

BY-LAW NO. 1

A by-law relating generally to the conduct of the affairs of
Carolinian Canada Coalition
(the "Corporation")

BE IT ENACTED as a by-law of the Corporation as follows:

I GENERAL

1.1. Definition

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

"**Act**" means the *Canada Not-For-Profit Corporations Act* S.C. 2009, c. 23 including the *Regulations* made pursuant to the *Act*, and any statute or *Regulations* that may be substituted, as amended from time to time;

"**Articles**" means the original or restated *Articles of Incorporation* or *Articles of amendment, amalgamation, continuance, reorganization, arrangement or revival* of the Corporation;

"**Board**" means the Board of the Corporation.

"**By-law**" means this *By-law* and any other *By-law* of the Corporation as amended and which are, from time to time, in force and effect;

"**Director**" means a member of the *Board*;

"**Group Member**" means a *Group Member* as set out in section 2.1 of these *By-laws*;

"**Individual Member**" means an *Individual Member* as set out in section 2.1 of these *By-laws*;

"**Meeting of Members**" includes an *Annual Meeting of Members* or a *Special Meeting of Members*; "*Special Meeting of Members*" includes a meeting of any class or classes of *Members* and a *Special Meeting of all Members* entitled to vote at an annual meeting;

"**Member**" means both a *Group Member* and an *Individual Member* as set out in section 2.1 of these *By-laws*, unless the context otherwise requires;

"**Ordinary Resolution**" means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;

"**Proposal**" means a Proposal submitted by a *Member* of the Corporation that meets the requirements of section 163 (*Shareholder Proposals*) of the *Act*;

"**Regulations**" means the *Regulations* made under the *Act*, as amended, restated or in effect from time to time; and

"**Special Resolution**" means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

1.2. Interpretation

In the interpretation of this *By-law*, words in the singular include the plural and vice-versa, words in one gender include all genders, and "person" includes an individual, body corporate, partnership, trust and unincorporated organization. Other than as specified in 1.1 above, words and expressions defined in the *Act* have the same meanings when used in these *By-laws*.

1.3. Execution of Documents

Contracts, documents or any instruments in writing requiring the signature of the Corporation shall be signed by such Officer or Officers or agent or agents, whether or not Officers of the Corporation, and in such manner as the *Board of Directors* may from time to time designate by resolution. All contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The *Directors* shall have power

from time to time by resolution to appoint an Officer or Officers on behalf of the Corporation to sign ongoing reports and memoranda and other documents and instruments in writing. The *Directors* may give the Corporation's power of attorney to any registered dealer in securities for the purpose of transferring and dealing with any stocks, bonds or other securities of the Corporation.

1.4. Financial Year

The financial year-end of the Corporation shall be March 31 in each year.

1.5. Annual Financial Statements

The Corporation may, instead of sending copies of the annual financial statements and other documents referred to in subsection 172(1) (Annual Financial Statements) of the *Act* to the *Members*, publish a notice to its *Members* stating that the annual financial statements and documents provided in subsection 172(1) are available and any *Member* may, on request, obtain a copy free of charge from the registered office by electronic or other means.

II MEMBERSHIP

2.1. Membership Conditions

Subject to the *Articles*, there shall be two classes of *Members* in the Corporation, namely, *Individual Members* and *Group Members*. The *Board of Directors* of the Corporation may, by resolution, approve the admission of the members of the Corporation. Members may also be admitted in such other manner as may be prescribed by the *Board* by resolution. The following conditions of membership shall apply:

- I. *Individual Membership*: Any person who supports the Objects of the Corporation may be granted an *Individual Membership*. An applicant for *Individual Membership* may become a member on his or her signed application or electronic equivalent being received by the Secretary or appointee in the prescribed form, payment of the appropriate fees or dues, and approval by the *Board of Directors*.
- II. *Group Membership*: Any corporation, group or organization which supports the Objects of the Corporation may be granted a *Group Membership*. An applicant for *Group Membership* may become a *Member* on its application being received by the Secretary or appointee in the prescribed form, payment of the appropriate fees and dues, and approval by the *Board of Directors*.

Pursuant to subsection 197(1) (Fundamental Change) of the *Act*, a *Special Resolution* of the *Members* is required to make any amendments to this section of the by-laws if those amendments affect membership rights and/or conditions described in paragraphs 197(1)(e), (h), (l) or (m).

A person must be a *Member* in good standing for a minimum of two (2) weeks prior to any general or special meeting before any voting rights shall vest.

The term of membership in each class of *Member* shall be annual, subject to renewal in accordance with the policies of the Corporation. As set out in the *Articles*, the *Members* shall be entitled to receive notice of and to attend all *Meetings of Members* of the Corporation, and each *Member* shall have one (1) vote at each such meeting, except for meetings at which only *Members* of another class are entitled to vote separately as a class.

2.2 Termination of Membership

A membership in the Corporation is terminated when:

- a) the *Member* dies, or, in the case of a *Member* that is a corporation, the corporation is dissolved;
- b) a *Member* fails to maintain any qualifications for membership described in Section 2.1 of these bylaws;
- c) the *Member* resigns by delivering a written resignation to the chair of the *Board* of the Corporation in which case such resignation shall be effective on the date specified in the resignation;
- d) the *Member* is expelled in accordance with the *Act* or is otherwise terminated in accordance with the *Articles* or *By-laws*;
- e) the *Member's* term of membership expires; or
- f) the Corporation is liquidated or dissolved under the *Act*.

Subject to the *Articles*, upon any termination of membership, the rights of the *Member* including any rights in the property of the Corporation automatically cease to exist.

2.3. Notice of Members Meeting

Notice of the time and place of a meeting of *Members* shall be given to each *Member* entitled to vote at the meeting by telephonic, electronic or other communication facility to each *Member* entitled to vote at the meeting, during a period of 21 to 35 days before the day on which the meeting is to be held. If a *Member* requests that the notice be given by non - electronic means, the notice will be sent by mail.

Pursuant to subsection 197(1) (Fundamental Change) of the *Act*, a *Special Resolution* of the *Members* is required to make any amendment to the by - laws of the Corporation to change the manner of giving notice to *Members* entitled to vote at a *Meeting of Members*.

2.4. Membership Dues

Members shall be notified in writing of the membership dues at any time payable by them and, if any are not paid within one (1) calendar month of the membership renewal date, the *Members* in default shall automatically cease to be *Members* of the Corporation, subject to the discretion of the *Board* to decide otherwise.

2.5. Discipline of Members

The *Board* shall have authority to suspend or expel any *Member* from the Corporation for any one or more of the following grounds:

- I. violating any provision of the *Articles*, *By-laws*, or written policies of the Corporation;
- II. carrying out any conduct which may be detrimental to the Corporation as determined by the *Board* in its sole discretion;
- III. for any other reason that the *Board* in its sole and absolute discretion considers to be reasonable, having regard to the purpose of the Corporation.

In the event that the *Board* determines that a *Member* should be expelled or suspended from membership in the Corporation, the Chair, or such other officer as may be designated by the *Board*, shall provide twenty (20) days notice of suspension or expulsion to the *Member* and shall provide reasons for the proposed suspension or expulsion. The *Member* may make written submissions to the Chair, or such other officer as may be designated by the *Board*, in response to the notice received within such twenty (20) day period. In the event that the Chair receives no written submissions, the Chair, or such other officer as may be designated by the *Board*, may

proceed to notify the *Member* that the *Member* is suspended or expelled from membership in the Corporation.

If written submissions are received in accordance with this section, the *Board* will consider such submissions in arriving at a final decision and shall notify the *Member* concerning such final decision within a further twenty (20) days from the date of receipt of the submissions. The *Board's* decision shall be final and binding on the *Member*, without any further right of appeal.

2.6. Quorum at Members' Meetings

A quorum at any *Meeting of the Members* (unless a greater number of *Members* are required to be present by the *Act*) shall be ten (10) *Members* who are entitled to vote at the meeting. If a quorum is present at the opening of a *Meeting of Members*, the *Members* present may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

2.7. Votes to Govern at Members' Meetings

At any *Meeting of Members*, every question shall, unless otherwise provided by the *Articles* or *By-laws* or by the *Act*, be determined by a majority of the votes cast on the questions. In case of an equality of votes, either on a show of hands or on a ballot or on the results of electronic voting, the chair of the meeting shall have a second or casting vote.

III BOARD OF DIRECTORS

3.1. Director Balance, Membership and Support

The *Board* shall maintain a balance between *Directors* serving as individuals and *Directors* representing a group. In accordance with the *Act*, the *Board* may fill a casual vacancy until the next annual general meeting. All *Individual Members*, and all groups electing or appointing representatives, must be *Members* or become *Members* of the Corporation within 30 days of the *Director's* election or appointment. Groups must agree to accept support responsibilities for their representatives who become *Directors*.

3.2. Term of Office of Directors

The *Directors* shall be elected to hold office for a term no longer than the close of the first, second or third annual *Meeting of Members* following the *Directors'* election, such term to be specified in the resolution by which they are elected. No *Director* who has served as such for six (6) years in succession shall be eligible for re-election or appointment for a further term, except where there has been at least one (1) year break in service or where the *Board* shall waive this limitation with cause.

3.3. Vacancies on the Board of Directors

In addition to the circumstances specified in the *Act*, the office of a *Director* shall be automatically vacated if a *Group Member*, that has had its representative elected as a *Director*, indicates by notice in writing to the Corporation that the group has terminated the role of that person as the group's representative in the Corporation.

3.4. Power to Establish Committees

The *Board* may from time to time appoint any committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the *Act*, with such powers as the *Board* shall see fit. Any such committee may formulate its own rules of procedure, subject to such rules, policies or directions as the *Board* may from time to time make. Any committee member may be removed by resolution of the *Board of Directors*.

IV MEETINGS OF DIRECTORS

4.1. Calling of Meetings

Meetings of the *Board* may be called by the chair of the *Board*, the vice-chair of the *Board* or any two (2) *Directors* at any time; provided that, for the first organization meeting following incorporation, such meeting may be called by any *Director* or incorporator.

4.2. Notice of Meeting

Notice of the time and place for the holding of a meeting of the *Board* shall be given to every *Director* of the Corporation not less than 7 days before the time when the meeting is to be held by one of the following methods:

- a) delivered personally to the latest address as shown in the last notice that was sent by the Corporation in accordance with section 128 (*Notice of Directors*) or 134 (*Notice of change of Directors*);
- b) mailed by prepaid ordinary mail to the *Director's* address as set out in (a); by telephonic, electronic or other communication facility at the *Director's* recorded address for that purpose; or
- c) by an electronic document in accordance with Part 17 of the *Act*.

Notice of a meeting shall not be necessary if all of the *Directors* are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting. Unless the *By-law* otherwise provides, no notice of meeting need specify the purpose or the business to be transacted at the meeting except that a notice of meeting of *Directors* shall specify any matter referred to in subsection 138(2) (Limits on Authority) of the *Act* that is to be dealt with at the meeting.

4.3. Regular Meetings

The *Board* may appoint a day or days in any month or months for regular meetings of the *Board* at a place and hour to be named. A copy of any resolution of the *Board* fixing the place and time of such 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 except if subsection 136(3)(Notice of Meeting) of the *Act* requires the purpose thereof or the business to be transacted to be specified in the notice.

4.4. Votes to Govern

At all meetings of the *Board*, every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chair of the meeting in addition to an original vote shall have a second or casting vote.

V OFFICERS

5.1 Description of Offices

Unless otherwise specified by the *Board*, which may, subject to the *Act* modify, restrict or supplement such duties and powers, the offices of the Corporation, if designated and if officers are appointed, shall have the following duties and powers associated with their positions:

Chair of the Board - The chair of the *Board*, if one is to be appointed, shall be a *Director*. The chair of the *Board*, if any, shall, when present, preside at all meetings of the *Board of Directors* and of the *Members*. The chair shall have such other duties and powers as the *Board* may specify.

Vice-Chair of the Board - The vice-chair of the *Board*, if one is to be appointed, shall be a *Director*. If the chair of the *Board* is absent or is unable or refuses to act, the vice-chair of the *Board*, if any, shall, when present, preside at all meetings of the *Board of Directors* and of the *Members*. The vice-chair shall have such other duties and powers as the *Board* may specify.

Executive Director – If appointed, the Executive Director shall be the chief executive officer of the Corporation and shall be responsible for implementing the strategic plans and policies of the Corporation. The Executive Director shall, subject to the authority of the *Board*, have general supervision of the affairs of the Corporation.

Secretary- The secretary shall attend and be the secretary of all meetings of the *Board*, *Members* and committees of the *Board*. The secretary shall enter or cause to be entered in the Corporation's minute records, minutes of all proceedings at such meetings; the secretary shall give, or cause to be given, as and when instructed, notices to *Members*, *Directors*, the public accountant and *Members* of committees; the secretary shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation.

Treasurer - If appointed, the treasurer shall have such powers and duties as the *Board* may specify.

The powers and duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the *Board* or Executive Director requires of them. The *Board* may, from time to time and subject to the *Act*, vary, add to or limit the powers and duties of any officer.

5.2 Vacancy in Office

In the absence of a written agreement to the contrary, the *Board* may remove, whether for cause or without cause, any officer of the Corporation. Unless so removed, an officer shall hold office until the earlier of:

- a) the officer's successor being appointed,
- b) the officer's resignation,
- c) such officer ceasing to be a *Director* (if a necessary qualification of appointment) or
- d) such officer's death.

If the office of any officer of the Corporation shall be or become vacant, the *Directors* may, by resolution, appoint a person to fill such vacancy.

VI

NOTICES AND DISPUTE RESOLUTION

6.1. Method of Giving Notices

Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served), other than notice of a *Meeting of Members* or a meeting of the *Board of Directors*, pursuant to the *Act*, the *Articles*, the *By-laws* or otherwise to a *Member*, *Director*, officer or members of a committee of the *Board* or to the public accountant, shall be sufficiently given:

- a) if delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of the Corporation or in the case of notice to a *Director* to the latest address as shown in the last notice that was sent by the Corporation

- in accordance with section 128 (*Notice of directors*) or 134 (*Notice of change of directors*); or
- b) if mailed to such person at such person's recorded address by prepaid ordinary or air mail; or
 - c) if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
 - d) if provided in the form of an electronic document in accordance with Part 17 of the *Act*.

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The secretary may change or cause to be changed the recorded address of any *Member*, *Director*, officer, public accountant or member of a committee of the *Board* in accordance with any information believed by the secretary to be reliable. The declaration by the secretary that notice has been given pursuant to this *By-law* shall be sufficient and conclusive evidence of the giving of such notice. The signature of any *Director* or officer of the Corporation to any notice or other document to be given by the Corporation may be written, stamped, typewritten or printed or partly written, stamped, type-written or printed.

6.2. Mediation and Arbitration

Disputes or controversies among *Member*, *Directors*, officers, committee *Member*, or volunteers of the Corporation are as much as possible to be resolved in accordance with mediation and/or arbitration as specified by the *Board*.

VII

By-Laws and Effective Date

7.1. Invalidity of any Provisions of this By-law

The invalidity or unenforceability of any provision of this *By-law* shall not affect the validity or enforceability of the remaining provisions of this *By-law*.

7.2. Omissions and Errors

The accidental omission to give any notice to any *Member*, *Director*, officer, *Member* of a committee of the *Board* or public accountant, or the non-receipt of any notice by any such person where the Corporation has provided notice in accordance with the *By-laws* or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

7.3. By-law Changes

Subject to the *Act*, the *Board of Directors* may, by resolution, make, amend or repeal any *By-laws* that regulate the activities or affairs of the Corporation. Any such *By-law*, amendment or repeal shall be effective from the date of the resolution of *Directors* until the next *Meeting of Members* where it may be confirmed, rejected or amended by the *Members* by *Ordinary Resolution*. If the *By-law*, amendment or repeal is confirmed or confirmed as amended by the *Members* it remains effective in the form in which it was confirmed. The *By-law*, amendment or repeal ceases to have effect if it is not submitted to the *Member* at the next *Meeting of Members* or if it is rejected by the *Members* at the meeting. This section does not apply to a *By-law* that requires a *Special Resolution* of the *Members* according to subsection 197(1) (fundamental change) of the *Act* because such *By-law* amendments or repeals are only effective when confirmed by *Member*.

7.4. Effective Date

Subject to matters requiring a *Special Resolution* of the *Member*, this *By-law* shall be effective when made by the *Board*.

CERTIFIED to be By-Law No. 1 of the Corporation, as enacted by the *Directors* of the Corporation by resolution on the _____ day of _____, 2014 and confirmed by the *Members* of the Corporation by *Special Resolution* on the 22nd day of May, 2014.

Dated as of the [day] day of May, 2014.

Don Pearson, Chair