

BE IT ENACTED as a by-law of Action Chelsea pour le respect de l'environnement/Action Chelsea for the Respect of the Environment (ACRE) (the "Corporation") as follows:

BY-LAW NO. 1

A bylaw relating generally to the, transaction of the business and affairs of Action Chelsea pour le respect de l'environnement/Action Chelsea for the Respect of the Environment (ACRE) (the "Corporation ")

MISSION STATEMENT

1. The objects of the Corporation are to protect the ecological integrity of Chelsea, Quebec and to encourage an understanding and awareness of ecological integrity and its importance in enhancing quality of life.

CONDITIONS OF MEMBERSHIP

2. Membership in the Corporation shall be limited to persons interested in furthering the objects of the Corporation and shall consist of anyone whose application for admission as a member has received the approval of the board of directors of the Corporation and who has paid the membership as prescribed by the board of directors of the Corporation.
3. The amount of the annual membership fee shall be determined by majority vote of all members of the Corporation at the Corporation's annual general meeting and shall be due and payable on the first day of January of each year, at the Corporation's head office unless otherwise directed by the board of directors.
4. Any member may withdraw from the Corporation by delivering to the Corporation a written resignation and lodging a copy of the same with the secretary of the Corporation. Any membership fee paid by a withdrawing member shall not be reimbursed.
5. Any member may be required to resign by a vote of three-quarters (3/4) of the members at an annual meeting provided that any such member shall be granted an opportunity to be heard at such meeting.

HEAD OFFICE

6. Until changed in accordance with the applicable legislation, the Head Office of the Corporation shall be 20 chemin Brock, Chelsea, Quebec, J9B 1N5. The mailing address of the Corporation shall be determined from time to time by majority vote of the Board of Directors of the Corporation.

BOARD OF DIRECTORS

7. The property and business of the Corporation shall be managed by a board of directors of seven persons of whom four shall constitute a quorum. Directors must be individuals, 18 years of age, with power under law to contract. Directors must be members of the Corporation.
8. The applicants for incorporation shall become the first directors of the Corporation whose term of office on the board of directors shall continue until their successors are elected.

At the first meeting of members, the board of directors then elected shall replace the provisional directors named in the Letters Patent of the Corporation.

9. Directors shall be elected for a term of one year by the members at an annual meeting of members.
10. The office of director shall be automatically vacated:
 - (a) if a director shall resign his office by delivering a written resignation to the secretary of the Corporation;
 - (b) if he is found by a court to be of unsound mind;
 - (c) if he becomes bankrupt or suspends payment or compounds with his creditors;
 - (d) if at a special general meeting of members a resolution is passed by two thirds of the members present at the meeting that he be removed from office;
 - (e) on death;

provided that if any vacancy shall occur for any reason contained in this paragraph, the board of directors may, by majority vote appoint a member of the Corporation to fill the vacancy.
11. Meetings of the board of directors may be held at any time and place to be determined by the directors provided that 48 hours written notice of such meeting shall be given, other than by mail, to each director. Notice by mail shall be sent at least 14 days prior to the meeting. There shall be at least one (1) meeting per year of the board of directors. No error or omission in giving notice of any meeting of the board of directors or any adjourned meeting of the board of directors of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any director may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. Each director is authorized to exercise one (1) vote. Only directors shall vote at meetings of the board of directors.

If all the directors of the Corporation consent thereto generally or in respect of a particular meeting, a director may participate in a meeting of the board or of a committee of the board by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a director participating in such a meeting by such means is deemed to be present at the meeting.
12. The directors shall serve as such without remuneration and no director shall directly or indirectly receive any profit from his position as such; provided that a director may be paid reasonable expenses incurred by him in the performance of his duties. Nothing herein contained shall be construed to preclude any director from serving the Corporation as an officer or in any other capacity and receiving the compensation therefor.
13. A retiring director shall remain in office until the dissolution or adjournment of the meeting at which his retirement is accepted and his successor is elected.
14. The board of directors may appoint such agents and engage such employees as it shall deem necessary from time to time and such persons shall have such authority and shall perform such duties as shall be prescribed by the board of directors at the time of such appointment.
15. A reasonable remuneration for all officers, agents and employees and committee members

shall be fixed by the board of directors by resolution. Such resolution shall have force and effect only until the next meeting of members when such resolution shall be confirmed by resolution of the members, or in the absence of such confirmation by the members, then the remuneration to such officers, agents or employees and committee members shall cease to be payable from the date of such meeting of members.

INDEMNITIES TO DIRECTORS AND OTHERS

16. Every director or officer of the Corporation or other person who has undertaken or is about to undertake any liability on behalf of the Corporation or any company controlled by it and their heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation, from and against;
 - (a) all costs, charges and expenses which such director, officer or other person sustains or incurs in or about any action, suit or proceedings which is brought, commenced or prosecuted against him, or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him, in or about the execution of the duties of his office or in respect of any such liability;
 - (b) all other costs, charges and expenses which he sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his own willful neglect or default.

POWERS OF DIRECTORS

17. The directors of the Corporation may administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, save as hereinafter provided, generally, may exercise all such other powers and do all such other acts and things as the Corporation is by its charter or otherwise authorized to exercise and do.
18. The directors shall have power to authorize expenditures on behalf of the Corporation from time to time and may delegate by resolution to an officer or officers of the Corporation the right to employ and pay salaries to employees. The directors shall have the power to enter into a trust arrangement with a trust company for the purpose of creating a trust fund in which the capital and interest may be made available for the benefit of promoting the interest of the Corporation in accordance with such terms as the board of directors may prescribe.
19. The board of directors shall take such steps as they may deem requisite to enable the Corporation to acquire, accept, solicit or receive legacies, gifts, grants, settlements, bequests, endowments and donations of any kind whatsoever for the purpose of furthering the objects of the Corporation.

OFFICERS

20. ~~The officers of the Corporation shall be a president, vice president, secretary and treasurer and any such other officers as the board of directors may by law determine. Any two offices may be held by the same person. Officers need not be a director. All officers shall be members of the Corporation (repealed May 2, 2002)~~

The Directors shall annually, or more often as may be required, elect officers of the Corporation from among themselves, including a President and a Treasurer and such other officers as shall be determined by resolution of the Directors. Any two offices may be held by the same person. The duties and responsibilities of any office may be shared by more than one individual provided that in such case those Directors sharing responsibility shall be jointly responsible for the performance of the duties and obligations of the office. The directors may designate offices which may be filled by members who are not directors provided that the offices of President and Treasurer are assumed by one or more Directors. All officers shall be members of the Corporation (amendment - May 2, 2002).

21. ~~The president shall be elected at an annual meeting of the members. Officers other than president of the Corporation shall be appointed by resolution of the board of directors at the first meeting of the board of directors following an annual meeting of members in which the directors are elected. The officers of the Corporation shall hold office for one year from the date of appointment or election or until their successors are elected or appointed in their stead. Officers shall be subject to removal by resolution of the board of directors at any time (repealed May 2, 2002).~~

Immediately after the annual meeting of members in each year, a meeting of such of the newly elected directors as are then present may be held without notice, provided that they shall constitute a quorum, for the appointment of officers of the Corporation and the transaction of such other business as may come before the meeting. The officers of the Corporation shall hold office for one year from the date of appointment or election or until their successors are elected or appointed in their stead. Officers shall be subject to removal by resolution of the board of directors at any time (amendment – May 2, 2002).

DUTIES OF OFFICERS

22. The president shall be the chief executive officer of the Corporation. He or she shall preside at all meetings of the Corporation and of the board of directors. He or she shall have the general and active management of the affairs of the Corporation. He or she shall see that all orders and resolutions of the board of directors are carried into effect.
23. ~~The vice president shall, in the absence or disability of the president, perform the duties and exercise the powers of the president and shall perform such other duties as shall from time to time be imposed upon him or her by the board of directors (deleted May 2, 2002).~~

(confirmation needed that this paragraph was deleted or retained)

24. The treasurer shall have the custody of the funds and securities of the Corporation and shall keep full and accurate accounts of all assets, liabilities, receipts and disbursements of the Corporation in the books belonging to the Corporation and shall deposit all monies, securities and other valuable effects in the name and to the credit of the Corporation in such chartered bank or trust company, or, in the case of securities, in such registered dealer in securities as

may be designated by the board of directors from time to time. He or she shall disburse the funds of the Corporation as may be directed by proper authority taking proper vouchers for such disbursements, and shall render to the president and directors at the regular meeting of the board of directors, or whenever they may require it, an accounting of all the transactions and a statement of the financial position, of the Corporation. He or she shall also perform such other duties as may from time to time be directed by the board of directors.

25. ~~The secretary may be empowered by the board of directors, upon resolution of the board of directors, to carry on the affairs of the Corporation generally under the supervision of the officers thereof and shall attend all meetings and act as clerk thereof and record all votes and minutes of all proceedings in the books to be kept for that purpose. He or she shall give or cause to be given notice of all meetings of the members and of the board of directors, and shall perform such other duties as may be prescribed by the board of directors or president, under whose supervision he or she shall be (repealed May 2, 2002).~~

The secretary may be empowered by the board of directors, upon resolution of the board of directors, to carry on the affairs of the Corporation generally under the supervision of the officers thereof (amendment – May 2, 2002).

26. The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the board of directors requires of them.

EXECUTION OF DOCUMENTS

27. Contracts, documents or any instruments in writing requiring the signature of the Corporation, shall be signed by any two officers and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The directors shall have power from time to time by resolution to appoint an officer or officers on behalf of the Corporation to sign specific contracts, documents and instruments in writing.

MEETINGS

28. The annual or any other general meeting of the members shall be held at a date determined by the board of directors within sixty days of the fiscal year end of the Corporation at the head office of the Corporation or at any place in Chelsea, Quebec as the board of directors shall appoint. The members may resolve that a particular meeting of members be held outside Chelsea, Quebec.
29. At every annual meeting, in addition to any other business that may be transacted, the report of the directors, the financial statement and the report of the auditors (if any) shall be presented and auditors appointed for the ensuing year (if so required by legislation). The members may consider and transact any business either special or general at any meeting of the members. The board of directors or the president or vice-president shall have power to call, at any time, a general meeting of the members of the Corporation. The board of directors shall call a special general meeting of members on written request of the president or of five members or more.
30. Ten (10) percent of the membership present in person at a meeting will constitute a quorum. If

a quorum is present at the commencement of a meeting of the members, the meeting may validly take place, notwithstanding that a quorum is not present throughout the meeting.

31. Seven (7) days' written notice shall be given to each voting member of any special general meeting of members. Fourteen (14) days' written notice shall be given to each voting member of any annual general meeting of members . Notice of any meeting where special business will be transacted should contain sufficient information to permit the member to form a reasoned judgment on the decision to be taken. Notice of each meeting of members must remind the member that he has the right to vote by proxy.

Each voting member present at a meeting shall have the right to exercise one vote. A member may, by means of a written proxy, appoint a proxy-holder to attend and act at a specific meeting of members, in the manner and to the extent authorized by the proxy. A proxy-holder must be a member of the Corporation. Only members shall have the right to vote at any annual or special general meeting of members.

32. No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether annual or general, of the members of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member may at any time waive notice of any such meeting and may ratify , approve and confirm any or all proceedings taken or had thereat. For purpose of sending notice to any member, director or officer for any meeting or otherwise, the address of the member, director or officer shall be his last address recorded on the books of the Corporation.

MINUTES OF BOARD OF DIRECTORS

33. The minutes of the board of directors shall be available to the general membership of the Corporation.

VOTING OF MEMBERS

34. At all meetings of members of the Corporation every question shall be determined by a majority of votes unless otherwise specifically provided by statute or by these by-laws .

FINANCIAL YEAR and COMMITTEES

35. Unless otherwise ordered by the board of directors the fiscal year-end of the Corporation shall be December 31.
36. The board of directors may appoint committees whose members will hold their offices at the will of the board of directors. The board of directors shall determine their duties.

AMENDMENTS OF BY -LA WS

37. The by-laws of the Corporation may be repealed or amended by by-law enacted by a majority of the directors at a meeting of the board of directors and sanctioned by an affirmative vote of at least two-thirds (2/3) of the members in person at a general meeting of members duly called for the purpose of considering the said by-law or by email if the member has indicated in writing that he wishes to cast his vote electronically.

BOOKS AND RECORDS

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

RULES AND REGULATIONS

39. The board of directors may prescribe such rules and regulations not inconsistent with these by-laws relating to the management and operation of the Corporation as they deem expedient, provided that such rules and regulations shall have force and effect only until the next annual meeting of the members of the Corporation when they shall be confirmed, and failing such confirmation at such annual meeting of members shall at that time cease to have any force and effect.

INTERPRETATION

40. In these by-laws and in all other by-laws of the Corporation hereafter passed unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number of the feminine gender, as the case may be, and vice versa, and references to persons shall include firms and corporations.

DISSOLUTION

41. In the event of dissolution of the corporation or termination of its corporate existence, all assets shall be offered for transfer by gift, without payment of any kind, to one or more corporate organisations with comparable purposes, or in the case of Ecological Gifts, to one or more corporate organisations that are eligible recipients under the Ecological Gifts Program. Any corporation succeeding to title to property or interest in property of ACRE shall be required to conform to those restrictions or limitations of use applicable thereto, and shall administer such properties in a manner compatible with the general purposes of ACRE, insofar as this can reasonable be done.