

SOCIETIES ACT
BY-LAWS OF
GWAII TRUST SOCIETY

Part 1 - Definitions and Interpretation

1. In these by-laws, unless the context otherwise requires,
 - (A) "alternate" means the person appointed pursuant to subsection 7.11 to act in the absence of a director;
 - (B) "alternate present" means an alternate who is present at a meeting of the Board in the place of the director for whom he or she is the alternate and such director is not present at such meeting and is thereby entitled to act as contemplated in section 7.11;
 - (C) "Board" means the board of directors of the Society;
 - (D) "Chairperson" means the chairperson of the Society appointed, from time to time, pursuant to section 9.1;
 - (E) "Civic Caucus" means, at any time, collectively, all the directors and alternates at that time who are nominated for such positions by Graham Island North, Graham Island Central, Graham Island South and Electoral Area E pursuant to section 7.5 (B-D);
 - (F) "Haida Caucus" means, at any time, collectively all the directors and alternates at that time who are nominated for such positions by the Council of the Haida Nation pursuant to section 7.5(A);
 - (G) "committee" means a committee of the Board formed pursuant to section 8.7;
 - (H) "directors" means the directors of the Society for the time being;
 - (I) "Elector" means an "elector" as defined in the Local Government Act;
 - (J) "Electoral Area Director" means "electoral area director" as defined in the Local Government Act.
 - (K) "Executive Committee" means the executive committee of the Society appointed by the Board pursuant to section 8.9;
 - (L) "Fund" means all the financial assets of the Society, from time to time, as defined in section 11.6(A).
 - (M) "Participating Communities" means:

- (i) Council of the Haida Nation;
- (ii) Graham Island North;
- (iii) Graham Island Central;
- (iv) Graham Island South; and
- (v) the Residents of Area E;

provided that a community that is a Participating Community may cease being a Participating Community pursuant to the provisions of Part 2 and a community that is not a Participating Community may become a Participating Community pursuant to the provisions of Part 3;

- (N) “Graham Island North Advisory Committee” means the advisory committee of Graham Island North which will consist of the Mayor and Council of the Village of Masset and two representatives of the rural area of Graham Island North resident outside the limits of such village who are duly selected by the Residents of such rural area in accordance with a selection process determined by the residents of such rural area, which membership will, from time to time, be certified in writing to the Secretary-Treasurer by all the members of such committee promptly after any change in such membership;
- (O) “Graham Island Central Advisory Committee” means the advisory committee of Graham Island Central which will consist of the Mayor and Council of the Village of Port Clements and two representatives of the rural area of Graham Island Central resident outside the limits of such village who are duly selected by the Residents of such rural area in accordance with a selection process determined by the residents of such rural area which membership will, from time to time, be certified in writing to the Secretary-Treasurer by all the members of such committee promptly after any change in such membership;
- (P) “Graham Island South Advisory Committee” means the advisory committee of Graham Island South which will consist of the Mayor and Council of the Village of Queen Charlotte City and two representatives of the rural area of Graham Island South resident outside the limits of such village who are duly selected by the Residents of such rural area in accordance with a selection process determined by the residents of such rural area which membership will, from time to time, be certified in writing to the Secretary-Treasurer by all the members of such committee promptly after any change in such membership;
- (Q) “Council of the Haida Nation” means the official body elected by the Haida citizens to represent their views in accordance with the Constitution of the Haida Nation;

- (R) "Graham Island North" means the Participating Community consisting of all individuals who are not represented by the Council of the Haida Nation and who are Residents of Graham Island north of the latitude 53°50' north;
- (S) "Graham Island Central" means the Participating Community consisting of all individuals who are not represented by the Council of the Haida Nation and who are Residents of Graham Island between latitude 53°50' north and 53°30' north;
- (T) "Graham Island South" means the Participating Community consisting of all individuals who are not represented by the Council of the Haida Nation and who are Residents of Graham Island south of latitude 53°30' north, and on the islands, which are part of the Islands that are such of such latitude and north of Moresby Island;
- (U) "Area E" means the North Coast Regional District Electoral Area E;
- (V) "Islands" means, collectively, the archipelago of Haida Gwaii and surrounding waters;
- (W) "Local Government Act" means the *Local Government Act* [R.S.B.C. 2015] ch.1, from time to time, in force and all amendments to it.
- (X) "material interest" means any direct or indirect, legal or beneficial interest of a director, senior manager, or alternate in anything which may influence such director or alternate in carrying out his or her duties as a director, alternate or senior manager in the best interests of the Society ; provided that an interest of a director ,alternate or senior manager is not a material interest if (i) it is an interest of a director ,alternate or senior manager reported to the Board that is so minor, fleeting or insignificant as not to influence such reporting director or alternate in carrying out his or her duties as a director ,alternate or senior manager in the best interests of the Society as is determined by a unanimously approved resolution of all the directors and alternates present, other than such reporting director or alternate, which determines that such reported interest is not a material interest for the purposes of these by-laws , or (ii) any of the interests expressly excluded from the conflict of interest provisions of the Act;
- (Y) "members" means the members of the Society for the time being;
- (Z) "Registered address" of a member means his or her address as recorded in the register of members;
- (AA) "Resident" means any natural person of at least the age of majority who is ordinarily resident in a place;
- (BB) "Secretary-Treasurer" means the employee of the Society appointed, from time to time, to the office of Secretary-Treasurer pursuant to section 9.4;

- (CC) “Senior Manager” means the Secretary-Treasurer, any Chief Investment Officer/Special Projects, and any other member of the senior management staff of the Society determined to be a Senior Manager by resolution of the Board;
- (DD) “Societies Act” means the *Societies Act* [S.B.C. 2015] ch. 18, from time to time, in force and all amendments to it;
- (EE) “Society” means the Gwaii Trust Society;
- (FF) “Vice-chairperson” means the vice-chairperson of the Society appointed pursuant to section 9.2;
- (GG) Words importing the singular include the plural and *vice versa*; and words importing a male person include a female person and a corporation;
- (HH) The definitions in the Societies Act apply to these by-laws; and
- (II) References in these by-laws to sections and Parts are to sections and Parts of these by-laws.

Part 2. - Ceasing to be a Participating Community

2.1 Upon any Participating Community giving at least one year’s written notice duly given pursuant to section 2.5 of its intention to cease to be a Participating Community and upon the members passing one or more special resolutions to amend these by-laws in order to delete reference from these by-laws to such Participating Community and to make the consequential amendments to these by-laws described in Sections 2.6 and 2.7, such Participating Community will cease to be a Participating Community;

2.2 The period of at least one year can be waived by the written agreement of all the members of the Society

2.3 Any notice given pursuant to sections 2.1 and 2.5 may be withdrawn at any time before the Participating Community which gave it ceases to be a Participating Community by a notice of withdrawal duly given to the Chairperson by the appropriate person representing such Participating Community pursuant to Section 2.5.

2.4 Any Participating Community will, from the time it ceases to be a Participating Community, cease to have any right or claim to receive any amount from the capital or income of the Fund for any purpose unless payment of some amount from the Fund is specifically approved by the directors.

2.5 Any written notice described in section 2.1 shall have been duly given if delivered to the Chairperson by:

- (A) in the case of the Council of the Haida Nation, by the President of the Haida Nation;

- (B) in the case of Graham Island North, by the authority of a resolution of the Graham Island North Advisory Committee;
- (C) in the case of Graham Island Central, by the authority of a resolution of the Graham Island Central Advisory Committee;
- (D) in the case of Graham Island South, by the authority of a resolution of the Graham Island South Advisory Committee;
- (E) in the case of the Residents of Area E, by the Electoral Area Director of Area E;

2.6 One of the special resolutions described in section 2.1 shall amend these by-laws in order to amend all quorums for general meetings of members and meetings of directors so as to make them, taking into account both the cessation of the Participating Community and the effect of section 2.7, equivalent to those in effect before the cessation of such Participating Community.

2.7 One of the special resolutions described in section 2.1 shall amend these by-laws in order to make equal the number of directors nominated, on the one hand, by the Council of the Haida Nation and, on the other, by all other Participating Communities.

Part 3 - Becoming a Participating Community.

3.1. Any community in the Islands may apply in writing to become a Participating Community. The contents of such application shall conform to the requirements for the contents of such an application as may be determined by the directors, from time to time.

3.2. The directors may determine in their absolute discretion whether or not to refer any application to become a Participating Community to a general meeting of the members of the Society at which special resolutions would be considered and, if seen fit, passed in order to amend the by-laws so as to add such community as a Participating Community and make all necessary amendments to these by-laws.

3.3 One of the special resolutions referred to in section 3.2 shall amend these by-laws in order to amend all quorums for general meetings of members and meetings of directors so as to make them, taking into account both the addition of such Participating Community and the effect of subsection 3.2, equivalent to those in effect before the addition of a new Participating Community.

3.4 One of the special resolutions referred to in section 3.2 shall amend these by-laws in order to make equal the number of directors nominated, on the one hand, by the Council of the Haida Nation and, on the other hand, by all other Participating Communities.

Part 4. - Membership

- 4.1 The members are the applicants for incorporation of the Society, and those persons who subsequently become members in accordance with these by-laws, and who, in either case, have not ceased to be members.
- 4.2 Any person appointed as a director pursuant to subsection 7.2 will at the same time as he or she becomes a director become a member in good standing of the Society.
- 4.3 Every member shall uphold the constitution and comply with these by-laws.
- 4.4 The directors, from time to time, set the fees or dues, if any, to be paid by members.
- 4.5 All members are in good standing except a member who has failed to pay his or her current annual membership fee, if any, or any other fee, due, subscription, levy, or debt due and owing by him or her to the Society and he or she is not in good standing so long as the debt remains unpaid.
- 4.6 A person shall concurrently cease to be a member and director or an alternate:
- (A) by delivering his or her resignation in writing to the Chairperson or by e-mailing, mailing or delivering it to the address of the Society; or
 - (B) on his or her death or on his or her being found to be incapable of managing his or her own affairs by reason of mental or physical infirmity; or
 - (C) at the same time as he or she ceases to be a director or alternate; or
 - (D) on having been a member not in good standing for 12 consecutive months.
- 4.7 Any member who ceases to be a member forfeits all rights, claims, privileges or interests arising from membership in the Society.

Part 5. - Meetings of Members

- 5.1 General meetings of the members shall be held at such time and place, in accordance with the Societies Act, as the directors decide.
- 5.2 Every general meeting of the members, other than an annual general meeting, is an extraordinary general meeting.
- 5.3 The directors may, whenever they think fit, convene an extraordinary general meeting.
- 5.4 Notice of a general meeting shall specify the place, the day and the hour of meeting, and, in the case of special business, the general nature of that

business, and shall be sent to all members at least 14 days prior to the date of such meeting, for a total of 16 days including the day of giving notice and the day of such meeting.

5.5 The accidental omission to send 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.

5.6 The annual general meeting shall be held at least once every calendar year but the Society may apply to the Registrar to postpone an annual general meeting to not later than March 31 of the calendar year immediately following the calendar year in which the annual general meeting was supposed to be held.

5.7 General meetings are to take place with the members meeting in person or by proxy but not by electronic means. The Board may allow members of the public to attend general meetings by teleconference or videoconference.

5.8 In order to be duly approved as an ordinary resolution of the members at a general meeting all members present in person or by proxy at such general meeting must vote in favour of such ordinary resolution.

5.9 In order to be duly approved as a special resolution of the members at a general meeting 75% of all members present in person or by proxy at such general meeting must vote in favour of such special resolution.

5.10 A resolution in writing, signed by all the members, and placed with the minutes of the members is valid and effective as an ordinary resolution or a special resolution of the members as if regularly passed at a meeting of members.

Part 6. - Proceedings at General Meetings of Members

6.1 Special business at a general meeting of members 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 or 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 auditors, if required, and
 - (vii) such other business as, under these by-laws, ought to be transacted at a general meeting, or business which is brought under consideration by the report of the directors issued with the notice convening the meeting.

- 6.2 (A) Subject to section 6.2(D), the quorum for a general meeting shall be 8 members in person or by proxy;
- (B) Subject to section 6.2(D), no business, other than, if necessary, the election of a chairperson for the meeting (in the absence of the Chairperson or Vice-chairperson) pursuant to 6.4 and the adjournment or termination of the meeting, shall be conducted at a general meeting at a time when a quorum is not present;
- (C) Subject to section 6.2(D), 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; and
- (D) At a general meeting at which the only business of the meeting is the appointment of directors, the quorum for such general meeting will consist of 100% of the members then in good standing who are present in person or by proxy.

6.3 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 one or more members, shall be terminated; but if not convened on the requisition of one or more members, 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 as defined in subsection 6.2 (C). is not present within 30 minutes from the time appointed for the meeting all the members who are present in person or by proxy will constitute a quorum.

6.4 The Chairperson or the Vice-chairperson shall preside as chairperson of a general meeting; but, if at a general meeting, neither the Chairperson nor the Vice-chairperson is present within 15 minutes after the time appointed for holding the meeting, or the Chairperson, the Vice-chairperson and any director present is unwilling to act as chairperson of the general meeting, the general meeting shall be terminated.

6.5 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.

6.6 When a general meeting is adjourned for 10 days or more, notice of the adjourned meeting shall be sent as in the case of the original meeting.

6.7 Subject to section 6.6, it is not necessary to send notice of an adjournment or of the business to be transacted at an adjourned general meeting.

6.8 No resolution proposed at a general meeting need to be seconded.

6.9 A member in good standing present at a general meeting is entitled to one vote.

6.10 Voting is by show of hands or by secret ballot if approved by a resolution of members present.

6.11 A member in good standing may, in writing appoint by a form of proxy that conforms with the provisions of the Societies Act, and is acceptable to the chairperson of a general meeting, another member in good standing as proxy-holder for such member, and such proxy-holder may vote on behalf of such member at such general meeting, but any form of proxy purporting to entitle the proxy-holder to vote at other than one meeting and any adjournments thereof is void and one member can only act as proxy-holder for one other member at a time.

6.12 Nothing in these by-laws in any way restricts, limits or otherwise adversely affects:

(A) the right under the Societies Act of the members to requisition a general meeting of the Society for the purpose of having such meeting consider and, if thought fit, pass a special resolution; or

(B) the duty under the Societies Act of the members to call such a meeting for such purpose.

6.13 Other than a special resolution described in subsection 6.12, the directors will not submit a proposed special resolution to the consideration of a general meeting unless the submission thereof has first been approved by:

(A) a separate resolution passed by the affirmative vote of at least $\frac{3}{4}$ of all the directors nominated by the Council of the Haida Nation; and

(B) a separate resolution passed by the affirmative vote of at least $\frac{3}{4}$ of all the directors nominated by Participating Communities other than the Council of the Haida Nation.

6.14 Subject to subsections 6.15 and 6.17, notice of a special resolution to be considered and, if thought fit, passed at any general meeting will be included in the notice of such general meeting if the office of the Society is notified in writing by any two directors that they require such notice to be included in such notice of such general meeting

6.15 Any notice of a special resolution referred to in subsection 6.14 need not be included in the notice of a general meeting if not received at the office of the Society at least 30 days before such general meeting.

6.16 Forthwith upon receipt of notice of special resolution by the office of the Society, the Society shall provide a copy thereof to each director and alternate and publish it in a newspaper of general circulation in the Islands and deliver a copy to the registered address of each Participating Community.

6.17 Before voting for or against a motion to pass a special resolution, a member shall consult with his or her Participating Community with respect to the proposed special resolution and before voting for or against such motion, he or she shall deposit with the chairperson of the

general meeting at which such motion is to be voted upon sufficient written evidence that his or her Participating Community had indicated to him or her its conclusion of how he or she should vote upon such motion. The chairperson of such general meeting shall determine whether such written evidence is sufficient proof of such consultation and conclusion; provided always that, subject to the provisions of section 6.18, a certificate in respect of a Participating Community, if it is delivered to the chairperson of such general meeting shall be accepted by such chairperson as such sufficient proof it is in substantially the following form:

“The undersigned hereby certifies that [name of member] has consulted with his/her Participating Community in respect of voting on the motion to pass a special resolution relating to [subject of special resolution] which is to be moved at the general meeting of the Gwaii Trust Society called to be held [date of general meeting] and has been advised of the conclusion of such Participating Community with respect to such special resolution which conclusion is:

Date: [date]

[Signature of person described
in subsections 2.5, as
the case may be]”

6.18 If, in respect of any particular resolution, the person signing a certificate described in section 6.17 relating to that special resolution is the member about whom such certificate is given, then such certificate will not necessarily be accepted as sufficient proof of the truth of its contents and the chairperson of such general meeting may exercise his or her discretion in determining what sufficient written evidence for purposes of section 6.17 would be with respect to such member voting upon such special resolution.

6.19 All general meetings may be attended by individuals who are not members; provided that the chairperson of any general meeting may determine that any and all such individuals shall be excluded from attending all or any part of such general meeting that the chairperson, in his or her absolute discretion in respect of matters of order and his or her discretion in respect of other matters, determines should, in the best interests of the Society, specific individuals who are not members.

6.20 No individual who is not a member may take any part in any general meeting of the Society without the invitation of the members and any attempt to do so by such a person shall entitle the chairperson of such general meeting to expel such person from such general meeting.

6.21 The directors may, by resolution, exclude any individual who is not a member from attendance at a particular general meeting or all general meetings of the Society.

Part 7. - Directors

7.1 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 meetings 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 meetings; and
- (D) 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.

7.2 The members in good standing of the Society, from time to time, shall appoint as directors the persons nominated to be directors by each of the Participating Communities in accordance with Section 7.5 (A), (B), (C), (D) providing the nominated individual has the following qualifications:

- (A) be at least 18 years old;
- (B) not have been declared incapable by a court in Canada or in another country;
- (C) be an individual (that is, a corporation cannot be a director);
- (D) not be in bankrupt status;
- (E) be a resident of Haida Gwaii for 2 years preceding the appointment and maintain Haida Gwaii residency throughout their term as director;
- (F) possess the ability to comprehend and analyze large amounts of written information to allow informed decisions; and
- (G) possess knowledge of financial management.

7.3 A Senior Manager must have all the qualifications set out for directors and alternates in section 7.2 but may not be a director.

7.4 A director may resign by sending a notice in writing to the Chairperson or informing the Board at a meeting of the Board.

7.5 Except for the appointment of the first Board, the directors will be nominated and appointed in accordance with the provisions of subsections 7.5 (A), (B), (C), (D); provided that such nominators will provide written confirmation that the persons nominated for appointment meet the qualifications laid out in 7.2.

- (A) On or before March 15th in each even calendar year, the Council of the Haida Nation will nominate 2 individuals for appointment by the members as directors.
- (B) On or before March 15th in each odd calendar year, the Council of the Haida Nation will nominate 2 individuals for appointment by the members as directors
- (C) On or before March 15th of each even calendar year, the Graham Island North Advisory Committee and Graham Island South Advisory Committee will each nominate for Graham Island North and Graham Island South, respectively, one individual for appointment as a director by the members
- (D) On or before March 15th in each odd calendar year, the Chief Electoral Officer will nominate for Graham Island Central one individual for appointment as a director by the members; provided that the process determining the nominees of Graham Island Central shall be the same, with the necessary changes, as that set out in the Local Government Act for the appointment of an Electoral Area Director, with the nomination period starting no later than January 21st.
- (E) On or before March 15th in each odd calendar year, the Chief Electoral Officer will nominate for Area E, one individual for appointment as a director by the members; provided that the process determining the nominees of Area E shall be the same, with the necessary changes, as that set out in the Local Government Act for the appointment of an Electoral Area Director, with the nomination period starting no later than January 21st.

7.6 Subject to subsection 7.8 directors and alternates will serve a term of 2 years.

7.7 The term of each director's office and each alternate's period of acting as an alternate will commence at the end of the annual general meeting at which he or she is appointed and will expire at the close of the annual general meeting held in the year in which such director's term and such alternate's period of acting as an alternate is to expire or pursuant to Section 4.6.

7.8 A director's term and an alternate's period of acting as an alternate terminates when he/she:

- (A) dies;
- (B) resigns;
- (C) is removed from office by the Board;
- (D) fails to maintain any of the qualifications described in Section 7.2; or

(E) has his or her term of office or period of acting as an alternate, as the case may be, expires.

7.9. If a director ceases to be a director prior to the end of his or her term pursuant to section 7.8, the Board may appoint, in its sole discretion, such former director's alternate to be a temporary director until such time as a new nominee for appointment as a director is nominated by the Participating Community which nominated such former director.

7.10 The directors shall, as soon as practicable, schedule a general meeting for the purpose of appointing an individual as a director to fill the vacancy created by such former director and temporarily filled by his or her alternate once the Participating Community has nominated for appointment a director to fill the vacancy.

7.11 An alternate is to be nominated for each director by any means that each Participating Community sees fit. Alternates must meet the same qualification criteria as directors and can be removed through the same process as directors. Alternates are to attend meetings of the directors in the absence of the director for whom he or she is the alternate and to act as an alternate present at such meetings as if he or she were a duly appointed director.

7.12 The directors have the authority in their sole and absolute discretion to remove any director or alternate from the Society for any one or more of the following grounds:

- (A) violating any provision of the constitution, by-laws, or written policies of the Society;
- (B) having acted in a manner not fitting for a director
- (C) affecting quorum by being unavailable for three consecutive board meetings without reasonable excuse.

Decisions to remove a director or alternate must be made, other than the director subject to such removal, by the directors unanimously, and such removal is effective immediately. No such decision will be made without such director or alternate having an opportunity to be heard. The directors will immediately send notice of the removal of a director or alternate to the Participating Community that nominated him or her. Any such notice will be accompanied by a request that such Participating Community nominate another person to act as director in the place of such director.

7.13 No act or proceeding of the directors is invalid only by reason of there being fewer than the prescribed number of members in office.

7.14 Except as otherwise provided in the constitution and bylaws of the Society, no part of the income of the Society shall be payable or otherwise available for personal benefit of any member, director or officer.

7.15 Directors and alternates shall be entitled to remuneration for attendance at Board and committee meetings as well as for attendance which has been previously approved by the Board at training sessions, meetings with external parties or events which a director has been asked to attend to represent the Society at a rate as the Board shall determine from time to time and set out in their Board policy. In addition, a director, alternate, Senior Manager or such other person as the Board may determine, from time to time, may be reimbursed for all expenses necessarily and reasonably incurred by him or her while engaged in the affairs of the Society.

Part 8. - Proceedings of Directors

8.1 Subject to the provisions of section 8.5 the Chairperson will preside at all meetings of directors.

8.2 The Chairperson or Vice-chairperson when acting as the chairperson, shall have the right to attend any meeting of the directors but are not entitled to any vote at any such meeting and will not be counted as part of the quorum at any such meeting. When the Vice chairperson is a director and not acting as the chairperson of a meeting he or she is entitled to vote and count as part of quorum in the same way as any other director.

8.3 The directors may meet together at such places as they think fit, adjourn and otherwise regulate their proceedings, as they see fit.

8.4 The quorum necessary for the transaction of business at a meeting of directors shall consist of 7 persons who may be either directors or alternates present.

8.5 The Chairperson shall act as chairperson at all meetings of the directors; provided, if at any meeting the Chairperson is not present within 30 minutes after the time appointed for holding the meeting, the Vice-chairperson shall act as chairperson of such meeting, and if neither is present, the directors present may choose one of their members to act as chairperson of that meeting as long as quorum is maintained. In no circumstance does a director acting as the chairperson of a Board meeting count towards quorum requirements.

8.6 A director may at any time request a meeting of the Board.

8.7 The directors may delegate any, but not all, their powers to committees consisting of such directors or alternates as they think fit and the directors may appoint or delegate to any such committee the power to appoint individuals who are not directors or alternates but who have consented to participate in the work of the committee. Each committee will determine its quorum as part of its terms of reference. The terms of reference of each committee will be presented to the Board of Directors for rejection, approval or amendment.

8.8 A committee so formed in the exercise of the powers so delegated shall conform to any rules 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. Resolutions of a committee will be passed by the affirmative vote of members of such committee according to the rules for the passing of resolutions of such committee cast in respect of the motion for such resolution; provided that if consensus cannot be achieved in respect of such motion, the members of the Committee will, in accordance with such rules, determine how it will proceed further with respect to the consideration of such motion, which determination may include, without limitation, holding a second vote on such motion, continuation of discussion of the motion at the meeting, tabling the motion to a subsequent meeting of the committee, or referring the circumstances contemplated in such motion to the decision of the Board.

8.9 Appointment of the Executive Committee shall be by resolution of the directors annually at the first meeting of the directors following the annual general meeting. The Executive Committee shall consist of the Chairperson, one director appointed to the Executive Committee by the directors and alternates forming the Haida Caucus who are present at such annual general meeting and one director appointed to the Executive Committee by the directors and alternates forming the Civic Caucus who are present at such annual general meeting.

8.10 All committees shall be formed taking geography, gender and a balance of cultures into consideration.

8.11 Questions arising at any meeting of the Board shall, except as otherwise provided in these by-laws, be decided by the consensus of the unanimous agreement of the directors and any alternate present, unless such consensus cannot be reached in respect of a motion that is before the Board at two separate meetings of the Board, in which case, such motion may be passed at a third meeting by the positive vote of all directors and any alternate present, for the time being, less one: provided that;

- (A) if such motion is not passed at such third meeting, and the directors and any alternate present approving of such motion so direct, the Chairperson or a person identified by the Chairperson shall attempt to mediate a decision in respect of such motion which can be agreed to by all directors and any alternates present;
- (B) if a determination cannot be mediated pursuant to section 8.11 (A) after a reasonable period of time as determined by the Chairperson which period of time is not to exceed 30 days unless the directors and any alternates present unanimously agree otherwise, the Chairperson shall, effect a decision either by polling in respect of the question by causing the question to be subject to the arbitration of one or more third party arbitrators according to such procedure as the Chairperson may determine in consultation with the directors and any alternates present; provided that the results of such arbitration shall be deemed to be accepted by all the directors and any alternates present as being in the best interests of the Society; and

- (C) if at any meeting of the Board, a director or any alternate present challenges the decision of the Chairperson in respect of any question relating to the procedures of such meeting, then forthwith upon such challenge and without reference to the Chairperson or any debate there shall be a vote of the directors and any alternate present on a motion deemed to be moved by a director other than the director making the challenge to sustain the decision of the Chairperson and the motion will be passed if supported by the affirmative votes of at least $\frac{3}{4}$ of the directors and any alternates present voting on such motion.

8.13 A committee shall elect a chairperson of its meetings; but if no chairperson is elected, or if, at a meeting, the Chairperson is not present within 30 minutes after the time appointed for holding the meeting, the directors and any alternates present and who are members of the committee shall choose one of their members to be chairperson of the meeting.

8.14 The members of a committee may meet and adjourn as they think proper.

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

8.16 Questions arising at a meeting of directors or a committee need not be seconded.

8.17 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 =

8.18 A director who has a Material Interest in a proposed contract or transaction with the Society shall comply with the provisions of the Societies Act relating to directors' conflicts of interest, including, without limiting the generality of the foregoing, disclosing fully and promptly to the other directors the nature and extent of his or her interest, abstaining from voting on a directors' resolution relating to the proposed contract or transaction and leaving the directors' meeting during the discussion and vote upon any such resolution. In such a situation, the remaining directors are deemed to constitute a quorum for the purposes of voting on any such resolution and quorum is not lost. The same procedure shall apply to any alternate present.

8.19 The Society shall indemnify a director, former director or Senior Manager or a director, former director or Senior Manager of a subsidiary of the Society, and his or her heirs and personal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, actually and reasonably incurred by him or her, in a civil, criminal or administrative action or proceeding to which he or she is made a party by reason of being or having been a director, including an action brought by the society or subsidiary, if:

- (A) he acted honestly and in good faith with a view to the best interests of the Society or subsidiary of which he or she is or was a director; and

- (B) in the case of criminal or administrative action or proceeding he or she had reasonable grounds for believing his or her conduct was lawful.

8.20 All meetings of the directors may be attended by individuals who are not directors; provided that the chairperson of any meeting of directors may determine that such individuals shall be excluded from attending all or any part of such meeting of the directors that he or she, determines should, in the best interests of the Society, be restricted to attendance by directors , and any alternates present and, if determined to be necessary, in the best interests of the Society, specific individuals who are not directors or alternates present.

8.21 The directors and any alternates present may, by resolution, exclude any member of the public who is not a director or alternate present from attendance at a particular meeting of the Board or all meetings of the Board.

8.22 Each decision of the chairperson of a meeting of directors or a committee made pursuant to this Part 8 is a question relating to the procedure of the meeting at which it is made for purposes of section 8.11 (C).

Part 9. - Duties of Officers

9.1 On or before March 15th in each third year, the Council of the Haida Nation after consultation with the Board will nominate a person for appointment by the directors as the Chairperson and the Board shall appoint such person as the Chairperson at a meeting immediately following the annual general meeting for a 3-year term.

9.2 The Chairperson will appoint the Vice-chairperson from amongst the directors in consultation with the other directors, such office to be held at the pleasure of the directors.

9.3 (4) The Executive Committee shall supervise the Secretary-Treasurer to ensure that the duties laid out in section 9.4 are executed in a satisfactory manner.

9.4 The office of Secretary-Treasurer shall not be held by a director or alternate, but by a senior staff member, who shall perform or delegate the following duties:

- (A) conduct the correspondence of the Society,
- (B) issue notices of meetings of the Society and directors,
- (C) prepare and keep minutes of all meetings of the Society and directors,
- (D) have custody of all records and documents of the Society
- (E) have custody of the common seal of the Society,
- (F) maintain the register of members, and

- (G) prepare the annual report of the Society.
- (H) keep such financial records, including books of account, as are necessary to comply with the *Societies Act*;
- (I) render quarterly financial statements to the directors, members, Participating Communities and others when required;
- (J) ensure that all money donated at any time to the Society be held as the capital of a perpetual fund (the "Fund");
- (K) ensure that the capital of the Fund be segregated from any income thereof at all times;
- (L) ensure that separate accounts be maintained at any one or more Canadian financial institutions for the purpose of segregating the capital of the Fund from any income thereof; and
- (M) Such other duties as the directors may delegate to the Secretary-Treasurer, from time to time.

9.5 The directors may appoint other such officers, consultants, committees, agents or persons as they think fit, and define the duties, responsibilities, remuneration and authority of such persons.

Part 10. - Business Plan of the Society

10.1 The Society shall, at all times, have a business plan covering the current year and upcoming year for the guidance of the directors in their management of the affairs of the Society.

10.2 The Society shall 30 days before the annual general meeting deliver a copy of the business plan for the ensuing year, to each director and alternate, each Participating Community, and to a public place in each Participating Community as well as publish it on the Society's website.

Part 11. - Signatures and Seal

11.1 Letters from the Board shall be signed by the Chairperson or such other person as the directors and alternates present may agree, from time to time.

11.2 The Board shall delegate by resolution the authority to sign deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring the signature of the Society to one or more of the directors, staff and/or officers. Any individual delegated such authority may solely sign such written instruments up to a limit of \$5000.00.

Anything over this amount must be signed by a minimum of two individuals designated pursuant to this section 11.2. All contracts, documents and instruments in writing so signed shall be binding on the Society without any further authorization or formality.

11.3 The Board 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.

Part 12 - Finances

12.1 In order to carry out the purposes of the Society the Board 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.

12.2 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, and no such restriction is effective against any person other than a member, a director or an alternate present.

Part 13 - Auditor

13.1 The members, by ordinary resolution, shall appoint an auditor annually at the annual general meeting, and shall fill any vacancy in the office of the auditor.

13.2 An auditor may be removed at any time by an ordinary resolution of the members.

13.3 An auditor shall be informed forthwith in writing of appointment or removal.

13.4 The auditor may attend and speak at general meetings and is entitled to receive every notice and other communication relating to a meeting that a member is entitled to receive in like manner as a member.

Part 14. - Records

14.1 Documents of the Society shall be kept at the registered office of the Society unless the directors resolve otherwise.

14.2 A director may inspect any records of the Society during normal business hours except, without the authorization of a resolution of the Board, records of the Society that:

- (A) the Act does not require to be open to the inspection of directors; and
- (B) are records of the Society that contain confidential information relating to individuals

14.3 The auditor or an alternate may inspect any documents of the Society during normal business hours but not records described in section 14.2(B) or other *in camera* documents unless permitted to do so by a resolution of the Board.

14.4 No person who is not a member and a director, an alternate or the auditor is entitled to inspect any records of the Society unless permitted to do so by a resolution of the Board.

14.5 Upon request, directors, alternates and the auditor shall be sent copies of any documents open to their inspection upon payment of not more than 50 cents per page no other person shall be sent copies of any documents open to their inspection unless permitted by a resolution of the Board.

Part 15. - Notices to Members and Directors

15.1 A notice may be sent to a person in his or her capacity as a member, director or alternate either personally or by e-mail or mail to him or her at his or her registered address.

15.2 Notice may be sent to the Society by e-mail or Canada Post mail to the registered address of the Society.

15.3 A notice sent by Canada Post mail shall be deemed to have been sent on the 7th day after the day on which the notice is posted, and in proving that notice has been sent it is sufficient to prove that the notice was properly addressed and put in a Canadian post office receptacle.

15.4 Notice of a general meeting shall be sent to:

- (A) every member shown on the register of members on the day notice is sent; and
- (B) the auditor.

Part 16. - By-laws

16.1 On being admitted to membership, a member is entitled to and the Society shall give him or her, without charge, a copy of the constitution and by-laws of the Society.

16.2 On being appointed as an alternate, an alternate is entitled to and the Society shall give him or her, without charge, a copy of the constitution and by-laws of the Society.

16.3 These by-laws shall not be altered or added to except by special resolution.

Part 17. - Annual Public General Meeting

17.1 Within six months after the Society's fiscal year end on an annual basis, the Board shall hold a public meeting at which the directors report to the Islands' residents on the operation of the Society and the Fund. All members shall be present in person or by their proxy-holder at each such public meeting. Each such public meeting shall be open to all members of the public. The Society shall afford reasonable opportunity for the asking of questions and the expression of views. The Society shall present to the public meeting copies of the annual report for the previous fiscal year and the current business plan.

Part 18. - Performance Review

18.1 At least once in every five-year period, the Society shall retain a recognized independent, consulting firm (the "Consultants") to conduct a review of the Society's activities and prepare a report containing their findings and shall submit such report to the Board of Directors of the Society and deliver copies to the Participating Communities. The report will include an assessment of the extent to which the Society fulfilled its purposes during the period of the review. If the Consultants' report contains a finding that the Board or the management of the Society:

- (A) has acted improperly;
- (B) has not generally conducted the affairs of the Society in accordance with the Constitution and By-laws; or
- B) are not conducting the affairs of the Society in a manner that will likely achieve the purposes of the Society;

then, in any such case, the Board shall commence a special meeting of the Board, the Consultants and the representatives of the Participating Communities certified to be such by the persons described as representing the Participating Communities in section 2.5 to discuss the report and to determine a course of action to be taken to resolve the problems disclosed in the report.

Part 19 - Reporting Society

19.1 The Society shall be a reporting Society as provided for in the Societies Act.

Part 20 - Use of the Fund

20.1 No part of the Society's funds or assets shall inure to the benefit of any private individual, and no part of the activities of the Society shall consist of participating in, or intervening in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office. No part of the Society's income shall be made payable to, or otherwise made available for the personal benefit of, any member of the Society except as otherwise permitted by clause 5 of this Constitution. This provision was formerly unalterable.

20.2 Upon the winding-up or dissolution of the Society no part of the funds or assets of the Society shall be distributed to the members and all its funds and assets which remain after the payment of:

- (a) all costs, charges and expenses properly incurred in such winding-up or dissolution; and

(b) all debts of the Society,

shall, subject to clause 9 of this Constitution, be distributed to one or more non-profit organizations, as defined in paragraph 149(1)(1) of the Income tax Act, as amended from time to time, for use in the Islands. The recipient shall be chosen by ordinary resolution of the members of the Society, or failing such resolution, by resolution of the directors of the Society. This provision was formerly unalterable.

20.3 The Society shall be operated exclusively as a non-profit organization without financial gain to its members and any profits or other accretions to the Society shall be used as and when determined by the directors of the Society in promoting and furthering the purposes of the Society. Provided, however, that nothing in this provision shall prevent the Society from employing any member or director as an employee or independent contractor and nothing in this provision shall prevent the Society from paying any director or member so employed a fair and reasonable remuneration for services actually rendered to the Society by such director or member in their capacity as an employee or independent contractor. This provision was formerly unalterable.

20.4 The Society shall hold an annual public meeting at which the directors report to the Islands' residents on the operation of the Society and the Fund (as defined in clause 9 of this Constitution) and answer questions concerning the operation of the Society and the Fund. This provision was formerly unalterable.

20.5 The incorporating of the Society and the application and enforcement of the by-laws of the Society are strictly without prejudice to the unresolved dispute between the Haida Nation and Her Majesty the Queen in the Right of Canada and Her Majesty the Queen in the Right of British over political, legal and jurisdictional matters. This provision was formerly unalterable.

20.6 The by-laws of the Society shall be those filed with the application for incorporation of the Society until repealed, amended, altered or added to. This provision was formerly unalterable.

20.7 The Society:

- (a) shall hold all funds donated, granted or contributed at any time to the Society as the capital or a perpetual funds (the "Fund") and invest the capital of the Fund so as to earn income to be used, firstly, as an addition to the capital of the Fund to the extent necessary to maintain the value of the capital of the Fund so that it will have, at any time, when adjusted for inflation and subject to any advancement of capital from the Fund made pursuant to subclause 9(b) of this Constitution, a value at least equal to the sum of all funds donated, granted or contributed to the Society before that time and, secondly, to finance achievement of the other purposes of the Society to the extent that there is income in excess of that needed to maintain the value of the capital of the Fund.

- (b) Notwithstanding the provisions of subclause 9(a) of this Constitution, may make advances from the capital of the Fund to finance achievement of the other purposes of the Society; ;and further provided that no advancement of capital from the Fund will be made unless it is approved by a resolution of the members of the Society (a "Capital Advancement Resolution") which is passed at a general meeting of the Society by the affirmative vote of all but one of members of the Society existing at the time of such general meeting and all procedural steps relating to the passing of a Capital Advancement Resolution will be governed, with necessary changes, by the by-laws of the Society which govern procedures relating to the passing of special resolutions of the Society; and

the Fund shall be administered through trust arrangements with one or more trust companies that are incorporated under the laws of Canada or of a province and investments by the trustees of the capital of the Fund shall be limited to those investments described in Section 15 of the *Trustee Act*, R.S.B.C., c. 414 and Section 17 of the *Trustee Act*, R.S.B.C., c. 414 as amended from time to time or such equivalent statutory provisions as may be in effect from time to time shall apply with respect to such investments. This provision was formerly unalterable.

20.8 Clauses 3, 4, 5, 6, 7, 8, 9, and 10 of this Constitution are unalterable in accordance with Section 22 of the *Society Act*, R.S.B.C., c. 390. This provision was formerly unalterable.