

## **BY-LAW NO. 3**

A by-law relating generally to the transaction of the business and affairs of

### **DUNDEE CORPORATION**

#### **Contents**

<b>Section</b>	<b>Subject</b>
1	Interpretation
2	Directors
3	Shareholders
4	Protection of Directors, Officers and Others
5	Exclusive Forum for Certain Disputes
6	Repeal of Existing By-laws
7	Effective Date

IT IS HEREBY ENACTED as By-law No. 3 of **DUNDEE CORPORATION** (the **Corporation**) as follows:

## **1 Interpretation**

### **1.1 Statutory References**

In the by-laws of the Corporation, **Act** means the *Business Corporations Act* (Ontario) and the regulations made thereto, as from time to time amended, and every statute that may be substituted therefor, and in the case of such amendment or substitution, any reference to the Act in the by-laws of the Corporation refers to the amended or substituted provisions therefor.

### **1.2 Conflict with the Act and Articles**

To the extent that there is any conflict or inconsistency between by-laws and the Act or the articles of the Corporation, the Act or articles will govern.

### **1.3 Number and Gender**

Any reference in this Agreement to gender includes all genders and words importing the singular include the plural and *vice versa*.

## **2 Directors**

### **2.1 Place**

Meetings of directors may be held at the registered office of the Corporation or any other place within or outside Canada. In any financial year of the Corporation, a majority of the meetings of the board of directors (the **board**) need not be held within Canada.

### **2.2 Notice**

Subject to any resolution of the board, meetings of the board may be called at any time by the chair of the board or the president, or any two directors. Notice of the time and place for holding any meeting of the board and the general nature of the business to be transacted thereat will be given by the secretary of the Corporation at least 24 hours prior to the time fixed for the meeting.

### **2.3 Quorum**

The number of directors of the corporation from time to time required to constitute a quorum for the transaction of business at a meeting of the board shall be 40% of the number of directors fixed or determined at that time (or, if that is a fraction, the next larger whole number of directors).

### **2.4 First Meeting of the New Board**

For the first meeting of the board to be held following the election of directors at an annual or special meeting of the shareholders, or for a meeting of the board at which a director is appointed to fill a vacancy on the board, no notice of such meeting need be given to the newly elected or appointed director(s) in order for the meeting to be duly constituted, provided a quorum of the directors is present.

### **2.5 Chair**

The chair of any meeting of the board shall be the first mentioned of the following persons who is present at the meeting: the chair of the board, the lead director, the vice-chair of the board, the

chief executive officer or the president, or, in the alternative, any director present and nominated at the meeting to serve as chair.

## 2.6 Votes to Govern

All questions arising at any meeting of the board will be decided by a majority of votes. In the case of an equality of votes, the chair of the meeting is not entitled to a second or casting vote in addition to his original vote.

## 2.7 Nomination of Directors

Subject only to the Act and the articles, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors, (a) by or at the direction of the board or an authorized officer of the Corporation, including pursuant to a notice of meeting, (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act or (c) by any person (a **Nominating Shareholder**) (i) who, at the close of business on the date of the giving of the notice provided for below in this section 2.7 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and provides evidence of such beneficial ownership and (ii) who complies with the notice procedures set forth below in this section 2.7:

- (1) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the corporate secretary of the Corporation at the principal executive offices of the Corporation in accordance with this section 2.7.
- (2) To be timely, a Nominating Shareholder's notice to the corporate secretary of the Corporation must be made (i) in the case of an annual meeting of shareholders, not less than 30 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 50 days after the date (the **Notice Date**) on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10<sup>th</sup>) day following the Notice Date; and (ii) in the case of a special meeting of shareholders (which is not also an annual meeting of shareholders) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15<sup>th</sup>) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.
- (3) To be in proper written form, a Nominating Shareholder's notice to the corporate secretary of the Corporation must set forth (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (A) the name, age, business address and residential address of the person, (B) the principal occupation(s) or employment(s) of the person, (C) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, and (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; and (ii) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which

such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee, which information may be disclosed by the Corporation to shareholders.

- (4) No person shall be eligible for election as a director unless nominated in accordance with the provisions of this section 2.7; provided, however, that nothing in this section 2.7 shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (5) For purposes of this section 2.7, (i) **public announcement** shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com); and (ii) **Applicable Securities Laws** means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.
- (6) Notwithstanding any other provision of By-law No. 3, notice given to the corporate secretary of the Corporation pursuant to this section 2.7 may only be given by personal delivery, facsimile transmission or by email, and shall be deemed to have been given and made only at the time it is served by personal delivery, sent by facsimile transmission (provided that receipt of the confirmation of such transmission has been received) or sent by e-mail, to the corporate secretary of the Corporation at the address of the service office of the Corporation or the facsimile number or email address stipulated under the Corporation's profile on the System for Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com), as applicable; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Toronto time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.
- (7) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this section 2.7.

### **3 Protection of Directors, Officers and Others**

#### **3.1 Indemnity**

Subject to the Act and any other applicable law, the Corporation shall indemnify each director and officer of the Corporation, each former director and officer of the Corporation, and each other individual who acts or acted at the Corporation's request as a director or officer or in a similar capacity of another entity against all costs, charges and expenses, including any amount paid to settle an action or satisfy a judgment, reasonably incurred by such person in respect of any civil,

criminal, administrative, investigative or other proceeding to which he is made a party or involved in by reason of being or having been a director or officer of the Corporation or such other entity at the request of the Corporation or in a similar capacity (excluding any proceeding initiated by such individual other than to establish a right of indemnification) provided:

- (a) the individual acted honestly and in good faith with a view to the best interests of the Corporation, or, as the case may be, to the best interests of the other entity for which the individual acted as a 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, the individual had reasonable grounds to believe that his conduct was lawful.

### **3.2 Advances for Costs**

The Corporation shall, to the full extent permitted by law, advance monies to an individual referred to in section 3.1 for costs, charges, and expenses of a proceeding referred to in section 3.1 provided such individual shall repay the monies advanced if the individual does not fulfill the conditions of indemnification set out in the Act.

### **3.3 Indemnification Agreements**

The Corporation is authorized to enter into any agreement evidencing and setting out the terms and conditions of, an indemnity in favour of any of the persons referred to in section 3.1.

### **3.4 Director and Officer Insurance**

The Corporation may purchase, maintain or participate in insurance against the risk of its liability to indemnify pursuant to this by-law or otherwise.

### **3.5 Right not Exclusive**

The right of any person to indemnification granted by this by-law is not exclusive of any other rights to which any person seeking indemnification may be entitled under any agreement, vote of shareholders or directors, at law or otherwise.

## **4 Shareholders**

### **4.1 Chair, Secretary and Scrutineer**

The chair of any meeting of shareholders will be the first mentioned of such of the following officers who is present at the meeting and is a shareholder: chair of the board, chief executive officer or president. If no such officer is present within fifteen minutes from the time fixed for holding the meeting, the persons present and entitled to vote thereat will choose one of their number to be chair of the meeting. If present, the secretary of the Corporation shall be secretary of the meeting. If the secretary is absent, the chair of the meeting shall appoint another person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more persons, who need not be shareholders, may be appointed to act as scrutineers by the chair of the meeting.

## **4.2 Quorum**

The quorum for the transaction of business at any meeting of the shareholders of the Corporation shall be two persons present at the opening of the meeting who are entitled to vote at the meeting, either as shareholders or proxyholders.

## **4.3 Adjournment**

The chair of any meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place. Any adjourned meeting is duly constituted if held in accordance with the terms of the adjournment and a quorum is present at the adjourned meeting. Any business may be considered and transacted at any adjourned meeting which might have been considered and transacted at the original meeting of shareholders.

## **4.4 Votes to Govern**

A vote at a meeting of shareholders may be held by telephone or electronic or other means of communication facility made available by the Corporation. In the case of an equality of votes, the chair of the meeting will not be entitled to a second or casting vote.

## **4.5 Meeting Held by Electronic Means**

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

## **5 Exclusive Forum for Certain Disputes**

Unless the Corporation consents in writing to the selection of an alternative forum, the applicable court of competent jurisdiction for the Province of Ontario, Canada (**Ontario Court**) shall, to the fullest extent permitted by law, be the sole and exclusive forum for any of the following actions or other proceedings:

- (i) a derivative action, including an application for leave to commence such an action, in the name of and on behalf of the Corporation;
- (ii) an application for an oppression remedy, including an application for leave to commence such a proceeding;
- (iii) an action asserting a claim of breach of the duty of care owed by the Corporation or any director, officer or other employee of the Corporation to the Corporation or to any of the Corporation's shareholders;
- (iv) an action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation;
- (v) an action or other proceeding asserting a claim or seeking a remedy pursuant to any provision of the Act or the Corporation's articles or by-laws (as either may be amended or restated from time to time); and
- (vi) an action or other proceeding asserting a claim against the Corporation or any director or officer or other employee of the Corporation regarding a matter of the regulation of the business and affairs of the Corporation, including (without limitation) the articles, by-laws, internal affairs, governance, status, internal controls and procedures of the Corporation.

If any action or other proceeding the subject matter of which is within the scope of the preceding sentence (an **Action**) is filed in a court other than the Ontario Court in the name of any shareholder (an **Extra-Jurisdictional Action**), such shareholder shall be deemed to have consented to (a) the personal jurisdiction of the Ontario Court in connection with any action or other proceeding to enforce the preceding sentence, and (b) having service of process made upon such shareholder in any such action or other proceeding by service upon such shareholder's counsel in the Extra-Jurisdictional Action as agent for such shareholder.

To the extent an Action is brought in the Ontario Court by a plaintiff who is ordinarily resident outside Ontario, the Corporation will not seek security for costs from that plaintiff solely by reason of that plaintiff's residence outside Ontario.

## **6 Repeal of Existing By-laws**

As of the coming into force of this By-Law No. 3, the existing By-law No. 1 and By-law No. 2 of the Corporation are repealed. Such repeal does 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 such by-laws prior to their repeal.

## **7 Effective Date**

This by-law will come into force on the date when made by the board in accordance with the Act.

**ENACTED** by the board of the Corporation on the 9th day of June, 2015.

(signed) David Goodman

\_\_\_\_\_  
David Goodman - President

(signed) Lili Mance

\_\_\_\_\_  
Lili Mance - Secretary