

Schedule "B"

Kensington North Watersheds Association Ltd.
By-Laws

1. Name:

The name of the Corporation is **Kensington North Watersheds Association Ltd.**

2. Purposes:

- i) To organize or participate in environmental projects such as cleaning projects and tree planting designed to preserve, protect and restore the ecological health of the Kensington North Watersheds;
- ii) To educate and increase the understanding of the public about the Kensington North Watersheds by providing seminars, volunteer training on watershed management and by disseminating information about the watershed and related issues;
- iii) The purposes for which the corporation is established are to be pursued without pecuniary gain to its members.

3. Activities and Head Office:

- i) The activities of the corporation are to be principally carried on in and around the Kensington North Watersheds, Prince County and Queens County, Prince Edward Island, or a designated meeting place.
- ii) The head office of the corporation is c/o 68 Walter Adams Road, Sea View, R.R. #2 Kensington, Prince Edward Island COB 1M0.

4. Membership:

- i) The subscribers shall be the first members of the corporation and thereafter the subscribers of nominees of the Board shall be the members of the Corporation.
- ii) The members shall be individuals approved for membership by the Board of Directors and who have made full payment of membership fees established by the Board, and such members shall be deemed to be in good standing.
- iii) The Directors may admit representatives of corporations as members upon payment of fees and under conditions established from time to time by the Board.
- iv) Members of the Company are stakeholders of the watershed area and must be eighteen (18) years of age or older and have made full payment of membership fees in order to vote on corporation matters.

- v) Every member of the corporation in good standing shall be entitled to attend any membership meetings of the corporation and to vote at any membership meeting of the corporation and hold any office of the corporation.
- vi) Each member is entitled to one vote at any membership meeting of the corporation.
- vii) The secretary of the Corporation shall maintain a list of members deemed to be members in good standing.
- viii) Membership in the corporation shall cease upon the death of a member or if, by notice in writing to the corporation, he or she resigns his or her membership, or if he or she cease to qualify for membership in accordance with these By-Laws, or if the Board has by motion to expel a member from the Corporation;
- ix) Any member may be expelled from the Corporation by a two-thirds vote of registered members as set out in the Secretary's Registry of Membership for the corporation being present, deemed reasonable by the members, without reimbursement of membership fees; notwithstanding the preceding, the Board shall have a right to terminate the membership of any member having been found guilty of an offence under the *Fisheries Act, Wildlife Act, P.E.I. Environmental Protection Act*, or related legislation, upon motion made and a majority vote by member of the Board, without reimbursement or membership.

5. Annual General Meeting of the Membership:

- i) The annual general meeting of the corporation shall be held each year on or before the third day of June in each or on such day each year and at such other time as agreed upon by the Board of Directors. Notification shall be given to the members at least seven (7) days prior to the meeting by public notice in a newspaper and/or other form of public media, but non-receipt of such notice by any member shall not invalidate the proceedings of any meeting.
- ii) Such notification shall consist of date, time and place of the meeting, and the Board shall ensure that any member in good standing who initiates a request shall be provided prior to the meeting with a copy of the agenda including a copy of any resolutions to be brought before the meeting.
- iii) The business of the annual general meeting shall be:
 - a) To approve the minutes of the last annual general meeting;
 - b) To approve the reviewed/audited accounts for the proceeding year;
 - c) To consider and deal with any resolutions of which are placed before the meeting;
 - d) To elect the officers and directors of the corporation;

- e) To appoint a reviewer or auditor or auditors who shall review or audit the financial records of the next fiscal year;
- f) To consider any other business.
- iv) A quorum for conducting business at an Annual Meeting shall be ten (10) members or twenty-five (25) percent of the members, whichever is less.
- v) The President of the corporation shall preside as chairperson of meetings of the Board and Executive of the Corporation and the Annual General Meeting. In the absence of the President the Vice-President shall preside. In the event both the President and the Vice-President are absent the members present shall choose someone of their number to be Chairperson;
- vi) The Chairperson shall have no vote except in the case of an equality of votes. In the case of an equality of votes, the Chairperson shall have a casting vote;
- vii) The Chairperson may, with the consent of the meeting, adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place, unless notice of such new business is given to the members;
- viii) At any general meeting, unless a poll is demanded by at least three members, a declaration by the Chairperson that a resolution has been carried and an entry to that effect in the books of the proceedings of the corporation shall be sufficient evidence of the fact, without proof of the number or proportion of the members recorded in favour of or against such resolution;
- ix) If a poll is demanded, the same shall be taken in such manner as the Chairperson may prescribe and the result of such poll shall be deemed to be the resolution of the corporation in general meeting.

6. Extraordinary General Membership Meetings:

- i) An extraordinary or special general meeting may be convened at any time by the President or the Directors, and shall be convened by the Directors if requested in writing by three or more members in good standing.
- ii) Such request and the convening notification shall specify the business for which the meeting shall have been convened and no other business shall be transacted at such meeting.
- iii) Notification to members of an extraordinary general meeting shall be in the form as set out for the annual general meeting.

7. Board of Directors

- i) The Board of Directors of the corporation shall be comprised of a minimum of four (4) members and a maximum of fifteen (15) members, who shall be over the age of eighteen (18);
 - ii) Directors shall be elected at the annual general meeting of the corporation and shall take office immediately following the annual general meeting;
 - iii) Directors shall be elected to a term of three (3) years, but shall hold office until such a time as a successor is elected. A member shall be eligible to be elected to two (2) consecutive terms as a Director. A member who has served two (2) consecutive shall be eligible for election following a one (1) year absence as a Director;
 - iv) The subscribers shall constitute the Board of the corporation until the first meeting of the board members is held at the first annual general meeting of the corporation;
 - v) The Directors may make rules and regulations for the management of the corporation and from time to time, provided such rules and regulations are not in conflict with the Constitution or the By-Laws.
 - vi) Any member of the corporation shall be eligible to be elected as a Director of the corporation.
 - vii) Board of Director Meetings' shall be closed to enable and allow the Directors to complete the business and affairs of the corporation. The Directors, upon request, may approve the attendance of a member or members at Directors' meetings or may invite members or non-members to be in attendance.
 - viii) The Board of Directors shall appoint members of the corporation to such committees of the corporation as are deemed by the Board of Directors to be necessary for the proper and efficient carrying on of the corporation's business.
 - ix) In the event that a Director resigns from office or ceases to be a member of the corporation, the position will be deemed by the Board to be vacant; and, the Board may appoint a member as a Director for the unexpired portion of the term being served by the Director who has resigned.
 - x) The Directors shall serve without remuneration unless authorized by the Board of Directors.
 - xi) With respect to removal of the Directors, the members may, by resolution, passed by at least two-thirds of the votes cast at a general meeting of the members of which notice specifying the intention to pass such resolution has been given, remove all or any Directors before the expiration of his, her or their term of office and may, by a majority of the votes cast at that meeting, elect any person or persons in his, her or their stead for the remainder of his, her or their term.
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- xii) The Directors may conduct specified business of the Corporation by electronic means provided that the Board in a meeting has agreed to conduct the specified business by electronic means.

8. Meetings of the Directors:

- i) Meetings of the Board of Directors shall be held as often as the business of the corporation may require, but no less than twice in each business year, and meetings shall be called by the Secretary. A meeting of Directors may be held at the close of every ordinary or annual general meeting of the corporation without notice. Notice of all other meetings, specifying the time and place thereof, shall be given either orally or in writing to each Director within a reasonable time before the meeting is to take place, but non-receipt of such notice by any Director shall not invalidate the proceedings at any meeting of the Board of Directors.
- ii) No business shall be transacted at any meeting of the Board of Directors unless at least fifty percent (50%) plus one in number of the directors are present at the commencement of such business. or 6 board members, of at least 2 must be executive officers.
- iii) The Chairman shall have no vote except in the case of an equality of votes. In the case of an equality of votes he or she shall have a casting vote.

9. Powers of Directors:

- i) The management of the activities of the corporation shall be vested in the Board of Directors who, in addition to the powers and authorities by these By-Laws or otherwise expressly conferred upon them, may exercise all such powers and do all such acts and things a may be exercised or done by the corporation and are not hereby or by statute expressly directed or required to be exercised or done by the corporation in general meeting.
- ii) The President shall be an ex-officio of all committees.
- iii) The Directors are obligated to disclose any interest in an individual or company respect of a proposed or existing contract or grant between the corporation and a company of which a Director is a member or shareholder.

10. Executive Committee:

- i) The Executive Committee shall be composed of the officers of the Corporation.
- ii) The Executive Committee shall attend to the affairs of the Corporation between meetings of the Board of Directors and shall have all the powers of the Board of Directors, provided such powers are not exercised in a manner that is contrary to the Constitution, By-Laws, or policies and decisions adopted by the Board of Directors.

- iii) The Executive Committee may conduct specified business of the Corporation by electronic means provided that the Executive Committee in a meeting has agreed to conduct the specified business by electronic means.

11. Officers:

- i) The officers of the Executive Committee shall be a President, a Vice-President, a Treasurer, and a Secretary.
 - ii) The Officers shall be elected for a period of one (1) year and shall be eligible for re-election.
 - iii) The duties of the President shall be to preside at all meetings of the corporation. He or she shall act as Chairperson at all meetings and see that the rules and procedures provided for in the By-Laws are strictly adhered to. The President shall ensure that all committees authorized by the By-Laws and the Board perform their assigned duties, be an ex-officio member to all committees of the corporation and prepare any report to be presented at the annual general meeting.
 - iv) The duties of the Vice-President shall assist the President and in the latter's absence shall discharge the duties of the President in his or her absence or when he or she is unable to perform them. In the absence of the President, the Vice-President shall preside at all meetings of the Corporation and of the Board. In the absence of the President and the Vice-President, a Chairperson shall be appointed by the those present to preside at that meeting.
 - v) The Secretary shall keep correct minutes of all the meetings held, conduct the correspondence of the corporation and carry out the directions of the Directors. The Secretary shall also keep the corporation's records and corporate seal and shall certify all and any records or documents of the corporation as required. In the absence of the Secretary, the duties shall be carried out by such person appointed by the President or the Board to serve in the Secretary's absence.
 - vi) The Treasurer shall receive all monies and pay by cheque all accounts passed by the Directors and in general attend to the financial affairs of the corporation.
 - vii) The President and any other officer or director or personal appointed by the Board shall have the power to draw, accept or encores bills of exchange, promissory notes, cheques, order for the payment of money on behalf of the corporation, and if the President is unable to sign the above-noted documentation, the Secretary shall assume this responsibility of the President.
 - viii) The Treasurer shall prepare and oversee the budgets of the Committee of the corporation and prepare such financial statements as are deemed necessary to the benefit of the Directors and members.
 - ix) The executive may be assisted in their duties by staff members of the organization.
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12. Indemnities to Directors and Others:

- i) Every Director or officer of the corporation or other person who has undertaken or is about to undertake any liability on behalf of the corporation and their heirs, executors, administrators, legal representatives and estate and effect respectively shall, from time to time and 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 Director, officer or other person sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him or in respect of any act, deed, matter or thing whatsoever made, done, or permitted by him in or about the execution of the duties of his office in respect of such liabilities;
 - b) All other costs, charges and expenses which he or she sustained or incurs in or about or in relation to the affairs thereof; except such costs, charges or expense as occasioned by his own wilful, neglect, or default.
- ii) No director for any time being of the corporation shall be liable for the acts, receipts, neglect or default of any other director or officer or employee of the corporation or for any loss, damage, or expense happening to the corporation through the insufficiency or deficiency or any security in or upon which any of the money of or belonging to the companies shall be placed out of or invested of for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation with whom or with which any monies, securities or effects of the corporation shall be lodged or deposited or for any loss, damage or misfortune whatsoever which may happen to the corporation in the execution of the duties of the prospective office, trust or in relation thereto unless the same shall happen by or through his own wilful neglect or default.

13. Fiscal Year End:

- i) The fiscal year end of the corporation shall be the 31st day of March in each year.

14. Corporate Seal:

- i) The custody of the corporate seal shall be with the Secretary of the corporation.
- ii) The corporate seal shall be used to certify documents issued by the corporation under the signatures of the President and Secretary.

15. Membership Dues:

- i) Membership dues received throughout the fiscal year shall be used for the general operation of the corporation and to further its Objects and Purposes;
- ii) Dues for Members shall be determined annually by the Directors and Officers.

16. Power to Borrow:

- i) The Directors of the corporation may from time to time:
 - a) borrow money on the credit of the corporation, such amounts upon such terms as may be deemed necessary;
 - b) to hypothecate, mortgage, charge or pledge all or any of the real or personal property, undertakings and rights of the corporation to secure any money borrowed or other liability of the corporation;
 - c) give indemnities to any Director or other person who is undertaking or who is about to undertake any liability on behalf of the corporation and to secure such director or other person against loss by giving him a mortgage or charge upon the whole or any part of the real or personal property of the corporation.

17. Banking:

- i) The bank account of the corporation shall be kept at such bank, trust company or credit union, or other recognized financial institution, as the Directors may from time to time determine.

18. Donations:

- i) The corporation may accept donations of money and other property throughout the fiscal year and use the same for the general operation of the corporation and to further its Objects and Purposes.

19. Fundraising:

- i) Throughout the fiscal year, the corporation may undertake such fundraising activities from time to time as the Executive approves. The monies derived there from shall be used for the general operation of the corporation and to further its Objects and Purposes.

20. Amendments of the By-Laws:

- i) These By-Laws may be amended or repealed only by two-thirds (2/3) majority vote of those present at an annual or extra-ordinary general meeting.

21. Audit/Review of Accounts:

- i) The Directors shall annually appoint an external reviewer, accountant or such other person who shall complete audited or unaudited financial statement and review the books and records of the corporation prior to the annual general meeting and file their report at such annual general meeting. In the event an individual is selected who is not a certified auditor to review the accounts, such individual must not be a member of the Corporation.

22. Dissolution:

- i) Upon the dissolution of the corporation and after the payment of all debts and liabilities, the remaining property of the corporation shall be distributed or disposed of to charitable organizations which carry on their work solely in Canada (or in a Province) or non-profit organization having similar object and being bound by similar restrictions.

ADOPTED AND PASSED this 25th day of April, 2012.