

South Shore Watershed Association Inc.

BY-LAW NO. 1

A by-law relating generally to the transaction
of the business and affairs of
South Shore Watershed Association Inc.

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

1) Objects and Purposes

The said Corporation shall conduct itself, without monetary gain to its members, for the purposes and objects of protecting and enhancing the defined watersheds in the South Shore region of Prince Edward Island and encouraging community involvement and participation in watershed restoration, and such other objects and purposes as may be set out in Schedule AA to the company's petition for incorporation.

2) Name

The name of the Corporation shall be the "South Shore Watershed Association Inc."

3) Association Constituents

The Association shall be made up of five constituent watershed groups:

- (a) DeSable River (4177.5 Ha) - MacIvors Point (337.4 Ha)
- (b) Westmoreland River (4460.5 Ha) – Victoria (612.85Ha)
- (c) Tryon River (5248.6 Ha)
- (d) Richard Point (939.4 Ha) - Augustine Cove (777.4 Ha) - Prevost Cove (327.5 Ha) -Cape Traverse River (1833.9 Ha)
- (e) Seven Mile Bay (4264.8 Ha)

4) Registered Office

The registered office shall be located at Crapaud, Queens County, in the province of Prince Edward Island.

5) Fiscal year end

The fiscal year of the Association shall end on the thirty-first of March in each year.

6) Membership

- (a) Membership shall be open to all persons who are in agreement with the aims and purposes of the Association.

- (b) A person shall be 18 years of age or older to be entitled to hold office or vote at meetings.
- (c) Membership with any of the constituent watersheds is recognized by the Association.
- (d) Association Membership may be purchased directly from the Association for areas without an established group.
- (e) Membership fee will be established by the Board, all membership fees will remain equal.
- (f) Membership fees will be designated for use in the area of residence of the member.

7) Members' Meetings

- (a) The annual meeting shall be held during the month of April in each year at a time and place in the province of Prince Edward Island, within the Association's borders, as determined by the Board, and specified in the call to the meeting.
- (b) Notice of meetings shall be posted prominently in the Association's communications; directors of the Board shall be personally contacted by their communications of choice.
- (c) Representation of at least three of the constituent watersheds must be present in person and entitled to vote, and this shall constitute a quorum for the transactions of business at any meeting of the Association. When a quorum is not convened, the next meeting shall be a valid meeting, notwithstanding lack of a quorum, and the call shall so inform the members.
- (d) A Special Meeting of the membership may be called at any time by the Board or requested by a member through the Board. Notice of Special Meetings shall be given in the same manner as provided for Annual Meetings, and shall state time, place, and purpose of such meeting and the business to come before it, and no business other than that specified in the notice shall be transacted.

8) Directors

- (a) The management of the Association shall be vested in a board of directors (the Board) consisting of two representatives appointed from each of the constituent watersheds for a total of 10 board members.
- (b) Executive Board positions shall comprise a President, Vice-President, Treasurer, and Secretary and should, wherever possible, be filled by representatives from four different constituent watersheds. Any director or officer shall vacate office if he/she holds any other office or place of profit under the Association. No director shall engage in business which competes with the business of the Association.

- (c) The directors shall elect from among themselves the Executive Board positions.
- (d) If a vacancy occurs in the board of directors, the vacancy so created shall be filled if possible, by the constituent watershed, and if not, then by appointment by the remaining directors until the date of the next annual meeting.
- (e) If a Board member misses three consecutive meetings, he or she may be removed from the position by the remaining board members.
- (f) Membership on the Board is not transferable or assignable to another individual.
- (g) Decisions of the Board which are not made by consensus will be determined by a vote and a simple majority shall rule. For this purpose, each constituent watershed represented on the board will have one vote for a total of five votes.

9) Directors Powers

The Directors of the Corporation may, from time to time:

- (a) borrow money on the credit of the Corporation in such amounts and upon such terms as may be deemed necessary;
- (b) hypothecate, mortgage, charge, pledge all or any of the real and personal property undertaking and rights of the Corporation to secure any money borrowed or other liability of the Corporation;
- (c) Give indemnities to any Director or other person whose undertaking or who is about to undertake any liability on behalf of the Corporation and to secure such Director or other person against loss, by giving him a mortgage or charge upon the whole or any part of the real or personal property of the Corporation;
- (d) Sell, lease, sublease or in any other manner deal with any interest in real or personal property;
- (e) Either of the President, Secretary or Treasurer shall be authorized to sign all cheques on behalf of the Corporation at an amount less than \$1,000.00. All cheques, drafts or bills of exchange in amounts greater than \$1,000.00 shall require the signatures of two (2) of either the President, Secretary or Treasurer.

10) Indemnities to Directors and others

Every Director or officer of the Corporation or other person who has undertaken or is about to undertake any liability on behalf of the Corporation and their heirs, executors, administrators, legal representatives and estate and effect 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:

- (a) All costs, charges and expenses whatsoever which such Director, officer or other person sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him in or about the execution of the duties of his office or in respect of any such liabilities;
- (b) All other costs, charges and expenses which he sustained or incurs in or about or in relation to the affairs thereof; except such costs, charges or expenses as or occasioned by his own willful, neglect or default;

11) Financial statement and surplus funds

- (a) The financial statements laid before the members of the association at any special meeting or at an annual meeting shall consist of at least the following:
 - (i) Balance sheet;
 - (ii) Statement of earnings;
 - (iii) Statement of retained earnings, surplus and reserves; and
 - (iv) Statement of changes in financial position.
- (b) Financial statements to be checked by a competent third party
- (c) Funds will be awarded to projects based on environmental need as determined by majority vote.
- (d) Funds acquired by individual constituent watershed organizations, through any means (example: membership sales or fund raisers), will be used as determined by their local board.

12) Withdrawal from membership

- (a) A board member wishing to terminate his or her position on the Board shall provide written notice to the Board.

13) Amendments

- (a) The Directors may make, repeal or amend the by-laws at a Special or Annual meeting provided that:
 - (i) Notice of the proposed action is given in writing to the members at least 10 days prior to the meeting, in accordance with 7b.
 - (ii) The aforesaid notice contains the exact wording of the proposed by-law(s) amendment(s).
 - (iii) A majority of the constituent watershed groups are present at the meeting.
 - (iv) A majority vote is obtained from the Directors for the enactment, repeal or amendment of the by-law(s).

14) Winding Up

The Corporation may be wound up if a resolution to wind up is approved by the Board of Directors at a meeting called to consider this business and no other. In the event of the winding up or other dissolution of the Corporation, any assets acquired will be divided equally among the surviving constituent watersheds after payment of any and all liabilities. In the event that no constituent watersheds survive the dissolution, the assets will be donated to the Watershed Alliance, after payment of any and all liabilities.

A copy of the Corporation=s Memorandum and Bylaws shall, upon request, be furnished to each Director and to each member.