

Kapikog Lake Cottage Owner's Association Inc.
(Corp #486743)
By-laws

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Kapikog Lake Cottage Owner's Association Inc. (Corp #486743)

BY-LAW NO. 2022-A1

1. RECITATIONS

- a. Whereas the cottage owners and residents of the Kapikog Lake wish to:
 - i. Promote community amongst their neighbors
 - ii. Support enjoyment of the natural environment; and
 - iii. Encourage safe, sustainable and healthy activities and practices on and about the Lake.
- b. Such that, they have incorporated this Corporation to fulfill these goals and whose members are restricted to cottage owners on the lake with one and their families, hereinafter referred to as cottagers, who have elected to join in accordance with the requirements of the Corporation. Only one person from each cottage owner's family may be a member.

2. INTERPRETATION

2.1 Meaning of Words

In this By-Law and all other By-Laws, Resolutions, Board Regulations and any other policies of the Corporation, unless otherwise defined:

- a. "Act" means the *Corporations Act*, R.S.O. 1990, Chapter C.38, and any statute amending or enacted in substitution therefor, from time to time;
- b. "Annual Meeting" means an annual meeting of Members as provided in section 9.1;
- c. "Annual Business" shall include: consideration of the financial statements; consideration of the audit or review engagement report, if any; election of Directors; reappointment of the incumbent Auditor or person appointed to conduct a review engagement and, following the coming into force of the ONCA, an Extraordinary Resolution to have a review engagement instead of an audit or to not have an audit or a review engagement;
- d. "Cottager" means an individual who:
 - i. meets, annually, the minimum residency requirements established by the Board from time to time;
 - ii. Is a Member in good standing and has paid the membership fee in accordance with section 5.8, or whose membership fee has been waived in accordance with section 5.9;
- e. "Articles" means any document or instrument that incorporates the Association or modifies its incorporating document or instrument, including letters patent, supplementary letters patent, articles of amendment, articles of amalgamation, articles of arrangement, articles of continuance, articles of dissolution, articles of

- reorganization or articles of revival;
- f. "Auditor" means the Auditor of the Association appointed pursuant to Article 20;
 - g. "Board" means the Directors of the Association from time to time;
 - h. "By-Law" means this by-law and any other by-law of the Association that may be in force;
 - i. "Association" means Kapikog Lake Cottage Owner's Association Inc. (Corp. #486743) or KLCA;
 - j. "Committee" means any Committee established by the Board pursuant to Articles 12 and 13;
 - k. "Conflict of Interest" means any situation in which another interest or relationship impairs the ability of a Director to carry out the duties and responsibilities of a Director in an actual, potential, or perceived manner. Conflict of Interest includes, without limitation, the following areas that may give rise to a Conflict of Interest for the Directors of the Association, namely:
 - i. *Pecuniary or financial interest* - a Director is said to have a pecuniary or financial interest in a decision when the Director (or an Associate) stands to gain by that decision, either in the form of money, gifts, favours, gratuities, or other special considerations;
 - ii. *Undue influence* – being (a) interests that impede a Director in their duty to promote the best interest of the Association, (b) participation or influence in Board decisions that selectively and disproportionately benefit particular agencies, companies and organizations, professional groups, or client from particular demographic, geographic, political, socio-economic, cultural, or other groups, (c) any activity that is a violation of the Director's entrusted responsibility to the Association; or
 - iii. *Adverse interest* - a Director is said to have an adverse interest to the Association when that Director is a party to a claim, application or proceeding against the Association;
 - l. "Director" means a Director elected pursuant to Article 5;
 - m. "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;
 - n. "Extraordinary Resolution" means a resolution that is submitted to a Special Meeting duly called for the purpose of considering the resolution and passed at the meeting, with or without amendment, by at least eighty per cent (80%) of the votes cast, or consented to by each Member of the Association entitled to vote at a meeting of the Members or by the Member's attorney, provided however, that an Extraordinary Resolution is only applicable following the coming into force of the ONCA;

- o. "Government Regulations" means the regulations made under the Act or the ONCA, as applicable, as amended, restated or in effect from time to time;
- p. "Member" means a person who has become a Member in accordance with section 5.1;
- q. "Nominating Committee" means a committee of the Corporation as described in section 12.4;
- r. "ONCA" means the *Not-for-profit Corporations Act, 2010*, S.O. c. 15, and any statute or regulations that may be substituted, as amended from time to time;
- s. "Officer" means an officer elected or appointed pursuant to Article 10 or by Board resolution;
- t. "Ordinary Resolution" means a resolution submitted to a meeting of Directors or Members and passed at the meeting, with or without amendment, by at least a majority of the votes cast, or consented to by a Written Resolution of the Directors or Members;
- u. "President Emeritus" means the most recent past President of the Association, who serves as a non-elected voting member of the Board for a term of three (3) years, so long as they are still considered a Member in good standing. Should the most recent President not be available or incapable of serving, then the next most recent President may stand in the role;
- v. "Protected Person" means each person acting or having previously acted in the capacity of a Director, Officer or any other capacity at the request of or on behalf of the Association, and includes the respective heirs, executors and administrators, estate, successors and assigns of a person, who:
 - i. is a Director of the Association;
 - ii. is an Officer of the Association;
 - iii. is a member of a committee of the Association; or
 - iv. has undertaken, or, with the direction of the Association is about to undertake, any liability on behalf of the Association or any body corporate controlled by the Association, whether in the person's personal capacity or as a Director, Officer, employee or volunteer of the Association or such body corporate;
- w. "Special Business" includes all business transacted at a Special Meeting and all business transacted at an Annual Meeting, other than Annual Business;
- x. "Special Meeting" means, in the case of the Act, a general meeting of Members and, in the case of the ONCA, a special meeting of Members called pursuant to section 9.2;
- y. "Special Resolution" means as follows:
 - i. A resolution passed by the Board and confirmed, with or without variation, by at least two-thirds (2/3rds) of the votes cast by the Members present at a

meeting duly called for the purpose of considering the resolution; or

- ii. Following the coming into force of the ONCA, by a resolution submitted to a Special Meeting duly called for the purpose of considering the resolution and passed at the meeting, with or without amendment, by at least two-thirds (2/3rds) of the votes cast by the Members present at a meeting;
- z. “Written Resolution” means a resolution in writing signed by a quorum of the Directors or Members entitled to vote on that resolution at a meeting of the Board or the Members, as the case may be, and which is valid as if it had been passed at a meeting of the Board or Members.

3. AFFILIATION

3.1. Affiliation with Federation of Ontario Cottagers’ Associations (FOCA)

- a. The Association may from time-to-time become a member of FOCA, as defined in the FOCA By-Laws, and as such is subject to the FOCA By-Laws.
- b. To the extent that anything contained in this By-Law is contrary to the FOCA By- Laws, the policies and procedure contained herein shall prevail.

4. HEAD OFFICE

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

5. MEMBERSHIP

5.1. Composition

Subject to the Articles, there shall be one (1) class of Members in the Association, as follows:

- a. Cottagers, comprised of those individuals who have made an application to, and are admitted as Members by the Board; and
- b. Only one family member at each cottage may be a Member, there are no allowances or provisions for multiple family members of any one (1) cottage address, to vote on Membership business.

5.2. Members’ Rights

Subject to section 5.1, each Member shall be entitled to receive notice of, attend, speak at and vote at all meetings of the Members of the Association.

5.3. Term of Membership

The term of membership of a Member shall be one (1) year, to expire the end of each calendar year. Membership may be renewed annually upon payment of any dues as and when required under section 5.8.

5.4. Rejection of Application

The Board has the right, in its sole discretion, to refuse to grant membership to an individual and shall provide the applicant with written reasons as to its rejection of the applicant’s application in accordance with the policies of the Association in effect from time to time.

5.5. Transfer of Membership

Membership in the Association is only transferable to another member of the immediate Cottager family, upon duly proffered Notice to the board.

5.6. Discipline of Members

- a. The Board shall have authority to suspend or expel any Member from the Association for any one (1) or more of the following grounds:
 - i. violating any provision of the Letters Patent, Supplementary Letters Patent (as applicable), By-Laws, or written policies of the Association;
 - i. any conduct which may be detrimental to the Association as determined by the Board in its sole discretion; or
 - ii. for any other reason that the Board, in its sole and absolute discretion, considers to be reasonable, having regard to the purposes of the Association.

5.7. Termination of Membership

Membership in the Association automatically terminates upon the occurrence of any of the following events:

- a. the resignation in writing of a Member of the Association;
- b. the expiration of a Member's term of membership;
- c. the expulsion of a Member from the Association in accordance with section 5.6;
- d. the liquidation or dissolution of the Association under the Act; or
- e. if, unless otherwise waived by the Board in accordance with section 5.9, an assessment under the authority of section 5.8 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:

- a. remains liable for any assessment levied under the authority of section 5.8 prior to termination of the membership;
- b. shall not be entitled to a refund of any part of the membership fee paid by the Member as of the date of termination; and
- c. shall return any equipment or property belonging to the Association.

5.8. Membership Fees

Members shall be notified in writing of the membership fees at any time payable by them. ~~and, If~~ any part of such fees are not paid within thirty (30) days of the due date provided for in the membership application or any notice of assessment, as applicable, some or all of the membership rights of the Members in default shall be suspended until payment is received. Membership dues shall be as set by the Board from time to time.

5.9. Waiver of Membership Fees

In accordance with the policies of the Association that may be created or amended from time to time, the Board may, in its sole discretion, waive the membership fees otherwise payable by any Member.

5.10. No Compensation for Members

A Member shall not be entitled to any compensation upon termination of membership.

6. BOARD OF DIRECTORS

6.1. Board

Subject to the Act or the ONCA, as applicable, the affairs of the Association shall be managed by a Board consisting of five (5) Directors or more, and who shall be elected as Directors in accordance with section 7.1. The number of Directors may be increased or decreased, to not less than three (3) Directors, in the following manner:

- a. While the Act is in force, by Special Resolution as provided in section 2.1(y)(ii); and
- b. Following the coming into force of the ONCA, by Special Resolution as provided in section 2.1(y)(ii).

The Members thereafter delegate to the Directors the right to fix the number of Directors from time to time.

6.2. Qualifications

Each Director shall:

- a. In order to be eligible as a Director, be present at the meeting of Members at which he or she is elected or consent in writing to election as a Director before any such meeting or within ten (10) days thereafter;
- b. Be a:
 - i. Cottager; and
 - ii. Member in good standing.
- c. Be at least eighteen (18) years of age;
- d. Not be related to another person serving or who will serve on the Board as a Director;
- e. Not have the status of a bankrupt; and
- f. Not be a person who has been declared incapable by any court in Canada or elsewhere.

If a person ceases to be qualified as provided in this section 6.2, the person thereupon ceases to be a Director and the vacancy so created may be filled in the manner prescribed by section 5.04.

6.3. Removal of Directors

- a. The Board may remove a Director from office before the expiration of the Director's term of office by a majority of the votes cast by the Members entitled to elect the Director at a meeting duly called for the purpose to remove the Director.
- b. A Director may be removed with cause, which shall include, but is not limited to, failure

to attend two (2) consecutive meetings of the Board without leave or adequate excuse as determined by the Board.

- c. The Board may elect a person to replace the removed Director for the remainder of the term of office.
- d. A Director is entitled to give the Association a statement opposing their removal.
- e. Where the Members do not fill the vacancy created by the removal of a Director, the vacancy may be filled in accordance with section 6.4.

6.4. Vacancies

- a. Except as provided in the Act or the ONCA, as applicable, so long as a quorum of the Directors remains in office, a vacancy on the Board may be filled by resolution of the Directors of the Association. If no quorum of Directors exists, the remaining Directors shall call a Special Meeting to fill a vacancy on the Board. A Director who is elected or appointed to fill a vacancy shall hold office for the unexpired term of the Director's predecessor.
- b. The Directors are not required to fill a vacancy resulting from an increase in the number or the minimum or maximum number of Directors provided for in the Articles or a failure to elect the number or minimum number of Directors provided for in the By-Laws or Articles.

2. 6.5. Remuneration of Directors

The Directors of the Association shall serve without remuneration. Directors shall, however, be entitled to receive reimbursement for reasonable expenses incurred in carrying out their duties on behalf of the Association, at the discretion of the Board.

7. ELECTION OF THE OFFICERS AND DIRECTORS

7.1. Election of Officers and Directors

Subject to the provisions of the Act, the ONCA and the Articles, Officers and Directors shall be elected by the Members entitled to vote.

1. 7.2. Election in Rotation

Subject to the provisions of the Act, Officers and Directors, shall be elected by the Members entitled to vote and shall retire in rotation, with the exception of the President Emeritus, who shall not be elected, but appointed for a term of three (3) years.

At the first meeting of Members following the enactment of this By-Law at which there is an election of Officers and Directors.

- a. previously elected Officers and Directors who have one (1) or two (2) years remaining in their term of office shall continue to serve for their remaining term; and
- b. subsequently, any Officers and Director whose term of office has expired shall then be elected for a term ending at the third Annual Meeting following the Officer's or Director's election.

7.3. Term of Office

The term of office of Officers and Directors shall be three (3) years, to expire at the third Annual Meeting

following election.

7.4. Re-Election

Officers and Directors shall be eligible to serve for an unlimited number of consecutive terms.

7.5. Elections

At each Annual Meeting a number of Officers and Directors equal to the number of Directors retiring shall be elected by ballot, show of hands or as otherwise may be determined by the Chair of the Meeting, for the term of office established in section 7.3.

7.6. Nominations

Candidates for the office of Officers and Director shall comprise the slate of candidates for office proposed by the Nominating Committee, which slate shall contain only Members in good standing.

7.7. Forms

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

8. MEETING OF DIRECTORS

8.1. Calling Meetings

Meetings of the Board may be called by the President, or the Vice-President and any two (2) Directors and shall be held at the place specified in the notice.

8.2. Meeting Following Annual Meeting

The Board shall hold a meeting as soon as reasonably possible following the Annual Meeting of the Association for the purpose of organization, the election and appointment of Officers and the transaction of any other business, and no notice shall be required for this meeting.

8.3. Regular Meetings

The Board may appoint one (1) or more days in each year for regular meetings of the Board at a set place and time. 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 as soon as possible after being passed, but no other notice shall be required for any such regular meeting except as may be required pursuant to the Act.

8.4. Notice of Meetings

Subject to the provisions of sections 8.2, 8.3 and 21.5, notice of the time, place and date of any meeting of the Directors and the nature of the business to be conducted shall be given to each Director:

- a. by courier, personal delivery, fax, e-mail or other electronic means in writing at least ten (10) days before the meeting is to take place, excluding the date on which notice is given.

8.5. Meetings by Electronic Conference

- a. If all the Directors consent generally, or in respect of a particular meeting, any person entitled to attend a meeting of Directors may participate in a meeting by means of an electronic or other communication device that permits all participants to communicate adequately with each other during the meeting. Any person participating by electronic

conference is deemed to be present at that meeting. Any security, confidentiality or other considerations with respect to the conduct of such a meeting shall be as determined by the Board from time to time.

- b. Provided that at the outset of each such meeting, and whenever votes are required, the chair of the meeting shall confirm that a quorum is present.

8.6. Quorum

A quorum for the transaction of business at meetings of the Board shall be a minimum of 3 directors or 50% + 1 of directors in the circumstance that there are more than 5 directors at a given time. No business shall be conducted at any meeting of the Board unless a quorum of Directors is present throughout the meeting.

8.7. Voting

Each Director shall have one (1) vote on all questions arising at any meeting of the Board. 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 chair or requested by any Director. A declaration by the chair 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.

8.8. Written Resolutions

A Written Resolution, signed by all the Directors entitled to vote on that resolution at a meeting of Directors, is valid.

8.9. Adjournments

Any meeting of Directors may be adjourned to any time. Any business that might have been transacted at the original meeting from which the adjournment took place may be transacted upon the resumption of the adjourned meeting. No notice is required for the resumption of any adjourned meeting if the time and place of the adjourned meeting is announced at the original meeting.

9. MEETINGS OF THE MEMBERS

9.1. Annual Meeting

- a. An Annual Meeting shall be held within Ontario unless a place outside Ontario is specified in the Articles or all Members entitled to vote at the meeting consent to holding the Annual Meeting at a place outside Ontario, determined by the Board, for the purpose of conducting the Annual Business and any Special Business.
- b. The Annual Meeting shall be held not later than fifteen (15) months following the last Annual Meeting provided that any Annual Meeting shall be held within six (6) months of the financial year end of the Association.

9.2. Special Meeting

The Board may at any time call a Special Meeting for the transaction of any business specified in the notice calling the meeting. A Special Meeting may be held separately from or together with an Annual Meeting.

9.3. Fixing a Record Date

Following the coming into force of the ONCA, the Directors may fix a record date for each meeting to determine which Members are entitled to receive notice of the meeting and are entitled to vote at the meeting. A record date for providing notice must not be more than fifty (50) days before the day on which notice is sent and a record date for determining Members entitled to vote must not be more than fifty (50) days before the day the meeting is to be held. If the Directors do not fix a record date for which Members are entitled to receive notice of the meeting or to vote at such meeting, then the day shall be at the close of business on the day immediately preceding the day on which notice is given or if no notice is given, the day of the meeting.

9.4. Notice of Meetings

Subject to section 21.5, notice of the time, place and date of any Annual Meeting or Special Meeting and sufficient information for a Member to make a reasoned judgment on any Special Business to be considered, including information on any Special Resolution to be submitted to the meeting, shall be given to each Member entitled to vote at the meeting, to each Director and to the Auditor or the person appointed to conduct a review engagement of the Association not less than ten (10) days and not more than fifty (50) days before the day on which the meeting is to be held by:

- a. mail, courier or personal delivery;
- b. telephone, fax, e-mail or other electronic means;
- c. posting the notice on a notice board where such information is regularly posted and that is located in a place frequented by the Members; or
- d. in a publication of the Association sent to all Members entitled to vote.

9.5. Those Entitled to Be Present

The only persons entitled to be present at a meeting of Members shall be:

- a. those entitled to vote at the meeting, including Members and proxy holders;
- b. all cottagers on the lake, whether they are Members or not, are welcome to join and speak at the Annual Meeting. However, only Members are entitled to vote;
- c. the Directors and the Auditor or the person appointed to conduct a review engagement of the Association; and
- d. such other persons who are entitled or required under any provision of the Act or the ONCA, as applicable, the Articles or By-Laws of the Association to be present at the meeting.

Any other person may be admitted only on the invitation of the President or by Ordinary Resolution of the Members.

9.6. Quorum

- a. A quorum for the transaction of business at meetings of the Members shall be a majority all of the Members present in person or represented by proxy, the minimum number of members present for quorum to met shall be 10 (ten).
- b. No business shall be transacted at any meeting of the Members unless the necessary quorum is present at the commencement of such meeting.

Provided however that where:

- i. less than a quorum, but two (2) or more, persons are present in person one-half hour after the commencement time specified in the notice calling the meeting of Members; and
- ii. (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, for this limited purpose only.

9.7. Chair

In the absence of the President and the Vice-President, and the President Emeritus, the Members present and entitled to vote and present at any meeting of Members shall choose another Director as chair. If no Director is present or if all the Directors present decline to act as chair, the Members present and entitled to vote shall choose a Member to act as chair of the meeting.

9.8. Voting by Members

- a. The method of voting at any meeting of the Members shall be determined by the chair of the meeting prior to any vote being taken. Each Member shall have one (1) vote on each question raised at any meeting of the Members, and all questions shall be determined by Ordinary Resolution, unless otherwise specified. In the case of an equality of votes, the vote shall be deemed to have been lost.
- b. At all meetings of Members every question shall be decided by a show of hands unless otherwise required by a By-Law of the Association, the Act or the ONCA, as applicable or unless a ballot is required by the chair of the meeting.

9.9. Proxies

Proxies requested by any Member. Whenever a vote by show of hands has been taken upon a question, unless a ballot is requested, a declaration by the chair of the meeting that a resolution has been carried or lost by a particular majority and an entry to that effect in the minutes of the Association is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of, or against the motion.

- a. Every Member entitled to vote at meetings of Members may, by means of a proxy, appoint a person to attend the meeting on the Member's behalf to act in the manner set out in the proxy, to the extent and with the power conferred by the proxy and the Government Regulations. A proxy shall be in writing. The proxy holder need not be a Member.
- b. A proxy shall be executed by:
 - i. the Member entitled to vote;
 - ii. the attorney of the Member entitled to vote authorized in writing under a valid power of attorney; or
 - iii. if the Member is a body corporate, by an Officer or attorney of the body corporate duly authorized, or by the Authorized Representative.
- c. A proxy is valid only at the meeting for which it is given or at the continuation of that

meeting after an adjournment.

- d. Subject to the ONCA Regulations, a proxy shall be in such form as the Board prescribes or in such other form as the chair of the meeting may accept as sufficient, and must be in writing and only becomes a proxy when completed and signed by or on behalf of a member. Notwithstanding, the proxy form must conform to the following stipulations:
- e. indicate, in bold type, the meeting at which the proxy is to be used;
- f. indicate, in bold type, that a member may appoint a proxyholder, other than a person designated in the form of proxy, to attend and act on the member's behalf at the meeting, and contain instructions as to the manner in which the member may do so;
- g. contain a designated blank space for a signature and the date of signature;
- h. provide a means for the member to designate a different person as proxyholder, if the form of proxy designates a person as proxyholder;
- i. provide a means for the member to specify that the membership registered in their name is to be voted for or against each matter, or group of related matters, identified in the notice of meeting, other than the appointment and remuneration of an auditor or person to conduct a review engagement of the corporation, and the election of directors;
- j. provide a means for the member to specify that the membership registered in their name is to be voted or withheld from voting in respect of the appointment and remuneration of an auditor or person to conduct a review engagement of the corporation, or the election of directors; and
- k. state that the membership represented by the proxy is to be voted or withheld from voting, in accordance with the instructions of the member, on any ballot that may be called for and that, if the member specifies a choice under clause (e) or (f) with respect to any matter to be acted upon, the membership is to be voted accordingly.
- l. A proxy 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; provided that any proxy deposited by a Member that is a corporation and which has been executed by other than the Authorized Representative shall be accepted and counted over a proxy form signed by the Authorized Representative. The Board may set a deadline to deposit proxies, such deadline shall not exceed forty-eight (48) hours, excluding Saturdays and holidays before the meeting.

9.10. Ballot

A Member can demand a ballot during the meeting either before or after any vote by show of hands. If at any meeting a vote by ballot is requested on the election of a chair, it must be taken forthwith without adjournment. If a vote by ballot is requested on any other question, it shall be taken in the manner and time as the chair of the meeting directs. The result of a vote by ballot shall be deemed to be the resolution of the meeting at which it was requested. A request for a vote by ballot may be withdrawn at any time prior to the taking of the ballot.

9.11. Adjournments

Any meeting of Members may be adjourned to any time by the chair of the meeting. Any business that

might have been transacted at the original meeting from which the adjournment took place may be transacted upon the resumption of the adjourned meeting. No notice is required for the resumption of any adjourned meeting where the resumption of the meeting occurs less than thirty (30) days from the date of the original meeting, other than an announcement at a meeting that is adjourned.

9.12. Written Resolutions

A Written Resolution signed by all the Members entitled to vote on that resolution at a meeting of Members, including an Annual Meeting, is valid as if it had been passed at a meeting of Members, provided that, following the coming into force of the ONCA, the following matters may not be dealt with by Written Resolution:

- a. the resignation, removal or replacement of a Director, where a written statement has been submitted by the Director giving reasons for resigning or opposing their removal or replacement; and
- b. the resignation, removal or replacement of an Auditor, where a written statement has been submitted by the Auditor giving reasons for resigning or opposing their removal or replacement.

10. BOARD REGULATIONS

10.1. Board Regulations

The Board may make Board Regulations and policies with regard to any matter not inconsistent with the Act and the By-Laws.

11. OFFICERS

11.1. Officers

- a. The Membership shall elect, the following Officers, each of whom, unless otherwise provided in the By-Laws, shall be elected at an Annual Meeting.
 - i. a President, two (2) Vice-Presidents, Treasurer, and Secretary elected by the Membership and be from among the membership.

11.2. Term of Office of Officers

Subject to section 11.1, the term of office of each Officer who is not an employee of the Association shall be three (3) years, to expire at the third Annual Meeting following election or appointment. Any Officer who is an employee shall hold office at the pleasure of the Board, or pursuant to terms of employment.

11.3. President

The President shall, when present, preside at all meetings of the Board, the Members and the Executive Committee. The President shall supervise the affairs and operations of the Association, 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 Executive Committee or incident to the office. The President shall, when merited and possible, attend members' meetings of ONCA as the Delegate for the Association, as defined in the ONCA By-Laws. Where the President is unable to vote on behalf of the Association at members' meetings of ONCA, the President shall appoint, by means of proxy, a proxyholder to vote on behalf of the Association in accordance with the ONCA By-Laws.

11.4. Vice-Presidents

During the absence or inability to act of the President, the duties and powers of the office may be exercised by one of the Vice-Presidents and shall be selected by the Executive Committee to serve until such time as the President is able and willing to resume the position. If the selected 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 or incident to the office.

11.5. President Emeritus

The primary duty is to provide counsel to the Board and Executive Committee, offer history reference and perspective on issues before the Board, and ensure continuity of knowledge and know-how.

During the absence or inability to act of the President and the Vice President, the duties and powers of the office may be exercised by the President Emeritus. If the President Emeritus exercises any of those duties or powers, the absence or inability to act of the President shall be presumed with reference thereto. The President Emeritus shall also perform the other duties from time to time prescribed by the Board or Executive Committee or incident to the office.

11.6. Secretary

The Secretary shall:

- a. act as secretary of each meeting of the Association, the Board and Executive Committee;
- b. attend all meetings of the Association, the Board and the Executive Committee to record all facts and minutes of those proceedings in the books kept for that purpose;
- c. give all notices required to be given to the Members and to the Directors and the Executive Committee;
- d. be the custodian of the corporate seal of the Association, if any, and of all books, papers, records, correspondence and documents belonging to the Association; and
- e. perform the other duties prescribed by the Board or Executive Committee.

11.6. Treasurer

The Treasurer shall:

- a. keep or cause to be kept full and accurate accounts of all receipts and disbursements of the Association in proper books of account;
- b. deposit all moneys or other valuable effects in the name and to the credit of the Association in the bank or banks from time to time designated by the Board or Executive Committee;
- c. disburse the funds of the Association under the direction of the Board or Executive Committee;
- d. render to the Board or Executive Committee, whenever required, an account of all transactions as Treasurer and of the financial position of the Association;
- e. co-operate with the Auditors of the Association during any audit of the accounts of the Association; and

- f. perform the other duties prescribed by the Board or Executive Committee.

11.7. Delegation of Duties

Except as may otherwise be required by law, any Officer may delegate the duties of the office to another person, provided that the delegating Officer remains responsible for ensuring that such duties are carried out, except when otherwise required by law.

11.8. Board Appoint Other Officers

The Board may from time to time appoint such other Officers as it considers expedient, to hold office at the pleasure of the Board, the duties and remuneration of whom shall be such as the terms of their engagement call for or the Board prescribes.

11.9. Holding More Than One Office

No person may be nominated or selected for, elected or appointed to, and hold, more than one office.

11.10. Removal from Office

Any Officer may be removed by resolution of the Board at a meeting of which notice of intention to present such resolution has been given to all Directors.

11.11. Remuneration of Officers or Employees

Any Officer who is a Director shall not be entitled to remuneration for acting as such, but shall be entitled to reimbursement for reasonable expenses incurred in carrying out their duties. The Board shall fix the remuneration of any other Officers or employees.

12. COMMITTEES

12.1. Standing Committees

There shall be a Nominating Committee and there may be such other Standing Committees and for such purposes as the Board or the Executive Committee may determine from time to time by resolution.

12.2. Combined and Inactive Committees

The Board may combine the work of two (2) or more Standing Committees under such name as the Board shall select and may permit any Standing Committee to be inactive.

12.3. Ad Hoc Committees

There may be such Ad Hoc Committees for such purposes as the Board or the Executive Committee (if any) may determine. The existence of each such Ad Hoc Committee shall be terminated automatically upon the occurrence of any of the following events:

- a. the delivery of its report;
- b. the completion of its assigned task; or
- c. a resolution to that effect of the Board or Executive Committee.

In the case of termination pursuant to subsection 12.3(b), the Board or the Executive Committee may continue such Ad Hoc Committee.

12.4. Nominating Committee

The Nominating Committee shall be appointed by the Board and shall be comprised of three (3) individuals, two (2) of whom shall be current Directors and one (1) of whom shall be a Member who is not also a Director of the Association and shall:

- a. consider any written nominations for Director that have been submitted to the Secretary in such form as may be prescribed by the Board from time to time no later than 10 (ten) days prior to the Annual Meeting;
- b. recommend a slate of candidates for office of Director, which slate shall contain the candidate(s) described in section 6.06, as well as such other individuals as the Nominating Committee may determine in its sole discretion;
- c. recommend the slate of candidates to the Board for approval no later than 5 (five) days prior to the date of the Annual Meeting; and
- d. make recommendations to the Board of names of persons to fill vacancies in offices of the Directors and Officers that occur throughout the year.

12.5. Advisory Committee

There may be an Advisory Committee for such purposes as the Board may determine. Notwithstanding any other provision of this By-Law, the members of the Advisory Committee shall be those individuals appointed by resolution of the Board from time to time.

12.6. Rules Governing Committees

Subject to the By-Laws of the Association and any Board Regulations or other policies, all Committees other than the Executive Committee are subject to the requirements listed below:

- a. the chair and members shall be appointed by the Board from among the Members of the Association who are qualified to hold office;
- b. at least one (1) Director shall be appointed to serve on each Committee;
- c. in addition to the members of a Committee appointed pursuant to subsection 12.6(a), the Board may appoint to any Committee, persons who are not Members of the Association who are qualified to hold office provided that special circumstances or required expertise warrants such appointment;
- d. a member of a Committee shall serve for a term ending at the commencement of the Annual Meeting following appointment, and is eligible for reappointment for one or more additional terms;
- e. 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 Board;
- f. each Committee shall be responsible to, and report after each meeting to, the Board; or
- g. subject to any rules established by the Board, each Committee may establish its own rules of procedure and may appoint subcommittees.

12.7. Limits on Authority of Committees No

committee has authority to:

- a. submit to the Members any question or matter requiring approval of the Members;
- b. fill a vacancy among the Directors or in the office of Auditor or of a person appointed to conduct a review engagement of the Association;
- c. appoint additional Directors;
- d. issue debt obligations except as authorized by the Board;
- e. approve any financial statements;
- f. adopt, amend or repeal any By-Law; or
- g. establish contributions to be made, or dues to be paid, by Members.

13. EXECUTIVE COMMITTEE

13.1. Composition

The Executive Committee consisting of the President, two (2) Past Presidents, appointed by the current President. The President shall be ex officio the chair of the Executive Committee. Each member of the Executive Committee shall serve at the pleasure of the Executive Committee and, in any event, only so long such individual shall be a Member. The Executive Committee may fill vacancies in the Executive Committee by election from among its number or from the Directors of the Board. If and whenever a vacancy shall exist in the Executive Committee, the remaining members may exercise all its powers so long as a quorum remains in office.

13.2. Powers

Subject to the By-Laws or any other policies of the Association, during the intervals between the meetings of the Board, the Executive Committee shall possess and may exercise all the powers of the Board in the management and direction of the affairs and business of the Association in such manner as the Executive Committee deems to be in the best interests of the Association. The purpose of this committee is to provided direction and oversight of the Board, and to ensure that the spirit of the Association remains true to the intent set out in the section 1 Recitations.

13.3. Meetings of the Executive Committee

Meetings of the Executive Committee shall be held at any time and place determined by the Executive Committee provided that written notice of the meeting be given in the same manner and within the same time frame as meetings of the Board, as required by section 7.04. No error or omission in giving notice of any meeting of the Executive Committee shall invalidate the meeting. Any member of the Executive Committee may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings made during the meeting.

13.4. Procedures

The Executive Committee shall have power to fix its quorum at not less than a majority of its members and may fix its own rules of procedure, subject to sections 13.5, 13.6 and 13.8 and any other policies. The Executive Committee shall keep minutes of its meetings recording all action taken by it.

13.5. Quorum

The quorum of any meeting of the Executive Committee shall be determined in accordance with section 13.4 . No business may be transacted by the Executive Committee except at a meeting of its members

at which a quorum of the Executive Committee is present.

13.6. Place of Business

Meetings of the Executive Committee may be held at the head office of the Association or at any other place within or outside Ontario as specified in the notice calling the meeting.

13.7. Meetings by Electronic Conference

- a. Each member of the Executive Committee may participate in a meeting by means of an electronic or other communication device that permits all participants to communicate adequately with each other during the meeting. Any person participating by electronic conference is deemed to be present at that meeting. Any security, confidentiality or other considerations with respect to the conduct of such a meeting shall be as determined by the Executive Committee from time to time.
- b. The chair of the Executive Committee may call a meeting of the Executive Committee and provide that the meeting be held entirely by telephone or electronic means that permits all participants to communicate adequately with each other during the meeting.

13.8. Other Directors Present

Each Director shall be entitled to speak, but not to vote, at any meeting of the Executive Committee at which the Director is present. However, only a Director elected to the Executive Committee shall be entitled to notice of any meeting of the Executive Committee and the presence of such Director shall not be included for the purpose of calculating a quorum.

14. CONFLICT OF INTEREST

14.1. Conflict of Interest

In accordance with the Act or the ONCA, as applicable, and any Board Regulations or other policies, Directors and Officers shall disclose any interests, whether direct, indirect or imputed, in any matter as required by the Act and comply with all other requirements in the Act in respect of such conflict of interest.

15. PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

15.1. Insurance

- a. The Association shall purchase and maintain appropriate liability insurance for the benefit of the Association and each Protected Person. The insurance shall address coverage limits in amounts per occurrence with an aggregate maximum limit as deemed appropriate by the Board and shall include:
 - i. property and public liability insurance;
 - ii. Directors' and Officers' insurance; and
 - iii. may include such other insurance as the Board sees fit.
- b. The Association shall ensure that each Protected Person is included as an insured person in any policy of Directors' and Officers' insurance maintained by the Association.
- c. No coverage shall be provided for any liability relating to a failure to act honestly and in

good faith with a view to the best interests of the Association.

- d. It shall be the obligation of any person seeking insurance coverage or indemnity from the Association to co-operate fully with the Association in the defence of any demand, claim or suit made against such person, and to make no admission of responsibility or liability to any third party without the prior agreement of the Association.

15.2. Liability Exclusion

Absent the failure to act honestly and in good faith in the performance of the duties of office, and save as may be otherwise provided in any legislation or law, no Protected Person shall be personally liable for any loss or damage or expense to the Association arising out of the acts (including wilful, negligent or accidental conduct), receipts, neglects, omissions or defaults of such Protected Person or of any other Protected Person arising from any of the following:

- a. insufficiency or deficiency of title to any property acquired by the Association or for or on behalf of the Association;
- b. insufficiency or deficiency of any security in or upon which any of the monies of or belonging to the Association shall be placed out or invested;
- c. loss or damage arising from the bankruptcy or insolvency of any person, firm or corporation, including any person, firm or corporation with whom or which any monies, securities or effects shall be lodged or deposited;
- d. loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with monies, securities or other assets belonging to the Association;
- e. loss, damage or misfortune whatever which may occur in the execution of the duties of the Protected Person's respective office or trust or in relation thereto; and
- f. loss or damage arising from any wilful act, assault, act of negligence, breach of fiduciary or other duty or failure to render aid of any sort.

15.3. Indemnification of Directors, Officers and Others

- a. Every Protected Person shall be indemnified and saved harmless, including the right to receive the first dollar payout, and without deduction or any co-payment requirement to a maximum limit per claim made as established by the Board from and against all costs, charges and expenses which such protected person sustains or incurs:
 - i. in or in relation to any demand, action, suit or proceeding which is brought, commenced or prosecuted against such person in respect of any act, deed, matter or thing whatsoever, made, done or permitted or not permitted by such person, in or in relation to the execution of the duties of such office or in respect of any such liability; or
 - ii. in relation to the affairs of the Association generally;

save and except such costs, charges or expenses as are occasioned by the failure of such person to act honestly and in good faith in the performance of the duties of office.

- b. Such indemnity will only be effective:
 - i. upon the exhaustion of all available and collectible insurance provided to the Protected Person by the Association inclusive of whatever valid and

- collectible insurance has been collected; and
- ii. provided that the Protected Person has carried out all duties assigned to such person which are subject of the claim in complete good faith so as to comply with the conditions of the insurance policy concerning entitlement to coverage.
- c. The Association shall also indemnify any Protected Person, firm or corporation in such circumstances designated by law, upon approval by the Board.
- d. Nothing in this Article 15 shall limit the legal right of any person, firm or corporation entitled to indemnity to claim indemnity apart from the provisions of this Article 15.

15.4. Discontinuing Insurance

Where the Association has purchased or maintained insurance for any Protected Person, such insurance shall not be discontinued or altered except upon approval of the Members.

16. EXECUTION OF DOCUMENTS

16.1. Execution of Documents

Documents requiring execution by the Association may be signed by any two of the President, Vice-President, Secretary, Treasurer, or any one (1) of the foregoing together with any one (1) Director, and all documents so signed are binding upon the Association without any further authorization or formality. The Board may from time to time appoint any Officer or any person on behalf of the Association, either to sign documents generally or to sign specific documents. The corporate seal of the Association, if any, shall, when required, be affixed to documents executed in accordance with the foregoing.

17. BANKING ARRANGEMENTS

17.1. Board Designate Bankers

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

- a. operate the Association's accounts with the banker;
- b. 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;
- c. issue receipts for and orders relating to any property of the Association;
- d. execute any agreement relating to any banking business and defining the rights and powers of the parties thereto; and
- e. authorize any Officer of the banker to do any act or thing on the Association's behalf to facilitate the banking business.

18. BORROWING BY THE ASSOCIATION

18.1. General Borrowing Authority

The Directors may not, without authorization of the Members:

- a. borrow money upon the credit of the Association;
- b. limit or increase the amount to be borrowed;
- c. issue debentures or other securities of the Association;
- d. pledge or sell such debentures or other securities for such sums and at such prices as may be deemed expedient; and
- e. secure any such debentures, or other securities, or any other present or future borrowing or liability of the Association, by mortgage, hypothec, charge or pledge of all or any currently owned or subsequently acquired real and personal, movable and immovable, property of the Association, and the undertaking and rights of the Association.

19. FINANCIAL YEAR

19.1. Financial Year Determined

The financial year of the Association shall terminate on the last day of December in each year or on such other date as the Board may determine.

20. AUDITOR

20.1. Annual Appointment

Subject to the Act or the ONCA, as applicable, and the Government Regulations, the Members of the Association at each Annual Meeting shall appoint an Auditor or a person to conduct a review engagement of the Association, who shall hold office until the close of the next Annual Meeting, or pass an Extraordinary Resolution to dispense with an Auditor or to have a review engagement, as applicable.

If an appointment is not made and the Members do not pass an Extraordinary Resolution to have a review engagement or dispense with an audit, then the incumbent Auditor continues in office until a successor is appointed.

20.2. Removal of Auditor

- a. The Members may:
 - i. while the Act is in force, remove any Auditor by a resolution passed by at least two-thirds (2/3rds) of the votes cast at a Special Meeting at which notice of intention to pass the resolution has been given; or
 - ii. following the coming into force of the ONCA, by Ordinary Resolution at a Special Meeting, remove any Auditor or a person appointed to conduct a review engagement before the expiration of the term of office in accordance with the ONCA;
 - iii. as applicable, and may elect a replacement to fill such vacancy. Where the Members do not fill the vacancy, the Directors may do so in accordance with section 20.3.
- b. Following the coming into force of the ONCA, the Association shall give the Auditor at least two (2) days to prepare a statement giving reasons opposing the Auditor's removal. The Auditor shall provide any such statement to the Board. Any such statement provided by the Auditor shall be included in the notice of the Special Meeting called to remove the Auditor.

20.3. Vacancy in the Office of Auditor

Subject to the Articles, the Board shall fill any vacancy in the office of Auditor or, following the coming into force of the ONCA, a person appointed to conduct a review engagement.

20.4. Remuneration of Auditor

The remuneration of an Auditor may be fixed by:

- a. while the Act is in force, by the Members or, by the Directors if authorized by the Members; provided that the remuneration of an Auditor appointed by the Members shall be fixed by the Directors; or
- b. following the coming into force of the ONCA, by the Members by Ordinary Resolution, or if the Members do not do so, then the remuneration shall be fixed by the Directors.

21. NOTICE

21.1. When notice deemed given

When notice is given under the By-Laws by the following means, that notice is deemed to have been given at the following time:

- a. if given by telephone, notice is deemed given at the time of the telephone call;
- b. if given in writing by prepaid letter post to the last address shown on the Association's records, notice is deemed given on the third day after mailing;
- c. if given in writing by courier or personal delivery, notice is deemed given when delivered;
- d. if given by e-mail, notice is deemed given when sent;
- e. if provided by other electronic means, notice is deemed given when transmitted.

21.2. Declaration of Notice

At any meeting, the declaration of the secretary or chair of the meeting 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 those entitled to notice are present or if those absent have signified their consent to the meeting being held without notice and in their absence.

21.3. Computation of Time

In computing the date when notice must be given under any provision in the By-Laws requiring a specified number of days' notice of any meeting or other event, a period of days is deemed to commence on the day following the event that began the period and is deemed to terminate at midnight of the last day of the period, except that if the last day of the period falls on a holiday, the period terminates at midnight of the next day that is not a holiday.

21.4. Omissions and Errors

- a. Any resolution passed or proceeding taken at a meeting of the Board, a committee of the Board or Members shall, not be invalidated, unless otherwise challenged, by:

- i. an error in notice that does not affect its substance;
 - ii. the accidental omission to give notice; or
 - iii. the accidental non-receipt of notice by any Director, Member or Auditor.
- b. Any Director, Member or Auditor may at any time waive notice of, and ratify and approve any proceeding taken at any meeting.

21.5. Waiver

Where a notice or document is required to be sent pursuant to the By-Laws, the Act or the ONCA, as applicable, the person entitled to receive the notice or document may consent in writing to waive either the sending of the notice or document or the time within which the notice or document must be sent.

22. BY-LAWS AND EFFECTIVE DATE

22.1. Effective Date of this By-Law

This By-Law shall come into force when enacted in accordance with the Act.

22.2. Amendments requiring Special Resolution

Following the coming into force of the ONCA, if the Members amend the Articles by Special Resolution, this By-Law shall be deemed to be amended as necessary to conform to the Articles. If any of the following sections in the By-Law are not deemed to be amended by this section 22.2, then amendments to the following sections shall only be effective upon approval of the Members by Special Resolution:

- a. section 5.1 (re composition of Members);
- b. section 5.2 (re Members' rights);
- c. section 9.4 (re Notice of Members' meetings);
- d. section 9.9 (re Proxies); and
- e. any section that adds, changes, or removes a provision that is contained in the Association's Articles.

22.3. By-Laws and Effective Date

- a. Subject to the Act, the ONCA and the Letters Patent or any Supplementary Letters Patent, as applicable, the Board of Directors may make, amend or repeal any By-Law that regulates the activities or affairs of the Association. Subject to section 22.2, 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 Ordinary Resolution of the Members.
- b. 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.

23. REPEAL OF PRIOR BY-LAWS

23.1. Repeal

Subject to the provisions of section 23.2 hereof, all prior By-Laws, resolutions and other enactments of the Association inconsistent in either form or content with the provisions of this By- Law are repealed.

23.2. Prior Acts

The repeal of prior By-Laws, resolutions and other enactments shall not impair in any way the validity of any act or thing done pursuant to any such repealed By-Laws, resolution or other enactment.

ENACTED by the Directors as a By-Law of **Kapikog Lake Cottage Owner's Association Inc.**

(Corp #486743) this ____ day of _____, 2023.

President

Secretary

CONFIRMED by the Members in accordance with the *Corporations Act* (Ontario) on the ____ day of _____, 2023.

President

Secretary