

**CLEAR LAKE
PROPERTY OWNERS ASSOCIATION**

BY-LAW No.1

June 27, 2009

*Approved by a 2/3 vote of the membership at the
CLPOA Annual General Meeting,
June 27, 2009*

CLEAR LAKE PROPERTY OWNERS' ASSOCIATION (CLPOA)

OUR PURPOSE

- To be stewards of Clear Lake; to protect and enhance the quality and character of the lake, the surrounding environment and the lake community.
- To lobby on behalf of the membership with regard to matters of concern to the corporation.
- To work to sustain a viable and effective association for the betterment of the Clear Lake community.
- To support safety, social and environmental programs that will enhance the cottage experience.
- To work together on other planned projects, as agreed on by the membership

BY-LAW NO. 1

A by-law relating generally to the conduct of the

CLEAR LAKE PROPERTY OWNERS' ASSOCIATION (CLPOA)

BE IT ENACTED as a by-law of the **CLEAR LAKE PROPERTY OWNERS' ASSOCIATION** (hereinafter called "the Corporation") that:

HEAD OFFICE

1. Until changed in accordance with the Corporations Act, the Head Office of the Corporation shall be in the Township of Muskoka Lakes, Province of Ontario.

MEMBERSHIP

Members

2. Membership to the CLPOA shall be based on a family model (both vertical and horizontal tree directions) associated with the Clear Lake cottage property. Property will include those properties fronting on Clear Lake and those backing onto Clear Lake, who have private access to Clear Lake. Eligibility for membership shall be extended to the property owner and his/her spouse, to all their children and their spouses, to all their grandchildren (over the age of 18), to their parents, to their grandparents and to any additional family members (such as Aunt, Uncles, and cousins), upon sponsorship by the property owner. The number of voting members shall not exceed four (4) per property. A property will be defined as having a tax roll number. Additional, non-voting memberships will continue to be available.

Corporately owned properties (both residential and commercial) shall be treated with the same family definition of membership described above.

Membership may also be granted, with the approval of the Board of Directors, to individuals who have an association with Clear Lake (such as long term renters). The Board of Directors has the authority to review and approve any other exceptions to requests for membership.

Those family members under the age of 18 will be eligible to become junior members (without payment of any fees and without voting privileges).

3. Membership shall be for one year.

4. Membership shall be granted upon payment of the annual membership fee (for each member), and must be paid prior to the Annual General Meeting.

The membership fee shall be established from time to time by the Board of Directors. The membership must be advised in writing or electronically of any changes to the membership fee. Annual dues shall be made payable to the Clear Lake Property Owners' Association, in order for a member to be registered and considered to be an active member.

Associate Members

5. Associate memberships may be extended, at the direction of the Board of Directors, to select organizations and local businesses that support the CLPOA. Associate Members are required to pay annual fees, but are not entitled to vote at meetings of Members.

Meetings of Members

6. The annual and any other general meeting of the Members shall be held at a location near to the head office of the Corporation or elsewhere in Ontario and on such day as the Directors may determine. The date, time and location of the annual meeting will be advised in advance of the meeting in the Spring Newsletter and will also be posted on the CLPOA web site.

7. The Directors may at any time call a special general meeting of the Members, at such time and place as they may appoint, for the transaction of any business, the general nature of which is specified in the notice calling the meeting.

8. Notice of special general meetings of the Members shall be given by notice in writing or electronically at least thirty (30) calendar days prior to the time scheduled for the meeting and be posted on the CLPOA website.

9. A special general meeting of the Members may be called by any Member who presents the Directors with a signed petition representing at least 25% of the membership, requesting a special meeting, there upon giving written notice to the Secretary of the Corporation specifying in detail the exact nature of the business that is to come before the meeting.

10. Such special general meetings shall be held within forty five (45) days of receipt of such notice, and notice of the meeting shall be given to the Members in the manner herein provided (Item 8).

11. At every Annual General Meeting of the Members, in addition to any other business that may be transacted, the report of the Board of Directors on the affairs of the Corporation for the previous year, the balance sheet and financial statements, including a statement of income and expenditure for the fiscal year ending on the date of such balance sheet, and, in the event that the Members have not consented to dispense with a financial review, the report of the auditor thereon shall be presented.

Directors shall be elected as herein provided and; if required, the auditor for the ensuing year shall be appointed.

Quorum

12. At any meeting of the Members, annual or special, ten percent of the Members, either present in person or represented by proxy, shall constitute a quorum for the transaction of business, provided that in no case shall any meeting of Members be held unless at least fifteen (15) Members are present (including Directors) in person. In addition, a majority of Directors shall be present.

13. At all meetings of the Members, each Member shall be entitled to one vote and may vote in person, or by duly authorized proxy. Membership fees must be paid in full, in order to be eligible to vote.

14. A proxy shall be appointed in writing or electronically. The Directors shall prescribe the form of appointment of proxy and conditions governing the use thereof.

All proxy must be signed by the member and be presented to the Secretary prior to the beginning of the meeting in order to be voted. Electronic, scanned copies of duly signed proxy will be accepted.

15. At all meetings of the Members, every issue requiring a vote shall be decided by a simple majority of the votes of the Members present in person or represented by proxy, unless otherwise required by the provisions of the Ontario Corporations Act, the Letters Patent or the by-laws.

16. Every issue shall be decided in the first instance by a show of hands, unless a poll is demanded by any Member.

17. Upon a show of hands, every Member present in person or represented by proxy as aforesaid, shall have one vote and, unless a poll be demanded, a declaration by the chair that a resolution has been carried or carried unanimously or by a particular majority or not carried or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number of proportion of votes recorded in favour of or against such resolution.

18. In case of an equality of votes at any meeting of the Members, whether upon a show of hands or a poll, the chair shall not be entitled to a second or casting vote and the motion shall be declared lost.

DIRECTORS

Number

19. The affairs of the Corporation shall be managed by a minimum of five (5) Directors and a maximum of twelve (12) Directors, one of whom may be the immediate past President.

Term of Office

20. Each Director shall be elected to hold office for a term of two (2) years or until his or her successor shall have been duly elected.

21. Each Director shall retire at the bi-annual meeting of the Members, but shall be eligible for re-election, at their discretion and if otherwise qualified.

22. Each Director at the time of his or her election and throughout his or her term of office shall be a Member.

23. Each Director shall be elected individually by a separate vote of the members.

24. The office of Director shall be automatically vacated:

- (a) if a Director resigns his/her office by delivering a written or e-mail resignation letter to the President or Secretary of the Corporation;
- (b) if he/she is found by a court to be of unsound mind;
- (c) if he/she becomes bankrupt or suspends payment or compounds with his/her creditors;
- (d) if he/she is convicted of a criminal offence
- (e) upon death.

Removal

25. The Members may, by resolution passed by at least two-thirds of the votes cast at a general meeting, of which notice specifying the intention to pass such a resolution has been given, remove any Director before the expiration of his or her term of office and may, by a simple majority of votes cast at such a meeting, elect any qualified person so nominated in his or her stead for the remainder of his or her term of office.

Quorum

26. At any meeting of the Directors a simple majority of the duly elected Directors present in person (including via conference call), shall constitute a quorum for the transaction of business.

27. Notwithstanding any vacancies in the board of Directors, the remaining Directors may exercise all the powers of the Directors so long as five Directors remain in office.

Vacancies

28. Vacancies on the Board of Directors will not be filled during any two year term, unless there is no quorum of Directors. If there is not a quorum of Directors remaining in office, the remaining Directors shall forthwith call a special general meeting of the Members to elect new Directors to fill the vacancies

Meetings

29. Except as otherwise required by law, the Directors may hold meetings at such place or places as they may from time to time determine. Meetings may also be conducted by conference call if required.

30. The Directors may appoint a day or days in any month or months for regular meetings at an hour to be named and of such regular meetings, no notice need be given. A minimum of two (2) board meetings, in addition to the annual meeting, shall be held each year.

31. Meetings of Directors may be called by the President or by the Secretary on the direction of the President, or on the direction in writing or e-mail of two Directors.

32. Notice of such meetings shall be personally delivered, mailed or sent to each Director by electronic means, not less than eight (8) calendar days before the time at which the meeting is to take place.

33. A meeting of the Directors may also be held, without notice, immediately following the Annual General Meeting of the Members at which Directors are elected.

Voting

34. Issues arising at any meeting of the Directors shall be decided by a majority of votes.

35. In case of an equality of votes at any meeting of the Board of Directors, whether upon a show of hands or a poll, chair shall not be entitled to a second or casting vote and the motion shall be declared lost.

36. Votes at any such meeting shall be taken by ballot if so demanded by any Director present, but if no such demand is made, the vote shall be taken by a show of hands.

37. A declaration by the Chair (President) that a resolution has been carried and an entry to that effect in the minutes shall be admissible proof of the votes recorded in favour of or against the resolution.

38. Except as otherwise required by law, a resolution consented to at any time by the signatures (including electronic approvals) of all the Directors is as valid and effective as if passed at a meeting of Directors duly called, constituted and held for that purpose.

Conflict of Interest

39. A conflict of interest is a situation in which a Director has a financial and/or personal interest/relationship in a decision of the Board, sufficient to appear to influence the objective exercise of his or her official duties as a Director. Those with a conflict of interest (real or perceived) are expected to recuse themselves from (i.e., abstain from) the situation and should not participate in any way in the decision, including discussions.

Fiduciary Responsibility

40. Members of the Board of Directors are required to respect all decisions of a majority vote of the board, on issues voted upon.

Each board member has an obligation to respect the decision of the majority of the board, even if they do not agree with the board's position. In no way should any board member engage in activities to undermine the decision of the Board, while holding office. If an individual Member of the Board can not accept a decision, based on a majority vote on a specific issue, they should consider resigning their position on the Board.

Powers

41. 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 contract which the Corporation may lawfully enter into and, save as otherwise by law provided, generally may exercise all such other powers and do all such other acts and things as the Corporation may, by its Letters Patent or otherwise, be authorized to exercise and do.

Remuneration

42. The Directors shall receive no remuneration for acting as such, but may receive reimbursement for expenses reasonably and properly incurred on behalf of or in connection with the affairs of the Corporation.

Committees

43. The Directors may appoint committees (such as a Membership Committee, an Environmental Committee, a Social Committee, a Regatta Committee, a Government Affairs Committee, etc.) from time to time to advise the Directors on matters related to the Corporation or to manage particular activities of the Corporation.

44. Committees may be made up of both Directors and Members.

45. The members of a committee may be removed by a majority vote of the Directors.

OFFICERS

46. There shall be a President, a Vice-President, a Secretary and a Treasurer or in lieu of a Secretary and Treasurer, a Secretary-Treasurer and such other officers as the Directors may determine by by-law, from time to time.

47. The President, Vice-President, Secretary and Treasurer shall be selected from the elected set of Directors, determined as they see fit, and appointed for a two (2) year term of office.

48. Officers may be subject to removal at any time by a vote of the Directors. Officers so removed shall remain on the board until such time as their term has expired, they resign, or a vote by the membership removes them from the Board.

President

49. The President shall, when present, preside over all meetings of the Members and of the Board of Directors (as acting Chair) and shall perform such other duties as from time-to-time may be prescribed by the Directors.

50. The President shall also be charged with the general management and supervision of the affairs and operations of the Corporation.

Vice-President

51. During the absence or inability of the President, his/her duties and powers may be exercised by the Vice-President. If the Vice-President is unable to perform the duties, the Directors may, from time to time, appoint a Director to fulfill such duty or power, and the absence or inability of the President shall be presumed with reference thereto.

Secretary

52. The Secretary shall attend all meetings of the Directors and record all facts and minutes of all proceedings in the books kept for that purpose. If the Secretary is unable to attend a specific board meeting, the President or designate may appoint a Director to take minutes of the meeting and send them to the Secretary for inclusion in the books.

53. The Secretary (or the Secretary's designate) shall give all notices required to be given to Members and to the Directors.

54. The Secretary shall be the custodian of all books, papers, records, correspondence, contracts and other documents belonging to the Corporation, which the Secretary shall deliver up only when authorized by a vote of the Directors to do so and to such person or persons as may be named in the resolution. The Secretary shall also perform such other duties as determined, from time to time, by the Directors.

55. The Secretary shall maintain a list of paid up members, which will be made available to all Board members and to any paid up member, upon written request.

Treasurer

56. The Directors shall define the Rules of Disbursements (their Authority to Spend Monies) and present them to the members at the annual general meeting for approval.

57. The Treasurer shall manage the disbursement of the funds of the Corporation under the direction of the Directors, and shall render to the Directors at the regular meetings thereof or whenever required of him or her, an account of all transactions as Treasurer, and of the financial position of the Corporation.

58. The Treasurer shall keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account and shall deposit all moneys or other valuable effects in the name and to the credit of the Corporation in such bank or banks as designated by the Directors.

59. The Treasurer shall also perform such other duties (such as filing required Government documents, obtaining insurance coverage, participating in the financial review, etc.) as determined, from time to time, by the Directors.

EXECUTION OF DOCUMENTS

60. The Directors shall have power by resolution, to appoint an Officer or Officers, on behalf of the Corporation, to sign specific contracts, documents and instruments in writing.

61. All contracts, documents or any instruments in writing requiring signature of the Corporation must be approved by a vote of the board and shall be signed by any two (2) Officers or Directors. All contracts, documents and instruments in writing so signed shall be binding upon the Corporation, without any further authorization or formality.

62. The President and Treasurer (or Secretary-Treasurer as appropriate) and one alternate Director (such as the Vice-President) shall have signing authority for cheques. Two signatures are required on all cheques of the corporation.

INDEMNITIES TO DIRECTORS AND OTHERS

63. 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, shall 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/her, or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him/her, in or about the execution of the duties of his/her

office or in respect of any such liability;

(b) All other costs, charges and expenses which he/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/her own willful neglect or default.

FINANCIAL YEAR

64. Unless otherwise ordered by the Directors, the fiscal year end of the Corporation shall be the 31st day of December.

AMENDMENT OF BY-LAWS

65. The by-laws of the corporation not embodied in the letters patent, may be repealed or amended by by-law, or a new by-law relating to the requirements of section 129 of the Corporations Act, may be enacted by a majority of the Directors at a meeting of the Directors and sanctioned by a vote of at least two-thirds (2/3) of the Members present, or by proxy, at a meeting duly called for the purpose of considering the said by-law.

FINANCIAL REVIEW

66. At the bi-annual general meeting of the corporation, where new Directors are elected, the Members will appoint by a majority of votes of the Members present, or by proxy, an independent, non-board member as the financial reviewer, to conduct a review of the financial position of the Corporation.

67. The financial review will consist of a review of all the accounts, statements, financial transactions and the minutes of the corporation for the previous two year term of office. The review will result in a documented statement / report by the appointed reviewer confirming the financial status and that the minute book and records are in order. This statement will be posted on the CLPOA website within 30 days of completion of the review. This financial review may be waived by a majority of votes on a motion to do so at the Annual General Meeting.

68. The individual appointed as financial reviewer shall receive no remuneration for acting as such.

BOOKS, RECORDS & INFORMATION MANAGEMENT

69. 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.

PRIVACY

70. Clear Lake Property Owners' Association only collects, uses and discloses Personal Information such as, name, address and telephone number, for the following purposes:

- 1) to communicate to members about CLPOA activities and issues
- 2) to establish and maintain communications among Clear Lake Residents
- 3) to assist with providing emergency response
- 4) to acknowledge volunteers, special events, Regatta participants, etc. on the CLPOA website or in newsletters

The association shall maintain your personal information as accurately, completely and as up to date as possible and as necessary to fulfill the purposes for which it is to be used.

The association makes every effort to advise that the information collected is not to be used for solicitation. The association will not knowingly distribute such information to third party organizations. However, we can not provide guarantees that it won't be forwarded to other outside organizations, for such purposes, by members.

Members, who receive a written copy of the Clear Lake Property Owners Association address list, do so under the condition of compliance with this Privacy Policy.

TECHNOLOGY

71. The Clear Lake Property Owners Association will endeavor to communicate with members in the most efficient and effective ways. This will include electronic communications via our CLPOA Web site and Blog (<http://www.clearlakemuskoka.ca/>), as well as via email or other electronic means as are available. The CLPOA will collect and manage a member contact email distribution list. By providing their email address, members are authorizing the CLPOA to use it to communicate with them on association issues, under the conditions of the CLPOA Privacy Policy.

RULES AND REGULATIONS

72. The 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, when they shall be confirmed and failing such confirmation at such annual meeting of Members, shall cease to have any force and effect.

INTERPRETATION

73. 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.

The foregoing By-Law was hereby approved by a majority vote of the Directors of the Clear Lake Property Owners' Association, pursuant to the provisions of the Corporations Act, and was presented for review and approval by the members at the 2009 Annual General Meeting