

HALLS AND HAWK LAKES PROPERTY OWNERS ASSOCIATION

CONSTITUTION

A constitution relating generally to the transaction of the business and affairs of Halls and Hawk Lakes Property Owners Association (the “**Association**”).

1. - INTERPRETATION

1.1. **Definitions.** In this constitution and all other constitutions of the Association, unless the context otherwise specifies or requires:

“**board**” means the board of directors of the Association;

“**constitution**” means this constitution, as amended from time to time;

“**general meeting of members**” means a meeting of all members of the Association;

“**meeting of members**” includes an annual meeting of members and a general meeting of members of the Association;

“**signing officer**” means, in relation to any instrument, any person authorized to sign the same on behalf of the Association by section 2.2 or by a resolution passed pursuant thereto; and

“**special resolution**” means a resolution passed by the board and confirmed with or without variation by at least 50% plus 1 of the votes cast at a meeting of members duly called for that purpose or, in lieu of such confirmation, by the consent in writing of all of the members entitled to vote at such meeting.

1.2. **Interpretation.** This constitution shall be, unless the context otherwise requires, construed and interpreted in accordance with the following:

- (a) words importing number include the singular and plural; words importing gender include the masculine, feminine and neuter genders and words importing persons include individuals, corporations, partnerships, trusts and unincorporated organizations; and
- (b) the headings used in the constitution are inserted for reference purposes only and are not to be considered or taken into account in construing the terms and provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

2. TRANSACTION OF THE AFFAIRS OF THE ASSOCIATION

- 2.1. **Purpose of the Association.** The purposes of the Association are to:
- > To promote courteous and safe use of waterways
 - > To promote and educate the community related to maintaining and enhancing the water quality of the lakes and rivers and streams as well as the environmentally sensitive use of the riparian lands.
 - > To help establish an equitable water level policy conducive to both ecological and recreational considerations
 - > To lobby for a reason level of taxation and provision of services from local government authorities
 - > To identify and monitor issues that affect the Halls and Hawk Lakes community
 - > To promote education and awareness of issues of mutual interest
- 2.2. **Head Office.** The head office of the Association shall usually be the address of the current President of the Association, subject to change by special resolution from time to time as the board may fix.
- 2.3. **Execution of Instruments.** Deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Association by any two (2) of the Directors of the Association. Cheques or electronic banking authorizations are to be delegated by the Board of Directors. In addition, the board may from time to time direct the manner in which and the person or persons by whom any particular instrument or class of instruments may or shall be signed. Any signing officer may certify a copy of any instrument, resolution, constitution or other document of the Association to be a true copy thereof.

3. - DIRECTORS

- 3.1. **Number of Directors and Powers.** The affairs of the Association shall be managed by a board of no less than 9 and no more than 12 directors who may exercise all such powers and do all such acts and things as may be exercised or done by the Association that are not by the constitution or any special resolution of the Association expressly directed or required to be done in some other manner. Any increase or decrease in the number of directors shall be approved by special resolution. Should the number of Board members at any point be below 9 due to death, resignation or other reason for departure of a Board member, the remaining Board members will continue to be able to exercise all duties and rights and responsibilities of the Board and shall make every

effort reasonably possible to appointment a new Board member as soon as reasonably possible, no later than the next Annual General Meeting.

3.2. **Qualifications.** Every director shall:

- (a) be 18 or more years of age;
- (b) be a member of the Association or shall become a member of the Association within 10 days after the director's election or appointment; and
- (c) not be an undischarged bankrupt nor a mentally incompetent person.

At no time shall there be more than two Directors who are owners of a commercial property on one of the lakes.

Members who are not directly located on one of the three lakes may designate which lake is nearest to their property and for purposes of membership, shall be designated in that lake subgroup.

As one of the desires of the Board is to reflect the population that it represents, the Board shall include at least two members from each of the three lakes. Should this requirement not be met due to the resignation, death or removal of a Board member, the Board is still considered to be duly constituted and every normal effort will be made to appoint a new Board member as may be reasonably available.

3.3. **Election and Term.** The directors' term of office shall be from the date of the meeting at which they are elected or appointed until the annual meeting next following or until their successors shall have been duly elected or appointed whichever comes first. Directors shall be elected by the members in general meeting on a show of hands unless a poll is demanded and if a poll is demanded such election shall be by ballot. Retiring directors shall be eligible for re-election to the board if otherwise qualified and retiring directors shall continue in office until their successors shall have been duly elected or appointed. No Director shall hold office for more than 10 years. Should the members wish that a Director be appointed to a position in excess of the 10 years, the exception shall not exceed one year at a time and shall be separately voted upon at the Annual General Meeting.

3.4. **Past President.** To promote continuity, a position of Past President may be created in addition to the regular Board of Directors. Such term shall not exceed 3 years.

3.5. **Vacancy in Office.** The office of a director shall be automatically vacated upon the occurrence of any of the following events:

- (a) if the director does not become a member within 10 days of election or appointment as a director, or ceases to be a member of the Association;

- (b) if the director becomes bankrupt or suspends payment of personal debts generally or compounds with creditors or makes an authorized assignment or is declared insolvent;
 - (c) if the director is found to be a mentally incompetent person or becomes of unsound mind;
 - (d) if by notice in writing to the Association the director resigns, which resignation shall be effective at the time it is received by the Association or at the time specified in the notice, whichever is later;
 - (e) if the director dies; or
 - (f) if the director is removed from office by the members, in accordance with section 3.5.
 - (g) if the director no longer qualifies for membership in the Association (ie. sale of property)
- 3.6. **Removal of Directors.** The members may, by resolution passed by at least 2/3 of the votes cast thereon at a general meeting of members of which notice specifying the intention to pass such resolution has been given, remove any director before the expiration of the director's term of office and may, by majority of the votes cast at such meeting, elect any qualified person in the director's stead for the remainder of the director's term.
- 3.7. **Vacancies.** Subject to section 3.3 hereof, a vacancy or vacancies on the board, however caused, may, so long as there is a quorum of directors then in office, be filled by the directors from among the qualified members of the Association if they shall see fit to do so. Otherwise, such vacancy shall be filled at the next general meeting of members at which directors for the ensuing year(s) are elected. If there is not a quorum of directors, the remaining directors shall forthwith call a meeting of members to fill the vacancy or vacancies. 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 provided.
- 3.8. **Executive Officers.** The Executive Officers of the Association shall be a President, Vice-President, Treasurer and Secretary. All Officers shall be elected by the Board of Directors. All Officers may be peremptorily removed at any properly noticed Board meeting by concurrence of a majority of the Directors. A person shall not hold more than one office. All Executive Officers must be members, spouses or members of the Association or persons exercising the membership rights of a property owner which is not a natural person. The Board of Directors may from time to time elect such assistant officers as the Board shall deem necessary and appropriate.
- 3.9. **President.** The President shall be the chief executive officer of the Association and shall have all of the powers and duties that are usually vested in the office of the present of an association. The President must be a member of the Board of Directors. The

President shall preside at all Board meetings, except as otherwise provided herein, and membership meetings.

- 3.10. **Vice-President.** The Vice-President shall exercise the powers and perform the duties of the President in the absence or disability of the President and shall assist the President and exercise such other powers and perform such other duties as are incident to the office of the vice-president of an association and as may be required by the Board of Directors.
- 3.11. **Secretary.** The Secretary shall keep the minutes of all proceedings of the Board of Directors and the members, shall attend to the giving of all notices to the members and Directors, and other notices required by law, shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties as may be required by the Board of Directors.
- 3.12. **Treasurer.** The Treasurer shall have custody of all funds of the Association, including money, securities and evidences of indebtedness, shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. The Treasurer shall submit a Treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of treasurer as may be required by the Board of Directors or the President. All monies and other valuables shall be kept for the benefit of the Association in federally or provincially licensed depositories that are fully covered by deposit insurance, and such depositories may be designated by a majority of the Board of Directors.
- 3.13. **Lake Stewards.** Participation in the Lake Steward Program. A member who may have expressed interest in fulfilling Lake Steward responsibilities, will be appointed by the Executive a Lake Steward. He/she will represent the Association on the Lake Steward Program and will make regular reports to the Association.
- 3.14. **Absences of Board Member.** If a Board member misses three consecutive Board meetings, the President will consult with that Member. Following that discussion, the Board, with a 75% majority vote, may appoint another member to complete the term.
- 3.15. **Other Committees.** The board may from time to time appoint such committee or committees, as it deems necessary or appropriate for such purposes and with such powers as it shall see fit. Members of committees need not be directors. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the board may from time to time make. The board may remove any member of any such committee. Each member of a committee shall continue as such until the next annual membership meeting or until a successor is appointed, unless the committee is terminated sooner, or the member is removed from the committee or the member resigns, or such member ceases to qualify.

- 3.16. **Remuneration of Directors.** The directors shall serve as directors without remuneration and no director shall directly or indirectly receive any profit or remuneration from holding the position of director, provided that a director may be reimbursed reasonable expenses incurred by the director in the performance of duties, reimbursable upon presentation of an original receipt or facsimile documenting the nature and payment of the expense

4. - MEETINGS OF DIRECTORS

- 4.1. **Place of Meeting.** Meetings of the board may be held at any place within Ontario or by electronic means as described in 4.3.
- 4.2. **Notice.** A meeting of the board may be convened at any time by: (i) the President; or (ii) any two directors. The Secretary, when directed or authorized by any of such officers or any two directors, shall convene a meeting of directors. The notice of any meeting convened as aforesaid need not specify the purpose of or the business to be transacted at the meeting. Notice of any such meeting shall be served in the manner specified in section 9.1 of this constitution not less than two days before the meeting is to take place. A director may in any manner and at any time (before or after the meeting to which such waiver relates) waive notice of a meeting of directors and the attendance of a director at a meeting of directors shall constitute a waiver of notice of the meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business. A meeting of directors may be held at any time without notice if all the directors are present (except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called) or if all of the absent directors waive notice before or after the date of such meeting. If the first meeting of the board following the election of directors by the members is held immediately thereafter, then for such meeting or for a meeting of the board at which a director is appointed to fill a vacancy in the board, no notice shall be necessary to the newly elected or appointed directors or director in order to legally constitute the meeting, provided that a quorum of the directors is present.
- 4.3. **Means of Meetings.** If all the directors of the Association present at or participating in the meeting consent, a meeting of directors or of a committee of directors may be held by such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in the meeting by those means is deemed for the purposes of this constitution to be present at the meeting.
- 4.4. **Written Resolutions.** A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors, is as valid as if it had been passed at a meeting of directors.
- 4.5. **Omission of Notice.** The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by any person, shall not invalidate any resolution passed or any proceedings taken at such meeting.

- 4.6. **Adjournment.** Any meeting of directors may, with the consent of the meeting, be adjourned from time to time by the chair of the meeting, to a fixed time and place. Notice of any adjourned meeting of directors is not required to be given if the time and place of the adjourned meeting is announced at the original meeting. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The directors who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.
- 4.7. **Regular Meetings.** The board may appoint a day or days in any month or months for regular meetings of the board at a place or hour to be named by the board and a copy of any resolution of the board fixing the place and time of regular meetings of the board shall be sent to each director forthwith after being passed, but no further notice shall be required for any such regular meetings. The board will meet at least twice each calendar year. A General Meeting will be held at least once each year in June or July or August.
- 4.8. **Chair.** The chair of each meeting of the board shall be the President or such other director as the President may from time to time designate for that purpose or, failing such designation, as the board may select.
- 4.9. **Voting.** Questions arising at any meeting of directors shall be decided by a majority of votes. In case of an equality of votes the chair of the meeting shall cast the deciding vote.
- 4.10. **Quorum.** At least 50% of the authorized number of directors on the board shall constitute a quorum for the transaction of business at any meeting of the directors. Notwithstanding vacancies in the board, the remaining directors may exercise all the powers of the board as long as such a quorum of the board remains in office.

- MEMBERS

- 4.11. **Entitlement.** The members of the Association shall be: those persons as may from time to time be admitted to membership by the Secretary in accordance with any rules for membership in the Association which have been approved by resolution of the directors or within the Constitution. Each member shall be entitled to vote at all meetings of members and to be nominated for election as a director or officer of the Association. Members of the Association must be property owners or a family member of a property owner on or in the immediate area of Little Hawk, Big Hawk or Halls Lake. In case of unusual circumstances or ownership via a trust or incorporation or other form of ownership, membership may be granted upon application to the Secretary.

- 4.12. **Associate Membership.** Associate membership may be granted to a renter or a property owner on one of the three lakes or to a property owner from another lake. An associate member may participate in the general meeting but will not have voting privileges and may not hold an elected position.
- 4.13. **Multiple Property Ownership.** Membership will be restricted to one named person should they own multiple properties. This membership will qualify for only one vote at any General Meeting.
- 4.14. **Resignation.** Members may resign in writing which shall be effective from the time of acceptance thereof by the board. In the case of resignation, a member shall remain liable for payment of any assessment or other sum levied or which became payable by the member to the Association prior to the acceptance of such a resignation.
- 4.15. **Termination of Membership.** The interest of a member in the Association is not transferable to another property owner and lapses and ceases to exist upon death or dissolution or when the person's period of membership expires or when the person ceases to be a member by resignation or otherwise in accordance with the constitution. Membership is considered to run from July 1st each year until June 30th the following year unless the AGM is on a different date, at which time the membership shall lapse 15 calendar days after the AGM
- 4.16. **Dues.** There shall be dues or fees payable by members as shall from time to time be fixed by resolution of the board, which resolution shall become effective only when confirmed by a vote of the members at an annual or other general meeting. The Secretary shall notify the members of the dues or fees at any time payable by them and, if any are not paid within 15 days after the AGM or other date designated, the members in default shall thereupon automatically cease to be members of the Association, but such defaulting members may on payment of all unpaid dues or fees be reinstated.

5. - MEMBERS' MEETINGS

- 5.1. **Annual Meeting (AGM)** The annual meeting of the members shall be held on such day in each year and at such time as the directors may by resolution determine at any place within Ontario or, in the absence of such determination, at the place where the head office of the Association is located. The annual meeting shall be for the purpose of electing directors and for the transaction of such other business that may properly be brought before the meeting.
- 5.2. **General Meetings.** Other meetings of the members may be convened by:
- (a) the President;
 - (b) a Vice-President who is a director and member; or
 - (c) 50% of the remaining Board of Directors

at any date and time and at any place within Ontario or, in the absence of such determination, at the place where the head office of the Association is located.

5.3. **Notice.** A printed, written, typewritten or electronically transmitted notice stating the day, hour and place of meeting and the general nature of the business to be transacted shall be given by serving such notice on each member entitled to notice of such meeting in the manner specified in section 9.1 of this constitution not less than 10 days before the date of the meeting. Notice is to be given by normal mail, courier, phone call, or email in accordance to the addresses on the books of the Association, or by notice on the Association website with notice given via email to those addresses that the Association may have on file from time to time.

5.4. **Omission of Notice.** The accidental omission to give notice of any meeting or any irregularity in the notice of any meeting or the non-receipt of any notice by any member or members shall not invalidate any resolutions passed or any proceedings taken at any meeting of members.

5.5. **Votes.** Every question submitted to any meeting of members shall be decided in the first instance by a show of hands, with the abstention of the Chair. In the case of an equality of votes the Chair of the meeting shall at a poll be entitled to a tie breaking vote. Every question shall be determined by the majority of the votes duly cast on the question.

5.6. **Chair of the Meeting.** In the event that:

(a) the President is absent; and

(b) there is no Vice-President present who is a director and a member,

then the members who are present and entitled to vote shall choose another director as chair of the meeting. If no director is present or if all the directors present decline to take the chair, then the members who are present and entitled to vote shall choose one of such members to be chair.

5.7. **Written Resolutions.** A resolution in writing, signed by all the members entitled to vote on that resolution at a meeting of members, is as valid as if it had been passed at a meeting of members.

5.8. **Adjournment.** The chair of any meeting of members may, with the consent of the meeting and subject to such conditions as the meeting decides, adjourn the same from time to time to a fixed time and place and no notice of such adjournment need be given to the members. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

5.9. **Quorum.** A quorum at any meeting of the members shall be members present being not less than 50% of the current Board of Directors plus at least two members from

each of the three lakes. No business shall be transacted at any meeting unless the requisite quorum be present at the time of the transaction of such business. If a quorum is not present at the time appointed for a meeting of members or within such reasonable time thereafter as the members present may determine, the persons present and entitled to vote may adjourn the meeting to a fixed time and place but may not transact any other business and the provisions of section 9.3 with regard to notice shall apply to such adjournment.

- 5.10. **Remote participation and Proxy.** Should circumstances warrant, the Board may allow electronic remote participation in a meeting (telephone, Skype, computer, etc) as may be physically and financially practical. Proxy votes may also be permitted in a form approved by the Board.

6. - NOTICES

- 6.1. **Method of Giving Notices.** Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served), pursuant to the constitution or otherwise to a member, director, officer or member of a committee of the board shall be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to his or her last recorded address or if mailed to the person at the person's last recorded address by prepaid ordinary or air mail, or if sent to the person at the person's last recorded address by any means of prepaid transmitted, electronic or recorded communication. A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been received by the addressee on the fifth day after mailing; and a notice so sent by any means of transmitted, electronic or recorded communication shall be deemed to have been given on the first business day after it was so sent. Notice of a meeting posted via electronic means on the Association website will be considered an electronic communication as described above. The Secretary may change or cause to be changed the recorded address of any member, director, officer or member of a committee of the board in accordance with any information believed by the Secretary to be reliable.
- 6.2. **Computation of Time.** In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.
- 6.3. **Omissions and Errors.** The accidental omission to give any notice to any member, director or officer or the non-receipt of any notice by any member, director or officer or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice.
- 6.4. **Waiver of Notice.** Any member or any director or officer may waive any notice required to be given and such waiver, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in giving such notice.

7.- BOOKS AND RECORDS

- 7.1. **Records.** The directors shall see that all necessary books and records of the Association required by the constitution of the Association are regularly and properly kept.

8. – RULES AND REGULATIONS

- 8.1. **Rules and Regulations.** The board may prescribe such rules and regulations not inconsistent with the constitution relating to the management and operation of the Association as it deems expedient, provided that such rules and regulations shall have force and effect only until the next annual meeting of the members of the Association when they shall be confirmed. Failing such confirmation at such annual meeting of members, such rules and regulations shall at and from that time cease to have any force and effect.

9.-INSURANCE

- 9.1 **Insurance.** Subject to applicable law, and to the best of its ability, the Association shall purchase and maintain adequate insurance on an annual basis including, but not limited to, commercial liability, director or officer liability, accident coverage and crime, except where the liability relates to the person's failure to act honestly and in good faith with a view to the best interests of the Association.

11.- FEES AND BUDGET

- 11.1 **Association membership fees** shall be a budgeted amount annually to cover the costs of Association business. The annual fee shall be determined by the Association at the Annual General Meeting on recommendation of the Executive. Such fee may be automatically continued for subsequent years for the same amount without resolution.
- 11.2 **Reserve Fund.** A reserve fund shall be established and maintained. This fund shall not except in extraordinary circumstances and agreed upon by the general membership, be less than an amount equal to 75% of the Association's usual annual membership income. The Reserve Fund will, where possible, be augmented on an annual basis. For clarity, the Reserve Fund may be co-mingled with other Association funds for ease of operation. All funds shall be on deposit with a Federally or Provincially regulated institution offering appropriate deposit insurance.
- 11.3 **Extraordinary Expenses.** May be met by a special levy equally divided among all member upon the recommendation of the Board and approved by the Association members.
- 11.4 **Internal Audit.** An internal audit of the Association financial records shall be performed once every two years. The audit shall be performed by two members of the Association if possible, or person(s) delegated by members, and will not include the Treasurer.

11.5 Donations. The Board has discretionary power to donate a sum of \$200 or less to a cause or organization which meets the following criteria:

- (a) The cause or organization is within the general physical area of Minden, Haliburton, Carnarvon or the Halls and Hawk Lake Communities
- (b) The cause or organization will have potential benefit to Association members
- (c) The donation is not solely for a social function
- (d) The work of the cause or organization would assist in meeting the aims of the Association

Donations of amounts greater than \$200 or which do not meet the aforementioned criteria, shall be approved by a simple majority of the Association.

A single donation shall not exceed or cause with other donations or extraordinary expenses to exceed an amount greater than 25% of the Associations annual operating budget as reported by the Treasurer.

Donations shall not reduce the Reserve Fund.

A donation to a cause or organization shall be for that fiscal year only and shall not commit the Association in any succeeding year.

Membership to provincial or county organizations such as Federation of Ontario Cottage Associations (FOCA) are not subject to the \$200 limit.

A summary of donations will be part of the Treasurer's annual report.

12. - AMENDMENT OF CONSTITUTION

12.1 Amendments of Constitution. The provisions of the constitution may be repealed or amended by resolution enacted by a majority of the directors at a meeting of the board and sanctioned by at least 2/3 of the members voting at a meeting duly called for the purpose of considering the said resolution.

13 - EFFECTIVE DATE

13.1 Repeal. All previously enacted constitutions of the Association are repealed upon the enactment of this constitution. Such repeal shall not affect the previous operation of any constitution or affect the validity of any act done or right or privilege, obligation or liability acquired or incurred under, or the validity of any contract or agreement made pursuant to any such constitution prior to its repeal. All officers and persons acting under any constitution so repealed shall continue to act as if appointed under the provisions of this constitution and all resolutions of the members and of the board with continuing effect passed under any repealed

constitution shall continue good and valid except to the extent inconsistent with this constitution and until amended or repealed.

ENACTED by the board this 6th day of July, 2019.

ORIGINAL SIGNED

President – Peter Dadzis

ORIGINAL SIGNED

Secretary – Rita Dadzis

CONFIRMED by the members on this 6th day of July, 2019.

____ Secretary – Rita Dadzis