

Constitution of the Lower Beverley Lake Association

ARTICLE 1- NAME

The name of the Association is: Lower Beverley Lake Association (LBLA).

ARTICLE 2 - PURPOSE

The mission of the LBLA is:

- to foster preservation of the pristine character of the lake environment
- to serve as a focal point for lake stewardship and improvement projects
- to provide information concerning matters related to the lake community
- to provide a forum for lake users to meet and to get know each other

This constitution comprises two By-Laws.

By-Law #1

By-Law #1 is a by-law relating generally to the transaction of the business and affairs of the Lower Beverley Lake Association (hereinafter called the "Association.")

Article One – Membership

1.01 Members. -The "members" of the Association will be all such persons who (1) respect the Lake: and (2) annually pay the prescribed fee.

1.02 Register of Members. -The Association will keep a register of members in which is set out the names and address of all members.

1.03 Fees. -Members will pay such fees as are decided by the Executive Committee, and communicated at each AGM.

Article Two - Business of the Association

2.01 Head Office. -The head office of the Association shall be in the County in which the lake is situated.

2.02 Corporate seal. -The corporate seal of the Association shall be in the form impressed below.

2.03 Financial year. -The financial year of the Association shall end on the last day of December in each year.

2.04. Execution of instruments. -Deeds, transfers, assignments, contracts, obligations, certificates and any other instruments will be signed on behalf of the Association by the President and one other officer. From time to time, the Executive Committee may designate another person to sign an instrument on behalf of the Association.

2.05. Banking Arrangements. -The banking business of the Association shall be transacted with such banks, trust companies or other firms or corporations as may from time to time be designated by or under the authority of the Executive Committee. Banking business will be transacted under such agreements, instructions and delegations of power as the Executive may authorize.

Article Three - Directors/ Executive Committee

3.01 Number of directors and quorum. -The number of directors will be seven. A quorum of directors for the transaction of business will be four.

3.02 Qualification. -No person shall be eligible for election or appointment as a director unless he/she is twenty-one or more years of age and is, at the time of election, a member of the Association.

3.03 Election and term. -The directors will be elected by the membership at an Annual General Meeting, and will form the Executive Committee. Members will vote for directors to the various

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positions of president, past president, two vice-presidents, a secretary, a treasurer and a director at large. For the purposes of the first year of incorporation, the past directors will automatically become the directors.

Directors will be elected for a term of 2 years. All directors' terms will expire at the time of the second Annual General Meeting after which they are elected. Directors are eligible to stand for re-election. Any increase or decrease in the number of directors will be approved by resolution of the Executive Committee and ratified at an Annual General Meeting. The election will be by show of hands unless a ballot is demanded by any member.

The retiring Executive Committee will act as a Nominating Committee, putting forward a slate of directors to the membership at the Annual General Meeting. Nominations from the floor will be called and if the nominee meets the qualifications and wishes to let his/her nomination stand, he/she will be added to the slate for the vote by the membership. Voting will be by a show of hands, unless a member requests a vote by ballot. The candidates with the majority of votes for the specific position are elected to the board.

3.04 Removal of directors. -The members may, by resolution passed by at least two-thirds of the votes cast at an Annual General Meeting, remove any director for cause before the expiration of their term of office and may, by a majority vote at that meeting, elect any member in that director's stead to serve the remainder of the term.

3.05 Vacation of office. -The office of a director will be vacated upon the occurrence of any of the following events:

- (a) if a receiving order is made against that director or if that director makes an assignment under any Bankruptcy Act;
- (b) if an order is made declaring the director to be a mentally incompetent person or incapable of managing his or her affairs;
- (c) if the director is removed from office by resolution of the members as provided in section 3.04 or
- (d) if by notice, in writing to the Association he or she resigns his or her office.

3.06 Vacancies. - Vacancies on the Executive Committee may be filled for the remainder of the term of office either by members at a general meeting called for that purpose or by the Executive Committee if the remaining members constitute a quorum.

3.07 Calling of Meetings. - Meetings of the Executive Committee shall be held from time to time at the call of the president, or any two directors. Notice of the time and place of every meeting will be given to each director not less than 7 days before the time when the meeting is to be held, save that no notice of a meeting is necessary if all the directors are present or if those absent waive notice of or otherwise signify their consent to such meeting being held.

3.08 First meeting of new Executive Committee. Provided a quorum of directors is present, each newly elected Executive Committee may without notice hold its first meeting immediately following the meeting of members at which such Executive Committee is elected.

3.09 Place of meeting. - Meetings of the Executive Committee will normally be held in the County in which the lake is situated, or can be held virtually by telephone or electronic mail if all of the directors agree.

3.10 Chair. - The president or, in the absence of the president, a vice-president will chair any meeting of directors. If no such officer is present, the directors present will choose one of their number to be chair.

3.11 Votes to govern. - At all meetings of the Executive Committee, consensus will be sought on every question. Where consensus is not obtained, decisions will be reached by a majority of votes cast on the question. In the case of an equality of votes the chair of the meeting will be entitled to a second or casting vote.

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3.12 Declaration of interest. - It will be the duty of every director of the Association to declare his/her interest when he/she is in any way, directly or indirectly, interested in a contract or arrangement or proposed contract or proposed arrangement with the Association to the extent, in the manner and in the time required by the Corporations Act.

3.13 Interests of directors in contracts. - Subject to the provisions of the Corporations Act, and to the declaration of interest in 3.12 above, no director will be disqualified by his/her office from contracting with the Association.

3.14 Remuneration. - The directors will not be entitled to remuneration for their services, but the Executive Committee may authorize the payment by the Association to any director for reasonable out-of-pocket expenses incurred by that director in the performance of duties or otherwise in connection with the affairs of the Association.

3.15 Other Committees.

The Executive Committee may from time to time appoint such committee or committees as it deems necessary with such powers and duties as it sees fit. Any such committee may formulate its own rules of procedure, subject to regulations or directions as the Executive Committee may from time to time make.

Article Four - Officers

4.01 Officers. The officers of the Association will consist of a president, a past president, two vice-presidents, a secretary, a treasurer and a director at large, all of whom shall be elected by the members at the Annual General Meeting.

4.02 Agents and attorneys. - The Executive Committee will have the power from time to time to appoint agents or attorneys for the Association in or out of Canada with the powers of management or otherwise (including the power to sub-delegate) as may be thought fit.

Article Five – Protection of Directors and Officers

5.01 Limitation of Liability. - No director of the Association will be liable for the acts, receipts, neglects or defaults of any other director or employee, or for joining in any receipt or other act of conformity, or for any loss, damage or expense happening to the Association through the insufficiency or deficiency of any security in or upon which any moneys of the Association shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any of the moneys, securities or effects of the Association shall be deposited, or for any loss occasioned by any error of judgment or oversight on their part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of that director's office or in relation thereto unless the same are occasioned by that director's own willful neglect or default.

5.02 Indemnity. - Every director of the Association and their heirs, executors and administrators and estate and effects, respectively, will from time to time and at all times be indemnified and saved harmless out of the funds of the Association from and against:

a) All costs, charges and expenses whatsoever that such director sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against him/her for or in respect of any act, deed, matter or things whatsoever made, done or permitted by a director in or about the execution of his or her office; and b) all other costs, charges and expenses that he/she sustains or incurs in or about the affairs of the Association except such costs, charges or expenses as are occasioned by that director's own willful neglect or default.

Article Six - Meetings of Members

- 6.01 Annual General Meetings.** - The Annual General Meeting of the members will be held at such time and on such a day in each year as the Executive Committee may from time to time determine, for the purpose of receiving the reports and statements required by the Corporations Act to be placed before the annual meeting, electing directors, appointing auditors and fixing or authorizing the Executive Committee to fix their remuneration, and for the transaction of such other business as may properly be brought before the meeting.
- 6.02 Special meetings.** - The Executive Committee or the president or a vice-president or any two directors will have the power to call a special meeting of the members at any time.
- 6.03 Place of meeting.** - Meetings of members will be held in the County in which the lake is situated or at any other place within reasonable distance if the Executive Committee so determines.
- 6.04 Notice of meeting.** - Notice of the time and place of each meeting of members will be given not less than ten days before the day on which the meeting is to be held. Notice will be by posting of notices in the local stores or by mailing the same to each person who is entered in the current books of the Association as a member. Notice of a special meeting of the members will state the general nature of the business to be transacted. The auditors of the Association are entitled to receive all notices and other communications relating to any meeting of members that any member is entitled to receive.
- 6.05 Chair and Secretary.** - The president, or in his/her absence a vice-president, will chair any meeting of members. If no such officer is present within fifteen minutes from the time fixed for holding the meeting, the members present will choose one of their own number to be chair. If the secretary of the Association is absent, the chair will appoint some other member to act as secretary of the meeting.
- 6.06 Persons entitled to be present.** - The only persons entitled to attend a meeting of the Association are the members, the auditors of the Association, and others who, although not entitled to vote, are entitled or required under any provision of the Corporations Act to be present at the meeting. Any other person may be admitted on the invitation of the chair of the meeting and with the consent of the meeting.
- 6.07 Quorum.** - A quorum for the transaction of business at any meeting of members will be ten members.
- 6.08 Right to vote.** - At any meeting of members, every member will be entitled to one vote on each question in a spirit of consensus. If an issue is contentious and a member requests a poll, then By-law 6.13 will apply (see below).
- 6.09 Majority of vote.** - On any question, save questions related to the amendment of the Constitution or By-laws, a simple majority of 50% + one of votes cast is deemed sufficient and binding. Questions relating to the Constitution and By-laws will require a majority of 2/3 + one of votes cast in order to be adopted.
- 6.10 Casting Vote.** - In case of an equality of votes or a division of votes precisely split on Constitution or By-law issues 2/3 to 1/3, the chair of the meeting shall be entitled to an additional or casting vote.
- 6.11 Show of hands.**
Any question at a meeting of members will be decided by a show of hands and a declaration by the chair that the vote upon the question has been carried.
- 6.13 Polls.** - After a show of hands has been taken on any question, any member may demand a poll. A poll so demanded will be taken in such a manner as the chair shall direct. In the case of a poll, each household that has a member will be entitled to one vote and the result of the poll will be the decision of the members upon the question.

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6.14 Adjournment. - The chair at a meeting of members may, with the consent of the meeting and subject to the conditions as the members may decide, adjourn the meeting.

Article seven - Notice

7.01 Method of giving notice. - Any notice to be given to a member, director, or auditor will be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to his or her last address as recorded in the books of the Association or if mailed by prepaid ordinary or air mail addressed to said address or if sent to said address by any means of telephone, wire or wireless or any other form of transmitted or recorded communication. The secretary or officer so delegated by the Executive may change the address on the Association's books of any member, director, officer or auditor in accordance with any information believed to be reliable. A notice so delivered shall be deemed to have been given when deposited in a post office or public letter box; and a notice sent by means of wire or wireless or any other form of transmitted or recorded communication shall be deemed to have been given when delivered to the appropriate communication company or agency or its representative for dispatch.

7.02 Computation of time. - In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the date of giving the notice will be excluded and the date of the meeting or other event will be included.

7.03 Omissions and errors. - The accidental omission to give any notice to any member, director, or auditor or the non-receipt of any notice by any member, director, officer or auditor or any error in any notice not affecting the substance thereof shall not invalidate any act

7.04 Waiver of notice. - Any member, director, or auditor may waive any notice required to be given to him/her under any provision of the Act, the letters patent, the By-laws or otherwise and such waiver shall cure any default in giving such notice.

Article Eight - Effective date and amendments

8.01 Effective date. - All By-laws will come into force when confirmed by a general meeting of the members.

8.02 Amendments.- Changes to the Constitution or By-Laws must be approved by a two-thirds majority vote at an Annual General Meeting.

DEFINITIONS

1- Lake = includes all tributaries, effluent creeks and shorelines

2- In Article 3.05a, Receiving Order is to be defined as per the Incorporations Act

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BY-LAW #2

By-law No. 2 is a by-law respecting the borrowing of money, the issuing of securities and the securing of liabilities of the Lower Beverley Lake Association (herein after called the "Association")

BE IT ENACTED that:

1. The Executive Committee may from time to time: a) borrow money upon the credit of the Association in such amounts and upon such terms as the Executive Committee may deem expedient; b) issue, sell or pledge securities (including bonds, debentures, debenture stock or other such liabilities) of the Association in such amounts and upon such terms as the Executive Committee may deem expedient; and c) charge, mortgage, hypothecate or pledge in such amounts and upon such terms as the real or personal property of the Association (both present and future), including book debts and unpaid dues, fees, rights, powers, franchises and undertaking, to secure any such securities or any other obligation or liability of the Association.
2. The Executive Committee may from time to time delegate to one or more of the directors of the Association all or any of the powers conferred by this By-law to such extent and in such manner as the Executive Committee shall determine at the time of each such delegation.

PASSED by the directors and sealed with the corporate seal the day of 2004.

President

Secretary

CONFIRMED by the members the day of 2004.

Secretary