

GOULBOURN MUSEUM

GENERAL OPERATING BY-LAW NO. 4

GENERAL OPERATING BY-LAW NO. 4

A by-law relating generally to the conduct of the affairs of

GOULBOURN MUSEUM
(the “Corporation”)

INDEX

SECTION I INTERPRETATION.....	1
1.01 Definitions	1
1.02 Interpretation.....	2
SECTION II GENERAL.....	3
2.01 Registered Office	3
2.02 Corporate Seal	3
2.03 Fiscal Year	3
2.04 Execution of Documents	3
2.05 Banking.....	3
2.06 Auditors	4
2.07 Borrowing.....	4
SECTION III DIRECTORS	5
3.01 Powers	5
3.02 First Directors	5
3.03 Number	5
3.04 Qualifications.....	5
3.05 Election and Term	5
3.06 Consent	6
3.07 Vacation of office	6
3.08 Resignation	6
3.09 Removal.....	6
3.10 Filling Vacancies	7
3.11 Remuneration of Directors	7
SECTION IV MEETINGS OF DIRECTORS	7
4.01 Place of Meetings	7
4.02 Calling of Meetings	7
4.03 Notice of Meeting	7
4.04 First Meeting of New Board	8
4.05 Regular Meetings.....	8
4.06 Quorum.....	8
4.07 Participation at Meeting by Telephone or Electronic Means.....	8
4.08 Chairperson of the Meeting	9
4.09 Votes to Govern.....	9
4.10 Disclosure of Interest	9
4.11 Confidentiality	10

4.12	Delegation.....	10
4.13	Committees.....	10
4.14	Remuneration of Officers, Agents, Employees	11
SECTION V OFFICERS		11
5.01	Appointment.....	11
5.02	Description of Offices.....	11
5.03	Term of Office	12
5.04	Vacancy in Office	12
5.05	Remuneration of Officers	13
5.06	Agents and Attorneys.....	13
5.07	Disclosure (Conflict of Interest)	13
SECTION VI PROTECTION OF DIRECTORS, OFFICERS AND OTHERS.....		13
6.01	Limitation of Liability	13
6.02	Indemnity of Directors and Officers.....	13
6.03	Insurance.....	14
6.04	Advances	14
SECTION VII MEMBERS.....		14
7.01	Qualifications.....	14
7.02	Rights of Members	15
7.03	Termination of Membership.....	15
7.04	Resignation	16
7.05	Removal.....	16
7.06	Membership Dues.....	17
SECTION VIII MEETINGS OF MEMBERS		17
8.01	Meeting of Members.....	17
8.02	Annual Meetings.....	17
8.03	Special Meetings.....	17
8.04	Place of Meetings	17
8.05	Special Business	18
8.06	Notice of Meetings	18
8.07	Waiving Notice.....	18
8.08	Persons Entitled to be Present	18
8.09	Chairperson of the Meeting	19
8.10	Quorum.....	19
8.11	Participation at Meetings by Telephone or Electronic Means	19
8.12	Adjournment.....	20
8.13	Absentee Voting	20
8.14	Votes to Govern.....	20
8.15	Show of Hands.....	20
8.16	Ballots.....	20
8.17	Resolution in Lieu of Meeting.....	21
8.18	Rules of Order	21
SECTION IX NOTICES.....		21
9.01	Method of Giving Notices	21
9.02	Computation of Time.....	22

9.03	Omissions and Errors.....	22
9.04	Waiver of Notice	22
SECTION X DISPUTE RESOLUTION.....		22
10.01	Mediations and Arbitration.....	22
10.02	Dispute Resolution Mechanism.....	23
SECTION XI AMENDMENTS		23
11.01	Amendment of Letters Patent or Articles	23
11.02	Amendment of By-Laws.....	24
11.03	Effective Date.....	24

GENERAL OPERATING BY-LAW NO. 4

A By-law relating generally to the conduct of the affairs of

GOULBOURN MUSEUM (the “Corporation”)

NOW THEREFORE BE IT ENACTED that the following By-law be enacted as the General Operating By-law of the Corporation as follows:

SECTION I INTERPRETATION

1.01 Definitions

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

- (a) “Act” means the *Canada Not-for-profit Corporations Act*, S.C. 2009, c.23, including the regulations made pursuant to the Act, and any statute or regulations substituted, as amended from time to time.
- (b) “Board” means the Board of Directors of the Corporation.
- (c) “By-laws” means this by-law and all other by-laws of the Corporation as amended and which are, from time to time, in force and effect.
- (d) “Corporation” means the legal entity incorporated as a corporation without share capital under the Act by Letters Patent dated the 17th day of December, 2010, and named “GOULBOURN MUSEUM”.
- (e) “Director” means a member of the Board.
- (f) “Letters Patent” means the letters patent of the Corporation as amended from time to time including any letters patent of continuance in the event of subsequent substitution of the Act. These will be replaced by "Articles" after the Museum received its Certificate of Continuance or when Act comes into full effect on October 17, 2014, whichever comes first.
- (g) "Articles" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation.

- (h) “Member” means a member of the Corporation and includes both Life Members and Regular Members unless the context requires otherwise.
- (i) “Members” or “Membership” means the collective membership of the Corporation, including Life Members and Regular Members.
- (j) “Officer” means an officer of the Corporation.
- (k) "Meeting of members" includes an annual meeting of members or a special meeting of members; "special meeting of members" includes a meeting of any class of members and a special meeting of all members entitled to vote at an annual meeting of members.
- (l) "Ordinary resolution" means a resolution passed by a majority of not less than 50% plus 1 vote of the votes cast on that resolution.
- (m) "Proposal" means a proposal submitted by a member of the Corporation that meets the requirements of section 163 (Shareholder Proposals) of the Act.
- (n) "Regulations" means the regulations made under the Act, as amended, restated or in effect from time to time.
- (o) "Special resolution" means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

1.02 Interpretation

In the interpretation of this By-law, unless the context otherwise requires, the following rules shall apply:

- (a) except where specifically defined herein, all terms contained herein and which are defined in the Act shall have the meanings given to such terms in the Act;
- (b) words importing the singular number only shall include the plural and *vice versa*;
- (c) the word “person” shall include an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his capacity as trustee, executor, administrator, or other legal representative;
- (d) words importing the masculine gender include the feminine and neuter genders;
- (e) the headings used in the By-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions;

- (f) the By-laws of the Corporation shall be strictly interpreted at all times in accordance with and subject to the objects contained in the Letters Patent of the Corporation, which objects are incorporated by reference and made a part hereof; and
- (g) if any of the provisions contained in the By-laws are inconsistent with those contained in the Letters Patent or the Act, the provisions contained in the Letters Patent or the Act, as the case may be, shall prevail.

SECTION II **GENERAL**

2.01 Registered Office

The head office of the Corporation shall be in the City of Ottawa, in the Province of Ontario.

2.02 Corporate Seal

The Corporation may have a corporate seal in the form approved from time to time by the Board. If a corporate seal is approved by the Board, the secretary of the Corporation shall be the custodian of the corporate seal.

2.03 Fiscal Year

Unless otherwise changed by resolution of the Board, the fiscal year end of the Corporation shall be the 31st day of December in each year.

2.04 Execution of Documents

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by any two (2) of its Officers. Notwithstanding the foregoing, the Board may from time to time direct the manner in which and the person or persons by whom a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal thereto.

2.05 Banking

The banking business of the Corporation shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada or elsewhere as the Board may designate, appoint or authorize from time to time by resolution. The banking business or any part thereof shall be transacted by any two (2) Officers of the Corporation and/or other persons as the Board may by resolution from time to time designate, direct or authorize.

2.06 Auditors

The Members shall at each annual meeting appoint an auditor to audit the accounts of the Corporation for report to Members to hold office until the next following annual meeting provided, however, the Directors may fill any casual vacancy in the office of the auditor. The remuneration of the auditor shall be fixed by the Board. The auditor may not be a Director, Officer or employee of the Corporation, unless the consent of all Members has been obtained.

2.07 Borrowing

(a) Borrowing Authority

Subject to the limitations set out in the Act and this By-law, the Board may:

- (i) borrow money upon the credit of the Corporation;
- (ii) limit or increase the amount to be borrowed;
- (iii) issue or cause to be issued bonds, debentures or other securities of the Corporation and pledge or sell the same for such sums, upon such terms, covenants and conditions and at such prices as may be deemed expedient; and
- (iv) secure any such debentures, or other securities, or any other present or future borrowing or liability of the Corporation, by mortgage, hypothec, charge or pledge of all or any currently owned or subsequently acquired real and personal, movable and immovable, property of the Corporation, and the undertaking and rights of the Corporation.

(b) Authorization

From time to time, the Board may authorize any Director or Officer or other persons of the Corporation to make arrangements with reference to money borrowed or to be borrowed as to the terms and conditions of the loan thereof, and as to the security to be given therefor, with power to vary or modify such arrangements, terms and conditions and to give such additional security as the Board may authorize and generally to manage, transact and settle the borrowing of money by the Corporation.

SECTION III **DIRECTORS**

3.01 Powers

Subject to the Act, Articles and the Letters Patent, the Board shall manage or supervise the management of the activities and affairs of the Corporation.

3.02 First Directors

The applicants for incorporation shall become the first Directors of the Corporation whose term of office on the Board shall continue until their successors are elected at the first meeting of Members. The Board elected at the first meeting of Members following incorporation shall replace the provisional Directors named in the Letters Patent.

3.03 Number

There shall be a minimum of three (3) Directors. The precise number of Directors of the Corporation from time to time shall be determined by the Members at a meeting of Members.

3.04 Qualifications

Each Director shall be an individual who is not less than 18 years of age and have the power under law to contract. No person who has been found by a court in Canada or elsewhere to be mentally incompetent or who has the status of a bankrupt shall be a Director. A Director must be in full agreement with the governing documents of the Corporation. A Director shall at the time of his or her election (or within 10 days thereafter) and during the term of office as a Director be a Member of the Corporation in good standing.

3.05 Election and Term

- (a) Subject to the provisions of this By-law, Directors shall be elected by the Members at an annual meeting.
- (b) As much as possible, the Directors shall be elected and shall retire in rotation every three (3) years. At the first meeting of Members immediately after passage of this By-law, one third (1/3) of the Board shall be elected to hold office until the third annual meeting of Members next following, one third (1/3) of the Board shall be elected to hold office until the second annual meeting of Members next following, and one third (1/3) shall be elected to hold office until the first annual meeting of Members next following and subsequently at each annual meeting of Members thereafter, members of the Board shall be elected to fill the position of those members of the Board whose term of office has expired and each Director

so elected shall hold office until the end of the third meeting of Members after his or her election.

- (c) There is no maximum term of office for a Director and as such, a Director will be eligible for re-election to the Board at the end of his or her term on a consecutive basis thereafter provided that such Director continues to meet the qualification requirements to be a Director.

3.06 Consent

A Director who is elected or appointed must consent to hold office as a Director by:

- (a) not refusing to hold office if such person is present at the meeting when the election or appointment takes place,
- (b) consenting to hold office in writing before the election or appointment takes place or within ten (10) days after it if such person is not present at the meeting, or
- (c) by acting as a Director pursuant to such person's election or appointment.

3.07 Vacation of office

A Director ceases to hold office when the Director dies, resigns, is removed from office by the Members, becomes disqualified to serve as Director, acquires the status of a bankrupt, becomes mentally incompetent or is convicted of any criminal offence. Where a person is no longer a Director, then such person shall be deemed to have also automatically resigned as an Officer (if it is a requirement to be a Director to hold that particular Officer position) and/or a committee member, as applicable, provided that the Board may in its discretion subsequently re-appoint such individual as a committee member if the Board deems it appropriate in the circumstances.

3.08 Resignation

- (a) A Director may resign from office by giving a written resignation to the Corporation and such resignation becomes effective when received by the Corporation or at the time specified in the resignation, whichever is later.
- (b) Where a person is no longer a Director, that person may remain a Member.
- (c) Upon receiving a resignation, the Board may, at its discretion, cancel that membership.

3.09 Removal

Subject to the Act, the Members may, by resolution passed at a meeting of Members, remove any Director from office before the expiration of the Director's term and may elect a qualified individual to fill the resulting vacancy for the remainder of the term of

the Director so removed, failing which such vacancy may be filled by the Board. A Director shall be automatically removed from his or her office if he or she no longer fulfils all of the qualifications to be a Director in Section 3.04 as determined in the sole discretion of the Board.

3.10 Filling Vacancies

Subject to Section 3.09 above and to the provisions of the Act, a vacancy on the Board may be filled for the remainder of its term by a qualified individual by resolution of a quorum of the Board. If there is not a quorum of Directors, the Directors then in office shall forthwith call a special meeting of Members to fill the vacancy and, if they fail to call a meeting or if there are no Directors then in office, the meeting may be called by any Member.

3.11 Remuneration of Directors

The Directors shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from occupying the position of Director; provided that a Director may be reimbursed for reasonable expenses incurred by the Director in the performance of the Director's duties.

SECTION IV MEETINGS OF DIRECTORS

4.01 Place of Meetings

Meetings of the Board may be held at the head office of the Corporation or at any other place within or outside of Canada, as the Board may determine.

4.02 Calling of Meetings

Meetings of the Board may be called by the chairperson of the Board, the vice-chairperson of the Board or any two (2) Directors at any time.

4.03 Notice of Meeting

Unless sent by mail, forty-eight (48) hours notice of a meeting of the Board shall be given to each Director. Notice of any such meeting that is sent by mail shall be served in the manner specified in Section 9.01 of this By-law not less than fourteen (14) days (exclusive of the day on which the notice is delivered or sent but inclusive of the date for which the notice is given) before the meeting is to take place. Notwithstanding the foregoing, notice of a meeting shall not be necessary if all of the Directors are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. Notice of an

adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting.

4.04 First Meeting of New Board

Provided that a quorum of Directors is present, a newly elected Board may, without notice, hold its first meeting immediately following the meeting of Members at which such Board is elected.

4.05 Regular Meetings

The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be named. A copy of any resolution of the Board fixing the place and time of such regular meetings of the Board shall be sent to each Director forthwith after being passed, and no other notice shall be required for any such regular meeting.

4.06 Quorum

A majority of the Directors in office shall form a quorum for the transaction of business provided that vacancies on the Board of Directors shall not be included when establishing the requisite quorum. For the purpose of determining quorum, a Director may be present in person, or, if authorized under Section 4.07 below, by teleconference and/or by other electronic means.

4.07 Participation at Meeting by Telephone or Electronic Means

If a majority of the Directors consent, either at a Board meeting by resolution or by consents signed individually by a majority of the Directors, a meeting of the Board of Directors may be held using telephonic, electronic or other means permitting all participants to communicate adequately with each other during the meeting provided that:

- (d) the Board of the Corporation has passed a resolution addressing the mechanics of holding such a meeting and dealing specifically with how security issues should be handled, the procedure for establishing quorum and recording votes; and
- (e) each Director has equal access to the specific means of communication to be used.

A Director participating in the meeting by such means shall be deemed for the purposes of the Act to have been present at that meeting. A written consent pursuant to this Section may be given before or after the meeting to which it relates and may be a “blanket” consent, relating to all meetings of the Board and/or committees of the Board.

4.08 Persons Entitled to be Present

Members, non-members, Directors and the public accountant of the Corporation are entitled to be present at a meeting of Directors. However, only those members entitled to

vote at the Directors' meeting according to the provisions of the Act, articles and by-laws are entitled to cast a vote at the meeting.

4.09 Chairperson of the Meeting

The chairperson of Board meetings shall be the chairperson of the Board, or the vice-chairperson of the Board if the chairperson of the Board is absent or unable to act. In the event that the chairperson of the Board and the vice-chairperson of the Board are absent, the Directors who are present shall choose one of their number to chair the meeting.

4.10 Votes to Govern

Each Director is authorized to exercise one (1) vote. At all meetings of the Board, every question shall be decided by a majority of the votes cast on the question. A tie vote is lost.

4.11 Disclosure of Interest

(a) Prohibition

Save and except where specifically permitted by law and as approved by the Board, a Director and his or her family members shall not enter into a contract, business transaction, financial arrangement or other matter with the Corporation in which the Director or any of his or her family members has any direct or indirect personal interest, gain or benefit.

(b) Disclosure

Any Director who has any direct or indirect personal interest, gain or benefit in an actual or proposed contract, business transaction, financial arrangement or other matter with the Corporation as described in (a) above, whether permitted by law or not, shall declare their interest therein at the first opportunity at a meeting of the Board.

(c) Material Interest

Notwithstanding the provisions in this Section herein, no disclosure or prohibition of involvement is required in relation to any actual or proposed contract, business transaction, financial arrangement, or other matter with the Corporation unless the direct or indirect personal interest, gain or benefit of the Director in such contract, business transaction, financial arrangement or other matter is of a material nature. The phrase "material nature" shall mean that the Director in question, directly or indirectly, is personally receiving a material benefit or gain of some kind, either financially or otherwise, with the determination of "material nature" in such circumstances to be determined by the Board from time to time, subject to the overriding compliance with the common law concerning conflict of interest of Directors as fiduciaries and the provisions of the Act.

(d) Procedure Where Disclosure

The chair of Board meetings shall request any Director who has declared a direct or indirect (i.e. through his or her family members) personal interest, gain or benefit in any proposed contract, business transaction, financial arrangement, or other matter with the Corporation, to absent himself during the discussion of and vote upon the matter, with such action being recorded in the minutes.

(e) Consequences of Contravention

In the event that the Board proceeds with a contract, business transaction, financial arrangement, or other matter, in which a Director has a direct or indirect personal interest, gain or benefit in contravention of this Section herein, save and except where permitted by law and approved by a resolution of a majority of the votes cast at a Board meeting, such Director shall be required to immediately resign from the Board, failing which he shall be deemed to have resigned from the Board upon the passing of a Board resolution to that effect.

4.12 Confidentiality

Every Director, Officer, committee member, employee and volunteer, shall respect the confidentiality of matters brought before the Board or before any committee of the Board, or any matter dealt with in the course of employment or involvement of such person in the activities of the Corporation.

4.13 Delegation

Subject to the Act, the Board may appoint from their number a managing director or a committee of Directors and delegate to the managing director or committee any of the powers of the Board.

4.14 Committees

The Board may from time to time appoint any committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the Board shall see fit. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the Board may from time to time make. Any committee member may be removed by resolution of the Board. The Board may fix any remuneration for committee members who are not also Directors of the Corporation. Unless otherwise determined by the Board, a committee shall have the power to fix its quorum at not less than a majority of its members, to elect its chairman and to otherwise regulate its procedure.

4.15 **Remuneration of Officers, Agents, Employees**

The remuneration of Officers, agents, employees and committee members shall, subject to the other provisions of this By-law, be fixed by the Board by resolution provided that the Board may delegate this function to an Officer or Officers of the Corporation.

SECTION V OFFICERS

5.01 **Appointment**

The Board may designate the offices of the Corporation, appoint Officers on an annual or more frequent basis, specify their duties and, subject to the Act, delegate to such Officers the power to manage the affairs of the Corporation. A Director may be appointed to any office of the Corporation. An Officer may, but need not be, a Director unless this By-law otherwise provides. Two or more offices may be held by the same person.

5.02 **Description of Offices**

Unless otherwise specified by the Board (which may, subject to the Act, modify, restrict or supplement such duties and powers), the offices of the Corporation, if designated and if Officers are appointed thereto, shall have the following duties and powers associated therewith:

- (a) **Chairperson of the Board** - The chairperson of the Board, if one is to be appointed, shall be a Director. The chairperson of the Board, if any, shall, when present, preside at all meetings of the Board, committees of Directors, if any, and the Members.
- (b) **Vice-Chairperson of the Board** - The vice-chairperson of the Board, if one is to be appointed, shall be a Director. If the chairperson of the Board is absent or is unable or refuses to act, the vice-chairperson of the Board, if any, shall, when present, preside at all meetings of the Board, committees of Directors, if any, and the Members.
- (c) **Past-Chairperson of the Board** – The past-chairperson of the Board, if one remains a Director.
- (d) **Secretary** - The secretary, when in attendance, shall be the secretary of all meetings of the Board, Members and committees of the Board and, whether or not the secretary attends, the secretary shall enter or cause to be entered in the Corporation's minute book, minutes of all proceedings at such meetings; the secretary shall give, or cause to be given, as and when instructed, notices to Members, Directors, the auditor and members of committees; the secretary shall

be the custodian of the corporate seal as well as all books, papers, records, documents and other instruments belonging to the Corporation.

- (e) **Treasurer** - The treasurer shall be responsible for the maintenance of proper accounting records in compliance with the Act as well as the deposit of money, the safekeeping of securities and the disbursement of funds of the Corporation; whenever required, the treasurer shall render to the Board an account of all such person's transactions as treasurer and of the financial position of the Corporation.
- (f) **Executive Director** - The executive director, if one is to be appointed, shall, subject to the authority of the Board, be responsible for the direct and actual supervision and charge over the day-to-day operations of the Corporation. The executive director shall have the right to receive notice of and attend all meetings of the Board and meetings of members unless specifically excluded by a resolution of the Board.

The duties of all other Officers of the Corporation shall be such as the terms of their engagement call for or the Board requires of them.

5.03 Term of Office

Officers shall hold their position for a period of one (1) year, or, in those cases where an Officer is appointed by the Board to fill a vacancy during the year, until the first meeting of the Board immediately following the annual general meeting. The maximum number of terms for each Officer position is three (3) terms of one (1) year. Upon the completion of the maximum term, a minimum of a one (1) year is required before eligibility for re-election to the same Officer position is restored.

5.04 Vacancy in Office

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

- (a) the expiry of the then current term of office;
- (b) the Officer's successor being appointed;
- (c) the Officer's resignation;
- (d) such Officer ceasing to be a Director (if a necessary qualification of this appointment); or
- (e) such Officer's death,

whichever shall first occur. If the office of any Officer of the Corporation shall be or become vacant, the Directors may, by resolution, appoint a person to fill such vacancy.

5.05 Remuneration of Officers

The remuneration of all Officers appointed by the Board shall be determined from time to time by resolution of the Board except that no Officer who is also a Director shall be entitled to receive remuneration for acting as such. All Officers shall be entitled to be reimbursed for reasonable expenses incurred in the performance of the Officer's duties.

5.06 Agents and Attorneys

Subject to the By-laws, the Board may authorize any Officer from time to time to appoint agents or attorneys for the Corporation in or out of Canada with such powers of management, administration or otherwise as the Board considers fit.

5.07 Disclosure (Conflict of Interest)

An Officer shall have the same duty to disclose such Officer's interest in a material contract or transaction or proposed material contract or transaction with the Corporation, as is imposed upon Directors pursuant to the provisions of the Act and the By-laws.

SECTION VI PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

6.01 Limitation of Liability

Except as otherwise provided in the Act, no Director or Officer for the time being of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or employee or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person including any person with whom or which any moneys, securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of the Director's or Officer's respective office or trust or in relation thereto unless the same shall happen by or through the Director's or Officer's own wilful neglect or default.

6.02 Indemnity of Directors and Officers

Subject to the Act, the Corporation may indemnify a Director or Officer of the Corporation, a former Director or Officer of the Corporation or another individual who acts or acted at the Corporation's request as a Director or Officer or in a similar capacity of another entity, and such person's heirs and legal representatives, against all costs,

charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by such person in respect of any civil, criminal, administrative or investigative action or other proceeding in which the individual is involved because of that association with the corporation or other entity if,

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

The Corporation may indemnify such person in all such other matters, actions, proceedings and circumstances as may be permitted by the Act or the law. Nothing in this By-law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this By-law.

6.03 Insurance

The Corporation may purchase and maintain insurance for the benefit of any person entitled to be indemnified by the Corporation pursuant to the immediately preceding Section, provided that due consideration is first given to the requirements under the *Charities Accounting Act* (Ontario) for the purchase of directors and officers liability insurance.

6.04 Advances

With respect to the defence by a Director or Officer of any claims, actions, suits or proceedings, whether civil or criminal, for which the Corporation is liable to indemnify a Director or Officer pursuant to this By-law, the Corporation may advance to the Director or Officer such funds as may be reasonably necessary for the defence of such claims, actions, suits or proceedings upon written notice by the Director or Officer to the Corporation disclosing the particulars of such claims, actions, suits or proceedings and requesting such advance.

SECTION VII MEMBERS

7.01 Qualifications

Subject to the Articles, there shall be two (2) classes of Members in the Corporation, namely Regular Members and Life Members. The Board of Directors of the Corporation may, by resolution, approve the admission of the Members to the Corporation. Members

may be admitted in such other manners may be prescribed by the Board by ordinary resolution. The following conditions of membership shall apply:

Life Members

- i. Life Memberships shall be available only to the first Directors of the Corporation.
- ii. Subject to the Act and Articles, a Life Member is entitled to receive notice of, attend and vote at all meetings of Members and each such Life Member shall be entitled to one (1) vote at such meetings.

Regular Members

- i. Regular Memberships shall only be available to individuals interested in furthering the objectives of the Corporation whose application for admission as a Member has received the approval of the Board of Directors of the Corporation.
- ii. The term of membership for Regular Members shall be annual, subject to renewal in accordance with the policies of the Corporation.
- iii. Subject to the Act and Articles, a Regular Member is entitled to receive notice of, attend and vote at all meetings of Members and each such Regular Member shall be entitled to one (1) vote at such meetings.

Pursuant to subsection 197(1) (Fundamental Changes) of the Act, a special resolution of the Members is required to make any amendments to the section of the By-laws if those amendments affect membership rights and/or conditions in paragraphs 197(1)(e), (h), (l) or (m).

7.02 Rights of Members

A Member of the Corporation shall have the right to receive notice of, attend, speak and participate at all meetings of Members and the right to one (1) vote at all meetings of Members.

7.03 Termination of Membership

The interest of a Member in the Corporation is non-transferable. Subject to the Act, a membership in the Corporation is terminated when:

- a) the Member dies, or, in the case of a member that is a corporation, the corporation is dissolved;
- b) a Member fails to maintain any qualifications for membership described in Section 7.01 of the By-laws;
- c) the Member resigns by delivering a written resignation to the chair of the Board of the Corporation in which case such resignations shall be effective on the date specified in the resignation;

- d) the Member is expelled in accordance with Section 7.05 below or is otherwise terminated in accordance with the Articles or By-laws
- e) the Member's term of membership expires; or
- f) the Corporation is liquidated or dissolved under the Act.

Subject to the Articles, upon any termination of membership, the rights of the Member, including any rights in the property of the Corporation, automatically cease to exist. Where a person is no longer a Member, then such person shall be deemed to have also automatically resigned as a Director, an Officer (if it is a requirement to be a Director to hold that particular Officer position) and/or a committee member, as applicable, provided that the Board may in its discretion subsequently re-appoint such individual as a committee member if the Board deems it appropriate in the circumstances.

7.04 Resignation

Any Member may resign as a Member by delivering a written resignation to the chairperson of the Board of the Corporation. A resignation shall be effective from the date specified in the resignation.

7.05 Removal

A Member may be expelled as a Member of the Corporation if at a special meeting of Members, a special resolution is passed to remove the Member by at least two-thirds (2/3) of the votes cast at the special meeting of Members. Membership in the Corporation shall automatically terminate if the Member fails to maintain all of the qualifications of Membership set out in Section 7.01.

The Board shall have authority to suspend or expel any Member from the Corporation for any one or more of the following grounds:

- a) violating any provision of the Articles, By-laws, or written policies of the Corporation;
- b) carrying out any conduct which may be detrimental to the Corporation as determined by the Board in its sole discretion;
- c) for any other reason that the Board in its sole and absolute discretion considers to be reasonable, having regard to the purpose of the Corporation.

In the event that the Board determines that a Member should be expelled or suspended from membership in the Corporation, the chairperson, or such other Officer as may be designated by the Board, shall provide twenty (20) days notice of suspension or expulsion to the Member and shall provide reasons for the proposed suspension or expulsion. The Member may make written submissions to the chairperson, or such other Officer as may be designated by the Board, in response to the notice received within such twenty (20) day period. In the event that no written submissions are received by the chairperson, the

chairperson, or such other Officer as designated by the Board, may proceed to notify the Member that the Member is suspended or expelled from membership in the Corporation. If written submissions are received in accordance with this section, the Board will consider such submissions in arriving at a final decision and shall notify the Member concerning such a final decision within a further twenty (20) days from the date of receipt of the submissions. The Board's decision shall be final and binding on the Member, without any further right of appeal.

7.06 Membership Dues

Regular Members shall be notified in writing of the membership fees, if any, at any time payable by them and, if any are not paid within one (1) calendar month of the Membership renewal date, as the case may be, Regular Members in default shall thereupon cease to be Members of the Corporation. Life Members will not be required to pay any membership fees.

SECTION VIII MEETINGS OF MEMBERS

8.01 Meeting of Members

A “meeting of Members” or “Members’ meetings” shall include an annual meeting of Members and a special meeting of Members.

8.02 Annual Meetings

Subject to the By-laws, the Board shall call, at such date and time as it determines, an annual meeting of Members for the purpose of considering the financial statements and reports of the Corporation pursuant to the Act, electing Directors, appointing the auditor and transacting such other business as may properly be brought before the meeting, provided that the annual meeting of Members shall be held within fifteen (15) months from the holding of the last annual meeting of Members.

8.03 Special Meetings

The Board may at any time call a special meeting of Members for the transaction of any business which may properly be brought before the Members. The Board shall call a special general meeting of Members on written requisition of Members carrying not less than 10% of the Members of the Corporation entitled to vote.

8.04 Place of Meetings

Meetings of Members may be held at any place within Canada as the Board may determine or outside Canada if a majority of the Members so agree.

8.05 Special Business

All business transacted at a special meeting or an annual meeting of Members, except consideration of the minutes of an earlier meeting, the financial statements and the auditor's report, election of Directors and reappointment of the incumbent auditor, constitutes special business.

8.06 Notice of Meetings

Notice of the time and place of a meeting of Members shall be provided in the manner provided in Section 9.01 of this By-law to the following:

- (a) each Member entitled to vote at the meeting (which may be determined in accordance with any record date fixed by the Board or failing which, in accordance with the Act);
- (b) each Director; and
- (c) the auditor of the Corporation

not less than fourteen (14) days before the meeting is to take place, provided that in the event of an emergency, as determined by the Chairperson of the Board, by notice to each Member not less than twenty-four (24) hours before the meeting of Members is to take place.

Unless the By-law otherwise provides, no notice of meeting need specify the purpose or the business to be transacted at the meeting except that a notice of meeting of Directors shall specify any matter referred to in subsection 138(2) (Limits on Authority) of the Act that is to be dealt with at the meeting. Notice of a meeting of Members at which special business is to be transacted shall state the nature of that business in sufficient detail to permit the Member to form a reasoned judgment on the business and provide the text of any resolution or By-law to be submitted to the meeting. Notice of a meeting of Members must remind Members that they have the right to vote by proxy.

8.07 Waiving Notice

A Member and any other person entitled to attend a meeting of Members may in any manner and at any time waive notice of a meeting of Members, and attendance of any such person at a meeting of Members is a waiver of notice of the meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

8.08 Persons Entitled to be Present

The only persons entitled to be present at a meeting of Members shall be those entitled to vote at the meeting, the Directors and the auditor of the Corporation and such other persons who are entitled or required under any provision of the Act, the Articles, the

Letters Patent or By-laws of the Corporation to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.

8.09 Chairperson of the Meeting

The chairperson of Members' meetings shall be the chairperson of the Board, or the vice-chairperson of the Board if the chairperson of the Board is absent or unable to act. In the event that the chairperson of the Board and the vice-chairperson of the Board are absent, the Members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

8.10 Quorum

A quorum at any meeting of the Members (unless a greater number of Members are required to be present by the Act) shall be a simple majority of the Members of the Corporation. If a quorum is present at the opening of a meeting of Members, the Members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting. For the purpose of determining quorum, a Member may be present in person, by proxy or, if authorized under Section 8.11, by telephonic and/or by other electronic means

8.11 Participation at Meetings by Telephone or Electronic Means

Any person entitled to attend a meeting of Members may participate in the meeting using telephonic, electronic or other communications facility permitting all participants to communicate adequately with each other during the meeting provided that:

- (a) the Board of the Corporation has passed a resolution addressing the mechanics of holding such a meeting and dealing specifically with how security issues should be handled, the procedure for establishing quorum and recording votes;
- (b) the Corporation makes available such a communication facility or the person in question has access to such a communication facility; and
- (c) each person has consented in advance to meeting by such means and a written consent pursuant to this Section may be given before or after the meeting to which it relates and may be a "blanket" consent, relating to all meetings of the Members.

A person participating by telephonic, electronic or other communication facility may vote by any such means if the facility enables the votes to be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how a particular Member or group of Members voted. A person participating in the meeting by any such means shall be deemed to have been present at that meeting.

8.12 Adjournment

The chairperson of any meeting of Members may with the consent of the meeting adjourn the same from time to time to a fixed time and place and no notice of such adjournment need be given to the Members. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

8.13 Absentee Voting

Subject to compliance with the Act, in addition to voting in person, every Member entitled to vote at a meeting of Members may vote by any of the following means:

- (a) by appointing in writing a proxyholder or one or more alternate proxyholders who need not be Members, as the Member's nominee to attend and act at the meeting in the manner and to the extent and with the authority conferred by the proxy;
- (b) except where the Act requires a meeting of Members with respect to the matter to be voted on by the Members, by using a mailed-in ballot in the form provided by the Corporation;
- (c) by means of a telephonic, electronic or other communication facility, if the facility enables the votes to be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each Member voted.

8.14 Votes to Govern

At all meetings of the Members, every question shall be determined on a show of hands by a majority of votes cast unless otherwise specifically provided by the Act or by this By-law. A tie vote is lost.

8.15 Show of Hands

Subject to the Act and this By-law, except where a ballot is demanded, voting on any question proposed for consideration at a meeting of Members shall be by show of hands, and a declaration by the chair of the meeting as to whether or not the question or motion has been carried and an entry to that effect in the minutes of the meeting shall, in the absence of evidence to the contrary, be evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the motion.

8.16 Ballots

For any question proposed for consideration at a meeting of Members, either before or after a vote by show of hands has been taken, the chair of the meeting, or any Member or proxyholder may demand a ballot, in which case the ballot shall be taken in such manner

as the chair directs and the decision of the Members on the question shall be determined by the result of such ballot.

8.17 Resolution in Lieu of Meeting

Except where the Act requires a meeting of Members with respect to the matter to be voted on by the Members, a resolution in writing, signed by Members entitled to vote on that resolution at a meeting of Members, is as valid as if it had been passed at a meeting of Members. A majority vote of the Members shall be required to approve any matter that can be voted on by written resolution. A copy of every resolution referred to above shall be kept with the minutes of meetings of Members.

8.18 Rules of Order

Any questions of procedures at or for any meetings of the Members, which have not been provided for in this By-law or by the Acts, shall be determined by the chairperson of the meeting in accordance with the most current edition of *Robert's Rules of Order*

**SECTION IX
NOTICES**

9.01 Method of Giving Notices

Any notice, communication or other document required to be given by the Corporation to a Member, Director, Officer, or auditor of the Corporation pursuant to the Act, the Letters Patent or By-laws or otherwise shall be sufficiently given to such person if:

- (a) delivered personally, in which case it shall be deemed to have been given when so delivered,
- (b) delivered to such person's recorded address by courier or other similar means, in which case it shall be deemed to have been given when so delivered,
- (c) mailed to such person at their recorded address by prepaid ordinary mail, in which case it shall be deemed to have been given on the fifth day after it is deposited in a post office or public letter box, or
- (d) delivered to such person by electronic means such as e-mail or facsimile, in which case it shall be deemed to have been given when it is so transmitted without subsequent error notification,

at such person's latest address as shown in the records of the Corporation and to the auditor at its business address, or if no address be given therein then to the last address of such Member or Director known to the Secretary.

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched to be delivered to the appropriate communication company or agency or its representative for dispatch. The secretary may change or cause to be changed the recorded address of any Member, Director, Officer, public accountant or member of a committee of the Board in accordance with any information believed by the secretary to be reliable. The declaration by the secretary that notice has been given pursuant to this By-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any Director or Officer of the Corporation to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed or be partly written, stamped, type-written or printed.

9.02 Computation of Time

Where a given number of days' notice or notice extending over a period is required to be given under the By-laws, the day of service, posting or other delivery of the notice shall not, unless it is otherwise provided, be counted in such number of days or other period.

9.03 Omissions and Errors

The accidental omission to give any notice to any Member, Director, Officer, member of a committee of the Board or auditor, or the non-receipt of any notice by any such person or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice, provided that no Member objects in writing to the chairperson of the Board of such omission or irregularity within thirty (30) days after the date of such meeting.

9.04 Waiver of Notice

Any Member, proxyholder, Director, Officer, member of a committee of the Board or auditor may waive or abridge the time for any notice required to be given to such person, and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of Members or of the Board or of a committee of the Board, which may be given in any manner.

SECTION X DISPUTE RESOLUTION

10.01 Mediations and Arbitration

Disputes or controversies among Members, Directors, Officers, committee members, or volunteers of the Corporation are as much as possible to be resolved in accordance with mediation and/or arbitration as provided in Section 10.02 of this By-law.

10.02 Dispute Resolution Mechanism

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

- a) The dispute or controversy shall first be submitted to a panel of mediators whereby the one party appoints one mediator, the other party (or if applicable the Board of the Corporation) appoints one mediator, and the two mediators so appointed jointly appoint a third mediator. The three mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties.
- b) The number of mediators may be reduced from three to one or two upon agreement of the parties.
- c) If the parties are not successful in resolving the dispute through mediation, then the parties agree that the dispute shall be settled by arbitration before a single arbitrator, who shall not be any one of the mediators referred to above, in accordance with the provincial or territorial legislation governing domestic arbitrations in force in the province or territory where the registered office of the Corporation is situated or as otherwise agreed upon by the parties to the dispute, The parties agree that all proceedings relating to arbitration shall be kept confidential and there shall be no disclosure of any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law.
- d) All costs of the mediators appointed in accordance with the section shall be borne equally by the parties to the dispute or the controversy. All costs of the arbitrators appointed in accordance with this section shall be borne by such parties as may be determined by the arbitrators.

SECTION XI AMENDMENTS

11.01 Amendment of Letters Patent or Articles

Notwithstanding the Act, the Letters Patent of the Corporation may only be amended by a special resolution where at least two-thirds (2/3) of the votes cast at a Board meeting called for that purpose and when sanctioned by an affirmative two-thirds (2/3) of the votes cast at a Members' meeting duly called for the purpose of considering said amendment.

Letters Patent will be replaced with Articles when the Act comes in full effect on October 17, 2014. Notwithstanding the Act, the Articles of the Corporation may only be amended by a special resolution where at least two-thirds (2/3) of the votes cast at a Board meeting called for that purpose and when sanctioned by an affirmative two-thirds (2/3) of the votes cast at a Members' meeting duly called for the purpose of considering said amendment.

11.02 Amendment of By-laws

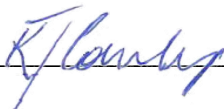
The Board may from time to time enact By-laws relating in any way to the Corporation or to the conduct of its affairs, but not limited to, By-laws providing for applications for supplementary letters patent, and may from time to time by By-law amend, repeal or re-enact the By-laws but no By-law shall be effective until sanctioned by a special resolution where at least two-thirds (2/3) of the votes cast at a meeting of the Members duly called for the purpose of considering same and the repeal or amendment of By-laws not embodied in the Letters Patent shall not be enforced or acted upon until the approval of the Ministry of Industry in respect thereof has been obtained.

11.03 Effective Date

Subject to matters requiring a special resolution of the Members, this By-law shall be effective when made by the Board.

CERTIFIED to be By-Law No. 4 of the Corporation, as enacted by the Directors of the Corporation by resolution on the 11 day of Apr, 2019 and confirmed by the Members of the Corporation by special resolution on the 23 day of Apr, 2019.

Dated as of the 23 day of Apr, 2019



Ken Cownley

Chairperson, Goulbourn Museum Board of Directors