

Canadian Coast Guard Auxiliary (Newfoundland and Labrador) Inc.

Organizational By-Law (By-law no. 2003-02)

A By-law relating to the transaction of the business affairs of Canadian Coast Guard Auxiliary (Newfoundland and Labrador) Inc.

1. Name

The name of the Corporation is the Canadian Coast Guard Auxiliary (Newfoundland and Labrador) Inc. The Corporation is referred to below as the CCGA (NL) Inc. or the Auxiliary.

2. Mission Statement.

Our mission is to provide a permanent day and night search and rescue service to cover marine requirements in Canada and prevent the loss of life and injury.

3. Objects.

The objectives of the CCGA (NL) Inc. are to:

- a. supplement community, private, volunteer, Provincial and Federal efforts directed to the preservation of life and property, and in particular, providing voluntary Search and Rescue services directed toward the preservation of life, safety and property and, in particular, providing voluntary Search and Rescue services;
- b. make available and operate suitable seaworthy vessels meeting all safety, equipment and regulatory requirements established by the Transport Canada and/or the Canadian Coast Guard and /or the Canadian Coast Guard Auxiliary (National) Inc.;
- c. contribute skilled voluntary effort or special services desired and identified as needed by the Canadian Coast Guard and the Canadian Coast Guard Auxiliary (National) Inc.;
- d. undertake training identified by the Canadian Coast Guard and the Canadian Coast Guard Auxiliary (National) Inc. for the safe and effective conduct of Search and Rescue activities;
- e. undertake only those activities which can be done without causing undue risk to members, their vessels, other persons or other vessels, and to take all reasonable precautions which may be prudent under the circumstances;
- f. assist with the promotion of safe boating practices through accident prevention and safety education programmes;
- g. save 100 percent of the lives at risk within the geographical terms of reference specified for the CCGA (NL) Inc.;
- h. reduce the number and severity of Search and Rescue incidents (comprising the search for, and provision of aid to, persons, ships or other craft which are, or feared to be, in distress or imminent danger);
- i. minimize loss of life, injury, property damage and risk to the environment;
- j. support and involve the Canadian Coast Guard Auxiliary (National) Inc.;
- k. maintain the highest professional standards;

200228 1600

- l. provide leadership and effective Search and Rescue efforts;
- m. maximize Search and Rescue system efficiency through innovation and other means;
- n. promote volunteerism in the provision of Search and Rescue efforts;
- o. increase awareness of the Search and Rescue Program;
- p. assist in the development of the national Search and Rescue Program;
- q. foster cooperative Search and Rescue agreements;
- r. provide humanitarian aid where possible;
- s. assist in the domestic legal obligation to provide assistance to other mariners in distress including the obligations outlined in the Canada Shipping Act;
- t. make members of the CCGA (NL) Inc. available to participate in Search and Rescue incidents whether the vessels of such members are in port or harbour or at sea;
- u. establish and modify, in agreement with the Regional Director, Canadian Coast Guard, appropriate guidelines for authorized activities within Newfoundland and Labrador;
- v. assist in the mission of the Canadian Coast Guard to ensure the safe and environmentally responsible use of Canada's waters, support understanding and management of oceans resources, facilitate the use of Canadian waters for shipping, recreation and fishing and the provision of marine expertise in support of Canada's domestic and international interests;
- w. assist in the provision of Search and Rescue services which Canada has an obligation to provide under the terms of international agreements including the terms of the International Maritime Organization and the International Civil Aviation Organization;
- x. promote the prevention of loss of life and/or injury at sea, including, where possible and directly related thereto, reasonable efforts to minimize damage to or loss of property;
- y. voluntarily provide support services by carrying out authorized activities related to marine Search and Rescue operations, marine Search and Rescue Prevention and other related marine safety activities; and,
- z. to comply with the Contribution Agreement between Her Majesty the Queen in Right of Canada, represented by the Minister of Fisheries and Oceans (hereinafter referred to as the Minister) and the Canadian Coast Guard Auxiliary (Newfoundland And Labrador) Inc. as it may be amended from time to time or any subsequent or similar agreement and to comply with all laws of Canada including, in particular, the Canada Corporations Act and the Regulations and Policies thereunder.

PROVIDED that nothing contained herein shall permit the CCGA (NL) Inc. to carry on any trade, industry, or business and the CCGA (NL) Inc. shall be carried on without purpose of gain to any of the members and that any surplus or any accretions of the CCGA (NL) Inc. shall be used solely for the purpose of the CCGA (NL) Inc. and the promotion of its objects;

PROVIDED further that if for any reason the operation of the CCGA (NL) Inc. is terminated or wound up, or is dissolved and there remains, at that time, after satisfaction of all its debts and liabilities, any property whatsoever, shall be distributed to one or more organizations in Canada carrying on similar activities.

4. Interpretation.

In this By-law and all other By-laws of the CCGA (NL) Inc., unless the context otherwise requires, expressions defined in the Canada Corporations Act or any statutory modifications thereof in force at the

200228 1600

date which regulations become binding on the CCGA (NL) Inc. shall have the meaning so defined; words importing the singular shall include the plural and vice-versa; words importing the masculine gender shall include female; words importing persons shall include companies, corporations, associations, partnerships and any number of aggregate of persons; Letters Patent shall include supplementary letters patent. Geographical terms of reference for the CCGA (NL) Inc., included in this interpretation, are those specified by the Canadian Coast Guard, in accordance with the Contribution Agreement.

For the purpose of interpretation of these By-laws, the definitions agreed to mutually in the Contribution Agreement shall be in effect.

In this By-law and all other By-laws and resolutions of the CCGA (NL) Inc. unless the context otherwise requires:

- a. *Board* means the Board of Directors of the CCGA (NL) Inc.;
- b. *Contribution Agreement* means the Contribution Agreement between Her Majesty the Queen in Right of Canada, represented by the Minister of Fisheries and Oceans (hereinafter referred to as the Minister) and the Canadian Coast Guard Auxiliary (Newfoundland And Labrador) Inc. as it may be amended from time to time or any subsequent or similar agreement;
- c. *Documents*, includes deeds, mortgages, hypothecs, charges, cheques, conveyances, transfers and assignments of property, real or personal, immovable or movable agreements, releases, receipts and discharges for the conveyances, transfers and assignments of shares, bonds, debentures or other securities and all paper writings;
- d. *Geographic divisions* mean the geographic divisions of the CCGA (NL) Inc. as determined from time to time by the Board of Directors so as to facilitate the purposes of the CCGA (NL) Inc.;
- e. *Members* and *Membership* mean the regular members and regular membership of the CCGA (NL) Inc.;
- f. *Special Resolution* means a resolution passed by not less than two-thirds (2/3) of such members entitled to vote as are present in person at a general meeting of which notice specifying the intention to propose the resolution has been duly given.

5. Corporate status, seal, certification of documents

CCGA (NL) Inc. shall continue to be incorporated in compliance with Federal and Provincial statutes in the Newfoundland and Labrador Region of the Canadian Coast Guard.

The head office of CCGA (NL) Inc. shall continue to be in the City of St. John's in the Province of Newfoundland and Labrador and/or may be in such other places as the Board of Directors of CCGA (NL) Inc., with the approval of the authorized representative of the Canadian Coast Guard, may from time to time determine subject to the provisions of the Canada Corporations Act and all regulations and policies made thereunder.

The seal, the impression of which is stamped in the margin hereof, is the seal of CCGA (NL) Inc. The Board of Directors of CCGA (NL) Inc. shall provide for the safe custody and proper usage of the seal at all times. The seal of the CCGA (NL) Inc. may be affixed to any document upon resolution of the Board of Directors.

200228 1600

The President or the Secretary or two other Directors authorized to do so by the Board of Directors may certify documents issued by the Corporation.

6. Meetings of Directors

Each director shall be entitled to one vote on board business. In the case of a tie, the President may cast a second deciding vote. The President shall act as the chair of meetings of the Board of Directors. In the absence or incapacity of the President, in the following order: the 1st vice-president, the 2nd vice-president or such other director as may be appointed by the Board to act as the chair of such meeting, provided such person is not absent or incapacitated.

The Board of Directors may hold its meetings as such place or places as it may, from time to time, determine, except as otherwise required by law, and a majority of Directors shall constitute a quorum of the Board of Directors for the transaction of business.

A meeting of the Board of Directors shall be held immediately following each annual meeting of CCGA (NL) Inc. at which Directors have been elected for the purpose of electing officers and committees and for the transaction of other business as may properly come before a meeting of the Directors. No notice as to the calling of such meetings of Directors need be given.

Directors' meetings may be formally called at any time by the President or any two Directors and by the Secretary, upon the request of the President or any two Directors. Upon the request of the President or any two Directors, the Secretary shall summon a meeting of the Directors. Notices of such meetings shall be given orally or delivered in writing to each Director, not less than seventy-two hours before the meeting is to take place. The Board of Directors may appoint a day or days in any month or months for regular meetings at a place and hour to be named. 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 member of the Board of Directors forthwith after being passed, but no other notice shall be required for any such regular meetings.

Telephone participation and meetings by other electronic means: If all of the directors consent: a director or all of the directors may participate in a meeting of the board or of a committee of the board by teleconference ; or where meetings by teleconference have been approved by a resolution passed by 2/3rds of the directors at a meeting of the directors. Such teleconference must permit all persons participating in the meeting to hear each other and any director participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of the board held while a director holds office. A director who participates in a meeting by such means shall be deemed to give such consent.

The directors may meet by other electronic means that permits each director to communicate adequately with each other, provided that:

- a) the directors have passed a resolution addressing the mechanics of holding such a meeting and dealing specifically with how security issues should be handled, the procedure for establishing quorum and recording votes;
- b) each director has equal access to the specific means of communication to be used; and

200228 1600

- c) each director has consented in to meeting by electronic means using the specific means of communication proposed for the meeting.

7. Membership of Board of Directors

There shall be one Director for each Geographic Division of the CCGA (NL) Inc. The Director for each Geographic Division of the CCGA (NL) Inc. shall at the time of the election or appointment of such Director reside within such Geographic Division.

There shall be no less than three and no more than 15 directors of the CCGA (NL) Inc. The Board of Directors shall have the full power to manage the affairs of the CCGA (NL) Inc. The administrative and operating procedures of the CCGA (NL) Inc. shall be commensurate with the undertaking and purposes of the CCGA (NL) Inc. as set forth above and in particular with applicable Regional or National Regulations.

The term of office for a Director shall be for the period of time from the election or appointment of such Director until the next Annual General Meeting. Directors may be elected for successive terms. A person under the age of 18 years shall not be eligible for election as a Director.

A person who is an executive-director or other employee of the CCGA (NL) Inc. shall not be eligible for election or appointment as a Director while such person is an executive-director or employee or thereafter until the second Annual General Meeting after such person's position as executive-director or employee has concluded.

Vacancies on the Board of Directors, however caused, may so long as a quorum of Directors remains in office be filled by the Directors from among the qualified members of CCGA (NL) Inc. if they shall see fit to do so. Otherwise such vacancy shall be filled at the next annual meeting of the members at which the Directors for the ensuing year are elected. If there is not a quorum of Directors, the remaining Directors shall forthwith call a meeting of the members to fill the vacancy. If the number of directors is increased between the terms, a vacancy or vacancies, to the number of the authorized increase, shall thereby be deemed to have occurred, which may be filled in the manner above.

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 CCGA (NL) Inc.;
- b. if a director is found to be a lunatic or becomes of unsound mind;
- c. if a director becomes bankrupt or suspends payment or compounds with his creditors;
- d. if in the case of a Director representing a Geographic Division, two-thirds of the members residing in the Geographic Division represented by the Director vote that he be removed from office. Balloting will be by mailed ballot, which must be forwarded to the head office of the CCGA (NL) Inc. Upon receiving a petition signed by at least two-thirds of such members of the CCGA (NL) Inc. the Secretary (or the President, if the Secretary is the subject of the vote) shall within two weeks initiate balloting on such resolution. The ballot shall read "Do you vote that [name of Director] be removed as a Director of the CCGA (NL)

- Inc.?” and spaces will be provided for “yes” and “no” answers. Ballots must be postmarked no more than 30 days from when the ballots were issued;
- d. if in the case of a Director not representing a Geographic Division, two-thirds of the members vote that he be removed from office. Balloting will be by mailed ballot, which must be forwarded to the head office of the CCGA (NL) Inc. Upon receiving a petition signed by at least two-thirds of the members of the CCGA (NL) Inc. the Secretary (or the President, if the Secretary is the subject of the vote) shall within two weeks initiate balloting on such resolution. The ballot shall read “Do you vote that [name of Director] be removed as a Director of the CCGA (NL) Inc.?” and spaces will be provided for “yes” and “no” answers. Ballots must be postmarked no more than 30 days from when the ballots were issued;
 - e. on death;
 - f. if the director’s membership in the CCGA (NL) Inc. should lapse or be terminated.

8. Indemnity to Board of Directors

Each Director and other Officers, his heirs, executors and administrators and estate and effects shall be indemnified by CCGA (NL) Inc. against all loss, costs, charges, damages and expenses which he may hereafter sustain or incur in connection with any suits-at-law or in equity, in connection with or in relation to his position as a Director or Officer of CCGA (NL) Inc., or in relation to the execution of the duties of his office unless he shall be finally determined to be liable therefor by reason of his own willful neglect or default.

9. Remuneration of Directors

Directors, as such, shall not receive any remuneration for their services, but by resolution of the Board of Directors, reasonable expenses for attendance at each regular or special meeting of the Board of Directors may be paid by the CCGA (NL) Inc.

10. Officers

CCGA (NL) Inc. will be responsible for the administrative supervision of all members and their activities, including the tasking for all non-emergency situations at the request of the Canadian Coast Guard and for augmenting both training and examination of CCGA facilities. As a minimum, the Executive of the CCGA (NL) Inc. will consist of the following:

- a) President
- b) 1st Vice President
- c) 2nd Vice President
- d) Immediate Past President
- e) Secretary
- f) Treasurer

The Board may determine by By-law to create one or more other positions of officer.

200228 1600

One person may hold more than one office except the offices of President and Vice-Presidents. The President, Vice-Presidents Secretary and Treasurer shall be elected by the Board, from amongst their number at the first meeting of the Board after the annual election at the general meeting of members. With the exception of the past President, Officers must be members of the Board. In the absence of written agreement to the contrary, the employment of all Officers shall be settled from time to time by the Board of Directors.

The officers of the CCGA (NL) Inc. shall hold office from the date of appointment or election until their successors are elected or appointed in their stead or the position of the officer is vacated. The position of an officer shall be automatically vacated:

- a. if the officer shall resign his office by delivering a written resignation to the Secretary of the CCGA (NL) Inc.;
- b. if the officer is found to be a lunatic or becomes of unsound mind;
- c. if the officer becomes bankrupt or suspends payment or compounds with his creditors;
- d. if, at a director's meeting a resolution is passed by a 2/3 majority vote of the directors present at the meeting that he be removed from office;
- g. on death;
- h. except in the case of the Past President, if the position of the officer as a Director otherwise lapse or be terminated.

An officer of the CCGA (NL) Inc. shall receive no personal remuneration for his services as an officer.

11. Duties of Officers:

The President shall, when present, preside at all meetings of the members of CCGA (NL) Inc. and of the Board of Directors. The President shall also be charged with the general management and supervision of the affairs and operations of CCGA (NL) Inc. and will work closely with an official or officials designated by the Canadian Coast Guard. The President shall ensure that all orders and resolutions of the Board of Directors are carried into effect. The President with the Secretary or other officer appointed by the Board of Directors for the purpose shall sign the By-laws and membership certificates.

The President shall be responsible for communicating with the Regional Director, Canadian Coast Guard and work closely with any official designated by the Regional Director, Canadian Coast Guard.

The President shall represent the CCGA (NL) Inc. at all approved national meetings including meetings of the Canadian Coast Guard Auxiliary (National) Inc.

During the absence or incapacity of the President, his duties and powers may be exercised by the 1st Vice-President and, in the absence or incapacity of the 1st Vice-President, by the 2nd Vice-President or such other Director as the Board of Directors may from time to time appoint for the purpose. To the extent such duties or powers of the President are exercised by either of the Vice-Presidents or other Director, the absence or incapacity of the President, 1st Vice-President or 2nd Vice-President, as the case may be, shall be presumed with reference thereto.

200228 1600

The 1st Vice-President and 2nd Vice-President shall perform such duties as shall be assigned to them by the Board of Directors.

The Secretary shall attend all meetings of the Board of Directors and record all facts and minutes of all proceedings in the books kept for that purpose. He shall give all notices required to be given to members and to Directors. Subject to the ultimate control and direction of the Board of Directors, he shall be the custodian of all books, papers, records, correspondence, contracts and other documents belonging to CCGA (NL) Inc., which he shall deliver up only when authorized by a resolution of the Board of Directors to do so and to such officer or officers as may be named in the resolution, and he shall perform such other duties as may from time to time be determined by the Board of Directors. The Secretary shall be responsible for the safe custody of the seal of the CCGA (NL) Inc. and shall follow any resolutions or orders of the Board of Directors as to the custody and keeping of the seal.

The Treasurer shall keep full and accurate accounts of all receipts and disbursements of the CCGA (NL) Inc. in proper books of account and shall deposit all monies or other valuable effects in the name and to the credit of the CCGA (NL) Inc. in such bank or banks as may from time to time be designated by the Board of Directors. He shall disburse the funds of the CCGA (NL) Inc. under the direction of the Board of Directors, taking proper vouchers thereof and shall render to the Board of Directors at the regular meetings thereof or whenever required of him, an account of all his transactions as Treasurer, and of the financial position of the CCGA (NL) Inc. He shall also perform such other duties as may from time to time be determined by the Board of Directors and will maintain detailed accounts and records.

Should the Board determine by By-law to create one or more other positions of officer, such officers shall perform such duties as may be determined by the Board.

12. Books and Records

The Directors shall see that all necessary books and records of the CCGA (NL) Inc. required by the By-laws or by any applicable statute, contract or regulations are regularly and properly kept.

13. Membership

a. Regular membership: The membership shall consist of those members of the CCGA (NL) Inc. in good standing at the present time and subsequently those applicants for membership approved by the Board of Directors subject to such membership being renewed from time to time as specified by the Board.

Applicants for membership or renewal of membership shall complete such membership forms and waiver of salvage rights as may be specified by the Board from time to time and undergo any pre-acceptance or other interviews which may be conducted on behalf of the Canadian Coast Guard and/or the CCGA (NL) Inc.

Membership and renewal of membership shall be subject to the absolute discretion of the Board of Directors. The Board of Directors shall not be required to give reasons for not accepting an application or not renewing a membership. Any such decision by the Board shall not be subject to judicial review or actionable.

200228 1600

Applicants for membership and members are expected: to be the owner, master, person in control or a crew member of a suitable vessel and to have the knowledge, skills, ability and be willing to voluntarily operate such vessels to provide local Search and Rescue services; or to possess knowledge, skills or abilities to further the purposes of the CCGA (NL) Inc. which benefit Search and Rescue operations or other purposes of the CCGA (NL) Inc. and to be willing to provide assistance and services to the CCGA (NL) Inc. A member must possess the necessary qualifications, training, certificates or licenses for the performance of duties expected of the member.

Members must be willing to contribute actively to the purposes of the CCGA (NL) Inc. At the request of the Canadian Coast Guard or the CCGA (NL) Inc. members shall participate in SAR Prevention programs.

Members who are owners, masters or persons in control of vessels shall present their vessels for inspection and provide an inventory of equipment if and when requested by the Canadian Coast Guard and / or the CCGA (NL) Inc. Such members shall carry such insurance as may be specified by the Canadian Coast Guard and / or the CCGA (NL) Inc.

Members shall agree to the terms and conditions of the Contribution Agreement outlining the obligations and responsibilities of members. At the time of application members must be of the age of majority and have permanent residence in the boundaries of Newfoundland and Labrador.

Members may resign by submitting their resignation in writing, which shall be effective upon acceptance thereof by the Board of Directors. In case of resignation, a member shall remain liable for payment of any assessment or other sum levied or which became payable by him to the corporation prior to acceptance of his resignation.

Each member in good standing shall be entitled to one vote on each question arising at any special or general meeting of the members. CCGA (NL) Inc partnerships or other legal entities must vote through a duly authorized proxy and are entitled to one vote only per entity.

Each member shall promptly be informed by the Secretary of his admission as a member.

Only persons who are enrolled and continue to be enrolled in accordance with the aforesaid Contribution Agreement or any subsequent or similar agreement are eligible to become and remain members of the CCGA (NL) Inc.

Upon resignation, disenrolment, non-renewal, death or other lapse or termination of membership or upon a member becoming a Life Member or an Associate Member the member or his estate shall return any equipment or material that is the property of the Auxiliary or the Government of Canada.

b. Life membership: Life Membership may be conferred at the discretion of the Board on members who have had a history of meritorious service with the Auxiliary but can no longer actively participate in the Auxiliary by reason of retirement, age or illness. Life Membership is an honorary recognition of service to the Auxiliary.

200228 1600

Life Members shall receive such benefits of regular membership and other privileges as the Board may decide from time to time. Life members shall not be subject to the obligations of members or eligible for other rights and privileges of members. In particular, a Life Member shall not be eligible to vote at meetings of members, be a member of the Board or hold an office of the Auxiliary.

c. Associate membership: Associate membership may be conferred at the discretion of the Director for the applicable Geographic Division or the President of the Auxiliary upon members in good standing who are unable or unwilling to continue to serve as members. A member in good standing may upon request of the member and approval of the President transfer to Associate Member status.

Associate Members shall receive such benefits of regular membership and other privileges as the Board may decide from time to time. Associate Members shall not be subject to the obligations of members or eligible for other rights and privileges of regular members. In particular, an Associate Members shall not be eligible to vote at meetings of members, be a member of the board of directors or hold an office of the Auxiliary.

Associate Members who meet the applicable criteria for membership shall have the right to apply for regular membership status. The decision to confer regular membership status shall be subject to 13 a. and be at the absolute discretion of the Board.

14. Disenrolment of a member

The membership of a person in the CCGA (NL) Inc. including life membership or associate membership may be terminated by a majority vote of the Board of Directors at the absolute discretion of the Board of Directors. Without limiting the foregoing, membership may be terminated for:

- a. present or previous activity, whether as a member or otherwise, considered by the Board of Directors to be injurious or inconsistent with the purposes of the CCGA (NL) Inc.;
- b. present or previous activity or activities that are considered by the Board of Directors to be a discredit to the Canadian Coast Guard and/or the Auxiliary;
- c. infringement of any law of Canada or the Province of Newfoundland and Labrador relevant to the purposes of the CCGA (NL) Inc. or infringement of any rule, regulation, resolution or policy of the CCGA (NL) Inc.; or
- d. in the case of a regular member: inactivity when exhibited by lack of interest or no apparent desire to continue membership; failing without reasonable cause to perform the role expected of a member of the CCGA (NL); absence from the Province of Newfoundland and Labrador for a consecutive period of 90 days; or non-payment of dues.

Any decision of the Board of Directors to disenrol a member shall not be subject to judicial review and shall not be actionable.

15. Dues

Members shall pay any dues which may be determined from time to time by the Board as a condition of remaining members of the CCGA (NL) Inc.

16. Administration

Administrative and operating procedures shall be established by the CCGA (NL) Inc. commensurate with the undertaking of the CCGA (NL) Inc. as established by the Regional and/or National Regulations.

17. Amendments to By-laws of CCGA (NL) Inc.

The By-laws of the CCGA (NL) Inc. may be amended at an Annual General Meeting or at a Special General Meeting called for that purpose by the President or at least two executive officers, provided:

- a) that the amendment is proposed by a member in good standing and given in writing to the Secretary;
- b) that notice of an amendment to the constitution to be considered at an Annual Meeting and the proposed amendment or a summary thereof has been given to members at least thirty days before the meeting;
- c) that the notice of the calling of any Special General Meeting to amend the Constitution and the proposed amendment or a summary thereof has been given to members at least thirty days before the meeting;
- d) that such amendment is passed by at least 2/3rd majority vote of members present; and,
- e) that the repeal or amendment of any part of the Constitution not embodied in the letters patent shall not be enforced or acted upon until the approval of the Minister of Industry has been obtained.

18. Non-profit

The CCGA (NL) Inc. shall be carried without profit or gain to any of the members. The CCGA (NL) Inc. shall not make any loans to directors or members of the CCGA (NL) Inc., even in the ordinary course of the business of the CCGA (NL) Inc. (This provision shall not restrict the CCGA (NL) Inc. from providing or lending to members or directors of the CCGA (NL) Inc. with clothing, equipment, other materials, training, insurance, or reimbursement of expenses for the purposes of the CCGA (NL) Inc. and, in particular for the purposes of the aforesaid Contribution Agreement.) At dissolution or other termination, any assets of the CCGA (NL) Inc. not required to pay creditors thereof, shall be donated to one or more organizations in Canada carrying on similar purposes to those of the CCGA (NL) Inc.

19. Annual and Special Meetings of Members

There shall be an annual general meeting of the members at least once in every calendar year and not more than fifteen months after the holding of the last preceding annual meeting.

The annual or any other general meeting of the members shall be held at the Head Office of the CCGA (NL) Inc. or such place or places within the Province as the Board of Directors may determine and on such day as the said Directors shall appoint. At every annual meeting, in addition to any other business that may be transacted, the report of the President, the financial statement and the report of the auditors shall be presented and a Board of Directors elected in accordance with clause 23. below and auditors appointed for

200228 1600

the ensuing year and the remuneration of the auditors shall be fixed. The Board of Directors or the President or Vice-Presidents shall have power to call, at any time, a general meeting of the members or the CCGA (NL) Inc.

No public notice or advertisement of members' meetings, whether special or annual, shall be required, but notice of the time and place of every such meeting shall be given to each member by sending the notice by prepaid mail at least fourteen days before the time fixed for the holding of such meeting. Notice may be effected by any reasonable means including personal delivery, mail, courier, fax or e-mail. 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 CCGA (NL) Inc. For the purpose of this clause. address includes physical address, mail address, fax number and e-mail address. Where special business is to be conducted, the notice of the meeting shall give sufficient information to form a reasoned judgment.

The notice of the annual general meeting may be provided to members by way of inclusion in the membership renewal form, mail-in-ballot forms or a regular newsletter of the CCGA (NL) Inc. provided such notice is sent to all members individually.

A proxy form or a reminder of the right to use a proxy shall be attached to the notice of the meeting. Proxies must be in writing. A proxyholder shall be a member of the Auxiliary and may be a director.

Notwithstanding the foregoing any meetings of members may be held at any time and place without such notice if all the members of the CCGA (NL) Inc. are present thereat or represented by proxy duly appointed and at such meeting any business may be transacted which the CCGA (NL) Inc. at annual or general meetings may transact.

20. Errors or Omissions in Notice

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 CCGA (NL) Inc. 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 the purpose of sending notices to any member, director or officer for any meeting or otherwise, the address of any member, director or officer shall be his last address recorded on the books of the CCGA (NL) Inc.

21. Adjournments

Any meetings of the CCGA (NL) Inc. or of the Directors may be adjourned at any time, and from time to time and such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which such adjournment took place. No notice shall be required of any such adjournment. Such adjournment may be made notwithstanding that no quorum is present.

22. Quorum of Members

A quorum for the transaction of business at any meeting of members shall consist of not less than 50 members represented in person or by proxy, provided that in no case can any meeting be held unless there are ten members present in person.

23. Voting of Members

Subject to the following paragraph and any provisions in the Letters Patent of the CCGA (NL) Inc., each member of the CCGA (NL) Inc. shall at annual general or special general meetings of members be entitled to one vote and he may vote by proxy. Such proxyholder must himself be a member and before voting shall produce and deposit with the Secretary sufficient appointment in writing from his constituent or constituents. No members shall be entitled either in person or by proxy to vote at meetings of the CCGA (NL) Inc. unless he has paid all dues or fees, if any, then payable by him.

Each member of the CCGA (NL) Inc. may nominate himself as a candidate for election to the position of Director for the Geographic Division of the CCGA (NL) Inc. in which the member resides. The Board of Directors shall determine the procedure and deadline for the submission of such nominations. Candidates must be members in good standing both at the time of nomination and at the time of the election.

Each member of the CCGA (NL) Inc. shall be entitled to vote for one candidate for the position of Director for the Geographic Division of the CCGA (NL) Inc. within which the member resides. Such votes may be cast in person, by proxy or by mail-in-ballot on a form prescribed by the Board of Directors provided such mail-in-ballot is received at the head office of the CCGA (NL) Inc. not later than seven days preceding the Annual General Meeting. The form prescribed by the Board of Directors for the mail-in-ballots shall include at a minimum: the names of the candidates for the position of Director in the Geographic Division; an instruction on how to mark the choice of candidates; the deadline for submitting such mail-in-ballots; an instruction to mail or otherwise deliver such ballot to the head office of the CCGA (NL) Inc.; and, at the discretion of and to the extent determined by the Board of Directors, biographical and other information submitted by the candidates provided each candidate is treated equally.

Subject to the preceding paragraph, at all General Meetings of Members, every question shall be decided by a majority of the votes of the members present in person or represented by proxy unless otherwise required by the By-laws of the CCGA (NL) Inc., or by law. Every question shall be decided in the first instance by a show of hands, unless a poll be demanded and a declaration by the Chairman that a resolution has been carried or not carried and an entry to that effect in the minutes of the CCGA (NL) Inc. shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes accorded in favor of or against such resolution.

The demand for a poll may be withdrawn, but if a poll be demanded and not withdrawn, the question shall be decided by a majority of votes given by the members present in person or by proxy and, such poll shall be taken in such manner as the Chairman shall direct and the result of such poll shall be deemed the decision of the CCGA (NL) Inc. in general meeting upon the matter in question. In case of an equality of votes at any general meeting, whether upon a show of hands or at a poll, the Chairman shall be entitled to a second or casting vote.

24. Financial Year

The fiscal year of the CCGA (NL) Inc. shall terminate on the thirty-first day of March in each year.

25. Audit

An auditor or auditors shall be appointed annually by the members at each annual general meeting. to audit the financial transactions of the CCGA (NL) Inc. The remuneration of the auditor or auditors shall be fixed by the CCGA (NL) Inc. in Agreement with the Canadian Coast Guard. The auditor shall not be a director, officer or employee of the Auxiliary or of an affiliated corporation or associated with that director, officer or employee, unless 1000 percent of the members have consented. The auditor shall audit the accounts of the Auxiliary for report to the members at the next annual general meeting.

26. Repeal:

The previous organizational by-law of the CCGA (NL) Inc., by-law 02, is repealed.

27. Effective Date:

This by-law shall come into force without further formality upon its enactment. The provisions of this by-law and the wording of each such provision are severable and to the extent that any such provisions or wording are not approved by the Minister, the remainder shall stand as enacted.

Adopted by resolution of the Board of Directors of the Canadian Coast Guard Auxiliary (Newfoundland and Labrador) Inc. at a meeting duly called and regularly held and at which quorum was present on the _____, 2003.

Secretary

President

Enacted this day by the members of the Canadian Coast Guard Auxiliary (Newfoundland and Labrador) Inc. at a meeting duly called and regularly held and at which a quorum was present on _____, 2003.

Secretary

President

(corporate seal)

200228 1600

Certified a true copy of By-Law No. 2003-02 of Canadian Coast Guard Auxiliary (Newfoundland and Labrador) Inc. enacted by the directors the ___ day of _____, 2003 and sanctioned by a vote of the not less than 2/3 of the members present at a special general meeting of the corporation held _____, ____, 2003.

Secretary

(Corporate Seal)