

**BYLAWS
of the
CLAYOQUOT BIOSPHERE TRUST SOCIETY**

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SOCIETY ACT
BYLAWS
of the
CLAYOQUOT BIOSPHERE TRUST SOCIETY

PART 1. - INTERPRETATION

1.1 Definitions

In these Bylaws and the Constitution of the Society, unless the context otherwise requires:

- (a) **“Address of the Society”** means the address of the Society as filed from time to time with the Registrar in the Notice of Address;
- (b) **“Alternate Director”** means a Person appointed by a Participating Community to stand in place of the Primary Director in the event that such Primary Director is unable to attend a meeting of the Board;
- (c) **“BC”** means Her Majesty The Queen in right of the Province of British Columbia, or an agency thereof;
- (d) **“Board”** means the Directors acting as authorized by the Constitution and these Bylaws in managing or supervising the management of the affairs of the Society and exercising the powers of the Society;
- (e) **“Board Advisor”** means a Person appointed by Canada or BC, as the case may be, as a Board Advisor in accordance with these Bylaws;
- (f) **“Board Resolution”** means:
 - (i) a resolution passed at a duly constituted meeting of the Board by a simple majority of the votes cast by those Directors who are present and entitled to vote at such meeting; or
 - (ii) a resolution that has been consented to in writing by every Primary Director who would have been entitled to vote on the resolution in person at a meeting of the Board;
- (g) **“Bylaws”** means the bylaws of the Society as filed in the Office of the Registrar;
- (h) **“Canada”** means Her Majesty the Queen in right of Canada, or an agency thereof;
- (i) **“Canada Fund”** means all funds donated, granted or contributed at any time to the Society by Canada;
- (j) **“Chair”** means a Person elected to the office of Chair in accordance with these Bylaws and includes two (2) Persons elected to the offices of co-chair;

- (k) **“Clayoquot Biosphere Region”** means that area coincident with the traditional territories of the Ahousaht First Nation, the Hesquiaht First Nation, the Tla-o-qui-aht First Nation, the Toquaht First Nation and the Yuułuꞵiꞵath, and the District of Tofino, the District of Ucluelet and electoral area C of the Alberni-Clayoquot Regional District, within the traditional territories of the above First Nations;
- (l) **“Constitution”** means the constitution of the Society as filed in the Office of the Registrar;
- (m) **“Directors”** means those Persons who have become directors in accordance with these Bylaws and includes:
- (i) a Primary Director; and
 - (ii) an Alternate Director
- each of whom have not ceased to be directors and a “Director” means any one such Person;
- (n) **“Income Tax Act”** means the *Income Tax Act*, R.S.C. 1985 (5th Supp.), c.1 as amended from time to time;
- (o) **“Members”** means the applicants for incorporation of the Society and those Persons who have been appointed as a member by a Participating Community in accordance with these Bylaws and, in either case, have not ceased to be members, and a “Member” means any one of them;
- (p) **“Ordinary Resolution”** means
- (i) a resolution passed at a general meeting by the Members by a simple majority of the votes cast in person, or
 - (ii) a resolution that has been submitted to the Members and consented to in writing by 75% of the Members who would have been entitled to vote on the resolution in person at a general meeting of the Society, and a resolution so consented to is deemed to be an Ordinary Resolution passed at a general meeting of the Society;
- (q) **“Participating Communities”** means the following:
- (i) the Ahousaht First Nation;
 - (ii) the Hesquiaht First Nation;
 - (iii) the Tla-o-qui-aht First Nation;
 - (iv) the Toquaht First Nation;
 - (v) the Yuułuꞵiꞵath;
 - (vi) the District of Tofino;
 - (vii) the District of Ucluelet; and

(viii) the Alberni-Clayoquot Regional District

and “Participating Community” means any one such organization;

- (r) **“Person”** means a natural person;
- (s) **“Primary Director”** means the Person appointed by a Participating Community to be a Member of the Society which Person will also be a Director of the Society by virtue of these Bylaws;
- (t) **“Project Auditor”** means a Person familiar with the programs and activities conducted by the Society and who has experience managing programs and activities of a similar nature;
- (u) **“Registered Address”** of a Member or Director means the address of that Person as recorded in the register of Members or the register of Directors;
- (v) **“Registrar”** means the Registrar of Companies of the Province of British Columbia;
- (w) **“Society”** means **“Clayoquot Biosphere Trust Society”**;
- (x) **“Society Act”** means the *Society Act* R.S.B.C. 1996, c.433, as amended from time to time; and
- (y) **“Special Resolution”** means:
 - (i) a resolution passed at a general meeting by a majority of not less than 75% of the votes of those Members who, being entitled to do so, vote in person,
 - (1) of which the notice that the Bylaws provide, and not being less than 14 days’ notice, specifying the intention to propose the resolution as a Special Resolution has been given, or
 - (2) if every Member entitled to attend and vote at the meeting agrees, at a meeting of which less than 14 days’ notice has been given, or
 - (ii) a resolution that has been submitted to the Members and consented to in writing by every Member who would have been entitled to vote on the resolution in person at a general meeting of the Society, and a resolution so consented to is deemed to be a Special Resolution passed at a general meeting of the Society.

1.2 **Society Act Definitions**

The definitions in the *Society Act* on the date these Bylaws become effective apply to these Bylaws and the Constitution.

PART 2. - MEMBERSHIP

2.1 **Admission to Membership**

Membership in the Society will be restricted to the following Persons:

- (a) those Persons who are Members on the date these Bylaws come into force; and
- (b) those Persons subsequently appointed by the Participating Communities in accordance with Bylaw 2.2

provided in each case that such Person has not ceased to be a Member in accordance with Bylaw 2.10.

2.2 Appointment of Member

Each Participating Community will appoint one (1) Person to be a Member of the Society by delivering a notice of the appointment in writing to the Address of the Society.

In addition, the Persons appointed by the District of Tofino, the District of Ucluelet and the Alberni-Clayoquot Regional District (collectively, the "Municipalities") may jointly appoint up to two (2) Persons to be Members of the Society by delivering to the Address of the Society a notice of the appointment in writing signed by all of them.

2.3 Process for Selecting Appointees

Each Participating Community will establish and adhere to an open and publically accountable procedure for selecting Persons from the community for appointment as Members (and therefore Primary Directors in accordance with Bylaw 5.5 hereof) and Alternate Directors based on an objective assessment of the skills, knowledge and expertise that the Person can bring to the Society.

The procedure established by each Participating Community should permit interested community members with the opportunity to submit his or her credentials for serving as a Member, Primary Directors and Alternate Directors for consideration.

The Members appointed by the Municipalities will establish an open and publically accountable procedure for selecting Persons from the Participating Communities for appointment as Members (and therefore Primary Directors in accordance with Bylaw 5.5 hereof) in accordance with Bylaw 2.2 hereof based upon an objective assessment of the skills, knowledge and expertise that the Person can bring to the Society.

The procedure established by the Members appointed by the Municipalities should permit interested members of the Participating Communities with the opportunity to submit his or her credentials for serving as a Member/Primary Director.

2.4 Commencement of Appointment

An appointment of a Member is effective on the later of:

- (a) the date it is received by the Society; or
- (b) the effective date stated in the notice of appointment.

2.5 Membership Terms

Subject to Bylaw 2.10, every appointment or reappointment of a Member will be deemed to continue in force for a term of four (4) years from the date on which such appointment is effective.

Upon the expiry of a Member's term of membership, a Participating Community may reappoint a Person as a Member of the Society for an additional term of four (4) years.

The Board may, in its discretion and by Board Resolution, permit a Participating Community to reappoint a Person as a Member of the Society for additional four (4) year terms.

A Person who has served two (2) successive terms as a appointee of a Participating Community who is not granted a term extension by the Board will, if appointed by a different Participating Community, be considered a new appointment and will be entitled to serve two (2) successive four (4) year terms.

2.6 Temporary Appointment of Member

Notwithstanding the foregoing Bylaws, if a Participating Community fails to appoint a Member for a period of two (2) months, the Board may appoint a Person as a Member until a Member is appointed by the Participating Community whereupon the Board's appointment of the Member is revoked.

2.7 Membership not Transferable

Membership is not transferable.

2.8 Expulsion of Member

A Member may be expelled by Special Resolution. If a Member is expelled, the Participating Community will promptly appoint another Person to be a Member in accordance with these Bylaws.

A Person who is expelled as a Member may not be reappointed by any Participating Community for at least four (4) years.

2.9 Process for Expulsion

Notice of the Special Resolution to expel a Member will be accompanied by a brief statement of the reasons for the proposed expulsion and a copy of the notice will be provided to the Participating Community that appointed such Member. The Member who is the subject of the proposed expulsion will be provided with an opportunity to respond to the statement of reasons at or before the time the Special Resolution for expulsion is considered by the Members.

2.10 Cessation of Membership

A Person will immediately cease to be a Member:

- (a) upon the date which is the later of the date of delivering his or her resignation in writing to the secretary of the Society or to the Address of the Society and the effective date of the resignation stated thereon; or
- (b) upon the expiry of his or her term;
- (c) upon his or her expulsion; or
- (d) upon his or her death.

2.11 Dues

There will be no annual membership dues.

2.12 Standing of Members

All Members are deemed to be in good standing.

2.13 Compliance with Constitution, Bylaws and Policies

Every Member will, at all times:

- (a) uphold the Constitution and comply with these Bylaws and the policies of the Society adopted by the Directors from time to time; and
- (b) further and not hinder the purposes, aims and objects of the Society.

PART 3. - MEETINGS OF MEMBERS**3.1 Time and Place of General Meetings**

The general meetings of the Society will be held at such time and place, in accordance with the *Society Act*, as the Board decides.

3.2 Extraordinary General Meeting

Every general meeting other than an annual general meeting is an extraordinary general meeting.

3.3 Calling of Extraordinary General Meeting

The Board may, whenever it thinks fit, convene an extraordinary general meeting.

3.4 Notice of General Meeting

The Society will give not less than 14 days' written notice of a general meeting to those Members entitled to receive notice; but those Members may waive or reduce the period for a particular meeting by unanimous consent in writing.

The Society will also give notice of general meetings to the Participating Communities. Representatives of Participating Communities will be permitted to attend general meetings and may, if recognized by the Chair, participate in the meeting. Any such attendees are not Members and have no voting privileges.

3.5 Contents of Notice

Notice of a general meeting will specify the place, the day and the hour of the meeting and the business to be transacted at the meeting.

3.6 Omission of Notice

The accidental omission to give notice of a general meeting to, or the non-receipt of notice by, any Member entitled to receive notice does not invalidate proceedings at that meeting.

3.7 Annual General Meetings

The first annual general meeting of the Society will be held not more than 15 months after the date of incorporation, and thereafter an annual general meeting will be held at least once in every calendar year and not more than 15 months after the holding of the last preceding annual general meeting.

The Society's annual general meeting will be open to the public.

PART 4. - PROCEEDINGS AT GENERAL MEETINGS

4.1 Special Business

Special business is:

- (a) all business at an extraordinary general meeting except the adoption of rules of order; and
- (b) all business that is transacted at an annual general meeting, except:
 - (i) the adoption of rules of order;
 - (ii) consideration of the financial statements;
 - (iii) consideration of the report of the Directors;
 - (iv) consideration of the report of the auditor;
 - (v) the appointment of the auditor; and
 - (vi) such other business that, under these Bylaws or any governing statutes, ought to be transacted at an annual general meeting, or business which is brought under consideration by the report of the Directors if the report was issued with the notice of the meeting.

4.2 Requirement of Quorum

No business, other than the election of a Person to chair the meeting and the adjournment or termination of the meeting, will be conducted at a general meeting at a time when a quorum is not present.

4.3 Loss of Quorum

If at any time during a general meeting there ceases to be a quorum present, business then in progress will be suspended until there is a quorum present or until the meeting is adjourned or terminated.

4.4 Quorum

A quorum at a general meeting is six (6) Members.

4.5 Lack of Quorum

If within 30 minutes from the time appointed for a general meeting a quorum is not present, the meeting, if convened on the requisition of Members, will be terminated; but in any other case it will stand adjourned to the next day, at the same time and place, and if, at the adjourned meeting, a quorum is not present within 30 minutes from the time appointed for the meeting, the Members present will constitute a quorum.

4.6 Chair

The Chair of the Society will, subject to a Board Resolution appointing another Person, chair all general meetings; but if at any general meeting the Chair, or such alternate Person appointed by a Board Resolution, is not present within 15 minutes after the time appointed for the meeting or requests that he or she not chair that meeting, the Members present may choose one of their number to chair that meeting.

4.7 Alternate Chair

If a Person presiding as chair of a general meeting wishes to step down as chair for all or part of that meeting, he or she may designate an alternate to chair such meeting or portion thereof, and upon such designated alternate receiving the consent of a majority of the Members present at such meeting, he or she may preside as chair.

4.8 Adjournment

A general meeting may be adjourned from time to time and from place to place, but no business will be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

4.9 Notice of Adjournment

It is not necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting except where a meeting is adjourned for more than 14 days, in which case notice of the adjourned meeting will be given as in the case of the original meeting.

4.10 Ordinary Resolution Sufficient

Any issue at a general meeting which is not required by these Bylaws or the *Society Act* to be decided by a Special Resolution will be decided by an Ordinary Resolution.

4.11 Entitlement to Vote

Each Member is entitled to one (1) vote.

4.12 Decisions by Show of Hands, Voice Vote or Secret Ballot

Voting will be by show of hands or voice vote recorded by the secretary of the meeting, except that, at the request of any two (2) Members present at the meeting, a secret vote by written ballot will be required.

4.13 Voting by Proxy

Voting by proxy is not permitted.

4.14 Ordinary Resolution in Writing

A resolution in writing which is identified as an Ordinary Resolution and signed by a minimum of 75% of the Members who would have been entitled to vote on the resolution at a general meeting of the Society is as valid and effectual as an Ordinary Resolution as if it had been passed at a meeting of Members duly called and constituted and will be deemed to be an Ordinary Resolution. Such a resolution may be in two or more counterparts which together will be deemed to constitute one Ordinary Resolution in writing. Such Ordinary Resolution will be filed with minutes of the proceedings of the Members and will be deemed to be passed on the date stated therein or, in the absence of such a date being stated, on the latest date stated on any counterpart.

4.15 Special Resolution in Writing

A resolution in writing which is identified as a Special Resolution and has been signed by all the Members who would have been entitled to vote on the resolution at a general meeting of the Society is as valid and effectual as a Special Resolution as if it had been passed at a meeting of Members duly called and constituted and will be deemed to be a Special Resolution. Such a resolution may be in two or more counterparts which together will be deemed to constitute one Special Resolution in writing. Such Special Resolution will be filed with minutes of the proceedings of the Members and will be deemed to be passed on the date stated therein or, in the absence of such a date being stated, on the latest date stated on any counterpart.

4.16 Copy of Special Resolution to be filed with the Registrar

A copy of any Special Resolution passed in accordance with the Bylaws will be filed with the Registrar in the appropriate form and will not take effect until such copy is accepted by the Registrar.

PART 5. - DIRECTORS

5.1 Powers of Directors

The Board may exercise all such powers and do all such acts and things as the Society may exercise and do, and which are not by these Bylaws or by statute or otherwise lawfully directed or required to be exercised or done by the Members in general meeting, but nevertheless subject to the provisions of:

- (a) all laws affecting the Society; and
- (b) these Bylaws and the Constitution.

5.2 Management of Property and Affairs

The property and the affairs of the Society will be managed by the Board.

5.3 Composition of Board

The Board will be composed of the following:

- (a) up to ten (10) Primary Directors; and
- (b) up to eight (8) Alternate Directors

appointed by the Participating Communities in accordance with these Bylaws.

5.4 Invalidation of Acts

No act or proceeding of the Board is invalid by reason only of there being less than the prescribed number of Directors in office.

5.5 Primary Directors

Each Member will be a Primary Director.

A notice of appointment of membership delivered by a Participating Community in accordance with Bylaw 2.2 will be deemed to be a notice of appointment of a Primary Director by that Participating Community.

5.6 Alternate Directors

Each Participating Community may appoint one (1) Person as an Alternate Director.

Alternate Directors may be appointed by delivering a notice of appointment in writing to the Address of the Society.

A Person who is currently appointed as a Primary Director may not be appointed as an Alternate Director.

5.7 Board Advisors

Canada may appoint up to three (3) Persons as Board Advisors.

BC may appoint one (1) Person as a Board Advisor.

Board Advisors may be appointed by delivering a notice of appointment in writing to the Address of the Society.

A Person who is a Primary Director or an Alternate Director may not be appointed as a Board Advisor.

A Board Advisor is entitled to receive notice of and attend all meetings of the Board and to participate in discussions of the Board.

Canada and BC may revoke the appoint of any Board Advisor at any time by delivering a notice of revocation in writing to the Address of the Society.

5.8 Commencement of Appointment of Directors and Board Advisors

An appointment of a Director or Board Advisor is effective on the later of:

- (a) the date it is received by the Society; or
- (b) the effective date stated on the notice of appointment.

5.9 Directors' Term of Office

Every appointment or reappointment of a Director will be deemed to continue in force for a term of four (4) years from the date on which such appointment is effective.

Upon the expiry of a Director's term of office, he or she may be reappointed for a further term of four (4) years by a Participating Community, Canada or BC, as the case may be.

5.10 Directors Subscribe to and Support Purposes

Every Director will unreservedly subscribe to and support the purposes of the Society.

5.11 Primary Director Conduct

A Primary Director who:

- (a) is absent without reasonable excuse at three (3) consecutive meetings of the Board; or
- (b) engages in conduct or behaviour that is contrary to the interests of the Society or otherwise inappropriate

may be the subject of a Special Resolution for expulsion in accordance with Bylaws 2.8, 2.9 and 5.13.

Before considering a Special Resolution to remove a Primary Director for absenteeism or inappropriate conduct, the Board will notify the Participating Community that appointed the Primary Director of its concerns.

5.12 Alternate Director Conduct

An Alternate Director who engages in conduct or behaviour that is contrary to the interests of the Society or otherwise inappropriate may be the subject of a Special Resolution for expulsion in accordance with Bylaws 2.8, 2.9 and 5.13.

Before considering a Special Resolution to remove an Alternate Director for inappropriate conduct, the Board will notify the Participating Community that appointed the Alternate Director of its concerns.

5.13 Removal of Director

The Members may remove a Director by Special Resolution.

A Person who was removed as a Director by Special Resolution may not be appointed by a Participating Community for at least four (4) years following the date of his or her removal.

5.14 Ceasing to be a Director

A Person will automatically cease to be a Director:

- (a) upon the date which is the later of the date of delivering his or her resignation in writing to the secretary of the Society or to the Address of the Society and the effective date of the resignation stated therein; or
- (b) upon the expiry of his or her term; or
- (c) in the case of a Primary Director, upon the date he or she ceases to be a Member; or
- (d) upon his or her removal; or
- (e) upon his or her death.

5.15 Reimbursement of Directors' Expenses

A Director may be reimbursed for all expenses necessarily and reasonably incurred by him or her while engaged in the affairs of the Society.

5.16 Compensation of Directors

A Director is not entitled to any compensation.

5.17 Powers of the Board

The Board will have the power to make expenditures, including grants, gifts and loans, whether or not secured or interest-bearing, in furtherance of the purposes of the Society. The Board will also have the power to enter into trust arrangements or contracts on behalf of the Society in furtherance of the purposes of the Society.

5.18 Investment of Property and Standard of Care

If the Board is required to invest funds on behalf of the Society, the Board may invest the property of the Society in any form of property or security in which a prudent investor might invest. The standard of care required of the Directors is that they will exercise the care, skill, diligence and judgment that a prudent investor would exercise in making investments in light of the purposes and distribution requirements of the Society.

5.19 Investment in Mutual or Pooled Funds

The property of the Society may be invested by the Board, or by any agent or delegate of the Board, in any mutual fund, common trust fund, pooled fund or similar investment.

5.20 Investment Advice

The Directors may obtain advice with respect to the investment of the property of the Society and may rely on such advice if a prudent investor would rely upon the advice under comparable circumstances.

5.21 Delegation of Investment Authority to Agent

The Directors may delegate to a stockbroker, investment dealer, or investment counsel the degree of authority with respect to the investment of the Society's property that a prudent investor might delegate in accordance with ordinary business practice.

PART 6. - PROCEEDINGS OF THE BOARD

6.1 Procedure of Meetings

After issuance of the certificate of incorporation, a meeting of the Board will be held at which the Directors may:

- (a) appoint officers;
- (b) make banking arrangements;
- (c) appoint an auditor to hold office until the first annual general meeting; and
- (d) transact any other business.

Subsequent meetings of the Board may be held at any time and place determined by the Board, provided that two (2) days' notice of such meeting will be sent to each Director. However, no formal notice will be necessary if all Directors were present at the preceding meeting when the time and place of the meeting were determined or are present at the meeting or waive notice thereof in writing or give a prior verbal waiver to the secretary of the Society.

6.2 Quorum

The Board may from time to time fix the quorum necessary to transact business and, unless so fixed, the quorum will be a majority of the Primary Directors currently in office.

A Director who has, or may have, an interest in a proposed contract or transaction with the Society will be counted in the quorum at a meeting of the Board at which the proposed contract or transaction is considered but is not entitled to vote on the proposed contract or transaction.

6.3 Chair of Meetings

The Chair of the Society will, subject to a Board Resolution appointing another Person, chair all meetings of the Board; but if at any Board meeting the Chair or such alternate Person appointed by a Board Resolution is not present within 15 minutes after the time appointed for the meeting, or requests that he or she not chair that meeting, the Directors present may choose another Primary Director to chair that meeting.

6.4 Alternate Chair

If the Person presiding as chair of a meeting of the Board wishes to step down as chair for all or part of that meeting, he or she may designate an alternate to chair such meeting or portion thereof, and upon such designated alternate receiving the consent of a majority of the Directors present at such meeting, he or she may preside as chair.

6.5 Calling of Meetings

The Chair will convene meetings of the Board.

6.6 Notice

Each Director is entitled to receive notice of a meeting of the Board. For the purposes of the first meeting of the Board held immediately following the appointment of a Director or Directors at an annual or other general meeting, or for the purposes of a meeting of the Board at which a Director is appointed to fill a vacancy in the Board, it is not necessary to give notice of the meeting to the newly elected or appointed Director or Directors for the meeting to be properly constituted.

Board meetings are open to the public except for matters the Board by Board Resolution decides are to be conducted *in camera*.

6.7 Passing Resolutions

Any issue at a meeting of the Board which is not required by these Bylaws or the *Society Act* to be decided by a resolution requiring more than a simple majority will be decided by Board Resolution.

6.8 Procedure for Voting

Voting will be by show of hands or voice vote recorded by the secretary of the meeting except that, at the request of any one Director, a secret vote by written ballot will be required.

6.9 Resolution in Writing

A Board Resolution in writing which has been deposited with the secretary is as valid and effectual as if it had been passed at a meeting of the Board duly called and constituted. Such Board Resolution may be in two or more counterparts which together will be deemed to constitute one resolution in writing. Such resolution will be filed with minutes of the proceedings of the Board and will be deemed to be passed on the date stated therein or, in the absence of such a date being stated, on the latest date stated on any counterpart.

A Board Resolution in writing must be signed by each of the Primary Directors.

6.10 Alternate Directors

An Alternate Director is entitled to receive notice of every meeting of the Board and to attend any meeting of the Board.

Subject to Part 7 of these Bylaws, if both the Primary Director and the Alternate Director appointed by a Member are present at a meeting of the Board, the Alternate Director does not count towards the quorum of the meeting and does not exercise a vote on any matter before the Board.

However, if a Primary Director appointed by a Member leaves a meeting and the corresponding Alternate Director is present, then the Alternate Director counts toward the quorum of the meeting and may exercise a vote on all matters unless and until such time as the Primary Director returns.

Any vote cast by an Alternate Director where the corresponding Primary Director is present will be disregarded.

7. CONFLICT OF INTEREST

7.1 Declaration of Conflict

A Director who has, or may have, a direct or indirect interest in a proposed contract or transaction with the Society will disclose fully and promptly the nature and extent of his or her interest to each other director and will otherwise comply with the provisions of the Society Act and any policies of the Society relating to conflicts of interest from time to time in effect.

7.2 Non-Participation in Discussion

A Director who has declared his or her conflict of interest in accordance with Bylaw 7.1 will not further participate in any discussion of the Board, or a committee thereof, relating to the proposed transaction, unless invited by the Chair to provide information to other Directors.

A Director who has declared his or her conflict of interest in accordance with Bylaw 7.1 will not, under any circumstances, cast a vote on any matter in respect of any matter that is germane to his or her conflict.

7.3 Vote by Alternate Director

If a Primary Director is precluded from participating in discussion of the Board, or a committee thereof, or from casting a vote in respect of a matter due to a conflict, the Alternate Director appointed by the Participating Community, if any, may, if present and subject the provisions of this part, participate and cast a vote on the matter.

PART 8. – COMMITTEES

8.1 Standing and Special Committees

The Board may create such standing and special committees as may from time to time be required. Any such committee will limit its activities to the purpose or purposes for which it is appointed and will have no powers except those specifically conferred by a Board Resolution. Unless specifically designated as a standing committee, any special committee so created must be created for a specified time period only. Upon completion of the earlier of the specified time period or the task for which it was appointed, a special committee will automatically be dissolved.

8.2 Delegation to Committees

The Board may delegate any, but not all, of its powers to committees which may be in whole or in part composed of Directors as it thinks fit.

8.3 Terms of Reference and Rules

In the event the Board decides to create a committee, it must establish Terms of Reference for such committee. A committee, in the exercise of the powers delegated to it, will conform to any rules that may from time to time be imposed by the Board in the Terms of Reference or otherwise, and will report every act or thing done in exercise of those powers at the next meeting of the Board held after it has been done, or at such other time or times as the Board may determine.

8.4 Meetings

The members of a committee may meet and adjourn as they think proper and meetings of the committees will be governed *mutatis mutandis* by the rules set out in these Bylaws governing proceedings of the Board.

PART 9. - DUTIES OF OFFICERS

9.1 Election of Officers

The Board will elect the officers. All officers must be Primary Directors. The Board will elect co-chairs, one of whom will be a Primary Director appointed by a First Nation, the other of whom will be a Primary Director appointed by one of the District of Tofino, the District of Ucluelet or the Alberni-Clayoquot Regional District together with such other officers as are required in accordance with these Bylaws, who will hold office until the first meeting of the Board held after the next following annual general meeting.

9.2 Secretary and Treasurer Required

The Board will appoint a secretary and treasurer and may appoint and remove such other officers of the Society as it deems necessary and determine the duties, responsibilities and term, if any, of all officers.

9.3 Removal of Officers

A Person may be removed as an officer by a resolution passed at a meeting of the Board by a majority of not less than two-thirds (2/3) of the Directors present.

9.4 Replacement

Should the Chair or any other officer for any reason not be able to complete his or her term, the Board will remove such officer from his or her office and will elect a replacement without delay.

9.5 Duties of Co-Chairs

The co-chairs will supervise the other officers in the execution of their duties and will preside at all meetings of the Society and of the Board.

9.6 Duties of Secretary

The secretary will be responsible for making the necessary arrangements for:

- (a) the issuance of notices of meetings of the Society and the Board;
- (b) the keeping of minutes of all meetings of the Society and the Board;
- (c) the custody of all records and documents of the Society, except those required to be kept by the treasurer;
- (d) the maintenance of the register of Members; and
- (e) the conduct of the correspondence of the Society.

9.7 Duties of Treasurer

The treasurer will be responsible for making the necessary arrangements for:

- (a) the keeping of such financial records, reports and returns, including books of account, as are necessary to comply with the *Society Act* and the *Income Tax Act*;
- (b) the rendering of financial statements to the Directors, Members and others, when required;
- (c) ensuring that the capital of the Canada Fund is restricted;
- (d) ensuring that the capital of the Canada Fund is segregated from any income thereof;
- (e) ensuring that separate accounts be maintained at one or more Canadian financial institutions for the purpose of segregating the capital of the Canada Fund from any income thereof and from other funds of the Society and that the account is managed by reputable investment advisors experienced in managing public endowment funds and who have met the requirements established by the Investment Industry Regulatory Organization of Canada to qualify as a manager of discretionary funds.

9.8 Absence of Secretary at Meeting

If the secretary is absent from any meeting of the Society or the Board, the Directors present will appoint another Primary Director to act as secretary at that meeting.

9.9 Combination of Offices of Secretary and Treasurer

The offices of secretary and treasurer may be held by one Person who will be known as the secretary-treasurer.

PART 10. – EXECUTION OF INSTRUMENTS

10.1 No Seal

The Society will not have a seal.

10.2 Execution of Instruments

Contracts, documents or instruments in writing requiring the signature of the Society may be signed by:

- (a) the Chair, together with the secretary or the treasurer, or
- (b) any two (2) Directors

and all contracts, documents and instruments in writing so signed will be binding upon the Society without any further authorization or formality. The Board will have power from time to time by Board Resolution to appoint any officer or officers, or any Person or Persons, on behalf of the Society either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing.

PART 11. - BORROWING

11.1 Powers of Directors

In order to carry out the purposes of the Society, the Board may, on behalf of and in the name of the Society, raise or secure the payment or repayment of money in any manner it decides, including the granting of guarantees, and in particular, but without limiting the foregoing, by the issue of debentures provided however that the Society may not provide security which charges any part of the original capital received by the Society or which breaches the requirements of any gift made to the Society. The Board may grant security charging the income earned from its original capital.

11.2 Issuance of Debentures

No debenture will be issued without the authorization of a Special Resolution.

11.3 Restrictions on Borrowing Powers

The Members may by Ordinary Resolution restrict the borrowing powers of the Board.

11.4 Business Plan

The Board will have a business plan covering the current and next two years for the guidance of the Board in their management of the affairs of the Society. The Auditor will be directed to provide comments on such plan each year in the auditor's report.

11.5 Development of Business Plan

In the development of the business plan the Board will seek public and donor input.

11.6 Investment Managers

The Board will, in selecting investment managers, use a procurement procedure which will include at least three (3) qualified investment managers.

11.7 Administration Expenses

The Board, in its business plan, will endeavour to control its administrative and operational expenses of the Society at a level sufficient to sustain the purposes of the Society.

11.8 Joint Ventures and Partnerships

The Board will not enter into joint ventures or partnerships and will not form subsidiaries or invest in the shares of non-publicly traded companies.

11.9 Recognition of Canada's Contribution

For projects funded by the Canada Fund, the original financial contribution made by Canada will be recognized in the literature announcing and describing the project and as a note in the Society's financial statements.

PART 12. - AUDITOR**12.1 Requirement**

The Society is required to be audited and to appoint an external auditor with the qualifications described in section 42 of the *Society Act*.

12.2 Appointment of Auditor at Annual General Meeting

If the Society wishes to appoint an auditor that auditor will be appointed at an annual general meeting to hold office until he, she or it is reappointed or his, her or its successor is appointed at the next following annual general meeting in accordance with the procedures set out in the *Society Act* or until the Society no longer wishes to appoint an auditor.

12.3 Removal of Auditor

An auditor may be removed by Ordinary Resolution in accordance with the procedures set out in the *Society Act*.

12.4 Notice of Appointment

An auditor will be promptly informed in writing of his, her or its appointment or removal.

12.5 Restrictions on Appointment

No Director or employee of the Society will act as auditor.

12.6 Attendance at Annual General Meetings

The auditor may attend general meetings.

12.7 Canada Fund Audit

Every three (3) years the Members will appoint a Project Auditor to audit the Canada Fund and the projects funded by the Canada Fund. The project audit will be based on criteria developed by the Board. The Project Auditor will collect performance information on projects funded by the Canada Fund and will report to the Members. The Project Auditor will work with the Board and the employees of the Society to review project plans, status reports and other project artefacts to determine if the projects were appropriately conducted and met their goals. The Project Auditor will provide feedback to the Board and employees of the Society for the future improvement of project management.

Canada may audit the Canada Fund at its own expense.

PART 13. - NOTICES**13.1 Entitlement to Notice**

Notices of a general meeting will be given to:

- (a) every Person shown on the register of Members as a Member on the day the notice is given; and

(b) the auditor.

No other Person is entitled to be given notice of a general meeting.

13.2 Method of Giving Notice

A notice may be given to a Member or a Director either personally, by delivery, facsimile, electronic mail, or by first class mail posted to such Person's Registered Address.

13.3 When Notice Deemed to have been Received

A notice sent by mail will be deemed to have been given on the day following that on which the notice was posted. In proving that notice has been given, it is sufficient to prove the notice was properly addressed and put in a Canadian Government post office receptacle with adequate postage affixed, provided that if, between the time of posting and the deemed giving of the notice, a mail strike or other labour dispute which might reasonably be expected to delay the delivery of such notice by the mails occurs, then such notice will only be effective when actually received. Any notice delivered either personally, by delivery, facsimile, or electronic mail will be deemed to have been given on the day it was so delivered or sent.

13.4 Days to be Counted in Notice

If a number of days' notice or a notice extending over any other period is required to be given, the day the notice is given or deemed to have been given and the day on which the event for which notice is given will not be counted in the number of days required.

PART 14. - MISCELLANEOUS

14.1 Inspection of Records

The documents, including the books of account, of the Society and the minutes of meetings of the Society and the Board will be open to the inspection of the Directors. The minutes of any meeting of the Society will be open to the inspection of Members in good standing upon reasonable notice to the keeper of such documents but the Members will not be entitled or have the right to inspect any other document of the Society.

14.2 Participation in Meetings

Any meeting of the Society, the Board or any committee, may also be held, or any Member, Director or committee member may participate in any meeting of the Society, the Board or any committee, by telephone or video conference call or similar communication equipment as long as all the Members, Directors, or Persons participating in the meeting can hear and respond to one another. All such Members, Directors, or Persons so participating in any such meeting will be deemed to be present in person at the stated location of such meeting and, notwithstanding the foregoing Bylaws, will be entitled to vote by a voice vote recorded by the secretary of such meeting. This method of voting will from time to time be used for passing resolutions.

14.3 Rules Governing Notice, Board Resolutions and Ordinary Resolutions

The rules governing when notice is deemed to have been given set out in these Bylaws will apply mutatis mutandis to determine when a Board Resolution will be deemed to have been submitted to all of the Directors and when an Ordinary Resolution will be deemed to have been submitted to all of the Members.

14.4 Right to become Member of other Society

The Society will have the right to subscribe to, become a member of, and cooperate with any other society, corporation or association whose purposes or objectives are in whole or in part similar to the Society's purposes.

14.5 Not a Reporting Society

Subject to an order of the Registrar pursuant to the *Society Act* stating that the Society is a "reporting society" as defined under the *Society Act*, the Society is not a "reporting society".

14.6 Branch Societies

The Society may establish and maintain one or more branch societies with the powers, not exceeding the powers of the Society, that the Society confers.

PART 15. - INDEMNIFICATION

15.1 Indemnification of Directors and Officers

Subject to the provisions of the *Society Act*, each Director and each officer of the Society will be indemnified by the Society against all costs, charges and expenses reasonably incurred in connection with any claim, action, suit or proceeding to which that Person may be made a party by reason of being or having been a Director or officer of the Society.

15.2 Indemnification of Past Directors and Officers

To the extent permitted by the *Society Act*, the Society will indemnify and hold harmless every Person heretofore now or hereafter serving as a Director or officer of the Society and that Person's heirs and personal representative.

15.3 Advancement of Expenses

To the extent permitted by the *Society Act*, all costs, charges and expenses incurred by a Director or officer with respect to any claim, action, suit or proceeding may be advanced by the Society prior to the final disposition thereof, in the discretion of the Board, and upon receipt of an undertaking satisfactory in form and amount to the Board by or on behalf of the recipient to repay such amount unless it is ultimately determined that the recipient is entitled to indemnification hereunder.

15.4 Approval of Court and Term of Indemnification

The Society will apply to the court for any approval of the court which may be required to ensure that the indemnities herein are effective and enforceable. Each Director and each officer of the Society on being elected or appointed will be deemed to have contracted with the Society upon the terms of the foregoing indemnities.

15.5 Indemnification not Invalidated by Non-Compliance

The failure of a Director or officer of the Society to comply with the provisions of the *Society Act*, or of the Constitution or these Bylaws, will not invalidate any indemnity to which he or she is entitled under this part.

15.6 Purchase of Insurance

The Society may purchase and maintain insurance for the benefit of any or all Directors, officers, employees or agents against personal liability incurred by any such Person as a Director, officer, employee or agent.

PART 16. - BYLAWS**16.1 Entitlement of Members to copy of Constitution and Bylaws**

On being admitted to membership, each Member is entitled to, and upon request the Board will provide him or her with, a copy of the Constitution and Bylaws of the Society.

16.2 Special Resolution required to Alter or Add to Bylaws

These Bylaws will not be altered or added to except by Special Resolution.