

BY-LAW NUMBER 1

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

THE WALDEN CROSS-COUNTRY SKI CLUB

a corporation without share capital incorporated under the Ontario *Corporations Act* (Ontario Corporation Number 377460).

Head Office

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

Fiscal Year

2. The fiscal year of the corporation shall begin on **1 May** of each year and end on **30 April** of the following year.

Seal

3. There shall be a corporate seal for the corporation. An imprint of the corporate seal is impressed in the margin.

Members

4. The following persons shall be eligible for membership in the corporation:
 - (a) individuals who support the objects and activities of the corporation and who apply to the directors for admission and who pay the annual membership fee;
 - (b) corporations, unincorporated associations and trusts that
 - (i) have similar objects and activities,
 - (ii) apply to the directors for admission,
 - (iii) are accepted for admission by the directors, and
 - (iv) pay the annual membership fee;
 - (c) members of the immediate family of individual members who apply to the directors for admission and who pay the annual membership fee.
5. Annual membership fees shall be set at a rate as shall be determined by the directors from time to time. Any increase in membership fees of more than twenty-five percent (25%) shall be approved at a general meeting of the corporation duly called for that purpose.
6. Every individual member in good standing and who has paid the applicable annual

membership fee for that year is entitled:

- (a) to attend any general meeting of the corporation;
- (b) to vote at any general meeting of the corporation; and
- (c) to hold any office of the corporation.

Members that are corporations, unincorporated associations or trusts are entitled to vote by proxy at the meeting. A member of the immediate family of an individual member who has applied to the directors for admission and who has paid the annual membership fee is entitled to attend any general meeting of the corporation.

- 7. A member may vote at a general meeting of the corporation by proxy in writing delivered to the secretary no later than 48 hours prior to the meeting.
- 8. Each member is entitled to one vote. The chair of the meeting is 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.
- 9. Membership shall cease:
 - (a) upon death of the member;
 - (b) if the member has not renewed his or her membership and paid the applicable annual membership fee prior to or at the annual general meeting of the corporation;
 - (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; or
 - (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.

Meetings

- 10. The annual general meeting of the corporation shall be held no later than 15 months after the last annual general meeting. The following business shall be conducted at the annual general meeting:
 - (a) reading of the financial reports;

- (b) election of the directors;
 - (c) appointment of auditors and fixing or authorizing the board to fix the remuneration of the auditor; and
 - (d) any other business that may properly be brought before the meeting.
11. The directors may, from time to time, call a general meeting of the corporation.
 12. The 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.
 13. Notice of the annual general meeting or of a general meeting shall be given to the members by the secretary at least seven days before the date of the meeting.
 14. Quorum for the annual general meeting or for a general meeting of the corporation shall be six members of the corporation present in person or by proxy, provided that at least two members, other than directors, are present in person at the meeting.
 15. Any 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

16. 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 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; or
 - (d) sent to the person's address as recorded in the corporation's records by any means of prepaid transmittal, delivery or recorded communication.

A notice shall be deemed to have been given when it is delivered personally or to the person's address, or three days after it was mailed or transmitted.

17. The notice shall specify the business to be attended to at the annual general meeting, the general meeting or the meeting.

Board of Directors

18. The affairs of the corporation shall be managed by a board of directors.
19. The board of directors shall appoint from among themselves a chair, president, vice-president, secretary and treasurer who shall serve until the next annual general meeting or until he or she is removed from office by resolution of the board of directors. The positions of secretary and treasurer may be combined into one position where the directors consider it appropriate.
20. The 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 directors are 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;
 - (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; and
 - (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.
21. Each director shall be a member of the corporation at the time of his or her election or appointment, or within ten days of election or appointment and shall remain a member throughout his or her term of office. A director shall be at least 18 years of age. A director may not be an undischarged bankrupt nor a mentally incompetent person.
22. Each director shall be elected to hold office until the first annual general meeting after he or she was elected or until his or her successor shall have been duly elected. All directors shall retire at each annual general meeting, but each is eligible for re-election if he or she

is otherwise qualified to be a director.

23. The directors may appoint a director to fill a vacancy, provided that a quorum of directors remains in office. If there is no quorum of directors, the remaining directors shall call a general meeting of the corporation to fill the vacancies.
24. The members of the corporation may elect a director or directors, as the case may be, by a show of hands or by ballot if requested by a member.
25. 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.
26. The directors of the corporation shall serve without remuneration and no director shall directly or indirectly receive any profits from his or her position as such, provided that a director may be paid reasonable expenses incurred by him or her in the performance of his or her duties.
27. 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; and
 - (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 Directors

28. A quorum for a meeting of the board of directors shall be four directors. The board may hold its meetings at any place in Ontario as it may, from time to time, determine.
29. Meetings of the board may be called by the chair, president, the vice-president, the secretary or any two members of the board.
30. 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.
31. 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 directors may also take place without notice immediately after an annual general meeting or a general meeting to transact any business.

32. 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.
33. The directors shall vote on any resolution arising at any meeting of the board. A majority of votes shall decide the resolution. In case of a tie vote, the chair shall have a casting vote in addition to his or her original vote.
34. 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 or proportion of the votes recorded in favour or against any resolution.

Officers

35. The officers of the corporation shall have the following duties:
 - (a) Chair — chair all meetings of the corporation and of the board, when present in person and able;
 - (b) President — 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;
 - (c) Vice-President — chair all meetings of the corporation and of the board when the Chair 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;
 - (d) Secretary — 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; have custody of the corporate seal; 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
 - (e) Treasurer — keep and maintain the financial records and books of the corporation; countersign all cheques or other payments with the President or the Vice-President, 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.

Committees

36. The chair, president, vice-president, secretary and treasurer shall constitute the executive committee of the board of directors. The executive committee shall have and may exercise the powers of the board in the management and conduct of the affairs of the corporation in accordance with any direction or restrictions provided in any resolution of the board. The executive committee shall have a quorum of at least three members. The executive committee may establish its own rules of procedure, unless those rules have been set out in a resolution of the board.
37. The board may, from time to time, appoint any other committee or committees that it considers necessary or appropriate. 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

38. 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.

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.

Agents and employees

39. 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.

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

The resolution shall be effective on the date set out in the resolution until the next general meeting of the members, at which time it shall be confirmed by resolution of the members. If the members fail to confirm the resolution, payments to the agents or employees shall cease to be made.

Indemnification

40. 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

41. By-laws of the corporation may be enacted, repealed, amended, added to or re-enacted by 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.

PASSED by the board of directors and sealed with the corporate seal this ____ day of March, 2001.

President

Secretary