

BY-LAW No. 1

BE IT ENACTED AND IT IS HEREBY ENACTED as a By-law of THE MORRIS AREA FOUNDATION INC. As follows:

INTERPRETATION

1.01 Definitions – In the by-laws of the Corporation, unless the context otherwise requires:

“Act” means the Manitoba Corporations Act, and any statute that may be substituted therefore, as from time to time amended;

“Appoint” includes “elect” and vice versa;

“Articles” means the Articles attached to the Certificate of Incorporation dated February 7th, 2001, of the Corporation as from time to time amended or restated;

“Board” means the board of directors of the Corporation;

“By-laws” means this by-law and all other by-laws of the Corporation from time to time in force and effect;

“Corporation” means the corporation (incorporated) by certificate of (incorporation) under the Act and named The Morris Area Foundation Inc.

1.02 Gender and plurality – Save as in paragraph 1.01, words and expressions defined in the Act have the same meanings when used herein; and words importing the singular number include the plural and vice versa; words importing gender include the masculine, feminine and neuter genders; and words importing persons include individuals, bodies corporate, partnerships, trusts and unincorporated organizations.

BUSINESS OF THE CORPORATION

2.01 Registered Office – Until changed in accordance with the Act, the registered office of the Corporation shall be at the Town of Morris, in the Province of Manitoba, and at such location therein as the board may from time to time determine.

2.02 Corporate Seal – Until changed by the board, the corporate seal of the Corporation shall be in the form impressed.

2.03 Financial Year – The financial year of the Corporation shall be as determined by the board.

2.04 Execution of Instruments – Contracts, documents or any instruments in writing requiring the signature of the Corporation may be signed by the President or Vice-President and the Secretary or Treasurer and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The board shall have power from time to time by resolution to appoint any officer or officers, person or persons on behalf of the Corporation either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing. Any signing officer may affix the corporate seal to any instrument requiring the same.

2.05 Banking Arrangements – The banking business of the Corporation including, without limitation, the borrowing of money and the giving of security therefore, shall be transacted with such banks Credit Union, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the board. Such banking business or any part thereof shall be transacted under such arrangements, instructions and delegations of powers as the board may from time to time prescribe or authorize.

2.06 Cheques, Drafts and Notes – All cheques, drafts or orders for payment of money and all notes and acceptances and bills of exchange shall be signed by such office or officers or person or persons whether or not officers of the Corporation and in such manner as the board may from time to time designate.

2.07 Corporate Records and Books of Account – The records and books of account of the Corporation may be kept either at the registered office or a such other place in Manitoba as the board may from time to time determine or approve.

2.08 Payment of Organizational Expenses – The board may authorize the payment of all expenses incurred in setting up and registering the Corporation and all other expenses of or incidental to its formation and organization or which it considers preliminary.

DIRECTORS

3.01 Number of Directors and Quorum – Until changed in accordance with the Act, the board shall consist of three to ten directors. Subject to Section 3.08, the quorum for the transaction of business at any meeting of the board shall consist of a majority of directors or such greater number of directors as the board may from time to time determine.

3.02 Qualification – No person shall be qualified for election as a director if he is less than 18 years of age; if he is of unsound mind and has been so found by a Court in Canada or elsewhere; if he is not an individual; if he has the status of a bankrupt. A majority of the directors shall be resident Canadians.

3.03 Election and Term –

- (a) The Appointments Committee shall initially appoint three to ten directors of whom three shall be appointed for a one year-term, three for a two year term and three for a three year term.
- (b) In succeeding years all directors shall be appointed to the Board for a term of three years.
- (c) Any director, who has served two consecutive terms of office shall not be eligible for re appointment to the Board until a period of at least one year has elapsed since the end of his second consecutive term in office.
- (d) If an appointment of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are appointed. A retiring director shall retain office until the appointment of his successor is effective unless he has been removed from office as a director in which case the director so removed shall vacate office forthwith upon the passing of a resolution for his removal.

3.04 Removal of Directors – Subject to the provisions of the Act, the members may by resolution passed at a special meeting remove any director from office and the vacancy created by such removal shall be filled as soon thereafter as possible by the Appointments Committee.

3.05 Vacation of Office – A director ceases to hold office when he dies; he is removed from office by the members; he ceases to be qualified for election as a director; his written resignation is sent or delivered to the Corporation, or if a time is specified in such resignation, at the so specified, whichever is later; or if he is absent from three consecutive directors meetings without the consent of the Board.

3.06 Vacancies – A vacancy in the board shall be filled as soon as reasonably possible by the Appointments Committee.

3.07 Action by the Board – The board shall manage the business and affairs of the Corporation. Subject to Sections 3.08 and 3.09, the powers of the board may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all of the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy in the board, the remaining directors may exercise all the powers of the board so long as a quorum remains in office.

3.08 Canadian Majority – The board shall not transact business at a meeting, other than filling a vacancy in the board, unless a majority of the directors present are resident Canadians, except where

- (a) A resident Canadian director who is unable to be present approves in writing or by telephone or other communications facilities the business transacted at the meeting; and
- (b) A majority of resident Canadians would have been present had that director been present at the meeting.

3.09 Meeting by Telephone – If all the directors consent, a director may participate in a meeting of the board or of a committee of the board by means of such telephone or other communications facilities as permit all person participation 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. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of the board held while a director holds office.

3.10 Calling of Meetings – Meetings of the board shall be held from time to time and at such place as the board, the President or any two directors may determine.

3.11 Notice of Meeting – Notice of the time and place of each meeting of the board shall be given in the manner provided in Section 9.01 to each director not less than 48 hours before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified, including any proposal to:

- (a) Submit to the members any question or matter requiring approval of the members;
- (b) Fill a vacancy in the office of auditor;
- (c) Approve any annual financial statements; or

(d) Adopt, amend or repeal by-laws.

A director may in any manner waive notice of or otherwise consent to a meeting of the board.

3.12 Adjourned Meeting – Notice of an adjourned meeting of the board is not required if the time and place of the adjourned meeting is announced at the original meeting.

3.13 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 meeting shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act require the purpose thereof or the business to be transacted thereat to be specified.

3.14 Chairman – The Chairman of any meeting of the board shall be the first mentioned of such of the following officers as have been appointed and who is a director and is present at the meeting; Chairman of the board, managing director, president or a vice-president who is a director. If no such officer is present, the directors present shall choose one of their number to be Chairman.

3.15 Votes to Govern – At all meetings of the board every question shall be decided by a majority of those present.

3.16 Conflict of Interest – A director or officer who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation shall disclose the nature and extent of his interest at the time and in the manner provided by the Act. Any such contract or proposed contract shall be referred to the board or members for approval even if such contract is one that in the ordinary course of the Corporation's business would not require approval by the board or members, and a director interested in a contract so referred to the board shall not vote on any resolution to approve the same except as provided by the Act.

3.17 Remuneration and Expenses – The directors of the Corporation shall serve without remuneration, provided that a director may be paid reasonable expenses incurred by him in the performance of his duties. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving remuneration therefore.

COMMITTEES

4.01 Committee of Directors – The board may appoint a committee of directors, however designated, and delegate to such committee any of the powers of the board except those which, under the Act, a committee of directors has no authority to exercise. A majority of the members of such committee shall be resident Canadians.

4.02 Advisory Committees – The board may from time to time appoint such other committees as it may deem advisable, but the functions of any such other committees shall be advisory only.

4.03 Procedure – Unless otherwise determined by the board, each committee shall have the power to fix its quorum at not less than a majority of its members, to elect its chairman and to regulate its procedure.

APPOINTMENTS COMMITTEE

5.01 The Appointments Committee – The Appointments Committee whose duty it is to appoint members to the Board shall be composed of:

1. A representative of the Town of Morris, Manitoba.(council)
2. A representative of the R.M. of Morris, Manitoba.(council)

5.02 Representatives – In the event that any member of the Appointments Committee is unable to attend a meeting of the Appointments Committee he may, in writing, appoint a representative to attend such meeting on his behalf, provided that such person shall, to the extent practicable, be the deputy or assistant to such person in the capacity by virtue of which he is a member of the Appointments Committee.

5.03 Meetings – The Appointments Committee shall meet at least once a year to appoint directors to the Board and may meet at such other times as the Committee may determine.

5.04 Procedure of Meetings – The procedure for meetings of the Appointments Committee shall be determined by its members.

5.05 Chairperson – The members shall appoint a chairperson of all meetings of the Appointments Committee. In his absence the members of the committee present at the meeting shall chose a chairperson.

OFFICERS

6.01 Appointment – The following officers in the Corporation shall be elected by the Board:

1. President
2. Vice-President
3. Secretary
4. Treasurer

Any two of the aforesaid offices may be held by the same person except those of President and Vice-President. In case and whenever the same person holds the office of Secretary and Treasurer, he may but need not be know as the Secretary-Treasurer. The board may from time to time appoint such other officers and agents as it shall deem necessary who shall have such authority and shall perform such duties as from time to time shall be prescribed by the board. No person shall hold the office of President for more than three consecutive years, but this provision shall not prevent a person from being a director following his retirement as President.

6.02 Duties of Officers may be Delegated – In case of the absence or inability to act of the President, Vie-President or any other officer of the Corporation or for any other reason that the board may deem sufficient the board may delegate all or any of the powers of such officers to any other officer or to any director for the time being.

6.03 Variation of Powers and Duties – The board may from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer.

6.04 Term of Office – The board, in its discretion, may remove any officer of the Corporation appointed by it without prejudice to such officer's rights under any employment contract. Otherwise each officer appointed by the board shall hold office until his successor is appointed.

6.05 Terms of Employment and Remuneration – The terms of employment and the remuneration of officers appointed by the board shall be settled by it from time to time.

6.06 Conflict of Interest – An officer shall disclose his interest in any material contract or proposed material contract with the Corporation in accordance with Section 3.16.

6.07 Agents and Attorneys – The board shall have power from time to time to appoint agents or attorneys for the Corporation with such powers of management or otherwise (including the power to sub-delegate) as may be thought fit.

6.08 Fidelity Bonds – The board may require such officers, employees and agents of the Corporation as the board deems advisable to furnish bonds for the faithful discharge of their powers and duties, in such form and with such surety as the board may from time to time determine.

6.09 The President – The President shall if present, preside at all meetings of members and directors. He shall sign all instruments which require his signature and perform all duties incident to his office and shall have such other powers and duties as may from time to time be assigned to him by the board.

6.10 The Vice-President – The Vice-President shall be vested with all powers and shall perform all the duties of the President in the absence or disability or refusal to act of the President. The Vice-President shall also have such other powers and duties, if any, as may from time to time be assigned to him by the board.

6.11 The Secretary – The Secretary shall issue or cause to be issued notices for all meetings of the board of directors and members when directed so to do; have charge of the minute books of the Corporation; sign with the President or other signing officer or officers of the Corporation such instruments as require his signature and shall perform such other duties as the terms of his engagement call for or the board may from time to time properly require of him.

6.12 The Treasurer – The Treasurer shall have the care and custody of all the funds and securities of the Corporation and shall deposit same in the name of the Corporation in such bank or banks or with such depository or depositories as the board may direct. He shall at all reasonable times exhibit his books and accounts to any director of the Corporation upon application at the office of the Corporation during business hours. He shall sign or counter sign such instruments as require his signature and shall perform all duties incident to his office or that are properly required of him by the board.

6.13 General Manager or Manager – The board may from time to time appoint a General Manager or Manager, who may but need not be one of the directors of the Corporation, and may delegate to him full authority to manage and direct the business and affairs of the Corporation (except such matters and duties which by law must be transacted or performed by the board or by the members in general meeting) and to employ and discharge agents and employees of the Corporation or may delegate to him any less power. If and so long as the General Manager or Manager is a director, he may but need not be known as managing director. He shall conform to all lawful orders given to him by the board of the Corporation. He shall at all reasonable times give to the directors or any of them all information they may require regarding the affairs of the Corporation.

PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

7.01 Limitation of Liability – No director or officer shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous acts of any person with whom any of the monies, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same are occasioned by his own wilful neglect or default; provided that nothing herein shall relive any director or officer from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof.

7.02 Indemnity – Subject to the limitations contained in the Act, the Corporation shall indemnify a director or officer, a former director or officer, or a person who acts or acted at the Corporation’s request as a director or officer of body corporate of which the Corporation is or was a member or creditor (or a person who undertakes or has undertaken any liability on behalf of the Corporation or any such body corporate) and his heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgement, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of the Corporation or such body corporate, if

- (a) He acted honestly and in good faith with a view to the best interests of the Corporation;
- (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.

7.03 Insurance – Subject to the limitations contained in the Act, the Corporation may purchase and maintain such insurance for the benefit of its directors and officers as such, as the board may from time to time determine.

MEMBERS OF THE CORPORATION

8.01 Admission of Members – The members of the Corporation shall be the R.M. of Morris and the Town of Morris. In the case of members, other than individuals, such members shall be entitled to designate one person to represent them, but the board in its discretion may refuse to recognize any such designate or substituted designate if it does not approve of the person named. Designates may from time to time be changed by any member who is no an individual. The directors may set up special committees for the purpose of exercising the power of admitting members and approving designates, and such committee may but need not be composed of directors.

8.02 Honorary Memberships – Honorary memberships for such term as may be deemed appropriate shall be open to members who have distinguished themselves by their service to the Corporation or the community and shall be conferred by the board at any regular or special meeting of the directors. Honorary members shall be exempt from payments of dues or assessments during the period of their honorary membership. They shall no vote and shall not be eligible for office. They may attend meetings of the board

and enjoy such other benefits and privileges of the Corporation, but shall have no interest in the funds or property thereof.

MEETING OF MEMBERS

9.01 Annual Meetings – The annual meeting of members shall be held at such time in each year and, subject to Section 9.03, at such place as the board, from time to time determines, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing auditors and for the transaction of such other business as may properly be brought before the meeting.

9.02 Special Meeting – The board shall have power to call a special meeting of members at any time.

9.03 Place of Meetings – Meetings of members shall be held at the registered office of the Corporation or elsewhere in the municipality in which the registered office is situated or, if the board shall so determine, at some other place in Canada or, if all the members entitled to vote at the meeting so agree, at some place outside Canada.

9.04 Notice of Meetings – Notice of the time and place of each meeting of members shall be given in the manner provided in Section 9.01 not less than 21, nor more than 50 days before the date of the meeting to each director, to the auditor and to each member who at the close of business on the record date, if any, for notice is entered in the Corporation's record as a member entitled to vote at the meeting. Notice of a meeting of members called for any purpose other than consideration of the financial statements and auditor's report, election of directors and reappointment of the incumbent auditor shall state the nature of such business in sufficient detail to permit the member to form a reasoned judgment thereon and shall state the text of any special resolution to be submitted to the meeting. A member may in any manner waive notice of or otherwise consent to a meeting of members.

9.05 Meetings without Notice – A meeting of members may be held without notice at any time and place permitted by the Act

- (a) If all the members entitled to vote thereat are present in person or represented by proxy or if those not present or represented by proxy waive notice of or otherwise consent to such meeting being held, and
- (b) If the auditors and the directors are present or waive notice of or otherwise consent to such meeting being held. As such a meeting any business may be transacted which the Corporation at a meeting of members may transact. If the meeting is held at a place outside Canada, members not present or represented by proxy, but who have waived notice of or otherwise consented to such meeting, shall also be deemed to have consented to the meeting being held at such place.

9.06 Chairman, Secretary and Scrutineers – The chairman of any meeting of members shall be the first mentioned of such of the following officers as have been appointed and who is present at the meeting; President or a Vice-President. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chairman. If the Secretary of the Corporation is absent, the Chairman shall appoint some person, who need not be a member, to act as Secretary of the meeting. If desired, one or more scrutineers, who need not be members, may be appointed by a resolution or by the chairman with the consent of the meeting.

9.07 Persons Entitled to be Present – The only person entitled to be present at a meeting of members shall be those entitled to vote thereat, the directors and auditors of the Corporation and other who, although not entitled to vote, are entitled or required under any provision of the Act or the articles or by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chairman of the meeting or with the consent of the meeting.

9.08 Quorum – A quorum for the transaction of business at any meeting of members shall be a majority of the total membership of the corporation. If a quorum is present at the opening of any meeting of members, the members present or represented by proxy may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present at the opening of any meeting of members, the members present or represented by proxy may adjourn the meeting to a fixed time and place but may not transact any other business.

9.09 Right to Vote – Every person shall be entitled to vote at the meeting who at the time is entered in the Corporation's records as a member carrying the right to vote at such meeting.

9.10 Votes to govern – At any meeting of members every question shall, unless otherwise required by the articles or by-laws or by-law, be determined by a simple majority of the votes cast.

9.11 Show of hands – Subject to the provisions of the Act, any question at a meeting of members shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said questions, and the result of the vote so taken shall be the decision of the member upon the said question.

9.12 Adjournment – If a meeting of member is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. If a meeting of members is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

9.13 Resolution in Writing – A resolution in writing signed by all the 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 the members unless a written statement with respect to the subject matter of the resolution is submitted by a director or the auditors in accordance with the Act.

NOTICES

10.01 Method of Giving Notices – Any notice (which term includes any communication or document) to be give (which term includes sent, delivered or served) pursuant to the Act, the regulations thereunder, the articles, the by-laws or otherwise to a member, director, officer, auditor or member of a committee of the board shall be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to his recorded address or if mailed to him at his recorded address by prepaid ordinary or air mail or if sent to him at his recorded address by any means of prepaid transmitted or recorded communication. 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 be 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 or delivered to the appropriate communication company or agency or its representative for dispatch. The Executive Administrator may change or cause to be changed the recorded address of any member, director, officer, auditor or member of a committee of the board in accordance with any information believed by him to be reliable.

10.02 Computation of Time – In computing the date when notice must be given under any provision requiring a specified number of days notice of any meetings or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

10.03 Undelivered Notices – If any notice given to a member pursuant to Section 10.01 is returned on three consecutive occasions because the member cannot be found, the corporation shall not be required to give any further notices to such member until it informs the corporation in writing of its new address.

10.04 Omissions and Error – The accidental omission to give any notice to any member, director, officer, auditor or members of a committee of the board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

10.05 Waiver of Notice – Any member (or his duly appointed proxy holder), director, officer, auditor or members of a committee of the board may at any time waive any notice, or waive or abridge the time for any notice, required to be give under any provision of the Act, the regulations thereunder, the articles, the by-laws or otherwise and such waiver or abridgement shall cure the 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 which may be given in any manner.

RULES AND REGULATIONS

11.01 Board to prescribe – The board 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 in default of confirmation at such annual meeting of members shall at and from that time cease to have force and effect.

ENACTMENT

12.01 Date of Enactment – This by-law shall be effective as of

ENACTED by the Board of Directors this 17th day of December, 2012.

Chairman

Secretary

APPROVED by the members this 17th day of December, 2012.

Secretary

