

**NEW MEDIA BUSINESS ASSOCIATION  
(the "Corporation")**

**BY-LAW NO. 3**

being a by-law amending By law No. 1  
respecting the quorum for meeting of members and  
respecting the board of directors

**IT IS ENACTED** as By-law No. 3 of the Corporation that:

1. Section 14 of By-law No. 1 of the Corporation is deleted and the following is substituted in its place:

“14. At every annual meeting, in addition to any other business that may be transacted, the report of the directors, the financial statement and the report of the auditors shall be presented and auditors appointed for the ensuing year. The Full Members may consider and transact any business either special or general at any meeting of the members. The Board or the president or vice-president shall have power to call, at any time, a general meeting of the members on written requisition of Full Members carrying not less than five percent (5%) of the voting rights. Twenty-five percent (25%) of all full Members holding valid memberships at the time of a meeting of members, if present in person or by proxy at such meeting, shall constitute a quorum for such meeting.”

2. Section 19 of By-law No. 1 of the Corporation is deleted and the following is substituted in its place:

“19. The property and business of the Corporation shall be managed by a board of directors, comprised of a minimum of fifteen (15) directors. The number of directors shall be determined from time to time by a majority of the directors at a meeting of the Board and sanctioned by an affirmative vote of at least two-thirds (2/3) of the Full Members present in person or by proxy at a meeting of members duly called for the purpose of determining the number of directors to be elected to the Board.

At least three-quarters (3/4) of the Board shall consist of individuals who are officers of Full Members and/or the senior executives responsible for new media of Full Members. Directors must be individuals, 18 years of age, with power under law to contract. Directors need not be members.

The Board shall include at least:

- (a) four (4) directors who are officers and/or the senior executives responsible for new media of Full Members whose primary business or activity is in interactive digital games;

- (b) two (2) directors who are officers and/or the senior executives responsible for new media of Full Members whose primary business or activity is in e-learning; and
  - (c) two (2) directors who are officers and/or the senior executives responsible for new media of Full Members whose primary business or activity is in mobile interactive products or services.”
3. Section 20 of By-law No. 1 of the Corporation is deleted and the following is substituted in its place:

“20. The directors of the Corporation shall be elected and shall be retired in rotation. At the first meeting of the members for the election of directors immediately following the enactment of this by-law:

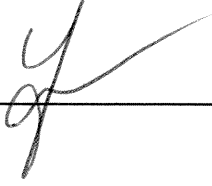
- (a) all directors then in office shall retire, but shall be eligible for re-election, and
- (b) one-half (1/2) of the number of directors (rounded upwards to the nearest whole number) shall be elected to hold office for a term of two (2) years from the date of their election or until the second (2<sup>nd</sup>) annual meeting of members after such date, whichever last occurs; and
- (c) the remaining number of directors shall be elected for a term of one (1) year from the date of their election or until the first (1<sup>st</sup>) annual meeting of members after such date, whichever last occurs.

Thereafter, at each annual meeting of members, directors shall be elected to fill the positions of those directors whose terms of office have expired and each director so elected shall hold office until the second (2<sup>nd</sup>) annual meeting after their election. Incumbent directors shall be eligible for re-election for the immediately following year and all subsequent years.”

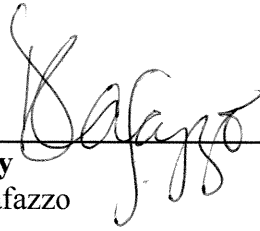
4. All prior by-laws, resolutions and proceedings of the Corporation inconsistent with By-law No. 3 are amended, modified and revised in order to give effect to this by-law and without prejudice to any acts done or rights acquired thereunder.
5. By-law No. 3 shall not come into force until the approval of Industry Canada has been obtained.
6. Any officer of the Corporation is authorized and directed to do, sign and execute all things, deeds and documents necessary or desirable for the carrying out of the foregoing.

**ENACTED:**

**President**  
Ian Kelso

A handwritten signature in black ink, appearing to be 'IK', written over a horizontal line.

**Secretary**  
Diana Cafazzo

A handwritten signature in black ink, appearing to be 'D. Cafazzo', written over a horizontal line.