

UNIVERSITY OF TORONTO SCHOOLS

BY-LAW NO. 1

being a by-law relating generally to the transaction of the business and affairs of the corporation.

WHEREAS:

- (a) University of Toronto Schools has been operated by the University of Toronto (the “University”) or by a department or faculty thereof since 1910;
- (b) through a consultation process with stakeholders of the School, The Governing Council of the University of Toronto (“Governing Council”) has resolved to reconstitute University of Toronto Schools as an ancillary corporation within the University community;
- (c) the stakeholders and the Governing Council have resolved that University of Toronto Schools should be governed by a board of directors accountable to but independent of the University;
- (d) University of Toronto Schools (“UTS”) has been incorporated as a charitable corporation without share capital under the laws of Ontario;
- (e) the board of directors of UTS will be the guardians of the objects for which UTS has been incorporated and of the mission of the School; and
- (f) the stakeholders and the University have decided that the composition of the board shall reflect the balance of expertise, perspectives and resources needed to achieve the objects of incorporation and the mission of the School;

THEREFORE BE IT ENACTED AND IT IS HEREBY ENACTED as a By-law of University of Toronto Schools for its proper governance in order to achieve the objects of its incorporation and the mission of the School, as follows:

INTERPRETATION

1. In this by-law and in all other by-laws of UTS hereafter passed, unless the context otherwise requires, words importing the singular number shall include the plural; words importing the masculine gender shall include the feminine and neuter genders; "board" shall mean the board of directors of UTS; "Letters Patent" shall mean the Letters Patent incorporating UTS as a corporation and any Supplementary Letters Patent; "the Corporations Act" or "Act" shall mean the Corporations Act (Ontario) as amended from time to time or any Act that may be substituted therefor; "School" shall mean the educational institution known as University of Toronto Schools; and "UTS" shall mean the corporation incorporated by the Letters Patent.

OFFICES

2. The head office of UTS shall be located at such address within the place designated as the situation thereof in the Letters Patent as the directors may from time to time determine by resolution.

3. UTS may establish such other offices and agencies elsewhere in Ontario as the directors may determine by resolution.

CORPORATE SEAL

4. The seal of UTS shall be in such form as shall be prescribed by resolution of the directors. The seal shall be kept in the custody of the Secretary or such other officer of UTS as the directors may from time to time determine by resolution.

MEMBERSHIP

5. Membership in UTS shall be limited to individuals interested in furthering and assisting in the achievement of the objects of UTS.

6. Each of the applicants for incorporation of UTS is, and each person hereafter elected or appointed as a director of UTS shall be ipso facto a voting member of UTS and shall have one vote at any meeting of the members.

7. The directors may from time to time, by resolution, admit to membership in UTS such individuals as subscribe to the purposes and objects of UTS and as the directors in their discretion determine to accept into membership.

8. Unless and until otherwise provided by resolution of the directors which has been approved and confirmed by the members of UTS, there shall be no membership fees payable by any member.

9. The term of membership of each member of UTS shall, unless the directors by resolution fix a longer term, be until the termination of the third annual meeting of UTS next following his or her admission to membership or so long as the member is a director, whichever is the shorter period, unless the membership be sooner terminated in accordance with the by-laws of UTS. Any person whose term of membership is about to expire, or has expired, shall be eligible for re-admission to membership in UTS, or his or her membership may be renewed from time to time for such term as the directors may, in their discretion, determine.

10. A member may at any time resign and withdraw from membership in UTS by resignation in writing addressed and delivered to the President or the Secretary.

11. The membership of any member may be terminated, and a member may be removed and expelled before the expiration of his or its term of membership, by a resolution passed by at least three-quarters of the votes cast at a special meeting of the members of UTS of which notice specifying the intention to pass such a resolution has been given.

12. The interest of a member in UTS is not transferable and lapses and ceases to exist upon his or her death or when the member ceases to be a member by resignation or withdrawal or by the termination of his or her membership or when the term of his or her membership expires and is not renewed, or otherwise in accordance with the by-laws of UTS.

MEETINGS OF MEMBERS

13. The annual meeting of the members of UTS shall be held in the City of Toronto or at such other place in Ontario, on such day in each year, as the directors may determine.

14. The directors may at any time call a special general meeting of the members, at such time and place as they may determine, for the transaction of any business the general nature of which is specified in the notice calling the meeting.

15. No public notice or advertisement of meetings of the members, annual or special, shall be required, but notice of the time and place of every such meeting shall be given to each member entitled to attend not less than 14 days before the date of the meeting, provided that meetings of members may be held at any time and place without notice if all members entitled to attend are present or represented by proxy duly appointed.

16. At every annual meeting of UTS, in addition to any other business which may be transacted, the report of the directors on the affairs of UTS for the previous year, the financial statements including balance sheet and statement of income and expenditure for the financial year ended on the date of such balance sheet and the report of the auditors thereon shall be presented, a board of directors shall be elected and auditors for the ensuing year shall be appointed.

17. At any meeting of UTS, annual or special, a majority of the members, either present in person or represented by proxy, shall constitute a quorum for the transaction of business.

18. At all meetings of UTS, each member shall be entitled to one vote and may vote in person or by proxy. A proxy must be a member. A proxy shall be appointed in writing. The directors may prescribe the form of instrument for the appointment of a proxy and conditions governing the use thereof.

19. At all meetings of UTS, every question shall be decided by a majority of the votes of the members present in person or represented by proxy, unless otherwise

required by the provisions of the Corporations Act, the Letters Patent or the by-laws of UTS. Every question shall be decided in the first instance by a show of hands, unless a poll be demanded by any member or proxy. Upon a show of hands, every member present in person or represented by proxy as aforesaid shall have one vote and unless a poll be demanded, a declaration by the Chair that a resolution has been carried or carried unanimously or by a particular majority or not carried or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn but if a poll be demanded and not withdrawn, the question shall be decided by a majority of the votes cast by the members present in person or represented by proxy as aforesaid, and such vote shall be taken in such manner as the Chair directs and the result of such poll shall be deemed the decision of the meeting upon the matter in question. In the case of an equality of votes at any meeting, whether upon a show of hands or at a poll, the Chair shall not be entitled to a second or casting vote.

DIRECTORS

20. Unless and until changed by special resolution (as defined in the Act), the affairs of UTS shall be managed by a board of nine directors.

21. The applicants named in the Letters Patent shall be the first directors of UTS. James Douglas Bradley, Leslie Jane Dunlop and Jane Stobo Gaskell, three of the first directors, shall hold office until the first annual meeting of the members, Pauline Laing, Thomas Szabolcs Magyarody and Frederic David Rounthwaite, three of such directors, shall hold office until the second annual meeting of the members, and Vivek Goel, David Stanley Gurin and Robert Edward Lord, the remaining three of such directors, shall hold office until the third annual meeting of the members.

22. Subject to clause 21 hereof, the election and retirement of directors of UTS at each annual meeting of the members shall be in rotation, as follows:

- (i) Whenever the number of directors is less than nine, each director shall be elected to hold office until the first annual meeting of the members after

he or she shall have been elected or until his or her successor shall have been duly elected or appointed, and all the directors then in office shall retire at each annual meeting.

- (ii) Whenever the number of directors is nine or more and is evenly divisible by three, the directors shall be elected and shall retire in rotation so that, except as hereinafter provided, each director shall be elected for a term ending at the third annual meeting of the members after election, and one-third of the directors shall retire from office in each year.
- (iii) Whenever the number of directors is more than nine but is not evenly divisible by three, the directors shall be elected and shall retire in rotation so that, except as hereinafter provided, each director shall be elected for a term ending at third annual meeting of the members after election, and the number of directors who shall retire from office in each year shall be that number which is either next greater or next lesser than one-third of the number of directors.
- (iv) In the event that the number of directors is increased or decreased, then at the general meeting of the members at which the special resolution providing for such increase or decrease is confirmed, all the directors then in office shall retire and, if the number of directors fixed by such special resolution is nine or more and is evenly divisible by three, one-third of the directors shall be elected at such meeting for a term ending at the next annual meeting of the members, and one-third of the directors shall be elected at such meeting for a term ending at the second annual meeting of the members after such meeting; and if the number of directors fixed by such special resolution is more than nine but is not evenly divisible by three, that number of directors which is next lesser than one-third of the number of directors shall be elected for a term ending at the next annual meeting of the members, that number of directors which is next greater than one-third of the number of the directors shall be elected for a term ending at the second annual meeting of the members after such date, and

the rest of the directors shall be elected for a term ending at the third annual meeting of the members after such date.

- (v) Retiring directors shall be eligible for re-election if otherwise qualified but no director shall serve for more than three consecutive three-year terms.

23. [rescinded]

24. The board shall determine annually the directors who are desirous and deserving of re-election to the board, the desirable qualities for prospective directors and a list of possible candidates for election to the board at the next annual meeting of UTS to fill the vacancies on the board that will occur thereat. In so doing, the board shall solicit nominations from the School community, including the UTS Alumni Association and the UTS Parents' Association. The right of such Associations shall be to provide lists of suitable candidates duly selected by their memberships. The board shall endeavour to make selections from such lists, but shall not be obliged to do so, it being the ultimate responsibility of the board to assess the suitability of candidates to serve as directors of UTS. The board shall not be restricted from selecting other suitable parent or alumni nominees.

25. The board shall prepare its nominations so that there shall be nominees available for election who, if elected, will maintain the composition of the board as comprising (i) at least two individuals who, at the time of election, will be parents of students of the School who are not also alumni of the School; (ii) at least two individuals who, at the time of election, will be alumni of the School who are not also parents of students of the School; and (iii) at least one individual who will not, at the time of election, be either a parent or an alumnus/alumna.

26. If for any reason an election of directors is not held or does not take place at the proper time, the directors then in office, if qualified, shall continue in office until their successors are elected, and such election may take place at any subsequent meeting of the members duly called for that purpose.

27. (a) Any director of UTS may be removed from office at any time by a resolution passed at a special meeting of UTS duly called for the purpose, by the votes of members present or represented by proxy as aforesaid and representing at least three-quarters of the members of UTS.

(b) A director so removed from office may be replaced by a qualified individual selected from the same constituency from which the removed director was selected and in the same manner as provided in clauses 24 and 25 hereof, by the votes of members present in person or represented by proxy as aforesaid at such special meeting and representing at least one-half of the members of UTS. An individual so appointed shall hold office until the next annual election of directors.

28. A majority of the directors in office for the time being shall constitute a quorum for the transaction of business at any meeting of the board.

29. The board of directors may exercise its powers notwithstanding any vacancy on the board, however caused, so long as a quorum of directors is in office. So long as a quorum of directors remains in office, any vacancy occurring on the board may be filled by the directors who remain in office, for the remainder of the unexpired term of the predecessor director. If there is not a quorum of directors in office, the remaining directors shall forthwith call a special meeting of UTS for the purpose of filling the vacancy or vacancies, subject as aforesaid. If the number of directors is increased between elections, a vacancy or vacancies in the number of the authorized increase shall thereby be deemed to have occurred and may be filled in the manner above provided.

30. The office of a director of UTS shall be vacated, and the individual holding such office shall cease to be a director and member of UTS if he or she,

(a) becomes bankrupt or suspends payment or compounds with his or her creditors or makes an authorized assignment or is declared insolvent;

(b) is convicted of an indictable offence; or

- (c) resigns his or her office by delivering a written resignation to the Chair or the Secretary of UTS, or is removed pursuant to clause 27 hereof.

31. The directors of UTS and the members of committees of the board who are members or directors of UTS shall receive no remuneration for acting as such; provided that reasonable salaries may be paid for services rendered to UTS by employees who are also members or directors thereof, and that a member or director may be reimbursed by UTS for his or her reasonable and actual expenses properly incurred and disbursements properly made in connection with the performance of his or her duties.

32. Meetings of the board of directors may be held at any time and place as it may from time to time determine. No formal notice of any meeting of the board shall be necessary if all the directors are present or if those absent have signified their consent to the meeting being held in their absence. Meetings of the directors may be formally called by the Chair or by the Secretary on the direction of the Chair or on a direction signed by at least four directors. Notice of every meeting shall be delivered or given by telephone, telegraph, telex, facsimile or electronic message to each director not less than 48 hours before the day of the meeting or shall be mailed to each director not less than ten days before the day of the meeting. The statement of the Chair or Secretary that notice has been given pursuant to the by-laws shall be sufficient and conclusive evidence of the giving of such notice. The board may appoint a day or days in any month or months for regular meetings at an hour and place to be named, and no notice of such regular meetings need be sent. A meeting of the directors shall also be held without notice immediately following the annual general meeting of the members at which they are elected. The directors may consider or transact any business, either special or general, at any meeting of the board.

The board shall hold at least six meetings in each financial year of UTS.

33. Questions arising at any meeting of the directors shall be decided by a majority of votes unless otherwise required by the provisions of the Corporations Act, the Letters Patent or the by-laws of UTS. In the case of an equality of votes, the Chair shall not have a second or casting vote.

34. The board of directors shall govern and manage UTS and its assets, funds and property, and shall manage and control its affairs and business and any real property of UTS and the disbursement of all funds acquired by or held in the name of UTS and the income from any permanent funds, and may make or cause to be made for UTS and in its name any contract which UTS may lawfully enter into.

The directors shall act in the best interests of UTS, such that the objects of its incorporation and the mission of the School are always of paramount concern.

The board shall establish the policies required for the conduct of the activities of the School and shall see to the implementation thereof. The directors shall also see that all necessary books and records of UTS required by any applicable statute or law or by the by-laws of UTS are regularly and properly kept.

The board shall take such steps as it may deem requisite to enable UTS to acquire, accept, solicit and receive legacies, gifts, grants, settlements, bequests, endowments and donations of any kind whatsoever for the purpose of furthering the objects of UTS.

35. The board shall constitute and appoint annually and maintain standing committees to be known as the Alumni Liaison Committee, the Parents Liaison Committee, the Employee Liaison Committee and the Student Liaison Committee. Each such Committee shall be composed of at least two directors who are not members of the constituent group represented on the Committee and at least two individuals nominated by the UTS Alumni Association ("UTSAA"), the UTS Parents' Association ("UTSPA), the Teacher/Staff body and the UTS Student Council, respectively. The Chair of each Committee shall be a director of UTS elected by the Committee. The Committees shall meet and consult as necessary in order to support and enhance communication between the board and the constituent group represented on the Committee, at the call of the Chair or on the requisition of two members of the Committee. The Committees shall be advisory to the board and shall make requests and submit recommendations to it that are within the purview of and relate to the activities of the constituent group represented on the Committee. Except as otherwise

provided in this clause, the provisions of clauses 36, 37 and 38 hereof shall apply to the Committees.

36. The board may from time to time constitute and appoint such other committees and advisory councils as it may determine, to assist the directors in managing and directing the property, business and affairs of UTS and in carrying out its objects. The Chair of any such other committee shall be a director. The other persons appointed to any such committee or council may be directors or members of UTS or others, and the board may from time to time remove a member or members of any such committee or council and fill any vacancy or vacancies in any such committee or council, and the members of any such committee or council shall continue in office until removed or until their successors are appointed by the board. The board may define and limit the powers of any such committee or council and unless otherwise expressly provided by the board, the role of any such other committee or advisory council shall be advisory to the board and it shall have no decision-making power. Such committees or councils may meet for the transaction of business, adjourn and otherwise regulate their meetings as they see fit, subject to any regulations or restrictions imposed from time to time by the directors. Any such committee or council may invite such officers, directors, employees and members of UTS and such consultants and professional advisers as it may see fit from time to time to attend at meetings of such committee or council and to assist thereat in the discussion and consideration of the affairs of UTS. The Chair of UTS shall be a member ex officio of each such committee or council, unless the board otherwise provides.

37. A majority of the members of each such other committee and advisory council of the board shall constitute a quorum for the transaction of business at any meeting of the committee or council.

38. If all the directors or committee members (as the case may be) present at or participating in the meeting consent, a meeting of the directors or of any committee of the board may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a person participating in such meeting

by such means is deemed to be present at that meeting. The Chair of any such meeting shall be responsible for establishing procedures designed to ensure that security issues concerning the meeting are adequately addressed and shall ensure that the Secretary of the meeting establishes that a quorum is participating in accordance with the by-laws and records the votes taken.

CONVOCATION

39. The board shall call and convene annually, on such date and at such time and place as it may determine, a convocation of the School community, to which shall be invited and admitted alumni, donors, current parents, current students and employees (in each case, to the extent to which current contact information is available at the School, through UTSA, UTSPA or otherwise), and to which may be invited and admitted past parents, past employees and past donors. The notice of such convocation shall be given by such reasonable means as the board may determine, and it shall not be necessary to give written notice to any individual. The agenda at each convocation shall include reports by the board of directors and by the Principal, for information, as to the current and past activities of UTS and the School and their future plans, and a question period. The board may set rules governing the procedures at convocations.

INDEMNITIES TO DIRECTORS AND OTHERS

40. Every director or officer of UTS or other person who has undertaken or is about to undertake any liability on behalf of UTS, and his or her heirs, executors, administrators and estate and effects, respectively, shall from time to time and at all times be indemnified and saved harmless out of the funds of UTS from and against:

- (a) all costs, charges and expenses whatsoever which such director, officer or other person sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him or her for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him or her in or about the execution of the duties of his or her office; and

(b) all other costs, charges and expenses which he or she sustains or incurs on or about or in relation to the affairs thereof,

except such costs, charges or expenses as are occasioned by his or her own wilful neglect or wilful default.

41. Except as otherwise provided in the Act, no director or officer for the time being of UTS shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee, or for any loss, damage or expense happening to UTS through the insufficiency or deficiency of title to any property acquired by, for or on behalf of UTS, or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to UTS shall be placed out or invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person including any person with whom or which any moneys, securities or effects of UTS shall be lodged or deposited, or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to UTS, or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his or her respective office or trust or in relation thereto unless the same shall happen by or through his or her own wilful neglect or wilful default. The directors and officers for the time being of UTS 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 UTS except such as shall have been submitted to and authorized or approved by the board or approved by an officer or officers of UTS duly authorized by or under this By-law.

INSURANCE

42. Subject to compliance with the Charities Accounting Act or a regulation made thereunder and with subsection 283(6) of the Corporations Act, UTS may purchase and maintain insurance for the benefit of any person referred to in clause 41 hereof against any liability incurred by him or her in his or her capacity as a director or officer of UTS, except where the liability relates to his or her failure to act honestly and in good faith with a view to the best interests of UTS.

CONFLICT OF INTEREST

43. (a) A director who is in any way directly or indirectly interested in a proposed contract or a contract or a proposed transaction or a transaction with UTS shall declare his or her interest at a meeting of the directors of UTS.
- (b) In the case of a proposed contract or proposed transaction, the declaration required by this clause shall be made at the meeting of the directors at which the question of entering into the contract or transaction is first taken into consideration or, if the director is not at the date of that meeting interested in the proposed contract or transaction, at the next meeting of the directors held after he or she becomes so interested, and, in a case where the director becomes interested in a contract or transaction after it is made, the declaration shall be made at the first meeting of the directors held after he or she becomes so interested.
- (e) For the purposes of this clause, a general notice given to the board by a director to the effect that he or she is a shareholder of or otherwise interested in any other company, or is a member of a specified firm and is to be regarded as interested in any contract or transaction made with such other company or firm, shall be deemed to be a sufficient declaration of interest in relation to a contract or transaction so made, but no such notice is effective unless it is given at a meeting of the directors or the director takes reasonable steps to ensure that it is brought up and read at the next meeting of the directors after it is given.
- (d) If a director has made a declaration of his or her interest in a proposed contract or contract or a proposed transaction or transaction in compliance with this clause and has not voted in respect of the contract, the director is not accountable to UTS or to any of its members or creditors for any profit realized from the contract or transaction, and the contract or transaction is not voidable by reason only of the director holding that office or of the fiduciary relationship established thereby.

OFFICERS

44. The board of directors, annually or oftener as may be required, shall (i) elect from among its number an individual to hold the office of President as required by the Act but who shall be known and is herein referred to as the Chair, and (ii) appoint a Secretary and a Treasurer who may but need not be members of the board and a Principal who shall not be a member of the board, provided that in default of such election or appointment, the then incumbents, being otherwise qualified, shall continue in office until their respective successors are elected or appointed. The board may also from time to time elect or appoint such other officers, including one or more Vice-Principals (after consultation with the Principal) and one or more assistants to any of the officers of UTS, as the board may determine, and such other officers may but need not be members of the board of directors. One person may hold more than one office except that neither of the offices of Chair and Principal shall be combined with any other office, and if the same person holds both the office of Secretary and the office of Treasurer, he or she may but need not be known as the Secretary-Treasurer. The terms of employment and remuneration, if any, of the officers of UTS shall be such as may be settled from time to time by the board and in the absence of an agreement with UTS to the contrary, the employment of all officers shall be during the pleasure of the board. The duties of all officers whose duties are not specifically provided for in the by-laws of UTS or in the terms of their engagement shall be such as the terms of their engagement call for or the board requires of them, and subject to the provisions of the by-laws and the terms of engagement, the board may from time to time vary, add to or limit the powers, function and duties of any officer or officers.

45. In the case of the absence or inability to act of any officer of UTS, or for any reason that the directors may deem sufficient, the directors may delegate all or any of the powers of such officer to any other officer or to any director for the time being, and 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 or the Chair otherwise directs.

46. The Chair shall, when present, preside at all meetings of the directors and of the members; he or she shall sign such contracts, documents and instruments in writing as require his or her signature and shall be responsible for the formulation of the long-range policies, objectives and development plans of UTS for consideration by the board of directors and shall assess the implementation thereof. He or she shall also have such other powers and duties as may from time to time be lawfully assigned to him or her by the board of directors or as are incident to his or her office.

47. The Secretary shall be ex officio clerk of the board of directors. He or she shall attend all meetings of the members, the board and the committees thereof and shall enter or cause to be entered in the books for that purpose, minutes of all proceedings thereat. He or she shall give or cause to be given all notices required to be given to members, directors and members of committees. Unless otherwise ordered by the board, he or she shall be the custodian of the seal of UTS and of its corporate and statutory books, records and registers. He or she shall sign, certify or attest such contracts, documents and instruments in writing of or issued by UTS as require his or her signature and shall have such other powers and duties as may from time to time be lawfully assigned to him or her by the board of directors or as are incident to his or her office.

48. The Treasurer shall keep or cause to be kept full and accurate accounts of all receipts and disbursements of UTS in proper books of account and shall deposit or cause to be deposited all moneys and negotiable instruments in the name of and to the credit of UTS in such bank or banks or other institutions as may from time to time be designated by the board of directors. He or she shall disburse the funds of UTS or cause them to be disbursed under the direction of the board of directors, causing proper vouchers to be taken therefor, and shall render to the board of directors at the meetings thereof or whenever required of him or her an account of all financial transactions and of the financial position of UTS. He or she shall also have such other powers and duties as may from time to time be lawfully assigned to him or her by the board of directors or as are incident to his or her office.

49. The Principal shall be charged with the management and shall exercise direction and supervision over the operation and affairs of the School, subject to the general policy directions and authority of (i) the board as provided in the Act and herein, and (ii) the Chair. The Principal shall provide the directors, either monthly or quarterly as directed by the board, with unaudited operating statements and other financial, operating and other information in such form as the board may from time to time prescribe. He or she shall, together with any other officer or person if and as required, sign such contracts, documents and instruments in writing on behalf of UTS as require his or her signature and shall have and perform such other powers and duties as may from time to time be lawfully assigned to him or her by the board or the Chair. The board shall conduct annual evaluations of the Principal.

EXECUTION OF DOCUMENTS

50. Deeds, leases, transfers, licences, contracts, agreements, assignments, instruments and engagements on behalf of UTS shall be signed by any two of the Chair, the Principal, the Secretary and the Treasurer; and the Secretary shall affix the seal of UTS to such instruments as require the same; provided that the board may at any time by resolution direct the manner in which and the person or persons by whom any particular instrument, contract or obligation, or any class of instruments, contracts or obligations of UTS may or shall be executed.

Notwithstanding the foregoing, contracts, agreements and engagements which involve obligations valued at less than \$5,000 may be signed on behalf of UTS by the Principal and the Assistant Principal.

In particular, the persons designated in this clause, or any persons from time to time designated by the board, may transfer any and all shares of stock, bonds or other securities from time to time standing in the name of UTS and may accept in the name and on behalf of UTS transfers of shares of stock and bonds or other securities from time to time transferred to it, and may affix the corporate seal to any such transfers or acceptances of transfers and may make, execute and deliver under the corporate seal any and all instruments in writing necessary or proper for such purpose, including

the appointment of an attorney or attorneys to make or accept transfers of shares of stock, bonds and other securities on the books of any company or corporation.

AUDITORS

51. One or more auditors shall be appointed at each annual meeting of the members and when appointed, shall hold office until the next annual meeting or until their successors are appointed, unless previously removed by resolution of the members in general meeting. If the remuneration of the auditor or auditors is not fixed by the members at the annual meeting, such remuneration shall be fixed by the board.

52. The auditors shall have access at all reasonable times to the books and accounts of UTS and all receipts and vouchers relating thereto, and shall conduct an audit thereof and make an annual report to the members upon the balance sheet.

FINANCIAL YEAR

53. The financial year of UTS shall end on the 30th day of June in each year or on such other date as the directors may from time to time determine by resolution.

BANKING ARRANGEMENTS

54. All cheques, bills of exchange or other orders for the payment of money, notes or other evidences of indebtedness issued for or in the name of UTS shall be signed by one or two of such directors, officers, employees or agents of UTS, in such manner and subject to such monetary limits as shall from time to time be designated by resolution of the board, and any one of such officers, employees or agents may alone endorse drafts and notes for collection on account of UTS through its bankers and endorse notes and cheques for deposit with its bankers for the credit of UTS, or the same may be endorsed "for collection" or "for deposit" with the bank of UTS by using its rubber stamp for the purpose. Any one of such officers, employees or agents so designated may arrange, settle, balance and certify all books and accounts between UTS and its bankers and may receive all paid cheques and vouchers and sign the bank's forms of statements of balance and release or verification slips.

SAFEKEEPING OF SECURITIES

55. The securities of UTS shall be deposited for safekeeping with one or more banks, trust companies or other financial institutions selected by the board. Any and all securities so deposited may be withdrawn from time to time only upon the written order of UTS signed by two of such directors, officers, employees or agents of UTS and in such manner as shall from time to time be designated by resolution of the board, and such authority may be general or confined to specific instances. The institutions which may be so selected by the board to act as custodians shall be fully protected in acting in accordance with the directions of the board and shall in no event be liable for the due application of the securities so withdrawn from deposit or the proceeds thereof.

NOTICES

56. Any notice, communication or other document to be given by UTS to a member, director, officer, committee member or auditor of UTS shall be sufficiently given if delivered to his or her most recent address as recorded in the books of UTS or if mailed by prepaid ordinary or air mail in a sealed envelope addressed to him or her at his or her most recent address as recorded in the books of UTS or if sent by any means of wire or wireless or any other form of transmitted, electronic or recorded communication. The Secretary may change the address on the books of UTS of any member, director, officer or committee member in accordance with any information believed by him or her to be reliable. A notice, communication or document so delivered shall be deemed to have been given when it is delivered personally or at the address aforesaid; and a notice, communication or document so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice sent by any means of wire or wireless or any other form of transmitted, electronic or recorded communication shall be deemed to have been given on the business day following transmission or delivery to the appropriate communication company or agency or its representative for dispatch.

57. In computing the date when notice must be given under any provision of the Letters Patent or by-laws of UTS requiring a specified number of days' notice of any

meeting or other event, the date of giving the notice shall be included and the date of the meeting or other event shall be excluded.

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

59. Any member, director, officer, committee member or auditor may waive any notice required to be given under any provision of the Corporations Act, the Letters Patent or the by-laws of UTS, and such waiver, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in giving such notice.

BORROWING POWERS

60. The directors of UTS may from time to time:

- (i) borrow money upon the credit of UTS;
- (ii) limit or increase the amount to be borrowed;
- (iii) issue debentures or other securities of UTS;
- (iv) pledge or sell such debentures or other securities for such sums and at such prices as may be deemed expedient; and
- (v) secure any such debentures, or other securities, or any other present or future borrowing or liability of UTS, by mortgage, hypothec, charge or pledge of all or any currently owned or subsequently acquired real and personal, movable and immovable, property of UTS, and the undertaking and rights of UTS;

provided that this borrowing power shall be limited to borrowing for current operating expenses unless UTS borrows on the security of real or personal property.

The directors may delegate these borrowing powers to such officers or directors of UTS to such extent and in such manner as may be determined by resolution of the board.

Nothing herein limits or restricts the borrowing of money by UTS on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of UTS.

61. [rescinded]

ENACTMENT AND AMENDMENT OF BY-LAWS

62. The board of directors may enact by-laws or repeal, amend, alter or add to the by-laws or any of them, provided that any such enactment, repeal, amendment, alteration or addition, unless in the meantime confirmed by at least two-thirds of the votes cast at a general meeting of the members of UTS duly called for the purpose of considering the same or consented to in writing by each member of UTS entitled to vote at such a meeting or by the member's proxy duly authorized in writing, is effective only until the next annual meeting of the members unless confirmed thereat and in default of such confirmation by the members, ceases to have effect at and from the time of the next annual meeting, and in that case, no new by-law of the same or like substance has any effect until confirmed at a general meeting of the members. Notice of any proposed enactment or repeal of or amendment, alteration or addition to the by-laws shall first be given in writing to the directors at least five days before the day of the meeting at which it is proposed to enact the same.

ENACTED AND PASSED by the directors and sealed with the corporate seal of UTS this 22nd day of August, 2006.

Chair

Secretary

The foregoing By-Law No. 1 of UTS is hereby passed and consented to by the directors of the corporation pursuant to the Corporations Act, as evidenced by the respective signatures hereto of all the directors.

DATED the 22nd day of August, 2006.

Gen Ling Chang

Sujit Choudhry

David Stanley Gurin

John Jakolev

Robert Edward Lord

Thomas Szabolcs Magyarody

Frederic David Rounthwaite

The foregoing By-Law No. 1 of UTS is hereby confirmed by the members of the corporation pursuant to the Corporations Act, as evidenced by the respective signatures hereto of all the members.

DATED the 22nd day of August, 2006.

Gen Ling Chang

Sujit Choudhry

David Stanley Gurin

John Jakolev

Robert Edward Lord

Thomas Szabolcs Magyarody

Frederic David Rounthwaite