

Schedule “C” - By-laws

The By-laws (the “**By-laws**”) of a Prince Edward Island non-profit organization are a much longer document than the Letters Patent or Application for Incorporation (the “**Application**”). The By-laws set out the regulations of a not-for-profit, including governance procedures, conduct of meetings, powers of directors, and so forth.

The By-laws also provide for the appointment of officers of the Company. The officers of a V are responsible for the daily management of the V. Article 9 of the draft By-laws provide for up to four officers: a Chairman, a Vice-Chairman, a Secretary and a Treasurer. The officers have the following general responsibilities:

- **Chairman:** The Chairman shall have general supervision of the activities of the non-profit organization and shall perform such duties as assigned by the members.
- **Vice-Chairman:** The Vice-Chairman shall perform the duties of the Chairman during the absence, illness or incapacity of the Chairman or during such period as the Chairman may request him or her to do so.
- **Secretary:** The Secretary shall keep the minutes of meetings of the members and directors and shall perform other duties as assigned by the members.
- **Treasurer:** The Treasurer shall be responsible for maintaining or supervising the financial records of the society and shall perform other such duties as assigned by the members.

Notwithstanding the above, the members may alter the By-laws if they collectively decide that they would like to provide for alternate officers.

Instructions for completing draft By-laws

While it is recommended that the signatories of the Application carefully review the By-laws and consult with a professional prior to incorporation, it is important to note the following with respect to the draft By-laws:

1. Enter the name of the corporation in the title, paragraph 1.01 and paragraph 2.01. This name must be identical to the name reserved as instructed in paragraph 2 of the Church Incorporation Instruction Sheet.
2. Enter the name of the Registered Office of the corporation in paragraph 4. The registered or head office is the address which the Director of Corporations can send notice to pursuant to the Act and at which the records of the corporation must be kept. Should you ever desire to change the address of the corporation you must amend the By-laws of the company and send notice to the Director.
3. While legislation does not prescribe a minimum age for membership in a non-profit organization, in Prince Edward Island minors cannot hold property, which may include shares or membership. The age of majority in Prince Edward Island is 18 (see paragraph 6.01).
4. Insert a percentage or number into the space provided for in paragraph 6.11. This number cannot be higher than twenty-five percent, but given the broad nature of the membership of the various non-profit organizations, a lower number or a number expressed in an absolute value (i.e. not a percentage) is advisable.
5. Insert the desired number or percentage into the blank space in paragraph 6.13. This number may be arbitrarily low (i.e. 2) but must be completed.
6. Insert the minimum number of Director’s desired to properly constitute a meeting of the Directors. Note that important business of the non-profit organization is often conducted at these meetings and the membership should therefore discuss the appropriate

threshold. Unlike meetings of the members, this number may be quite high (i.e. three quarters or higher). Regardless of what number is selected all directors must receive notice of any meeting (subject to the By-laws).

7. Add, remove or modify the organizations listed in section 12.06 if the members have specific organizations which they would like the property of the not-for-profit to be transferred to in the event that the not-for-profit company ever winds up its operation.
8. Date the By-laws on the final page
9. Have all of the applicants sign the final page.

SCHEDULE "C"

CHURCH LTD.

BY-LAWS

ARTICLE 1 - NAME:

- 1.01 The name of the Corporation is _____ **Church Ltd.**

ARTICLE 2 - DEFINITIONS

- 2.01 "Organization" shall mean _____ Church Ltd.;
- 2.02 "Board" shall mean the Board of Directors;
- 2.03 "By-laws" shall mean the by-laws of this corporation, as amended from time to time;
- 2.04 "Director" shall mean member of the Board of Directors as elected or appointed to the Board in accordance with these By-laws.

ARTICLE 3 – REGISTERED OFFICE

- 3.01 The registered office of the Organization shall be _____, _____ County, in the Province of Prince Edward Island, or at such other place as the Directors of the Organization may from time to time decide.

ARTICLE 4 – FISCAL YEAR

- 4.01 The fiscal year end of the corporation shall be the 31st day of December in each year.

ARTICLE 5 – CORPORATE SEAL

- 5.01 The seal of the Organization shall be in the custody of the Secretary and may be affixed to any document upon resolution of the Board of Directors.

ARTICLE 6 – MEMBERSHIP

- 6.01 The members of the Organization shall be:
- (a) the Applicants for Incorporation of the Organization;
 - (b) such other individuals, firms and corporations who subsequently have become members in accordance with these By-laws;
 - (c) at least 18 years of age.
- 6.02 An individual, firm or corporation may apply to the Board for membership in the Organization and on resolution by the Board shall become a member.
- 6.03 Every member shall uphold and comply with the By-laws of the Organization.
- 6.04 Every member shall pay annual membership dues as and when may be determined by the Directors.
- 6.05 Each member shall be in good standing if the member is current with their annual dues, and if the member is in compliance with the by-laws.
- 6.06 A member shall cease to be a member of the Organization:

- (a) by giving notice in writing to the Board of Directors at its head office, but no refund of fees will be made to a member upon cessation of his or her membership;
 - (b) on his or her death, or in case of a corporation on dissolution;
 - (c) on being expelled in accordance with 7.07 hereafter; or
 - (d) on having been a member not in good standing for 12 consecutive months.
- 6.07 If the Board, by unanimous decision, determines that any member is in violation of these By-laws, or any other rules of the Organization, such member shall be expelled from membership.
- 6.08 All members must notify the Secretary of the Organization in the event of any change in his or her mailing address.

MEETINGS

- 6.09 The first general meeting of members is to be held as soon as practical after incorporation. Thereafter, annual general meetings of the Organization shall be held annually within ninety (90) days after the end of each fiscal year and such time and place as the Board of Directors shall determine.
- 6.10 At each ordinary or annual general meeting of the Organization, the following items of business shall be dealt with and shall be deemed to be ordinary business:
- (a) minutes of preceding general meeting;
 - (b) consideration of the annual report of the directors;
 - (c) consideration of the year-end financial statements, including balance sheet and operating statement;
 - (d) election of directors and officers for the ensuing year;
 - (e) appointment of auditors or audit committee;
 - (f) devotional exercises;
 - (g) pastor's report.

All other business transacted at an ordinary or annual general meeting shall be deemed to be special business and all business shall be deemed special that is transacted at an extraordinary general meeting of the Organization.

Notice of all general meetings shall be given in writing to all members of the Organization at least ten (10) days in advance of the meeting, but, non-receipt of such notice by any member shall not invalidate the proceedings at any general meeting.

- 6.11 Special meetings of the organization may be called by the Chair or shall be called at the written request on _____ or more members in good standing. Notice of the time and place of the special meetings, together with a notice of the business to be transacted shall be given at least ten (10) days in advance.
- 6.12 The annual meeting of the Organization shall be open to the public and public notice shall be advertised at least ten (10) days prior to each annual meeting.
- 6.13 No business shall be transacted at any meeting of the Organization unless a quorum of members is present at the commencement of such business. A quorum of the members shall be at least _____ members.

- 6.14 (a) The President of the Organization shall preside as Chairperson at every general meeting of the Organization;
- (b) If there is no President or if at any meeting he or she is not present at the time of holding the same, the Vice-President shall preside as Chairperson;
- (c) If there is no President or Vice-President or if at any meeting neither the President nor the Vice-President is present at the holding of the same, the members present shall choose someone of their number to be Chairperson.
- 6.15 The Chairperson shall have the casting vote in the case of an equality of votes.
- 6.16 The Chairman may, with the consent of the meeting, adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting, other than the business left unfinished at the meeting from which the adjournment took place, unless notice of such new business is given to the members.
- 6.17 At any meeting, unless a poll is demanded by at least twenty percent (20%) of the members present, a declaration by the Chairperson that a resolution has been carried and any entry to that effect in the book of proceedings of the Organization shall be sufficient evidence of the fact, without proof of the number or proportion of the members recorded in favour of or against such resolution.
- 6.18 If a poll is deemed in manner aforesaid, the same shall be such manner as the Chairperson may prescribe and the result of such poll shall be deemed to be the resolution of the Organization in general meeting.

VOTING

- 6.19 Only members in good standing shall be entitled to vote at any meeting of the Organization;
- 6.20 Motions put forward for debate shall be determined by a simple majority of the total votes cast;
- 6.21 Every member shall have one (1) vote and no more.

ARTICLE 7 – DIRECTORS

- 7.01 The property and affairs of the Organization shall be administered by a Board of Directors and such Board shall be constituted by not less than three (3) Directors, all of whom must be at least 18 years of age. The Board may exercise all powers and do all acts and things which may be exercised or done by the Organization and which are not by the By-laws of the Organization, or by statute, expressly directed or required to be at a general meeting of the members.
- 7.02 The subscribers to the Memorandum of Agreement shall be the first directors of the Organization.
- 7.03 Any member of the Organization in good standing shall be eligible to be elected a director of the Organization.
- 7.04 Subject to clause 7.02, the Directors shall be elected by the members at the annual general meeting of the Organization following the 3 year anniversary of their election or special general meeting duly called for the purpose.
- 7.05 At the first annual general meeting of the Organization and at every succeeding annual general meeting in which any given Director's term expires, such directors shall retire from office but shall hold office until the dissolution of the meeting at which their successors are elected and retiring directors shall be eligible for re-election for one additional three year term for a maximum of six consecutive years at which time such Director will not be eligible to serve as a Director for a one year period.

- 7.06 In the event a vacancy occurs on the Board, the remaining Directors shall have the power to appoint a member of the Organization to fill the vacancy on an interim basis.
- 7.07 The Organization may, by special resolution (a vote of 2/3rds in favour), remove any Director before the expiration of the period of office and appoint another person in his or her stead. The person so appointed shall hold office during such time only as the Director in which place he is appointed would have held office if he had not been removed.
- 7.08 The Directors may appoint special or standing committees to carry out such functions as the Board directs and may delegate, in writing, any of its powers to any such committee. All committees shall report to the Board or as directed by the Board. Except for the committee Chairman, committees may be constituted from the general membership of the Organization. The Chairman of each committee shall be a Director.
- 7.09 No Director of the organization may receive any remuneration for his or her duties as a Director.

MEETINGS

- 7.10 The first meeting of the Board of Directors will take place on the day of its election and subsequent meetings shall take place on a date and at a place so designated by the Board.
- 7.11 Meetings of the Board of Directors may be called at any time by the President or by any three (3) Directors. Notice specifying the time and place thereof shall be given orally or in writing, not less than two (2) days before the meeting is to take place, to each Director, but non-receipt of such notice by any Director shall not invalidate the proceedings of any meeting of the Board. No business shall be transacted at any meeting of the Board unless a quorum of members is present. A quorum of the board of directors is at least _____ of the elected Directors.
- 7.12 Meetings of the Board of Directors shall be held as often as the business of the Organization may require. A meeting of Directors may be held at the closing of every annual general meeting of the Organization without notice.
- 7.13 Directors' meetings may be held from time to time and at any place without formal notice if all of the Directors are present or if those absent have signed their consent in writing to the meeting being held in their absence.
- 7.14 Notice of formal meetings of Directors shall specify the time and place of such meetings and shall be delivered, mailed, telecopied, emailed or by any other form of electronic communication to each Director not less than two (2) days before the meeting is to take place.
- 7.15 Except where the provisions of the Companies Act of Prince Edward Island requires the holding of a meeting, a resolution in writing signed by all of the Directors entitled to vote at a meeting of the Directors is as valid as if it had been passed at a meeting of the Directors duly called, constituted and held for that purpose.
- 7.16 No business shall be transacted at any meeting of the Board of Directors unless at least 2/3rds in number of the Directors are present at the commencement of such business.
- 7.17 The President or, in his or her absence, the Vice-President or, in the absence of both of them, any director appointed from among those Directors present shall preside as Chairperson at meetings of the Board.

VOTING

- 7.18 A quorum of the Board shall be 2/3rds of the members of the Board.
- 7.19 Except for the President, each Director shall have one (1) vote. The President shall have only a casting vote where necessary to break a tie.

ARTICLE 8 – PROTECTION OF DIRECTORS AND OFFICERS

- 8.01 Every Director or Officer of the Organization and his or her 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 Organization, from and against all costs, charges and expenses whatsoever which said Director or Officer sustains or incurs in or about any action, suit or proceedings which is brought, commenced or prosecuted against him or her, for or in respect of any act, deed, matter or thing whatever, made, done or permitted by him or her, in or about the execution of the duties of his or her office and from all costs, charges and expenses which he or she sustains or incurs in or about or in relation to the affairs thereof except such costs, charges or expenses as are occasioned by his or her own wilful neglect or default.
- 8.02 No Director or Officer of the Organization shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipts or other acts of conformity, or for any loss or expense happening to the Organization through the insufficiency or deficiency of title to any property acquired by order of the Board for or on behalf of the Organization, or for the insufficiency or deficiency of any security in or upon which any of the monies of or belonging to the Organization shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or wrongful act or any person, firm or corporation with whom any monies, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune which may happen in the exercise of his or her respective duties or trust or relation thereto unless the same shall happen b his or her own or through his or her own wilful act or default. Directors and Officers may rely upon the accuracy of any statement or report prepared by the Organization's auditors and shall not be responsible or held liable for any loss or damage resulting from acting upon such statement or report.

ARTICLE 9 - OFFICERS

- 9.01 The officers of the Organization shall be a President, a Vice-President, a Treasurer, and a Secretary. The office of Treasurer and Secretary may be combined.
- 9.02 The Board shall elect from amongst themselves, by a majority vote, the officers of the Organization.
- 9.03 The President shall, subject to the control of the Board, preside over all meetings of the Organization and meetings of the Board and shall have the general charge and control of the business and affairs of the Organization and the work and management of the property thereof and shall sign all instruments which require his or her signature and shall have all powers and perform all duties incident to his or her office and shall have such other powers and duties as may from time to time be assigned to him or her by the Board. The President, or a member of the Board designated by him or her, shall act as spokesperson for the Organization.
- 9.04 The Vice-President shall, at the request of the Board and subject to its directions, perform the duties of the Chairperson during the absence, illness or incapacity of the President, or during such period the President may request him or her to do so.
- 9.05 There shall be a Secretary of the Organization who shall keep minutes of the meetings of members and Directors and shall perform such other duties as may be assigned to him or her by the Board of Directors. The Board shall appoint the Secretary and may also appoint a Treasurer of the Organization to carry out such duties as the Board may assign.
- 9.06 The Board may appoint a temporary substitute for the Secretary who shall, for the purpose of these by-laws, be deemed to be the Secretary.
- 9.07 The Treasurer, or such other person as the Board shall duly authorize from time to time, shall receive all monies paid to the Organization and shall be responsible for the deposit of same in

whatever bank, trust company or credit union the Board may order; and shall properly account for the funds, including trust funds, of the Organization and keep such books of account and records as may be directed; and shall present a full, detailed account of receipt and disbursements of the annual meeting, duly audited as hereinafter set forth.

ARTICLE 10 – FINANCIAL REPORT

- 10.01 The Board of Directors shall make an annual report and present properly prepared financial statements of the Organization to the members at the Annual General Meeting.

ARTICLE 11 – AMENDMENTS

- 11.01 The Organization has power to repeal or amend any of these by-laws by a resolution at any meeting of the membership provided that a copy of any proposed amendment has been mailed to each member at least ten (10) days prior to the date of the meeting at which the proposed amendment will be introduced.

ARTICLE 12 – MISCELLANEOUS

- 12.01 The Organization shall file its annual return through Consumer, Corporate and Insurance Services, Office of the Attorney General, indicating the names of its directors and officers with their addresses, and dates of appointment or election, within fourteen (14) days of a change of directors.
- 12.02 The Organization shall file with Consumer, Corporate and Insurance Services, Office of the Attorney General, a copy, in duplicate, of every special resolution within fourteen (14) days after the resolution is passed.
- 12.03 Contracts, deeds, bills of exchange and other instruments and documents may be executed on behalf of the Organization by the President or the Vice-President and the Secretary, or otherwise as prescribed by resolution of the Board of Directors.
- 12.04 The borrowing powers of the Organization may be exercised by special resolution of the members.
- 12.05 Copies of By-laws, resolutions and other proceedings of the Board or members of the Organization may be certified under the corporate seal of the Organization by the Secretary or by any other Officer of the Organization appointed to perform this duty.
- 12.06 In the event that the Organization ceases to exist, or upon winding up of the Organization, all of its real and personal property shall be conveyed and transferred to:
- (a) Atlantic Baptist Mission Board of the Convention of Atlantic Baptist Churches.
- Subject to the expressed condition that in the event that the Organization should become active again in the future, all such real and personal property previously conveyed and transferred shall, within a period of ninety (90) days from the date of a written request, be reconveyed and retransferred back to the Organization or its successor or assign.
- 12.07 In these By-laws, all other by-laws and all resolutions of the Organization, unless a contrary intention is expressed, words importing the singular number only shall include the plural word and vice versa; words importing the masculine gender shall include the feminine and neutral genders.

ADOPTED AND PASSED this ____ day of _____, 20__.
