

BYLAW NO. 8

A By-Law relating generally to the transaction of the affairs of the

BRUCE BEACH COTTAGERS' ASSOCIATION (BBCA)

WHEREAS the BRUCE BEACH COTTAGERS' ASSOCIATION was incorporated by Letters Patent (Ontario Corporation # 390763) issued by the Ontario Government on August 23, 1978,

AND WHEREAS the BRUCE BEACH COTTAGERS' ASSOCIATION (hereinafter referred to as the "Corporation") was established for the following objects:

- Advancing the cultural, recreational and social interests and activities of the owners of properties in and around Bruce Beach.
- Serving as stewards and trustees for future generations of the forest, greenbelt and beach area known as Bruce Beach so as to protect the land from deterioration and unwanted future development so that visitors and owners can enjoy the natural environment.
- Working, in a co-operative and proactive manner, with the officials and members of the various Groves that are located within the area known as Bruce Beach.
- Communicating and working, in a proactive manner, with elected officials (local, regional, provincial, federal, as necessary) to ensure that the interests and needs of the members are known and acted upon as much as possible.
- Considering other complimentary purposes not inconsistent with these objects.

AND WHEREAS the Corporation is subject to the following:

a) The Corporation shall be carried on without the purpose of gain for its members, and any profits or other accretions to the Corporation shall be used in promoting its objects

b) Membership, of which there is one (1) class only, in the Corporation shall be governed by the following:

(i) The owner(s) of each of the properties as more particularly set forth in a section of the bylaw (see, Section 19) shall during such period of ownership be a member of the Corporation;

(ii) A member of the Corporation shall automatically cease to be a member on ceasing to be the owner of a property referred to in Section 19;

(iii) A person, on becoming the owner of a property referred to in (i) above, shall notify the Secretary of the Corporation in order to become eligible to be a member of the Corporation:

(iv) Membership in the Corporation does not lapse and cease to exist upon the member's death if the estate or a trustee has the legal right to the property;

(v) Where more than one (1) person is the owner of a property referred to in (i) above, such persons shall together constitute one(1) member of the Corporation. Each owner (or owners in the case of joint ownership) must designate one Authorized Agent for the property. The Authorized Agent will receive all information (notices of meetings, minutes, invoices for dues, etc.) by fax, mail, e-mail, or telephone.

BE IT ENACTED as a bylaw of the BRUCE BEACH COTTAGERS' ASSOCIATION as follows:

1. INTERPRETATION:

In this bylaw and in all other bylaws and resolutions of the Corporation hereafter passed, unless the context otherwise requires:

- The singular includes the plural
- The masculine gender includes the feminine
- "Board" means the Board of Directors of the corporation
- "Corporation" means Bruce Beach Cottagers' Association and any successor
- "Director" includes the persons who hold offices enumerated in Section 4
- "Authorized Agent" means the person currently designated by the owner(s) of each property who is to receive all information about the Corporation.

2. HEAD OFFICE:

The Head Office of the Corporation shall be in the Township of Huron Kinloss, County of Bruce, in the Province of Ontario, and at such place therein as the directors may from time to time determine.

3. SEAL:

The seal which is impressed hereon shall be the corporate seal of the Corporation.

4. BOARD OF DIRECTORS:

The affairs of the Corporation shall be managed by a board of five (5) directors, each of whom at the time of his election and throughout his term of office shall be a member of the Corporation. Each director shall be elected for a two year term or until his successor shall have been duly elected and qualified. He shall be eligible for re-election if otherwise qualified. The election may be by a show of hands unless a ballot be demanded by any member. The members of the Corporation may, by resolution passed by at least two-thirds of the votes cast at a general meeting of which notice specifying the intention to pass such resolution has been given, remove any director before the expiration of his term of office, and may, by a majority of the votes cast at that meeting, elect any person in his stead for the remainder of his term.

5. VACANCIES, BOARD OF DIRECTORS:

Vacancies on the board of directors, however caused, may, so long as a quorum of directors remains in office, be filled by the directors from among the qualified members of the Corporation, if they shall see fit to do so; otherwise, such vacancy shall be filled at the next annual meeting of the members at which the directors for the ensuing year are elected.

6. QUORUM AND MEETINGS, BOARD OF DIRECTORS:

A majority of the directors (N=3) shall form a quorum for the transaction of business.

In the absence of the President, his duties may be performed by the Vice-President or such other director as the board may from time to time appoint for the purpose.

Except as otherwise required by law, the board of directors may hold its meetings at such place or places as it may from time to time determine. No formal notice of any such meeting shall be necessary if all the directors are present, or if those absent have signified their consent to the meeting being held in their absence.

Directors' meetings may be formally called by the President or the Vice-President, or by the Secretary on direction of the President or Vice-President, or by the Secretary on direction in writing of two directors. Notice of such meetings shall be delivered, telephoned, or sent by e-mail or fax to each director not less than one day before the meeting is to take place, or shall be mailed to each director not less than one week before the meeting is to take place. The statutory declaration of the Secretary or President that notice has been given pursuant to this bylaw shall be sufficient and conclusive evidence of the giving of such notice.

The board may appoint a day or days in any month or months for regular meetings at an hour to be named and of such regular meeting no notice need be sent. A directors' meeting may also be held, without notice, immediately following the annual meeting of the Corporation. The directors may consider or transact any business either special or general at any meeting of the Board.

If all of the directors present at or participating in a meeting consent, a meeting of the Board may be held by telephone or other forms of electronic communication so that all participants in the meeting can communicate with each other simultaneously. A director participating in the meeting by such means is deemed to be present at the meeting.

Such others as the Board may from time to time determine, shall be entitled, in the same manner and to the same extent as a director, to notice of and to personally attend, and to speak at, meetings of the Board, but shall not be entitled to vote thereat.

7. ERRORS IN NOTICE, BOARD OF DIRECTORS:

No error or omission in giving such notice for a meeting of directors shall invalidate such meeting or invalidate or make void any proceedings taken or had at such meeting; and any director may at any time waive notice of any such meeting and may ratify and approve of any or all proceedings taken or had thereat.

8. VOTING, BOARD OF DIRECTORS:

Questions arising at any meeting of directors shall be decided by a majority of votes. In case of an equality of votes, the Chair, in addition to his original vote, shall have a second or casting vote. All votes at any such meeting shall be taken by ballot if so demanded by any director present; but if no demand be made, the vote shall be taken in the usual way by assent or dissent. A declaration by the Chair that a resolution has been carried and an entry to that effect in the minutes shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

9. POWERS OF DIRECTORS:

The directors of the Corporation 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 its charter or otherwise authorized to exercise and do.

Without in any way derogating from the foregoing, the directors are expressly empowered, from time to time, to purchase, lease or otherwise acquire, alienate, sell, exchange or otherwise dispose of shares, stocks, rights, warrants, options and other securities, lands, buildings and other property, movable or immovable, real or personal, or any right or interest therein owned by the Corporation, for such consideration and upon such terms and conditions as they may deem advisable.

An amount not to exceed the current total revenues of the annual fees of the Corporation is to be placed on authorized expenditures by the Board of Directors; and any major expenditure must be approved in advance by a majority of the members of the Board of Directors.

10. REMUNERATION, INDEMNITY, PROTECION AND RESPONSIBILITY OF DIRECTORS:

The directors shall serve without remuneration, but may receive reasonable expenses for his services to the corporation.

Every director or officer of the Corporation and his or her heirs, executors, administrators, estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless, out of the funds of the Corporation, from and against:

(i) all costs, charges and expenses whatsoever which the director or officer sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him or her for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him or her in or about the execution of the duties of his or her office; and

ii) all other costs, charges and expenses which he or she sustains or incurs in or about or in relation to the affairs thereof, except the costs, charges or expenses occasioned by his or her own willful neglect or default.

No directors or officers of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency of any security in or upon which any of the money of or belonging to the Corporation shall be placed or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation with whom or which any moneys, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his or her respective office or trust or in relation thereto unless the same shall happen by or through his or her own wrongful and willful act or through his or her own wrongful and willful neglect or default.

The directors for the time being of the Corporation shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the Board.

11. OFFICERS OF THE CORPORATION:

There shall be a President, Vice-President, Past President, Secretary, and Treasurer, or in lieu of a Secretary and Treasurer, a Secretary-Treasurer and such other officers as the board of directors may determine from time to time. One person may hold more than one office except the offices of President and Vice-President. The Officers of the Corporation shall be elected by the board of directors from among their number at the first meeting of the board after the biennial election of such board of directors, provided that in default of such election the then incumbents, being members of the board, shall hold office until their successors are elected. The other officers of the Corporation need not be members of the board and in the absence of written agreement to the contrary, the employment of all officers shall be settled from time to time by the board.

12. DUTIES OF PRESIDENT AND VICE-PRESIDENT:

The President shall, when present, preside at all meetings of the members of the Corporation and of the board of directors. The President shall also be charged with the general management and supervision of the affairs and operations of the Corporation. The President with the Secretary or other officer appointed by the board for the purpose shall sign all bylaws. During the absence or inability of the President, his duties and powers may be exercised by the Vice-President, and if the Vice-President, or such other director as the board may from time to time appoint for the purpose, exercises any such duty or power, the absence or inability of the President shall be presumed with reference

thereto. The Vice-President shall perform such special duties as prescribed by the Board (e.g; responsibility for the Annual BBQ).

13. DUTIES OF SECRETARY:

The Secretary shall attend all meetings of the board of directors and general meetings of the Corporation and record all facts and minutes of all proceedings in the books kept for that purpose. He shall give all notices required to be given to the members and to directors. He shall be the custodian of the seal of the Corporation and of all books, papers, records (including the name, address, telephone number, and e-mail address of the Authorized Agent for each property), correspondence, contracts and other documents belonging to the Corporation which he shall deliver up only when authorized by a resolution of the board of directors to do so and to such person or persons as may be named in the resolution. He shall perform such other duties as may from time to time be determined by the board of directors.

14. DUTIES OF TREASURER:

The Treasurer, or person performing the usual duties of a Treasurer, shall keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account and shall deposit all moneys or other valuable effects in the name and to the credit of the Corporation in such bank or banks as may from time to time be designated by the board of directors. He shall disburse the funds of the Corporation under the direction of the board of directors, taking proper vouchers therefor and shall render to the board of directors at the regular meetings thereof or whenever required of him, an account of all his transactions as Treasurer, and of the financial position of the Corporation. He shall also perform such other duties as may from time to time be determined by the board of directors, including the presentation at the corporation's annual meeting of the year end and/or semi-annual financial statement for the corporation, and a proposed budget for the forthcoming year.

15. DUTIES OF PAST PRESIDENT

The Past President shall perform from time to time the duties (e.g; presenting nominations to the members for director, officer or other positions within the corporation) prescribed by the Board, and may perform such additional duties as may be requested by the President. He serves as a voting member of the Board.

16. DUTIES OF OTHER OFFICERS:

The Board may appoint other officers, with such titles as the Board may prescribe from time to time (e.g; Year Book Coordinator, Communication Coordinator), as it considers necessary. Such officers do not have voting rights at meetings of the Board.

17. EXECUTION OF DOCUMENTS:

Deeds, transfers, licenses, contracts and engagements on behalf of the Corporation shall be signed by either the President or the Vice-President and by the Secretary; and the Secretary shall affix the seal of the Corporation to such instruments as require the same.

Contracts in the ordinary course of the Corporation's operations may be entered into on behalf of the Corporation by the President, Vice-President, Treasurer, or by any person authorized by the board.

The President, Vice-President, Secretary or Treasurer, or any one of them, or any person or persons from time to time designated by the board of directors may transfer any and all shares, bonds, or other securities from time to time standing in the name of the Corporation in its individual or any other capacity or as trustee or otherwise and may accept in the name and on behalf of the Corporation transfers of shares, bonds or other securities from time to time transferred to the Corporation, and may affix the corporate seal to any such transfers or acceptances of transfers, and may make, execute and deliver under the corporate seal any and all instruments in writing necessary or proper for such purposes, including the appointment of an attorney or attorneys to make or accept transfers of shares, bonds or other securities on the books of any company or corporation.

Notwithstanding any provisions to the contrary contained in the bylaws of the Corporation, the board of directors may at any time by resolution direct the manner in which, and the person or persons by whom, any particular instrument, contract or obligations of the Corporation may or shall be executed.

18. BOOKS AND RECORDS:

The directors shall see that all necessary books and records of the Corporation required by the bylaws of the Corporation or by any applicable statute or law are regularly and properly kept.

19. MEMBERSHIP:

The membership shall consist of Bruce Beach cottage lot owners. Bruce Beach includes the area from the 6th Concession to the 10th Concession of the Township of Huron Kinloss below the crest of the hill. Membership includes, as well, owners of the lots south of the 6th Concession on Gordon Street extending to Lot #108. Owners of homes on Highland Drive above Bruce Beach Road are eligible for membership in the Corporation.

If ownership of a cottage lot changes, the membership in the Corporation is transferred to the new owners.

There will be one vote per lot on each question arising at any special or general meeting of the members.

Members shall not, as such, be held responsible or answerable for any act, default, obligation or liability of the corporation, or for any engagement, claim, payment, loss, injury, transaction, matter or thing relating to or connected with the corporation.

20. DUES:

Dues or fees are payable by members, as shall from time to time be fixed by majority vote of the board of directors, which vote shall become effective only when confirmed by a vote of the members at an annual or other general meeting.

The Treasurer shall notify the members of the dues or fees at any time payable. If dues or fees are not paid within a year of the date of such notice the members in default shall not have the right to vote on, or participate in, Corporation matters, but such members may, on payment of all unpaid dues or fees, have their right to vote reinstated.

21. ANNUAL AND OTHER MEETINGS OF MEMBERS:

The annual or any other general meeting of the members shall be held at the head office of the Corporation or elsewhere in Ontario as the board of directors may determine and on such a day as the said directors shall appoint.

At every annual meeting, in addition to any other business that may be transacted, the report of the directors, the financial statement, the annual budget, and a report of the auditors (if necessary or required) shall be presented. Biennially, a board of directors shall be elected for the ensuing two years. The members may consider and transact any business without any notice thereof at any meeting of the members; except with respect to the matter outlined in Section 4.

The board of directors or the President or Vice-President shall have power to call at any time a general meeting of the members of the Corporation. No public notice nor advertisement of members' meetings, annual or general, shall be required, but notice of the time and place of every such meeting shall be given to each member by sending the notice by prepaid mail, fax, telephone, e-mail, or in person, at least ten days before the time fixed for the holding of such meeting. At such meeting any business may be transacted which the Corporation at annual or general meetings may transact.

22. ERROR OR OMISSION IN NOTICE:

No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether annual or general, of the members of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. For the purpose of sending notice to any member, director or officer for any meeting or otherwise, the address of any member, director or officer shall be his last address recorded on the books of the Corporation.

23. ADJOURNMENTS:

Any meetings of the Corporation or of the directors may be adjourned. Such adjournment may be made notwithstanding that no quorum is present.

24. QUORUM OF MEMBERS:

A quorum for the transaction of business at any meeting of members shall consist of not less than twenty voting members present in person or represented by proxy. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of such business.

25. VOTING OF MEMBERS:

Subject to the provisions, if any, contained in the Letters Patent of the Corporation, each member of the Corporation shall at all meetings of members be entitled to one vote per lot and he may vote by proxy. Such proxy need not himself be a member but before voting shall produce and deposit with the secretary sufficient signed appointment in writing from his constituent or constituents. No member shall be entitled either in person or by proxy to vote at meetings of the Corporation if his dues or fees are in arrears.

At all meetings of members every question shall be decided by a majority of the votes of the members present in person or represented by proxy unless otherwise required by the bylaws of the Corporation, or by law. Every question shall be decided in the first instance by a show of hands unless a poll be demanded by any member. Upon a show of hands, every member having voting rights shall have one vote; and unless a poll be demanded, a declaration by the Chair that a resolution has been carried or not carried and an entry to that effect in the minutes of the Corporation shall be conclusive evidence of the fact without proof of the number or proportion of the votes accorded in favour of or against such resolution.

The demand for a poll may be withdrawn; but if a poll be demanded and not withdrawn, the question shall be decided by a majority of votes given by the members present in person or by proxy; and such poll shall be taken in such a manner as the Chair shall direct and the result of such poll shall be deemed the decision of the Corporation in general meeting upon the matter in question.

In case of an equality of votes at any general meeting, whether upon a show of hands or at a poll, the Chair shall be entitled to a second or casting vote.

26. FINANCIAL YEAR:

Unless otherwise ordered by the board of directors, the fiscal year of the Corporation shall be January 1st to December 31st, each year.

27. BANKING ARRANGEMENTS:

The President and Treasurer shall have signing authority for all bank accounts, unless other officers are designated as such by the board. The President or Vice-President and the Secretary or Treasurer shall be authorized to transact the banking business of the Corporation with the bank, trust company or other corporation carrying on a banking business that the board has designated as the Corporation's banker.

The securities of the Corporation shall be deposited for safekeeping with one or more bankers, trust companies or other financial institutions to be selected by the board of directors. Any and all securities so deposited may be withdrawn from time to time only upon the written order of the Corporation signed by such officer or officers, agent or agents of the Corporation, and in such manner, as shall from time to time be determined by resolution of the board of directors and such authority may be general or confined to specific instances. The institutions which may be so selected as custodians by the board of directors shall be fully protected in acting in accordance with the directions of the board of directors and shall in no event be liable for the due application of the securities so withdrawn from deposit or the proceeds thereof.

28. NOTICE:

Whenever under the provisions of the bylaws of the Corporation, notice is required to be given, such notice may be given either personally or by depositing same in a post office or a public letterbox, in a prepaid, sealed wrapper addressed to the director, officer or member (Authorized Agent) at his or their address as it appears on the books of the Corporation. A notice or other document sent by post shall be held to be sent at the time when the same was deposited in a post office or public letter-box as aforesaid. For the purpose of sending any notice the address of any member, director or officer shall be the last address recorded on the books of the Corporation

29. BORROWING:

The directors may from time to time:

- (a) borrow money on the credit of the Corporation; or
- (b) issue, sell or pledge securities of the Corporation; or
- (c) 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 therefore, 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.

The board of directors of the Corporation is authorized to borrow money from time to time from a Canadian Chartered Bank of the Directors' choice.

30. BYLAWS AND AMENDMENTS:

Bylaws of the Corporation may be enacted, repealed, amended, altered, added to, or re-enacted in the manner contemplated in, and subject to, the provisions of the *Corporations Act*.

31. EFECTIVE DATE:

This bylaw, and any other bylaws, shall come into force without further formality upon its enactment.

The foregoing Bylaw No.8 as enacted by the directors of the Corporation was ratified, sanctioned, confirmed and approved without variation by a majority vote at a meeting of the members duly called and held in the township of Huron Kinloss, in the County of Bruce, in the Province of Ontario, and at which a quorum was present, on the 31st day of July, 2010.

WITNESS the corporate seal of the Corporation.

President

Secretary

Historical Notes:

- Bruce Beach Cottagers' Association was incorporated in 1978 and the original bylaws were approved at the Annual General Meeting (AGM) in August, 1978
- bylaw # 3 was enacted at the 1981 AGM
- bylaw # 4 was enacted at the 1982 AGM
- The original bylaws were consolidated, revised and approved at the AGM on August 5, 1989 as follows: 1) bylaw #5 was enacted to repeal bylaws # 1, 3 and 4; 2) bylaw # 6 was enacted to replace bylaw # 5; and 3) bylaw # 7 was enacted.
- bylaw # 6 and bylaw # 7 were repealed and incorporated into bylaw # 8, which was enacted at the 2010 AGM.