform such other duties as may from time to time be assigned to him by the board. During the absence or disability of the Chair of the board, his duties shall be performed and his powers exercised by the Vice-Chair of the board.

The term of office of the Chair and Vice-Chair shall be a maximum of two (2) consecutive years. The right to nominate the Chair and Vice Chair shall alternate

between the City and the University every two (2) years and, for certainty, the Chair and the Vice Chair shall not be nominees of the same shareholder.

### 5.3 Secretary

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

### 5.4 Treasurer

The Treasurer shall arrange for proper accounting records of the Corporation to be kept in compliance with the Act. The Treasurer shall render to the board whenever required an account of the financial position of the Corporation and shall have such other powers and duties as the board may specify.

### 5.5 Powers and Duties of Other Officers

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

### 5.6 Variation of Powers and Duties

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

### 5.7 Term of Office

The board, in its discretion, may remove any officer (other than the Chair and Vice-Chair) of the Corporation, with or without cause, without prejudice to such officer's rights under any employment contract. Otherwise, subject to paragraph 5.2, each officer appointed by the board shall hold office until his successor is appointed or until the earlier of his resignation or death.

### 5.8 Terms of Employment and Remuneration

The terms of employment and the remuneration of an officer appointed by the board shall be settled by it from time to time, provided that the Chair and Vice-Chair shall not be remunerated for serving as such. The fact that any officer or employee is a director or shareholder of the Corporation shall not disqualify him from receiving such remuneration as may be so determined.

5.9 Conflict of Interest

An officer shall disclose his interest in any material contract or transaction or proposed material contract or transaction with the Corporation in accordance with paragraph 3.17.

5.10 Agents and Attorneys

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

5.11 Fidelity Bonds

The board may require such officers, employees and agents of the Corporation as the board deems advisable to furnish bonds for the faithful discharge of their powers and duties, in such form and with such surety as the board may from time to time determine but no director shall be liable for failure to require any such bond or for the insufficiency of any such bond or for any loss by reason of the failure of the Corporation to receive any indemnity thereby provided.

ARTICLE SIX  
PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

6.1 Submission of Contracts or Transactions to Shareholders for Approval

The board in its discretion may submit any contract, act or transaction for approval, ratification or confirmation at any meeting of the shareholders called for the purpose of considering the same and any contract, act or transaction that shall be approved, ratified or confirmed by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act or by the Corporation's articles, any other by-law or any shareholders agreement of the Corporation) shall be as valid and as binding upon the Corporation and upon all the shareholders as though it had been approved, ratified or confirmed by every shareholder of the Corporation.

Subject to the provisions of the Act or any other applicable laws, or any shareholders agreement of the Corporation, it is declared that no director shall be disqualified by his office from, or vacate his office by reason of, holding any office or place of profit under the Corporation or under any body corporate in which the Corporation shall be a shareholder or by reason of being otherwise in any way directly or indirectly interested or contracting with the Corporation either 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 he is in any way directly or indirectly interested either as vendor, purchaser or otherwise nor shall any director be liable to account to the Corporation or any of its shareholders or creditors for any profit arising from any such office or place of profit; and, subject to the provisions of 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 shareholders or creditors for any profit realized by or from any such contract or arrangement by reason of the fiduciary relationship existing or established thereby. Subject to paragraph 3.17 and to the provisions of the Act or any other applicable laws, or any shareholders agreement of the Corporation, no director shall be obliged to make any declaration of interest or refrain from voting in respect of a contract or proposed contract with the Corporation in which such director is in any way directly or indirectly interested.

## 6.2 Limitation of Liability

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 joining in any receipt or act for conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any persons, firm or corporation including any person, firm or corporation with whom or which any moneys, securities or effects shall be lodged or deposited for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his respective office or trust or in relation thereto unless the same shall happen by or through his failure to exercise the powers and to discharge the duties of his office honestly, in good faith and in the best interests of the Corporation and in connection therewith to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The directors for the time being of the Corporation shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the board. If any director or officer of the Corporation shall be employed by or shall perform services for the Corporation otherwise than as a director or officer or shall be a member of a firm or a shareholder, director or officer of a company which is employed by or performs services for the Corporation, the fact of his being a director or officer of the Corporation shall not disentitle such director or officer or such firm or company, as the case may be, from receiving proper remuneration for such services.

## 6.3 Indemnity

Subject to the limitations contained in the Act and to the provisions of any shareholders agreement of the Corporation, the Corporation shall indemnify a director or officer, a former director or officer, or a person who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another

entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or other proceeding in which the individual is involved because of that association with the Corporation or such other entity if:

- (a) he acted honestly and in good faith with a view to the best interest of the Corporation or, as the case may be, to the best interests of the other entity for which he acted as director or officer or in a similar capacity at the Corporation's request; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

The Corporation shall also indemnify, and may advance moneys to, such person in such other circumstances as the Act permits or requires.

#### 6.4 Insurance

The Corporation may purchase and maintain insurance for the benefit of any person referred to in paragraph 6.3 against such liabilities and in such amounts as the board may from time to time determine and are permitted by the Act.

### ARTICLE SEVEN LIEN ON SHARES

#### 7.1 Lien for Indebtedness

The Corporation shall have a lien on any share registered in the name of a shareholder or his legal representatives for a debt of that shareholder to the Corporation, provided that if the shares of the Corporation are listed and posted for trading on a stock exchange in or outside of Canada, the Corporation shall not have such lien. The Corporation may enforce any lien that it has on shares registered in the name of a shareholder indebted to the Corporation by the sale of the shares thereby affected or by any other action, suit, remedy or proceeding authorized or permitted by law and, pending such enforcement, the Corporation may refuse to register a transfer of the whole or any part of such shares.

### ARTICLE EIGHT DIVIDENDS

#### 8.1 Dividend Cheques

A dividend payable in cash shall be paid by cheque drawn on the Corporation's bankers or one of them to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by prepaid ordinary mail to such registered holder at his recorded address, unless such holder

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

#### 8.2 Non-receipt of Cheques

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

#### 8.3 Record Date for Dividends and Rights

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

#### 8.4 Unclaimed Dividends

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

### ARTICLE NINE MEETINGS OF SHAREHOLDERS

#### 9.1 Annual Meetings

The annual meeting of shareholders shall be held at such time in each year as the board may from time to time determine, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing an auditor and for the transaction of such other business as may be required by any shareholders agreement of the Corporation or may properly be brought before the meeting.

9.2 Special Meetings

The board shall have power to call a special meeting of shareholders at any time.

9.3 Place of Meetings

Meetings of shareholders shall be held at the registered office of the Corporation or at such other place within Toronto as the board so determines.

9.4 Notice of Meetings

Notice of the time and place of each meeting of shareholders shall be given in the manner provided in paragraph 10.1 not less than 10 days nor more than 50 days before the date of the meeting to each director, to the auditor and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting; provided sufficient advance notice shall be given so as to permit each shareholder to obtain the requisite approvals required from its governing council or body. Notice of a meeting of shareholders called for any purpose other than consideration of the financial statements and auditor's report, election of directors and reappointment of the incumbent auditor shall state or be accompanied by a statement of the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and the text of any special resolution or by-law to be submitted to the meeting. A shareholder and any other person entitled to attend a meeting of shareholders may in any manner waive notice of or otherwise consent to a meeting of shareholders.

9.5 List of Shareholders Entitled to Notice

For every meeting of shareholders, the Corporation shall prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares held by each shareholder entitled to vote at the meeting. If a record date for the meeting is fixed pursuant to paragraph 9.6, the shareholders listed shall be those registered at the close of business on such record date. If no record date is fixed, the shareholders listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given, or where no such notice is given, the day on which the meeting is held. The list shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where the central securities register is maintained and at the meeting for which the list was prepared.

9.6 Record Date for Notice

The board may fix in advance a date, preceding the date of any meeting of shareholders by not more than 60 days and not less than 30 days, as a record date for the determination of the shareholders entitled to notice of the meeting, provided that

notice of any such record date shall be given not less than seven days before such record date by newspaper advertisement in the manner provided in the Act and, if any shares of the Corporation are listed for trading on a stock exchange in Canada, by written notice to each such stock exchange. If no record date is so fixed, the record date for the determination of the shareholders entitled to notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is given or, if no notice is given, the day on which the meeting is held.

#### 9.7 Meetings without Notice

A meeting of shareholders may be held without notice at any time and place permitted by the Act:

- (a) if all the shareholders entitled to vote thereat are present in person or represented by proxy waive notice of or otherwise consent to such meeting being held, and
- (b) if the auditor and the directors are present or waive notice of or otherwise consent to such meeting being held, so long as such shareholders, auditor and directors present are not attending for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. At such a meeting any business may be transacted which the Corporation at a meeting of shareholders may transact. If the meeting is held at a place outside Canada, shareholders not present or represented by proxy, but who have waived notice of or otherwise consented to such meeting, shall also be deemed to have consented to the meeting being held at such place.

#### 9.8 Chair, Secretary and Scrutineers

The chair of any meeting of shareholders shall be the first mentioned of such of the following officers as have been appointed and who is present at the meeting: the Chair or the Vice-Chair. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chair. If the Secretary of the Corporation is absent, the chair of the meeting shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the Chair with the consent of the meeting.

#### 9.9 Persons Entitled to be Present

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

9.10 Quorum

Subject to any shareholders agreement of the Corporation, a quorum at any meeting of shareholders shall be two persons present in person, one being a duly appointed proxyholder for the City and one being a duly appointed proxyholder for the University. If a quorum is present at the opening of a meeting of shareholders, the shareholders present may proceed with the business of the meeting even if a quorum is not present throughout the meeting. If at any meeting the requisite quorum is not present within half an hour after the time appointed for the meeting, then the meeting shall be adjourned to such date not being less than 10 days later and to such time and place as may be announced by the chair of the meeting and subject to 9.18, it shall not be necessary to give notice of the adjourned meeting.

At such adjourned meeting the persons present at such meeting, provided that there are at least two such persons present in person, each being a shareholder entitled to vote at the meeting or a duly appointed proxyholder for an absent shareholder entitled to vote at the meeting, shall be a quorum for the transaction of the business for which the meeting was originally called.

9.11 Right to Vote

Subject to the provisions of the Act as to authorized representatives of any other body corporate or association, at any meeting of shareholders for which the Corporation has prepared the list referred to in paragraph 9.5, a shareholder whose name appears on such list is entitled to vote the shares shown opposite his name at the meeting to which the list relates. At any meeting of shareholders for which the Corporation has not prepared the list referred to in paragraph 9.5, every person shall be entitled to vote at the meeting who at the time is entered in the securities register as the holder of one or more shares carrying the right to vote at such meeting.

9.12 Proxies

Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, who need not be shareholders, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be signed in writing or by electronic signature by the shareholder, or his attorney or a duly authorized officer of a shareholder that is a body corporate authorized by a document that is signed in writing or by electronic signature, and shall conform with the requirements of the Act.

9.13 Time for Deposit of Proxies

The board may by resolution specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting or an adjournment thereof by not more than 48 hours exclusive of any part of a non-business day, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or, if no such time is specified in such notice, only

if it has been received by the Secretary of the Corporation or by the chair of the meeting or any adjournment thereof prior to the time of voting.

9.14            Votes to Govern

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

9.15            Show of Hands

Subject to the provisions of the Act, any question at a meeting of shareholders shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chair of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question.

9.16            Ballots

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

9.17            Adjournment

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

9.18            Resolution in Writing

A resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders, or a duly authorized officer of any shareholder that is a body corporate, is as valid as if it had been passed at a meeting of the shareholders unless a written statement with respect to the subject matter of the resolution is submitted by a director or the auditor in accordance with the Act.

9.19            Meetings by Electronic Means

A meeting of the shareholders may be held by telephonic or electronic means and a shareholder who, through those means, votes at the meeting or establishes a communications link to the meeting shall be deemed to be present at the meeting.

ARTICLE TEN  
NOTICES

10.1           Method of Giving Notices

A notice or document required by the Act, the regulations, or the articles or by-laws of the Corporation to be sent to a shareholder or director of the Corporation may be sent by prepaid mail addressed to, or may be delivered personally to:

- (a) the shareholder at his recorded address; and
- (b) the director at his recorded address or his address in the most recent notice filed under the *Corporations Information Act* (Ontario), whichever is the more current.

10.2           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.

10.3           Proof of Service

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

10.4 Computation of Time

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

10.5 Undelivered Notices

If any notice given to a shareholder pursuant to paragraph 10.1 is returned on three consecutive occasions because he cannot be found, the Corporation shall not be required to give any further notices to such shareholder until he informs the Corporation in writing of his new address.

10.6 Omissions and Errors

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

10.7 Waiver of Notice

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

ARTICLE ELEVEN  
EFFECTIVE DATE

11.1 Effective Date

This by-law shall come into force upon being passed by the board.

ENACTED the 18<sup>th</sup> day of December, 2013.

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Secretary – Brent Duguid