

REITMANS (CANADA) LIMITED

GENERAL BY-LAW 100

**REITMANS (CANADA) LIMITED
REITMANS (CANADA) LIMITÉE**

GENERAL BY-LAW 100

Being a By-law relating generally to the business and affairs of Reitmans (Canada) Limited -
Reitmans (Canada) Limitée.

1.00 INTERPRETATION

1.01 Definitions

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

- .1 "Act" means the Canada Business Corporations Act, as amended or substituted from time to time;
- .2 "appoint" includes "elect" and vice versa;
- .3 "Articles" means the Articles of Continuance of the Corporation as such Articles may from time to time be amended or restated;
- .4 "Board" means the Board of Directors of the Corporation;
- .5 "By-laws" means this by-law and all other by-laws of the Corporation from time to time in force and effect;
- .6 "Corporation" means Reitmans (Canada) Limited – Reitmans (Canada) Limitée;
- .7 "notice" means any communication or document made or transmitted pursuant to this By-law;
- .8 "signing officer" means, in relation to any instrument, any person authorized to sign such instrument on behalf of the Corporation by Section 5.00 of this By-law or by a resolution passed pursuant thereto.

1.02 **Interpretation**

- .1 Save as provided above, words and expressions defined in the Act have the same meanings as those words or expressions in the Act.
- .2 Words importing the singular number include the plural and vice versa; words importing gender include the masculine, feminine and neuter genders; and words importing persons include individuals, bodies corporate, partnerships, associations, trusts and unincorporated organizations.

2.00 **SHAREHOLDERS**

2.01 **Annual Meetings**

The Annual Meeting of shareholders shall be held in each year at the Registered Office of the Corporation or elsewhere in Canada at such time as the Board or, failing it, the Chairman of the Board or, failing him, the President may from time to time determine. Any Annual Meeting may also be constituted a Special Meeting to transact any business which may be transacted at a Special Meeting.

2.02 **Special Meetings**

The Board, the Chairman of the Board or the President shall have the power to call a Special Meeting of Shareholders at any time.

2.03 **Notice of Meetings**

A notice of a meeting of shareholders shall be given in accordance with Section 5.00 hereof. Any irregularities in any notice or in the giving thereof, or the accidental omission to give any notice to, or the non-receipt of any notice by, any person entitled thereto shall not validate any action taken or resolution passed at such meeting.

2.04 **Person Entitled to be Present**

The only persons entitled to be present at any meetings of shareholders are persons entitled to vote thereat, the directors, the auditor, and others, who, although are 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. The chairman of a meeting may permit or restrict attendance at the meeting by any other persons. Any person entitled to attend any meetings of shareholders may participate in the meeting by means of a telephonic, electronic or other communication facility.

2.05 **Quorum**

Two (2) persons present in person, each being a shareholder entitled to vote thereat or a duly-appointed proxy for an absent shareholder so entitled, and holding or representing not less than 40% of the outstanding shares of the Corporation entitled to be voted at the meeting shall constitute a quorum for the transaction of business. No business shall be transacted at any meeting unless the requisite quorum is present at the time of the transaction of the business.

Should a quorum not be present, those shareholders present or represented by proxy may adjourn the meeting to a fixed time and place without notice but no other business may be transacted.

2.06 **Presiding Officer**

The Chairman of the Board or, failing him, the President or, failing him, the Executive Vice President or, failing him, a Vice President who is a director shall preside at all meetings of shareholders. Should all of the foregoing be absent or decline to act, the persons present and entitled to vote shall choose one of their number to be chairman.

The Secretary of the Corporation or, in his absence, such other person as the chairman of the meeting may appoint, shall act as Secretary of the meeting.

The chairman of the meeting may appoint one or more scrutineers, who need not be shareholders.

2.07 **Voting**

Voting at any meeting of shareholders shall be by a show of hands except where, either before or after a show of hands a ballot is required by the chairman or requested by any person present and entitled to vote at the meeting or by the Articles or By-laws. Upon a

show of hands, each person present and entitled to vote, shall have one vote and a declaration by the chairman of the meeting of the result of the voting shall be conclusive evidence of the fact.

If a ballot is requested or required, such ballot shall be taken in such manner as the chairman shall determine. 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, to that number of votes provided by the Act or the Articles.

Any vote may be held entirely by means of a telephonic, electronic or other communication facility.

Every question shall, unless otherwise required by the Act, the Articles or the By-laws, be determined by the majority of the votes cast. In the case of an equality of votes, either upon a show of hands or upon a ballot, the chairman of the meeting shall be entitled to a second or casting vote.

2.08 **Procedures at Meetings**

The chairman of the meeting of shareholders shall conduct the meeting in all respects and his decision on all matters including, without limitation, any question regarding the validity or invalidity of any instrument of proxy and any procedural matter, shall be conclusive and binding upon the shareholders. The chairman may order the removal from the meeting of any persons whose conduct, in his opinion, has prejudice, or is likely to prejudice, the orderly conduct of the meeting.

2.09 **Adjournment**

The chairman of any meeting of shareholders may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn the meeting from time to time and from place to place. Any business may be considered and transacted at any adjourned meeting which might have been considered and transacted at the original meeting.

3.00 **DIRECTORS AND OFFICERS**

3.01 **Election and Term of Office**

The directors shall be elected at each Annual Meeting of Shareholders to hold office until the next annual meeting or until their respective successors are elected or appointed. The number of directors to be elected at any such meeting shall be the number of directors then in office unless the directors or the shareholders otherwise determine. The election shall be by resolution.

The directors may at any time appoint, without exceeding the number of directors provided by the Articles, one or more directors who shall hold office for a term expiring not later than the close of the next annual meeting of shareholders, provided that the total number of directors so appointed may not exceed one-third (1/3) of the number of directors elected at the previous annual meeting of shareholders.

3.02 **Calling of Meetings**

Meetings of the Board shall be held from time to time and at such place or places as the Chairman of the Board or, failing him, the President or, failing him, the Executive Vice President or, failing him, any two directors may determine. Written or oral notice of the time and place of each meeting of the Board shall be given to each director at least 48 hours before the meeting save with respect to a meeting to be held after the Annual Meeting of Shareholders in each year, in respect of which such meeting a notice shall not be necessary, provided that sufficient directors to constitute a quorum attend.

A director may waive notice of or otherwise consent to a meeting of the Board. No action taken at any meeting of the Board shall be invalidated by the accidental failure to give notice or sufficient notice of such meeting to any director nor by any irregularities in any notice.

3.03 **Quorum**

The directors may, from time to time, fix by resolution a quorum for meetings of directors but, until otherwise fixed, four (4) directors shall constitute a quorum. If there is no

quorum at a meeting, a majority of the directors present may adjourn the meeting to a fixed time and place but no other business may be transacted.

The directors shall not transact business at a meeting of the Board unless 25% of the directors are resident Canadians.

3.04 **Participation by Telephone**

A director may, if all the directors of the corporation consent, participate in a meeting of directors or of a committee of directors by means of such telephone or other means of communication facilities as permit all persons participating in the meeting to hear each other and a director participating in such meeting by such means is deemed to be present at that meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the Board and of committees of the Board held while a director holds office.

3.05 **Regular Meetings**

Regular meetings of the Board shall be held at such time and at such place as may be fixed from time to time by the Board by resolution, a copy of which shall be sent to each director. No other notice shall be required for such regular meeting except where required by the Act.

3.06 **Presiding Officers**

The Chairman of the Board or, failing him, the President or, failing him, the Executive Vice President shall act as chairman or, in the absence of all of them, the directors present shall elect a chairman from among themselves.

3.07 **Voting**

At all meetings of the Board, every question shall be decided by the majority of the votes cast on the question. In the case of an equality of votes, the chairman of the meeting shall be entitled to a second or casting vote.

3.08 **Remuneration**

Each director shall be entitled to be paid such remuneration for his services as the Board may from time to time determine. Each director shall be reimbursed for travelling and other expenses properly incurred by him in attending meetings of the Board or any committee thereof or shareholders meetings or otherwise incurred in connection with the business and affairs of the Corporation. Nothing herein shall preclude any director from serving the Corporation in any other capacity from receiving remuneration.

3.09 **Appointment of Officers**

- .1 The directors may designate any officers of the Corporation, appoint as officers persons of full capacity and specify their duties and titles and, subject to the provisions of the Act, delegated to them powers to manage the business and affairs of the Corporation. The Chairman of the Board, if appointed, and the President, shall be appointed from the members of the Board, as shall the Chairman of the Executive committee, if appointed.
- .2 A director may be appointed to any office of the Corporation and two or more offices of the Corporation may be held by the same person.
- .3 The appointment of all officers shall be at the pleasure of the Board, which may remove and discharge any officer of the Corporation either with or without cause. Any officer or employee of the Corporation who is not a member of the Board may be removed and discharged, either with or without cause, without the necessity of a meeting of the Board, by the Chairman of the Board, the Chairman of the Executive Committee or the President or by any other person to whom such authority has been delegated, whether by specific or implied act or practice of the Corporation.

4.00 **COMMITTEES**

4.01 **Committee of Directors**

The Board may appoint a Committee of Directors and delegate to such committee any powers of the Board except those which, under the Act, a committee of directors has no authority to exercise.

4.02 **Executive Committee**

The Board may appoint an Executive Committee which shall consist of not less than three (3) directors who shall remain in office at the pleasure of the Board and only as long as they are still directors. The Executive Committee shall, subject to Section 4.01, be vested with all the powers and authority of the Board between meetings thereof. All acts and proceedings of the Executive Committee shall be reported to the Board at the next meeting thereof.

4.03 **Audit Committee**

The Board shall elect an Audit Committee to be composed of at least three (3) directors of whom the majority shall not be officers or employees of the Corporation or its affiliates. Members of the Audit Committee shall remain in office at the pleasure of the Board and only as long as they are still directors.

4.04 **Procedure**

Unless otherwise determined by the Board, each committee shall have the power to fix its quorum, which shall not be less than the majority of its members; to elect its chairman; and to establish and change its operating procedures. All questions shall be decided at a meeting at which a quorum is present or by an instrument in writing signed by all members entitled to vote in respect of such questions.

5.00 **NOTICES**

5.01 **Method**

Any notice or communication to be given or sent by the Corporation to a shareholder, director, officer, auditor or other person entitled to it shall be sufficiently given or sent if delivered personally to such person or if delivered to his usual residence or place of business or if mailed to him at his address according to the records of the Corporation by prepaid ordinary mail or by any means of prepaid transmitted or recorded communication.

Such notice or communication shall be deemed to have been given when it is delivered personally or transmitted to the record address as provided above or when it is deposited in a post office or public letter box or, in the case of transmission or recorded communication, when dispatched or delivered to the appropriate company for dispatch. Any such notice or communication may, if two or more persons are registered as joint owners of shares, be sent to all of such joint shareholders but notice or communication to any one of such persons shall be sufficient notice to all of them.

The signature of any notice or communication may be hand-written or mechanically produced or reproduced.

5.02 **Waiver of Notice**

Any notice may be waived at any time by the person for whom such notice is intended and that person may shorten the delay for any notice required to be given to him under any provision of the Act, the Articles or the By-laws and such waiver or shortening of delay shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver shall be in writing and the attendance of any person at a meeting constitutes a waiver or notice and of defects therein except where such person 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.

5.03 **Errors and Omissions**

The accidental omission to give any notice to any shareholder, director, officer or member of a committee of the Board or the non-receipt of any notice by any such persons 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 any adjournment thereof.

6.00 **INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHERS**

6.01 **Limitation of Liability**

No director or officer shall be liable for the acts, omissions or defaults or negligence of any other persons, including without limitation, any director or officer or employee or agent, or for any loss occasioned by any error of judgment or oversight on the part of such director or officer, or for any other loss or damage which may arise out of the execution of the duties of his office or in relation thereto, unless same result from his own fraud, willful neglect or willful default. Nothing in this section shall, however, relieve any director or officer from the duty to act in accordance with the provisions of the Act or from any liability for any breach thereof.

6.02 **Indemnity**

To the extent permitted by the Act, the Corporation shall indemnify any director or officer of the Corporation, any former director or officer of the Corporation or any person who acts or has acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity and his heirs and legal representatives, against all costs, charges and expenses, (including, without limitation, any amount paid to settle an action or satisfy a judgment) reasonably incurred by him in respect of any civil, criminal, administrative, investigative or other proceeding in which he is involved because of that association with the Corporation or other entity.

6.03 **Insurance**

The Corporation may purchase and maintain such insurance for the benefit of the persons referred to in Section 6.02 above as the Board may from time to time determine.

7.00 **GENERAL**

7.01 **Registered Office**

The directors may from time to time fix the address of the Registered Office of the Corporation within the province designated by the Articles.

7.02 **Corporate Seal**

The seal, an impression of which is impressed hereon, shall be the corporate seal of the Corporation.

7.03 **Financial Year**

Until changed by the Board, the financial year of the Corporation shall end on the Saturday closest to January 31.

7.04 **Execution of Documents**

The Board may from time to time determine the person by whom, and the manner in which, any particular instrument, document, or class of instruments or documents may or shall be signed, including the use of printed or facsimile reproduction of any or all signatures and the use of the corporate seal or a printed or a facsimile reproduction thereof. Any signing officer may affix the corporate seal to any instrument requiring same.

7.05 **Banking**

The banking and financial accounts, transactions or business of the Corporation shall be transacted with such banks, trust companies, or other firms or corporations carrying on a banking or similar business as the Board may from time to time determine and under such authorizations as it shall determine.

7.06 **Voting Rights in Other Bodies Corporate**

Any officer of the Corporation may execute and deliver proxies and voting authorizations and arrange for the issuance of voting certificates or other evidence of the right to

exercise voting rights attaching to any security held by the Corporation, the whole in favour of such person or persons as may be designated by such officer.

7.07 **Conclusiveness of Securities Register**

Subject to the provisions of the Act, the Corporation shall treat the person in whose name any shares are registered in the securities register as the absolute owner of such shares, irrespective of any indication to the contrary.

7.08 **Replacement of Shares Certificates**

A replacement share certificate may be issued on the direction of any officer or person designated by the board upon payment of such fee, if any, and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the Board may from time to time prescribe.

7.09 **Severability**

The invalidity or unenforceability of any provision of this By-law shall not affect the validity or enforceability of the remaining provisions of this By-law.

8.00 **EFFECTIVE DATE AND REPEAL**

8.01 **Effective Date**

This By-law shall come into force upon the issuance to the Corporation of a Certificate of Continuance pursuant to the Act.

8.02 **Repeal**

Upon the date of this By-law becoming effective, By-law numbers One to Thirteen of the Corporation shall be repealed provided that such repeal shall not affect the previous operation of any by-law so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under or the validity of any contract or agreement made pursuant to any such by-law prior to its repeal.

All officers or persons acting under any By-law so repealed shall continue to act as if appointed by the Board under the provisions of this By-law. All resolutions with continuing effect passed under any repealed by-law shall continue to be valid except to the extent inconsistent with this By-law or the Act, until such resolutions are amended or repealed.