

**A By-Law Relating Generally to the Conduct
of the Affairs of
CANADIAN NETWORK OF NORTHERN RESEARCH OPERATORS
RÉSEAU CANADIEN D'OPÉRATEURS DE RECHERCHE NORDIQUE**

(the "Corporation")

BE IT ENACTED as a by-law of the Corporation as follows:

1. DEFINITIONS

In this by-law and all other by-laws of the Corporation, unless the context otherwise requires:

"Act" means the *Canada Not-For-Profit Corporations Act* S.C. 2009, c. 23 including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;

"articles" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation;

"Board" means the board of directors of the Corporation and "Director" means a member of the board;

"By-law" means this by-law and any other by-law of the Corporation as amended and which are, from time to time, in force and effect;

"Meeting of Members" includes an annual meeting of members or a special meeting of members; "Special Meeting of Members" includes a meeting of any class or classes of members and a special meeting of all members entitled to vote at an annual meeting of members;

"Ordinary Resolution" means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;

"Proposal" means a proposal submitted by a member of the Corporation that meets the requirements of section 163 (Shareholder Proposals) of the Act;

"Regulations" means the regulations made under the Act, as amended, restated or in effect from time to time; and

"Special resolution" means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

2. **INTERPRETATION**

- (a) In the interpretation of this By-law, words in the singular include the plural and vice-versa, words in one gender include all genders, and “person” includes an individual, body corporate, partnership, trust and unincorporated organization.
- (b) Other than as specified above, words and expressions defined in the Act have the same meanings when used in these By-laws.

3. **CORPORATE SEAL**

The Corporation may have a corporate seal in the form approved from time to time by the Board. If a corporate seal is approved by the Board, the Secretary of the Corporation shall be the custodian of the corporate seal.

4. **EXECUTION OF DOCUMENTS**

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by any two (2) of its officers or Directors. In addition, the Board may from time to time direct the manner in which and the person or persons by whom a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal (if any) to the document. Any signing officer may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy thereof.

5. **FINANCIAL YEAR**

The financial year end of the Corporation shall be March 31 unless changed by resolution of the Board of Directors.

6. **BANKING ARRANGEMENTS**

The banking business of the Corporation shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada or elsewhere as the Board of Directors may designate, appoint or authorize from time to time by resolution. The banking business or any part of it shall be transacted by an officer or officers of the Corporation and/or other persons as the Board of Directors may by resolution from time to time designate, direct or authorize.

7. **BORROWING POWERS**

The Directors of the Corporation may, without authorization of the Members,

- (a) borrow money on the credit of the Corporation;
- (b) issue, reissue, sell, pledge or hypothecate debt obligations of the Corporation;

- (c) give a guarantee on behalf of the Corporation; and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the corporation, owned or subsequently acquired, to secure any debt obligation of the Corporation.

8. ANNUAL FINANCIAL STATEMENTS

The Corporation may, instead of sending copies of the annual financial statements and other documents referred to in subsection 172(1) (Annual Financial Statements) of the Act to the Members, publish a notice to its members stating that the annual financial statements and documents provided in subsection 172(1) are available at the registered office of the Corporation and any member may, on request, obtain a copy free of charge at the registered office or by prepaid mail.

9. MEMBERSHIP CONDITIONS

(a) *Classes of Membership*

For the purposes of these Bylaws:

“**entity**” means a body corporate, a partnership, a trust, a joint venture, a government department or agency, a Crown corporation or an unincorporated association or organization;

“**person**” means an individual or entity; and

“**permanent research infrastructure**” includes ship-based infrastructure.

Subject to the Articles, there shall be two classes of members in the Corporation, namely, Regular Members and Associate Members. The Board of Directors of the Corporation may, by resolution, approve the admission of the Members of the Corporation. Members may also be admitted in such other manner as may be prescribed by the Board by resolution. The following conditions of membership shall apply:

A. Regular Members:

(i) Regular Membership shall be available to persons who have applied and have been accepted for Regular Membership in the Corporation. To be eligible for Regular Membership, the applicant must be a person which maintains a permanent research infrastructure in the Canadian Arctic. Persons with more than one infrastructure site may apply for membership either as one Member for all sites or on a site-by-site basis in consultation with and as approved by the Board of Directors of the Corporation. Regular Members shall be entitled to vote.

(ii) The term of membership of a Regular Member shall automatically renew each year, subject to the policies of the Corporation.

(iii) Each Regular Member is entitled to receive notice of, attend and vote at all meetings of Members and each such Regular Member shall be entitled to one (1) vote at such meetings.

B. Associate Members

(i) Associate Membership shall be available to persons who have applied and have been accepted for Associate Membership in the Corporation. To be eligible for Associate Membership, the applicant must be a person that has an interest in the Corporation, but do not maintain a permanent research infrastructure in the Canadian Arctic.

(ii) The term of membership of an Associate Member shall automatically renew each year, subject to the policies of the Corporation.

(iii) Subject to the Act, an Associate Member shall be entitled to receive notice of and attend meetings of the Members of the Corporation, but shall not be entitled to vote at such meetings.

(b) *Application for Membership*

(i) Applications for membership must be submitted to the Secretary of the Corporation who will process them and ensure compliance with the membership criteria set above.

(ii) Applications for Regular and Associate memberships shall be submitted to the Board of Directors for a vote and must receive the affirmative vote of a majority of the Directors voting on the application before the application will be accepted for membership in the Corporation. The Secretary shall provide written notice to the Regular Members of the results of the vote in accordance with the requirements of the Act and Regulations.

(c) *Rights and Responsibilities of Members*

(i) Regular and Associate Members have the right to be listed as Members of the Corporation and to attend and speak at meetings of the Corporation.

(ii) Subject to the Act, Only Regular Members may present motions and petitions.

(iii) Regular and Associate Members have the responsibility to attend meetings of the Corporation, to promote the activities of the Corporation, and to support the objectives of the Corporation.

(iv) Regular and Associate Members have the right to dissent from decisions of the Corporation without penalty.

(v) Regular and Associate Members must adhere to the Articles of Incorporation and bylaws of the Corporation.

- (vi) Regular and Associate Members are expected to communicate regularly with each other and with the Corporation about matters of mutual interest and relevance to the objectives of the Corporation.

(d) ***Amendments***

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a Special Resolution of the Members is required to make any amendments to this section of the By-laws if those amendments affect membership rights and/or conditions described in paragraphs 197(1)(e), (h), (l) or (m).

10. **MEMBERSHIP TRANSFERABILITY**

A membership may only be transferred to the Corporation. Pursuant to Section 197(1) (Fundamental Change) of the Act, a Special Resolution of the Members is required to make any amendment to add, change or delete this section of the by-laws.

11. **NOTICE OF MEMBERS MEETING**

(a) ***Calling Meetings***

The President is authorized to call general meetings of the Members. Notice of the time and place of a Meeting of Members shall be given to each Member entitled to vote at the meeting by the following means:

- (i) by mail, courier or personal delivery to each Member entitled to vote at the meeting, during a period of 21 to 60 days before the day on which the meeting is to be held; or
- (ii) by telephonic, electronic or other communication facility to each Member entitled to vote at the meeting, during a period of 21 to 35 days before the day on which the meeting is to be held.

(b) ***Number of Meetings***

The Corporation shall hold any number of general meetings in person, by teleconference or video-conference or other electronic means at the discretion of the Board of Directors Committee.

(c) ***Annual General Meetings***

The Corporation shall hold one face-to-face meeting of the Members annually to be designated as the Annual General Meeting.

(d) ***Conduct of Meetings***

Meetings shall be conducted according to the current edition of *Roberts Rules of Order*.

(e) *Amendments*

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a Special Resolution of the Members is required to make any amendment to the By-laws of the Corporation to change the manner of giving notice to Members entitled to vote at a Meeting of Members.

12. **MEMBERS CALLING A MEMBERS' MEETING**

The Board of Directors shall call a Special Meeting of Members in accordance with Section 167 of the Act, on written requisition of Members carrying not less than one third of the voting rights. If the Directors do not call a meeting within twenty-one (21) days of receiving the requisition, any Member who signed the requisition may call the meeting.

13. **ABSENTEE VOTING AT MEMBERS' MEETINGS**

Pursuant to section 171(1) (Absentee Voting) of the Act, a Member entitled to vote at a Meeting of Members may vote by mailed-in ballot or by means of a telephonic, electronic or other communication facility if the Corporation has a system that:

- (a) enables the votes to be gathered in a manner that permits their subsequent verification, and
- (b) permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each member voted.

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a Special Resolution of the Members is required to make any amendment to the By-laws of the Corporation to change this method of voting by Members not in attendance at a Meeting of Members.

14. **MEMBERSHIP DUES**

The Board of Directors shall determine by resolution from time to time what members fees, if any, shall be payable by the Members and whether such fees shall be paid once upon admission as Members or annually. The Board of Directors may change the membership fee by resolution no more frequently than annually. Members shall be notified in writing of the membership dues at any time payable by them. A Member who fails to pay any prescribed membership fees within 60 days of receiving written notice of the requirement to pay membership fees, shall automatically cease to be a Member of the Corporation and shall be struck from the register of Members. Any Member struck from the membership list for a failure to pay membership fees when due shall be entitled to re-apply for membership upon payment of the required fees.

15. **TERMINATION OF MEMBERSHIP**

A membership in the Corporation is terminated when:

- (a) the Member fails to attend three consecutive regular meetings of the Membership, unless the Board of Directors determines there are exceptional circumstances which justify the failure to attend;
- (b) the Member dies, or, in the case of a Member that is a corporation, the corporation is dissolved;
- (c) a Member fails to maintain any qualifications for membership described in the section on membership conditions of these By-laws;
- (d) the Member resigns by delivering a written resignation to the Secretary of the Board of the Corporation in which case such resignation shall be effective on the date specified in the resignation;
- (e) if a Regular Member, when the Regular Member officially ceases to be the operator of research infrastructure in the Canadian Arctic;
- (f) the Member is expelled in accordance with any discipline of Members section or is otherwise terminated in accordance with the Articles or By-laws;
- (g) the Member's term of membership expires; or
- (h) the Corporation is liquidated or dissolved under the Act.

16. **EFFECT OF TERMINATION OF MEMBERSHIP**

Subject to the articles, upon any termination of membership, the rights of the Member, including any rights in the property of the Corporation, automatically cease to exist.

17. **DISCIPLINE OF MEMBERS**

- (a) The Board shall have authority to suspend or expel any Member from the Corporation for any one or more of the following grounds:
 - (i) violating any provision of the Articles, By-laws, or written policies of the Corporation;
 - (ii) carrying out any conduct which may be detrimental to the Corporation as determined by the Board of Directors;
 - (iii) for any other reason on the recommendation of the Board of Directors that the Board in its sole and absolute discretion considers to be reasonable, having regard to the purpose of the Corporation.
- (b) In the event that the Board determines that a Member should be expelled or suspended from membership in the Corporation, the Secretary, or such other officer as may be designated by the Board, shall provide twenty (20) days notice of suspension or expulsion to the Member and shall provide reasons for the

proposed suspension or expulsion. The Member may make written submissions to the Secretary, or such other officer as may be designated by the Board, in response to the notice received within such twenty (20) day period. In the event that no written submissions are received by the Secretary, the Secretary, or such other officer as may be designated by the Board, may proceed to notify the member that the Member is suspended or expelled from membership in the Corporation. If written submissions are received in accordance with this section, the Board will consider such submissions in arriving at a final decision and shall notify the Member concerning such final decision within a further twenty (20) days from the date of receipt of the submissions.

- (c) The decision by the Board to expel a Member must be ratified by a vote of no less than 2/3 of the Regular Members voting after the Regular Members have received written notice of the requirement for the vote in accordance with the Act and Regulations. The decision of the Regular Members shall be final and binding on the Member, without any further right of appeal.

18. PROPOSALS NOMINATING DIRECTORS AT ANNUAL MEMBERS' MEETINGS

Subject to the Regulations under the Act, any proposal may include nominations for the election of Directors if the proposal is signed by not less than 5% of Members entitled to vote at the meeting at which the proposal is to be presented.

19. COST OF PUBLISHING PROPOSALS FOR ANNUAL MEMBERS' MEETINGS

The Member who submitted the proposal shall pay the cost of including the proposal and any statement in the notice of meeting at which the proposal is to be presented unless otherwise provided by Ordinary Resolution of the Members present at the meeting.

20. PLACE OF MEMBERS' MEETING

Subject to compliance with section 159 (Place of Members' Meetings) of the Act, meetings of the Members may be held at any place within Canada determined by the Board or, if all of the Members entitled to vote at such meeting so agree, outside Canada.

21. PERSONS ENTITLED TO BE PRESENT AT MEMBERS' MEETINGS

The only persons entitled to be present at a meeting of Members shall be the Regular Members, the Associate Members, the Directors and the public accountant of the Corporation and such other persons who are entitled or required under any provision of the Act, Articles or By-laws of the Corporation to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or by resolution of the Members.

22. **CHAIR OF MEMBERS' MEETINGS**

In the event that the Chair of the Board and the Vice-Chair of the Board are absent, the Members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

23. **QUORUM AT MEMBERS' MEETINGS**

A quorum at any meeting of the Members (unless a greater number of Members are required to be present by the Act) shall be fifty (50 %) percent of the Members entitled to vote at the meeting. If a quorum is present at the opening of a Meeting of Members, the Members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

24. **VOTES TO GOVERN AT MEMBERS' MEETINGS**

At any Meeting of Members every question shall, unless otherwise provided by the Articles or By-laws or by the Act, be determined by a majority of the votes cast on the questions. In case of an equality of votes either on a show of hands or on a ballot or on the results of electronic voting, the chair of the meeting in addition to an original vote shall have a second or casting vote.

25. **PARTICIPATION BY ELECTRONIC MEANS AT MEMBERS' MEETINGS**

If the Corporation chooses to make available a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during a Meeting of Members, any person entitled to attend such meeting may participate in the meeting by means of such telephonic, electronic or other communication facility in the manner provided by the Act. A person participating in a meeting by such means is deemed to be present at the meeting. Notwithstanding any other provision of this By-law, any person participating in a Meeting of Members pursuant to this section who is entitled to vote at that meeting may vote, in accordance with the Act, by means of any telephonic, electronic or other communication facility that the Corporation has made available for that purpose.

26. **MEMBERS' MEETING HELD ENTIRELY BY ELECTRONIC MEANS**

If the Directors or Members of the Corporation call a Meeting of Members pursuant to the Act, those Directors or Members, as the case may be, may determine that the meeting shall be held, in accordance with the Act and the Regulations, entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

27. **PROXIES**

Members not in attendance at a meeting of Members may vote by appointing in writing a proxyholder and one or more alternate proxyholders in accordance with section 74(2) of the Regulations enacted pursuant to the Act.

28. **DIRECTORS**

(a) *Number of Directors*

The Board shall consist of the number of Directors specified in the Articles. If the Articles provide for a minimum and maximum number of Directors, the Board shall be comprised of the fixed number of Directors as determined from time to time by the Members by Ordinary Resolution or, if the Ordinary Resolution empowers the Directors to determine the number, by Resolution of the Board. In the case of a soliciting corporation the minimum number of Directors may not be fewer than three (3), at least two of whom are not officers or employees of the Corporation or its affiliates.

(b) *Term of Office of Directors*

The Directors shall be elected to hold office for a term expiring not later than the close of the Annual General Meeting of Members following the election. The Past President shall hold office for a term expiring one year after the expiry of his/her term as President.

(c) *Elections of Directors*

Elections for Directors shall be held annually concurrent with the Annual General Meeting of the Members. The Board of Directors shall appoint from among the Regular or Associate Members a three person Elections Committee to oversee elections of Directors. The chair of the Elections Committee must be a Regular Member. The Elections Committee will choose its Chair by consensus. The Elections Committee will be appointed by the Board on or before the date that notice of the Annual General Meeting is given to the Members. The term of each member of the Election Committee expires immediately after the election of Directors at the Annual General Meeting of Members. The Elections Committee shall serve as a nominations committee.

(d) *Qualifications of Directors*

In addition to the provisions of the Act, Directors must either be Regular Members in good standing (if as individuals they have been granted Membership) or they shall be duly appointed representatives of Regular Members in the case of Members which are not individuals.

29. MEETINGS OF DIRECTORS

(a) *Calling of Meetings of Board of Directors*

Meetings of the Board may be called by the Chair of the Board, the Vice-Chair of the Board or any two (2) Directors at any time; provided that for the first organization meeting following incorporation, such meeting may be called by any Director or incorporator. If the Corporation has only one Director, that Director may call and constitute a meeting.

(b) *Notice of Meeting of Board of Directors*

Notice of the time and place for the holding of a meeting of the Board shall be given in writing or by electronic means to every Director by the Secretary not less than two days before the time when the meeting is to be held. The Secretary shall endeavor to ensure that meetings are scheduled at such time when all Directors are able to participate, but it shall not be mandatory that all Directors shall be able to attend any particular meeting of the Board. Notice of a meeting shall not be necessary if all of the Directors are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting. Unless the By-law otherwise provides, no notice of meeting need specify the purpose or the business to be transacted at the meeting except that a notice of meeting of directors shall specify any matter referred to in subsection 138(2) (Limits on Authority) of the Act that is to be dealt with at the meeting.

(c) *Regular Meetings of the Board of Directors*

The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be named, failing which the date and location of regular meetings of the Board shall be determined by the President in consultation with the Directors. A copy of any resolution of the Board fixing the place and time of such regular meetings of the Board shall be sent to each Director forthwith after being passed, but no other notice shall be required for any such regular meeting except if subsection 136(3) (Notice of Meeting) of the Act requires the purpose thereof or the business to be transacted to be specified in the notice.

(d) *Participation by Electronic Means at Directors' Meetings*

If the Corporation chooses to make available a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during a meeting of Directors, any person entitled to attend such meeting may participate in the meeting by means of such telephonic, electronic or other communication facility in the manner provided by the Act. A person participating in a meeting by such means is deemed to be present at the meeting. Notwithstanding any other provision of this By-law, any person participating in a meeting of Directors

pursuant to this section who is entitled to vote at that meeting may vote, in accordance with the Act, by means of any telephonic, electronic or other communication facility that the Corporation has made available for that purpose.

(e) *Quorum*

A quorum for a meeting of Directors shall be three Directors.

(f) *Votes to Govern at Meetings of the Board of Directors*

At all Meetings of the Board, every question shall be decided by a majority of the votes cast on the question. The President shall not vote except to break a tie vote.

30. **COMMITTEES OF THE BOARD OF DIRECTORS**

The Board may from time to time appoint any committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the Board shall see fit. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the Board may from time to time make. Any committee member may be removed by resolution of the Board of Directors. **[NTD: I would propose that this section be left in and section 32 de deleted. If you prefer to have section 32, then this section should be deleted.]**

31. **OFFICERS**

(a) *Appointment of Officers*

The Board may designate the offices of the Corporation, appoint officers on an annual or more frequent basis, specify their duties and, subject to the Act, delegate to such officers the power to manage the affairs of the Corporation. A Director may be appointed to any office of the Corporation. An officer may, but need not be, a Director unless these By-laws otherwise provide. Two or more offices may be held by the same person.

(b) *Description of Offices*

Unless otherwise specified by the Board (which may, subject to the Act modify, restrict or supplement such duties and powers), the offices of the Corporation, if designated and if officers are appointed, shall have the following duties and powers associated with their positions:

- (i) Chair of the Board – The Chair of the Board shall be the President. The Chair of the Board shall, when present, preside at all meetings of the Board of Directors and of the Members. The Chair shall have such other duties and powers as the Board may specify.
- (ii) Vice-Chair of the Board – The Vice-Chair of the Board shall be the Vice-President. If the Chair of the Board is absent or is unable or refuses to act,

the Vice-Chair of the Board, shall, when present, preside at all meetings of the Board of Directors and of the Members. The Vice-Chair shall have such other duties and powers as the Board may specify.

- (iii) President – The President shall be the Chief Executive Officer of the Corporation and shall be responsible for implementing the strategic plans and policies of the Corporation. The President shall, subject to the authority of the Board, have general supervision of the affairs of the Corporation and shall be the public representative of the Corporation.
- (iv) Vice President – The Vice President shall assume the duties of the President when the President is unable or unwilling to act in that capacity and shall assume such other duties and responsibilities as may be assigned to him or her by the President from time to time.
- (v) Past President – The Past President is a non-voting, ex-officio member of the Board of Directors. The responsibilities of the Past President include advising the Board on continuing matters of relevance to the Corporation. The Past President shall not have a right to vote at any meetings of officers.
- (vi) Secretary – If appointed, the Secretary shall attend and be the Secretary of all meetings of the Board, Members and committees of the Board. The Secretary shall enter or cause to be entered in the Corporation’s minute book, minutes of all proceedings at such meetings; the Secretary shall give, or cause to be given, as and when instructed, notices to Members, Directors, the public accountant and members of committees; the Secretary shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation.
- (vii) Treasurer – If appointed, the Treasurer shall manage the financial affairs of the Corporation and have such powers and duties as the Board may specify.
- (viii) At Large Officers – If appointed, shall have such powers and duties as the Board may specify.

The powers and duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the Board or President requires of them. The Board may from time to time and subject to the Act, vary, add to or limit the powers and duties of any officer.

(c)

32. VACANCY IN OFFICE

In the absence of a written agreement to the contrary, the Board may remove, whether for cause or without cause, any officer of the Corporation. Unless so removed, an officer shall hold office until the earlier of:

- (a) the officer's successor being appointed,
- (b) the officer's resignation,
- (c) such officer ceasing to be a Director (if a necessary qualification of appointment) or
- (d) such officer's death.

If the office of any officer of the Corporation shall be or become vacant, the Directors may, by resolution, appoint a person to fill such vacancy.

33. METHOD OF GIVING ANY NOTICE

Any notice (which term includes any communication or document), other than notice of a Meeting of Members or a meeting of the Board of Directors, to be given (which term includes sent, delivered or served) pursuant to the Act, the Articles, the By-laws or otherwise to a Member, Director, officer or member of a committee of the Board or to the public accountant shall be sufficiently given:

- (a) if delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of the Corporation or in the case of notice to a Director to the latest address as shown in the last notice that was sent by the Corporation in accordance with section 128 (Notice of directors) or 134 (Notice of Change of Directors);
- (b) if mailed to such person at such person's recorded address by prepaid ordinary or air mail;
- (c) if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
- (d) if provided in the form of an electronic document in accordance with Part 17 of the Act.

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The Secretary may change or cause to be changed the

recorded address of any Member, Director, officer, public accountant or member of a committee of the Board in accordance with any information believed by the Secretary to be reliable. The declaration by the Secretary that notice has been given pursuant to this By-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any Director or officer of the Corporation to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

34. INDEMNITY OF DIRECTORS AND OFFICERS

- (a) Every Director and officer of the Corporation and her/his personal representatives and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation from and against all costs, charges, losses and expenses whatsoever which such Director or officer may incur, or become liable for by reason of any contract entered into or act whatsoever made, done or permitted by her/him, as such Director and officer, or in any way in the discharge of her/his duties excepting such costs, charges, losses and expenses as are occasioned by her/his own dishonesty, wilful neglect or wilful default or failure to comply with instructions of the Corporation.
- (b) The Directors may cause the Corporation to purchase and maintain insurance for the benefit of any person who is or was a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of any other legal entity whatsoever against any liability incurred by such person as a director, officer, employee or agent.

35. CONFLICT OF INTEREST

- (a) Every Director of the Corporation who is in any way directly or indirectly interested in a proposed contract or contracts with the Corporation shall declare her/his interest at the time of the meeting of the Directors considering such matter, and such Director shall refrain from voting in respect of such contract.
- (b) In this section, the term “immediate family” shall mean the spouse (including common-law spouse), child (including an adopted child) or other immediate relative of a Director permanently residing in the same household as the Director.
- (c) There shall be no preferential consideration, financial benefits, rewards or services rendered to a Director, officer, manager or employee of the Corporation or to their immediate family.
- (d) If any Director or officer or a member of her or his immediate family has a legal or beneficial interest in any activity which the Corporation is considering for financial support, that Director or officer shall declare such interest at the first possible opportunity and shall not take part in any discussion or decision related thereto. No loans, loan guarantees or other investments of the Corporation shall

be made to or with a member of the Board of Directors, an officer or an employee of the Corporation.

36. INVALIDITY OF ANY PROVISIONS OF THIS BY-LAW

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

37. OMISSIONS AND ERRORS

The accidental omission to give any notice to any Member, Director, officer, member of a committee of the Board or public accountant, or the non-receipt of any notice by any such person where the Corporation has provided notice in accordance with the By-laws or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

38. MEDIATION AND ARBITRATION

Disputes or controversies among Members, Directors, officers, committee members, or volunteers of the Corporation are as much as possible to be resolved in accordance with mediation and/or arbitration as provided in the section on dispute resolution mechanism of this By-law.

39. DISPUTE RESOLUTION MECHANISM

In the event that a dispute or controversy among Members, Directors, officers, committee members or volunteers of the Corporation arising out of or related to the Articles or By-laws, or out of any aspect of the operations of the Corporation is not resolved in private meetings between the parties then without prejudice to or in any other way derogating from the rights of the Members, Directors, officers, committee members, employees or volunteers of the Corporation as set out in the Articles, By-laws or the Act, and as an alternative to such person instituting a law suit or legal action, such dispute or controversy shall be settled by a process of dispute resolution as follows:

- (a) The dispute or controversy shall first be submitted to a panel of mediators whereby the one party appoints one mediator, the other party (or if applicable the Board of the Corporation) appoints one mediator, and the two mediators so appointed jointly appoint a third mediator. The three mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties.
- (b) The number of mediators may be reduced from three to one or two upon agreement of the parties.
- (c) If the parties are not successful in resolving the dispute through mediation, then the parties agree that the dispute shall be settled by arbitration before a single arbitrator, who shall not be any one of the mediators referred to above, in

accordance with the provincial or territorial legislation governing domestic arbitrations in force in the province or territory where the registered office of the Corporation is situated or as otherwise agreed upon by the parties to the dispute. The parties agree that all proceedings relating to arbitration shall be kept confidential and there shall be no disclosure of any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law.

- (d) All costs of the mediators appointed in accordance with this section shall be borne equally by the parties to the dispute or the controversy. All costs of the arbitrators appointed in accordance with this section shall be borne by such parties as may be determined by the arbitrators.

40. **RULES AND REGULATIONS**

The Board of Directors may prescribe such rules and regulations not inconsistent with these By-laws relating to the management and operation of the Corporation as they may deem expedient, provided that such rules and regulations shall have force and effect only until the next Annual General Meeting of Members of the Corporation when they shall be confirmed and in default of the confirmation at such Annual General Meeting of Members shall at and from that time cease to have force and effect.

41. **AMENDMENT OF BY-LAWS AND ARTICLES OF INCORPORATION**

(a) *Notice of Change*

A notice of motion for changes (whether enactments, repeals, or amendments) to the Articles of Incorporation or By-Laws shall be delivered in writing with the signatures of at least five Members to the Secretary, or shall be proposed by Board of Directors. The proposed changes, together with the reasons therefore, shall be communicated to the Membership with the notice. The proposed motions or resolutions shall be sent to Members at least 30 days prior to the meeting at which the vote shall take place.

(b) *Voting*

- (i) Members shall vote on the proposed changes either by email ballot, or at a general or special meeting or at an Annual General Meeting.
- (ii) The Notice of the proposed changes shall include a notice that only email ballots received by the Secretary before a specified counting date will be accepted. The counting date shall be 30 days after the emailing of ballots.
- (iii) In the case of a personal or institutional conflict of interest not originating within the organization, the Member shall not vote.
- (iv) The adoption of a proposed change to the Articles of Incorporation shall require the affirmative votes of at least two-thirds of all Members voting.

- (v) The adoption of a proposed change to the By-Laws shall require the affirmative votes of a simple majority of the Members voting. In the case of a fundamental change to the Corporation as defined in section 197(1) of the Act, the adoption of a proposed change to the Articles of Incorporation shall require a special resolution of the Members.

MADE by the Board the _____ day of July, 2013.

President

Secretary

CONFIRMED by the shareholders in accordance with the Act the _____ day of July, 2013.

Secretary

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