

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

ISLAND CORRIDOR FOUNDATION

(the "Corporation")

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

**SECTION 1
INTERPRETATION**

1.1 Definitions

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

- (a) **"Act"** means the *Canada Not-For-Profit Corporations Act* S.C. 2009, c.23 including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;
- (b) **"articles"** means the original or restated articles of continuance of the Corporation;
- (c) **"board"** means the board of directors of the Corporation and "director" means a member of the board;
- (d) **"by-law"** means this by-law and any other by-law of the Corporation as amended and which are, from time to time, in force and effect;
- (e) **"designated representative"** means the person appointed by the member to exercise its rights (including voting rights) at a meeting of members;
- (f) **"Island Corridor"** means the geographic area roughly following the old E & N railway line that lies North-South from Courtenay to Victoria, East-West from Parksville to Port Alberni and Duncan to Lake Cowichan on Vancouver Island together with ancillary lands, structures and other property right attached;
- (g) **"meeting of members"** includes an annual meeting of members or a special meeting of members;
- (h) **"ordinary resolution"** shall, subject to section 2.3 of these by-laws (weighted votes), mean a resolution passed by a majority of not less than 50% plus one of the votes cast on that resolution;
- (i) **"proposal"** means a proposal submitted by a member of the Corporation that meets the requirements of section 163 (Shareholder Proposals) of the Act;
- (j) **"Regulations"** means the regulations made under the Act, as amended, restated or in effect from time to time;

- (k) "special meeting of members" includes a meeting of any class or classes of members and a special meeting of all members entitled to vote at an annual meeting of members; and
- (l) "special resolution" shall, subject to section 2.3 of these by-laws (weighted votes), mean a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

1.2 Interpretation

In the interpretation of this by-law, words in the singular include the plural and vice-versa, words in one gender include all genders, and "person" includes an individual, body corporate, partnership, trust and unincorporated organization.

Other than as specified above, words and expressions defined in the Act have the same meanings when used in these by-laws.

SECTION 2 MEMBERSHIP

2.1 Membership Conditions

Subject to the articles, there shall be two groups of members of the Corporation, namely, Regional District Members and First Nations Government Members (collectively, "members"). The board of directors of the Corporation may, by resolution, approve the admission of the members of the Corporation. Members may also be admitted in such other manner as may be prescribed by the board by resolution. The following entities shall be entitled to hold a membership in the Corporation, upon application to the Corporation which application shall be effective 45 days from submission to the Corporation:

Regional District Members

- (a) Regional District membership shall only be available to the Capital Regional District, the Cowichan Valley Regional District, the Nanaimo Regional District, the Comox Valley Regional District, and the Alberni-Clayoquot Regional District;

First Nations Government Members

- (b) First Nations Government membership shall only be available to Snaw-naw-as First Nation, Cowichan Tribes, Songhees Nation, Esquimalt Nation, Halalt First Nation, Hupacasath First Nation, Lake Cowichan First Nation, Qualicum First Nation, K'omoks First Nation, Snuneymuxw First Nation, Penelakut Tribe, Stz'uminus First Nation, Malahat First Nation, and Tseshaht First Nation.

2.2 Designated Representatives of Members

- (a) Each member shall appoint a designated representative to exercise its rights, including voting rights, at any meeting of members. The

designated representative for meetings of members need not be the same person nominated by the member for director;

- (b) Each member shall be entitled to receive notice of all meetings of members, and have its designated representative attend and vote at all meetings of members; and
- (c) Each member shall provide to the Corporation's Secretary its name and business address, and the name and email address of its designated representative, in writing, and shall notify the Corporation's Secretary, in writing, of any changes in its designated representative. Until a notification of change is received by the Corporation, as set out above, the Corporation shall be entitled to treat a member's existing designated representative as its official representative.

2.3 Voting of Members

For every meeting of members, Regional District Members shall collectively be entitled to 100 votes (the "Regional Member Votes") and First Nations Government Members shall collectively be entitled to 100 votes (the "First Nations Member Votes"). The Regional Member Votes shall be allocated evenly among the Regional District Members whose designated representative is present at the meeting of members and the First Nations Member Votes shall be allocated evenly among the First Nations Government Members whose designated representative is present at the meeting of members.

2.4 Notice of Meeting of Members

Notice of the time and place of a meeting of members shall be given to each member entitled to vote at the meeting by the following means:

- (a) by mail, courier or personal delivery to the designated representative of each member entitled to vote at the meeting, during a period of 21 to 60 days before the day on which the meeting is to be held; or
- (b) by telephonic, electronic or other communication facility to the designated representative of each member entitled to vote at the meeting, during a period of 21 to 35 days before the day on which the meeting is to be held.

2.5 Members Calling a Members' Meeting

The board of directors shall call a special meeting of members in accordance with Section 167 of the Act, on written requisition of members carrying not less than 5% of the voting rights. If the directors do not call a meeting within twenty-one (21) days of receiving the requisition, any member who signed the requisition may call the meeting.

2.6 Special Resolution to Make Changes

Pursuant to Section 197(1) of the Act, a special resolution of the members (and if Section 199 applies, a special resolution of each class of members) is required to make any amendment to the articles or this section 2 of the by-laws if those amendments affect membership rights, conditions, or transfer, or the manner of giving notice to members entitled to vote at a meeting of members.

SECTION 3

MEMBERSHIP DUES, TERMINATION AND DISCIPLINE

3.1 Membership Dues

There shall be no dues payable by members for membership in the Corporation unless otherwise directed by the board of directors.

3.2 Termination of Membership

A membership in the Corporation is terminated when:

- (a) the member ceases to exist, or in the case of a member that is a corporation, the corporation is dissolved;
- (b) a member fails to maintain any qualifications for membership described in section 2.1 of these by-laws;
- (c) the member resigns by delivering a written resignation to the chair of the board of the Corporation in which case such resignation shall be effective on the date specified in the resignation; or
- (d) the Corporation is liquidated or dissolved under the Act.

3.3 Effect of Termination of Membership

Subject to the articles, upon any termination of membership, the rights of the member, including any rights in the property of the Corporation, automatically cease to exist.

3.4 Cost of Publishing Proposals for Annual Members' Meetings

The member who submitted the proposal shall pay the cost of including the proposal and any statement in the notice of meeting at which the proposal is to be presented unless otherwise provided by ordinary resolution of the members present at the meeting.

SECTION 4

MEETINGS OF MEMBERS

4.1 Persons Entitled to be Present at Members' Meetings

The only persons entitled to be present at a meeting of members shall be those entitled to vote at the meeting, the directors, the Chief Executive Officer, the Secretary, the Treasurer, the public accountant of the Corporation and such other persons who are entitled or required under any provision of the Act, articles or by-laws of the Corporation to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or by ordinary resolution of the members.

4.2 Chair of Members' Meetings

In the event that the chair of the board and the vice-chair of the board are absent, the members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

4.3 Quorum at Members' Meetings

A quorum at any meeting of the members (unless a greater number of members are required to be present by the Act) shall be 50% of the Regional District Members entitled to vote and 50% of the First Nations Government Members entitled to vote at the meeting. If a quorum is present at the opening of a meeting of members, the members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

4.4 Votes to Govern at Members' Meetings

Unless otherwise required by the Act or the articles of the Corporation, questions arising at any meeting of the members shall be decided by a consensus of the members present at the meeting. A consensus will be considered to have been reached when no member objects to the question on the floor before the meeting. Should the chair of the meeting determine, after a reasonable effort to achieve consensus has been made, that a consensus will not be reached regarding a particular question then the chair shall refer the question to be decided by a majority of the weighted votes of the members. In case of an equality of votes either on a show of hands or on a ballot or on the results of electronic voting, the chair of the meeting in addition to an original vote shall have a second or casting vote.

4.5 Participation by Electronic Means at Members' Meetings

If the Corporation chooses to make available a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during a meeting of members, any person entitled to attend such meeting may participate in the meeting by means of such telephonic, electronic or other communication facility in the manner provided by the Act. A person participating in a meeting by such means is deemed to be present at the meeting. Notwithstanding any other provision of this by-law, any person participating in a meeting of members pursuant to this section who is entitled to vote at that meeting may vote, in accordance with the Act, by means of any telephonic, electronic or other communication facility that the Corporation has made available for that purpose.

4.6 Place of Members' Meeting

Subject to compliance with section 159 (Place of Members' Meetings) of the Act, meetings of the members may be held at any place within Canada determined by the board or, if all of the members entitled to vote at such meeting so agree, outside Canada.

4.7 Unanimous Resolution

Except where provided in section 166 of the Act, 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.

SECTION 5 DIRECTORS

5.1 Number and Composition of Directors

Subject to the minimum and maximum number of directors set out in the articles, the board shall be comprised of an equal number of directors from Regional Districts (the "Regional District Directors") and from First Nations Governments (the "First Nations Government Directors"), and also include two (2) At-Large Directors to represent interests not otherwise represented by the board (the "At-Large Directors").

5.2 Selection of Directors

The nomination and selection of Regional District Directors, First Nations Government Directors, and At-Large Directors shall be as follows:

- (a) The Regional District Members shall each nominate one (1) director for election to the board. Such persons need not be elected public officials;
- (b) The First Nations Government Members shall nominate by a method of their own choice (provided that the nominees shall represent diverse interests) the number of nominees for election to the board that is equal to the number of Regional District members;
- (c) The Selection Committee, comprised of board members, shall nominate persons to fill the positions of the two (2) At-Large Directors. One of the interests represented by one At-Large Director shall be that of aboriginal people generally. The other At-Large Director shall be nominated to represent the interests of Regional Districts generally;
- (d) After the nominees have been selected, the members (through their designated representatives) shall meet and shall elect the nominees to the board.

5.3 Term of Office of Directors

Directors shall serve for a term of 2 years. Directors' two-year terms shall be staggered such that the term in office for 50% of the directors shall expire each year. In the event of a vacancy being filled pursuant to these By-laws, the new director will serve the remainder of the term for which the previous director was elected.

5.4 Remuneration of Directors

Directors shall serve without remuneration, and no director shall directly or indirectly receive any profit from his position as such, provided that a director may be reimbursed for reasonable expenses incurred in the performance of his duties. A director shall not be prohibited from receiving compensation for services provided to the Corporation as an officer or in another capacity.

5.5 Removal of Director

The office of director shall be automatically vacated if,

- (a) at a special meeting of members, an ordinary resolution that the director be removed from office is passed by the following:
 - (i) a majority of Regional District Members with respect to the removal of a Regional District Director;
 - (ii) a majority of First Nations Government Members with respect to the removal of a First Nations Government Director; and/or
 - (iii) a majority of the members with respect to the removal of an At-Large Director;
- (b) the director has resigned his office by delivering a written resignation to the Secretary of the Corporation;
- (c) the director is found by a court to be of unsound mind;
- (d) the director becomes bankrupt or suspends payment or compounds with his creditors;
- (e) the director is deceased;

provided that if any vacancy shall occur for any reason set out in this section, the directors from Regional Districts by majority vote, shall by appointment fill the vacancy among the Regional District Directors, and the First Nations Directors by majority vote, shall by appointment fill a vacancy among the First Nations Directors, and the board of directors by a majority vote shall fill a vacancy of an At-Large Directorship.

SECTION 6 POWERS OF DIRECTORS

6.1 Administration of Affairs

The board shall administer the affairs of the Corporation in all things and do all such other acts and 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 articles or otherwise, authorized to exercise and do.

6.2 Authorization of 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.

6.3 Borrowing Powers

The board is hereby authorized, from time to time to do the following:

- (a) borrow money upon the credit of the Corporation, from any bank, corporation, firm or person, upon such terms, covenants and conditions at such times, in such sums, to such an extent and in such manner as the board of directors in its discretion may deem expedient;
- (b) limit or increase the amount to be borrowed;
- (c) issue or cause to be issued bonds, debentures or other securities of the Corporation and to pledge or sell the same for such sums, upon such terms, covenants and conditions and at such prices as may be deemed expedient by the board of directors; and
- (d) secure any such bond, debentures or other securities, or any other present or future borrowing or liability of the Corporation, by mortgage, hypothec, charge or pledge of all or any currently owned or subsequently acquired real and personal, movable and immovable, property of the Corporation, and the undertaking and rights of the Corporation.

6.4 Grants and Donations

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.

6.5 Agents and Employees

The board may appoint such agents 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 of directors at the time of such appointment.

6.6 Remuneration

The board may fix by resolution the remuneration for all officers, agents and employees and committee members of the Corporation.

6.7 Books and Records

The board shall see that all necessary books and records of the Corporation required by the by-laws of the Corporation, the Act or any applicable statute or regulation are regularly and properly kept.

SECTION 7 MEETINGS OF DIRECTORS

7.1 Calling of Meetings

Meetings of the board may be called by the chair of the board, the vice-chair of the board or any two (2) directors at any time.

7.2 Notice of Meeting

Notice of the time and place for the holding of a meeting of the board shall be given in the manner provided in section 10.1 of this by-law to every director of the Corporation not less than two (2) clear days before the time when the meeting is to be held, except that fourteen (14) clear days shall be required if notice is given by mail. Notice of a meeting shall not be necessary if all of the directors are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting, or if the meeting is an emergency, which shall be at the discretion of the chair of the board. Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting. Unless the by-law otherwise provides, no notice of meeting need specify the purpose or the business to be transacted at the meeting except that a notice of meeting of directors shall specify any matter referred to in subsection 138(2) of the Act (Limits on Authority) that is to be dealt with at the meeting.

7.3 Regular Meetings

The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such 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 meeting except if subsection 136(3) of the Act (Notice of Meeting) requires the purpose thereof or the business to be transacted to be specified in the notice.

7.4 Quorum of Directors

The quorum for the transaction of business at any meeting of the board of directors shall consist of at least 50% of the members of the board of directors.

7.5 Votes to Govern

Unless otherwise required by the Act or the articles of the Corporation, questions arising at any meeting of the directors shall be decided by a consensus of the directors present at the meeting. A consensus will be considered to have been reached when no director objects to the question on the floor before the meeting. Should the chair of the meeting determine, after a reasonable effort to achieve consensus has been made, that a

consensus will not be reached regarding a particular question then the chair shall refer the question to be decided by a majority vote of the directors. In that event, each director is authorized to exercise one vote. In case of an equality of votes, the matter shall be referred to the members for their input before the question is put to the directors again, and if there is still an equality of votes on the matter, the chair of the meeting in addition to an original vote shall have a second or casting vote.

7.6 Minutes of the Board

The minutes of the board of directors shall be available to the members of the Corporation upon request.

7.7 Committees of the Board of Directors

The board may from time to time appoint any committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the board shall see fit. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the board may from time to time make. The following shall apply to committees of the board:

- (a) **Quorum:** The powers of a committee of the board of directors may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all members of such committee who would have been entitled to vote on that resolution at a meeting of such committee.
- (b) **Meetings:** Meetings of a committee shall be held at any time and place to be determined by the members of such committee provided that two clear days' written notice, by facsimile or electronic transmission, or seven clear days' written notice, by mail, of any meeting of a committee of the Corporation shall be given to all members of the committee and shall designate a time and place for such meeting.

No error or omission in giving notice of any meeting of a committee or any adjourned meeting of a committee of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member of such committee may at any time waive notice of any proceedings taken or had thereat.

- (c) **Minutes of Meetings:** The minutes of a committee shall not be available to the members of the Corporation but shall be available to the board of directors, each of whom shall receive a copy of such minutes;
- (d) **Removal of committee member:** Any committee member may be removed by resolution of the board of directors.

7.8 Unanimous Resolution

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 a committee of directors.

SECTION 8 OFFICERS

Appointment of Officers

8.1 The board may designate the offices of the Corporation, appoint officers on an annual or more frequent basis, specify their duties and, subject to the Act, delegate to such officers the power to manage the affairs of the Corporation. A director may be appointed to any office of the Corporation. An officer may, but need not be, a director unless these by-laws otherwise provide. Two or more offices of the Corporation may be held by the same person.

8.2 Description of Offices

Unless otherwise specified by the board (which may, subject to the Act modify, restrict or supplement such duties and powers), the offices of the Corporation, if designated and if officers are appointed, shall have the following duties and powers associated with their positions:

- (a) **Chair of the Board** – The chair of the board shall be a director. The chair of the board shall, when present, preside at all meetings of the board of directors and of the members. The chair shall have such other duties and powers as the board may specify;
- (b) **Vice-Chair of the Board** – The vice-chair of the board shall be a director. If the chair of the board is absent or is unable or refuses to act, the vice-chair of the board shall, when present, preside at all meetings of the board of directors and of the members. The vice-chair shall have such other duties and powers as the board may specify;
- (c) **Chief Executive Officer** – The Chief Executive Officer of the Corporation shall be responsible for implementing the strategic plans and policies of the Corporation. The Chief Executive officer shall, subject to the authority of the board, have general supervision and management of the affairs of the Corporation, and shall ensure that all orders and resolutions of the members and board of directors are carried into effect;
- (d) **Secretary** – The Secretary shall attend and be the clerk or secretary of all meetings of the board, members and committees of the board. The Secretary shall enter or cause to be entered in the Corporation's minute book, the votes and minutes of all proceedings at such meetings. The Secretary shall give, or cause to be given, as and when instructed, notices to members, directors, the public accountant and members of committees. The Secretary shall be the custodian of all books, papers, records, documents and other instruments, including the corporate seal, belonging to the Corporation and shall perform such other duties as may be prescribed by the board, or Chief Executive Officer, under whose supervision the Secretary shall be;
- (e) **Treasurer** – The Treasurer shall have conduct of the financial affairs of the Corporation, the preparation of books and financial statements,

paying of accounts and such other powers and duties as the board may specify. 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, in such registered dealer in securities as may be designated by the board of directors 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 Chair, Chief Executive Officer, and directors at the regular meeting of the board of directors, or whenever they may require it, an accounting of all the transactions and a statement of the financial position of the Corporation.

- (f) **Other Officers** - The powers and duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the board or Chief Executive Officer requires of them. The board may from time to time and subject to the Act, vary, add to or limit the powers and duties of any officer.

8.3 Vacancy in Office

In the absence of a written agreement to the contrary, the board may remove, whether for cause or without cause, any officer of the Corporation. Unless so removed, an officer shall hold office until the earlier of:

- (a) the officer's successor being appointed,
- (b) the officer's resignation,
- (c) such officer ceasing to be a director (if a necessary qualification of appointment) or
- (d) such officer's death.

If the office of any officer of the Corporation shall be or become vacant, the directors may, by resolution, appoint a person to fill such vacancy.

SECTION 9 DUTIES OF DIRECTORS AND OFFICERS & DISCLOSURE OF INTEREST

9.1 Duties of Directors and Officers

Every director and officer of the Corporation in exercising their powers and discharging their duties shall

- (a) act honestly and in good faith with a view to the best interests of the Corporation;

- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances; and
- (c) comply with the Act, Regulations, articles and by-laws.

9.2 Disclosure of Interest

Subject to the Act, a director or officer of the Corporation shall disclose to the Corporation, in writing or by requesting to have it entered in the minutes of meetings of directors or of committees of directors, the nature and extent of any interest that the director or officer has in a material contract or material transaction, whether made or proposed, with the Corporation, if the director or officer

- (a) is a party to the contract or transaction;
- (b) is a director or an officer, or an individual acting in a similar capacity, of a party to the contract or transaction; or
- (c) has a material interest in a party to the contract or transaction.

9.3 Time of Disclosure

The disclosure required by section 9.2 shall be made as follows:

- (a) in the case of a director,
 - (i) at the meeting at which a proposed contract or transaction is first considered;
 - (ii) if the director was not, at the time of the meeting referred to in subsection (i), interested in the proposed contract or transaction, at the first meeting after the director became so interested;
 - (iii) if the director becomes interested after a contract or transaction is made, at the first meeting after the director becomes so interested; or
 - (iv) if an individual who is interested in a contract or transaction later becomes a director, at the first meeting after the individual becomes a director;
- (b) in the case of an officer who is not a director,
 - (i) immediately after the officer becomes aware that the contract, transaction, proposed contract or proposed transaction is to be considered or has been considered at a meeting;
 - (ii) if the officer becomes interested after a contract or transaction is made, immediately after the officer becomes so interested; or

- (iii) if an individual who is interested in a contract or transaction later becomes an officer, immediately after the individual becomes an officer;
- (c) if a material contract or material transaction, whether entered into or proposed, is one that in the ordinary course of the Corporation's activities would not require approval by the directors or members, a director or an officer shall, immediately after they become aware of the contract or transaction, disclose in writing to the Corporation, or request to have entered in the minutes of meetings of directors or of committees of directors, the nature and extent of their interest.

9.4 Voting

A director required to make a disclosure under section 9.2 shall not vote on any resolution to approve the contract or transaction unless the contract or transaction

- (a) relates primarily to the director's remuneration as a director, an officer, an employee, an agent of the Corporation; or
- (b) is for indemnity or insurance under section 151 of the Act.

9.5 Continuing Disclosure

For the purposes of this section, a general notice to the directors declaring that a director or an officer is to be regarded as interested, for any of the following reasons, in a contract or transaction made with a party, is sufficient declaration of interest in relation to the contract or transaction:

- (a) the director or officer is a director or officer, or acting in a similar capacity, of a party referred to in subsection 9.2(b) or (c);
- (b) the director or officer has a material interest in the party; or
- (c) there has been a material change in the nature of the director's or the officer's interest in the party.

9.6 Avoidance Standards

Subject to the Act, a contract or transaction for which disclosure is required under section 9.2 is not invalid, and the director or officer is not accountable to the Corporation or its members for any profit realized from the contract or transaction, because of the director's or officer's interest in the contract or transaction or because the director was present or was counted to determine whether a quorum existed at the meeting of directors or of the committee of directors that considered the contract or transaction, if

- (a) disclosure of the interest was made in accordance with section 9 of these by-laws;
- (b) the directors approved the contract or transaction; and

- (c) the contract or transaction was reasonable and fair to the Corporation when it was approved.

9.7 Confirmation by Members

Even if the conditions of section 9.6 are not met, a director or an officer, acting honestly and in good faith, is not accountable to the Corporation or to its members for any profit realized from a contract or transaction for which disclosure is required under section 9.2, and the contract or transaction is not invalid by reason only of the interest of the director or officer in the contract or transaction, if

- (a) the contract or transaction is approved or confirmed by special resolution at a meeting of the members;
- (b) disclosure of the interest was made to the members in a manner sufficient to indicate its nature and extent before the contract or transaction was approved or confirmed; and
- (c) the contract or transaction was reasonable and fair to the Corporation when it was approved or confirmed.

SECTION 10 NOTICES

10.1 Method of Giving Notices

Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the articles, the by-laws or otherwise to a member, designated representative, director, officer or member of a committee of the board or to the public accountant shall be sufficiently given:

- (a) if delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of the Corporation or in the case of notice to a director to the latest address as shown in the last notice that was sent by the Corporation in accordance with section 128 (Notice of directors) or 134 (Notice of change of directors) of the Act;
- (b) if mailed to such person at such person's recorded address by prepaid ordinary or air mail;
- (c) if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
- (d) if provided in the form of an electronic document in accordance with Part 17 of the Act.

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been

given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The Secretary may change or cause to be changed the recorded address of any member, director, officer, public accountant or member of a committee of the board in accordance with any information believed by the Secretary to be reliable. The declaration by the Secretary that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any director or officer of the Corporation to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

10.2 Invalidity of any Provisions of this By-law

The invalidity or unenforceability of any provision of this by-law shall not affect the validity or enforceability of the remaining provisions of this by-law.

10.3 Omissions and Errors

The accidental omission to give any notice to any member, director, officer, member of a committee of the board or public accountant, or the non-receipt of any notice by any such person where the Corporation has provided notice in accordance with the by-laws or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

SECTION 11 DISPUTE RESOLUTION

11.1 Mediation and Arbitration

Disputes or controversies among members, directors, officers, committee members, or volunteers of the Corporation are as much as possible to be resolved in accordance with mediation and/or arbitration as provided in section 11.2 of this by-law.

11.2 Dispute Resolution Mechanism

In the event that a dispute or controversy among members, directors, officers, committee members or volunteers of the Corporation arising out of or related to the articles or by-laws, or out of any aspect of the operations of the Corporation is not resolved in private meetings between the parties, then without prejudice to or in any other way derogating from the rights of the members, directors, officers, committee members, employees or volunteers of the Corporation as set out in the articles, by-laws or the Act, and as alternative to such person instituting a law suit or legal action, such dispute or controversy shall be settled by a process of dispute resolution as follows:

- (a) The dispute or controversy shall first be submitted to a panel of mediators whereby the one party appoints one mediator, the other party (or if applicable the board of the Corporation) appoints one mediator, and the two mediators so appointed jointly appoint a third mediator. The three mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties;

- (b) The number of mediators may be reduced from three to one or two upon agreement of the parties;
- (c) If the parties are not successful in resolving the dispute through mediation, then the parties agree that the dispute shall be settled by arbitration before a single arbitrator, who shall not be any one of the mediators referred to above, in accordance with the provincial legislation governing domestic arbitrations in force in British Columbia. The parties agree that all proceedings relating to arbitration shall be kept confidential and there shall be no disclosure of any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law;
- (d) All costs of the mediators appointed in accordance with this section shall be borne equally by the parties to the dispute or the controversy. All costs of the arbitrators appointed in accordance with this section shall be borne by such parties as may be determined by the arbitrators.

SECTION 12 INDEMNITIES TO DIRECTORS AND OTHERS

12.1 Indemnification

Subject to the Act, the Corporation may indemnify a present or former director or officer of the Corporation, or another individual who acts or acted at the Corporation's request as a director or an 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 proceeding in which the individual is involved because of that association with the Corporation or other entity.

12.2 Limitation

The Corporation may not indemnify an individual under section 12.1 unless the individual

- (a) acted honestly and in good faith with a view to the best interests of the corporation or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the Corporation's request; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that their conduct was lawful.

12.3 Insurance

Subject to the Act, the Corporation may purchase and maintain insurance for the benefit of an individual referred to in section 12.1 against any liability incurred by the individual

- (a) in the individual's capacity as a director or an officer of the Corporation; or

- (c) in the individual's capacity as a director or an officer, or in a similar capacity, of another entity, if the individual acts or acted in that capacity at the Corporation's request.

SECTION 13 GENERAL

13.1 Corporate Seal

The seal, an impression of which is stamped in the margin of this document, shall be the seal of the corporation. The Secretary of the Corporation shall be the custodian of the corporate seal.

13.2 Execution of Documents

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by any two (2) of its officers or directors. In addition, the board may from time to time direct the manner in which and the person or persons by whom a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal (if any) to the document. Any signing officer may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy thereof.

13.3 Financial Year

The financial year end of the Corporation shall be December 31 in each year.

13.4 Public Accountant

The members shall at each annual meeting appoint a public accountant to audit the accounts of the Corporation for report to the members at the next annual meeting. The public accountant shall hold office until the next annual meeting provided that the board may fill any casual vacancy in the office of public accountant. The remuneration of the public accountant shall be fixed by the board.

13.5 Banking Arrangements

The banking business of the Corporation shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada or elsewhere as the board of directors may designate, appoint or authorize from time to time by resolution. The banking business or any part of it shall be transacted by an officer or officers of the Corporation and/or other persons as the board of directors may by resolution from time to time designate, direct or authorize.

13.6 Annual Financial Statements

The Corporation shall send to the members a copy of the annual financial statements and other documents referred to in subsection 172(1) of the Act (Annual Financial Statements) or a copy of a publication of the Corporation reproducing the information contained in the documents. Instead of sending the documents, the Corporation may send a summary to each member along with a notice informing the member of the

procedure for obtaining a copy of the documents themselves free of charge. The Corporation is not required to send the documents or a summary to a member who, in writing, declines to receive such documents.

13.7 Records

Subject to the Act, the Corporation shall prepare and maintain, at its registered office or at any other place in Canada designated by the directors, records containing:

- (a) the articles and the by-laws, and amendments to them;
- (b) the minutes of meetings of members and any committee of members as well as the resolutions adopted by the members or any committee of members;
- (c) the minutes of meetings of directors and any committee of directors as well as the resolutions adopted by the directors or any committee of directors;
- (d) adequate accounting records pursuant to the Act;
- (e) if any debt obligation is issued by the Corporation, a debt obligations register that complies with section 44 of the Act;
- (f) a register of directors containing the name, current residential address, and email address of each director (if the director has consented to receiving information or documents by electronic means), and the dates the person became a director and, if applicable, ceased to be a director;
- (g) a register of officers containing the name, current residential address, and email address of each officer (if the officer has consented to receiving information or documents by electronic means), and the dates the person became an officer and, if applicable, ceased to be an officer; and
- (h) a register of members containing the name, current residential or business address, and email address of each member (if the member has consented to receiving information or documents by electronic means), and the dates the entity became a member and, if applicable, ceased to be a member. The register shall indicate whether the member is a Regional District Member or First Nations Government Member and shall be in alphabetical order by member name.

SECTION 14 BY-LAWS & EFFECTIVE DATE

14.1 Changes to By-laws

Subject to the articles, the board of directors may, by resolution, make, amend or repeal any by-laws that regulate the activities or affairs of the Corporation. Any such by-law, amendment or repeal shall be effective from the date of the resolution of directors until the next meeting of members where it may be confirmed, rejected or amended by the

members by ordinary resolution. If the by-law, amendment or repeal is confirmed or confirmed as amended by the members it remains effective in the form in which it was confirmed. The by-law, amendment or repeal ceases to have effect if it is not submitted to the members at the next meeting of members or if it is rejected by the members at the meeting.

This section does not apply to a by-law that requires a special resolution of the members according to subsection 197(1) of the Act (fundamental change) because such by-law amendments or repeals are only effective when confirmed by members.

14.2 Effective Date

Subject to matters requiring a special resolution, this by-law shall be effective when made by the board.

CERTIFIED to be By-Law No. 1 of the Corporation, as enacted by the directors of the Corporation by resolution on the 28th day of March, 2013 and confirmed by the members of the Corporation by special resolution on the 25th day of April, 2013.

Dated as of the 26 day of April, 2013.



Authorized director or officer