

A by-law relating generally to the conduct  
of the affairs of  
**Harbour Authority of Salt Spring Island (HASSI)**  
(the "Corporation")

BE IT ENACTED as a by-law of the Corporation as follows:

## 1. Definition

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

"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 that may be substituted, as amended from time to time;

"articles" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation;

"board" means the board of directors of the Corporation and "director" means a member of the board;

"by-law" means this by-law and any other by-law of the Corporation as amended and which are, from time to time, in force and effect;

"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 or classes of members and a special meeting of all members entitled to vote at an annual meeting of members;

"ordinary resolution" means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;

"proposal" means a proposal submitted by a member of the Corporation that meets the requirements of section 163 (Shareholder Proposals) of the Act;

"Regulations" means the regulations made under the Act, as amended, restated or in effect from time to time; and

"special resolution" means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

### Interpretation

In the interpretation of this by-law, words in the singular include the plural and vice-versa, words in one gender include all genders, and "person" includes an individual, body corporate, partnership, trust and unincorporated organization.

Other than as specified above, words and expressions defined in the Act have the same meanings when used in these by-laws.

## 2. Corporate Seal

The seal, an impression of which is stamped in the margin of this document, shall be the seal of the corporation. The secretary of the Corporation shall be the custodian of the corporate seal.

## 3. Execution of Documents

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 the 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. The seal of the Corporation when required may be affixed to contracts, documents and instruments in writing signed as aforesaid or by any officer or officers appointed by resolution of the Board of Directors.

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

## 4. Financial Year

The financial year end of the Corporation shall be April 30 in each year.

## 5. Annual Financial Statements

The Corporation may, instead of sending copies of the annual financial statements and other documents referred to in subsection 172(1) (Annual Financial Statements) of the Act to the members, publish a notice to its members stating that the annual financial statements and documents provided in subsection 172(1) are available at the registered office of the Corporation and any member may, on request, obtain a copy free of charge at the registered office or by prepaid mail.

The members shall at each annual meeting appoint an auditor to audit the accounts of the Corporation to hold office until the next annual meeting provided that the directors may fill any casual vacancy in the office of auditor. The remuneration of the auditor shall be fixed by the Board of Directors.

## 6. Membership Conditions

Membership in the Corporation shall be limited to persons interested in furthering objects of the Corporation. Subject to the articles, there shall be four classes of members in the Corporation, namely Class A members, Class B members, Class C members and Class D members. The board of directors of the Corporation may, by resolution, approve the admission of the members of the Corporation. Members may also be admitted in such other manner as may be prescribed by the board by ordinary resolution. The following conditions of membership shall apply:

### **Class A Members Ganges Harbour Fishermen's Association**

- (i) Class A voting membership shall be available only to Ganges Harbour Fishermen's Association who should have a right to vote in the Corporation and who have applied and have been accepted for Class A voting membership in the Corporation.

(ii) The term of membership of a Class A voting member shall be annual, subject to renewal in accordance with the policies of the Corporation.

(iii) As set out in the articles, each Class A voting member is entitled to receive notice of, attend and vote at all meetings of members and each such Class A voting member shall be entitled to one (1) vote at such meetings

#### **Class B Members Commercial Non-Fishing Vessel Owners**

(i) Class B voting membership shall be available only to Commercial Non-Fishing Vessel Owners who should have a right to vote in the Corporation and who have applied and have been accepted for Class B voting membership in the Corporation.

(ii) The term of membership of a Class B voting member shall be annual, subject to renewal in accordance with the policies of the Corporation.

(iii) As set out in the articles, each Class B voting member is entitled to receive notice of, attend and vote at all meetings of members and each such Class B voting member shall be entitled to one (1) vote at such meetings

#### **Class C Members Business Community**

(i) Class C voting membership shall be available only to a Business in the Community who should have a right to vote in the Corporation and who have applied and have been accepted for Class C voting membership in the Corporation.

(ii) The term of membership of a Class C voting member shall be annual, subject to renewal in accordance with the policies of the Corporation.

(iii) As set out in the articles, each Class C voting member is entitled to receive notice of, attend and vote at all meetings of members and each such Class C voting member shall be entitled to one (1) vote at such meetings

#### **Class D Members Community Services and/or Groups**

(i) Class D voting membership shall be available only to Community Services and/or Groups who should have a right to vote in the Corporation] and who have applied and have been accepted for Class D voting membership in the Corporation.

(ii) The term of membership of a Class D voting shall be annual, subject to renewal in accordance with the policies of the Corporation.

(iii) As set out in the articles, each Class D voting member is entitled to receive notice of, attend and vote at all meetings of members and each such Class D voting member shall be entitled to one (1) vote at such meetings

## 7. Membership Transferability

A membership may only be transferred to the Corporation. Pursuant to Section 197(1) of the Act, a special resolution of the members is required to make any amendment to add, change or delete this section of the by-laws.

## 8. Withdrawal of Membership

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.

## 9. Resignation of Member

Any Member may be required to resign by a vote of the majority of the voting members present at any general or annual meeting.

## 10. Termination of Membership

A membership in the Corporation is terminated when:

- a. the member dies or resigns;
- b. the member is expelled or their membership is otherwise terminated in accordance with the articles or by-laws;
- c. the member's term of membership expires; or
- d. the Corporation is liquidated and dissolved under the Act.

## 11. Membership dues and Termination

There shall be no membership fees or dues unless otherwise determined by the Board of Directors.

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.

## 12. Notice of Members Meeting

Notice of the time and place of a meeting of members shall be given to each member entitled to vote at the meeting by the following means:

by mail, courier or personal delivery to each member entitled to vote at the meeting, during a period of 14 days before the day on which the meeting is to be held; or

by telephonic, electronic or other communication facility to each member entitled to vote at the meeting, during a period of 21 to 35 days before the day on which the meeting is to be held.

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendment to the by-laws of the Corporation to change the manner of giving notice to members entitled to vote at a meeting of members.

### **13. Persons Entitled to be Present at Members Meetings**

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 public accountant of the Corporation and such persons who are entitled or required under any provision of the Act, articles or by-laws of the Corporation to be present at the meeting. Any other person may be admitted only on invitation of the chair of the meeting or by resolution of the members.

### **14. Place of Members Meetings**

Subject to compliance with section 159 of the Act

### **15. Quorum of Members Meetings**

Five (5) directors, representing three sectors, of which two (2) must be from the Commercial Fishing Sector, shall constitute a quorum. An opening quorum at a meeting is not sufficient where there is a loss of quorum later in the meeting.

### **16. Votes to Govern at Members Meetings**

At any meeting of members every question shall, unless otherwise provided by the articles or bylaws or by the Act, be determined by a majority of the votes cast on the questions. In the case of an equality of votes either on a show of hands or on a ballot or on the results of electronic voting, the chair of the meeting in addition to an original vote shall have a second or casting vote.

At all sector and special meetings of the members of the Corporation every question shall be determined by a majority of votes unless otherwise specifically provided by statute or by these bylaw

### **17. Proxy Holder**

Pursuant to Section 171(1) of the Act, a member entitled to vote at a meeting of members may vote by proxy by appointing in writing a proxy holder who is required to be a member, to attend and act at the meeting in the manner and to the extent authorized by the proxy. Each member may only hold one proxy.

### **18. Members Calling a Members' Meeting**

The board of directors shall call a special meeting of members in accordance with Section 167 of the Act, on written requisition of members carrying not less than 5% of the voting rights. If the directors do not call a meeting within twenty-one (21) days of receiving the requisition, any member who signed the requisition may call the meeting.

A petition signed by 50% of the members plus one of any sector or organization requesting a special general meeting for the removal of the director representing that sector shall be complied with.

## 19. Number of Directors

The property and business of the Corporation shall be managed by a board of eight directors of whom five shall constitute a quorum. Seating on the board shall be allocated on the following basis;

- |      |  |                        |
|------|--|------------------------|
| i.   | Ganges Harbour Fishermen's Association | 5 Seats Fishing Sector |
| ii.  | Commercial Non-Fishing Vessels Owners  | 1 Seat Organization    |
| iii. | Business Community                     | 1 Seat Organization    |
| iv.  | Community Services &/or Groups         | 1 Seat Organization    |

## 20. Term of Office of Directors

Subject to the articles, the members will elect the directors at the first meeting of members and at each succeeding annual meeting at which an election of directors is required, and the directors shall be elected to hold office for a term expiring not later than the close of the second annual meeting of members following the election. Directors shall be approved members of the Harbour Authority of Salt Spring Island.

## 21. Calling of Meetings of Board of Directors

Meetings of the board may be called by the chair of the board, the vice-chair of the board or any two (2) directors at any time; provided that for the first organization meeting following incorporation, such meeting may be called by any director or incorporator.

## 22. Notice of Meetings of the Board of Directors

Notice of the time and place for the holding of a meeting of the board shall be given in the manner provided in the section on giving notice of meeting of directors of this by-law to every director of the Corporation not less than 14 days before the time when the meeting is to be held. 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. 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.

## 23. Quorum of Meetings of the Board of Directors

Five (5) directors, representing three sectors, of which two (2) must be from the Commercial Fishing Sector, shall constitute a quorum. An opening quorum at a meeting is not sufficient where there is a loss of quorum later in the meeting.

## 24. Votes to Govern at Meetings of the Board of Directors

At all meetings of the board, every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chair of the meeting in addition to an original vote shall have a second or casting vote. Each Director present at the meeting is authorized to exercise one (1) Vote.

## 25. Committees of the Board of Directors

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 of directors.

## 26. Appointment of Officers

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, shall have the following duties and powers associated with their positions.

## 27. Description of Offices

The President shall be the chief executive officer of the Corporation. They shall preside at all meetings of the Corporation and of the Board of Directors. They shall have the general and active management of the affairs of the Corporation. They shall see that all orders and resolutions of the Board of Directors are carried into effect.

The Vice-president shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall preform such duties as shall from time to time be imposed upon them by the Board of Directors

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. They 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. They shall also perform such other duties as may from time to time be directed by the Board of Directors.

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. They 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 they shall be. They shall be custodian of the seal of the Corporation, which they shall deliver only when authorized by a resolution of the Board of Directors to do so and to such person or persons as may be named in the resolution.

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 require of them.

## 28. Vacancy in Office

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 they are found to be a lunatic or becomes of unsound mind
- c. If they become bankrupt or suspends payments or compounds with their creditors
- d. If at a specific general meeting of a representative sector or organization, a resolution is passed by 3/4 of the members present of a sector, that the Director representing that sector be removed from office
- e. On death provided that if any vacancy shall occur for any reason in this section, the Board of Directors, upon recommendation of the affected group, shall fill the vacancy with a member of the group in which the vacancy occurred

## 29. Indemnities to Directors and Officers

Subject to Section 151 (1) of the Act

## 30. Discipline of Members

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; or
- 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 president, 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



president, 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 president, the president, or such other officer as may be 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 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.

### **31. Invalidity of any Provisions of this By-law**

The invalidity or unenforceability of any provision of this by-law shall not affect the validity or enforceability of the remaining provisions of this by-law.

### **32. Omissions and Errors**

The accidental omission to give any notice to any member, director, officer, member of a committee of the board or public accountant, or the non-receipt of any notice by any such person where the corporation has provided notice in accordance with the by-laws 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.

### **33. Mediation 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 the section on dispute resolution mechanism of this by-law.

### **34. Dispute Resolution Mechanism**

In the event that a dispute or controversy among members, directors, officers, committee members or volunteers of the Corporation arising out of or related to the articles or by-laws, or out of any aspect of the operations 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.

All costs of the mediators appointed in accordance with this 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.

### 35. 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. 1 of the Corporation, as enacted by the directors of the Corporation by

Resolution on the \_\_\_\_\_ day of \_\_\_\_\_, 2014 and confirmed by the members of the Corporation by special resolution on the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

Dated as of the \_\_\_\_\_ day of \_\_\_\_\_, 2014

\_\_\_\_\_  
Positon \_\_\_\_\_