

BY-LAW NO. 1

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

KINCARDINE THEATRE GUILD INC. (the "Corporation")

WHEREAS the Corporation was incorporated by Letters Patent issued under the *Corporations Act* (Ontario) on the 11th day of June, 2009, for the following objects:

1. To promote interest in and the practice of drama and the related arts.
2. To establish and operate a theatre and repertory group.
3. To provide facilities for education and instruction in theatrical arts.
4. To advance knowledge and appreciation of dramatic culture and tradition by theatrical performances.

NOW THEREFORE BE IT ENACTED as a by-law of (the "Corporation") as follows:

1. INTERPRETATION

1.1 In this by-law and all other by-laws and resolutions of the Corporation unless the contract otherwise requires:

- (a) the singular includes the plural;
- (b) the masculine gender includes the feminine;
- (c) "Board" means the board of directors of the Corporation;
- (d) "Corporation" means Kincardine Theatre Guild Inc.;
- (e) "*Corporations Act*" means the *Corporations Act*, R.S.O. 1990, Chapter C.38, as amended, and any statute amending or enacted in substitution therefor, from time to time;
- (f) "documents" includes deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, bonds, debentures or other securities and all paper writings;
- (g) "Officers" means the persons who hold the offices enumerated in section 5.1;

1.2 All terms defined in the *Corporations Act* have the same meanings in this by-law and all other by-laws and resolutions of the Corporation.

2. **HEAD OFFICE**

The head office of the Corporation shall be in the Municipality of Kincardine, in the Province of Ontario, and at such place therein as the Board may from time to time determine.

3. **SEAL**

The seal which is impressed hereon shall be the corporate seal of the Corporation.

4. **BOARD**

4.1 **Board.** The affairs of the Corporation shall be managed by a Board composed of twelve elected directors.

4.2 **Election of Directors.** Directors, subject to the provisions of section 4.4, shall be elected in the manner set out in Article 6 each of whom, subject to the provisions of the Letters Patent and the Supplementary Letters Patent, shall hold office until the third annual meeting after election to office and until his successor has been elected and qualified.

4.3 **Qualifications.** Each director shall

- (a) be at the date of, or become within ten (10) days after, his election, and thereafter remain throughout his term, a member of the Corporation who is qualified by the terms of section 7.3 to hold office;
- (b) be at least eighteen (18) years of age; and
- (c) not be an undischarged bankrupt nor a mentally incompetent person.

If a person ceases to be a member of the Corporation who is qualified by the terms of section 7.3 to hold office, or becomes bankrupt or a mentally incompetent person, he thereupon ceases to be a director, and the vacancy so created may be filled in the manner prescribed by section 4.4.

4.4 **Vacancies.** So long as a quorum of the directors remains in office, a vacancy on the Board may be filled for the remainder of the term by the directors from among the qualified members of the Corporation. If no quorum of directors exists, the remaining directors shall forthwith call a general meeting of members to fill the vacancies on the Board.

4.5 **Removal of Directors.** The members entitled to vote may, by resolution passed by at least two-thirds (2/3) of the votes cast at a general meeting of which notice specifying the intention to pass the resolution has been given, remove any director

before the expiration of his term of office, and may, by a majority of the votes cast at that meeting, elect any person in his stead for the remainder of his term.

- 4.6 Quorum. A quorum for the transaction of business at meetings of the Board shall be a majority of the number of members of the Board.
- 4.7 Meetings. Meetings of the Board may be held at any place within or outside Ontario, as designated in the notice calling the meeting. Meetings of the Board may be called by the President, or the Secretary or any two (2) directors. If all the directors of a corporation present at or participating in the meeting consent, a meeting of directors or of a committee of directors may be held by such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in the meeting by those means is deemed to be present at the meeting.
- 4.8 Notice. Subject to the provisions of section 4.9, notice of Board meetings shall be delivered, mailed or telephoned to each director not less than two (2) days before the meeting is to take place. The statutory declaration of the Secretary or President that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. No formal notice of a meeting is necessary if all the directors are present or if those absent have signified their consent to the meeting being held without notice and in their absence.
- 4.9 Regular Meetings. The Board may appoint one or more days in each year for regular meetings of the Board at a place and time named; no further notice of the regular meetings need be given. The Board shall hold a meeting within seven (7) days following the annual meeting of the Corporation for the purpose of organization, the election and appointment of officers and the transaction of any other business.
- 4.10 Voting. Questions arising at any meeting of the Board shall be decided by a majority vote. In the case of an equality of votes, the Chairman, in addition to his original vote has a second or casting vote. At all meetings of the Board, every question shall be decided by a show of hands unless a poll on the question is required by the Chairman or requested by any director. A declaration by the Chairman that a resolution has been carried and an entry to that effect in the minutes is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution.
- 4.11 Remuneration of Directors. The directors of the Corporation shall serve without remuneration.
- 4.12 Indemnities to Directors. Every director and officer of the Corporation and his heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless, out of the funds of the Corporation, from and against,

- (a) all costs, charges and expenses whatsoever which the director ^{or} officer sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him in or about the execution of the duties of his office; and
- (b) all other costs, charges and expenses which he sustains or incurs in or about or in relation to the affairs thereof, except the costs, charges or expenses occasioned by his own wilful neglect or default.

4.13 Protection of Directors and Officers. No directors or officers of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency of any security in or upon which any of the money of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation with whom or which any moneys, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune thereto unless the same shall happen by or through his own wrongful and wilful act or through his own wrongful and wilful neglect or default.

4.14 Responsibility for Acts. The directors for the time being of the Corporation shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the Board.

4.15 Others Present. Such others as the Board may from time to time by resolution determine, shall be entitled, in the same manner and to the same extent as a director, to notice of, and personally or by his delegate to attend and to speak at, meetings of Board, but shall not be entitled to vote thereat.

5. OFFICERS

5.1 Officers. There shall be a President, Secretary and Treasurer elected by the Board from among their number. One person may hold more than one office.

5.2 President. The President shall, when present, preside at all meetings of the Board, and members. The President shall supervise the affairs and operations of the Corporation, sign all documents requiring his signature and have the other powers and duties from time to time prescribed by the Board or incident to his office.

5.3 Secretary. The Secretary shall be *ex officio* clerk of the Board and shall attend all meetings of the Board to record all facts and minutes of those proceedings in the books kept for that purpose. He shall give all notices required to be given to members and to directors. He shall be the custodian of the corporate seal of the

Corporation and of all books, papers, records, correspondence and documents belonging to the Corporation and shall perform the other duties from time to time prescribed by the Board or incident to his office.

- 5.4 Treasurer. The Treasurer shall keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account and shall deposit all moneys or other valuable effects in the name and to the credit of the Corporation in the bank or banks from time to time designated by the Board. He shall disburse the funds of the Corporation under the direction of the Board, taking proper vouchers therefor and shall render to the Board, whenever required of him, an account of all his transactions as Treasurer and of the financial position of the Corporation. He shall co-operate with the auditors of the Corporation during any audit of the accounts of the Corporation and perform the other duties from time to time prescribed by the Board or incident to his office.
- 5.5 Other Officers. The Board may appoint other officers, including without limitation, Honorary Officers, and agents (and with such titles as the Board may prescribe from time to time) as it considers necessary and all officers shall have the authority and perform the duties from time to time prescribed by the Board. The Board may also remove at its pleasure any such officer or agent of the Corporation. The duties of all other officers of the Corporation appointed by the Board shall be such as the terms of their engagement call for or the Board prescribes.

6. ELECTION OF BOARD

Subject to the provisions of the *Corporation Act*, directors, shall be elected at each annual meeting of members to hold office until the next annual meeting, but if a new board is not elected thereat the directors then in office continue in office until their successors are duly elected. Retiring directors shall be eligible for re-election. The President or delegate will present to the membership nominations for the board, nominations from the floor will be accepted. The election of directors shall be by secret ballot. The President or delegate shall appoint a returning officer who will be responsible for presiding over the vote.

7. MEMBERSHIP

- 7.1 Membership in the Corporation shall consist of the applicants for incorporation of the Corporation and such other persons as are admitted as members by the Board.
- 7.2 Voting Rights. Each member shall be entitled to one vote in any proceedings of the Corporation.
- 7.3 Holding Office. No person who is not a member shall be qualified to hold office in the Corporation as a director.
- 7.4 Transfer of Membership. A membership in the Corporation is not transferable.

- 7.5 Revocation of Membership. Any member may be expelled from the Corporation for cause by a two-thirds (2/3) vote taken by ballot of the members present and eligible to vote at an annual or other general meeting of members.
- 7.6 Termination of Membership. A membership in the Corporation automatically terminates upon the happening of any of the following events:
- (a) if the person, in writing, resigns as a member of the Corporation;
 - (b) if the member dies;
 - (c) if a person is expelled from the Corporation pursuant to section 7.5 or
 - (d) if a fee under the authority of section 7.7 remains unpaid for more than sixty (60) days after notice of the assessment has been given to the member.

Notwithstanding termination of membership, a former member remains liable for any assessment levied under the authority in section 7.7 prior to termination of his membership.

- 7.7 Membership Dues. Membership dues, assessments and similar obligations ("assessments") may only be levied if authorized by:
- (a) three-quarters (3/4) of the members of the Board; and
 - (b) two-thirds (2/3) of the votes of members eligible to vote at an annual or other general meeting, notice of which shall include notice of intention to seek such authority.

Notice of an assessment shall be mailed to each member.

- 7.8 Liability of Members. Members shall not, as such, be held answerable or responsible for any act, default, obligation or liability of the Corporation or for any engagement, claim, payment, loss, injury, transaction, matter or thing relating to or connected with the Corporation.
- 7.9 Annual Meeting. The annual meeting of the members shall be held each year within Ontario, at a time, place and date determined by the Board, for the purpose of:
- (a) hearing and receiving the reports and statements required by the *Corporations Act* to be read at and laid before the Corporation at an annual meeting;
 - (b) electing such directors as are to be elected at such annual meeting;
 - (c) appointing the auditor and fixing or authorizing the Board to fix his remuneration; and

- (d) the transaction of any other business properly brought before the meeting.
- 7.10 General Meeting. The Board may at any time call a general meeting of members for the transaction of any business, the general nature of which is specified in the notice calling the meeting. A general meeting of members may also be called by the members as provided in the *Corporations Act*.
- 7.11 Notice of Meetings. Notice of the time, place and date of meetings of members and the general nature of the business to be transacted shall be given at least ten (10) days before the date of the meeting to each member (and in the case of an annual meeting to the auditor of the Corporation) by sending by prepaid mail to the last address of the addressee shown on the Corporation's records. *Electronic*
- 7.12 Quorum. A majority of the members present in person constitute a quorum at a meeting of members, and no business shall be transacted at any meeting unless the requisite quorum is present at the commencement of such business.

PROVIDED HOWEVER that where:

- (a) less than a majority, but four (4) or more, persons are present in person after one-half hour after the commencement time specified in the notice calling the meeting of members; and
- (b) the business transacted is limited to the selection of a Chairman and a Secretary for the meeting, the recording of the names of those present, and the passing of a motion to adjourn the meeting with or without specifying a date, time and place for the resumption of the meeting,

then four (4) persons present in person constitute a quorum.

- 7.13 Voting by Members. Unless otherwise required by the provisions of the *Corporations Act* or the by-laws of the Corporation, all questions proposed for consideration at a meeting of members shall be determined by a majority of the votes cast by members entitled to vote. In the case of an equality of votes, the Chairman presiding at the meeting has a second or casting vote.
- 7.14 Proxies. Every member, including a corporate member, entitled to vote at meetings of members may by means of a proxy appoint a person who need not be a member as his nominee, to attend and act at the meeting in the manner, to the extent and with the power conferred by the proxy. A proxy shall be in writing, shall be executed by the member entitled to vote or his attorney authorized in writing, or, if the member is a body corporate, under its corporate seal or by an officer or attorney thereof duly authorized, and ceases to be valid one year from its date. Subject to the requirements of the *Corporations Act*, a proxy may be in such form as the Board from time to time prescribes or in such other form as the Chairman of the meeting may accept as sufficient, and shall be deposited with the Secretary of the meeting before any vote is called under its authority or at such earlier time and in such manner as the Board may prescribe.

- 7.15 Show of Hands. At all meetings of members every question shall be decided by a show of hands unless otherwise required by a by-law of the Corporation or unless a poll is required by the Chairman or requested by any member entitled to vote. Upon a show of hands, every member entitled to vote, or by proxyholder for a member entitled to vote, present in person shall have one vote. Whenever a vote by show of hands has been taken upon a question, unless a poll is requested, a declaration by the Chairman that a resolution has been carried or lost by a particular majority and an entry to that effect in the minutes of the Corporation is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.
- 7.16 Chairman. In the absence of the President, the members entitled to vote present at any meeting of members shall choose another director as Chairman and if no director is present or if all the directors present decline to act as Chairman, the members present shall choose one of their number to be Chairman.
- 7.17 Polls. If at any meeting a poll is requested on the election of a Chairman or on the question of adjournment, it must be taken forthwith without adjournment. If a poll is requested on any other question, it shall be taken in the manner and either at once or later at the meeting or after adjournment as the Chairman directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was requested. A request for a poll may be withdrawn at any time prior to the taking of the poll.
- 7.18 Adjournments. Any meeting of members may be adjourned to any time and from time to time, and any business may be transacted at any adjourned meeting that might have been transacted at the original meeting from which the adjournment took place. No notice is required of any adjourned meeting.

8. COMMITTEES

- 8.1 Ad Hoc Committees. There may be such *ad hoc* committees and for such purposes as the Board may determine from time to time by resolution.

9. EXECUTION OF DOCUMENTS

- 9.1 Cheques, Drafts, Notes, Etc. All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by the officer or officers or person or persons and in the manner from time to time prescribed by the Board.
- 9.2 Execution of Documents. Documents requiring execution by the Corporation may be signed by the President and the Secretary or the Treasurer or any two (2) directors, and all documents so signed are binding upon the Corporation without any further authorization or formality. The Board may from time to time appoint any officer or officers or any person or persons on behalf of the Corporation, either to

sign documents generally or to sign specific documents. The corporate seal of the Corporation shall, when required, be affixed to documents executed in accordance with the foregoing.

- 9.3 Books and Records. The Board shall see that all necessary books and records of the Corporation required by the by-laws of the Corporation or by any applicable statute are regularly and properly kept.

10. **BANKING ARRANGEMENTS**

- 10.1 The Board shall designate, by resolution, the officers and other persons authorized to transact the banking business of the Corporation or any part thereof, with the bank, trust company, or other corporation carrying on a banking business that the Board has designated as the Corporation's banker, to have the authority set out in the resolution, including, unless otherwise restricted, the power to

- (a) operate the Corporation's accounts with the banker;
- (b) make, sign, draw, accept, endorse, negotiate, lodge, deposit or transfer any of the cheques, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money;
- (c) issue receipts for and orders relating to any property of the Corporation;
- (d) execute any agreement relating to any banking business and defining the rights and powers of the parties thereto; and
- (e) authorize any officer of the banker to do any act or thing on the Corporation's behalf to facilitate the banking business.

- 10.2 Deposit of Securities. The securities of the Corporation shall be deposited for safe keeping with one or more bankers, trust companies or other financial institutions to be selected by the Board. Any and all securities so deposited may be withdrawn, from time to time, only upon the written order of the Corporation signed by such officer or officers, agent or agents of the Corporation, and in such manner, as shall from time to time be determined by resolution of the Board and such authority may be general or confined to specific instances. The institutions which may be so selected as custodians of the Board shall be fully protected in acting in accordance with the directions of the Board and shall in no event be liable for the due application of the securities so withdrawn from deposit or the proceeds thereof.

11. **BORROWING BY THE CORPORATION**

- 11.1 Subject to the limitations set out in the by-laws or in the Letters Patent of the Corporation, the Board may,

- (a) borrow money on the credit of the Corporation;
- (b) issue, sell or pledge securities of the Corporation; or
- (c) charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Corporation, including book debts, rights, powers, franchises and undertakings, to secure any securities or any money borrowed, or other debt, or any other obligation or liability of the Corporation,

provided that, except where the Corporation borrows on the security of its real or personal property, its borrowing power shall be limited to borrowing money for current operating expenses.

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

12. **FINANCIAL YEAR**

- 12.1 The financial year of the Corporation shall terminate on the 30th day of September of each year or on such other date as the Board may from time to time by resolution determine.

13. **NOTICE**

- 13.1 Computation of Time. In computing the date when notice must be given under any provision of the by-laws requiring a specified number of days' notice of any meeting or other event, the date of giving the notice is, unless otherwise provided, included.
- 13.2 Omissions and Errors. The accidental omission to give notice of any meeting of the Board or members or the non-receipt of any notice by any director or member or by the auditor of the Corporation or any error in any notice not affecting its substance does not invalidate any resolution passed or any proceedings taken at the meeting. Any director, member or the auditor of the Corporation may at any time waive notice of any meeting and may ratify and approve any or all proceedings taken thereat.

14. **BY-LAWS AND AMENDMENTS, ETC.**

- 14.1 Enactment. By-laws of the Corporation may be enacted, repealed, amended, altered, added to or re-enacted in the manner contemplated in, and subject to the provisions of, the *Corporations Act*.

15. EFFECTIVE DATE

15.1 This by-law shall come into force without further formality upon its enactment.

Enacted as By-law Number 1 by the directors of the Corporation at a meeting duly called and regularly held and at which a quorum was present on the 11th day of June, 2009.

Cynthia Mathers, Secretary

Shirley Bieman, President