

CROSS COUNTRY SKI ASSOCIATION
OF SOUTHERN ONTARIO

General Working By-law
BY-LAW NUMBER 2001.1

A by-law relating generally to the conduct of the affairs of
CROSS COUNTRY SKIASSOCIATION OF SOUTHERN ONTARIO

Table of Contents

Table of Contents	1
1 INTERPRETATION	3
1.1 Meaning of Words	3
1.2 Corporations Act Terms	3
2 HEAD OFFICE.....	3
3 SEAL.....	3
4 BOARD	3
4.1 Board	3
4.2 Elected Directors	4
4.3 Qualifications	4
4.4 Vacancies	4
4.5 Removal of Directors	4
4.6 Quorum.....	4
4.7 Meetings	4
4.8 Notice	4
4.9 Regular Meetings	4
4.10 Meetings by Conference Telephone	5
4.11 Voting	5
4.12 Remuneration of Directors	5
4.13 Indemnities to Directors	5
4.14 Protection of Directors and Officers	5
4.15 Responsibility for Acts	5
4.16 Others Present	6
5 OFFICERS	6
5.1 Executive Officers	6
5.2 President	6
5.3 Vice-President	6
5.4 Secretary	6
5.5 Treasurer	6
5.6 Other Officers	6
6 ELECTION OF BOARD.....	7
6.1 Election.....	7
6.2 Term of Office.....	7
6.3 Re-Election	7
6.4 Elections	7
6.5 Nominations.....	7
6.7 Election Method.....	7
6.8 Forms	7
7 MEMBERSHIP.....	7
7.1 Composition.....	7
7.2 Classes.....	7
7.3 Member Clubs	7
7.4 Associate Members	8
7.5 Honourary Members.....	8
7.6 Applications	8
7.7 Voting Classes.....	8
7.8 Holding Office	8
7.9 Transfer of Membership	8
7.10 Revocation of Membership.....	8

7.11 Termination of Membership.....	8
7.12 Membership Dues	8
7.13 Liability of Members	8
7.14 Annual Meeting	9
7.15 General Meeting.....	9
7.16 Notice of Meetings.....	9
7.17 Quorum.....	9
7.18 Voting by Members	9
7.19 Proxies.....	9
7.20 Show of Hands	10
7.21 Chair	10
7.22 Polls	10
7.23 Adjournments	10
8 COMMITTEES.....	10
8.1 StandinG Committee	10
8.2 Ad Hoc Committees	10
8.3 Rules Governing Committees	11
8.4 Nominating Committee.....	11
9 EXECUTION OF DOCUMENTS	11
9.1 Cheques, Drafts, Notes, Etc.....	11
9.2 Execution of Documents	11
9.3 Books and Records	11
10 BANKING ARRANGEMENTS	12
10.1 Board Designate Bankers	12
10.2 Deposit of Securities	12
11 FINANCIAL YEAR	12
11.1 Year Selected.....	12
12 NOTICE	12
12.1 Method of Notice	12
12.2 Computation of Time	12
12.3 Omissions and Errors.....	12
13 BY-LAWS AND AMENDMENTS, ETC.....	13
13.1 Enactment	13
14 EFFECTIVE DATE	13
14.1 Effective on Passin.....	13

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BE IT ENACTED as a by-law of
CROSS COUNTRY SKIASSOCIATION OF SOUTHERN ONTARIO
(the "Corporation") as follows:

1 INTERPRETATION

1 .1 Meaning of Words

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

1 .1.1 the singular includes the plural;

1.1.2 the masculine gender includes the feminine;

1.1.3 "Board" means the board of directors of the Corporation;

1.1.4 "Committee" means any committee established by the Board pursuant to Article 8;

1.1.5 "Corporation" means Cross Country Ski Association of Southern Ontario;

1 .1 .6 "Corporations Act" means the Corporations Act, R.S.O. 1980, Chapter 8g, and any statute amending or enacted in substitution therefor, from time to time;

1.1 .7 "documents", includes deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, bonds, debentures or other securities and all paper writings;

1.1.8 "director" means a person who has been elected to the office of director in accordance with Article 8, or appointed to fill a vacancy in the office of director in accordance with Section 4.4;

1.1.9 "Executive Officers" means the persons who hold the offices enumerated in section 5.1.

1.2 Corporations Act Terms

All terms defined in the Corporations Act have the same meanings in this by-law and all other by-laws and resolutions of the Corporation.

2 HEAD OFFICE

The head office of the Corporation shall be in the Town of Orangeville in the Province of Ontario, and at such place therein as the Board may from time to time determine.

3 SEAL

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

4 BOARD

4.1 Board

Subject to the provisions of any special resolution changing the number of directors, the affairs of the Corporation shall be managed by a Board composed of not less than four (4) nor more than ten (10) elected directors, as determined by resolution of the Directors.

4.2 Elected Directors

Elected directors, subject to the provisions of section 4.4, shall be elected in the manner set out in Article 6 each of whom, subject to the provisions of the Letters Patent and the Supplementary Letters patent, shall hold office until the next annual meeting after election to office and until the successor of the director has been elected and qualified.

4.3 Qualifications

Each director shall

4.3.1 be at the date of, or become within ten (10) days after, the election of the person as, and thereafter remain throughout the term of office, a member of the Corporation who is qualified by the terms of section 7.8 to hold office;

4.3.2 be at least twenty-one (21) years of age; and

4.3.3 not be an undischarged bankrupt nor a mentally incompetent person.

If a person ceases to be a member of the Corporation who is qualified by the terms of section 7.8 to hold office, or becomes bankrupt or a mentally incompetent person, the person thereupon ceases to be a director, and the vacancy so created may be filled in the manner prescribed by section 4.4.

4.4 Vacancies

So long as a quorum of the directors remains in office, a vacancy on the Board may be filled by the directors from among the qualified members of the Corporation. If no quorum of directors exists, the remaining directors shall forthwith call a general meeting of members to fill the vacancies on the Board.

4.5 Removal of Directors

The members entitled to vote may, by resolution passed by at least two thirds (2/3) of the votes cast at a general meeting of which notice specifying the intention to pass the resolution has been given, remove any director before the expiration of the term of office, and may, by a majority of the votes cast at that meeting, elect any person in the place and stead of the person removed for the remainder of term of the removed director.

4.6 Quorum

A quorum for the transaction of business at meetings of the Board shall be the smallest whole number that is not less than two-fifths (2/5) of the number of members of Board.

4.7 Meetings

Meetings of the Board and of the Executive Committee (if any) may be held at any place within or outside Ontario, as designated in the notice calling the meeting. Meetings of Board may be called by the president, the Vice-President or the Secretary or any two (2) directors.

4.8 Notice

Subject to the provisions of section 4.9, notice of Board meetings shall be delivered, mailed or telephoned to each director not less than two (2) days before the meeting is to take place. The statutory declaration of the Secretary or President that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. No formal notice of a meeting is necessary if all the directors are present or if those absent have signified their consent to the meeting being held without notice and in their absence.

4.9 Regular Meetings

The Board may appoint one or more days in each year for regular meetings of the Board at a place and time named; no further notice of the regular meetings need be given. The Board shall hold a meeting within seven (7) days following the annual meeting of the Corporation for the purpose of organization, the election and appointment of officers and the transaction of any other business.

4.10 Meetings by Conference Telephone

If all persons who are members of the Board or a Committee (as the case requires) consent thereto generally or in respect of a particular meeting and each has adequate access, such persons may participate in a meeting of the Board or Committee by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a person participating in such a meeting by such means is deemed to be present at the meeting.

Provided that at the outset of each such meeting, and whenever votes are required, the Chair of the meeting shall call roll to establish quorum, and shall, whenever not satisfied that the proceedings of the meeting may proceed with adequate security and confidentiality, unless a majority of the persons present at such meeting otherwise require, adjourn the meeting to a predetermined date, time and place.

4.11 Voting

Questions arising at any meeting of the Board shall be decided by a majority vote. In the case of an equality of votes, the question shall be deemed to have been lost. At all meetings of the Board, every question shall be decided by a show of hands unless a poll on the question is required by the Chairman or requested by any director. A declaration by the Chairman that a resolution has been carried and an entry to that effect in the minutes is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution.

4.12 Remuneration of Directors

The directors of the corporation shall serve without remuneration.

4.13 Indemnities to Directors

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

4.13.1 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 such director or officer for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by such director or officer in or about the execution of the duties of the office; and

4.13.2 all other costs, charges and expenses which such director or officer sustains or incurs in or about or in relation to the affairs thereof, except the costs, charges or expenses occasioned by the willful neglect or default of such director.

4.14 Protection of Directors and Officers

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 for conformity 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 out 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 the respective office or trust or in relation thereto unless the same shall happen by or through the failure of such directors or officers to act honestly and in good faith in the performance of the duties of office, or other wrongful and willful act, or through the wrongful or willful neglect or default of such directors or officer.

4.15 Responsibility for Acts

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.

4.16 Others Present

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

5 OFFICERS

5.1 Executive Officers

There shall be a President, one or more Vice-Presidents, Secretary, and Treasurer, each of whom shall be a director elected by the Board from among their number. One person may hold more than one office, except the office of President and Vice-President.

5.2 President

The President shall, when present, preside at all meetings of the Board and of the members (and of the Executive Committee, if any). The President shall supervise the affairs and operations of the Corporation, sign all documents requiring the signature of the President, and have the other powers and duties from time to time prescribed by the Board or incident to the office.

5.3 Vice-President

During the absence or inability to act of the President, the duties and powers of the office may be exercised by the Vice-President (or if more than one, by the Vice-Presidents in order of seniority). If a Vice-president exercises any of those duties or powers, the absence or inability to act of the President shall be presumed with reference thereto. The Vice-Presidents shall also perform the other duties from time to time prescribed by the Board or Executive Committee (if any) or incident to the office.

5.4 Secretary

The Secretary shall be ex officio clerk of the Board or Executive Committee (if any); shall attend all meetings of the Board and of the Executive Committee (if any) to record all facts and minutes of those proceedings in the books kept for that purpose; shall give all notices required to be given to members and to directors; shall be the custodian of the corporate seal of the Corporation and of all books, papers, records, correspondence and documents belonging to the Corporation; and shall perform the other duties from time to time prescribed by the Board or Executive Committee (if any) or incident to the office.

5.5 Treasurer

The Treasurer shall keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account; shall deposit all moneys or other valuable effects in the name and to the credit of the Corporation in the bank or banks from time to time designated by the Board or Executive Committee (if any); shall disburse the funds of the Corporation under the direction of the Board or Executive Committee (if any), taking proper vouchers therefor; shall render to the Board or Executive Committee (if any), whenever required, an account of all transactions as Treasurer and of the financial position of the Corporation; shall co-operate with the auditors of the Corporation during any audit of the accounts of the Corporation; and shall perform the other duties from time to time prescribed by the Board or Executive Committee (if any) or incident to the office.

5.6 Other Officers

The Board may appoint other officers, including without limitation, Honourary Officers, and agents (and with such titles as the Board may prescribe from time to time) as it considers necessary and all officers shall have the authority and perform the duties from time to time prescribed by the Board. The Board may also remove at its pleasure any such officer or agent of the Corporation. The duties of all other officers of the Corporation appointed by the Board or Executive Committee (if any) shall be such as the terms of their engagement call for or the Board or Executive Committee (if any) prescribes.

6 ELECTTON OF BOARD

6.1 Election

Subject to the provisions of the Corporations Act, directors shall be elected by members entitled to vote.

6.2 Term of Office

The term of office of director shall be one (1) year.

6.3 Re-Election

A director, if otherwise qualified, is eligible for election for not more than six (6) consecutive full one-year terms, and thereafter is not eligible for re-election until a period of eleven (11) months has elapsed from the date of retirement of such director.

6.4 Elections

At each annual meeting a number of directors equal to the number of directors retiring shall be elected for the term of office established in section 6.2 by and from among the members eligible to vote and to hold office.

6.5 Nominations

6.6 Candidates for the office of director shall include:

6.6.1 the slate of candidates for office proposed by the Nominating Committee, or if there is no Nominating Committee, by the Executive Committee; and

6.6.2 the persons whose names are put in nomination by any member entitled to vote at any time before nominations are closed at the meeting of members at which the election of directors is held.

6.7 Election Method

Where:

6.7.1 the number of candidates nominated is equal to the number of offices to be filled, the Secretary of the meeting shall cast a single ballot electing that number of candidates for the offices; and

6.7.2 the number of candidates nominated is greater than the number of offices to be filled, the election shall be by ballot.

6.8 Forms

The Board may prescribe the form of nomination paper and the form of a ballot.

7 MEMBERSHIP

7.1 Composition

Membership in the Corporation shall consist of the applicants for incorporation and such persons as are admitted by and in the sole and absolute discretion of the Board, as members.

7.2 Classes

There shall be three classes of membership in the corporation:

7.2.1 Member Clubs;

7.2.2 Associate Members; and

7.2.3 Honourary Members.

7.3 Member Clubs

Member Clubs shall be the clubs in southern Ontario that are member clubs in good standing of "Cross Country Canada".

7.4 Associate Members

Associate Members shall be those persons, corporations or groups who are desirous of assisting the Corporation, and who have applied for and been admitted as Associate Members.

7.5 Honourary Members

From time to time, the Board may admit for life or lesser term without payment of any fee or assessment as an Honourary Member a person who, being or having been in the opinion of the Board a distinguished skier, official, coach or friend of skiing, and who has made an outstanding contribution to cross country skiing.

7.6 Applications

Unless otherwise determined by the Board, applicants for membership in the Corporation shall be admitted as Associate Members upon payment of the prescribed fee.

7.7 Voting Classes

All Members shall be entitled to vote in any proceedings of the corporation.

7.8 Holding Office

No person who is not an Associate Member shall be qualified to hold office in the Corporation as a director.

7.9 Transfer of Membership

Except for the transfer of membership from one class to another as otherwise provided in the by-laws of the corporation, if at all, a membership in the corporation is not transferable.

7.10 Revocation of Membership

Any member may be expelled from the corporation for cause by a two-thirds (2/3) vote taken by ballot of the members present and eligible to vote at an annual or other general meeting of members.

7.11 Termination of Membership

A membership in the Corporation automatically terminates upon the happening of any of the following events:

7.11.1 if the person, in writing, resigns as a member of the corporation;

7.11.2 if the member dies;

7.11.3 if a person is expelled from the Corporation pursuant to section 7.10; or

7.11.4 if an assessment under the authority of section 7.12 remains unpaid for more than sixty (60) days after notice of the assessment has been given to the member.

Notwithstanding termination of membership, a former member remains liable for any assessment levied under the authority of section 7.12 prior to termination of the membership

7.12 Membership Dues

Membership dues, assessments and similar obligations ("assessments") may only be levied if authorized by a majority vote of the Board, and a majority vote of the Members at an annual or other general meeting, notice of which shall include notice of intention to seek such authority. Notice of an assessment shall be mailed to each member.

Provided however, that no assessments may be levied against any Honourary Member.

7.13 Liability of Members

Members shall not, as such, be held answerable or responsible 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.

7.14 Annual Meeting

The annual meeting of the members shall be held each year within Ontario, at a time, place and date determined by the Board, for the purpose of:

- 7.14.1 hearing and receiving the reports and statements required by the Corporations Act to be read at and read before the corporation at an annual meeting;
- 7.14.2 electing such directors as are to be elected at such annual meeting;
- 7.14.3 appointing the auditor and fixing or authorizing the Board to fix the remuneration therefor; and
- 7.14.4 the transaction of any other business properly brought before the meeting.

7.15 General Meeting

The Board may at any time call a general meeting of members for the transaction of any business, the general nature of which is specified in the notice calling the meeting. A general meeting of members may also be called by the members as provided in the corporations Act.

7.16 Notice of Meetings

Notice of the time, place and date of meetings of members and the general nature of the business to be transacted shall be given at least ten (10) days before the date of the meeting to each member (and in the case of an annual meeting to the auditor of the Corporation) by sending by prepaid mail to the last address of the addressee shown on the Corporation's records.

7.17 Quorum

The presence of twenty percent (20%) of the Members, either in person or by proxy, constitute a quorum at any meeting of Members, and no business shall be transacted at any meeting unless the requisite quorum is present at the commencement of such business;

7.17.1 Provided however that where:

7.17.1.1 less than twenty percent (20%) of the Members but two (2) or more persons are present in person after one-half hour after the commencement time specified in the notice calling the meeting of members; and

7.17.1.2

the business transacted is limited to the selection of a Chair and a Secretary for the meeting, the recording of the names of those present, and the passing of a motion to adjourn the meeting with or without specifying a date, time and place for the resumption of the meeting,

then two (2) persons present in person constitute a quorum.

7.17.2 Provided further that at the meeting at the date, time and place specified in the motion to adjourn referred to in subsection 7.17.1.2, numbers of persons present required for quorum shall be divided by two.

7.18 Voting by Members

Unless otherwise required by the provisions of the Corporations Act or the by-laws of the Corporation, all questions proposed for consideration at a meeting of members shall be determined by a majority of the votes cast by members entitled to vote. In the case of an equality of votes, the question shall be deemed to have been lost.

7.19 Proxies

Every member, including a member that is a corporation or group, entitled to vote at meetings of members may by means of a proxy appoint a person who need not be a member, as nominee for the member, to attend and act at the meeting in the manner, to the extent and with the power conferred by the proxy. A proxy shall be in writing, shall be executed by the member entitled to vote or the attorney of the member authorized in writing, or, if the member is a body corporate, under its corporate seal or by an officer or

attorney thereof duly authorized, and ceases to be valid one year from its date. Subject to the requirements of the Corporations Act, a proxy may be in such form as the Board from time to time prescribes or in such other form as the Chairman 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.

7.20 Show of Hands

At all meetings of members every question shall be decided by a show of hands unless otherwise required by a by-law of the Corporation or unless a poll is required by the Chairman or requested by any member entitled to vote. Upon a show of hands, every member entitled to vote, or proxyholder for a member entitled to vote, present in person shall have one vote. Whenever a vote by show of hands has been taken upon a question, unless a poll is requested, a declaration by the Chairman that a resolution has been carried or lost by a particular majority and an entry to that effect in the minutes of the Corporation is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

7.21 Chair

In the absence of the President or the Vice-President, the members entitled to vote present at any meeting of members shall choose another director as Chair and if no director is present or if all the directors present decline to act as Chair, the members present shall choose one of their number to be Chair.

7.22 Polls

If at any meeting a poll is requested on the election of a Chairman or on the question of adjournment, it must be taken forthwith without adjournment. If a poll is requested on any other question, it shall be taken in the manner and either at once or later at the meeting or after adjournment as the Chairman directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was requested. A request for a poll may be withdrawn at any time prior to the taking of the poll.

7.23 Adjournments

Any meeting of members may be adjourned to any time and from time to time, and any business may be transacted at any adjourned meeting that might have been transacted at the original meeting from which the adjournment took place. No notice is required of any adjourned meeting.

8 COMMITTEES

8.1 Standing Committee

There shall be a Nominating Committee at any time there is no Executive Committee, and there may be such other Standing Committees and for such purposes as the Board or the Executive Committee (if any) may determine from time to time by resolution;

8.2 Ad Hoc Committees

There may be such Ad Hoc Committees and for such purposes as the Board or the Executive Committee (if any) may determine from time to time by resolution. The existence of each such Ad Hoc Committee shall be terminated automatically upon:

8.2.1 the delivery of its report;

8.2.2 the completion of its assigned task;

8.2.3 a change in the membership of the Board or Executive Committee by which it was constituted; or

8.2.4 a resolution to that effect of the Board or Executive Committee by which it was constituted; whichever first occurs.

8.2.5 Provided however that, in the case of termination pursuant to subsection 8.2.3, the Board or the Executive Committee (as the case may be) may by resolution continue such Ad Hoc Committee,

8.3 Rules Governing Committees

Except as otherwise provided by by-law of the Corporation, all Committees other than the Executive Committee are subject to the following:

8.3.1 the Chair and members shall be appointed by the Executive Committee, if any, otherwise by the Board, from among the members of the Corporation who are qualified to hold office;

8.3.2 at least one member of Executive Committee, if any, shall be appointed to serve on each Committee;

8.3.3 in addition to the members of a Committee appointed pursuant to subsection 8.3.1, the Executive Committee, if any, otherwise the Board, may appoint to any Committee, persons who are not members of the Corporation who are qualified to hold office; provided that the total number of such persons shall at all times remain less than one-third of the total number of persons who are members of such Committee;

8.3.4 a member of a Committee shall serve for a term ending at the annual meeting of members following appointment, and is eligible for reappointment for one or more additional terms;

8.3.5 each Committee shall meet at least annually, and more frequently at the will of its Chair or as required by its terms of reference, and as requested by the Executive Committee, if any, otherwise by the Board;

8.3.6 each Committee shall be responsible to, and report after each meeting to, the Executive Committee (or if none, to the Board);

8.3.7 subject to any rules established by the Executive Committee (or if none, by the Board), each Committee may establish its own rules of procedure and may appoint subcommittees.

8.4 Nominating Committee

The Nominating Committee (when one exists) shall

8.4.1 prepare a slate of one or more candidates for each office which will be vacant and for which an election is to be held at or after the annual meeting;

8.4.2 accept any additional written nominations for elected office any time prior to the holding of annual elections, but this does not preclude the Chair of the annual meeting from accepting further nominations from the floor at the time of the election;

8.4.3 make recommendations to the Board names of persons to fill vacancies in office or on the Board or on committees that occur throughout the year.

9 EXECUTION OF DOCUMENTS

9.1 Cheques. Drafts. Notes. Etc

All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by the officer or officers or person or persons and in the manner from time to time prescribed by the Board.

9.2 Execution of Documents

Documents requiring execution by the corporation may be signed by the President or a vice-president and the Secretary or the Treasurer or any two (2) directors, and all documents so signed are binding upon the Corporation without any further authorization or formality. The Board may from time to time appoint any officer or officers or any person or persons on behalf of the Corporation, either to sign documents generally or to sign specific documents. The corporate seal of the Corporation shall, when required, be affixed to documents executed in accordance with the foregoing.

9.3 Books and Records

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

10 BANKING ARRANGEMENTS

10.1 Board Designate Bankers

The Board shall designate, by resolution, the officers and other persons authorized to transact the banking business of the Corporation, or any part thereof, with the bank, trust company, or other corporation carrying on a banking business that the Board has designated as the Corporation's banker, to have the authority set out in the resolution, including, unless otherwise restricted, the power to,

- 10.1.1 operate the Corporation's accounts with the banker;
- 10.1.2 make, sign, draw, accept, endorse, negotiate, lodge, deposit or transfer any of the cheques, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money;
- 10.1.3 issue receipts for and orders relating to any property of the Corporation;
- 10.1.4 execute any agreement relating to any banking business and defining the rights and powers of the parties thereto; and
- 10.1.5 authorize any officer of the banker to do any act or thing on the Corporation's behalf to facilitate the banking business.

10.2 Deposit of Securities

The securities of the Corporation shall be deposited for safe keeping with one or more bankers, trust companies or other financial institutions to be selected by the Board. 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 and such authority may be general or confined to specific instances. The institutions which may be so selected as custodians of the Board shall be fully protected in acting in accordance with the directions of the Board and shall in no event be liable for the due application of the securities so withdrawn from deposit or the proceeds thereof.

11 FINANCIAL YEAR

11.1 Year Selected

The financial year of the Corporation shall terminate on the last day of November in each year or on such other date as the Board may from time to time by resolution determine.

12 NOTICE

12.1 Method of Notice

Except where otherwise provided in this by-law, notice shall be validly given if given by telephone, or if in writing, by prepaid letter post, by facsimile, by e-mail, or by other electronic method, addressed to the person for whom intended at the last address shown on the corporation's records.

12.2 Computation of Time

In computing the date when notice must be given under any provision of the by-laws requiring a specified number of days' notice of any meeting or other event, the date of giving the notice is, unless otherwise provided, included.

12.3 Omissions and Errors

The accidental omission to give notice of any meeting of the Board, a Committee or members or the non-receipt of any notice by any director or member or by the auditor of the Corporation or any error in any notice not affecting its substance does not invalidate any resolution passed or any proceedings taken at the meeting. Any director, member or the auditor of the Corporation may at any time waive notice of any meeting and may ratify and approve any or all proceedings taken thereat.

13 BY-LAWS AND AMENDMENTS. ETC.

13.1 Enactment

By-laws 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.

14 EFFECTIVE DATE

14.1 Effective on Passin

This bylaw shall come into force without further formality upon its enactment.

This by-law shall come into force without further formality upon its enactment.