



LES  
VIOLONS  
DU ROY

LA CHAPELLE DE QUÉBEC  
BERNARD LABADIE

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## *GENERAL BY-LAWS*

Adopted by the Board of Directors

Ratified by the General Meeting

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***LES VIOLONS DU ROY (HEREINAFTER “VDR”)***

***BY-LAW NO. 1***

***GENERAL AND ADMINISTRATIVE BY-LAW  
(GENERAL BY-LAW)***

***1. HEAD OFFICE***

The head office and principal place of business of VDR is located in the city of Québec, at the place determined, by resolution, by the board of directors.

VDR may establish and maintain other offices, places of business and agencies, in addition to the head office and principal place of business, inside or outside the city of Québec, as decided, by resolution, by the board of directors.

***2. SEAL***

The directors may, if necessary, determine the seal of VDR and specify its shape and design. The seal is kept at the VDR head office. The use of the seal on a document issued by VDR must be authorized by one of the following persons: the executive director, the chairman, the vice-chairman, the secretary or the treasurer.

***3. MEMBERS***

***3.01 Categories***

VDR is made up of two (2) categories of members: regular members and honorary members.

***3.02 Regular members***

Any natural person interested in promoting the objects of VDR who meets the admission criteria established by the board of directors may be a regular member of VDR.

Regular members are entitled to take part in all VDR activities, to receive notice of general meetings of the members, and to attend and vote at general meetings. They are eligible to become VDR directors.

***3.03 Honorary members***

The board of directors may, by resolution, appoint as an honorary member of VDR any person who has made an outstanding contribution to VDR in the pursuit of its objects, or any person whose reputation or social or artistic influence justifies the appointment.

Honorary members may take part in VDR activities and attend general meetings of the members, but may not vote at meetings. They are not eligible to be VDR directors and are not required to pay dues or contributions to maintain their status as honorary VDR members.

### **3.04 Dues**

The board of directors may, by resolution, set the annual dues to be paid by regular members, the amount of which must be the same for all regular members. The dues are payable at the VDR head office on the date determined in a resolution of the board of directors. A notice of dues must be sent by the secretary or the treasurer, by mail, at least fifteen (15) days before the payment date. To exercise the rights and privileges of regular members, all members must have paid their dues. Failure to pay the dues entails suspension of a member's rights and privileges until the dues are paid. If a member fails to pay for more than thirty (30) days, the board of directors may strike off that member.

Every person who, during the fiscal year preceding the year for which a notice of dues is sent, makes a donation to VDR equal to or exceeding the amount determined in a resolution of the board of directors is exempted from paying the dues for that year.

### **3.05 Relinquishment of membership**

Every member may relinquish membership at any time by sending written notice to the VDR secretary.

### **3.06 Suspension and expulsion**

The board of directors may, by resolution, suspend for the period it determines or expel any member who infringes a provision of the VDR by-laws or whose conduct or activities are considered harmful to VDR.

## **4. GENERAL MEETING OF MEMBERS**

### **4.01 Annual general meeting**

The annual general meeting of VDR members takes place at the date determined each year by the board of directors within four (4) months of the end of the VDR fiscal year. It is held at the VDR head office or at any other place determined by the board of directors. The agenda of the annual general meeting includes: the reception of the report and audited annual statements of VDR, the election of directors, the appointment of auditors for the VDR accounts, and the ratification of the by-laws passed and actions taken by the board of directors and officers since the last annual general meeting. The members also examine any other matter that may be brought before the meeting, and dispose of it if applicable. Every annual general meeting may also be a special meeting to examine and dispose of any matter that may be brought before a special meeting of the members,

provided the formalities concerning the convening of the meeting have been complied with.

#### **4.02 Special meeting**

A special meeting of VDR members is held at the VDR head office or at any other place determined by the board of directors or by the person who convenes the meeting. The chairman or the board of directors are responsible for convening a meeting when considered appropriate for the proper conduct of VDR business. However, the board of directors is required to convene a special meeting of the members when it has received a written request to that end signed by at least twenty percent (20%) of the members, within twenty (20) days of receiving the request. The request must specify the expected aim and objects of the special meeting. If the board of directors fails to convene a special meeting within the deadline, the special meeting may be convened by the signatories of the request.

#### **4.03 Notice**

A notice of each annual general meeting and of each special meeting of the members must be sent to the members entitled to attend the meeting.

The notice is given in writing and sent by mail to the address of each member as it appears in the books of VDR, at least ten (10) clear days before the date set for an annual meeting and at least five (5) clear days before the date set for a special meeting. If a member's address is not indicated in the VDR records, the notice may be sent to the address where, in the judgment of the sender, it is most likely to reach the member without delay.

A member may, by way of a written, faxed or e-mailed document, waive the right to receive notice of a meeting. The member's presence at a meeting corrects any failure to send a notice to that member.

#### **4.04 Content of notice**

The notice for a meeting must state the time and place of the meeting. The notice for an annual general meeting may, but need not, specify the aims of the meeting. The notice must, however, mention in general terms any by-law or document that is to be ratified at the meeting, along with any other matter to be brought before and disposed of at a special meeting.

The notice for a special meeting must mention in general terms any matter that is to be dealt with at the meeting.

#### **4.05 Irregularity**

An accidental omission to send a notice to one or more members does not render the decisions made at the meeting null. Similarly, a technical error or irregularity or formal defect in a notice does not make that notice null.

#### **4.06 Chairman and secretary**

Meetings of members are chaired by the VDR chairman, or if absent by the vice-chairman, or if absent by any person designated for that purpose by a majority vote of the members present at the meeting.

The VDR secretary, or any other person designated for that purpose by a majority vote of the members present at the meeting, acts as secretary for the meeting.

#### **4.07 Quorum**

At an annual general meeting or special meeting of the members, eight (8) members present at the meeting and with the right to vote constitute a quorum. When a quorum is constituted at the beginning of a meeting of the members, the members present may proceed to examine the matters before the meeting, whether or not the quorum is maintained throughout the meeting.

If a quorum is not constituted within half (1/2) an hour after the time of the meeting set out in the notice, the members present can only adjourn the meeting to another place, date and time. A written notice of the adjournment of the meeting must be sent to all the members entitled to attend the meeting in accordance with paragraph 4.03 of this by-law.

When the adjourned meeting resumes, the quorum is constituted by the persons present and any matter that could have been dealt with at the adjourned meeting may be validly dealt with at the resumed meeting.

#### **4.08 Vote**

At any meeting of the members, only members in good standing and entitled to vote may vote, each such member having one vote. Voting by proxy is not permitted.

At all meetings, votes are taken by way of an open ballot or, if requested by at least five (5) members, by way of a secret ballot. Unless otherwise provided for by law, all matters are decided by a majority of the votes cast at the meeting. In the event of a tie-vote, the chairman of the meeting has the casting vote.

Unless a secret ballot has been requested, a statement by the chairman that a resolution has been adopted or rejected, and an entry in the minutes to that effect, constitutes *prima facie* proof of the adoption or rejection of the resolution without any need to prove the quantity or proportion of the votes cast.

#### **4.09 Procedure**

The chairman of a meeting of the members must see to the proper conduct of the meeting and direct all aspects of the procedure; the chairman's decision on all matters is final and binding on all the members.

The chairman of a meeting of the members has the power, at any time during the meeting, to adjourn it. There is no need to send a notice reconvening a meeting adjourned in this way. Any matter that could have been dealt with at such an adjourned meeting may be dealt with at the resumed meeting.

### **5. DIRECTORS**

#### **5.01 Number**

The business of VDR is administered by a board of fifteen (15) directors.

#### **5.02 Term**

The term of the members of the board of directors is three (3) years. The directors are elected in three (3) separate groups: seats 1 to 5 are elected in a given year, seats 6 to 10 are elected the next year, and seats 11 to 15 are elected the following year. When this by-law takes effect, the chairman of the VDR board of directors must assign a number to the seat held by each current director. The seat numbers must be assigned on the basis of the time already served by each director: the seat held by the longest-serving director shall be seat 1, and so on. An election shall be held for seats 1 to 5 at the first annual general meeting of members held after this by-law takes effect.

The current directors shall remain eligible to be re-elected as directors, following their current term, for a maximum of three terms.

Subject to sections 5.04, 5.05 and 5.06, directors shall begin their terms at the conclusion of the meeting during which they are appointed or elected for a period of three (3) years, until the conclusion of the relevant annual general meeting during which their successor is elected or appointed or until their successor is appointed or elected in accordance with a provision of this by-law.

If, at any time, an election of directors is not held or has not been held by the appointed time, the current directors remain in office until their successors are appointed.

#### **5.03 Elections**

At each annual general meeting, the members entitled to vote elect the required number of directors.

If the required number of directors is not elected at the annual general meeting of the members, the board of directors is empowered to designate the directors needed to reach that number.

No member may be elected as a VDR director at an annual general meeting of the members unless the member has been nominated for election and has agreed, in writing, to stand for election if not present at the meeting.

#### **5.04 Withdrawal of a director**

A director ceases to be a member of the board of directors upon

- a) declaring bankruptcy or insolvency, or being declared by law to be unfit to hold office as a director, or becoming unable to fulfil the duties of a director; or
- b) resigning, as soon as VDR has received a written notice of resignation, unless the notice sets a later date, in which case the resignation takes effect on the date set; or
- c) failing to attend more than three consecutive meetings without a valid reason; or
- d) ceasing to possess the required qualifications; or
- e) being dismissed as provided for below.

#### **5.05 Dismissal**

At a special meeting of the members convened for that purpose, a director may be dismissed before the expiry of the director's term by a majority vote of the members present at the meeting and entitled to vote. At the same special meeting, a person must be elected to replace the director who is dismissed.

The person elected to replace the director who is dismissed serves only the unexpired portion of the dismissed director's term.

Directors are dismissed and elected at the pleasure of the members.

#### **5.06 Vacancy**

When a position of director falls vacant during a year, the board of directors may elect a director to fill the vacancy.

#### **5.07 Remuneration**

Directors are not entitled to receive any remuneration or wages for their duties as directors.

## **5.08 Protection**

VDR must compensate the directors for any loss they may incur, reimburse them for any expenditure they may make, and protect them against any claim that may result from any action they take, authorize or omit while performing duties as directors, except in a case of gross fault. Depending on their insurability, VDR must take out and maintain civil liability insurance to cover its directors.

Proof that VDR holds adequate civil liability coverage for its directors must be tabled at the first meeting of the board of directors each year.

## **5.09 Conflict of interest**

### **A. General rule**

All directors must avoid placing themselves in a situation in which their personal interest conflicts with their obligations as directors.

They must disclose to VDR any interest they have in an enterprise or association likely to place them in a situation of conflict of interest, as well as any claims they may have against VDR, indicating, where necessary, their nature and value. Disclosures of interest are recorded in the minutes of the deliberations of the board of directors.

### **B. Deliberations of the board of directors**

Apart from the cases explicitly provided for in paragraph A, every director with a direct or indirect interest in a contract or matter involving VDR must disclose the interest to the board of directors when it is deliberating or making a decision concerning that contract or matter, and abstain from voting on any resolution concerning that contract or matter or concerning the director personally, whether directly or indirectly. In such a case, the director with an interest must leave the meeting during the deliberations and vote.

Compliance by the director with the obligations set out in this paragraph does not dispense the director from complying in addition with the provision of paragraph A.

C. Family members

The provisions of this section apply also in any case in which a conflict exists or may exist between the interests of VDR and the interest of the following members of a director's family: the director's spouse including a de facto spouse, ascendant, descendant, brother, sister, father-in-law, mother-in-law, brother-in-law, sister-in-law, nephew, niece, uncle or aunt.

**5.10 General powers**

The board of directors administers all aspects of the business of VDR and may, on behalf of VDR, sign any contract to which VDR may legally be a party. It may, in general, exercise each and all of the rights and powers that VDR may exercise, and take all actions and do all things except those that, by law or under the VDR letters patent or general by-laws must be done by the members at a general meeting; and, without restricting the general scope of the above, the board of directors, acting on behalf of VDR, has the power to buy, lease or otherwise acquire, and to relinquish, sell, exchange or otherwise dispose of, any land, buildings or other movable or immovable property, whether real or personal, of whatever nature, as well as any right or interest in such property, for consideration and on the conditions determined by the board of directors.

**6. MEETINGS OF THE BOARD OF DIRECTORS**

**6.01 After an annual general meeting**

Immediately after each annual general meeting of the members, the board of directors meets, without notice but provided there is a quorum, to appoint directors, elect the executive committee as provided for in the general by-law (if necessary), and conduct all other business.

**6.02 Date of meeting**

The directors meet as often as is necessary, and at least four (4) times per year.

**6.03 Calling of meeting and venue**

The meetings of the board of directors are called by the secretary or chairman, at the request of the chairman or vice-chairman, or following a written request from at least five (5) directors. They are held at any place designated from time to time by the chairman or the board of directors.

**6.04 Notice**

Notice of a meeting of the board of directors is given by way of a letter addressed to each director at that director's last known address. The notice may also be given by fax or email. It must be given at least five (5) clear days before the meeting, but in a case of urgency must be given twelve (12) hours before the meeting. Every director may, by way

of a written, faxed or e-mailed document, waive the right to receive notice of a meeting. If all the members of the board of directors are present, or if any absent members have given written consent, the meeting may take place without prior notice. A director's presence at a meeting corrects any failure to send a notice to that member.

#### **6.05 Quorum**

A quorum at a meeting of the board of directors is constituted by a majority of the directors at the time of the meeting.

#### **6.06 Chairman and secretary of the meeting**

Meetings of the board of directors are chaired by the chairman of VDR or, if the chairman is absent, by the vice-chairman. The VDR secretary acts as secretary at the meetings. If they are absent, the directors choose a chairman and/or secretary for the meeting from among their number.

#### **6.07 Procedure**

The chairman of the meeting sees to the proper conduct of the meeting and, in general, directs all aspects of procedure. The chairman submits all proposals on which a vote is to be taken to the board of directors. If the chairman of the meeting fails to submit a proposal, any other director may submit it before the meeting is adjourned or concluded and, if the proposal comes under the authority of the board of directors, the board of directors must consider it even if it is not seconded. For that purpose, the agenda for every meeting of the board of directors is presumed to include a period during which directors may present proposals.

#### **6.08 Vote**

Each director is entitled to one (1) vote, and all matters are decided by a majority of the votes cast at a meeting. The vote is taken on a show of hands, unless the chairman of the meeting or a director requests a ballot, in which case the vote is taken by ballot. If the vote is taken by ballot, the secretary of the meeting acts as the returning officer and counts the votes. Voting by proxy is not permitted. In the event of a tie-vote, the chairman of the meeting of the board of directors has the casting vote.

#### **6.09 Remote participation**

The directors may, if a majority agree, participate in a meeting of the board of directors by means of a device allowing all the participants to communicate with each other, including a telephone conference. In such a case they are deemed to have attended the meeting.

## **6.10 Adjournment and resumption**

If a quorum is not constituted at the time and place fixed for a meeting of the board of directors, the chairman of the meeting may, with the consent of the directors present for the meeting, adjourn the meeting to a date and place determined by the chairman, without needing to give the directors notice of the resumed meeting.

When the adjourned meeting resumes, the board of directors may validly begin deliberations in accordance with the conditions set at the adjournment, provided a quorum is constituted. The directors constituting the quorum at the initial meeting are not required to constitute the quorum at the resumed meeting. If a quorum is not constituted at the resumed meeting, it is deemed to have ended at the same time as the previous meeting where the adjournment was ordered

## **7. EXECUTIVE COMMITTEE**

### **7.01 Optional constitution**

An executive committee may be constituted in accordance with the following conditions, provided two-thirds (2/3) of the directors present at a meeting convened for that purpose require the constitution of an executive committee.

### **7.02 Composition and quorum**

The executive committee is composed of five (5) directors: the chairman of VDR, the vice-chairman, the secretary, the treasurer and a director elected by and from among the members of the board of directors.

The quorum at a meeting of the executive committee is constituted by a majority of the serving members.

### **7.03 Powers**

The executive committee exercises all the powers of the board of directors concerning the routine administration of VDR business, except the powers that, by law, must be exercised by the directors and any powers that the directors expressly reserve for themselves. The executive committee must report on its activities at each meeting of the board of directors, and the directors may amend or reject the decisions made by the executive committee, provided the rights of third parties are not affected.

### **7.04 Election**

The members of the executive committee are elected annually, at the meeting of the board of directors immediately following the annual general meeting of the members. The previously elected members of the executive committee resign at that time but are eligible for re-election.

### **7.05 Chairman and secretary**

The chairman and secretary are respectively chairman and secretary of the executive committee.

### **7.06 Meetings**

Notice of a meeting of the executive committee is given by letter, by telephone, by fax or by email. Notice must be given at least twenty-four (24) hours before the meeting, but in a case of urgency may be given twelve (12) hours before the meeting. Notice is given on the order of the chairman or vice-chairman of VDR, or on the order of three (3) members of the executive committee. Every member may, by way of a written, faxed or e-mailed document, waive the right to receive notice of a meeting. If all the members of the executive committee are present, or if any absent members have given written consent, the meeting may take place without prior notice. A member's presence at a meeting corrects any failure to send a notice to that member.

## **8. *AUDIT COMMITTEE***

The board of directors must establish and maintain in operation an audit committee composed of at least three (3) independent directors who clearly have sufficient and appropriate knowledge of the management and accounting standards applicable to the organization, at least one of whom is a member of a professional accounting order accredited in Canada. Independent directors within the meaning of this paragraph are directors (including members of their family within the meaning of paragraph 5.09 (C)), who (1) have no interest in any enterprise or association liable to place them in a conflict of interest, (2) have no claim against VDR, and (3) have no direct or indirect interest in a contract or matter involving VDR.

A director holding less than 10% of the shares in a legal person or partnership and who is not a senior officer of the legal person or partnership does not lose the quality of "independent director" even if the legal person or partnership is involved in a contract or matter with VDR.

Similarly, a director does not lose the quality of "independent director" simply by acting as a sponsor of or donor to VDR.

The members of the audit committee are appointed annually by the board of directors and remain in office until replaced. The board of directors designates the chairman of the audit committee. A quorum at meetings of the audit committee is constituted by a majority of its serving members.

## **9. *OTHER COMMITTEES***

The board of directors, as and when it sees fit, may establish, organize, modify or dissolve any committee needed for the proper operation of VDR.

## **10. OFFICERS**

### **10.01 Election**

Each year, the directors elect a chairman, vice-chairman, treasurer and secretary from among their number.

### **10.02 Resignation and dismissal**

An officer may resign at any time by giving a written letter of resignation to the chairman or secretary, or during a meeting of the board of directors. An officer may be dismissed with or without cause by a majority vote of the board of directors, unless a contrary agreement is made in writing.

### **10.03 Vacancy**

A vacancy among the officers is filled by the board of directors.

### **10.04 Powers and duties of the officers**

The officers have all the powers and duties ordinarily conferred by the office, subject to the relevant legislative and regulatory provisions, and also have the powers and duties delegated or imposed by the board of directors. The powers of the officers may be exercised by any other person specially appointed by the board of directors for that purpose if the officers are unable to act.

### **10.05 Chairman**

The chairman is the chief officer of VDR, and chairs all the meetings of the board of directors and the members. The chairman sees to the execution of the decisions of the board of directors, signs all the documents requiring the chairman's signature, and performs all the duties inherent in the office of chairman, in addition to exercising all the powers assigned from time to time by the board of directors.

### **10.06 Vice-chairman**

The vice-chairman exercises the powers and functions prescribed from time to time by the directors or the chairman. If the chairman is absent or unable or unwilling to act, the powers and duties of the chairman devolve upon the vice-chairman by order of precedence.

### **10.07 Treasurer**

The treasurer has general responsibility for VDR finances. The treasurer must deposit the money and other securities of VDR in the name and to the credit of VDR at the bank or financial institution designated by the directors. Whenever required, the treasurer must report to the chairman or directors on the financial situation of VDR, and on all the

transactions performed as treasurer. The treasurer must draw up, keep and store or have stored the books of account and suitable accounting registers. The treasurer must allow the VDR books and accounts to be examined by the persons authorized to examine them. The treasurer must sign the contracts, documents and other writings requiring the treasurer's signature, and exercise the powers and perform the duties assigned by the directors or inherent in the position of treasurer.

#### **10.08 Secretary**

The secretary attends the meetings of VDR members and of the board of directors and draws up the minutes. The secretary has custody of the VDR seal, minute book and other corporate registers. The secretary is responsible for sending notices of meetings to the directors and members.

### **11. COMMERCIAL PAPER**

All bills of exchange, promissory notes, cheques and other papers including an order to pay an amount of money, and all receipts for money paid to VDR, can be drawn, accepted, endorsed or otherwise issued and delivered, as the case may be, in the manner and by the officer or officer or mandatary or mandataries determined by the board of directors.

### **12. BORROWINGS**

In addition to the powers conferred by the VDR letters parent, and without restricting the scope of the powers conferred on the directors by the *Companies Act*, the directors may, when they consider it appropriate and without obtaining authorization from the members,

- a) borrow money on the credit of VDR;
- b) issue or re-issue bonds or other VDR securities and offer them as security or sell them for the prices and amounts considered reasonable; and
- c) hypothecate the property or otherwise affect the movable property of VDR.

### **13. SIGNATURE OF DOCUMENTS**

Contracts, agreements, deeds of sale, leases, pledges, hypothecs, transfers of shares, obligations or other securities belonging to VDR or registered in the name of VDR in the books of a legal person or partnership, endorsements of securities certificates and other documents and writings requiring the signature of VDR as the holder of shares, obligations or other securities, are signed for and on behalf of VDR by the officer or officers, employee or employees, or mandatary or mandataries of VDR that the board of directors authorizes and, if required, the VDR seal is affixed; however, the contracts, endorsement or other documents and writings are also binding on VDR if signed by the chairman, vice-chairman or secretary.

**14. LEGAL PROCEEDINGS**

The chairman and vice-chairman, an officer or a person authorized by the directors are respectively authorized to appear on behalf of VDR and answer any charge, statement or motion, order or examination, issued by any court,

The chairman, the vice-chairman, an officer or any other person authorized by the directors is authorized to appear on behalf of VDR to answer any action, statement or motion to institute proceedings, any order or interrogation, issued by any Court, to answer on behalf of VDR any writ of seizure in which VDR is a garnishee, to make any affidavit or solemn declaration connected with such a writ of seizure or any other proceeding to which VDR is a party, to file applications for the disposal of property, or to file motions for a winding-up order or receiving order against any debtor of VDR, to be present and vote at any assembly of the creditors of a debtor of VDR, to grant powers of attorney and to take, with regard to such proceedings, any other action they consider in the best interest of VDR.

**15. AUDITORS**

The members appoint, at each annual general meeting, one or more auditors who remain in office until the end of the following annual general meeting of the members.

**16. FISCAL YEAR**

The fiscal year of VDR ends at the close of business on June 30 or on any other date set from time to time by the board of directors.

**17. DISSOLUTION**

If VDR is liquidated or dissolved, its property devolves on a legal person pursuing similar activities.

**18. AMENDMENTS TO THE LETTERS PATENT AND BY-LAWS**

A resolution of the members to authorize a request for supplementary letters patent to amend the VDR letters patent is valid and has effect only if by the vote of at least two-thirds ( $\frac{2}{3}$ ) of the members entitled to vote and present at a special general meeting called to consider the resolution.

Any amendment of this general by-law is a responsibility of the board of directors. The adoption, amendment or striking out of a section, unless ratified in the meantime by a special meeting of the members, has effect only until the following annual general

meeting. If the adoption, amendment or striking out of a section is not ratified at the annual general meeting, it ceases to have effect from that date.

The members, in a general meeting, ratify amendments to the general by-laws by a majority vote of the members entitled to vote present at the general or special meeting duly called for that purpose.