

GENERAL BY LAW No. 1

1. Interpretation

1.01 Meaning of Specific Words

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

- (a) **“Act”** means the Ontario Corporations Act, as from time to time amended, and every statute that may hereinafter be substituted therefore and, in the case of such amendment or substitution, any reference to the Act in the by-laws of the Corporation shall be read as referring to the amended or substituted provisions therefore.
- (b) **“Annual meeting”** means a meeting of Members as set out in Section 8.01 below.
- (c) **“Auditor”** means the person appointed by resolution of the Members at the Annual meeting pursuant to Article 10.
- (d) **“Board”** means the Board of Directors of the Corporation.
- (e) **“Canadian”** in the case of an individual means a citizen of Canada or a permanent resident within the meaning of the Immigration Act, R.S.C. 1985 (Canada) as amended from time to time.
- (f) **“Chair”, “President”, “Vice-Chair”, “Treasurer”, and “Secretary”**, respectively mean the Chair of the Corporation, the President of the Corporation, the Vice-Chair of the Corporation, the Treasurer of the Corporation and the Secretary of the Corporation.
- (g) **“Corporation”** means the corporation without share capital incorporated under the Act by Letters Patent dated October 11, 2006 and named The Catalogue of Canadian Instrumental Music.
- (h) **“Director”** means a director of the Corporation.
- (i) **“Employee”** means an individual who is employed by and in the service of the Corporation whether under a specific contract or otherwise.
- (j) **“Letters Patent”** means the letters patent incorporating the Corporation as from time to time amended and supplemented by supplementary letters patent;
- (k) **“Member”** means a member of the Corporation as provided for under Section 7 below;
- (l) **“Officer”** or **“Officers”** means a person or persons who are appointed pursuant to Section 5.01 below; and
- (m) **“Special meeting”** means any special meeting of Members as set out in Section 8.02 below.

1.02 Meanings Generally

In all by-laws and special resolutions of the Corporation, the singular shall include the plural and the plural the singular; the word ‘person’ shall include

firms and corporations, and the masculine shall include the feminine and the neuter. Whenever reference is made in any by-law or any special resolution of the Corporation to any statute or section thereof, such reference shall be deemed to extend and apply to any amendment or re-enactment of such statute or section thereof, as the case may be.

2. Seal

The corporate seal of the Corporation shall be such as the Board may by resolution from time to time adopt, and shall be entrusted to the Secretary for its use and safe keeping.

3. Directors

3.01 Board of Directors

- 1) The affairs of the Corporation shall be directed by the Board which shall comprise at least three elected and no greater than fifteen elected members, plus the President, who may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation and are not by the by-laws or resolution of the Corporation or by statute expressly directed or required to be done by the Corporation at a meeting of Members.
- 2) The President shall by virtue of that office be a Director for as long as he or she holds that office, notwithstanding the provisions of Sections, 3.02, 3.03, 3.05, 3.06, 3.07 and 3.08.

3.02 Qualification of Directors

Directors shall be individuals who each shall be:

- (a) A Canadian;
- (b) A Member;
- (c) At least eighteen years of age; and
- (d) An individual who
 - i. Other than the President, is not an employee;
 - ii. Is not of unsound mind;
 - iii. Has not been found to be of unsound mind by a court in Canada or elsewhere; and
 - iv. Does not have the status of a bankrupt

3.03 Election of Directors and Term of Office

- 1) The term of office of a Director (subject to the provisions, if any, of the letters patent or any supplementary letters patent issued to the

Corporation) shall be for a period of up to three (3) years commencing on the date of the meeting at which they are elected or appointed and continuing until the third Annual meeting next following or until their successors shall have been duly elected or appointed, whichever comes first.

- 2) Members shall be entitled to vote for Directors.
- 3) Elections at Annual and Special meetings shall be conducted by voice vote unless a poll is demanded and if a poll is demanded such election shall be by ballot.
- 4) In the event of a vacancy created pursuant to Section 3.04 below, the Board may, as long as there is a quorum of Directors then in office, fill the vacancy from among the Members if they shall see fit to do so and any Director appointed or elected to fill any such vacancy shall hold office for the unexpired term of the Director who ceased to be a Director and who caused such vacancy.

3.04 Ceasing to be a Director

- (1) A person ceases to be a Director:
 - (a) If he or she ceases to be a Canadian;
 - (b) If he or she becomes bankrupt;
 - (c) If he or she is found by a court to be mentally incompetent or of unsound mind;
 - (d) If by notice in writing to the Secretary he or she resigns his or her office;
 - (e) If he or she ceases to be a Member; or
 - (f) If he or she becomes an Employee, other than the President.

3.05 Removal of Directors

- (1) The Members may, by resolution passed by a least two-thirds of the votes cast at an Annual or Special meeting of which notice specifying the intention to pass such resolution has been given, remove any Director before the expiration of his or her term of office and may at the same meeting elect any Member in his or her stead for the remainder of his or her term.
- (2) A Director, who having been sent notice of two consecutive meetings of the Board duly called, fails to attend such meetings without excuse, is deemed to have resigned pursuant to Section 3.04(d) above.

3.06 Remuneration of Directors

The Directors shall serve without remuneration and no Director shall directly or indirectly receive any profit from his or her position; provided that a Director may be paid reasonable expenses incurred properly by him or her in the performance of his or her duties.

3.07 Re-election

- (1) Each Director is eligible for election for a further consecutive term until he or she has been elected to serve six consecutive years, but thereafter is not eligible for re-election until and unless either:
 - (a) A period of not less than eleven (11) months has lapsed from the date of the Director's retirement; or
 - (b) Seventy-five percent of the Directors, at a meeting of Directors duly called for that purpose, agree that such Director should be eligible to stand for election for a further consecutive term of up to three years.
- (2) Notwithstanding paragraph (1) above the Nominations and Governance Committee may nominate a Director servicing as Chair or Vice Chair of the Board of Directors to serve a third consecutive term of up to three years.

3.08 Declaration of Interest

It shall be the duty of every Director who is in any way, whether directly or indirectly interested in a contract or arrangement or proposed contract or proposed arrangement with the Corporation, to declare such interest to the extent, in the manner and at the time required by the Act and by any resolution of the Board relating to conflict of interest. Such director shall in the circumstances be excluded from the discussion of the matter at the meeting and from voting in respect of the contract or arrangement or proposed contract or proposed arrangement if and when prohibited by the Act or by such resolution of the Board.

3.09 Committees

- (1) The Board may from time to time appoint such committee or committees and the chair(s) thereof, as it deems necessary or appropriate for such purposes and with such powers, as it 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 such committee shall serve at the pleasure of the Board for such a term, not to exceed one year, as the Board decides and individual committee members may be removed or the Board may dissolve the committee as a whole. Members of such committees shall receive no compensation either directly or indirectly for acting as such and shall not receive either directly or indirectly any profit from their office; provided that, by resolution of the Board, members of such committees may be paid reasonable traveling and other out-of-pocket expenses properly incurred by them in attending meetings of such committees.

- (2) The Chair of each committee of the Board of Directors shall be responsible for reporting to the Board through the Chair on committee recommendations and findings.

3.10 Appointments of Vice Presidents

The Board may by resolution designate a person as Vice President of the Corporation, on the recommendation of the President, to carry out such responsibilities as the President may recommend. Any such Vice President shall be an employee but not an Officer.

4. Meeting of Directors

4.01 Place of Meeting and Notice

- (1) Meetings of the Board of Directors may be held either at the head office of the Corporation or at any place within Canada. The Chair of the Board, or the President, or Vice Chair or any two Directors may convene a meeting of the Board of Directors at any time and the Secretary by direction of the Chair of the Board, the President, the Vice Chair or any two Directors shall convene a meeting of Directors.
- (2) Notice of any meeting of the Board of Directors shall be delivered or mailed or sent by telecopy or otherwise communicated to each Director not less than fourteen days if mailed (exclusive of the day on which the notice is mailed but inclusive of the day for which notice is given) and not less than twenty-four hours if delivered by hand, or transmitted electronically or sent by telecopy or otherwise communicated before the meeting is to take place; provided always that meetings of the Board of Directors may be held at any time without notice if all Directors are present or those absent have waived notice or have signified their assent in writing to such meeting or any irregularity in any meeting or in the notice thereof.
- (3) The Board may appoint a day or days in any month or months for regular meetings at a place and hour to be named. A copy of any resolution of the Board of Directors fixing the place and time of 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.

4.02 Meeting by Telephone

Any meeting of the Board of Directors and of any committee of the Board may be held by means of such telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously where all Directors consent either generally or in respect of a particular meeting.

4.03 Chair

The Chair shall, when present, preside at all meetings of the Board. In the absence of the Chair of the Board at a meeting of the Board, the Vice Chair shall preside. In the absence of both the Chair and Vice Chair, Directors present shall choose one of their numbers to be Chair of the meeting.

4.04 Quorum

A quorum at any meeting of the Board of Directors shall be the presence in person of a majority of Directors. Attendance by telephone shall constitute presence in person for the purpose of this section.

4.05 Voting

- (1) Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes. In case of an equality of votes, the Chair of the meeting, in addition to his or her original vote, shall cast a vote in favour of the status quo.
- (2) At any meeting, unless a poll is demanded, a declaration by the Chair that a resolution has been carried or carried unanimously or by a particular majority or lost 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 the motion.

4.06 Resolution in Lieu of Meeting

A resolution in writing, signed by all the Directors entitled to vote on that resolution at a meeting of Directors or committee of Directors is as valid as if it had been passed at a meeting of Directors or committee of Directors and a copy of such resolution shall be kept with the minutes of the proceedings of the Directors or committee of Directors. A Director may signify his/her approval of such resolution by email addressed to the Secretary.

5. Officers

5.01 Officers

The Board shall annually or as often as may be required, appoint from its number the Officers, who shall include a President and a Secretary. The same person may at the discretion of the Board hold both offices. The Board may appoint additional officers as required.

5.02 Chair

At each meeting of the Board of Directors, the Directors shall elect from among their number a Chair. The Chair shall preside at the meeting of the Board of Directors. In all matters affecting the Corporation, the Chair shall be deemed to be an agent of the Corporation acting under the authority and at the express intention and express direction of the Board of Directors or any committee thereof, as the case may be.

5.03 Secretary

The Secretary, when present, shall act as secretary of all meetings of Directors and Members shall have charge of the minute books of the Corporation and the documents and registers referred to in the Act. The Secretary may sign such contracts, documents or instruments in writing as require his or her signature and shall have such other powers and duties as may from time to time be assigned to him or her by the Board of Directors or as are incident to his or her office.

5.04 Treasurer

Subject to the provisions of any resolution of the Board of Directors, the Treasurer shall have the care and custody of all the funds and securities of the Corporation and shall deposit the same in the name of the Corporation in such bank or banks or with such depository or depositories as the Board may direct. The Treasurer may sign such contracts, documents or instruments in writing as require his or her signature and shall have such other powers and duties as may from time to time be assigned to him or her by the Board of Directors or as are incident to his or her office. The Treasurer may be required to give such bond for the faithful performance of his or her duties as the Board in its uncontrolled discretion may require, but no Director shall be liable for failure to require any bond or for the insufficiency of any bond or for any loss by reason of the failure of the Corporation to receive any indemnity thereby provided.

5.05 President

- (1) The Board shall cause the Corporation to engage a President to serve at the pleasure of the Board and who shall be an employee and an Officer. The President shall, in addition to any other authority or duties conferred by direction of the Board of Directors, exercise general and active supervision over:
 - (a) Selection, employment, supervision and discharge of all employees;
 - (b) The establishment of salaries and other administrative matters affecting the organization and maintenance of national, regional and local offices of the Corporation and the personnel employed therein;

- (c) The preparation and submission of such reports and statements as the Board may from time to time direct be prepared and submitted to the Board, to any Director or Officer or to any meeting of Members;
 - (d) The preparation of an annual budget for the Corporation, showing anticipated revenues and expenditures; and
 - (e) The safekeeping and good state of repair of all physical properties of the Corporation.
- (2) In all matters affecting the Corporation, the President shall be deemed to be an agent of the Corporation acting under the authority and express intention and express direction of the Board of Directors or any committee thereof, as the case may be. In addition to responsibilities set out in this Section and Section 13 below, the President may sign all such contracts, documents or instruments in writing as require his or her signature.
- (3) Any decision by the Board to engage or terminate the President must be approved by two thirds of the Members of the Board then in office.
- (4) The President shall be given notice of every meeting of every committee of the Board of Directors and shall be entitled to attend such meeting whether or not he has been appointed as a voting member thereof.

5.06 Remuneration and Removal of Officers

The Directors may fix the remuneration (if any) paid to Officers. All Officers, in the absence of an agreement to the contrary, shall be subject to removal by resolution of the Board at any time with or without cause.

5.07 Delegation of Duties of Officers

In the case of absence or inability to act of the Secretary or Treasurer or for any other reason that the Directors may deem sufficient, the Directors may delegate all or any of the powers of such Officers to any other Officer or to any Director for the time being.

5.08 Vacancies

If the office of the Secretary or Treasurer shall be or become vacant by reason of death, resignation, disqualification or otherwise, the Directors may elect or appoint from their number a person to fill such vacancy.

6. Indemnities to Directors, Officers and Others

6.01 General Indemnity

Every Director or Officer or any other person who has undertaken or is about to undertake any liability on behalf of the Corporation and his or her or their heirs, executors and administrators, and estate 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,

- (a) All costs, charges and expenses whatsoever which such Directors, Officers or other persons sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against him, her or them for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him or her or them, in or about the execution of the duties of his or her or their office; and
- (b) All other costs, charges and expenses that he or she or they sustain in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his or her or their own willful neglect or default.

6.02 Directors' and Officers' Indemnity

No Director or Officer for the time being of the Corporation 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 the Corporation through the insufficiency or deficiency of title to any property acquired by order of the Board of Directors or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or company with whom or which any moneys, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of such Director's or Officer's respective office or trust or relation thereto unless same shall happen by or through such Director's or Officer's own wrongful and willful act or through his or her own wrongful and willful neglect or default.

6.03 Board Indemnity

The Directors for the time being of the Corporation 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 the Corporation, except such as have been submitted to and authorized or approved by the Board.

7. Membership

7.01 Qualifications of Members

Membership in the Corporation shall be open to any person who supports the objectives of the Corporation and who is:

- (a) A person who is a Canadian; and
- (b) An individual who is eighteen years of age or older

7.02 Admission

The Members shall be those persons who are qualified to be and who pay the membership fee as prescribed by the Board from time to time. There shall be maintained at the head office of the Corporation a list of Members in good standing.

7.03 Termination of Membership

The membership of any Member shall cease at December 31 of any calendar year if such Member fails to pay the membership fee for the ensuing year. The Board may, by a resolution passed by two-thirds majority vote, terminate any membership, provided, however, that the membership of any Director shall not be terminated unless such Director first has been removed as a Director pursuant to Section 3.05.

7.04 Resignation

Any Member may resign as a Member by letter addressed to the Secretary at the head office of the Corporation. The Board of Directors may, by resolution passed by a majority vote, request any Member to resign.

7.05 Transfer of Membership

A membership in the Corporation is not transferable.

7.06 Life Member

The Board may, from time to time, declare any person or persons to be a life member of the Corporation in recognition of outstanding and meritorious service to the Corporation. A life member shall have all the privileges and rights of a Member in good standing. A life membership shall continue during the lifetime of the life member (unless that Member tenders his or her resignation to the Corporation).

8. Meetings of Members

8.01 Annual Meeting

The Corporation shall hold an annual meeting of its Members not more than fifteen months after the holding of the last preceding annual meeting. The Annual meeting of the Members shall be held at the head office of the corporation, or such other place within Canada, on such day in each year and at such time as the Board of Directors may by resolution determine. At Annual meetings the Directors shall present a report of the Directors on the affairs of the corporation for the previous year, a financial statement of the Corporation, the Auditor's report and such other information or reports relating to the Corporation's affairs as the Directors may determine.

8.02 Special Meeting

Other meetings of the Members may be convened by order of the Board to be held at any date and time and at any place within Canada. In addition, the Chair of the Board, or, failing him or her, the Vice Chair or, failing him or her, the President, or failing him or her, the Secretary or Treasurer, shall call a Special meeting of the Members upon receipt of a written requisition to do so of not less than five per cent of the Members entitled to vote at such meeting.

8.03 Right to Vote

At any meeting of Members every person shall be entitled to vote who was at least sixty days before the date fixed for the meeting (including the date of the meeting) entered on the books of the Corporation as a Member in good standing.

8.04 Notice

A printed, written, typewritten or electronically-generated notice stating the date, time and place of a meeting of Members and the general nature of the business to be transacted shall be served either personally or by sending such notice to each Member of such meeting and to the Auditor through the post in a prepaid wrapper or letter not less than fourteen nor more than sixty days (exclusive of the day of mailing but including the day for which notice is given) before the date of every meeting directed to such address of each Member and of the Auditor as appears on the books of the Corporation, or if no address is given therein, then to the last address of each such Member or Auditor known to the Secretary; provided always that a meeting of Members may be held for any purpose at any date and time and at any place within Canada without notice if all the Members are present in person at the meeting or if all the absent Members shall have signified their assent in writing to such meeting being held in their absence. Any Member or the Auditor may waive notice of any meeting or any irregularity in any meeting or in the notice thereof.

8.05 Omission of Notice

The accidental omission to give notice of any meeting or the non-receipt of any notice by any Member or by the Auditor shall not invalidate any resolution passed or any proceedings taken at any meeting of Members.

8.06 Contents of Notice

Notice of any meeting of Members shall include a statement of the right of such Member to appoint a proxy, who need not be a Member, to exercise the same voting rights that the Member appointing such proxy would be entitled to exercise if present at the meeting. The notice of such meeting shall contain sufficient information concerning such business to be considered to permit the Member to form a reasoned judgment on the decision to be taken.

8.07 Proxies

- (1) At any meeting of Members, a proxy duly and sufficiently appointed by a Member shall be entitled to exercise, subject to any restrictions expressed in the instrument appointing such proxy, the same voting rights that the Member appointing him or her would be entitled to exercise if present at the meeting. A proxy need not be a Member.
- (2) Each Member shall in relation to a meeting of Members be deemed to have appointed the Chair of the meeting of Members as nominee at such meeting in the same manner, to the same extended and with the same power as if the Member was present at the same meeting or any adjournment thereof for the sole purpose to approving any of the financial statements, amendments to the bylaws of the Corporation and electing persons as directors of the Board of Directors provided that it has been specifically referred to in the Notice of Meeting and on the adjournment of the meeting, except where the member
 - (i) attends the meeting in person; or
 - (ii) appoints a proxy in accordance with the bylaws.

8.08 Chair

Any one of the Directors present at the Meeting may act as Chair after having been elected by a majority of the Members present at the Meeting.

8.09 Voting

- (1) Unless otherwise provided for in the By-law, every question submitted to any meeting of Members shall be decided by a majority of votes given by voice unless otherwise specifically provided by the statute or by these by-laws. In the case of any equality of votes, the Chair of the meeting shall vote, both on a voice vote and on a poll, in favour of the status quo. Each Member shall be entitled to one vote if present at a meeting in person or by proxy.

- (2) At any meeting, unless a poll is demanded, a declaration by the Chair that a resolution has been carried or carried unanimously or by a particular majority or lost 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 or against the motion.

8.10 Polls

If at any meeting a poll is demanded on the election of a Chair or on the question of adjournment, it shall be taken forthwith without adjournment. If a poll is demanded on any other question it shall be taken in such manner and either at once or late in the meeting or after adjournment as the Chair directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A demand for a poll may be withdrawn.

8.11 Adjournments

The Chair may with the consent of any meeting adjourn the same from time to time and no notice of such adjournment need be given to the Members. Any business may be brought before or dealt with at any adjourned meeting, which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

8.12 Quorum

In order for any business to be transacted at any meeting of Members, there must be present in person or by proxy a majority membership. For the purpose of calculating the number of Members present by proxy at such a meeting, any proxy appointing the Chair of the meeting as nominee pursuant to Section 8:07 (2) shall only be counted as one Member present at such meeting for the purpose of conducting the business as referred to in Section 8.07 (2). For greater certainty, no proxy created by operation of Section 8.07 shall be counted in calculating the quorum of a meeting of Members in relation to anything arising in that meeting that is not directly related to the business referred to in Section 8.07 (2).

9. Enactment, Repeal and Amendment of By-Laws

9.01 Approvals

By-laws of the Corporation may be enacted, and the by-laws of the Corporation repealed or amended, by a majority of the Board of Directors at a meeting of the Board and sanctioned by an affirmative vote of two-thirds of the Members at a meeting of Members duly called for the purpose of considering such by-law; provided always that the repeal or amendment of a by-law of the Corporation

shall not be enforced or acted upon until the approval of the Minister of Consumer and Corporate Affairs shall have been obtained.

9.02 Notice of Members

A copy of any by-law to be sanctioned at any Annual or Special meeting of Members (including a by-law, which amends or repeals an existing by-law) shall be sent to every Member with the notice of such meeting.

10. Auditors

The Members shall at each Annual meeting appoint an Auditor to audit the accounts of the Corporation and to hold office until the next Annual meeting provided that the Directors may fill any casual vacancy in the office of the Auditor. The Board of Directors shall fix the remuneration of the Auditor from time to time.

11. Notices

11.01 Service

Any notice to be given to any Member or Director or Auditor shall be served in a printed, audio or electronic format that is accessible by the recipient and delivered by mail (or the Internet if applicable under the circumstances) in a prepaid envelope or wrapper addressed to such Member, Director or Auditor at his or her address as the same appears in the books of the Corporation or, if no address be given therein, then to the last address of such Member, Director or Auditor known to the Secretary. With respect to every notice sent by mail (or electronically via the internet), it shall be sufficient to prove that the envelope or wrapper containing the notice was properly addressed and put into a Post Office or into a Post Office letterbox or sent electronically via the internet.

11.02 Signatures to Notices

The signature to any notice may be written, stamped, typewritten or printed or partly written, stamped, typewritten, computer generated or printed.

11.03 Computation of Time

Where a given number of days or notice extending over any period is required to be given, the day of service or posting of the notice shall, unless it is otherwise provided herein, be counted in such number of days or other period.

11.04 Proof of Service

A certificate of the Chair, the President, the Secretary or the Treasurer in office at the time of the making of the certificate as to the facts in relation to the

mailing or delivery of any notice to any Member, Director or Auditor or publication of any notice shall be conclusive evidence thereof and shall be binding on every Member, Director or Auditor, as the case may be.

12. Cheques, Drafts, Notes

All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange may be signed by the President, such Officer or Officers, or person or persons, whether or not Officers, and in such manner as the Board of Directors may from time to time designate by resolution.

13. Execution of Contracts

13.01 Who Signs

- (1) Subject to Section 13.02 below where applicable, contracts, documents or instruments in writing requiring the signature of the Corporation may be signed by (a) the Chair or the President together with the Secretary or Treasurer or (b) by the President and any Director designated by the Board as a signing officer, and all contracts, documents or instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality.
- (2) Subject to Section 5.05 (3) above, the contract of engagement of the President, if any, may be signed by the Chair together with the Secretary or the Treasurer.

13.02 Matters Requiring Prior Board Resolution

The following matters require approval by resolution of the Board of Directors prior to completion:

- (a) The sale of assets other than in the normal course of business;
- (b) Applications for loans or for lines of credit or amendments thereto;
- (c) The audited financial statements of the Corporation;
- (d) That are inconsistent with the objects of the corporation;
- (e) Any agreement referred to in Section 5:07

13.03 Affixing Corporate Seal

The corporate seal of the Corporation may when required be affixed to contracts, documents or instruments in writing signed as aforesaid by resolution of the Board of Directors.

13.04 “Contracts, documents or instruments in writing”

The term “contracts, documents or instruments in writing” as used herein shall include deeds, mortgages, hypothec, charges, conveyances, transfers and

assignments of property, real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, bonds, debentures or other securities.

13.05 Shares, Bonds

In particular, without limiting the generality of the foregoing

- (a) The Chair, together with the Secretary or Treasurer, or
- (b) Any two Directors designated by the Board:

Are authorized to sell, assign, transfer, exchange, convert or convey any and all shares, bonds, debentures, rights, warrants or other securities owned by or registered in the name of the Corporation and to sign and execute (under the corporate seal of the Corporation or otherwise) all assignments, transfers, conveyances, powers of attorney and other instruments that may be necessary for the purpose of selling, assigning, transferring, exchanging, converting or conveying any such shares, bonds, debentures, rights, warrants or other securities.

14. Borrowing Power

14.01 Borrowing Power

Without limiting the borrowing powers of the Corporation as set forth in applicable legislation, but subject to the Letters Patent, the Board may from time to time on behalf of the corporation, without authorization of the Members:

- (a) Borrow money upon the credit of the Corporation;
- (b) Issue, reissue, sell or pledge bonds, debentures, notes or other evidences of indebtedness or guarantee of the Corporation, whether secured or unsecured;
- (c) To the extent permitted by applicable legislation, give directly or indirectly financial assistance to any person by means of a loan, guarantee or otherwise on behalf of the Corporation to secure performance of any present or future indebtedness, liability or obligation of any person; and
- (d) Mortgage, hypothecate, pledge or otherwise create a security interest in all or any currently owned or subsequently acquired real or personal, moveable or immovable, property of the Corporation including book debts, rights, powers, franchises and undertakings, to secure any such bonds, debentures, notes or other evidences of indebtedness or guarantee or any other present or future indebtedness, liability or obligation of the Corporation.

Nothing in this section limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

14.02 Delegation

The Board may from time to time delegate to a committee of the Board, a Director or an Officer all or any of the powers conferred on the Board by Article 14(1) or by the applicable legislation to such extent and in such manner as the Board may determine at the time of the delegation.

15. Financial Year

The Board of Directors may by resolution fix the financial year-end of the Corporation and the Board may from time to time by resolution change the financial year-end of the Corporation.

ADOPTED THIS ____ DAY OF _____, 2006

Chair

Secretary