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BYLAWS

POLLUTER PAY FEDERATION NON-PROFIT CORPORATION

NOTE TO READER

These are draft bylaws, prepared by Mark Dorin, proposed to a Steering Committee and interested parties at the request of the Temporary Steering Committee, which pertain to creation of a non-profit corporation (proposed name *Polluter Pay Federation*). The intent of bylaws approved by the Steering Committee is to formulate proposed bylaws for distribution to founding and potential founding members for their comments and input in the spirit of inclusiveness.

Note that Articles of Incorporation (Charter) for the non-profit corporation must also be drafted. Such matters shall be dealt with separately (by setting out the main goals or objectives of the non-profit organization).

It is the intent of Steering Committee Members to retain and consult legal counsel in such regards.

For more information on the proposed structure and purposes of the Polluter Pay Federation, including membership and funding model, and Steering Committee membership and updates, please refer to the website address below:

<https://polluterpayfederation.ca/>

ARTICLE 1 – PREAMBLE

1.01 Name of Non-profit Corporation. The name of the corporation is the Polluter Pay Federation (herein the “Federation”).

1.02 Purpose. The following articles set forth the Bylaws of the Federation. The purpose of the Federation shall be the observance and preservation of real property rights and related municipal taxation rights.

ARTICLE 2 – DEFINITIONS

2.01 Definitions. In these Bylaws, the following terms shall have the meaning ascribed to them below:

- 2.01.1 “Act” means the *Business Corporations Act*, RSA 2000, c B-9, as amended or replaced from time to time;
- 2.01.2 “Annual General Meeting” means the annual general meeting of the Federation described in Article 4;
- 2.01.3 “Board” means the Board of Directors of the Federation;
- 2.01.4 “Board Meeting” means a general or special meeting of the Board of Directors described in Article 5;
- 2.01.5 “Bylaws” means these Bylaws and any amendments made thereto from time to time;
- 2.01.6 “Director” means any person duly elected or appointed to the Board in accordance with these Bylaws;
- 2.01.7 “General Meeting” means a general meeting of the Members of the Federation described in Article 4;
- 2.01.8 “Meeting” includes Annual General Meetings, Regular General Meetings and Special Meetings;
- 2.01.9 “Member” means a member (including a Member Organization) in good standing of the Federation;
- 2.01.10 “Objects” means the objects of the Federation as described in its constating documents;
- 2.01.11 “Officer” means any officer duly appointed pursuant to Article 6;
- 2.01.12 “Polluter” means an “operator” as defined in subsection 1(h) of the *Alberta Surface Rights Act*, RSA 2000, c S-24, obliged to obtain a “right of entry” as also defined in subsection 1(m) of the *Surface Rights Act*, and obliged to compensate registered owners of the surface rights as well as occupants for the acquisition of such a right of entry.

- 2.01.13 “**Registered Office**” means the latest registered office of the Federation, as shown in the records of the Alberta Corporate Registry;
- 2.01.14 “**Register of Members**” means the register maintained by the Board of Directors, which register contains the names and contact information of all of the Members of the Federation; and,
- 2.01.15 “**Federation**” means the Polluter Pay Federation non-profit corporation.
- 2.01.16 “**Special Meeting**” means a special meeting of the Federation described in Article 4;
- 2.01.17 “**Special Resolution**” means:
- (a) a resolution passed
 - (i) at a General Meeting or Special Meeting, provided that notice of the Meeting must be duly given at least twenty-one (21) days prior to the Meeting to the Members, and such notice must specify the intention to propose the Special Resolution; and,
 - (ii) by not less than seventy-five percent (75%) of those Voting Members entitled to vote who voted in person or by proxy at the Meeting;
 - (b) a resolution proposed and passed as a special resolution at a General Meeting or Special Meeting, of which less than twenty-one (21) days’ notice was given, provided that all Voting Members entitled to attend and vote at the Meeting unanimously agree;
 - (c) (c) a resolution agreed to in writing by all Voting Members who would have been entitled to vote on the resolution in person or by proxy if a General Meeting or Special Meeting had been held;
- 2.01.18 “**Voting Delegate**” means a delegate elected or appointed by a member organization entitled to vote at a Meeting of the Federation.
- 2.01.20 “**Voting Member**” means a Member entitled to vote at Meetings of the Federation.

2.02 Interpretation. The following rules of interpretation apply to these Bylaws, unless the context clearly indicates otherwise:

- 2.02.1 Words used in the singular also include the plural, and vice-versa, and the neuter gender includes the masculine and feminine.
- 2.02.2 Words referencing a person also include corporations and other like legal entities.
- 2.02.3 Headings are for convenience only and do not affect the interpretation of these Bylaws.
- 2.02.4 These Bylaws are meant to be interpreted broadly and generously, with due regard to the Objects of the Federation and the intent and spirit of these Bylaws.

ARTICLE 3 – MEMBERSHIP

3.01 Responsibilities of Members. Every Member shall:

- 3.01.1 uphold the Objects of the Federation and comply with these Bylaws;
- 3.01.2 act in good faith in their dealings with the Federation;
- 3.01.3 promptly notify the Federation of any updates to their contact information;
- 3.01.4 if the Member is not an individual, inform the Federation of the individual(s) authorized to act on behalf of and vote for the Member, where necessary; and,
- 3.01.5 be responsible for maintaining their membership in the Federation in good standing, and for paying their membership dues, or alternately for arranging for the Federation to invoice the Polluter responsible for payment of the Member's membership dues, as and when due.

3.02 Rights of Members. Every Member shall be entitled to be given notice of, attend and speak at Meetings of the Federation, and to exercise all other rights and privileges given to Members in these Bylaws. However, nothing here is intended to abrogate or restrict the Board's powers and duties described in Article 5.

3.03 Right to Vote. Subject only to the provisions of Article 3.03.1, every Member in good standing has the right to cast a single vote, in person or by proxy, for all resolutions proposed to a vote at all Meetings of the Federation duly called in accordance with Article 4.

- 3.03.01** At a Meeting of the Federation, Members, who belong to Member Organizations shall vote by way of sending elected or appointing a Voting Delegate(s) to the Meeting, which Delegate shall cast a vote as instructed by those belonging to the Member Organization who elected or appointed them.

3.04 Good Standing. A Member is in good standing when the Member:

- 3.05.01 has paid the applicable membership fee, or has alternately made arrangements with the Federation to invoice the Polluter for the applicable membership fee and to collect such fee and any other fees or charges required by the Federation from time to time; and
- 3.04.2 is not expelled, suspended or terminated from membership pursuant to Section 3.10.

3.05 Eligibility for Membership. Any person, including but not limited to an individual, an association, corporation, Federation or partnership, that:

- 3.05.1 is directly or indirectly engaged or interested in the Objects and business of the Federation, including but not limited to land use issues, trade, commerce or the economic and social welfare of Alberta or Canada;
- 3.05.2 in the case of a real property owner, ordinarily resides of the Province of Alberta, if an individual, or has its principal place of business in the Province of Alberta, if a legal person;

- 3.05.3 has made an application for membership in the prescribed form;
- 3.05.4 has paid the applicable membership fee, as determined from time to time in accordance with these Bylaws, or has made a **Polluter Pay arrangement with the Federation in such regards;**
- 3.05.5 whose membership has not been terminated pursuant to these Bylaws;
- 3.06.6 is eligible to become a Member of the Federation.

3.06 Number of Members. The Federation may have an unlimited number of Members.

3.07 Membership Approval.

- 3.07.1 A person interested in becoming a Member may, at any time, apply in writing using the form or forms prescribed by the Board from time to time. Such application must be delivered to the Federation in the prescribed manner.
- 3.07.2 The Board, or its delegate, shall receive and decide all applications for membership.
- 3.07.3 The approval of applications for membership is within the exclusive purview and at the absolute discretion of the Board, or its delegate.
- 3.07.4 The Federation must maintain, at its business office, a register of the Members, including their names and contact information (the **“Register of Members”**).
- 3.07.5 Any application for membership must be received in the prescribed form, along with payment of applicable membership dues or any **alternate Polluter Pay request as described in Article 3.08.01**, no later than twenty-one (21) days prior to a Meeting of the Federation in order that the applicant be entitled to attend and vote on a resolution presented at that Meeting.
- 3.07.6 Only Voting Members appearing in the Register on the date of a Meeting, **or their Voting Delegate(s)**, are entitled to cast a vote on a resolution proposed at a Meeting.

3.08 Membership Fees. The Board may determine the membership fees and membership categories on an annual basis, subject to ratification by Special Resolution of the Members at a Meeting. Membership fees for new Members are due immediately upon receipt of an invoice issued by the Federation. Fees for membership renewals are due no later than thirty (30) days after the beginning of the new membership year.

- 3.08.01 **Polluter Pay Members.** The Board shall ensure that a category of membership is established and maintained specifically for Members who are entitled to have the Polluter pay for their membership fees pursuant to expropriation principles including the polluter pays principle. Upon request of these Members and related provision of the authority and details necessary to do so, the Federation shall invoice the Polluter each year for the membership fees of Polluter Pay Members on their behalf

3.09 Membership Year. The membership year follows the same period as the Fiscal Year of the Federation set out at [Subsection 7.02.1](#).

3.10 Suspension or Termination of Membership.

3.10.1 A Member's membership in the Federation terminates immediately upon:

- (a) the Member delivering a notice of withdrawal in writing to the Secretary of the Federation;
- (b) the Member's death, if an individual, or the Member's winding up or dissolution, if a legal entity;
- (c) the expulsion of the Member in accordance with Subsection 3.10.3.

3.10.2 **Suspension for Non-Payment.** If a Member is in arrears for membership fees or other fees or charges for any membership year, the Member is automatically suspended at the expiration of ninety (90) days after the beginning of the membership year.

- (a) **Suspension of Rights and Privileges.** From the date of suspension to the date of reinstatement, if applicable, the Member will not be entitled to exercise any of the rights or privileges granted to Members.
- (b) **Reinstatement.** The suspended Member may be reinstated upon paying all membership fees and other fees or charges in arrears and any membership fees due for the upcoming membership year.
- (c) **Partial or Full Reinstatement.** Upon reinstatement, the Board has absolute discretion to impose any conditions or restrictions on the rights and privileges of the Member it considers necessary or advisable, and such conditions or restrictions shall be for pre-determined fixed period of not more than one (1) membership year.
- (d) **Multiple Suspensions.** If the Member is suspended more than three (3) times for non-payment of membership fees or other fees or charges, they will be eligible for reinstatement of their membership only by a vote of two-thirds (2/3) of the Directors present at a duly called Board Meeting.

3.10.3 **Expulsion of Member.** The Federation may, by Special Resolution of the Members, expel any Member for any cause which the Federation deems sufficient in the interest of the Federation.

- (a) **Reinstatement.** A Member so expelled may only be reinstated into membership by a Special Resolution at a Meeting of the Members. A Member is only eligible for reinstatement after a period of two (2) years from the date of expulsion has elapsed.
- (b) **Effect.** Upon the passing of a Special Resolution to expel a Member, the Secretary shall promptly remove the name of the Member from the Register of Members, and the Member will be considered to have ceased being a Member on the date the Member's name is removed from the Register.

3.11 Transmission of Membership. Subject only to the right to appoint or elect Voting Delegates, no right or privilege of a Member may be transferred to another person. All rights and privileges cease upon the termination or suspension of the membership of a Member.

3.12 Continued Liability for Debts Due. A Member's liability for debts owing to the Federation, including but not limited to membership fees or other fees or charges of the Federation currently due or in arrears, does not cease upon the Member's termination or suspension, for any reason whatsoever.

3.13 Limitation of Liability. No Member is, in their personal capacity, liable for any debts of the Federation, unless the Member expressly consents in writing to becoming liable for such debts.

ARTICLE 4 – MEETINGS OF THE FEDERATION

4.01 Annual General Meeting. The Federation shall hold an Annual General Meeting on or before a date decided by the Board, which shall in the absence of any decision of the Board to the contrary, be deemed to be **March 15** of each calendar year.

- 4.01.1 The Board shall set the place, date and time of the Meeting.
- 4.01.2 **Notice of Meeting.** The Secretary shall give notice to each Member listed in the Register of Members. The notice must:
 - (a) be given in the manner prescribed at Section 4.10;
 - (b) be given no later than twenty-one (21) days prior to the date of the Annual General Meeting;
 - (c) state the place, date and time of the Annual General Meeting; and
 - (d) state all business proposed to be submitted for a Special Resolution, if any.
- 4.001.3 **Agenda.** The Annual General Meeting must deal with the following matters:
 - (a) adoption of the Agenda;
 - (b) adoption of the minutes of the last Annual General Meeting;
 - (c) presentation and consideration of the President's report;
 - (d) review of the financial statements, which statements must set out the Federation's income, disbursements, assets and liabilities for the past year, audited and signed by the Federation's auditor;
 - (e) appointment of the Auditor for the upcoming year;
 - (f) election of the Directors and Officers of the Federation for the upcoming year, in accordance with Sections 5.02 and 5.05;
 - (g) presentation and consideration of matters proposed for a Special Resolution in the notice of meeting; and,
 - (h) other motions for which any Members may have given notice prior to the calling of the meeting.

4.02 Regular General Meetings. Regular General Meetings of the Federation shall be held not less than once per year, at a date, time and place, or by way of some other manner such as video conference, to be determined by a simple majority of the Board, provided that:

- 4.02.1 no Regular General Meetings held at a specific place are to be held in the months of July and August; and,
- 4.02.2 notice of a Regular General Meeting must be given to the Members in the manner prescribed at Section 4.10.

4.03 Special Meetings. A Special Meeting of the Federation may be called at any time:

- 4.03.1 by a resolution of the Board of Directors to that effect;
- 4.03.2 on the written request of at least three (3) Directors, which request must be given to the Secretary and state the reason for the Special Meeting and the Special Resolution proposed for the vote of the Members;
- 4.03.3 on the written request of at least one-third (1/3) of the Voting Members, which request must be given to the Secretary and state the reason for the Special Meeting and the Special Resolution proposed for the vote of the Members.

4.04 Notice of Special Meeting. Upon receipt of a written request, the Secretary shall give a notice of meeting to each Member in the manner prescribed at Section 4.10, at least twenty-one (21) days prior to the date of the Special Meeting, and such notice must state the place, date and time of the Special Meeting and all business to be conducted at the Meeting.

4.05 Agenda for Special Meeting. Only the business set out in the notice of meeting may be considered at a Special Meeting.

4.06 Quorum. **Five (5)** Voting Members in good standing shall constitute a quorum at any Meeting.

4.07 Voting.

- 4.07.1 Each Voting Member, including the President, has one (1) vote.
- 4.07.2 Voting at Meetings shall be by a show of hands, unless a roll call vote or secret ballot vote is requested.
- 4.07.3 The President or presiding Officer will cast the deciding vote in the case of a tie vote.
- 4.07.4 A Voting Member may vote by proxy **or through a Voting Delegate.**
- 4.07.5 A majority of the votes of the Voting Members present decides each issue and resolution unless the issue needs to be decided by a Special Resolution.

- 4.07.6 Five (5) Voting Members may request a roll call vote or secret ballot vote. In the case of a secret ballot vote, the President or the presiding officer may set the time, place and manner for the vote. The result of the ballot is the resolution of the Meeting.
- 4.07.7 Members may withdraw their request for a secret ballot vote.
- 4.07.8 The President decides any dispute on voting results. The President must make a decision in good faith, and this decision is final.
- 4.07.9 A vote by a proxy or an individual purporting to act on behalf of a Member is binding and cannot be challenged unless the Member or principal of the Member notified the Federation in writing prior to the vote that the proxy was revoked or the individual is not authorized to act on behalf of the Member.

4.08 Majority Vote. Unless otherwise required under these Bylaws, a motion or other business proposed at a Meeting shall be carried by a simple majority vote (being 50% of Voting Members present plus 1 vote).

4.09 Special Meeting Vote. Unless otherwise required under these Bylaws, a Special Meeting has the same manner of voting and the same quorum requirements as the Annual General Meeting.

4.10 Manner of Notice. Notice of a Meeting may be given in any of the manners prescribed below:

- 4.10.1 delivery of a written notice by mail addressed to the last known address of each Member, mailed not less than two (2) weeks prior to the date of a Meeting, unless a greater notice period is required under these Bylaws or the *Societies Act*; or
- 4.10.2 delivery of a notice by electronic communication, including facsimile and e-mail, addressed to the last known such email address or facsimile number of each Member, sent not less than one (1) week prior to the date of a Meeting, unless a greater notice period is required under these Bylaws or the *Business Corporations Act*.

4.11 Publication of Notice of Meeting. In addition to the manners prescribed above, notice of a Meeting may be given by any or all of the manners below:

- 4.11.1 publication in a newspaper of general circulation in Alberta, not less than two (2) weeks prior to the date of a Meeting, unless a greater notice period is required under these Bylaws or the *Societies Act*;
- 4.11.2 publication on the website of the Polluter Pay Federation; or
- 4.11.3 any other manner that, in the opinion of the Board, is likely to result in Members being notified of a Meeting.

4.12 Failure to Give Notice of Meeting. No action taken at a Meeting is invalid due solely to:

- 4.12.1 the accidental omission to give any notice to a Member;
- 4.12.2 a Member not receiving notice;
- 4.12.3 any error in a notice that does not affect the essential terms of the notice.

4.13 Written Resolution of All Voting Members. If all Voting Members agree to and sign a resolution in writing, this resolution has the same validity as a resolution passed at a Meeting, and no notice or calling of a Meeting is required to validate the written resolution. The resolution is considered to have been passed on the date set out on the resolution.

4.14 Proceedings at the Annual General Meeting or a Special Meeting.

4.14.1 **Attendance by the Public.** Meetings of the Federation are open to the public. A majority of the Members present may ask any persons who are not Members to leave the Meeting.

4.14.2 **Failure to Reach Quorum.** The President will cancel a Meeting if quorum is not present within one-half (1/2) hour after the set start time. If cancelled, the Meeting will be rescheduled for seven (7) calendar days later at the same time and place. If quorum is not present within one-half (1/2) hour after the set start time of the second Meeting, the Meeting will proceed with the Members in attendance, and all business transacted at the second Meeting will be considered valid and effective notwithstanding that quorum was not achieved.

4.15 Presiding Officer.

4.15.1 The President chairs every Meeting of the Federation. The Vice-President chairs in the absence of the President.

4.15.2 If neither the President nor the Vice-President is present within one-quarter (1/4) hour after the set start time for the Meeting, the Members present shall choose one (1) of the Officers present to chair the Meeting.

4.16 Adjournment.

4.16.1 The President may adjourn a Meeting with the consent of the Members present at the Meeting. The adjourned Meeting conducts only the unfinished business from the initial Meeting.

4.16.2 No notice is necessary if the Meeting is adjourned for less than thirty (30) days.

4.16.3 The Federation must give notice when a Meeting is adjourned for thirty (30) days or more. Notice must be the same as for any Meeting.

4.17 Minutes. The person presiding over the meeting for which the minutes were prepared shall sign those minutes at the meeting at which the minutes are adopted, and the Secretary shall enter the signed minutes into the books of the Federation.

4.18 Roberts Rules of Order. Parliamentary procedure shall be followed at all Meetings in accordance with Robert's Rules of Order.

ARTICLE 5 – THE BOARD OF DIRECTORS

5.01 Eligibility. Any Member in good standing is eligible to hold any office of the Federation.

5.02 Composition of Board. The Board shall consist of:

- 5.02.1 the President;
- 5.02.2 the Vice-President;
- 5.02.3 the Secretary;
- 5.02.4 the Treasurer; and
- 5.02.5 no less than three (3) but no more than five (5) additional Directors.

5.03 Directors and Officers. A Director elected to an Officer position shall have the additional responsibilities outlined at the Subsection 6.03.1, 6.03.2, 6.03.3 or 6.03.4 that applies to the Officer position to which they have been elected.

5.04 Powers. Subject to the Bylaws or any restriction voted upon by Special Resolution, the Board shall have full control and management of the affairs of the Federation. The powers and duties of the Board include:

- 5.04.1 promoting the objects of the Federation;
- 5.04.2 promoting membership in the Federation;
- 5.04.3 maintaining and protecting the Federation's assets and property;
- 5.04.4 approving an annual budget for the Federation;
- 5.04.5 paying all expenses for operating and managing the Federation;
- 5.04.6 paying persons for services and protecting persons from debts of the Federation;
- 5.04.7 investing any extra monies;
- 5.04.8 financing the operations of the Federation, and borrowing or raising monies;
- 5.04.9 making policies for managing and operating the Federation;
- 5.04.10 approving all contracts for the Federation;
- 5.04.11 maintaining all accounts and financial records of the Federation;
- 5.04.12 appointing legal counsel as necessary;
- 5.04.13 making policies, rules and regulations for opening the Federation and using its facilities and assets; and,
- 5.04.14 selling, disposing of, or mortgaging any or all of the property of the Federation

5.05 Election of Directors. At each and every Annual General Meeting, the Members shall elect the Directors of the Board in accordance with Section 5.02, each of whom will serve for a **one (1) year term** that ends at the close of the Annual General Meeting following the Annual General Meeting at which the Directors were elected, and each of whom is entitled to remuneration for services provided.

5.06 Effective Term. A person elected or appointed as a Director becomes a Director if they were present at the meeting at which they were elected or appointed as a Director and did not decline the appointment. A person may alternatively become a Director if they are elected or appointed as Director though they were not present at the meeting at which they were elected or appointed but they consent to the appointment in writing at least ten (10) days prior to the appointment or election or if they acted as Director pursuant to the appointment or election.

5.07 Vacancy. Any vacancy occurring during the term of office of a Director shall be filled at the next General Meeting or at a Special Meeting called specifically for that purpose, provided that the notice of meeting states this purpose in sufficient detail.

5.08 Resignation, Death or Removal of a Director.

- 5.08.1 A Director may resign from their directorship by giving notice of one (1) calendar month in writing. The resignation takes effect either at the end of the notice period or on the date the Board accepts the resignation.
- 5.08.2 A Director who was appointed as an Officer of the Federation is considered to have resigned their directorship and Officer position at the same time.
- 5.08.3 Voting Members may remove any Director before the end of his term. There must be a majority vote at a Special Meeting called for this purpose.
- 5.08.4 If there is a vacancy on the Board, the remaining Directors may appoint a Member in good standing to fill that vacancy for the remainder of the term.

5.09 Replacement of Director. Where a Director:

- 5.09.1 is removed from office pursuant to Section 5.08;
- 5.09.2 dies or becomes incapacitated; or
- 5.09.3 resigns their directorship;

the Board may appoint another Member to serve the remaining term of that exiting Director. A maximum of three (3) new Directors may be appointed in this manner in between Annual General Meetings.

5.10 Meetings. The Board may hold as many meetings as it considers advisable, but it shall hold no less than four (4) meetings per year. The President shall call the meetings of the Board.

5.11 Notice of Meetings. Notice of a Board meeting must be provided to all Directors at least ten (10) days prior to the meeting, if notice is provided by mail, or three (3) days prior to the meeting, if notice is provided by email or facsimile transmission. No notice is required if a quorum of Directors are present and agree to holding a meeting without notice; provided however that the business transacted at the meeting must be ratified by the Board at its next regularly called meeting. If the business so transacted is not ratified at the next regular Board meeting, then any such business shall be considered ineffective, and null and void *ab initio*.

5.12 Special Meetings. Any two (2) Directors may make a request in writing to the President for a special meeting of the Board. The written request must state the business proposed to be brought forward at the special meeting.

5.13 Quorum. The majority of the Directors constitutes quorum for the purposes of any meeting of the Board.

5.14 Meetings of the Board.

- 5.14.1 Each Director, including the President, has one (1) vote.
- 5.14.2 The President or presiding Officer will cast the deciding in the case of a tie vote.
- 5.14.3 Meetings of the Board are open to Members of the Federation, but only Directors may vote. Members are only permitted to participate in a discussion when invited to do so by the Board. A majority of the Directors present may ask any other Members, or other persons present, to leave.
- 5.14.4 If all Directors agree to and sign a resolution in writing, this resolution has the same validity as a resolution passed at a Board meeting, and no notice or calling of a meeting is required to validate the written resolution. The resolution is considered to have been passed on the date set out on the resolution.
- 5.14.5 A meeting of the Board may be held by a conference call or video conference. Directors who participate in either manner are considered present for the meeting.
- 5.14.6 Any irregularity or error done in good faith does not invalidate an act done during a Board meeting.

5.15 Voting. Voting at Board meetings shall be by a show of hands, unless a roll call vote or secret ballot vote is requested by three (3) Directors.

5.16 Majority Vote. Unless otherwise required under these Bylaws, a resolution or other business proposed at a Board meeting shall be carried by a simple majority vote, meaning 50% of Directors present plus 1 vote.

5.17 Special Meeting Vote. Unless otherwise required under these Bylaws, a resolution or other business proposed at a special meeting of the Board, or a business requiring a Special Resolution of the Board, shall be carried the votes of 75% of the Directors present.

5.18 Presiding Officer.

- 5.18.1 The President chairs every meeting of the Board. The Vice-President chairs in the absence of the President.
- 5.18.2 If neither the President nor the Vice-President is present within one-quarter (1/4) hour after the set start time for the Board meeting, the Directors present shall choose one (1) of the Officers present to chair the Board meeting.

5.19 Committees.

- 5.19.1 The Board may, from time to time and as it considers necessary or advisable, appoint a committee or another advisory body and, subject to the *Business Corporations Act*, with such powers as the Board sees fit.

- 5.19.2 A committee may be comprised of Directors and Members, provided that the chair of the committee is a Director.
- 5.19.3 Any such committee may formulate its rules of procedure, subject to these Bylaws and any other regulations or directions as the Board may provide from time to time.
- 5.19.4 Any committee member may be removed by majority vote of the Board during a Board meeting.

ARTICLE 6 – OFFICERS

6.01 Officers. The Directors holding the specific positions outlined at Subsections 5.02.1 to 5.02.4 are also Officers of the Board.

6.02 Term of Office. Officers hold office for a term of the same duration as that of their directorship, unless they resign their directorship pursuant to Subsection 5.08.1.

6.03 Duties of the Officers of the Federation.

6.03.1 **President.** The President:

- (a) supervises the affairs of the Board;
- (b) when present, chairs all meetings of the Federation, and the Board;
- (c) is an ex-officio member of all Committees;
- (d) with the Secretary or another delegate, sign all papers and documents requiring signature on behalf of the Federation;
- (e) at the Annual General Meeting, present to the Members a report of the activities of the Federation for the preceding year;
- (f) acts as the spokesperson for the Federation; and
- (g) carries out other duties assigned by the Board.

6.03.2 **Vice-President.** The Vice-President:

- (a) presides at meetings in the President's absence;
- (b) replaces the President at various functions when asked to do so by the President or the Board; and
- (c) carries out other duties assigned by the Board.

6.03.3 **Secretary.** The Secretary:

- (a) attends all meetings of the Federation and the Board;
- (b) keeps accurate minutes of these meetings;
- (c) has charge of the Board's correspondence;
- (d) ensures a record of names and addresses of all Members of the Federation is kept;
- (e) ensures all notices of various meetings are sent;
- (f) keeps the seal of the Federation, unless the Board decides otherwise;
- (g) files the annual return, changes in the directors of the organization, amendments to the bylaws and other incorporating documents with the Corporate Registry; and
- (h) carries out other duties assigned by the Board.

6.03.4 **Treasurer.** The Treasurer:

- (a) ensures all monies paid to the Federation are deposited in a chartered bank, treasury branch or trust company chosen by the Board;
- (b) ensures membership fees are collected and deposited;
- (c) ensures a detailed account of revenues and expenditures is presented to the Board as requested;
- (d) ensures an audited statement of the financial position of the Federation is prepared and presented to the Annual General Meeting; and
- (e) carries out other duties assigned by the Board.

6.03.5 **Executive Director.**

- (a) The Board may hire an Executive Director to assist the Board in the administration and day-to-day operations of the Federation.
- (b) The Executive Director is responsible for duties assigned to that position by the Board. The Board may set these responsibilities from time to time.
- (c) The Executive Director attends Board meetings and provides reports as requested by the Board or the President, participates in discussions, and answers the Board's questions, but shall not vote or be a Director or Officer of the Federation.

6.04 Additional Roles and Positions. The Board may develop other roles and positions for the remaining Directors from time to time based on the needs of the Federation. The Directors holding positions shall not be considered Officers of the Federation for the purposes of the *Act*. The Directors holding these positions may be elected specifically to these roles at the Annual General Meeting or appointed to these roles at the first Director's meeting called after the Annual General Meeting, as the Board sees fit.

6.05 Temporary Replacement of Officer. Unless otherwise specified, in case of the absence of an Officer, their duties shall be discharged by such other Officer as the Board may appoint from time to time for that purpose.

6.06 Delegation of Duties. The Board may, by Special Resolution, delegate any of the responsibilities of an Officer to an employee of the Federation and, if so, shall determine the manner and frequency of reporting by the employee to an Officer.

ARTICLE 7 – FINANCE AND MANAGEMENT MATTERS

7.01 Registered Office. The Registered Office of the Federation is located in Didsbury, Alberta. Another registered office may be established at the Annual General Meeting or by majority vote of the Board, as long as this change is communicated to Corporate Registry.

7.02 Finance and Auditing.

- 7.02.1 The fiscal year of the Federation ends on **December 31** of each year.
- 7.02.2 The books, accounts and records of the Federation shall be audited at least once per fiscal year. A qualified accountant, bookkeeper or two (2) Members of the Federation appointed at the Annual General Meeting (the "Auditor") shall complete this audit.
- 7.02.3 Where practicable, the two (2) Members appointed to carry out the audit should not both be Directors of the Board.
- 7.02.4 At each Annual General Meeting of the Federation, the auditor submits a complete statement of the books of the Federation for the previous fiscal year.
- 7.02.5 For greater certainty, the term "audit" is used in these Bylaws to mean conducting a complete inspection of the books, accounts and financial position of the Federation for the preceding fiscal year, so far as practicable in accordance with Generally Accepted Auditing Standards ("GAAS"), but does not require a formal external audit to be conducted by a chartered accountant unless requested by the Members pursuant to Subsection 7.02.6.
- 7.02.6 The Members may, by a resolution in writing of seventy-five percent (75%) of all registered Voting Members of the Federation, require that a formal external audit for the preceding fiscal year be conducted by a chartered accountant in the Province of Alberta.

7.03 Seal.

- 7.03.1 The Board may adopt a seal as the Seal of the Federation.
- 7.03.2 The Secretary has control and custody of the Seal, unless the Board decides otherwise.
- 7.03.3 The Seal of the Federation can only be used by those Officers expressly authorized by the Board to do so. The Board must pass a Special Resolution to name the authorized Officers.

7.04 Cheques and Contracts.

- 7.04.1 The designated Officers of the Board sign all cheques drawn on the monies of the Federation. Two (2) signatures are required on all cheques.
- 7.04.2 All contracts of the Federation must be signed by the Officers or other persons authorized to do so by Special Resolution of the Board.

7.05 Keeping and Inspection of Books and Records.

- 7.05.1 The Secretary keeps a copy of the Minute Book and records the minutes of all Meetings of the Members and Board meetings.

- 7.05.2 The Secretary keeps the original Minute Book at the Registered Office of the Federation. This record contains the minutes of all Meetings of the Members and Board meetings.
- 7.05.3 The Secretary keeps and files all necessary books and records of the Federation as required by the Bylaws, the *Act*, or any other statute or law.
- 7.05.4 A Member wishing to inspect the books or records of the Federation must give reasonable notice to the President or the Secretary of the Federation of their intention to do so.
- 7.05.5 Unless otherwise permitted by the Board, such inspection will take place only at the Registered Office, or other regular business premises operated by the Federation, during normal business hours.
- 7.05.6 All financial and other records of the Federation, except for records that the Board designates as confidential, are open for inspection by the Members, during normal business hours and with reasonable notice.

7.06 Borrowing Powers.

- 7.06.1 The Federation may borrow or raise funds to meet its objects and operations. The Board decides the amounts and fundraising methods, including the giving or granting of security.
- 7.06.2 The Federation may issue debentures to borrow only by Special Resolution of the Board confirmed by a Special Resolution of the Federation.

7.07 Payments

- 7.07.1 No Member, Director or Officer of the Federation is entitled to receive any payment for their services as a Member, Director or Officer.
- 7.07.2 Reasonable expenses incurred while carrying out duties of the Federation may be reimbursed subject to the Board's prior approval in writing. A resolution of the Board duly passed prior to the expected expense is satisfactory.

7.08 Budget. Once approved by the Board, the annual budget of the Federation shall be ratified by the Members at the next Annual General Meeting.

ARTICLE 8 – PROTECTION OF DIRECTORS AND OFFICERS

8.01 Limitation of Liability. No Director or Officer shall be liable for the acts, receipts, neglect or default of any other Director, Officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Federation through the insufficiency or deficiency of title to any property acquired by order of the Board for or on behalf of the Federation, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Federation shall be invested, or for

any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any monies, securities or effect of the Federation shall be deposited, or for any loss occasioned by an error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relating thereto unless the same shall happen through his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same shall happen through his own willful conduct, neglect or default.

8.02 Indemnification of Directors and Officers.

8.02.1 In this Section, unless expressly stated otherwise or where the context requires otherwise, the pronoun “they”, “them” and “their” refers to the singular person.

8.02.2 Except in respect of an action by or on behalf of the Federation to procure a judgment in its favour, the Federation shall indemnify a Director or Officer, a former Director or Officer, or a person who acts or acted at the Federation’s request as a Director or Officer of a body corporate of which the Federation is or was a member or creditor, and their heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment reasonably incurred by them in respect of any civil, criminal or administrative action or proceeding to which they are made a party by reason of being or having been a Director or Officer if:

- (a) they acted honestly and in good faith with a view to the best interests of the Federation; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, they had reasonable grounds for believing that their conduct was lawful;

unless such costs, charges or expenses are occasioned by their own willful conduct, neglect or default in the performance of their duties with the Federation.

8.02.3 The Federation may, with the approval of the Court, indemnify a person referred to in Subsection 8.02.2 in respect of an action or on behalf of the Federation to procure a judgment in its favour, to which they are made a party by reason of being or having been a Director or an Officer of the Federation, against all costs, charges and expenses reasonably incurred by them in connection with the action, if they fulfil the conditions set out in Subsection 8.02.2.

8.03 Right of Indemnity Not Exclusive. The provisions for indemnification contained in these Bylaws are not exclusive of any other rights to which a person seeking indemnification may be entitled under any Bylaw, agreement, vote of Members or otherwise both as to an action in their official capacity and as to an action in any other capacity while holding such office and shall continue as to a person who has ceased to be a Director or Officer and shall operate to the benefit of their heirs and legal representatives.

8.04 Insurance. The Directors shall cause the Federation to purchase and maintain insurance for the benefit of any Director, Officer, servant, employee or agent of the Federation, and their heirs and personal representatives, against any personal liability incurred by them in that capacity.

ARTICLE 9 – AMENDMENTS TO THE BYLAWS

9.01 Amendment. These Bylaws may only be cancelled, rescinded, altered or amended by a Special Resolution of the Members at a duly called Meeting of the Federation.

9.02 Notice of Meeting. For greater certainty, where the Bylaws are proposed to be cancelled, rescinded, altered or amended, the twenty-one (21) days' notice of the Meeting of the Federation must include details of the proposed resolution to change the Bylaws.

9.03 Effective Date of Amendment. The amended Bylaws take effect after approval of the Special Resolution at the Meeting and accepted by the Corporate Registry of Alberta.

ARTICLE 10 – DISSOLUTION OF FEDERATION

10.01 No Distribution to Members. Upon dissolution of the Federation, the Federation is not required and will not pay any dividends or distribute its property among its Members.

10.02 Payment of Debts. The Board will see to it that all debts and outstanding liabilities of the Federation are paid in full and that all property and assets of the Federation are appropriately disposed of.

10.03 Distribution of Balance. Any funds, assets and other property of the Federation remaining after payment of all debts and liabilities of the Federation are to be paid over to a Federation, non-profit organization or charity that has objects similar to those of the Polluter Pay Federation or, if no such organization exists, to a law firm in trust.

10.04 Selection of Successor. The Members will select, by Special Resolution, the organization to receive the remaining assets of the Polluter Pay Federation. If a Special Resolution cannot be duly passed, the remaining assets, funds and property shall be delivered to a law firm, in trust.

ARTICLE 11 – DISPUTE RESOLUTION

11.01 Process. In the event that a dispute or controversy among Members, Directors, Officers or volunteers of the Federation arising out of or related to the Articles, Objects or Bylaws, or out of any aspect of the operations of the Federation is not resolved in private meetings between the parties, such dispute or controversy shall be settled by a process of dispute resolution as follows:

- 11.01.1 The parties involved in the dispute or controversy shall first meet to negotiate a resolution in good faith with a subcommittee of the Board of Directors created for this sole purpose. The members of the subcommittee shall not include any Directors directly involved in the dispute.
- 11.01.2 If the parties cannot resolve the dispute within fifteen (15) calendar days after this subcommittee meeting, the dispute shall then be submitted to a panel of mediators. The panel will be comprised of one mediator appointed by the first party, one mediator appointed by the second party (or, if applicable, the Board of Directors)

and the last mediator jointly appointed by the two (2) party-appointed mediators. The three (3) mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties.

- 11.01.3 The number of mediators may be reduced from three to one with the agreement of the parties.
- 11.01.4 If, after forty-five (45) calendar days, the parties have not successfully resolved the dispute through mediation, then the unresolved issues in dispute will be referred to arbitration before a single arbitrator, who shall not be any one of the mediators referred to above. The arbitration will proceed in accordance with the *Arbitration Act*, RSA 2000 c A-43, or as otherwise agreed upon by the parties to the dispute. The parties agree that all proceedings relating to arbitration shall be kept confidential and there shall be no third party disclosure of any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law.
- 11.01.5 All costs of the mediators appointed under this Article shall be borne equally by the parties to the dispute. The arbitrators may award costs as they consider appropriate, taking into account the conduct of the parties and the novelty or seriousness of the issues raised in the dispute.