

## BYLAW NO. 1

### ORGANIZATIONAL BYLAW OF THE

### **PRIMROSE LAKE ECONOMIC DEVELOPMENT CORPORATION**

#### **OBJECTS**

**WHEREAS** the Primrose Lake Economic Development Corporation (“the Corporation”) has been established by the northern municipalities of Beauval, Cole Bay, Île-à-la-Crosse, and Jans Bay (“the Primrose Lake Communities”) as a not for profit corporation pursuant to the *Non-Profit Corporations Act*, S.S. 1995, c. N-4.2 (the “Act”) as the recipient of a grant in the amount of \$15 million from the Government of Canada (“Canada”) pursuant to the terms of the *Canada-Primrose Lake Community Economic Development Agreement* dated the 30th day of March, 2007 (referred to as the “Canada Grant Agreement”) and \$4.5 million from the Province of Saskatchewan (“Saskatchewan”) pursuant to the *Saskatchewan-Primrose Lake Community Economic Development Agreement* (referred to as the “Saskatchewan Grant Agreement”) dated the 23rd day of July, 2007;

**WHEREAS** the Corporation authorized and directed Canada and Saskatchewan to deposit such funds into a Primrose Lake Economic Development Trust to enhance the economic viability and sustainability of the Primrose Lake area and the Primrose Lake Communities affected by the establishment of the Primrose Lake Air Weapons Range (“PLAWR”) in northwest Saskatchewan in 1953;

**WHEREAS** the terms and conditions of the Canada Grant Agreement and Saskatchewan Grant Agreement provide that the Corporation shall be responsible for the investment, management and expenditure of income earned from the Primrose Lake Economic Development Trust to promote economic development, investment in strategic infrastructure, enhancement of the economic viability and sustainability of the Primrose Lake area, including investment in capital projects, economic development opportunities, job creation and training, housing, education and other benefits to residents of the Primrose Lake Communities (the “Fund” or “Trust”);

**WHEREAS** the Trust is designed to be self-sustaining and growth-oriented and its primary intent is to contribute to the current and future economic prosperity and sustainability of the Primrose Lake Communities by encouraging any activity, undertaking, operation, or work consistent with the purposes and objectives of the Canada Grant Agreement and the Saskatchewan Grant Agreement and which are approved by the Corporation to receive funding in order to be carried out or implemented (“Project” or “Program”);

**WHEREAS** the Corporation shall establish policies and criteria to be met by applicants for funding for economic development and to receive and assess applications for funding from the Fund, subject to the terms and conditions of the Canada and Saskatchewan Grant Agreements for as long as those agreements remain in effect;

**BE IT ENACTED** as a by-law of the Primrose Lake Economic Development Corporation to regulate the transaction of business and affairs of the Corporation as follows:

### ***Article I – Interpretation***

- 1.0 ***Definitions*** – Unless otherwise stated, words in these bylaws shall have the same meaning as words defined in the Primrose Lake Economic Development Trust Agreement, the Canada Grant Agreement and the Saskatchewan Grant Agreement unless the context is inconsistent therewith. In the event of any such inconsistency, the terms of the Grant Agreements shall prevail.
- 1.02 ***Interpretation*** – Unless the context otherwise requires, the following rules of interpretation shall be applied in interpreting these bylaws:
- (a) Words indicating the singular number also include the plural, and *vice versa*;
  - (b) Words indicating persons also include corporations;
  - (c) Words indicating male gender shall also include the feminine gender;
  - (d) Headings are for convenience only and do not affect the interpretation of these bylaws;
  - (e) These bylaws shall be interpreted in a liberal and purposive manner.
- 1.03 ***Non-Derogation*** – Nothing in these bylaws shall be interpreted to prejudice or derogate from any aboriginal, treaty, constitutional or any other rights, privileges or freedoms which have accrued to or may accrue to the Métis Nation of Saskatchewan, the Primrose Lake Communities, or the Métis people generally, regardless of whether such rights, privileges and freedoms are recognized, established or defined before or after the enactment of these bylaws.

### ***Article II – Membership***

- 2.01 ***Membership*** – The membership of the Corporation shall consist of the elected members of Council for each of the Primrose Lake Communities.

- 2.02 **Membership Fees** – There shall be no annual membership fees, unless otherwise directed by the Board of Directors.
- 2.03 **Termination of Membership** – Membership shall be terminated when a Councillor’s term has expired or when a Councillor resigns, dies, or is disqualified from holding office as a Councillor pursuant to the *Northern Municipalities Act*, c. N-5.1, S.S. 1983 as amended.
- 2.04 **Limitation on the Liability of Members** – No Member is, in his individual capacity, liable for any debt or liability of the Corporation.

### ***Article III - Annual General Meeting and Special Meetings***

- 3.01 **Resident** – Any person who is eighteen (18) years of age or older and who is entitled to vote in a civic election for one of the Primrose Lake Communities is a “Resident” for the purposes of attending any Special or Annual General Meetings and for any other purposes as set out in these Bylaws.
- 3.02 **Rights of Members and Residents** – Members and Residents are entitled to receive notice, attend, and cast their vote at any Special or Annual General Meeting of the Corporation in order to provide necessary input and direction to the Board of Directors regarding the management and affairs of the Corporation where such vote is contemplated by these Bylaws.
- 3.03 **Annual General Meeting** – The first Annual General Meeting of the Corporation shall be held before October 31, 2007 and each Annual General Meeting thereafter shall be held within six months of the end of the fiscal year. Members and Residents shall be allowed to attend and vote at any Special or Annual General Meetings and the Directors shall pass by Directors Resolution any matter voted on and passed by a majority of Members and Residents voting at a Special or Annual General Meeting of the Corporation.
- 3.04 **Notice of Annual General Meeting** – The Secretary shall provide notice of the Annual General Meeting to all Members of the Corporation and to all Residents as defined in these Bylaws by posting notice in conspicuous places and by such other methods of communication considered appropriate by the Board of Directors at least 21 days prior to holding the Annual General Meeting. The notice shall state the place, date and time of the Annual General Meeting and any business requiring a Special Resolution.

- 3.05 **Agenda of Annual General Meeting** – The agenda for Annual General Meetings shall include the following matters:
- (a) adopting the agenda;
  - (b) adopting the minutes of the last Annual General Meeting;
  - (c) reviewing the President's report;
  - (d) reviewing the auditor's report and financial statements setting out the income, disbursements, assets, and liabilities of the Primrose Lake Economic Development Trust;
  - (e) reviewing the auditor's report and financial statements setting out the income, expenditures, assets, and liabilities of the Corporation;
  - (f) approving the appointment of an auditor and fixing or authorizing the Board to fix the remuneration of the auditor;
  - (g) addressing any matters specified in the notice requiring a Special Resolution; and
  - (h) addressing any motions raised by Residents or by Members of the Corporation.
- 3.06 **Quorum for Annual General Meeting** – Quorum for an Annual General Meeting is present regardless of the number of Members and Residents actually present at the meeting if the Members and Residents entitled to cast a majority of the total number of votes at a meeting are present in person. Each Member and Resident present at the meeting shall have one vote. Voting may be conducted by a show of hands or such other method deemed appropriate by the Chairperson. In the case of a tie, the President (or Vice-President if the President is not in attendance) shall have a second or casting vote.
- 3.07 **Special Meetings** – A Special Meeting may be called by the President or Secretary at any time upon a resolution of the Board, to hold an election to fill a vacant position on the Board of Directors, to consider a proposed amendment of the Primrose Lake Economic Development Trust Agreement, or upon receipt of a petition signed by at least 50 Residents setting forth the reasons for calling such meeting. The Secretary shall provide notice to all Members and Residents by posting notice in conspicuous places and by any such other methods of communication considered appropriate by the Board of Directors at least 21 days prior to the date of such meeting. Any Special Meeting shall have the same method of voting and the same quorum requirements as the Annual General Meeting.

#### **Article IV - Board of Directors**

- 4.01 **Governance and Management of the Corporation** – The property and affairs of the Corporation shall be managed by the Board of Directors (the “Board”). The Board shall consist of eight voting Directors. The Council for each of the Primrose Lake Communities shall be entitled to appoint two voting Directors for an initial two year term in office to be effective from April 1, 2007 to March 31, 2009. Saskatchewan and Canada shall each be entitled to appoint two *ex officio* non-voting Directors of the Corporation to provide advice and assistance to the Board. Saskatchewan and Canada shall bear all costs associated with the appointment of its respective *ex officio* Directors.
- 4.02 **Qualifications** – In order to qualify to be appointed, nominated or elected as a Director, an individual must:
- (a) be at least 18 years of age;
  - (b) be financially literate and have broad knowledge or related experience with respect to financial matters;
  - (c) be mentally competent;
  - (d) not hold a paid position with the Corporation;
  - (e) not be bankrupt or insolvent;
  - (f) not have been convicted of an indictable offence under the *Criminal Code of Canada*, the *Controlled Drugs and Substances Act*, or any other federal enactment for which he or she has would not be eligible to receive a pardon;
  - (g) not be a current member of the House of Commons, the Senate of Canada, or the Legislature of the Province of Saskatchewan;
  - (h) not hold elected office in a Métis political organization or in a Northern Municipal Council.
- 4.03 **Appointment or Election of Directors** – The Councils for each of the four Primrose Lake Communities, in accordance with an open and transparent appointment process, shall appoint two voting Directors to the Primrose Lake Economic Development Corporation Board.

- 4.04 **Term** – The terms of the voting Directors shall be arranged so that all Directors are not replaced at the same time. Upon expiry of the two year term for the initial Directors, one Director from each community shall be appointed for a term of three years, and the remaining four Directors shall be appointed for a term of two years. An incumbent Director is eligible for re-appointment. As each term expires, Directors shall be appointed for a term of two years commencing on the date of their appointment. The *ex officio* Directors appointed by Canada and Saskatchewan shall not have fixed terms of appointment and shall serve as Directors at the pleasure of Canada or Saskatchewan.
- 4.05 **Vacancy** – If one or more of the Director’s positions remain or become vacant following an appointment or election, any vacancy may be filled by the northern municipality for which the vacancy exists by appointing a Director or holding an election to fill that vacancy. If a Director’s position remains vacant for six months and has not been filled by appointment or election by the northern municipality for which the vacancy exists, a quorum of Directors may call a Special Meeting or wait until the next Annual General Meeting to fill the vacancy by a vote of all the Members and Residents of the Primrose Lake Communities. If less than six months remain in the term of the vacant position, a quorum of Directors may appoint a person as a Director to fill the vacancy. A Director appointed or elected to fill a vacancy holds office for the unexpired term of his or her predecessor.
- 4.06 **Resignation** – A Director may withdraw from the Board by tendering his or her resignation in writing to the Secretary of the Board.
- 4.07 **Removal** – A Director may be removed from the Board for just cause by a unanimous resolution of the remainder of the voting Directors at a duly convened meeting of the Board of Directors. Two weeks before the Board meeting called for this purpose, the Director who is the subject of a removal proceeding shall be served with a notice of the meeting and a written statement outlining the allegations of just cause and any evidence being relied on must be provided to the Director. The Director must be given the opportunity to present full answer and defense to the complaint at the meeting. Failure to attend more than three consecutive meetings without just cause is grounds for removal from the Board. Further, the failure of any Director to meet the qualification requirements for a Director at any time during their term in office shall be grounds for removal from the Board in accordance with this Article.
- 4.08 **Powers and Duties of Board** – Subject to the *Non-Profit Corporations Act*, these Bylaws, or any directions given to the Board by the Members and Residents at a Special or Annual General Meeting properly called and constituted, the Board shall have full control and management of the property and affairs of the Corporation and may

exercise all such powers and do all such acts and things as may be exercised or done by the Corporation. The powers and duties of the Board include:

- (a) Promoting the objects of the Corporation;
- (b) To enter into contracts and agreements;
- (c) To make banking and financial arrangements;
- (d) To execute documents;
- (e) To direct the manner in which any other person or persons may enter into contracts or agreements on behalf of the Corporation;
- (f) Hiring or contracting for the services of an Executive Director and other employees to carry out management and administrative functions under the direction and supervision of the Board;
- (g) Making policies for the hiring, supervision, and setting of salaries or terms of remuneration for employees and contractors;
- (h) Maintaining and protecting the assets and property of the Primrose Lake Economic Development Trust and the Corporation for the collective use and benefit of the Primrose Lake Communities;
- (i) Making policies, rules and regulations for the operation, management, and use of facilities and assets of the Corporation;
- (j) Approving an annual budget and paying expenses for the operation and management of the Corporation;
- (k) Maintaining all accounts and financial records of the Corporation;
- (l) Borrowing or raising monies to fulfill the objects of the Corporation and to finance the operations of the Corporation;
- (m) Paying persons for services and protecting persons from debts of the Corporation;
- (n) To purchase insurance to protect the property, rights and interests of the Corporation and to indemnify the Corporation, its members, and officers from any claims, damages, losses or costs arising from or related to the affairs of the Corporation;

- (o) Appointing technical, financial and legal advisors as necessary;
- (p) Selling, disposing of, or mortgaging any or all of the property of the Corporation; and
- (q) Without limiting the generality of the powers and responsibilities of the Board, delegating its powers and duties to the Executive Committee or the Executive Director of the Corporation.

- 4.09 **Board Policies** – In addition to other responsibilities of the Board as set out in these bylaws, the Board shall be responsible for making, amending, and repealing the policies and criteria governing the various economic development Programs and Projects that may be approved or authorized by the Board to receive grant or contribution funding from the Corporation, including the priorities to be given to any particular types of Programs or Projects, and the criteria to be applied in selecting Programs and Projects for approval. Any such policies and criteria shall be consistent with the Corporation's obligations under any grant agreements entered into with Canada or Saskatchewan. The Board shall not permit the expenditure of any monies to a third party for a Program or Project until the policies and criteria have been developed and approved by the Board.
- 4.10 **Duty of Disclosure** – The Board has a duty to provide information to the Members and Residents at the Annual General Meeting with respect to all matters pertaining to the management and operation of the Corporation including, but not limited to, financial management and expenditure of monies to promote and advance the economic interests of the Primrose Lake Area. At the request of Canada, Saskatchewan, or a Council for the northern municipalities of Beauval, Cole Bay, Île-à-la-Crosse, and Jans Bay, the *ex officio* Directors are authorized to release information pertaining to the management and operation of the Corporation as well as the audited financial statements and annual report for the Primrose Lake Economic Development Trust Agreement to the responsible Ministers for Canada and Saskatchewan or Council as the case may be.
- 4.11 **Conflict of Interest** – Every Director, upon appointment, shall sign a “Confidentiality Agreement”. Every Director shall declare his or her interest, direct or indirect in any contract or arrangement or proposed contract or arrangement with the Corporation, immediately upon becoming aware of an actual or potential conflict of interest and such Director shall be disqualified from voting with respect to the contract or arrangement or proposed contract or arrangement. Every Director who has any direct or indirect interest in a contract or proposed contract with the Corporation shall:



- (a) declare his or her interest at the first meeting of the Directors after which he or she became interested or aware of any such interest;
  - (b) request that his or her declaration be recorded in the minutes of the meeting;
  - (c) not vote on any resolution or participate in any discussion with respect to the resolution concerning the contract or arrangement or proposed contract or arrangement; and
  - (d) leave any room or other place where the matter is being discussed, and while a vote on the matter takes place.
- 4.12 **Remuneration and Expenses** – Directors, as such, shall not receive any remuneration for their services but they may receive a stipend or payment for reasonable expenses to attend Board meetings or any other necessary meetings with the prior approval of the Board. An honorarium shall be paid to Board members for attendance at Board meetings. Reasonable travel expenses shall be in accordance with the rates as approved from time to time by the Treasury Board of Canada for travel expenses. For greater certainty, however, the Corporation may pay salaries, wages or fees to any Director who serves as an officer or provides other services to the Corporation provided that any such payments are approved by the Board and the amounts paid are reasonable and no more than those paid in arm's length situations for similar services.
- 4.13 **Board Meetings** – Meetings of the Board shall be held as often as may be required, but at least once every three months, and shall be called by the President. A meeting may be called by any three Directors upon providing a written request to the President to call such meeting and stating the business to be brought before the meeting. Board Meetings shall be held in one of the Primrose Lake Communities or once per year in Lac La Ronge, Prince Albert, Saskatoon, or Regina. Meetings of the Board shall be held *in camera*, unless otherwise directed by the Board.
- 4.14 **Notice of Meetings** – The Secretary or designate shall provide notice of Board Meetings to each Director by mail at least 10 days prior to the meeting or by fax, telephone or email at least 4 days prior to the meeting. Directors may waive formal notice of any meeting and attendance by a Director at a meeting shall be deemed to be a waiver of formal notice. Meetings may be held without notice if a quorum of the Board is present, provided however, that any business transactions at such meeting must be ratified at the next regularly called meeting of the Board.
- 4.15 **Quorum** – Fifty percent of the number of Directors (excluding *ex officio* Directors and any vacancies) shall constitute a quorum. Directors shall be deemed to be present in circumstances where the Director was present for the start of the meeting.

- 4.16 **Decision-Making** – Any issues raised during a Board meeting shall be decided by a majority of votes or by consensus. Each Director, including the President, has one vote. In the event of a tie, the President shall have a second or casting vote.
- 4.17 **Presence at Meetings** – There must be a quorum of Directors physically present at a meeting to conduct business. Directors may participate in Board meetings by conference call in exceptional circumstances with the prior approval of the President.
- 4.18 **Irregularities Do Not Invalidate Decisions** – Irregularities or errors made in good faith shall not invalidate acts or decisions made during any meeting of the Board.
- 4.19 **Written Resolutions** – A resolution in writing signed by all of the Directors personally shall be as valid and effectual as if it had been passed at a meeting of the Board fully called and constituted.

#### **Article V – Officers**

- 5.01 **Officers** – The officers of the Corporation shall be the President, Vice-President, Secretary/Treasurer, and such other officers as the Board may determine from time to time. The Board shall appoint from among themselves a President, Vice-President, Secretary/Treasurer who shall serve until their next election date for that position or until such time as determined by resolution of the Board.
- 5.02 **Duties of the Officers**
- (a) **President** – The President supervises the affairs of the Board and acts as the spokesperson for all communications with external organizations and the media. The President is an *ex officio* member of all committees. The President shall, when present, preside at all meetings of the Corporation, the Board and the Executive Committee. In the absence of the President, the Vice-President shall preside at any such meetings. In the absence of both, a chairperson may be elected at the meeting by the Board or the Members and Residents as the case may be.
- (b) **Vice-President** – The Vice-President presides at meetings in the President’s absence. If the Vice-President is absent, the Directors or Members and Residents, as the case may be, shall elect a chairperson for the meeting. The Vice-President is a member of the Executive Committee and is also responsible for replacing the President at various functions when asked to do so by the President or the Board and may carry out any other duties as assigned by the Board.

(e) *Secretary/Treasurer* – The Secretary/Treasurer is a member of the Executive Committee and the chair of the Finance and Investment Committee. The Secretary/Treasurer shall ensure all monies paid to the Corporation are deposited in a chartered bank, Treasury Branch or Trust Company chosen by the Board; ensures that the Executive Director maintains a detailed account of revenues and expenses and provide reports to the Board on the state of the accounts as requested; ensure an audited statement of the financial position of the Corporation is prepared and presented to Members and Residents at the Annual General Meeting; and carry out other duties assigned by the Board. The Secretary/Treasurer shall attend all meetings of the Corporation, the Board and the Executive Committee and is responsible for keeping accurate minutes of these meetings and any resolutions passed, copies of the Board’s correspondence, a record of names and addresses of all Members, the Minute Book for the Corporation, and the Seal of the Corporation. The Secretary/Treasurer also ensures that all notices of various meetings are sent to Directors as the case may be; files the annual return, notices of a change of Directors, amendments to these Bylaws and other incorporating documents with the Corporate Registry; and carries out other duties as assigned by the Board.

5.03 ***Advisory Committees*** – The Board may appoint committees to provide information, advice and assistance to the Board in the performance of their duties. The person appointed as Chair of the Committee by the Board shall call committee meetings; record minutes of meetings; distribute minutes to the committee members and to the Chairpersons of all other Committees; provide reports of each meeting at the request of the Board; and set other procedures as required for the conduct of committee meetings. A majority of the committee members present at a meeting is a quorum. Each member of the Committee, including the Chairperson, has one vote at the Committee meeting and may participate in person or by teleconference.

5.04 ***Standing Committees*** – There shall be two Standing Committees consisting of the Executive Committee and the Finance and Investment Committee. The composition and duties of these committees shall be as follows:

(a) *The Executive Committee* consists of the President, Vice-President, Secretary, and Treasurer and is responsible for planning agendas for Board meetings, carrying out routine and emergency business between Board meetings subject to approval by the Board at the next regularly scheduled Board meeting, reporting to the Board on actions taken between Board meetings, and carrying out other duties as assigned by the Board. The Executive Committee meets at least 4 times each year at the request of the President or any two other officers.

(b) *The Finance and Investment Committee* consists of the Secretary/Treasurer, who is the Chairperson, and at least three voting or *ex officio* Directors who are not officers or employees of the Corporation, and the Executive Director if one has been hired by the Board pursuant to section 5.06. Members of the Committee shall be financially literate and have broad knowledge or experience in investment matters. The Finance and Investment Committee is responsible for recommending budget policies to the Board, investigating and making recommendations to the Board for acquiring funds and property, monitoring the performance of investments and overseeing all matters relating to the investment and management of the Primrose Lake Economic Development Trust, developing and recommending policies on investment, management, and expenditure of funds for review and approval by the Board, establishing policies for expenditures, operations and maintenance of the Board and Committees, arranging the annual audit of the books, reporting on the year's activities at the Annual General Meeting, and carrying out other duties assigned by the Board. The Finance and Investment Committee shall also develop administrative guidelines for the application, assessment, approval, reporting, implementation and monitoring of funded Programs or Projects and the results achieved from such Programs or Projects.

(c) A majority of the members present at a Standing Committee meeting is a quorum. Each member of the Standing Committee, including the Chairperson, has one vote at the meeting and may participate in person or by teleconference.

5.05 ***The Executive Director*** – The Board may hire an Executive Director to carry out assigned duties. The Executive Director reports to and is responsible to the Board, and acts as an advisor to the Board and to all Board Committees. The Executive Director does not vote at any meeting. The Executive Director acts as the Administrative Officer of the Board in attending Board and other meetings as required; hiring, supervising, evaluating, and releasing all other paid staff; interpreting and applying the Board's policies; keeping the Board informed about the affairs of the Corporation; maintaining the Corporation's books and accounts; preparing budgets for approval by the Finance and Investment Committee and the Board; planning programs and services based on the Board's priorities; and carrying out other duties assigned by the Board.

#### ***Article VI - Administration of Primrose Lake Revenue Accounts***

6.01 ***Establishment of Primrose Lake Revenue Accounts*** – The Board shall cause to be established the following accounts, each to be situated in a financial institution in Saskatchewan and administered according to these Bylaws and subject to the terms and conditions of the Canada and Saskatchewan Grant Agreements:

- (a) Canada Economic Development Account;
- (b) Canada Economic Infrastructure Account;
- (c) Saskatchewan Economic Development Account; and
- (d) General Account.

6.02 ***Annual Income May Be Used As Security for Loans*** – Up to seventy percent (70%) of the Annual Income payable to the Canada Economic Development Account, Canada Economic Infrastructure Account, and Saskatchewan Economic Development Account from the corresponding Trust Accounts in each Fiscal Year may be used by the Corporation as security or collateral for any loan, mortgage, pledge, or any other charge provided that any such Authorized Loan is approved by a Directors Resolution and all relevant loan documentation is provided to the Trustee with a direction and authorization for the Trustee to pay such loans on behalf of the Corporation.

6.03 ***Transfer of Annual Income to Primrose Lake Revenue Accounts*** – In accordance with the Trust Agreement, the Trustee shall pay all Authorized Expenses and Authorized Loan Payments on behalf of the Corporation from Annual Income directly from the Trust Account. On December 31 of each Fiscal Year or as soon as practicable thereafter, the Trustee is directed to transfer or pay the balance of Annual Income payable to the Corporation from the Trust into the Canada Economic Development Account, Canada Economic Infrastructure Account, and Saskatchewan Economic Development Account from the corresponding Trust Accounts. The Board may authorize by a Directors Resolution the transfer of monies between the Canada Economic Development account, Canada Economic Infrastructure Account, or Saskatchewan Economic Development Account provided that any such monies shall be repaid to that specific account within a period of five (5) years.

6.04 ***Transfers and Reinvestment of Annual Income*** – Upon receipt of Annual Income deposited into the Canada Economic Development Account, Canada Economic Infrastructure Account, and Saskatchewan Economic Development Account, this By-law authorizes and directs the Treasurer to:

- (a) For the year 2010 and thereafter, the Secretary/Treasurer shall transfer \$175,000.00 or 15% of the annual income generated by the Trust, whichever is greater, to be divided equally from the Canada Economic Development Account and the Canada Economic Infrastructure Account to the General Account for operating costs of the corporation.

(b) For the year 2010 and thereafter, the Secretary/Treasurer shall transfer 25% of the Annual Income from the Saskatchewan Economic Development Account to the General Account as Saskatchewan's contribution toward the operating account of the corporation.

- 6.05 **Canada Economic Development Account** – Funds in this account may only be invested or expended in accordance with these Bylaws and subject to the terms and conditions of the Canada Grant Agreement and shall be for the use and benefit of the Primrose Lake Communities. The Canada Economic Development Account shall be available directly for investment and to enhance long-term viability and sustainability. Funds shall be available for Projects or Programs which are intended and expected to create, produce, or promote new or increased economic activity or opportunities in the nature of business enterprises, industry, professions and trades, scholarships, commercial resource development, employment, tourism, transportation and communications, and traditional economies, for the long-term benefit of the Primrose Lake Communities.
- 6.06 **Canada Economic Infrastructure Account** – Funds in this account may only be invested or expended in accordance with these Bylaws and subject to the terms and conditions of the Canada Grant Agreement and shall be for the use and benefit of the Primrose Lake Communities. The Canada Economic Infrastructure Account funds shall be available for those categories of Projects or Programs which are intended and expected to result in new or improved infrastructure works within or connecting to the Primrose Lake Area that will facilitate or promote any new or increased economic activity for the long-term benefit of the Primrose Lake Communities. Eligible Projects or Programs under the Canada Economic Infrastructure Account shall include roads and highways, public transport service facilities, public or industrial water or sewer service facilities, electronic telecommunication service facilities, pipelines, trades and other employment skills training facilities, any specialized infrastructure for major industrial developments, and any other buildings, facilities, and physical structures of a like nature.
- 6.07 **Saskatchewan Economic Development Account** – Funds in this account may only be invested or expended in accordance with these Bylaws and subject to the terms and conditions of the Saskatchewan Grant Agreement and shall be for the use and benefit of the Primrose Lake Communities. The Saskatchewan Economic Development Account shall be available directly for investment and to enhance long-term viability and sustainability. Funds shall be available for Projects or Programs which are intended and expected to create, produce, or promote new or increased economic activity or opportunities in the nature of business enterprises, industry, professions and trades, scholarships, commercial resource development, employment, tourism, transportation and communications, and traditional economies for the long-term benefit of the Primrose Lake Communities. There shall be a subcategory of the Saskatchewan

Economic Development Account that is specifically designated for Projects and Programs of particular interest to and for the benefit of Elders in the Primrose Lake Area. These may include Projects for Elders' housing units and special care facilities, housing repairs or improvements, the establishment of scholarships by the Elders, training programs in traditional economic activities, skills and crafts, and other Projects and Programs designed to meet the special needs or interests of Elders. The amount allocated for Elders Projects and Programs shall be determined by the Board in its discretion.

6.08 **Administration of Project and Program Funding** – The following procedures shall apply to the administration of the Canada Economic Development Account, Canada Economic Infrastructure Account, and Saskatchewan Economic Development Account:

- (a) Applications shall be made to the Finance and Investment Committee for funding for a Project or Program in a manner approved of by the Board, however, minimum requirements for funding shall include a business plan or a written proposal setting out how the Project or Program meets the requirements set out in these Bylaws and the Canada and Saskatchewan Grant Agreements for funding;
- (b) The Finance and Investment Committee shall review each application, and subject to the obligations contained in the Canada and Saskatchewan Grant Agreements, make a recommendation regarding approval or denial of such application to the Board of Directors;
- (c) The Board shall, after hearing from the Finance and Investment Committee, approve or deny any application made to the Finance and Investment Committee subject to the terms and conditions, and any obligations contained therein, of the Canada and Saskatchewan Grant Agreements;
- (d) The Board may require an Ultimate Recipient to enter into a written agreement providing for a return on investment or the repayment of any monies loaned or transferred to the Ultimate Recipient on such terms and conditions as recommended by the Finance and Investment Committee and approved by the Board.

6.09 **Elders Economic Initiative** – The following procedures shall apply to the Administration of the Elders Economic Initiative for funding from the Saskatchewan Economic Development Account:

- (a) Subject to the approval of the Board, Elders engaged in commercial fishing or trapping and who were directly affected or displaced from the use of the Primrose Lake Air Weapons Range when it was established in 1953 shall be eligible to enter

- into a contract with the Board to receive up to a maximum of \$10,000 in total for activities that enhance local culture, such as training programs in traditional ecological knowledge, traditional economic activities, skills development, and handicrafts, Elders' housing units and special care facilities, housing repairs or improvements, and other Projects and Programs designed to meet the special needs or interests of Elders. The Board is under no legal obligation to make this honorarium to Elders for such purposes and the receipt of any such payments by the Elders is without prejudice to their right to pursue legal action or assert claims for compensation for displacement from the Primrose Lake Air Weapons Range;
- (b) Projects or Programs for funding for these Elders shall take precedence over other applications made under these Bylaws. The Board shall establish and approve by Directors Resolution a policy in writing which sets out the criteria for eligibility to receive funding under this initiative and a process to resolve any questions or disputes over whether a person meets the eligibility criteria;
  - (c) For all other funding initiatives, applications shall be made to the Finance and Investment Committee for funding in a manner approved by the Board, however, minimum requirements for funding shall include a business plan or written proposal for funding for a specific Project or Program;
  - (d) Funding approved by the Board for Elders Projects and Programs may be made available for scholarships in consultation with Elders of the northern municipalities and in such manner as approved by the Board;
  - (e) The Finance and Investment Committee shall review all Projects and Programs to ensure that all applications made under the Elders Economic Initiative are consistent with the principles and objectives of these Bylaws, meet the eligibility and screening criteria approved by the Board, and are consistent with the provisions and obligations of the Saskatchewan Grant Agreement.

6.10 ***Saskatchewan Assistance Act*** – If any payments contemplated by these Bylaws triggers any clawback or requirement to repay monies received as income support payments pursuant to the *Saskatchewan Assistance Act*, its regulations, or any similar federal legislation, the Corporation shall endeavour to use best efforts to lawfully structure such payments so as to ensure that the provisions of such legislation do not result in any requirement to repay any sum to Saskatchewan or to Canada, or cause any Resident to lose any benefits otherwise available to that Resident from Saskatchewan or Canada through any assistance or other such governmental programs.

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#### ***Article VII - Finance and Management of the Corporation***

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- 7.01 **The Registered Office** – Unless a change of address is approved at the Annual General Meeting or by resolution of the Board, the address for the Registered Office of the Corporation is:

Primrose Lake Economic Development Corporation  
P.O. Box 490  
Beauval, Saskatchewan  
S0M 0G0

- 7.02 **Fiscal Year** – The fiscal year of the Corporation shall begin on April 1 and shall terminate on March 31 of the immediately following calendar year. There must be an audit of the books, accounts and records of the Corporation at least once each year.
- 7.03 **Appointment of Auditors** – The Directors shall at each Annual General Meeting appoint an auditor or auditors to hold office until the next annual general meeting at which time they will make a report and provide a complete statement of the books and accounts examined by them to the Directors. The auditor(s) must be either a chartered accountant or two other qualified individuals with financial experience who are not Directors of the Corporation to perform the audit. The Directors may fill any casual vacancy of the office of auditor.
- 7.04 **Rights of the Auditors** – The auditor(s) of the Corporation shall have a right of access at all times to all records, documents, books, accounts, and vouchers of the Corporation and is entitled to require from the Directors and Officers of the Corporation such information and explanation as may be reasonably necessary for the performance of the auditor's duties. The auditors of the Corporation are entitled to attend at any meeting of Directors at which any accounts that have been examined or reported on by them are to be laid before the Directors for the purpose of making any statement or explanations they desire with respect to the accounts.
- 7.05 **Seal of the Corporation** – The Board may adopt a seal as the Seal of the Corporation. The Secretary has control and custody of the Seal unless the Board decides otherwise. The Seal can only be used by Officers authorized by the Board and may not be affixed to any document except in the presence of the President or Vice-President and one other Director.
- 7.06 **Signing Authority** – The President or Vice-President and Treasurer shall have signing authority on behalf of the Corporation unless otherwise directed by a written Resolution of the Board. All cheques must be signed by the President or Vice-President and Treasurer. All contracts of the Corporation must be signed by the President or Vice-

President and Treasurer or such other persons authorized to do so by Resolution of the Board.

- 7.07 ***Preparation and Custody of Minutes and other Books and Records*** – The Secretary is responsible for keeping a copy of the minute books and records of minutes of all Annual General and Special Meetings and Board meetings. The Secretary shall keep the original minute books at the Registered Office of the Corporation. The minute books shall contain resolutions and minutes from all meetings of the Corporation, the Board and the Executive Committee. The Board shall ensure that all books and records of the Corporation as required by these Bylaws, the *Business Corporations Act*, or any other statute or law are regularly and properly kept.
- 7.08 ***Inspection of Books and Records*** – Any Member or Resident wishing to inspect the books or records of the Corporation must give reasonable notice to the President or the Secretary of the Corporation. Unless otherwise permitted by the Board, such inspection will take place only at the Registered Office during normal business hours. All financial records of the Corporation are open for such inspection by the Members or Residents. Other records of the Corporation are also open for inspection, except for personnel records and other documents that the Board designates as confidential.
- 7.09 ***Borrowing Powers*** – The Corporation may borrow or raise funds to meet its objects and operations, providing that any loan or line of credit established specifically for operating and administrative costs shall not exceed the limits provided for in the Canada Grant Agreement and Saskatchewan Grant Agreement. The Board shall decide the amounts and ways to raise money, including giving or granting security. The Corporation may issue debentures to borrow only by Resolution of the Board confirmed by a Special Resolution of the Corporation.

#### ***Article VIII - Protection and Indemnity of Directors and Officers***

- 8.01 ***Indemnity*** – Each Director or Officer holds office with protection from the Corporation. The Corporation indemnifies each Director or Officer against all costs or charges that result from any act done in his role for or on behalf of the Corporation providing that he has acted within the scope of his authority and responsibilities. The Corporation does not protect any Director or Officer for acts of fraud, dishonesty, or bad faith.
- 8.02 ***No Liability*** – No Director or Officer is liable for the acts of any other Director, Officer or employee. No Director or Officer is responsible for any loss or damage due to the bankruptcy, insolvency, or wrongful act of any person, firm or corporation dealing with the Corporation. No Director or Officer is liable for any loss due to an oversight or error in judgment, or caused by any act done in his role for or on behalf of the Corporation, unless the act is fraudulent, dishonest, or done in bad faith. *Ex officio*

Directors shall not be liable for any obligations of the Directors or the Corporation under any circumstances unless they have acted fraudulently or in bad faith.

- 8.03 **Reliance on Auditors Report** – Directors or Officers can rely on the accuracy of any statement or report prepared by the auditor of the Corporation. Directors or Officers are not held liable for any loss or damage as a result of acting on that statement or report.

#### **Article IX - Amendment of Bylaws**

- 9.01 **Amendments** – The following procedures shall apply to the amendment of these bylaws:

- (a) the proposed amendment is initiated by the Board of Directors and approved by a Directors Resolution;
- (b) the proposed amendment is consistent with any relevant provisions of the Canada Grant Agreement or Saskatchewan Grant Agreement;
- (c) notice of any proposed amendment to Articles II, IV, and VI has been provided to the responsible Ministers for as long as the Canada and Saskatchewan Grant Agreement remain in effect and the Ministers do not object to such amendment;
- (d) reasonable notice of any Special or Annual General Meeting and details of any proposed resolution to change, alter or add to these Bylaws have been provided to the Members and Residents;
- (e) the proposed amendment is approved by at least two-thirds of all Members and Residents who cast ballots at an Annual General Meeting or a Special Meeting;
- (f) the Board shall provide a report on any approved amendment to Members and Residents at the next Annual General Meeting following approval of the amendment.

- 9.02 **Termination of the Canada and Saskatchewan Grant Agreements** – Upon termination of the Canada and Saskatchewan Grants Agreements, any and all of these Bylaws may be amended by a Special Resolution at a Special or Annual General Meeting of the Corporation in accordance with the *Non-Profit Corporations Act*, as amended.

#### **Article X – Dissolution**

10.01 **Distributing Assets and Dissolving the Corporation** – Subject to any applicable terms and conditions of the Canada Grant Agreement, Saskatchewan Grant Agreement, or the Trust Agreement, the Corporation shall not pay any dividends or distribute its property among its Members. Upon a winding-up, amalgamation or dissolution of the Corporation, all of the Corporation’s assets and accumulated income are to be transferred to an organization with similar objects as the Corporation as set out in these Bylaws, that qualifies for exemption under paragraph 149(1)(f) or (l) of the *Income Tax Act*, including rolling the assets over to a new trust to promote economic development within the Primrose Lake area. In no event shall any Members or Residents of the Primrose Lake Communities be entitled to receive any assets of the Corporation.

**Article XI - Effective Date**

11.01 **Effective Date of this Bylaw** – This bylaw shall come into force upon being passed by the Board of Directors by resolution. The Directors shall submit this bylaw to the Members and Residents at the next Special or Annual General Meeting who may confirm, reject or amend the bylaw by ordinary resolution. For greater certainty, this bylaw shall be effective from the date of the resolution of the Directors until it is confirmed, confirmed as amended, or rejected by the Members and Residents at a Special or Annual General Meeting.

**Dated this 30th day of September 2007.**

<b>Signature:</b>  <b>Print Name:</b>	<b>Address:</b>  <b>City/Town:</b> <b>Province:</b>  <b>Postal Code:</b>
<b>Signature:</b>  <b>Print Name:</b>	<b>Address:</b>  <b>City/Town:</b> <b>Province:</b>  <b>Postal Code:</b>
<b>Signature:</b>  <b>Print Name:</b>	<b>Address:</b>  <b>City/Town:</b> <b>Province:</b>  <b>Postal Code:</b>

<b>Signature:</b>  <b>Print Name:</b>	<b>Address:</b>  <b>City/Town:</b> <b>Province:</b>  <b>Postal Code:</b>
<b>Signature:</b>  <b>Print Name:</b>	<b>Address:</b>  <b>City/Town:</b> <b>Province:</b>  <b>Postal Code:</b>