

CANADIAN CHARITABLE ANNUITY ASSOCIATION

BY-LAWS

BE IT ENACTED as a by-law of Canadian Charitable Annuity Association (the "Corporation") as follows:

CORPORATE SEAL

1. The seal, an impression whereof is stamped in the margin hereof, shall be the seal of the Corporation.

CONDITIONS OF MEMBERSHIP

2. Membership in the Corporation shall be divided into two classes, consisting of Members, which shall be entitled to vote at the general meetings of the Corporation, and Associate Members, which are not entitled to vote. Members shall be limited to charities registered under the Income Tax Act (Canada), which are interested in furthering the objects of the Corporation and shall consist of any such registered charity, whose application for admission as a Member has received the approval of the board of directors of the Corporation. Associate Members shall consist of persons who are interested in and agree with the purposes of the Corporation and who are involved in the work of a charity and whose application for admission as an Associate Member has received the approval of the board of directors of the Corporation. Members and Associate Members shall be referred to in these By-laws as the "Membership".
3. The membership dues shall be set from time to time by the board of directors and approved by a majority of the Members at a general meeting of the Corporation.
4. Any Member or Associate Member may withdraw from the Corporation by delivering to the Corporation a written resignation and lodging a copy of the same with the secretary of the Corporation. - .
5. Any Member or Associate Member will be deemed to have withdrawn from the Membership upon receipt of notice from the Treasurer of the Corporation that the Member or Associate Member has failed to pay the Membership dues and remains in default of payment for six months after the published due date for payment.
6. Any Member or Associate Member may be required to resign by a vote of three-quarters (3/4) of the Members present at a duly constituted general meeting provided that any such Member shall be granted an opportunity to be heard at such meeting.

HEAD OFFICE

7. The head office of the Corporation shall be in the Municipality of Metropolitan Toronto, in the Province of Ontario.

BOARD OF DIRECTORS

8. The property and business of the Corporation shall be managed by a board of three (3) to ten (10) directors, a majority of whom shall constitute a quorum. Directors must be individuals eighteen (18) years of age with power under law to contract. The directors of the Corporation shall consist of individuals employed by or affiliated in some manner with a Member; provided that, in acting as directors, the directors of the Corporation are not acting as representatives or agents of any charity and the charity shall not be bound by or responsible for the acts of the directors.

9. The applicants for incorporation shall become the first directors of the Corporation whose term of office on the board of directors shall continue until their successors are elected.

10. At the first meeting of Members, the board of directors then elected shall replace the provisional directors named in the Letters Patent of the Corporation.

11. Directors shall be elected for a term of one (1) year by the Members at an annual meeting of Members. Directors who have served for five (5) consecutive terms shall not be eligible for re-election for the next consecutive term.

12. The office of director shall be automatically vacated:

- (a) if a director shall resign his office by delivering a written resignation to the secretary of the Corporation;
- (b) if he is found by a court to be of unsound mind;
- (c) if he becomes bankrupt or suspends payment or compounds with his creditors; .
- (d) if at a special general meeting of Members a resolution is passed by two thirds of the Members present at the meeting that he be removed from office; or
- (e) on death;

provided that if any vacancy shall occur for any reason contained in this paragraph, the board of directors by majority vote may, by appointment, fill the vacancy from among the representatives of the Members.

13. Meetings of the board of directors may be held at any time and place to be determined by the directors provided that forty-eight (48) hours written notice of

such meeting shall be given, other than by mail, and excluding Saturdays, Sundays and holidays, to each director. Notice by mail shall be sent at least fifteen (15) days prior to the meeting. There shall be at least one (1) meeting per year of the board of directors. No error or omission in giving notice of any meeting of the board of directors or any adjourned meeting of the board of directors of the Corporation 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. Each director is authorized to exercise one (1) vote.

14. (a) If all the directors of the Corporation consent thereto generally or in respect of a particular meeting, a director may participate in a meeting of the board or of a committee of the board by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to communicate with each other, and a director participating in such a meeting by such means is deemed to be present at the meeting.
 - (b) A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or committee of directors, is as valid as if it had been passed at a meeting of directors or committee of directors.
 - (c) The Chair or, in his absence, a Vice-Chair who is a Director shall be Chair of any meeting of directors; and if no such officer be present, the directors present shall choose one (1) to be the Chair.
 - (d) At all meetings of the board, every question shall be decided by a majority of the votes cast on the questions; and in the case of an equality of votes, the chair of the meeting shall not be entitled to a second or casting vote.
15. The directors shall serve as such without remuneration and no director shall directly or indirectly receive any profit from his position as such; provided that a director may be paid reasonable expenses incurred by him in the performance of his duties. Nothing herein contained shall be construed to preclude any director from serving the Corporation as an officer or in any other capacity and receiving compensation therefor.
 16. A retiring director shall remain in office until the dissolution or adjournment of the meeting at which his retirement is accepted and his successor is elected.
 17. The board of directors may appoint committees whose Members will hold their offices at the will of the board of directors.
 18. The board of directors may appoint such agents and engage such employees 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 by the board of directors at the time of such appointment.

19. The directors may authorize by a vote of at least two-thirds of the board of members a reasonable remuneration of officers, agents and employees and committee members.

INTEREST OF DIRECTORS IN CONTRACTS

20. (i) Any director of the Corporation who:
- (a) is a party to a material contract or proposed material contract with the Corporation, or
 - (a) is a director or officer of or has a material interest in any body corporate or business firm who is a party to a material contract or proposed material contract with the Corporation,
- shall disclose in writing or have entered in the minutes, the nature and extent of his interest in such material contract or proposed material contract with the Corporation.
- (ii) The disclosure required by (i) above, shall be made:
- (a) at the meeting at which a proposed contract is first considered;
 - (b) if the director was not then interested in a proposed contract, at the first meeting after he becomes so interested; or
 - (c) if the director becomes interested after a contract is made at the first meeting held after the director becomes so interested.
- (iii) If a contract or a proposed contract is one that, in the ordinary course of carrying on the Corporation's non-pecuniary purpose or purposes, would not require approval by the directors or Members, a director shall disclose in writing the nature and extent of his interest at the first meeting held after the director becomes aware of the contract or proposed contract .
- (iv) A director referred to in sub-paragraph (i) above is liable to account for any profit made on the contract by the director or by a corporate entity or business firm in which the director has a material interest, unless:
- (a) the director disclosed his interest in accordance with subparagraphs (ii), (iii) above or (vi) below;
 - (b) after such disclosure the contract was approved by the directors or Members; and

- (c) the contract was reasonable and fair to the Corporation at the time it was approved.
- (v) Provided that a director who has made a declaration of his interest in a contract or a proposed contract and has not voted in respect of such contract contrary to the prohibition contained in sub-paragraph (v) below, if such prohibition applies, is not accountable to the Corporation or any of its Members or creditors by reason only of such director holding that office or of the fiduciary relationship thereby established, for any profit realized by such contract.
- (vi) A director referred to in sub-paragraph (I) above shall not vote on any resolution to approve the contract, unless the contract is:
 - (a) an arrangement by way of security for money lent to or obligations undertaken by him for the benefit of the Corporation; or
 - (b) one relating primarily to his remuneration as a director, officer or employee of the Corporation.
- (vii) For the purposes of this paragraph 18, a general notice to the directors by a director declaring that he is a director or officer of or has a material interest in a body corporate or business firm and is to be regarded as interested in any contract made therewith, is a sufficient declaration of interest in relation to any contract so made.
- (viii) A contract is not void by reason only of the failure of a director to comply with the provisions of this paragraph 18 but the court may upon the application of the Corporation or a Member, set aside a contract in respect of which a director has failed to comply, with the provisions of this paragraph 18, and the court may make any further order it thinks fit.

PROTECTION OF OFFICERS AND DIRECTORS

21. Any director or officer of the Corporation shall not be liable for any act, receipt, neglect or default of any other director, officer or employee or for any loss, damage or expense happening to the Corporation through any deficiency of title to any property acquired by the Corporation or for any deficiency of any security upon which any moneys of the Corporation shall be invested or for any loss or damage arising from bankruptcy, insolvency or tortuous act of any person including any person with whom any moneys, securities or effects shall be deposited or for any loss, conversion, or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune which may happen in the execution of the duties of his respective office or trust unless such occurrence is as a result of his own willful neglect or default. The directors of the Corporation shall not be responsible for any contract or transaction entered into in the name of the Corporation, except such contracts or transactions that are submitted to and authorized by the directors.

If any director or officer shall be employed by the Corporation or shall have an interest in a person who is employed by the Corporation, such director or officer shall not be disentitled from receiving remuneration from such employment.

INDEMNITIES TO DIRECTORS AND OTHERS

22. Every director or officer of the Corporation or other person who has undertaken or is about to undertake any liability on behalf of the Corporation 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 Corporation, from and against;
- (a) all costs, charges and expenses which such director, officer or other person sustains or incurs in or about any action, suit or proceedings which is brought, commenced or prosecuted against him, or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him, in or about the execution of the duties of his office or in respect of any such liability;
 - (b) all other costs, charges and expenses which he sustains or incurs in or about or in relation to the affairs thereof,
 - (c) except such costs, charges or expenses as are occasioned by his own willful neglect or default, or a breach of the director's duty to act honestly and in good faith, with a view to the best interests of the Corporation.

POWERS OF DIRECTORS

23. The directors of the Corporation may administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation 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 Corporation is by its charter or otherwise authorized to exercise and do.
24. The directors shall have Power to authorize expenditures on behalf of the Corporation from time to time and may delegate by resolution to an officer or officers of the Corporation the right to employ and pay salaries to employees.
25. The directors shall have the Power to enter into a trust arrangement with a trust company 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 Corporation in accordance with such terms as the board of directors may prescribe.

OFFICERS

26. The officers of the Corporation shall be the Chair, one or more Vice-Chairs, a secretary, a treasurer, and any such other officers as the board of directors may by by-law determine. Any two offices may be held by the same person.
27. The Chair shall be elected at the annual meeting of the Members. Officers other than the Chair of the Corporation shall be appointed by resolution of the board of directors at the first meeting of the board of directors following the annual meeting of Members in which the directors are elected.
28. The officers of the Corporation shall hold office for one (1) year from the date of appointment or election or until their successors are elected or appointed in their stead. Officers shall be subject to removal by resolution of the board of directors at any time.

DUTIES OF OFFICE

29. The Chair shall be the chief executive officer of the Corporation. He shall preside at all meetings of the Corporation and of the board of directors. He shall have the general and active management of the affairs of the Corporation. He shall see that all orders and resolutions of the board of directors are carried into effect.
30. The Vice-Chair 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 him by the board of directors.
31.
 - (a) The Treasurer shall have the custody of the funds and securities of the Corporation and shall keep full and accurate accounts of all assets, liabilities, receipts and disbursements of the Corporation in the books belonging to the Corporation and shall deposit all monies, securities and other valuable effects in the name and to the credit of the Corporation in such chartered bank, trust company or a credit union, 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.
 - (b) He shall disburse the funds of the Corporation as may be directed by proper authority taking proper vouchers for such disbursements, and shall render to the president 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 Corporation. He shall also perform such other duties as may from time to time be directed by the board of directors.
32. The Secretary may be empowered by the board of directors, upon resolution of the board of directors, to carry on the affairs of the Corporation generally under the supervision of the officers thereof and shall attend all meetings and act as

clerk thereof and record all votes and minutes of all proceedings in the books to be kept for that purpose. He shall give or cause to be given notice of all meetings of the Members and of the board of directors, and shall perform such other duties as may be prescribed by the board of directors or president, under whose supervision he shall be. He shall be custodian of the seal of the Corporation, which he shall deliver only when authorized by a resolution of the board of directors to do so and to such person or persons as may be named in the resolution.

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

EXECUTION OF DOCUMENTS

34. Contracts, documents or any instruments in writing requiring the signature of the Corporation, shall be signed by any two officers and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The directors shall have power from time to time by resolution to appoint an officer or officers on behalf of the Corporation to sign specific contracts, documents and instruments in writing. The directors may give the Corporation'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 Corporation. The seal of the Corporation 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.

MEETINGS OF THE MEMBERSHIP

35. The annual or any other general meeting of the Membership shall be held at the head office of the Corporation 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 Canada. The Corporation shall hold its annual meeting within eight (8) months of the end of its fiscal year.
36. A quorum for the transaction of business at any meeting of Members shall be the number of persons present and entitled to vote thereat who represent at least twenty-five (25) per cent of the members.
37. At every annual meeting, in addition to any other business that may be transacted, the report of the directors, the financial statement and the report of the auditors shall be presented and auditors appointed for the ensuing year. The Members may consider and transact any business either special or general at any meeting of the Members. The board of directors or the president or vice-president shall have power to call, at any time, a general meeting of the Members of the Corporation.

The board of directors shall call a special general meeting of Members on written requisition of Members carrying not less than five percent (5%) of the voting rights.

38. Twenty-one (21) days' written notice shall be given to each Member and Associate Member of any annual or special general meeting of Members. Notice of any meeting where special business will be transacted should contain sufficient information to permit the Member to form a reasoned judgment on the decision to be taken. Notice of each meeting of Members must remind the Member to appoint a proxy.
39. Each voting Member present at a meeting shall have the right to exercise one vote. A Member may, by means of a written proxy, appoint a proxyholder to attend and act at a specific meeting of Members, in the manner and to the extent authorized by the proxy. A proxyholder must be employed by or closely affiliated with the Member or another Member of the Association.
40. At any meeting of Members every question shall, unless otherwise required by the letters patent or by-laws of the corporation or by law, be determined by the majority of votes cast on the question.
41. In case of any inequality of votes at any meeting of Members, either upon a show of hands or upon a poll, the Chair of the meeting shall not be entitled to an additional or casting vote.
42. A resolution in writing, signed by all the Members entitled to vote on the resolution at a meeting or special general meeting of Members is as valid as if it had been passed at a meeting or special general meeting of Members and such written resolution will satisfy all requirements relating to meetings of Members.
43. No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether annual or general, of the Members of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any Member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. For purpose of sending notice to any Member, director or officer for any meeting or otherwise, the address of the Member,; director or officer shall be his last address recorded on the books of the Corporation.

MINUTES OF BOARD OF DIRECTORS

44. The minutes of the board of directors shall not be available to the general Membership of the Corporation but shall be available to the board of directors, each of whom shall receive a copy of such minutes.

AUDITOR

45. The Members shall at each annual meeting appoint an auditor to audit the accounts of the Corporation for report to the Members at the next annual meeting. The auditor shall hold office until the next annual meeting, provided that the directors may fill any casual vacancy in the office of auditor. The remuneration of the auditor shall be fixed by the board of directors.

FINANCIAL YEAR

46. Unless otherwise ordered by the board of directors the fiscal year-end of the Corporation shall be the last day of June.

NOTICES

47. Whenever, under the provisions of any statute, the Letters Patent or these Bylaws, notice is required to be given to any director or Member or Associate Member of the Corporation, and no provision is made as to how such notice shall be given, it shall not be construed to require personal notice, but any such notice may be given in writing by hand delivery, by facsimile transmission or by mail, postage prepaid, addressed to such director, committee member, Member or Associate Member, at such person's address as it appears on the records of the Corporation. Any notice required or permitted to be given by mail shall be deemed to be delivered at the time when the same shall be thus deposited with Canada Post, as aforesaid. Any notice required or permitted to be given by facsimile transmission shall be deemed to be delivered upon successful transmission of such facsimile.
48. Whenever any notice is required to be given to any director or Member or Associate Member of the Corporation under the provisions of any statute, the Letters Patent or these By-laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

AMENDMENT OF BY-LAWS

49. The by-laws of the Corporation not embodied in the letters patent may be repealed or amended by by-law enacted by a majority of the directors at a meeting of the board of 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 bylaws shall not be enforced or acted upon until the approval of the Minister of Consumer and Corporate Affairs has been obtained.

BOOKS AND RECORDS

50. The directors shall see that all necessary books and records of the Corporation required by the by-laws of the Corporation or by any applicable statute or law are regularly and properly kept.

RULES AND REGULATIONS

51. The board of directors may prescribe such rules and regulations not inconsistent with these by-laws relating to the management and operation of the Corporation as they deem expedient, provided that such rules and regulations shall have force and effect only until the next annual meeting of the Members of the Corporation when they shall be confirmed, and failing such confirmation at such annual meeting of Members shall at and from time to time cease to have any force and effect.

INTERPRETATION

52. In these by-laws and in all other by-laws of the Corporation hereafter passed unless the context otherwise requires, 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 references to persons shall include firms and corporations.

ENACTED the _____ day of _____ 1996.

WITNESS the corporate seal of the Corporation

(a) _____

(b)

President - (name) c/s
Sec

BY-LAW NO. 2

being a by-law amending the provisions of the Letters Patent and authorizing an application for the issue of Supplementary Letters Patent to confirm the same

BE IT ENACTED AND IT IS HEREBY ENACTED as By-law No. 2 of THE CANADIAN ASSOCIATION ON CHARITABLE GIFTS (herein called the "Corporation").

1. That, subject to confirmation by Supplementary Letters Patent, Article VI of the Letters Patent concerning the distribution of assets of the Corporation upon its dissolution or winding-up is deleted and replaced by the following which reads as follows:

It is specially provided that in the event of dissolution or winding-up of the Corporation all the remaining assets after payment of its liabilities will be transferred to one or more not-for-profit organizations in Canada whose purpose is in keeping with that of the Corporation to be chosen by the Membership at their discretion.

2. That the Corporation be and it is hereby authorized to make application to the Minister of Industry Canada for the issue of Supplementary Letters Patent confirming this by-law insofar as it relates to amending the provisions of the Letters Patent.

3. That the directors and officers are hereby authorized and directed to do, sign and execute all things, deeds and documents necessary or desirable for the due carrying out of the foregoing.

ENACTED this 3rd day of October, 2001.

WITNESS the corporate seal of the Corporation.



President - Gord Nelson



Secretary - Henry Eygenraam