

RESOLUTION OF THE DIRECTORS
GAGETOWN AND DISTRICT RECREATION COUNCIL INC.

BY-LAW NO. 2011-2

1. DEFINITIONS

In this by-law and all other by-laws of the Company, unless the context otherwise specifies or requires:

- (a) “Act” means the New Brunswick Companies Act;
- (b) “articles” means the articles of the Company as from time to time amended;
- (c) “board” means the Board of Directors of the Company;
- (d) “by-law” means any by-law of the Company from time to time in effect;
- (e) “Company” means the Gagetown and District Recreation Council Inc.;
- (f) “director” means an individual occupying the position of a director of the Company;
- (g) “member” means a person admitted to membership in accordance with this by-law;
- (h) “registrar” means the Director appointed under the Act;
- (i) “special resolution” means a resolution passed by not less than $66\frac{2}{3}\%$ of such members that are present and entitled to vote at an Annual or Special General Meeting of which notice specifying the intention to propose the resolution has been duly given;

- (j) words importing the singular include the plural and vice-versa; words importing the masculine gender include the feminine and neuter genders and vice versa; words importing persons shall include bodies corporate, corporations, companies, associations and trusts;
- (k) headings used in any by-law are inserted for reference only and are not to be considered in concerning the provisions thereof or to be considered in any way to clarify, modify or explain the effect of any provisions thereof.
- (l) any term contained in any by-law which is defined in the Act shall have the meaning given in the Act.

This by-law and other by-laws of the Company are to be interpreted, where the context requires, as being subject to the Act and the articles.

2. REGISTERED OFFICE

The directors may from time to time by resolution fix the location and address of the registered office of the Company, within New Brunswick.

3. SEAL

The Company may have one or more seals which may be adopted and changed from time to time by resolution of the directors.

4. MEMBERSHIP

- (a) Persons who are admitted to membership in accordance with the by-laws shall be members of the Company and their names shall be entered in the register of members accordingly.
- (b) Company members shall be persons 19 years of age or over.

- (c) For the purposes of registration, the number of members of the Company is unlimited.
- (d) Each member of the Company as defined in 4(e) below shall be qualified to originate and take part in the discussion of any subject that may properly come before any meeting of the Company, to vote on such subject, and to hold any office in the Company to which he may be elected or appointed.
- (e) Where a program participation fee as described in (g) below is paid in respect of a person aged 19 years or older, including such a person covered by a household fee, that person shall be a member of the Company from the date of payment up to the following March 31. However no person under 19 years of age shall be a member of the Company, even if a program participation fee is paid in respect of such person.

After the said March 31 a further program participation fee will be required in order to provide for continuation of membership after such date.

- (f) Membership in the Company shall cease upon death of a member, or if, by notice in writing to the Company, he resigns his membership, or if he ceases to qualify for membership in accordance with these by-laws. Any member who ceases to be a member (other than by death) may resume membership on again qualifying in accordance with these by-laws.
- (g) The Board shall establish a program participation fee or fees to be paid in respect of individuals, or in respect of members of a household collectively, to qualify such persons as eligible to participate in any programs organized or offered by the Company. The level(s) of such fee(s) may be changed by the Board from time to time as it sees fit.

Notwithstanding such eligibility, the Board may also establish such additional program-specific fees as it deems appropriate to offset costs for remuneration to paid instructors, or for facility rental or operating costs, or for any other similar out-of-pocket expenses specific to a particular program.

5. FISCAL YEAR

The fiscal year of the Company shall be a period of twelve (12) months commencing on January 1 and ending on December 31, except that the fiscal year ending December 31, 2012 shall be a period of nine (9) months commencing on April 1, 2012.

6. MEETINGS

- (a) The annual general meeting of the Company shall be held for the transaction of the general business of the Company and for the election of directors within three months after the end of each fiscal year of the Company. Such meeting shall be held in the Village of Gagetown.
- (b) At any such annual or special general meeting, ten (10) members shall constitute a quorum for the dispatch of business, and each member present shall be entitled to one vote.
- (c) A special general meeting may be called by the Chairman or by the directors or a majority of them at any time, and shall be called by the Chairman whenever required in writing by the majority of the directors. At a special general meeting no business shall be transacted except that stated in the notice calling the meeting.
- (d) At least one week's notice of all annual and special general meetings of the Company, specifying the place, day and hour of the meeting and, in the case of special business, the nature of such business shall be given by the Secretary by regular or electronic mailing to each member of the company.
- (e) Written notice of any new business shall be submitted to the Secretary at least one week prior to the annual meeting.

- (f) At each annual or special general meeting of the Company, the following items of business shall be dealt with and shall be deemed to be ordinary business:
 - (i) Minutes of preceding general meeting;
 - (ii) Consideration of the annual report of the directors;
 - (iii) Consideration of the financial statement, including balance sheet and operating statement and the report of the auditors thereon;
 - (iv) Election of directors for the ensuing year;
 - (v) Appointment of the auditor for the following year.

- (g) If within one-half hour from the time appointed for the meeting, a quorum of its members is not present, the meeting, if convened upon the requisition of the members, shall be dissolved. In any other case it shall stand adjourned to such time and place as a majority of the members then present shall direct and if at such adjourned meeting a quorum of members is not present, it shall be adjourned sine die.

7. QUALIFICATIONS OF DIRECTORS

Each director shall be an individual of nineteen (19) or more years of age.

8. POWERS OF DIRECTORS

- (a) The directors shall manage the business and affairs of the Company and may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not by the Act, the articles, the by-laws or by statute or regulation expressly directed or required to be done in some other manner.

9. BOARD OF DIRECTORS

- (a) The number of directors shall not be less than six (6) nor more than twelve (12).

- (b) No business shall be transacted at any meeting of the directors unless a quorum of members is present at the commencement of such business and such quorum shall be five (5) directors, or a simple majority of the directors then holding office if the number of directors holding office is less than ten (10).
- (c) At the 2014 Annual General Meeting four (4) directors shall be elected for a term expiring at the 2017 Annual General Meeting, a further four (4) directors (or the balance of those standing for election is less than four (4)) shall be elected for a term expiring at the 2016 Annual General Meeting, and the remaining directors, if any, shall be elected for a term expiring at the 2015 Annual General Meeting. Each director shall retire immediately prior to the election of directors at the Annual General Meeting at which his or her term expires. Retiring directors shall be eligible for re-election for a term of three years.
- (d) The board shall be elected by the members from among their number. Any member of the Company shall be eligible to be elected as a director.

In the event that the Company operates or intends to operate a program or activity subject to provincial rules or regulations which require that a specified number of certain categories of persons be members of the Board in order that the said program or activity can be operated, then the specified number of persons who fall within the specified category or categories shall be elected to the Board prior to any other members being elected.

- (e) Vacancies on the board of directors are to be filled by a special meeting of the members, such vacancies to be filled for the balance of the applicable term(s) of the director(s) whose position(s) are vacant. If there are no remaining directors in office the meeting may be called by any member.
- (f) Meetings of the directors will be held from time to time at a place, at a time and on a day the President determines. The Secretary is to call meetings when directed or authorized by the President.

Notice of every meeting is to be given to each director not less than seventy-two (72) hours (excluding any part of a Sunday or holiday) before the time when the meeting is to be held. No notice of a meeting is necessary if all the directors are present and do not object to the holding of the meeting.

Notice of a meeting of the directors shall specify any of the following matters that are to be dealt with at the meeting:

- (a) any question or matter requiring the approval of the members;
- (b) the filling of a vacancy among the directors;
- (c) the approval of financial statements of the company;
- (d) the adoption, amendment or repeal of any by-law;

and, unless a by-law otherwise provides, the notice need not otherwise specify any other purpose or business to be transacted at the meeting.

- (g) Each newly elected board may without notice hold its first meeting for the purpose of organization and the election and appointment of officers immediately following the meeting of members at which the board was elected. A quorum of directors must be present at the meeting.
- (h) At all meetings of the directors every question shall be decided by a majority of the votes cast in favour or against on the question. In case of an equality of votes the President of the meeting is entitled to a casting vote only, and otherwise is not eligible to vote.

10. OFFICERS OF THE BOARD OF DIRECTORS

- (a) The officers of the Company shall be the same as those of the board. They shall be a President, a Vice-President, a Treasurer and a Secretary. These officers shall be elected by the board from among their number at the first meeting of the board following the annual general meeting every year.

- (b) The President shall:
 - (i) Preside at all meetings of the Company;
 - (ii) Report to each annual meeting of the Company concerning the operations of the Company and at such other times as he deems fit or as requested by the Company;
 - (iii) Shall have no vote at meetings of the board or at general meetings except in the case of a tie;
 - (iv) Perform such other duties as may from time to time be determined by the Company.

- (c) The Vice-President shall:
 - (i) Assist the President and shall have all the powers and perform all the duties of the President in his absence;
 - (ii) Perform such duties as may from time to time be determined by the Company.

- (d) The Secretary shall be responsible for:
 - (i) Minutes of all meetings of the Company;
 - (ii) All correspondence to, or from, the Company;
 - (iii) Custody of all minutes, records and documents of the Company;
 - (iv) Performance of such other duties as may from time to time be determined by the Company.

- (e) The Treasurer shall:
 - (i) Have custody of all assets including equipment, securities and funds;
 - (ii) See that an accounting system is maintained in such a manner as to give a true and accurate accounting of the financial transactions of the Company;
 - (iii) See that reports of such transactions are presented properly to the board;
 - (iv) See that all records of accounts are presented to the board for approval;

- (v) Report to each annual meeting of the Company showing the financial position of the Company;
- (vi) Perform such other duties as may from time to time be determined by the board, including the filing of any reports or returns required by any governmental authorities or agencies.

11. PROTECTION OF DIRECTORS AND OFFICERS

No director or officer of the Company is liable for:

- a) the acts, receipts, neglects or defaults of any other director or officer; or
- b) for joining in any receipts or other acts for conformity; or
- c) for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by the order of the board of directors on behalf of the Company; or
- d) for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested; or
- e) for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any of the moneys, securities or effects of the Company shall be deposited; or
- f) for any loss occasioned by error of judgment or oversight on his part; or
- g) for any loss, damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto;

unless in or as a result of any action, suit or proceeding he is adjudged to be in breach of any duty or responsibility imposed on him as a director under the articles or under the Act or under any other statute.

12. INSURANCE FOR DIRECTORS AND OFFICERS

The Company may purchase and maintain insurance for the benefit of any director or officer against liabilities, costs, charges and expenses sustained or incurred by the director or officer for failure to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

13. AUDITORS

- (a) The auditor of the Company shall be appointed annually by members of the Company at the annual general meeting for the following year and, on failure of the members to appoint an auditor, the board may do so.

- (b) The Company shall make a written report available to the members as to the financial position of the Company and the report shall contain a balance and operating sheet. The auditor shall make a written report to the members upon the balance sheet and operating account and, in every such report, he shall state whether, in his opinion, the balance sheet is a full and fair balance sheet containing the particulars required by the company and properly drawn up so as to exhibit a true and correct view of the Company affairs, and such report shall be read at the annual meeting. A copy of the balance sheet, showing the general particulars of its liabilities and assets and a statement of its income and expenditures in the preceding year, audited by the auditor, shall be filed with the registrar by the Secretary within fourteen days after the annual meeting in each year, or as otherwise required by law.

14. BANKING ARRANGEMENTS

The banking business of the Company or any part thereof, shall be transacted with such bank, trust company, credit union, or other firm carrying on a banking business as the directors may designate, appoint or authorize from time to time by resolution and all such banking business or any part thereof shall be transacted on the Company's behalf by the Treasurer and any one of the President, Vice-President or Secretary, including, without restricting the generality of the foregoing:

- a) the operation of the Company's accounts;

- b) the making, signing, drawing, accepting, endorsing, negotiating, allotting, depositing or transferring of any cheques, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money;

- c) the execution of any agreement relating to any banking business and defining the rights and powers of the parties thereto; and
- d) the authorizing of any officer or employee of such bank to do any act or thing on the Company's behalf to facilitate such banking business.

15. BORROWING

Subject to the articles the directors of the Company may from time to time:

- a) borrow money upon the credit of the Company;
- b) issue, reissue, sell or pledge debt obligations of the Company; and
- c) mortgage, hypothecate, pledge or otherwise create security interest in all or any property of the Company owned or subsequently acquired, to secure any debt obligation of the Company.

The directors, from time to time, may authorize any director or directors, or officer or officers of the Company to enter into arrangements with respect to:

- d) the money borrowed or to be borrowed;
- e) the terms and conditions of the loan thereof; and
- f) the security to be given therefor;

with power to vary or modify the arrangements, terms and conditions, and the security for the money borrowed or remaining due, and generally to manage, transact and settle the borrowing of money by the Company.

- 16.** The Company shall file with the registrar with its annual statement a list of its directors with their addresses, occupations and dates of appointment or election, and within fourteen days of a change of directors, notify the registrar of the change. The Company shall file with the registrar a copy in duplicate of every special resolution within fourteen days after the resolution is passed.

- 17. The Secretary shall have custody of the corporate seal of the Company and the Secretary, together with the President, shall sign on behalf of the Company all legal documents authorized by the board and affix the corporate seal thereon.

- 18. The board may invest any surplus funds of the Company and any monies devised, bequeathed, or donated to the Company in any securities authorized by law for trust funds, with power to vary such investments at their discretion, unless otherwise directed by the instruments creating the trust or bequest.

- 19. Subject to the Act and the articles the Company may repeal or amend the by-laws at an annual or special general meeting by a majority vote of the members present.

ENACTED THIS 27th day of April, 2011 by the Board of Directors

Gagetown And District Recreation Council Inc.

Per: _____
President

Per: _____
Secretary