

Approved by Special Resolution
at Extraordinary General Meeting of Members
September 23, 2008

Filed with Registrar of Companies
Province of British Columbia
November 8, 2008

PROVINCE OF BRITISH COLUMBIA
SOCIETY ACT

CONSTITUTION
of
LADYSMITH MARITIME SOCIETY

1. The name of the Society is the “LADYSMITH MARITIME SOCIETY”.
2. The purpose of the Society is to serve the community in the following ways:
 - (a) protecting and promoting Ladysmith’s maritime heritage including
 - (i) the development and operation of a maritime museum
 - (ii) fostering expertise in the construction, maintenance, and restoration of heritage boats;
 - (iii) providing education, educational programs and educational materials to the public;
 - (b) promoting tourism activity in the harbour;
 - (c) protecting and promoting public access to the waterfront;
 - (d) operating a marina for the benefit of Ladysmith area residents including
 - (i) provision of moorage and services for local and visiting boaters
 - (ii) provision of services for heritage and other vessels, including heritage vessels owned by the society;
 - (e) operating as a non-profit society under the BC Society Act;
 - (f) operating as a registered charity recognized by the Government of Canada;
 - (g) holding and operating properties and facilities of the Society.
3. In the event of the winding up or dissolution of the society, all funds and assets of the society shall be disposed of as follows:
 - (a) pay all outstanding debts and costs of the society;
 - (b) effect any necessary payment of a liquidator;
 - (c) pay any and all outstanding wages and salaries of employees of the society;
 - (d) give, transfer and distribute to charities registered under the provisions of the Income Tax Act the balance of any and all such funds and assets as may be designated by the members of the society at the time of the winding up or dissolution of the society;
 - (e) in the event that the forgoing provisions can not be carried out, such funds and assets shall be given, transferred and distributed to such organizations as may be determined by the members of the society to be registered charities pursuant to the provisions of the Income Tax Act which have purposes similar to those of this society;
 - (f) this paragraph is not alterable.

(See Sept. 9, 2002 resolution required by Gaming Policy and Enforcement Branch at end of document)

PROVINCE OF BRITISH COLUMBIA
SOCIETY ACT

BY-LAWS
of
LADYSMITH MARITIME SOCIETY

Part 1 – Interpretation

1. (1) in these by-laws, unless the context otherwise requires:
 - (a) “directors” means the directors of the society for the time being;
 - (b) “*Society Act*” means the *Society Act* of the Province of British Columbia from time to time in force and all amendments to it;
 - (c) “registered address” of a member means his or her address as recorded in the register of members.(2) The definitions in the *Society Act* on the date these by-laws become effective apply to these by-laws.
2. Words importing the singular include the plural and vice versa.

Part 2. – Membership

3. The members of the society are the applicants for incorporation of the society, and those persons who subsequently have become members in accordance with these by-laws and, in either case, have not ceased to be members.
4. A person may apply to the directors for membership in the society and on acceptance by the directors shall be a member.
5. Every member shall uphold the constitution and comply with these by-laws.
6. The amount of the first annual membership dues shall be determined by the directors and thereafter the annual membership dues shall be determined at the annual meeting of the society.
7. A person shall cease to be a member of the society:
 - (a) by delivering his or her resignation in writing to the secretary of the society or by mailing, e-mailing, or delivering it to the address of the society; or
 - (b) on his or her death; or
 - (c) on being expelled; or
 - (d) on having been a member not in good standing for 12 consecutive months.
8. (1) A member may be expelled by a special resolution of the members passed at a general meeting.
(2) The notice of a special resolution for expulsion shall be accompanied by a brief statement of the reason or reasons for the proposed expulsion.
(3) The person who is the subject of the proposed resolution for expulsion shall be given an opportunity to be heard at the general meeting before the special resolution is put to a vote.
9. All members are in good standing except members who have failed to pay their current annual membership fee or any other subscription or debt due and owing by them to the society and, they are not in good standing so long as the debt remains unpaid.

Part 3. – Meeting of the Members

10. General meetings of the society shall be held at such time and place, in accordance with the *Society Act*, as the directors decide.
11. Every general meeting, other than an annual general meeting, is an extraordinary general meeting.
12. The directors may, whenever they think fit, convene an extraordinary general meeting.
13. (1) Notice of a general meeting shall specify the place, the day and the hour of meeting, and, in case of special business, the general nature of that business.
(2) The accidental omission to give notice of a meeting to, or the non-receipt of a notice by, any of the members entitled to receive notice, does not invalidate proceedings at that meeting.
14. The first annual general meeting of the society shall be held not more than 15 months after the date of

incorporation and thereafter an annual general meeting shall be held at least once in every calendar year and not more than 15 months after the holding of the last preceding annual general meeting.

Part 4. – Proceedings at General Meetings

15. Special business is:
- (a) all business at an extraordinary general meeting except the adoption of rules of order; and
 - (b) all business that is transacted at an annual general meeting except:
 - (i) the adoption of rules of order;
 - (ii) the consideration of the financial statements;
 - (iii) the report of the directors;
 - (iv) the report of the auditor, if any;
 - (v) the election of directors;
 - (vi) the appointment of the auditor, if required; and
 - (vii) such other business as, under these by-laws, ought to be transacted at an annual general meeting, or business which is brought under consideration by the report of the directors issued with the notice convening the meeting.
16. (1) No business, other than the election of a chair and adjournment or termination of the meeting, shall be conducted at a general meeting at a time when a quorum is not present.
- (2) If at any time during a general meeting there ceases to be a quorum present, business then in progress shall be suspended until there is a quorum present or until the meeting is adjourned or terminated.
- (3) A quorum is 20 members in good standing present, or twenty percent (20%) of all members in good standing, whichever number is smaller.
17. If within 30 minutes from the time appointed for a general meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be terminated; but in any other case, it shall stand adjourned to the same day in the next week, at the same time and place, and if, at the adjourned meeting, a quorum is not present within 30 minutes from the time appointed for the meeting, the members present constitute a quorum.
18. Subject to By-law 19, the president of the society, the vice-president, or in the absence of both, one of the other directors present shall chair the general meeting.
19. If at a general meeting there is no president, vice-president, or other director present within 15 minutes after the time appointed for holding the meeting, the members present shall choose one of their own number to chair the meeting.
20. (1) A general meeting may be adjourned from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (2) Where a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of the original meeting.
- (3) Except as provided in this by-law, it is not necessary to give notice of an adjournment or of the business to be transacted at an adjourned general meeting.
21. (1) No resolution proposed at a meeting need be seconded and the person chairing the meeting may move or propose a resolution.
- (2) In case of an equality of votes, the person chairing the meeting shall not have a casting or second vote in addition to the vote to which he or she may be entitled as a member and the proposed resolution shall not pass.
22. (1) A member in good standing present at a meeting of members is entitled to one vote.
- (2) Voting is by show of hands or ballot.
- (3) Voting by proxy is not permitted.
- (4) Voting by absentee ballot is permitted.

Part 5. – Directors and Officers

23. (1) The directors may exercise all such powers and do all such acts and things as the society may exercise

- and do, and which are not by these by-laws or by statute or otherwise lawfully directed or required to be exercised or done by the society in general meeting, but subject, nevertheless, to the provisions of:
- (a) all laws affecting the society;
 - (b) these by-laws; and
 - (c) rules, not being inconsistent with these by-laws, which are made from time to time by the society in general meeting.
- (2) No rule, made by the society in general meeting, invalidates a prior act of the directors that would have been valid if that rule had not been made.
24. (1) The president, vice-president, secretary, treasurer and one or more other persons shall be the directors of the society.
- (2) There shall be a minimum of 5 directors and a maximum of 12.
 - (3) The number of directors may be determined from time to time at a general meeting.
25. (1) The directors shall be elected for three-year terms, with one-third elected each year.
- (2) The president, vice-president, secretary, and treasurer shall be elected by the directors from among their number.
 - (3) An election may be by acclamation, otherwise it shall be by ballot.
26. (1) The directors may at any time and from time to time appoint a member as a director to fill a vacancy in the directors.
- (2) A director so appointed holds office only until the conclusion of the next following annual general meeting of the society, but is eligible for re-election at the meeting.
27. (1) If a director resigns or otherwise ceases to hold office, the remaining directors may appoint a member to take the place of the former director.
- (2) No act or proceeding of the directors is invalid only by reason of there being less than the prescribed number of directors in the office.
28. The members may by special resolution remove a director before the expiration of his or her term of office, and may elect a successor to complete the term of office.
29. No director shall be remunerated for being or acting as a director but a director shall be reimbursed for all expenses necessarily and reasonably incurred by him or her while engaged in the affairs of the society.

Part 6. – Proceeding of Directors

30. (1) The directors may meet together at such places as they think fit for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they see fit.
- (2) The directors may from time to time fix the quorum necessary for the transaction of business and unless so fixed the quorum shall be a majority of the directors then in office.
 - (3) The president shall chair all meetings of the directors, but if at any meeting the president is not present within 30 minutes after the time appointed for holding the meeting, the vice-president shall act as chair. If neither is present, the directors present may choose one of their number to chair the meeting.
 - (4) A director may at any time, and the secretary, on the request of a director, shall convene a meeting of the directors.
31. (1) The directors may delegate any, but not all, of their powers to committees consisting of such directors as they think fit, plus any other members the directors might choose.
- (2) A committee so formed in the exercise of the powers so delegated shall conform to any rules that may from time to time be imposed on it by the directors, and shall report every act or thing done in exercise of those powers to the earliest meeting of the directors to be held next after it has been done.
32. A committee shall elect a chair of its meetings; but if no person is elected, or if at any meeting the chair is not present within 30 minutes after the time appointed for holding the meeting, the members shall choose one of their number to chair the meeting.
33. The members of a committee may meet and adjourn as they think proper.
34. For a first meeting of directors held immediately following the appointment or election of a director or directors at an annual or other general meeting of members, or for a meeting of the directors at which a

director is appointed to fill a vacancy in the directors, it is not necessary to give notice of the meeting to the newly elected or appointed director or directors for the meeting to be duly constituted, if a quorum of the directors is present.

35. A director who may be absent temporarily from British Columbia may send or deliver to the address of the society a waiver of notice, which may be by mail or electronic means, e.g. fax or e-mail, of any meeting of the directors and may, at any time, withdraw the waiver, and until the waiver is withdrawn:
- (a) no notice of meetings of directors shall be sent to that director; and
 - (b) any and all meetings of the directors of the society, notice of which has not been given to that director shall, if a quorum of the directors is present, be valid and effective.
36. (1) Questions arising at any meeting of the directors or committee of directors shall be decided by a majority of votes.
- (2) In case of an equality of votes the chair does not have a second or casting vote.
37. No resolution proposed at a meeting of directors or committee of directors need be seconded and the person chairing the meeting may move or propose a resolution.
38. A resolution in writing, signed by all the directors and placed with the minutes of the directors, is as valid and effective as if regularly passed at a meeting of directors.

Part 7. – Duties of Officers

39. (1) The president shall preside at all meetings of the society and of the directors.
- (2) The president is the chief executive officer of the society and shall supervise the other officers in the execution of their duties.
40. (1) The vice-president shall carry out the duties of the president during his/her absence.
- (2) The vice-president shall chair the committee responsible for nominating directors to be elected unless he or she is running for office; in which case another director or former director who is not running for office shall chair the committee.
41. The secretary shall:
- (a) conduct the correspondence of the society;
 - (b) issue notices of meetings of the society and directors;
 - (c) keep minutes of all meetings of the society and directors;
 - (d) have custody of all records and documents of the society except those required to be kept by the treasurer;
 - (d) have custody of the common seal of the society; and
 - (e) maintain the register of members unless this duty is assigned to another director.
42. The treasurer shall:
- (a) keep such financial records, including books of account, as are necessary to comply with the *Society Act*; and
 - (b) render financial statements to the directors, members and others when required.
43. (1) The offices of secretary and treasurer may be held by one person who shall be known as the secretary-treasurer.
- (2) When a secretary-treasurer holds office the total number of directors shall not be less than five or such greater number as may have been determined pursuant to By-law 24 (3).
44. In the absence of the secretary from a meeting, the directors shall appoint another person to act as secretary at the meeting.

Part 8. – Seal

45. The directors may provide a common seal for the society and they shall have power from time to time to destroy it and substitute a new seal in place of the seal destroyed.
46. The common seal shall be affixed only when authorized by a resolution of the directors and then only in the presence of the persons prescribed in the resolution or if no persons are prescribed, in the presence of the president and secretary or president and secretary-treasurer.

Part 9. – Borrowing

47. In order to carry out the purposes of the society the directors may, on behalf of and in the name of the society, raise or secure the payment or repayment of money in such manner as they decide and in particular but without limiting the generality of the foregoing, by the issue of debentures.
48. No debenture shall be issued without the sanction of a special resolution.
49. The members may, by special resolution, restrict the borrowing powers of the directors; but a restriction so imposed expires at the next annual general meeting.

Part 10. – Auditor

50. This Part applies only where the society is required or has resolved to have an auditor.
51. The first auditor shall be appointed by the directors who shall also fill all vacancies occurring in the office of auditor.
52. At each annual general meeting the society shall appoint an auditor to hold office until he or she is re-elected or a successor is elected at the next annual general meeting.
53. An auditor may be removed by ordinary resolution.
54. An auditor shall be informed forthwith in writing of appointment or removal.
55. No director and no employee of the society shall be auditor.
56. The auditor may attend general meetings.

Part 11. – Notices to Members

57. A notice may be given to a member personally, by mail, by e-mail, or by fax at his or her registered address.
58. A notice sent by mail shall be deemed to have been given on the second day following that on which the notice is posted; and in proving that the notice has been given, it is sufficient to prove that the notice was properly addressed and put in a Canadian post office receptacle.
59. (1) Notice of a general meeting shall be given to:
 - (a) every member shown on the register of members on the day notice is given; and
 - (b) the auditor, if Part 10 applies.(2) No other person is entitled to receive notice of a general meeting.

Part 12. – By-laws

60. On being admitted to membership, all members are entitled to be given, without charge, a copy of the constitution and by-laws of the society.
61. These by-laws shall not be altered or added to except by special resolution.

LADYSMITH MARITIME SOCIETY

Certificate of Incorporation No. S 20456

SOCIETY ACT of BRITISH COLUMBIA

Copy of Directors' Resolutions

WHEREAS:

- a) paragraph 3 of the Constitution of the Society is its dissolution clause which deals in part with the distribution of funds and assets of the Society upon its being wound up or dissolved;
- b) paragraph 3 provides that such distribution shall be to registered charities under the Income Tax Act but does not limit such charities to those existing in British Columbia;
- c) paragraph 3 contains a provision that it is not alterable;
- d) the Gaming Policy and Enforcement Branch now requires that such distribution be restricted to registered charities existing in British Columbia.

RESOLVED:

1. that should the Ladysmith Maritime Society, which received charitable gaming funds from licensed charitable gaming and/or direct charitable access, at any time dissolve or cease to exist, have any and all gaming monies or assets purchased with gaming funds held at the date of dissolution or cessation of existence they shall be distributed by the Ladysmith Maritime Society to:
 - a) a registered charity or registered charities in British Columbia, as defined in the *Income Tax Act* (Canada), as may be determined by the Members of the Society at the time of winding up or dissolution; or
 - b) such charitable organization or organizations in British Columbia having a similar charitable purpose as the Society.
2. that the foregoing resolution 1., shall not be altered or amended and shall continue to be binding on the Ladysmith Maritime Society.
3. that the Ladysmith Maritime Society will provide its undertaking, by delivery of a copy of these resolutions to the Gaming Policy and Enforcement Branch, that it will abide by the limits on the application of its assets on dissolution as provided herein.

Certified to be a true and correct copy of resolutions unanimously passed by the Board of Directors of Ladysmith Maritime Society at a meeting held on Sept. 9, 2002.

(The Gaming Policy and Enforcement Branch specified the wording of these resolutions and also noted that these resolutions were not required to be filed with the Registrar of Companies)