

CATCHACOMA MARINA GROUP

BY-LAW NO. 1

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BY-LAW NO. 1

A by-law relating generally to the transaction of the business and affairs of

CATCHACOMA MARINA GROUP

(hereinafter referred to as the "Corporation")

DEFINITIONS AND INTERPRETATION

1. **Definitions.** In this By-law No. 1, unless the context otherwise specifies or requires, the following terms shall have the following meanings:

1.1 **"Act"** shall mean the *Corporations Act*, R.S.O. 1990, c.38, as amended from time to time;

1.2 **"Board"** shall mean the board of directors of the Corporation;

1.3 **"By-laws"** shall mean this By-law No. 1 and all other by-laws of the Corporation in effect from time to time;

1.4 **"Director"** or **"Directors"** shall mean any one or more persons, respectively, who from time to time have been duly elected by the Members to serve on the Board;

1.5 **"Letters Patent"** means the letters patent and any supplementary letters patent of the Corporation;

1.6 **"Member"** or **"Members"** shall mean any one or more persons, respectively, who have been admitted to membership of the Corporation in accordance with the By-laws;

1.7 **"Membership"** or **"Memberships"** shall mean any one or more Memberships as described in the By-laws;

1.8 **"Officer"** or **"Officers"** shall mean any one or more persons, respectively, who have been appointed as officers of the Corporation in accordance with the By-laws.

1.9 **"Regulations"** means the regulations made under the Act as from time to time amended and every regulation that may be substituted therefore and, in the case of such substitution, any references in the By-laws of the Corporation to provisions of the regulations shall be read as references to the substituted provisions therefore in the new regulations; and

1.10 **"WAO"** means water access only.

2. **Interpretation.** This By-law shall be, unless the context otherwise requires, construed and interpreted in accordance with the following:

2.1 all terms which are contained in the By-laws of the Corporation and which are defined in the Act or the Regulations made thereunder shall have the meanings given to such terms in the Act or such Regulations;

2.2 words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and vice versa, and reference to persons shall include firms and corporations.

BUSINESS OF THE CORPORATION

3. **Head Office.** Until changed in accordance with the Act, the head office of the Corporation shall be in Buckhorn, in the Province of Ontario.

4. **Books and Records.** The Board shall see that all necessary books and records of the Corporation required by the By-laws or by any applicable statute or law are regularly and properly kept.

5. **Financial Year.** Unless otherwise ordered by the Board, the financial year end of the Corporation shall be December 31st.

6. **Official Language.** The official language of the Corporation shall be English.

BOARD OF DIRECTORS

7. **Duties and Number.** The property and business of the Corporation shall be managed by a Board of Directors who may be known and referred to as directors. Subject to increase or decrease in such number of Directors by special resolution, the Board shall consist of five (5) Directors, four (4) of which must be WAO Category A Members or WAO Category B Members as hereinafter defined (the "WAO Directors").

8. **Qualifications.** Directors must be individuals, at least 18 years of age, with power under law to contract. Directors shall be Members of the Corporation or shall become Members of the Corporation within thirty (30) days after election or appointment as a Director. No undischarged bankrupt shall become a Director of the Corporation.

9. **First Directors.** The applicants for incorporation shall become the first Directors of the Corporation whose term of office on the Board shall continue until their successors are elected.

10. **Election and Term.** Subject to the provisions of this By-law, Directors shall be elected for a term of one (1) year by the Members at an annual meeting of Members. Subject to the provisions of the by-laws, Directors shall be eligible for re-election.

11. **Vacancies.** The office of Director shall be automatically vacated:

- 11.1 if the Director does not within thirty (30) days after election or appointment as a Director become a Member, or ceases to be a Member of the Corporation;
- 11.2 if the Director becomes bankrupt or suspends payment of debts generally or compounds with such Director's creditors or makes an authorized assignment or is declared insolvent;
- 11.3 if the Director is found by a court of law to be of unsound mind;
- 11.4 if a Director by notice in writing to the Secretary of the Corporation resigns from office, which resignation shall be effective at the time it is received by the Secretary of the Corporation or at the time specified in the notice, whichever is earlier;
- 11.5 if at a special general meeting of the Members a resolution is passed by two-thirds (2/3) of the votes of all Members in attendance at such meeting that the Director be removed from office;
- 11.6 If a WAO Director ceases to be a WAO Category A Member or a WAO Category B Member;
- 11.7 on the death of such Director;

provided that if any vacancy shall occur for any reason set out in this paragraph, the Board by majority vote, if a quorum remains in office, may, by appointment, fill the vacancy with a Member of the Corporation subject to paragraph 7 with respect to WAO Directors.

12. **Remuneration of Directors.** The Directors shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from occupying the position of director; provided that a Director may be paid reasonable expenses incurred by such Director in the performance of such Director's duties, including reasonable costs and expenses incurred by a Director in attending at meetings of the Board. Nothing herein contained shall be construed to preclude any Director from serving the Corporation as an Officer or in any other capacity and receiving compensation therefor.

MEETINGS OF DIRECTORS

13. **Place of Meetings.** Meetings of the Board may be held either at the head office or at any place, within or outside Ontario.

14. **Calling of Meeting.** A meeting of Directors may be convened by the Chair of the Board (if any and if so authorized by special resolution of the Corporation), the President, a Vice-President who is a director or any two directors at any time. The Secretary, when directed or authorized by any of such officers or any two directors, shall convene a meeting of directors.

15. **Notice.** The notice of meeting convened as aforesaid need not specify the purpose of or the business to be transacted at the meeting. Written notice of any such meeting shall be given, other than by mail (which includes, but is not limited to, personal delivery and electronic means) not less than twenty (20) days (exclusive of the day on which the notice is delivered or sent but inclusive of the day for which notice is given) before the meeting is to take place to each Director. Notice by mail shall be sent at least twenty (20) days prior to the date of any meeting of the Board. A Director may in any manner and at any time waive notice of a meeting of Directors and attendance of a Director at a meeting of Directors shall constitute a waiver of notice of the meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called; provided that meetings of Directors may be held at any time without notice if all the Directors are present (except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called) or if all of the absent Directors waive notice before or after the date of such meeting.

16. **First Meeting Held Immediately After Election.** Provided a quorum of Directors is present, each newly elected Board may without notice hold its first meeting immediately following the meeting of Members at which such Board is elected.

17. **Error or Omission in Giving Notice.** No error or omission in giving notice of any meeting of the Board or any adjourned meeting of the Board shall invalidate such meeting or make void any proceedings taken thereat.

18. **Regular Meetings.** The Board may appoint a day or days in any month or months for regular meetings of the Board at a place or hour to be named by the Board and a copy of any resolution of the Board fixing the place and time of 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 meetings.

19. **Chair of Meetings.** The Chair of the Board, if any, shall be the chair of any meeting of the Board. If the Corporation has no such Officer, or if the Chair is not present at the meeting, the President of the Corporation shall be the chair of the meeting of the Board. If neither the Chair nor the President is present at the meeting, the Directors present shall choose one of their number as chair of the meeting.

20. **Quorum.** A majority of the Directors in office, from time to time shall constitute a quorum at any meeting of the Board. Notwithstanding any vacancy among the Directors, a quorum of Directors may exercise all the powers of Directors.

21. **Voting.** Each Director is authorized to exercise one (1) vote. Every question arising at any meeting of the Board shall be decided by a majority of votes cast on the question. In the event of an equality of votes, the Chair of the meeting shall not have a second or casting vote and the motion is defeated.

22. **Participation by Telephone or Other Communications Facilities.** If a majority of the Directors consent thereto, a Director 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 communicate adequately with each other, and a Director participating in such meeting by such means is deemed to be present at the meeting. The Directors shall be required to provide to the Secretary of the Corporation a phone number or e-mail address that are personal to such Directors and shall use their best efforts to ensure that such communication facilities are kept secure and available only to such Director. Further, if a majority of the Directors consent thereto, votes on any issue may be conducted electronically under the direction of the Secretary of the Corporation in such a manner as to permit the Directors to communicate adequately. Each Director shall be issued an identifier code by the Secretary of the Corporation and shall receive the same information and motions electronically. If any Director objects to the specific means of communication to be used for voting on a specific matter, then the electronic voting process shall not be followed. A majority of the number of Directors in office shall respond electronically to the Secretary in order to constitute a quorum within seven (7) days from the date of transmission of the motion from the Secretary to that Director. Each Director will be requested to indicate whether such Director votes for or against the matter to be voted on. Lack of a response within the seven (7) day limit will be counted as an abstention. Every matter dealt with electronically shall be decided by a majority of votes cast on the matter. The Secretary shall inform each Director electronically and by fax of the outcome of all votes including the identity of the Directors voting for, against and abstaining with respect to the matter within seven (7) days of the tally of votes.

23. **Adjournment.** Any meeting of Directors may be adjourned from time to time by the chair of the meeting, with the consent of the meeting, to a fixed time and place. Notice of any adjourned meeting of Directors is not required to be given if the time and place of the adjourned meeting is announced at the original meeting. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The Directors who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

24. **Resolutions in Writing.** A resolution in writing signed by all the Directors entitled to vote on that resolution at a meeting of Directors or committee of Directors, is as valid as if it had been passed at a meeting of Directors or committee of Directors.

25. **Retiring Director.** A retiring Director's resignation may be effective immediately, provided that in the absence of a written notice specifying that such retiring Director's resignation is to be effective immediately, such retiring Director shall remain in office until the

dissolution or adjournment of the meeting at which such Director's retirement is accepted and such Director's successor is elected.

POWERS AND RESPONSIBILITIES OF THE BOARD

26. **Administer Affairs.** The Board may administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, save as hereinafter provided, generally may exercise all such other powers and do all such other acts and things as the Corporation is by the Act, its charter or otherwise authorized to exercise and do.

27. **Expenditures.** The Board shall have power to authorize expenditures on behalf of the Corporation from time to time and may delegate, by resolution to an Officer or Officers of the Corporation, the right to employ and pay salaries to employees. The Board shall have the power to make expenditures for the purpose of furthering the objects of the Corporation. The Board shall have the power to enter into a trust arrangement with a trust company for the purpose of creating a trust fund in which the capital and interest may be made available for the benefit of promoting the interest of the Corporation in accordance with such terms as the Board may prescribe.

28. **Borrowing Power.** The Directors of the Corporation may from time to time:

- 28.1 borrow money to finance the purchase of the Catchacoma Marina Group upon the credit of the Corporation and borrow additional money of up to \$200,000.00 upon the credit of the Corporation;
- 28.2 issue, sell or pledge debt obligations (including bonds, debentures, debenture stock, notes or other like liabilities whether secured or unsecured) of the Corporation;
- 28.3 charge, mortgage, hypothecate or pledge all or any currently owned or subsequently acquired real or personal, movable or immovable, property of the Corporation, including book debts, rights, powers, franchises and undertakings, to secure any debt obligations or any money borrowed, or other debt or liability of the Corporation; and
- 28.4 delegate the powers conferred on the Board under this paragraph to such Officer or Officers of the Corporation and to such extent and in such manner as the Directors shall determine.

Nothing herein contained shall limit or restrict the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

29. **Fund Raising.** The Board shall take such steps as it may deem requisite to enable the Corporation to acquire, accept, solicit or receive legacies, gifts, grants, settlements, bequests, endowments and donations of any kind whatsoever for the purpose of furthering the objects of the Corporation.

30. **Agents and Employees.** The Board may appoint such agents, consultants and professional advisors and engage such employees as it shall deem necessary from time to time and such persons shall have such authority and shall perform such duties as shall be prescribed by the Board at the time of such appointment.

31. **Remuneration of Agents and Employees.** A reasonable remuneration for all agents, consultants, professional advisors and employees and committee members, shall be fixed by the Board.

32. **Capital Call.** Where the cash flow of the Corporation is insufficient to pay its normal operating debts as they become due or to fund its reasonably anticipated normal operating expenses that will become due thirty (30) days hence, and upon the Corporation being unable to obtain financing sufficient to satisfy such expenses due or to become due, and upon the Board so requesting, then, upon such notice from the Board, each WAO Category A Member or WAO Category B Member will provide in the ratio of its proportionate share of Memberships, all sums of money required to pay such expenses, such sums to be provided forthwith, upon receipt of such written notice. Funds to be contributed by WAO Category A Members or WAO Category B Members under this section are hereinafter referred to as "Capital Calls".

RULES AND REGULATIONS

33. The Board may prescribe such rules and regulations, not inconsistent with the By-laws, relating to the management and operation of the Corporation as the Board deems expedient, provided that such rules and regulations shall have force and effect only until the next annual meeting of the Members when they shall be confirmed, and failing such confirmation at such annual meeting of Members, shall at and from time that time cease to have any force and effect.

COMMITTEES

34. The Board may from time to time appoint committees whose members will hold their offices on such committees at the will of the Board. The Board shall determine the duties of such committees and may fix any remuneration to be paid.

MINUTES OF MEETINGS OF THE BOARD

35. The minutes of the meetings of the Board shall be available to the Members and shall be made available at the head office to the Members and/or Directors, each of whom shall be entitled to review a copy of such minutes if the Member and/or Director provides at least ten (10) days prior written notice to the Corporation.

OFFICERS

36. **Officers.** The Officers of the Corporation shall consist of a President and Secretary, and if authorized by special resolution of the Corporation, a Chair of the Board, from among themselves and if deemed advisable may appoint one or more Vice-Presidents, a Treasurer and one or more Assistant Secretaries and/or one or more Assistant Treasurers. A Director may be appointed to any office of the Corporation but, subject to section 291 of the Act, none of the said Officers except the Chair of the board and the President need be a Director or Member of the Corporation. Any two offices may be held by the same person. The Board may from time to time appoint such other Officers and agents as it shall deem necessary who shall have such authority and shall perform such duties as may from time to time be prescribed by the Board.

37. **Appointment.** Officers of the Corporation shall be appointed by resolution of the Board at the first meeting of the Board following the annual meeting of Members at which Directors are elected.

38. **Term of Office.** The Officers of the Corporation shall hold office for a period of one (1) year from the date of appointment or election or until their successors are elected or appointed.

39. **Vacancies.** Notwithstanding the foregoing, each incumbent Officer shall continue in office until the earlier of:

- 39.1 that Officer's resignation, which resignation shall be effective at the time the written resignation is received by the Secretary of the Corporation or at the time specified in the resignation, whichever is later;
- 39.2 the appointment of a successor;
- 39.3 that Officer ceasing to be a Director or Member if such is a necessary qualification of appointment;
- 39.4 the meeting at which the Directors annually appoint the Officers of the Corporation;
- 39.5 that Officer's removal;
- 39.6 that Officer's death.

If the office of any Officer of the Corporation shall become vacant the Directors by resolution may appoint a person to fill such vacancy.

40. **Remuneration of Officers.** The remuneration of all Officers appointed by the Board shall be determined from time to time by resolution of the Board. All Officers shall be entitled to be reimbursed for reasonable expenses incurred in the performance of the Officer's duties.

41. **Removal of Officers.** All Officers, in the absence of agreement to the contrary, shall be subject to removal by resolution of the Board at any time, with or without cause.

42. **Duties of Officers may be Delegated.** In case of the absence or inability to act of any Officer of the Corporation or for any other reason that the Board may deem sufficient, the Board may delegate all or any of the powers of any such Officer to any other Officer or to any Director for the time being.

DUTIES OF OFFICERS

43. **Chair of the Board.** Where the Corporation by special resolution provides for the election by the Directors of a Chair of the Board from among themselves, the Directors may define the duties, and may assign to the Chair of the Board any or all of the duties of the President or other Officer of the Corporation, and in that case the special resolution shall fix and prescribe the duties of the Chair.

44. **President.** The President shall be a Director of the Corporation. The President shall preside at all meetings of the Board. The President shall see that all orders and resolutions of the Board are carried into effect. The President shall be vested with and may exercise all of the powers and perform all of the duties of the Chair in the event that there is no Chair, or where there is a Chair and such person is absent or refuses to act.

45. **Vice-President.** The Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties as shall from time to time be imposed upon the Vice-President by the Board.

46. **Secretary.** The Secretary may be empowered by the Board, upon resolution of the Board, to carry on the affairs of the Corporation generally under the supervision of the Officers thereof and shall attend all meetings and act as clerk thereof and record all votes and minutes of all proceedings in the books to be kept for that purpose. The Secretary shall give or cause to be given notice of all meetings of the Members and of the Board, and shall perform such other duties as may be prescribed by the Board or President, under whose supervision the Secretary shall be. The Secretary shall be custodian of the corporate seal, if any, of the Corporation, the minute books of the Corporation and of the documents and registers referred in to Section 300 of the Act.

47. **Treasurer.** Subject to the provisions of any resolution of the Board, the Treasurer shall have the custody of the funds and securities of the Corporation and shall keep full and accurate accounts of all assets, liabilities, receipts and disbursements of the Corporation in the books belonging to the Corporation and shall deposit all monies, securities and other valuable effects in the name and to the credit of the Corporation in such chartered bank or trust company, or in the case of securities, with such registered dealer in securities as may be designated by the Board from time to time. The Treasurer shall disburse the funds of the Corporation as may be directed by proper authority taking proper vouchers for such disbursements, and shall render to the President and Directors at a regular meeting of the Board, or whenever the Board may require it, an accounting of all the transactions and a statement of the financial position of the Corporation. The Treasurer shall also perform such other duties as may from time to time be directed by the Board.

48. **Duties of Other Officers.** The duties of all other Officers of the Corporation shall be such as the terms of their engagement call for or the Board requires of them.

49. **Indemnification and Insurance**

49.1 The Corporation shall indemnify the Directors or Officers of the Corporation, the former Directors or Officers of the Corporation or an individual who acts or acted at the Corporation's request as a Director or Officer, or in a similar capacity, of another entity, against all costs, charges, and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative, or other action or proceeding in which the individual is involved because of that association with the Corporation or other entity.

49.2 The Corporation shall advance money to the Director, Officer, or other individual referred to in (the preceding paragraph), for the costs, charges, and expenses of an action or proceeding referred to in that paragraph, but the individual shall repay the money if the individual does not fulfill the conditions set out in (the following paragraph):

49.3 The Corporation shall not indemnify an individual under (Article 49) unless:

- (i) the individual acted honestly and in good faith with a view to the best interests of the Corporation or other entity, as the case may be; and
- (ii) if the matter is a criminal or administrative proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that his or her conduct was lawful.

49.4 The Corporation shall purchase and maintain insurance for the benefit of an individual referred to in Article 49 against any liability incurred by the individual, (i) in the individual's capacity as a Director or Officer of the Corporation; or (ii) in the individual's capacity as a Director or Officer, or a similar capacity, of another entity, if the individual acts or acted in that capacity at the Corporation's request.

INTERESTED DIRECTOR CONTRACTS

50. **Conflict of Interest.** A director who is in any way directly or indirectly interested in a contract or proposed contract with the Corporation shall make the disclosure required by the Act. Except as provided by the Act, no such Director shall vote on any resolution to approve any such contract. In supplement of and not by way of limitation upon any rights conferred upon Directors by Section 71 of the Act and specifically subject to the provisions contained in that section, it is declared that no Director shall be disqualified by any such office from, or vacate any such office by reason of, holding any office or place of profit under the Corporation or under any corporation in which the Corporation shall be a shareholder or by reason of being otherwise in any way directly or indirectly interested or contracting with the Corporation as vendor, purchaser or otherwise or being concerned in any contract or arrangement made or proposed to be entered into with the Corporation in which the Director is in any way directly or indirectly interested as vendor, purchaser or otherwise. Subject to compliance with the Act, no contract or arrangement entered into by or on behalf of the Corporation in which any Director shall be in any way directly or indirectly interested shall be voided or voidable and no Director shall be liable to account to the Corporation or any of its Members or creditors for any profit realized by or from any such contract or arrangement by reason of any fiduciary relationship.

51. **Submission of Contracts or Transactions to Members for Approval.** The Board in its discretion may submit any contract, act or transaction with the Corporation for approval or ratification at any annual meeting of the Members or at any general meeting of the Members called for the purpose of considering the same and, subject to the provisions of Section 71 of the Act, any such contract, act or transaction that shall be approved or ratified or confirmed by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act or by the Letters Patent) shall be as valid and as binding upon the Corporation and upon all the Members as though it had been approved, ratified or confirmed by every Member of the Corporation.

MEMBERS

52. **Entitlement.** Membership in the Corporation shall be limited to persons interested in furthering the objects of the Corporation, who owns or resides on a property located on the Catchacoma Lake System, and whose application for admission as a Member has received the approval of the Board. Each Member shall be promptly informed by the Secretary of his or her admission as a Member.

53. **Levels of Membership.** There are four (4) classes of Memberships:

- 53.1 WAO Category A Members (for non-debentureholders)
- 53.2 WAO Category B Members (for debentureholders)
- 53.3 Marina Category A Members (for non-debentureholders)

53.4 Marina Category B Members (for debentureholders)

54. Condition of Membership

54.1 WAO Category A Members and WAO Category B Members. These Memberships will entitle the Members to: a Boat slip on an annual ongoing basis; one (1) parking spot; use the services of the Catchacoma Marina Group at Membership prices to be determined by the Corporation from time to time; and for those Members who own a lot on the Catchacoma Lake system, access to any easement granted by the Corporation in favour of WAO Category A Members and WAO Category B Members respectively. The Members may have to pay annual fees for upkeep and improvement as determined by the Board of Directors and will have to abide by the Catchacoma Marina Group rules.

A WAO Category A Member and a WAO Category B Member will have one (1) vote per Membership at the Members' meetings of the Corporation.

54.2 Marina Category A Members and Marina Category B Members. These Memberships will entitle Members to access and to use the services of the Catchacoma Marina Group at Membership prices to be determined by the Corporation from time to time. The Members may have to pay annual fees for upkeep and improvement as determined by the Board of Directors and will have to abide by the Catchacoma Marina Group rules.

A Marina Category A Member and Marina Category B Member will have no vote at the Members' meetings of the Corporation.

In addition to the rights set out hereto for each class of Members, the Board of Directors may from time to time set out rules and regulations relating to each class of Membership.

55. Membership Fees. Membership fees and benefits shall be determined from time to time by the Board of Directors.

56. Resignation. Any Member may withdraw from the Corporation by delivering to the Secretary of the Corporation a written resignation. A resignation shall be effective from acceptance thereof by the Board. In the case of resignation, a Member shall remain liable for payment of any outstanding Membership dues levied or other outstanding fees and payments due or which became payable by the Member to the Corporation prior to such person's resignation.

57. Transfer of Membership. The interest of a Member in the Corporation is transferable only under the following conditions:

57.1 upon the sale or transfer of the property owned by the Member on the Catchacoma Lake system, the Membership may be transferred to the purchaser or transferee of said property upon providing ten (10) days prior written notice to the Corporation; or

57.2 a WAO Category A Membership and a WAO Category B Membership may be transferred with Board of Directors' approval to another owner or resident of WAO property on

the Catchacoma Lake system at a price fixed by the Board of Directors from time to time, acting reasonably.

Upon transfer of a WAO Category B Membership pursuant to subsection 0, any amounts to be paid for said transfer shall be payable and belong to the Corporation less any amounts owing by the Corporation to the Member transferor pursuant to any outstanding debenture between the transferor Member and the Corporation.

All transfers of Memberships will be subject to administrative fees, payable to the Corporation by the Member transferor, as determined by the Board of Directors from time to time, acting reasonably.

58. Termination of Membership. The interest of a Member in the Corporation lapses and ceases to exist:

58.1 when the Member's period of Membership expires (if any);

58.2 when the Member ceases to be a Member by resignation or otherwise in accordance with the By-laws;

58.3 at any time, upon thirty (30) days prior written notice to the Member being provided by the Corporation, for failure by the Member to pay any fees for at least one (1) calendar year;

58.4 at any time, in the discretion of the Board of the Corporation, upon a Member failing to advance funds required by a capital-call of the Corporation and failing to make acceptable arrangements with the Board;

58.5 immediately upon obtaining the consent of 66 2/3 of the votes of the Members in attendance at a meeting of the Members, if a Member has egregiously and repeatedly violated the rules of the Catchacoma Marina Group, as set out from time to time by the Board; or

58.6 immediately if a Member has materially misrepresented itself or any of the facts disclosed by said Member in the Membership form submitted to the Corporation as its application/commitment for Membership.

MEETINGS OF MEMBERS

59. Place and Time of Meetings. Meetings of the Members shall be held at the head office of the Corporation or at any place in Ontario as the Board may determine or the President may from time to time determine.

60. Annual Meeting. At every annual general meeting of Members, in addition to any other business that may be transacted: (a) the report of the Board, the financial statements and the report of the auditors shall be presented to the Members and, (b) the auditors of the Corporation shall be appointed by the Members for the ensuing year and, (c) the Directors shall be elected (provided that the term of one or more Directors has expired in the year of such annual general meeting of Members). The Members may consider and transact any business either special or general at any meeting of the Members.

61. **General and Special Meetings.** The Board or the President or Vice-President, who is a Director and Member, shall have power to call, at any time, a general or special meeting of the Members, provided that in the event of the calling of a special meeting of the Members by the Board, the purpose of such special meeting shall be specified in the notice calling such special meeting. The Board shall call a special general meeting of the Members on written requisition of Members carrying not less than 5% of the voting rights.

62. **Approval Required for Dissolution or Sale of Assets.** A proposed dissolution of the Corporation or proposed sale of all or substantially all the assets of the Corporation shall require 90% of the votes of all Members, not just those Members present at a meeting of the Members, to obtain approval. This section may not be amended without the approval of 100% of the votes of all Members, not just those Members present at a meeting of the Members.

63. **Notice.** At least thirty (30) days' written notice, if sent by mail, or five (5) days' notice if sent other than by mail (which includes, but is not limited to, personal delivery or electronic means), shall be given to each voting Member of any annual general or special meeting of Members. Notice of any meeting where special business will be transacted shall contain sufficient information to permit the Member to form a reasoned judgement on the decision to be taken. Notice of each meeting of Members must indicate that each Member has the right to vote by proxy at such meeting of Members.

64. **Waiver of Notice.** A Member and any other person entitled to attend a meeting of Members may in any manner waive notice of a meeting of Members and attendance of any such person at a meeting of Members shall constitute a waiver of notice of the meeting except where such person attends a meeting for the express purposes of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

65. **Error or Omission in Giving Notice.** The accidental omission to give notice of any meeting or any irregularity in the notice of any meeting or the non-receipt of any notice by any Member or Members or by the auditor of the Corporation shall not invalidate any resolution passed or any proceedings taken at any meeting of Members.

66. **Quorum.** Twenty five percent of the Members present in person or represented by proxy shall constitute a quorum for any meeting of the Members. No business shall be transacted at any meeting unless the requisite quorum be present at the time of the transaction of such business. If a quorum is not present at the time appointed for a meeting of Members or within such reasonable time thereafter as the Members present may determine, the persons present and entitled to vote may adjourn the meeting to a fixed time and place but may not transact any other business and the provisions of paragraph 0 with regard to notice shall apply to such adjournment.

67. **Chair of the Meeting.** The Chair of the Board, if any, shall be the chair of any meeting of the Members. If the Corporation has no such Officer, or if the Chair is not present at the meeting, the President of the Corporation shall be the chair of the meeting of the Members. If neither the Chair nor the President is present at the meeting, the Members present shall choose one of their number as chair of the meeting.

68. **Adjournment.** The chair of any meeting may with the consent of the meeting adjourn the same from time to time to a fixed time and place and no notice of such adjournment need be given to the Members. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

69. **Voting of Members.** Every question submitted to any meeting of Members shall be decided in the first instance by a show of hands by a majority of votes unless otherwise specifically provided by the Act or by the By-laws. In the case of an equality of votes the chair of the meeting shall not have a second or casting vote.

No Member shall be entitled either in person or by proxy to vote at meetings of Members of the Corporation unless the Member has paid all dues or fees, if any, then payable by the Member.

At any meeting unless a poll is demanded a declaration by the chair of the meeting that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

A poll may be demanded either before or after any vote by show of hands by any person entitled to vote at the meeting. If at any meeting a poll is demanded on the election of a chair of the meeting or on the question of adjournment it shall be taken forthwith without adjournment. If at any meeting a poll is demanded on any other question or as to the election of Directors, the vote shall be taken by ballot in such manner and either at once, later in the meeting or after adjournment as the chair of the meeting directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A demand for a poll may be withdrawn.

70. **Proxies.** Votes at meetings of the Members may be given either personally or by proxy or, in the case of a Member who is a body corporate or association, by an individual authorized by a resolution of the board of directors or governing body of the body corporate or association to represent it at meetings of Members of the Corporation. At every meeting at which a Member is entitled to vote, every Member and/or person appointed by proxy to represent one or more Members and/or individual so authorized to represent a Member who is present in person shall have one vote on a show of hands. Upon a poll and subject to the provisions, if any, of the Letters Patent, every Member who is entitled to vote at the meeting and who is present in person or represented by an individual so authorized shall have one vote and every person appointed by proxy shall have one vote for each Member who is entitled to vote at the meeting and who is represented by such proxyholder.

A proxy shall be executed by the Member or the Member's attorney authorized in writing or, if the Member is a body corporate or association, by an officer or attorney thereof duly authorized.

A person appointed by proxy must be a Member of the Corporation.

Subject to the requirements of the Act, a proxy may be in such form as the Board from time to time prescribes or in such other form as the chair of the meeting may accept as sufficient, and shall be deposited with the secretary of the meeting before any vote is called under its authority, or at such earlier time and in such manner as the Board may prescribe.

71. **Resolutions in Writing.** A resolution in writing, signed by all the Members entitled to vote on that resolution at a meeting of Members, is as valid as if it had been passed at a meeting of Members.

EXECUTION OF DOCUMENTS

72. Contracts, documents or any instruments in writing requiring the signature of the Corporation, shall be signed by any two directors or officers and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The Board shall have power from time to time by resolution to appoint an Officer or Officers on behalf of the Corporation to sign specific contracts, documents and instruments in writing. The Board may give the Corporation's power of attorney to any registered dealer in securities for the purposes of the transferring of and dealing with any stocks, bonds and other securities of the Corporation.

NOTICES

73. **Service.** Any notice or other document required by the Act, the Regulations, the Letters Patent or the By-laws to be sent to any Member or Director or to the auditor shall be delivered personally or sent by prepaid mail or by telegram, cable, facsimile or other electronic means to any such Member or Director at their latest address as shown in the records of the Corporation and to the auditor at its business address, or if no address be given therein then to the last address of such Member or Director known to the Secretary; provided always that notice may be waived or the time for the notice may be waived or abridged at any time with the consent in writing of the person entitled thereto.

74. **Signature to Notices.** The signature of any Director or Officer of the Corporation to any notice or document to be given by the Corporation may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.

75. **Computation of Time.** Where a given number of days' notice or notice extending over a period is required to be given under the By-laws, Letters Patent or supplementary letters patent

of the Corporation the day of service or posting of the notice shall not, unless it is otherwise provided be counted in such number of days or other period.

76. **Proof of Service.** With respect to every notice or other document sent by post it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed as provided in paragraph 15 of this By-law and put into a Post Office or into a letter box. A certificate of an Officer of the Corporation in office at the time of the making of the certificate as to facts in relation to the sending or delivery of any notice or other document to any Member, Director, Officer or auditor or publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every Member, Director, Officer or auditor of the Corporation as the case may be.

AUDITORS

77. **Appointment.** The Members shall at each annual general meeting of Members appoint an auditor to hold office until the termination of the next annual general meeting and to audit the accounts of the Corporation for report to the Members at the next annual general meeting. The auditor shall hold office until the next annual general meeting of Members provided that the Board may fill any casual vacancy in the office of auditor. The remuneration of the auditor shall be fixed by the Board.

78. **Removal.** The Members, by a resolution passed by at least 2/3 of the votes cast at a general or special meeting of Members of which notice specifying the intention to pass such resolution was given, may remove any auditor of the Corporation before the expiration of such auditor's term of office and shall, by a majority of the votes cast at such meeting, appoint another auditor in such auditor's place for the remainder of such auditor's term.

RULES OF ORDER

79. The meetings of the Board and of the Members shall be conducted in accordance with *Nathan's Company Meetings*.

DISTRIBUTION OF PROPERTY

80. Upon the dissolution of the Corporation and after the payment of all debts and liabilities, the remaining property of the Corporation shall be distributed amongst the Members in accordance with their level of Membership, with the portion of the remaining property allotted to each WAO Category A Member and WAO Category B Member being ten (10) times that allotted to each Marina Category A Member and Marina Category B Member.

AMENDMENT OF BY-LAW

81. Other than as set out in section 62 hereof, the By-laws may be repealed or amended by by-law, by a majority of the votes cast at a meeting of the Board and sanctioned by an affirmative vote of at least two-thirds (2/3) of the Members at a meeting of Members duly called for the purpose of considering the said by-law.

ENACTED: May 31, 2012

Ian Brown, President

Jeff Doan, Secretary