By-Law~~s~~ No. 2

A by-law relating generally to the conduct of the affairs of:

Diefenbunker ~~–~~Canada's Cold War Museum / Musée canadien de la Guerre Froide (the "Museum")

~~BY-LAW NO. 1~~
~~Being the General By-law of~~
~~DIEFENBUNKER, Canada's Cold War Museum~~
~~(Hereinafter referred to as the "Museum")~~

Be it enacted that By-Law No. 1 be repealed and replaced with By-Law No. 2 as a by-law of the Museum as follows:

INTERPRETATION

1. Definitions. In this By-law, unless the context otherwise specifies or requires:

(a) "Act" means the *Canada Not-for-profit Corporations Act.* ~~R.~~S.C 2009, c.23~~197-, c. C32~~ as from time to time amended and every statute that may be substituted therefore and, in the case of such substitution, any references in the By-laws of the Museum to provisions of the Act shall be read as references to the substituted provisions therefore in the new statute of statutes;

(b) "articles" means the articles of continuance, amendment, amalgamation, reorganization, arrangement or revival of the Museum;

(c) "board" means the board of directors of the Museum and a "director" means a member of the board;

~~(b)~~(d) "By-laws" means any By-law of the Museum from time to time in force and effect;

~~(c) "Letters Patent" means the letters patent and any supplementary letters patent of the Museum; and~~

~~(d)~~(e) "Regulations" means the Regulations made under the Act as from time to time amended and every Regulation that may be substituted therefore and, in the case of such substitution, any references in the By-laws of the Museum to provisions of the Regulations shall be read as references to the substituted provisions therefore in the new Regulation.

2. Interpretation. This By-law shall be, construed and interpreted in accordance with the following, unless the context otherwise requires:

(a) All terms contained herein and which are deemed in the Act or the Regulations shall have the meanings given to such terms in the Act or such Regulations;

(b) Words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and vice versa; and the word "person" shall include individuals, bodies corporate, corporations, companies, partnerships, syndicates, trusts and any number or aggregate of persons; and

(c) The headings used in the By-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

HEAD OFFICE

3. Head. Office. The head office of the Museum shall be in the City of Ottawa, in the Province of Ontario.

SEAL

4. Seal. The seal, an impression of which is stamped in the margin hereof, shall be the seal of the Museum.

CONDITIONS OF MEMBERSHIP

5. Entitlement. Subject to the articles, ~~T~~there shall be three (3) classes of membership in the Museum, namely, Regular Members, Life Members and ~~Honorary~~Honourary Members. The board may, by resolution, approve the admission of the members of the Museum. ~~The Museum's members shall be admitted into membership by resolutions of the board of directors.~~ The board of directors may also pass membership rules, providing, among other things, for the admission of members by the Secretary of the Museum. Each approved member applicant shall be promptly informed by the Secretary of his or her admission as a member.

The following conditions of membership shall apply~~classes of members are hereby established~~:

(a) Regular Members

(i) Membership shall be available to those persons who have demonstrated an interest in furthering the purposes of the Museum and who have applied for and been approved for admission into membership by the Museum's board of directors and who have paid the annual membership fee.

~~(i)~~(ii) The term of membership is annual, subject to renewal in accordance with the policies of the Museum;

~~(ii) The members shall elect the directors of the Museum at a general meeting held for that purpose.~~

(iii) Each Regular M~~m~~ember is entitled to receive notice of, attend and vote at all general meetings of members and each member shall be entitled to one (1) vote per member.

(b) Life Members

(i) The board of directors may by resolution designate and approve any Regular M~~m~~ember of the Museum who has made an outstanding contribution to the Museum as a Life Member of the Museum.

(ii) Life M~~m~~embers shall not pay an annual membership fee.

~~(ii)~~(iii) The term of membership is indefinite, subject to the termination provisions herein.

~~(iii)~~ Each Life Member is entitled to receive notice of, attend and vote at all general meetings of members and each member shall be entitled to one (1) vote per member~~Life members shall have all the entitlements and privileges of members.~~

(c) ~~Honorary~~Honourary Members

(i) The board of directors may by resolution designate and approve any person ~~not a~~ who is neither a Regular M~~m~~ember nor a Life Member who has made an exceptional contribution to the Museum as an ~~Honorary~~Honourary Member of the Museum.

(ii) An ~~Honorary~~Honourary member is not entitled to receive notice of, attend or vote as any meeting of the members. The board of directors may extend an invitation to ~~Honorary~~Honourary M~~m~~embers to attend a members' meeting but they shall have no vote.

Pursuant to subsection 197(1) (Fundamental Changes) of the Act, a special resolution of the members is required to make any amendments to this section of the by-laws if those amendments affect membership rights and/or conditions described in paragraphs 197(1)(e), (h), (l) or (m).

6. Resignation. Any member may withdraw from the Museum by delivering to the Museum a written resignation and lodging a copy of same with the Secretary of the Museum.

7. Termination of Membership. The interest of a member in the Museum is not transferable and lapses and ceases to exist

   (a) automatically when the member fails to pay annual membership ~~dues~~fees when due;

   (b) upon death or dissolution of the member;

   (c) when the member resigns in accordance with Section 6 above;~~ceases to be a member by resignation or otherwise in accordance with the By-laws~~;

   (d) if at a special meeting of members, a resolution is passed to remove the member by at least two-thirds (2/3) of the votes cast at the special meeting provided that the member shall be granted the opportunity to be heard at such meeting.

8. Membership Dues. Members shall be notified in writing of the annual membership fees. Annual membership fees are due and payable within thirty (30) days of receipt of the invoice for membership fees. ~~at or before commencement of the annual meeting.~~

MEMBERS' MEETINGS

9. Time and Place of Meetings. The annual or any other general meeting of the members shall be held at the head office of the Museum or at any place in Canada as the board of directors may determine and on such day as the said directors shall appoint. The members may resolve that a particular meeting of members be held outside of Canada.

10. Annual Meetings. At every annual meeting, in addition to any other business that may be transacted, the report of the directors, the financial statements and the report of the ~~auditors~~ public accountants shall be presented and the directors shall be elected and ~~auditors~~ public accountants appointed for the ensuing year. The members may consider and transact any business either special or general at any meeting of members.

11. Special Meetings. Other meetings of the members may be convened by order of the Chairperson or by the board of directors at any date and time and at any place within Canada or, if a majority of the members so agree, outside Canada. The board of directors shall call a special general meeting of members on written requisition of members carrying not less than 5% of the voting rights.

12. ~~Notice.~~ Notice

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

a. by mail, courier or personal delivery to each member entitled to vote at the meeting, during a period of 21 to 60 days before the day on which the meeting is to be held; or

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

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

~~At least fourteen (14) days' written notice shall be given to each voting member of any annual or special general meeting of members. Notice of any meeting where special business will be transacted shall contain sufficient information to permit the member to form a reasoned judgement of the decision to be taken.~~ Notice of each meeting of members must remind the member that they have the right to vote by proxy and comply with the requirements of Section 19 below.

~~12.~~13. Waiver of Notice. A member and any other person entitled to attend a meeting of members may in any manner waive notice of such meeting and may ratify, approve and confirm any and all proceedings taken or had thereat. Attendance of the member or any other person entitled to attend at such meeting shall constitute a waiver of notice of the meeting except where the member attends the meeting for the express purposes of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

~~13.~~14. Error or Omission in Giving Notice. No error or omission in giving notice of any annual or special meeting or any adjourned meeting, of the members of the Museum shall invalidate such meeting or make void any resolution passed or any proceedings taken thereat and any member may at any time waive notice of any such meeting and may ratify, approve and confirm any and all proceedings taken or had thereat.

~~14.~~15. Quorum. A quorum at any meeting of the members (unless a greater number of members and/or proxies are required to be present by the Act or by the Articles~~Letters Patent~~ or any other By-law) shall be then percent (10%) of the members entitled to vote ~~registered membership~~ and not less than seven (7) members. ~~in person~~. No business shall be transacted at any meeting unless the requisite quorum ~~be~~ is present at the time of the transaction of such business. If a quorum is not present at the time appointed for a meeting of members or within such reasonable time thereafter as the members present may determine, the persons present and entitled to vote may adjourn the meeting to a fixed time and place but

may not transact any other business and the provisions of Sections 12 and 13 ~~paragraph 52 through 54~~ with regard to notice shall apply to such adjournment.

~~15.~~16. Adjournment. The chairperson of any meeting of members may with the consent of the majority of members attending the meeting, adjourn the same from time to time to a fixed time and place and no notice of such adjournment need be given to the members. Any business may be brought before of dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

~~16.~~17. Resolution in Lieu of Meeting. A resolution in writing, signed by all the members entitled to vote on that resolution at a meeting of members, is as valid as if it had been passed at a meeting of members.

~~17.~~18. Voting of Members. Each Regular Member and Life Member ~~voting member~~ present at a meeting shall have the right to exercise one vote. At all meetings of the members, every question shall be determined by a majority of votes unless otherwise specifically provided by the Act or by the By-laws. In the case of an equality of votes the chairperson of the meeting shall both have a second or casting vote in addition to the vote ~~or votes~~ to which the chairperson ~~may be otherwise~~is entitled.

~~No member shall be entitled in person or by proxy to vote at meetings of members of the Museum unless the member has paid all dues or fees, if any, then payable by the member.~~

At any meeting unless a poll is demanded a declaration by the chairperson of the meeting that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

19. Proxies. ~~A member may, by means of a written proxy, appoint a proxy holder to attend and act at a specific meeting of members in the manner and to the extent authorized by the proxy. A proxy holder must be a member of the Museum.~~

Pursuant to Section 171(1) of the Act, each Regular Member and Life Member may vote by proxy by appointing in writing a proxyholder, and one or more alternate proxyholders to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by it subject to the following requirements:

i. a proxy is valid only at the meeting in respect of which it is given or at a continuation of that meeting after an adjournment;

ii. a proxyholder must be a member of the Museum;

iii. a member may revoke a proxy by depositing an instrument or act in writing executed

i. at the registered office of the Museum no later than the last business day preceding the day of the meeting, or the day of the continuation of that meeting after an adjournment of that meeting, at which the proxy is to be used, or

ii. with the chairperson of the meeting on the day of the meeting or the day of the continuation of that meeting after an adjournment of that meeting;

iv. a proxyholder or an alternate proxyholder has the same rights as the member by whom they were appointed, including the right to speak at a meeting of members in respect of any matter, to vote by way of ballot at the meeting, to demand a ballot at the meeting and, except where a proxyholder or an alternate proxyholder has conflicting instructions from more than one member, to vote at the meeting by way of a show of hands;

v. if a form of proxy is created by a person other than the member, the form of proxy shall

i. indicate, in bold-face type,

A. the meeting at which it is to be used,

B. that the member may appoint a proxyholder, other than a person designated in the form of proxy, to attend and act on their behalf at the meeting, and

C. instructions on the manner in which the member may appoint the proxyholder,

ii. contain a designated blank space for the date of the signature,

iii. provide a means for the member to designate some other person as proxyholder, if the form of proxy designates a person as proxyholder,

iv. provide a means for the member to specify that the membership registered in their name is to be voted for or against each matter, or group of related matters, identified in the notice of meeting, other than the appointment of a public accountant and the election of directors,

v. provide a means for the member to specify that the membership registered in their name is to be voted or withheld from voting in respect of the appointment of a public accountant or the election of directors, and

vi. state that the membership represented by the proxy is to be voted or withheld from voting, in accordance with the instructions of the member, on any ballot that may be called for and that, if the

member specifies a choice under subparagraph (iv) or (v) with respect to any matter to be acted on, the membership is to be voted accordingly;

vi. a form of proxy may include a statement that, when the proxy is signed, the member confers authority with respect to matters for which a choice is not provided in accordance with subparagraph (*d*)(iv) only if the form of proxy states, in bold-face type, how the proxyholder is to vote the membership in respect of each matter or group of related matters;

vii. if a form of proxy is sent in electronic form, the requirements that certain information be set out in bold-face type are satisfied if the information in question is set out in some other manner so as to draw the addressee's attention to the information; and

viii. a form of proxy that, if signed, has the effect of conferring a discretionary authority in respect of amendments to matters identified in the notice of meeting or other matters that may properly come before the meeting must contain a specific statement to that effect.

Pursuant to Section 197(1) of the Act, a special resolution of the members (and if Section 199 applies, a special resolution of each class of members) is required to make any amendment to the articles or by-laws of the Museum to change this method of voting by members not in attendance at a meeting of members.

Directors

~~18.~~20. Duties. Number and Qualifications. The affairs of the Museum shall be managed by a board of directors. The number of directors on the board shall be a minimum of three (3) and a maximum of thirty (30), including any appointed directors, as determined from time to time by the board of directors and ratified by the members at an annual meeting. Directors shall be at least eighteen (18) years of age with power under law to contract. Directors need not be members.

~~19. First Directors. The applicants for incorporation shall become the first directors of the Museum whose term of office on the board of directors shall continue until their successors are elected at the first meeting of members. The board of directors then elected shall replace the provisional directors named in the Letters Patent.~~

~~20.~~21. Election and Term. ~~The directors elected at the first meeting of members shall be elected so that approximately one-third (1/3) shall hold office for two (2) years and one-third shall hold office for three (3) years (the "Initial Terms"). Upon the expiry of the Initial Terms, E~~each director shall be elected by ordinary resolution for a term of three (3) years from the date of the meeting at which each such director is elected until the third annual meeting next following or until the director's successor is elected. Thereafter, at each annual meeting of members, a number of

directors equal to the number of directors retiring shall be elected by the members to serve terms of three (3) years each, it being the intention that directors shall be elected and shall retire in rotation so that at each annual meeting the number of directors elected and retiring shall be approximately one third (1/3) of the total number of directors authorized to sit on the board at any one time. Directors shall be eligible for re-election for one additional term of three (3) years.~~without restriction.~~

~~21.~~22. Appointed Directors. ~~T~~the directors of the Museum shall be entitled, subject to the Act and the Articles, ~~paragraph 20~~, to appoint ~~up to three (3)~~ additional directors (the "appointed directors") who shall, subject to the provisions of this By-law, hold office from the date of their respective appointments until the ~~expiration of the~~following annual general meeting of the members, ~~one (1) year period immediately following their respective appointments or until their successors are appointed.~~

~~22.~~23. Vacancies. The office of a director shall automatically be vacated:

(a) if the director becomes bankrupt or suspends payment of debts generally or compounds with creditors or makes an authorized assignment or is declared insolvent;

(b) if the director is declared incapable by a court in Canada or in another country ~~found to be a mentally incompetent person or becomes of unsound mind~~;

(c) if the director by notice in writing to the Museum resigns which resignation shall be effective at the time it is received by the Secretary of the Museum or at the time specified in the notice, whichever is later;

(d) if, in the case of the elected directors, a resolution is passed by at least two-thirds (2/3) of the votes cast by the members at a special meeting removing the director before the expiration of the director's term of office;

(e) if, in the case of the appointed directors ~~referred to in paragraph 23 hereof~~, a resolution is passed by a majority of the directors removing the director before the expiration of the director's term of office; or,

(f) if the director dies.

~~23.~~24. Filling Vacancies. A vacancy occurring in the board of directors shall be filled as follows:

(a) if the vacancy occurs as a result of the removal of any director by the members in accordance with paragraph 23~~4~~(d) above, it may be filled upon the vote of a majority of the members and any director elected to fill a removed director's place shall hold office for the remainder of the removed director's term;

(b) any other vacancy in the board of directors may be filled for the remainder of the term by the directors then in office, if they shall see fit to do so, so long as there is a quorum of directors in office provided that if there is not a quorum of directors, the remaining directors shall forthwith call a meeting of the members to fill the vacancy, and, in default or if there are no directors then in office, the meeting may be called by any member;

(c) otherwise such vacancy shall be filled at the next annual meeting of the members at which the directors for the ensuing year are elected.

~~24.~~25. Executive Committee. There shall be an executive committee which shall be appointed by the board of directors. Subject to the restrictions in the Act, ~~T~~the executive committee shall exercise such powers as are authorized by the board of directors. Any executive committee member may be removed from the executive committee by a majority vote of the board of directors. Executive committee members shall receive no remuneration for serving as such, but are entitled to reasonable expenses incurred in the exercise of their duty.

~~25.~~26. Meetings of Executive Committee: Meetings of the executive committee shall be held at any time and place to be determined by the members of such committee provided that forty eight (48) hours notice via telephone or electronic message ~~written notice~~ of such meeting shall be given~~, other than by mail~~, to each member of the committee. If ~~N~~notice is provided by mail, it ~~-~~shall be sent at least 14 days prior to the meeting. A majority of members of such committee shall constitute a quorum. No error or omission in giving notice of any meeting of the executive committee or any adjourned meeting of the executive committee of the Museum shall invalidate such meeting or make void any proceedings taken thereat and any member of such committee may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.

27. Other Committees. The board of directors may from time to time appoint any other committee or committees, as it deems necessary or appropriate for such purposes and with such powers as the board shall see fit. These purposes and powers shall be detailed in a Committee Charter and shall be approved by resolution of the board of directors. Any committee member may be removed by resolution of the board of directors. The board of directors may fix any remuneration for committee members who are not also directors of the Museum.

~~26.~~

~~27.~~28. Remuneration of Directors. The directors shall serve as such without remuneration and no director shall directly or indirectly receive any profit from occupying the position of director; provided that a director may be reimbursed for reasonable expenses incurred by the director in the performance of the director's duties.

MEETINGS OF DIRECTORS

29~~30~~. Place of Meeting. Meetings of the board of directors may be held at any place within or outside Canada.

30~~1~~. Conference Participation: ~~If all directors of the corporation consent thereto generally or in respect of a particular meetings, A~~a director may participate in a meeting of the board of directors or of a committee of the board of directors by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a director participating in such a meeting by such means is deemed to be present at the meeting.

31~~2~~. Number of meetings: There shall be at least one (1) meeting per year of the board of directors.

32~~3~~. Notice. Forty eight (48) hours ~~written~~ notice via telephone or electronic message of meetings of the board of directors shall be given, ~~other than by mail,~~ to each director. If n~~N~~otice is to be given by mail it shall be sent at least fourteen (14) days prior to the meeting. No error of omission in giving notice of any meeting of the board of directors or any adjourned meeting of the board of directors of the Museum shall invalidate such meeting or make void any proceedings taken thereat and any director may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.

34~~3~~. Adjournment. Any meeting of directors may be adjourned from time to time by the chairperson of the meeting, with the consent of the majority of directors attending the meeting, to a fixed time and place.

34~~5~~. Regular Meetings. The board of directors may appoint a day or days in any month or months for regular meetings of the board of directors at a place or hour to be named by the board of directors and a copy of any resolution of the board of directors fixing the place and time of regular meetings of the board of directors shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meetings.

35~~6~~. Quorum. A majority of the directors shall form a quorum for all meetings of directors ~~the transaction of business~~ and, notwithstanding any vacancy among the directors, a quorum of directors may exercise all the powers of directors.

36~~7~~. Voting. Each director is authorized to exercise one (1) vote. Questions arising at any meeting of directors shall be decided by a majority of votes. In case of an equality of votes, the chairperson of the meeting in addition to an original vote shall have a second or casting vote.

37~~8~~. Resolution in Lieu of Meeting. A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of director or committee of directors, is as valid as if it had been passed at a meeting of directors or committee of directors.

POWERS OF DIRECTORS

38~~9~~. Administer Affairs. The board of directors shall administer the affairs of the Museum in all things and make or cause to be made for the Museum, in its name, any kind of contract which the Museum may lawfully enter into and, save as hereinafter provided, generally, may exercise all such other powers and do all such other acts and things as the Museum is by its Articles~~Letters Patent~~ or otherwise authorized to exercise and do.

39~~40~~. Expenditures. The board of directors shall have power to authorize expenditures on behalf of the Museum from time to time for the purpose of furthering the ~~objects of~~purposes of the Museum. The board of directors shall have the power to enter into a trust arrangement with a trust company or other financial institution for the purpose of creating a trust fund in which the capital and interest may be made available for the benefit of promoting the interest of the Museum in accordance with such terms at the board of directors may prescribe.

40~~1~~. Borrowing Power. The board of directors of the Museum may from time to time:

(a) Borrow money on the credit of the Museum;
(b) Limit or increase the amount to be borrowed;
(c) Issue, sell or pledge debt obligations (including bonds, debentures, debenture stock, notes or other like liabilities whether secured or unsecured) of the Museum;
(d) Charge, mortgage, hypothecate or pledge all or any currently owned or subsequently acquired real or personal, movable or immovable property of the Museum, including book debts, rights, powers and undertakings, to secure any debt obligations or any money borrowed, or other debt or liability of the Museum; and
(e) Delegate the powers conferred on the directors under this paragraph to such ~~officer or~~ officers of the Museum and to such extent and in such a manner as the directors shall determine.

The powers hereby conferred shall be deemed to be in supplement of and not in substitution for any powers to borrow money for the purposes of the Museum possessed by its directors or officers independently of this By-law.

41~~2~~. Fund Raising. The board of directors shall take such steps as they may deem requisite to enable the Museum to acquire, accept, solicit or receive legacies, gifts, grants, settlements, bequests, endowments and donations of any kind whatsoever for the purpose of furthering the objects of the Museum.

42~~3~~. Agents and Employees. The board of directors may appoint such agents and engage such employees (and may delegate this function to an officer or officers of the Museum) as it shall deem necessary from time to time and such persons shall have such authority and shall perform such duties as shall be prescribed at the time of such appointment. The remuneration of officers, agents, employees and committee members shall, subject to the other provisions of this By-law, be fixed by the board of directors by resolution provided that the board of directors may delegate this function to an officer or officers of the Museum.

OFFICERS

4~~4~~3. Officers: The officers of the Museum shall be a president, vice president, secretary and treasurer and any such other officers that the board of directors may by resolution determine. Any two offices may be held by the same person. The officers shall be appointed by resolution of the board of directors at the first meeting of the board of directors following the annual general meeting of members. Officers shall hold office for a two (2)~~one (1)~~ year from the date of their appointment ~~of election~~ or until their successors are elected or appointed in their stead. Officers need not be members or directors of the Museum.

4~~4~~5. Vacancies. Notwithstanding the foregoing, each incumbent officer shall continue in office until the earlier of;

(a) That officer's resignation, which resignation shall be effective at the time the written resignation is received by the Secretary of the Museum or at the time specified in the resignation, whichever is later;
(b) The appointment of a successor;
~~That officer ceases to be a director;~~
(c) The meeting at which the directors annually appoint the officers of the Museum;
(d) That officer's removal;
(e) That officer's death.

If the office of any officer of the Museum shall be or become vacant, the directors may, by resolution, appoint a person to fill such vacancy.

4~~5~~6. Removal of Officers. Officers shall be subject to removal by special resolution of the board of directors at any time, with or without cause.

4~~6~~7. Duties of Officers May be Delegated. In case of the absence or inability to act of any officer of the Museum or for any other reason that the board of directors may deem sufficient, the board of directors may delegate all or any of the powers of any such officer to any other officer or to any director for the time being.

4~~7~~8. Remuneration of Officers: The remuneration of all officers appointed by the board of directors shall be determined from time to time by resolution of the board of directors

except that no officer who is also a director shall be entitled to receive remuneration. All officers shall be entitled to be reimbursed for r~~s~~easonable expenses incurred in the performance of the officer's duties.

4~~8~~9. Powers and Duties. All officers shall sign such contracts, documents or instruments in writing as require their respective signatures and shall respectively have and perform all powers and duties incident to their respective offices and such other powers and duties respectively as may from time to time be assigned to them by the board of directors. The duties of the officers shall include:

(a) President: The President shall preside at all meetings of the Museum and the board of directors. The President shall be responsible for the management of the affairs of the Museum. The President shall see that all orders and resolutions of the board of directors are carried into effect.

(b) Vice President: The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties as shall from time to time be imposed upon the Vice President by the board of directors.

(c) Treasurer: ~~The treasurer shall have custody of the funds and securities of the Museum and shall keep full and accurate accounts of all assets, liabilities, receipts and disbursements of the Museum in the books belonging to the Museum and shall deposit all monies, securities and other valuable effects in the name and to the credit of the Museum in such chartered bank or trust company, or, in the case of securities, in such registered dealer in securities as may be designated by the board of directors from time to time. The treasurer shall render to the Chairperson and directors at the regular meeting of the board of directors, or whenever they may require it, an accounting of all the transactions and a statement of the financial position of the Museum. The treasurer shall also perform such other duties as may from time to time be directed by the board of directors.~~The Treasurer shall, subject to the powers and duties of the Board, ensure the Museum keeps proper accounting records as required by the Act, shall ensure monies received by the Museum are deposited in the Museum's bank account, shall supervise the management and the disbursement of funds of the Museum, when required shall provide the Board with an account of financial transactions and the financial position of the Museum, shall ensure the preparation of annual budgets, and shall perform such other duties as may from time to time be established by the Board.

~~(c)~~(d) Secretary: The secretary shall attend all meetings and act as clerk thereof. The secretary shall be responsible for recording all votes and minutes of all proceedings in the books to be kept for that purpose. The secretary shall give or cause to be given notice of all meetings of the members and the board of directors, and shall perform such other duties as may be prescribed by the board of directors or chairperson. The secretary shall be custodian of the seal of the Museum.

The duties of all other officers of the Museum shall be such as the terms of their engagement call for or the board of directors requires of them.

EXECUTION OF DOCUMENTS

49~~50~~. Execution of Documents: The directors shall have the power from time to time by resolution to appoint an officer or officers on behalf of the Museum to sign contracts, documents or any instruments in writing requiring the signature of the Museum and all contracts, documents and instruments in writing so signed shall be binding on the Museum without any further authorization or formality. The signature of at least two (2) signing officers shall be required on each contract, document or other instrument requiring the signature of the ~~The~~Museum. The directors may give the Museum's power of attorney to any registered dealer in securities for the purposes of the transferring of and dealing with any stocks, bonds and other securities of the Museum. The seal of the Museum when required may be affixed to contracts, documents and instruments in writing signed as aforesaid or by any officer or officers appointed by resolution of the board of directors.

FOR THE PROTECTION OF DIRECTORS AND OFFICERS

50~~1~~. For the Protection of Directors and Officers. Except as otherwise provided in the Act, no director or officer for the time being of the Museum shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for any loss, damage or expense happening to the Museum through the insufficiency or deficiency of title to any property acquired by the Museum or for or on behalf of the Museum or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Museum shall be placed out or invested or for any loss or damage arising from bankruptcy, insolvency or tortuous act of any person including any person with whom or which any moneys, securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Museum or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of the director's or officer's respective office or trust or in relation thereto unless the same shall happen by or through the director's or officer's own wilful neglect or default.

INDEMNITIES TO DIRECTORS AND OTHERS

51~~2~~. Indemnities to Directors and Others. Every director or officer of the Museum or other person who has undertaken or is about to undertake any liability on behalf of the Museum or any corporation controlled by it and their 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 Museum, from and against,

(a) all costs, charges and expenses whatsoever which such director, officer or other person sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against the director, officer or other person for or in respect of any act, deed, matter or thing whatever, made, done or permitted by them, in or about the execution of the duties of such office or in respect of any such liability; and

(b) all other costs, charges and expenses which the director, officer or other person sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by their own wilful neglect or default.

The Museum shall also indemnify any such person in such other circumstances as the Act or law permit or requires. Nothing in this By-law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this By-law to the extent permitted by the Act or law.

INTERESTED DIRECTOR CONTRACTS

52~~3~~. Conflict of Interest. A director who is in any way directly or indirectly interested in a contract or proposed contract with the Museum shall make the disclosure required by the Act and except as provided by the Act, no such director shall vote on any relation to approve any such contract. In supplement of and not by way of limitation upon any rights conferred upon directors by Section 98 of the Act and specifically subject to the provisions contained in that section, it is declared that no director shall be disqualified by any such office from, or vacate any such office by reason of, holding any office or place of profit under the Museum or under any corporation in which the Museum shall be a shareholder or by reason of being otherwise in any way directly or indirectly interested or contracting with the Museum as vendor, purchaser of otherwise or being concerned in any contract or arrangement made or proposed to be entered into with the Museum in which the director is in any way directly or indirectly interested as vendor, purchaser or otherwise. Subject to compliance with the Act, no contract or arrangement entered into by or on behalf of the Museum in which any director shall be in any way directly or indirectly interested shall be avoided or avoidable and no director shall be liable to account to the Museum or any of its members creditors for any profit realized by or from any such contract or arrangement by reason of any fiduciary relationship.

5~~4~~3. Submission of Contracts or Transactions to Members for Approval. The board of directors in its discretion may submit any contract, act or transaction with the Museum for approval or ratification at any annual meeting of the members or at any general meeting of the members called for the purpose of considering the same and subject to the provisions of Section 98 of the Act, any such contract, act or transaction that shall be approved or ratified or confirmed by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act, the Letters Patent or the By-laws) shall be as valid and as binding upon the Museum and upon all the members as though it had been approved, ratified or confirmed by every member of the Museum.

NOTICES

54~~5~~. Service. Any notice or other document required by the Act, the Regulations, the ~~Letters Patent~~Articles or the By-laws to be sent to any member, director or officer or to the ~~auditor~~ public accountant shall be sent to any such member, director or officer at their latest address as shown in the records of the Museum and to the ~~auditor~~ public accountant at its business address, or if no address be given therein then to the last address of such member or director known to the Secretary; provided always that notice may be waived or the time for the notice may be waived or abridged at any time with the consent of the person entitled thereto.

56~~6~~5. Computation of Time. Where a given number of days' notice or notice extending over a period is required to be given under the Bylaws or ~~Letters Patent~~Articles of the Museum the day of service or posting of the notice shall not, unless it is otherwise provided, be counted in such number or days or other period.

56~~7~~. Proof of Service. With respect to every notice or other document sent by mail it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed as provided in paragraph 55 of this By-law and deposited into a Post Office or into a mail box. A certificate of an officer of the Museum in office at the time of the making of the certificate as to facts in relation to the sending or delivery of any notice or other document to any member, director, officer or auditor or publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every member, director, officer or auditor of the Museum as the case may be.

RULES AND REGULATIONS

57~~8~~. Rules and Regulations. The board of directors may prescribe such rules, ~~and~~ regulations, policies and guidelines not inconsistent with the By-laws relating to the management and operation of the Museum. ~~and other matters provided for in these By-laws as they may deem expedient, provided that such rules and regulations shall have force and effect only until the next annual meeting of the members of the Museum when they shall be confirmed and in default of confirmation at such annual meeting of members shall at and from that time cease to have force and effect.~~

AMENDMENT OF BY-LAWS

58~~9~~. Amendment of By-law: The by-laws of the Museum not embodied in the ~~letters patent~~ Articles may be repealed or amended by by-law enacted by a majority of the directors at a meeting of the board or directors and sanctioned by an affirmative vote of at least two thirds (2/3) of the members at a meeting duly called for the purpose of considering the said by-law, provided that the repeal or amendment of such by-laws shall not be enforced or acted upon until the approval of the Minister of Industry has been obtained.

~~AUDITORS~~PUBLIC ACCOUNTANT

59~~60~~. ~~Auditors.~~Public Accountant The members shall at each annual meeting appoint a public accountant ~~n auditor~~ to audit the accounts of the Museum for report to members at the next annual meeting. The public ~~auditor shall~~accountant shall hold office until the next annual meeting provided that the directors may fill any casual vacancy in the office of the auditor. The remuneration of the ~~auditor~~ public accountant shall be fixed by the board of directors.

FINANCIAL YEAR

6~~0~~1. Financial Year. Unless otherwise determined by resolution by the board of directors, the fiscal year end of the Museum shall be the 31st day of December in each year.

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

DISPUTE RESOLUTION

62. Dispute Resolution. In the event that a dispute or controversy among members, directors, officers, committee members or volunteers of the Museum arising out of or related to the articles or by-laws, or out of any aspect of the operations of the Museum is not resolved in private meetings between the parties, then without prejudice to or in any other way derogating from the rights of the members, directors, officers, committee members, employees or volunteers of the Museum as set out in the articles, by-laws or the Act, and as an alternative to such person instituting a law suit or legal action, such dispute or controversy shall be settled by a process of dispute resolution as follows:

a. The dispute or controversy shall first be submitted to a panel of mediators whereby the one party appoints one mediator, the other party (or if applicable the board of the Museum) appoints one mediator, and the two mediators so appointed jointly appoint a third mediator. The three mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties.

b. The number of mediators may be reduced from three to one or two upon agreement of the parties.

c. If the parties are not successful in resolving the dispute through mediation, then the parties agree that the dispute shall be settled by arbitration before

a single arbitrator, who shall not be any one of the mediators referred to above, in accordance with the provincial or territorial legislation governing domestic arbitrations in force in the province or territory where the registered office of the Museum is situated or as otherwise agreed upon by the parties to the dispute. The parties agree that all proceedings relating to arbitration shall be kept confidential and there shall be no disclosure of any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law.

All costs of the mediators appointed in accordance with this section shall be borne equally by the parties to the dispute or the controversy. All costs of the arbitrators appointed in accordance with this section shall be borne by such parties as may be determined by the arbitrators.

DISSOLUTION

63~~62~~. Subject to the Act and Articles, specifically that all assets of the Museum must be distributed to qualified donees as defined in the Income Tax Act (Canada), ~~I~~in the event of dissolution of the Museum, the following procedure shall be followed with respect to disposition of assets of the Museum~~including the structure itself~~:

(a) The assets for disposal must have no operational value to the structure(s), and its disposal cannot violate any occupancy laws or regulations.
(b) The Board of Directors must approve and direct the disposal of any and all assets. Before approving the disposal the Board must be satisfied that the Museum has legal title to the asset and has the authority to dispose of the asset.
(c) In the case of an asset acquired through a grant and where the Museum does not have documentation evidencing the conditions of the grant, before approving the disposal of the asset the Board of Directors shall contact the granter to determine if there is has any evidence of any limitations placed on the disposal of the asset at the time that it was granted to the Museum.
(d) Disposal priority shall be given to other museums with similar mandates to the Museum as may be found through the Organization of Military Museums of Canada. If no interested museum with a similar mandate is found, other museums, organizations, historical groups, and individuals may be considered. The primary method of disposal shall be donation, although cash purchases including through sale by auction may also be considered.
(e) If within a reasonable time no interested parties to an asset can be found pursuant to (g) and above, the Museum has the option of witnessed destruction of the asset.
(f) In the case of disposal or destruction of the asset all applicable disposal laws shall be adhered to. The heritage significance of the asset shall be adequately described and maintained prior to dissolution and full records of dissolution shall be kept.

64~~3~~. Assets donated to the Museum, which is a registered charitable organization, cannot be simply returned to the original owner regardless if a charitable receipt was issued or not. Disposal must occur as per paragraph 62(e)

EFFECTIVE DATE

65. Subject to matters requiring a special resolution, this by-law shall be effective when made by the board.

THIS BYLAW IS ENACTED by the directors of the Museum as evidenced by their signatures hereto in accordance with the provisions of section 152(1) of the *Canada Not-for-Profit Corporations Act* this 10 day of June, 2014.

David Peters	Douglas Beaton
Patricia Den Boer	Bill McKay
Gregory Leblanc	George Smith
Mitchell Besner	Monique Horth
Ronald Jack	Sylvie Morel

THIS BYLAW WAS CONFIRMED by the members of the Museum entitled to vote at a duly constituted meeting of members in accordance with the provisions of section of the *Canada Not-for-profit Act*, this 10 day of June, 2014.

~~ENACTED this day of~~

~~WITNESS the seal of the Museum.~~

~~President~~

~~,199.~~

~~Secretary~~