

BY-LAW # 1

A by-law relating generally to the transaction of the affairs of the Kawartha Park Cottagers' Association ("the Corporation").

KAWARTHA PARK COTTAGERS' ASSOCIATION

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

1. EFFECTIVE DATE AND REPEAL OF PRIOR BY-LAW

- 1.1. This by-law repeals and replaces in its entirety by-laws number 1 and 2 of the Corporation enacted in 1963. Such repeal shall not affect the validity of any action taken pursuant to by-laws number 1 and 2 prior to its repeal. This by-law, if confirmed by the members of the Corporation, shall come into force on ***June 30, 2001***.

2. BUSINESS OF THE CORPORATION

- 2.1. **Head Office.** The Head Office of the Corporation shall be in the City of Peterborough, in the Province of Ontario, and at such place therein as the directors may from time to time determine.
- 2.2. **Financial Year.** Unless otherwise determined by the board, the financial year of the Corporation shall terminate on December 31, in each year.
- 2.3. **Execution of Instruments.** Deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by the president or vice-president or a director and by the secretary or the treasurer or another director. In addition, the board may from time to time direct the manner in which and the persons or persons by whom any particular instrument or class of instruments may or shall be signed. Any person authorized to sign an instrument on behalf of the Corporation may affix the corporate seal thereto.
- 2.4. **Banking Arrangements.** The banking business of the Corporation shall be transacted with such banks, trust companies or other firms or Corporations as may from time to time be designated by or under authority of the board. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations or powers as the board may from time to time prescribe or authorize.
- 2.5. **Borrowing.**

The directors may from time to time:

 - 2.5.1. borrow money on the credit of the Corporation; or
 - 2.5.2. issue, sell or pledge securities of the Corporation; or
 - 2.5.3. charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Corporation, including book debts, rights, powers, franchises and undertakings, to secure any securities or any money

borrowed, or other debt, or any other obligation or liability of the Corporation.

From time to time the directors may authorize any director, officer or employee of the Corporation or any other person to make arrangements with reference to the moneys borrowed or to be borrowed as aforesaid and as to the terms and conditions of the loan thereof, and as to the securities to be given therefor, with power to vary or modify such arrangements, terms and conditions and to give such additional securities for any moneys borrowed or remaining due by the Corporation as the directors may authorize, and generally to manage, transact and settle the borrowing of money by the Corporation.

3. MEMBERS

3.1. Members.

The members shall consist of such individuals and families as have completed an application for membership in the Corporation and have paid the membership fee for the relevant year, unless such application is rejected by the board within three months after such application is received by the Corporation. Corporations and non-profit associations may apply for membership in the Corporation subject to the approval of the Board.

3.2. Voting Members.

Voting members of the Corporation shall consist of all members who are at least eighteen years of age and who are shown in the records of the Corporation as being paid up members. Unless otherwise approved by the members, there shall be no more than two voting members allowed per family membership.

3.3. Membership fees or dues.

Members may be required to pay fees or dues in amounts, if any, established, from time to time, by the Board.

4. DIRECTORS

4.1. The affairs of the Corporation shall be managed by a Board of Directors (the "Board"), each of whom at the time of their election or within ten days thereafter and throughout their term of office shall be a voting member of the Corporation. The Board shall have a minimum of nine and a maximum of fifteen Directors not including the Honourary President, if one is elected. This number shall be determined at each Annual Meeting.

The Immediate Past President shall be an ex-officio, voting member of the Board.

4.2. **Honourary President.** The members may, from time to time, elect an Honourary President who shall be an ex-officio, non-voting member of the Board.

- 4.3. **Term of Office.** Directors shall hold office for two years from the time of their election. Directors are eligible for re-election, subject to a maximum tenure of eight consecutive years. A Director who serves eight consecutive years may stand for re-election after two years out of office.
- 4.3.1. For the purpose of determining the number of consecutive years a Director has served, all Directors elected at the 2001 Annual Meeting shall be considered as starting their first year as a Director.
- 4.3.2. For 2001, one-half of the Directors will be elected for a term of one year, and one-half for a term of two years. Thereafter at each Annual Meeting the terms of office for all Directors shall be two years as provided for in section 4.3.
- 4.4. **Removal of Directors.** The members may, by resolution passed by at least two-thirds of the votes cast thereon at a meeting of members called for the purpose, remove any Director before the expiration of his or her term of office, and may, by majority vote at that meeting, elect any member in his/her place for the remainder of his/her term. Any Director who is absent from three consecutive meetings of the Board without cause satisfactory to the President, may be removed by resolution passed by at least two-thirds of the Directors.
- 4.5. **Vacation of Office.** The office of a Director shall become vacant upon the resignation, death or removal from office of a Director
- Vacancies on the Board may be filled for the remainder of its term of office either by the members at a meeting of members, or by the Board, if the remaining Directors constitute a quorum.
- 4.6. **Meetings of the Board.**
- 4.6.1. A majority of the Directors shall constitute a quorum for the transaction of business.
- 4.6.2. Except as required by law, the Board may hold its meetings at such place or places as it may from time to time determine. Meetings of the Board upon notice may be formally called by the President or by the Secretary on direction of the President, or by the Secretary on direction of two Directors. The Board may appoint a day or days in any month or months for regular meetings at a place and hour to be named.
- 4.6.3. **Meeting by Telephone Conference.** If all directors of the Corporation, or of a committee of the board(as the case requires) consents thereto generally or in respect of a particular meeting and each has adequate access, directors may participate in a meeting of the board or of a committee of the board by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a director participating in such meeting by such means is deemed to be present at the meeting.
- 4.6.4. **Notice.**

- 4.6.4.1. Subject to subsection 4.6.4.2, notice of a meeting of the Board shall be telephoned or otherwise delivered to each Director not less than three days before the meeting is to take place or shall be mailed to each Director not less than seven days before the meeting is to take place.
- 4.6.4.2. Formal notice of any meeting of the Board is not required if all the Directors are present, or those absent have signified their consent to the meeting being held in their absence, or if a Board meeting is held immediately following an annual or other meeting of the Corporation.
- 4.6.4.3. No error or omission in the giving of notice of a meeting of the Board invalidates the meeting or any proceedings taken at the meeting and any Director may at any time waive the requirement that the Director be served notice of the meeting and may ratify, approve and confirm any or all proceeding taken at the meeting.
- 4.6.5. The President shall preside at meetings of the Board and if he/she is absent, the Directors may choose one of their number to preside.
- 4.6.6. **Voting.** At all meetings of the Board, every Director, including the President or other Director presiding at the meeting, has one vote and all questions requiring a vote shall be decided by a majority of the votes cast unless these by-laws otherwise provide.
- Where votes cast at a meeting are equal, the President or other Director presiding at the meeting shall, in addition to his/her original vote, be entitled to cast the deciding vote.
- 4.6.7. **Remuneration.** Directors shall not, as such, receive any remuneration for their services but they may be reimbursed expenses properly incurred by them in undertaking tasks designated by the Board.
- 4.6.8. **Declaration of Interest.** It shall be the duty of every Director of the Corporation who is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed arrangement with the Corporation to declare such interest.
- 4.6.9. **Committees.** The Board of Directors may by resolution create one or more committees which, may but need not, include members of the Board whose members shall serve at the pleasure of the Board. Unless otherwise provided, the President shall be an ex-officio member of all committees.
- 4.6.10. **Rules.** The board may make rules in furtherance of the objects of the Association in order to promote the safety, security, and orderly use and enjoyment of the beach, roads, facilities and activities sponsored by the Association, or for the purpose of preventing unreasonable interference with the use and enjoyment thereof by members. Any rule made by the board shall be effective thirty (30) days after notice thereof has been given to each member, unless the board is in receipt of a written requisition requiring a meeting of members to consider the rules. If such a meeting of

members is required, then the rules shall become effective only upon approval at such meeting. The rules shall be complied with and enforced in the same manner as the by-laws, but the members may, at any time, amend or repeal a rule at a meeting of members duly called for that purpose.

- 4.6.11. **Limitations on Powers of the Board.** The Board must present to a meeting of members, for their approval, any of the following:
- 4.6.11.1. The sale or encumbrance of all or a substantial part of the assets and undertaking of the Corporation.
 - 4.6.11.2. The substantial alteration of the purposes and activities of the Corporation.
 - 4.6.11.3. Financial commitments or obligations exceeding \$10,000.

5. OFFICERS

- 5.1. **Election of President.** At the first meeting if the Board of Directors after their election they shall elect a President from amongst themselves. The President may serve a maximum of three consecutive years and may be re-elected after two years out of office.
- 5.2. **Appointment of Other Officers.** From time to time, the Board shall appoint a Vice-President, a Secretary and a Treasurer, and may appoint such other officers, agents and employees as it considers necessary to administer the affairs of the Corporation. All officers shall be Directors. One person may hold more than one office, save the President who shall not hold the office of Treasurer.
- 5.3. **Duties of Officers.**
- 5.3.1. **Duties of President.** The President shall, when present, preside at all meetings of the members of the Corporation and the Board.
 - 5.3.2. **Duties of the Vice-President.** During the absence or disability of the president, the duties of the president shall be performed and the powers of the president exercised by the vice-president. It is expected, although not required, that the vice-president shall be prepared to serve as President upon completion by the President of his term of office.
 - 5.3.3. **Duties of the Secretary.** The Secretary shall maintain the corporate records of the Corporation, and shall maintain the minutes of all proceedings of the Board and of meetings of members, and shall perform such other duties as may from time to time be determined by the Board.
 - 5.3.4. **Duties of the Treasurer.** The Treasurer shall keep full and accurate books of account, in which shall be recorded all receipts and disbursements of the Corporation, and under the direction of the Board, shall control the deposit of money, the safekeeping of securities, and the disbursement of the funds of the Corporation. The Treasurer shall render to the Board,

whenever required, an account of all transactions as Treasurer, and of the financial position of the Corporation.

- 5.3.5. The duties of all other officers of the Corporation shall be such as the Board may, from time to time, prescribe.

6. NOMINATING COMMITTEE.

- 6.1. **Committee Members.** The Board shall establish a Nominating Committee comprised of one voting Director, the Immediate Past President, the President (ex-officio, non-voting) and at least one and up to two members who are not Directors. The members of the Committee shall be selected at least thirty days prior to the Annual Meeting and shall serve until the Annual Meeting.

The members of the Nominating Committee shall choose their own Chair. A majority of members of the Nominating Committee shall constitute a quorum for a meeting of the Nominating Committee.

- 6.2. **Nominations.** The committee shall prepare for the Annual Meeting a list of nominees for election to the Board. The Nominating Committee shall consider, when preparing the list of nominees, appropriate representation from members:
- having “road” access;
 - having only water access, and
 - who live at the lake on a permanent basis.
- 6.3. A member may nominate, at any meeting called for such purposes, one or more candidates for election to the Board.

7. ANNUAL AND OTHER MEETINGS OF MEMBERS

- 7.1. The Annual or any other meeting of the members shall be held at the head office of the Corporation or elsewhere in Ontario as the Board may determine and on such days as the Board shall appoint. [
- 7.2. The Board shall have the power to call at any time a meeting of the members of the Corporation.
- 7.3. One-tenth of the voting members shall have the power to call a meeting of members at any time.
- 7.4. **Notice.** Notice of the time and place of any meeting shall be given to each member by sending the notice not less than fourteen days before the time fixed for the holding of such meeting. For the purpose of sending notice for any meeting or otherwise, the address of any member or Director shall be his/her last address recorded on the books of the Corporation.
- 7.5. At every Annual Meeting, in addition to any other business that may be transacted, the financial statements and the report of the Directors shall be

presented and Directors shall be elected to the extent required for the ensuing three years.

- 7.6. **Quorum.** A quorum for the transaction of business at any meeting of members shall consist of not less than eight voting members present in person.
- 7.7. **Proxies.** 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 him/her, the same voting rights that the member appointing him/her would be entitled to exercise if present at the meeting. A proxy need not be a member. An instrument appointing a proxy shall be in writing. An instrument appointing a proxy shall be acted on only if, prior to the time of voting, it is deposited with the secretary of the Corporation or of the meeting or as may be directed in the notice calling the meeting.
- 7.8. **Omissions or Errors.** The accidental omission to give notice to any member of any meeting or an error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.
- 7.9. **Waiver of Notice.** Any member (or his/her duly appointed proxy) may waive the notice required to be given to him/her under any provision of the Act, the letters patent, the by-laws or otherwise and such waiver, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in giving such notice.
- 7.10. **Adjournment.** Any meeting of members may be adjourned to any time from time to time and such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which adjournment took place. No notice shall be required for any such adjournment. Such adjournment may be made notwithstanding that no quorum is present.
- 7.11. **Votes to Govern.** At all meetings of members every question shall be decided by a majority of the votes duly cast unless otherwise required by the letters patent or by-laws of the Corporation or by law.
- 7.12. **Show of Hands.** Any question at a meeting of members shall be decided by a show of hands unless a poll thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a poll thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the same question, and the result of the vote so taken shall be the decision of the members upon the said question.
- 7.13. **Polls.** The chairman may require or any person entitled to vote on a question may demand a poll thereon. A poll so required or demanded shall be taken in such manner as the chairman shall direct. A demand for a poll may be

withdrawn at any time prior to the taking of the poll. Upon such a poll each member present or represented by proxy and entitled to vote shall have one vote and the result of the poll shall be the decision of the members upon the said question.

7.14. **Casting Vote.** Where votes cast at a meeting are equal, the President or other Director presiding at the meeting shall, in addition to their original vote, be entitled to cast an additional or casting vote.

8. AMMENDMENT OF BY-LAWS

8.1. The by-laws of the Corporation may be created or amended by a resolution adopted by a majority of Directors at a meeting of the Board and sanctioned by an affirmative vote of at least two-thirds of those members present at a meeting of members. This by-law shall come into effect on June 30, 2001.

9. INDEMNIFICATION OF DIRECTORS AND OFFICERS

9.1. Every Director or officer of the Corporation or other such person who has undertaken any liability on behalf of the Corporation or any chapter thereof and the heirs, executors and administrators, and estate and effects of such person, respectfully, shall be indemnified and saved harmless out of the funds of the Corporation, from and against:

9.1.1. All costs, charges and expenses sustained or incurred by such person in or in connection with any action, suit or proceeding brought, commenced or prosecuted against such person on respect of any act, deed, matter or thing whatsoever made, done or permitted by such person in or in connection with the execution of the duties of that person’s office or in respect of such liability; and

9.1.2. All other costs, charges and expenses sustained or incurred by such person in or in connection with the affairs of the Corporation, except such costs, charges or expenses as are occasioned by the person’s own willful neglect or default.

PASSED by the Directors on the 30th Day of June, 2001

President

Secretary

APPROVED BY THE MEMBERS ON THE 30th DAY OF JUNE, 2001

President

Secretary