

BY-LAW NUMBER 1)

Being a by-law relating generally to the transaction of the affairs of

Friends of the Porcupine River Watershed

Ontario Corporation Number 1926230

CRA Business Number 82167 1989

a corporation without share capital incorporated under the Ontario Corporations Act.

Head office

1. The head office of the corporation shall be in the City of Timmins in the Province of Ontario. The directors may, from time to time, determine the specific location of the head office.

Seal

2. The corporation shall have a corporate seal and an impression of the seal is stamped in the right margin.

Financial year

3. The financial year of the corporation shall begin on 1 January of each year and end on 31 December of that year.

Members

4. There shall be one class of membership in the Corporation. The members shall consist of persons, groups or organizations incorporated or unincorporated who have been admitted as members by the board of directors in their sole discretion acting reasonably. The members shall be entitled to one (1) vote per member at all general meetings of the Corporation.

Membership fees

5. A membership shall have a term of one (1) year, calculated from the conclusion of the annual meeting of members in any given year to the conclusion of the annual meeting of members in the next year. In the case of directors, their memberships shall have a term equal to their term of office, provided that the director continues to pay the annual dues required, if any.
6. Applicable membership fees shall be set at a rate determined by the directors from time to time.

Definition of members

7. All members in good standing who have completed a membership application form and paid the applicable annual membership fee for that year, are entitled:
 - a. to attend any general meeting of the corporation;
 - b. to vote at any general meeting of the corporation if at least eighteen (18) years of age at the time of the meeting;
 - c. to hold any office of the corporation.

Proxy vote

8. A member entitled to vote at a general meeting of the corporation may vote by proxy in writing upon delivery of the proxy to the secretary or designate.

Vote by chair

9. The chair of the meeting shall not vote but shall be entitled to a casting vote in the event of a tie on any matter before that meeting that has been voted upon by the members.

Membership rights

10. Upon request, a member is entitled to receive financial statements at least 21 days in advance of an annual meeting.

End of membership

11. Membership shall cease:
 - a. upon death of the member;

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- b. if the member has not renewed his or her membership and paid the applicable annual membership fee;
- c. if the member resigns by written notice given to the secretary;
- d. if the member no longer qualifies for membership in accordance with the by-laws;
- e. if the membership has been terminated by a vote of at least two-thirds of the members at a general meeting of the corporation duly called for that purpose. Notice of the general meeting shall be served upon the member and shall set out the grounds for the proposed termination of his or her membership.

General meetings

Annual general meeting

12. The annual general meeting of the corporation shall be held no later than six (6) months following the end of each fiscal year. The following business shall be conducted at the annual general meeting:

- a. review and approval of the minutes of the previous annual general meeting;
- b. review and approval of the financial reports;
- c. election of the officers and the directors to the board of the corporation;
- d. appointment of auditors and fixing or authorizing the board to fix the remuneration of the auditor or motion to forgo the appointment of auditors;
- e. any other business that may properly be brought before the meeting.

General meeting notice

13. The board of directors may, from time to time, call a general meeting of the corporation.

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14. The board of directors shall call a general meeting of the corporation if at least 10 per cent of the members of the corporation request that a general meeting be called.
15. The board of directors shall give notice of a general meeting to the members at least ten days before the date of the meeting.

Quorum

16. Quorum for a general meeting of the corporation shall be fifty percent (50%) of the corporation present in person or by proxy, provided that at least two (2) members are present in person at the meeting.

Adjournment

17. Any general meeting of the corporation may be adjourned to any time and from time to time. No notice shall be required for any adjournment. An adjournment may be made with or without a quorum being present.

Notice

Delivery

18. Any notice required to be given under the Act, the Letters Patent, the by-laws or otherwise to a member, director, officer or auditor shall be deemed to have been given individually if it is:
 - a. delivered personally to the person to whom it is to be given;
 - b. delivered to the person's address as recorded in the corporation's records;
 - c. mailed to the person's address as recorded in the corporation's records by prepaid ordinary mail;
 - d. sent to the person's address as recorded in the corporation's records by any means of prepaid transmittal, delivery or recorded communication;
 - e. sent by facsimile, electronic mail, or any other means of electronic communication to the person's number or address as recorded in the corporation's records.

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19. A notice shall be deemed to have been given individually when it is delivered personally or to the person's address, or ten (10) days after it was mailed or transmitted.

Content

20. The notice shall specify the business to be addressed at the annual general meeting, the general meeting or the meeting.

Error or omission

21. No error or omission in giving notice of any annual or general meeting of any adjourned meeting, whether annual or general, of the members of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. For the purpose of sending notice to any member, director or officer for any meeting or otherwise, the address of any member, director or officer shall be his last address recorded on the books of the Corporation.

Board of directors

22. The affairs of the corporation shall be managed by a board of directors (the Board) composed of a minimum of three (3) and a maximum of five (5) directors

Powers

23. The board of directors may, on behalf of the corporation, exercise all the powers that corporation may legally exercise under the Act, the Letters Patent or otherwise, unless the board of directors is restricted by law or by the members from exercising those powers. These powers include, but are not limited to, the power:
- a. to enter into contracts or agreements;
 - b. to make banking and financial arrangements;
 - c. to execute documents;
 - d. to direct the manner in which any other person or persons may enter into contracts or agreements on behalf of the corporation;

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- e. to purchase, lease or otherwise acquire, sell, exchange or otherwise dispose of real or personal property, securities or any rights or interests for such consideration and upon such terms and conditions as the directors may consider advisable;
- f. to borrow on the credit of the corporation for the purposes of operating expenses, or on the security of the corporation's real or personal property;
- g. to purchase insurance to protect the property, rights and interests of the corporation and to indemnify the corporation, its members, directors and officers from any claims, damages, losses or costs arising from or related to the affairs of the corporation.

Election of directors

24. The members of the corporation may elect a director or directors, nominated by any member or members, as the case may be, at any general meeting, by a show of hands or by ballot if requested by a member.

Members eligible

25. Each director shall be a member of the corporation at the time of his or her election or appointment or within ten (10) days thereafter and shall remain a member throughout his or her term of office. A director shall be at least eighteen (18) years of age. A director may not be an undischarged bankrupt nor a mentally incompetent person.

Term of office

26. Each director shall be elected to hold office for a term not exceeding the third annual meeting after he shall have been elected or until his successor shall have been duly elected and qualified.

Rotating terms

27. No director shall serve more than two (2) consecutive terms; the directors may be elected and retire in rotation. Those directors who have served two (2) consecutive terms are not eligible to serve a third term consecutively as at least one (1) year must intervene before eligibility to serve again applies.

Vacancy

28. The board of directors may appoint a director to fill a vacancy, provided that a quorum of directors remains in office. In the event that a director is elected or appointed to fill a vacancy in the board of directors, such director shall be elected or appointed for the unexpired term of the director who has ceased to be a director and thus created the vacancy. If there is no quorum of directors, the remaining directors shall call a general meeting of the corporation to fill the vacancies.

Power to increase

29. Notwithstanding that there are no vacancies; the board of directors may appoint a maximum of two (2) additional directors to serve until the next annual general meeting.

Power to reduce

30. When there are vacancies, the board of directors may reduce the number of directors by a maximum of two (2) until the next annual general meeting.

End of directorship

31. Directorship shall cease:

- a. if the director resigns by written notice given to the secretary;
- b. if the director no longer qualifies for directorship in accordance with the by-laws;

Removal

32. The members of the corporation may remove a director by a resolution passed by at least two-thirds of the votes cast at a general meeting for which notice was given and may by a majority of votes cast elect at that general meeting any person who is qualified to be a director in his or her stead for the duration of the term.

Directors

No remuneration

33. The directors of the corporation shall perform their duties as directors without remuneration and no director shall directly or indirectly receive any profits from his or her position as director, provided that a director may be paid reasonable expenses incurred by him or her in the performance of his or her duties.

Conflict of interest

34. Every director who has any direct or indirect interest in a contract or proposed contract with the corporation shall:

- a. declare his or her interest at the first meeting of the directors after which he or she became interested or aware of any such interest;
- b. request that his or her declaration be recorded in the minutes of the meeting;
- c. not vote on any resolution or participate in any discussion with respect to the resolution concerning the contract or proposed contract.

Meetings of the board

35. Meetings of the board may be called by the president, the vice-president, the secretary or any two members of the board.

Notice

36. No formal notice of any meeting of the board shall be necessary if all the elected directors are present or if those absent have indicated their consent to the meeting being held in their absence.

Place

37. The board shall hold its meetings in the City of Timmins. However the board may hold a meeting elsewhere at any place in Ontario as it may, from time to time, determine.

Quorum

38. A quorum for a meeting of the board shall be fifty (50) percent of the directors, in person, by telephone or by other means of communication.

Regular meetings

39. The board may appoint a day or days in any month or months for regular meetings at an hour to be named. If regular meetings are scheduled, no additional notice is required. A meeting of the board may also take place without notice immediately after an annual general meeting or general meeting to transact any business.

Error or omission

40. No error or omission with respect to notice for a meeting of the board shall invalidate the meeting or invalidate or make void any proceedings taken or had at the meeting except meetings where the directors vote on enactments, repeals, amendments additions or re-enactments to the bylaws.

Vote

41. The directors shall normally adopt by consensus any resolution arising at any meeting of the board. If a consensus is not reached, or at the request of a director, the Chair shall call for a vote. A majority of votes shall decide the resolution. The chair of the meeting shall cast a vote only in the event of a tie on any matter before that meeting that has been voted upon by the directors. A director entitled to vote at a meeting of the board of directors may vote by proxy in writing on any resolution arising at any meeting of the board. Reasons for dissension shall be confined to the minutes at the request of a director.

Resolution carried

42. A declaration by the secretary that a resolution has been carried and an entry to that effect in the minutes shall be admissible in evidence as prima facie proof of the fact without proof of the number of proportion of the votes recorded in favour or against any resolution.

Officers

43. There shall be three (3) officers of the corporation—president, vice-president, secretary-treasurer— and such other officers as the board may determine from time to time. One person may hold more than one office except the office of President. The officers shall be directors and elected by the board.

Term

44. The officers of the corporation shall serve until the next annual general meeting, until he or she retires, until he or she is removed as an officer by the board, or until he or she is removed from office as director.

Duties

45. The officers of the corporation shall have the following duties:

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- a. **President** — chair all meetings of the corporation, of the board and of the executive committee of the board, when present in person and able; have general supervision of the affairs of the corporation; sign all by-laws and execute any documents with the secretary; perform any other duties which the board may, from time to time, assign;
- b. **Vice-president** — chair all meetings of the corporation, of the board and of the executive committee of the board when the President is not present in person and not able; exercise any or all of the duties of the President in the absence of the President, or if the President is unable for any reason to perform those duties; and perform any other duties which the board may, from time to time, assign;
- c. **Past-president** - shall: familiarize the President with its duties and maintain continuity; chair the Selection Committee.
- d. **Secretary-Treasurer** — keep and maintain the records and books of the corporation, including the registry of officers and directors, the registry of members, the minutes of the annual general meeting, general meetings and meetings of the board, the by-laws and resolutions; certify copies of any record, registry, by-law, resolution or minute; give any notices required for the annual general meeting, general meetings and meetings of the board of directors; and perform any other duties which the board may, from time to time, assign; and keep and maintain the financial records and books of the corporation; countersign all cheques or other payments with the President or with any other director authorized by the board, as the case may be; assist the auditor in the preparation of the financial statements of the corporation; and perform any other duties which the board may, from time to time, assign.

Delegation of duties

46. The board of directors may delegate any of the duties of an officer of the corporation to another director.

Assignment of duties

47. The board of directors may assign responsibility for any particular task or duty to a director.

Executive committee

48. The president, vice-president, secretary and treasurer shall constitute the executive committee of the board of directors.
49. The executive committee shall have and may exercise the powers of the board in the management and conduct of the day to day affairs of the corporation in accordance with any direction or restrictions provided in any resolution of the board.
50. The executive committee shall have a quorum of at least three members.
51. The executive committee may establish its own rules of procedure, unless those rules have been set out in a resolution of the board.

Council to the Board of directors

52. The number of Councillors to the Board of Directors will be at the discretion of the Board of Directors.
53. The Councillors are elected by the Board of Directors from the general membership taking into consideration representation from the following sectors: Chamber of Commerce, Education sector, First Nations, Forest and non-timber forest product industry, Landowners at large, Landowner/Cottage Associations, Mining industry, Naturalists/Conservation interests, Provincial and Municipal government, Outdoor Associations (hunting, fishing, trapping interests), Tourism Association, Other community interest groups.
54. The President of the Board of Directors or its designate will serve as the President of the Council.
55. Business of the Council will be conducted according to the Terms of Reference of the council approved by the Board of Directors.

Appointment of committees

56. The board may, from time to time, appoint any other committee or committees that it considers necessary or appropriate.
57. The board shall, when appointing any committee, set out the purposes of the committee, its procedures and its powers, provided that the committee shall not exercise any of the powers or carry out any duties that are legally required to be exercised or carried out by the board of directors.

Banking arrangements

58. The board shall designate the officers and any other persons who are authorized to transact the banking affairs of the corporation. The resolution shall provide to the designated officer or other person the power:

- a. to operate the corporation's accounts with the financial institution;
- b. to make, sign, draw, accept, endorse, negotiate, lodge, deposit or transfer any cheque, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money;
- c. to issue receipts for and orders with respect to the property of the corporation;
- d. to execute any agreements with respect to the banking affairs of the corporation;
- e. to authorize any officer of the financial institution to do any act or thing on the corporation's behalf to facilitate the banking affairs.
- f. two authorized signatures are required for every legal instrument (cheque, etc.)
- g. the recipient of a cheque may not be the signatory of a that cheque

59. The securities of the corporation shall be deposited for safekeeping with one or more financial institution or securities dealer, as the board may, from time to time, determine.

Financial auditing

60. The books of Friends of Porcupine River Watershed will be audited on a yearly basis following the fiscal year end. The results of the audit will be reported at the annual general meeting.

Agents and employees

61. The board may appoint any agents and retain any employees that it considers necessary. The persons appointed or retained shall have the authority and shall perform the duties prescribed by the board.

Remuneration

62. The remuneration for any agents or employees shall be fixed by the board by resolution.

Directors

63. Agents and employees may not serve as members of the board of directors of the corporation. However a director of the corporation may receive remuneration for work or tasks done as an employee or agent of the corporation when such work or tasks and such remuneration is authorized by resolution of the board. The director shall comply with all requirements of the corporation with regard to conflicts of interest.

Indemnification

64. The corporation shall indemnify and save harmless the directors, their heirs, executors and administrators, and estates and effects, respectively from time to time and at all times from and against:

- a. all costs, charges and expenses whatsoever that he or she sustains or incurs in or about any action, suit or proceeding that 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 the execution of the duties of his or her office; and
- b. all other costs, charges and expenses that he or she sustains or incurs in or about or arising from or in relation to the affairs except costs, charges or expenses thereof as are occasioned by his or her own willful neglect or default.

Amendments

65. By-laws of the corporation may be enacted, repealed, amended, added to or re-enacted by an absolute two-thirds majority of the directors in accordance with the provisions of the Corporations Act provided that any enactment, repeal, amendment, addition or re-enactment is only effective until the next general meeting of the corporation unless at that time ratified by the membership.

Proxy vote

66. A director entitled to vote at a meeting of the board of directors considering an enactment, repeal, amendment, addition or re-enactment of the bylaws may vote by proxy in writing on the repeal, amendment, addition or re-enactment by delivery of the proxy to the secretary or designate.

Interpretation

67. Titles and marginal notes are for information purposes only and not be used for interpretation of this bylaw.

By-law Number 1 ()

Friends of the Porcupine River Watershed, Ontario Corporation Number 1926230

PASSED by the Board of Directors in the City of Timmins, Ontario, this .

President

Secretary

PASSED by the Members at its general meeting in the City of Timmins, Ontario, this.

President

Secretary