

BRITANNIA GLEN CO-OPERATIVE HOMES INC.

BY - LAW NO. 1

A By-law Relating to the Conduct of the Affairs of the Co-op

Approved by the Board: December 19, 1991

Confirmed by the Members: December 19, 1991

BY-LAW NO. 1

A By-law relating to the conduct of the affairs of
BRITANNIA GLEN CO-OPERATIVE HOMES INC.
(herein called the "Co-op")

WHEREAS the Co-op has been formed for the purpose of providing residential accommodation to its members on a non-profit basis;

AND WHEREAS the Co-op's permanent by-laws will be considered and adopted at such time as the membership of the Co-op has enlarged so that all or a substantial number of persons occupying accommodation in the Co-op are able to participate in the process of adopting such by-laws;

AND WHEREAS it is desired to empower the Board of Directors to transact the affairs of the Co-op until such time as the said by-laws are adopted.

1. BOARD OF DIRECTORS

The Board shall consist of 7 members. The Board shall conduct and manage the affairs of the Co-op and except where the Co-operative Corporations Act (the "Act") otherwise provides, the directors may, by resolution passed at a meeting of the Board, approve or provide for any act which can be done by the Co-op and authorize any commitment, contract or other obligation on the part of the Co-op.

2. POWERS OF DIRECTORS

Without limiting the generality of paragraph 1, the directors shall have the following specific powers:

- (a) The directors may admit such persons as they deem fit to membership in the Co-op.
- (b) The directors may authorize the acquisition by the Co-op of real and personal property.
- (c) The directors may retain or employ on behalf of the Co-op consultants,

project managers, accountants, lawyers, employees and other persons on such terms as they may deem fit.

- (d) The directors may enter into any contracts on behalf of the Co-op relating to the construction or improvement of housing and the financing thereof.
- (e) The directors may borrow money upon the credit of the Co-op by obtaining loans or advances or otherwise, whether secured or unsecured, on such terms as they may deem fit.
- (f) The directors may assign, transfer, convey, hypothecate, mortgage, pledge, charge or give security in any manner upon all or any of the real or personal, moveable or immovable property, rights, powers, choses in action, or other assets, present or future, of the Co-op to secure any money borrowed or to be borrowed or any obligations or liabilities of the Co-op now or hereafter made or incurred.
- (g) The directors may apply for and obtain start-up grants, apply for the issuance of undertakings to insure, enter into agreements to receive subsidies and operating agreements, or any other agreements which they may deem appropriate.
- (h) The directors may do all acts and things, execute all documents and make all commitments necessary or appropriate for the purposes of any of the foregoing.

3. INDEMNIFICATION OF DIRECTORS AND OFFICERS

- (a) The Directors and officers of the Co-op and each of them and their respective heirs, executors, administrators and other legal personal representatives, shall from time to time and at all times be indemnified and saved harmless by the Co-op from and against any liability and all costs, charges and expenses that are sustained or incurred in respect of any action, suit or proceeding that is proposed or commenced against them for or in respect of anything done or permitted by them in respect of the execution of the duties of their offices. Notwithstanding the above, no directors or officers of the Co-op shall be indemnified by it in respect of any liabilities, costs, charges or expenses that are sustained or incurred in or about any action, suit or other proceeding as a result of which they, or any of them, are adjudged to be in breach of any duty or responsibility imposed under the Act or under any other statute

unless, in an action brought against them in their capacities as directors or officers, they have achieved complete or substantial success as defendants. The Co-op shall enter into an Agreement with all directors and officers indemnifying them and saving them harmless in accordance with the provisions of this By-law.

- (b) The Co-op may purchase and maintain any insurance for the benefit of its directors and officers as the Board may from time to time determine, except insurance against a liability, cost, charge or expense of a director or officer incurred as a result of a contravention of Section 108 of the Act. The directors and officers may also obtain additional insurance, which insurance may be provided for in the same insurance policy as referred to above.

4. MEETINGS

Meetings of the directors and the members shall be held at any place within the Municipality of Mississauga as the Board may deem fit and may be called by any director. The quorum shall be 4 directors or members respectively. At least three days notice of each directors' meeting shall be given by telephone or by leaving written notice at a directors' place of residence, except in case of emergency where a quorum of directors consents to holding the meeting with a lesser notice.

5. TERMINATION OF DIRECTORSHIPS

- (a) A director may resign by notice in writing delivered to the President or to the office of the Co-op. The resignation will be effective on acceptance by the Board. The Board must accept any resignation at the meeting following its receipt unless the resignation is withdrawn before acceptance.
- (b) The members may, by resolution passed by a majority of the votes cast at a general meeting, remove any director from office before the expiry of the director's term provided notice of the intention to propose such resolution was included with the notice of the meeting. The members may, by majority of the votes cast at the meeting, elect any qualified person to fill the vacancy so created for the remainder of the term.
- (c) The Board may recommend the removal of a director from office if the director is absent from three consecutive meetings of the Board without leave or adequate excuse, if the director is in bad financial standing with the Co-op, for breach of confidentiality or for other serious dereliction of duty as a

director or as a member. The Board may, by a majority vote, decide to initiate proceedings to remove a director from office on such grounds. Following such vote, a written notice stating the grounds for removal must be sent to the director at least seven days in advance of the Board meeting where the removal will be discussed. The director will be given an opportunity to appear and be heard at the Board meeting. Final consideration of the recommendation and voting on the matter will take place without the director in question present. The resolution to recommend removal of a director from office will be effective only if passed by two-thirds of the votes cast at the meeting of the Board.

- (d) Where the Board recommends removal of a director from office under (c) of this paragraph, a resolution will be presented to the next general meeting of members under (b) of this paragraph.

6. OFFICERS

The directors shall elect from among their number a President, Vice-President, a Secretary and Treasurer.

7. REMUNERATION

The officers and directors shall serve as such without remuneration but shall be reimbursed for any reasonable duly authorized out-of-pocket expenses incurred in carrying out the business of the Co-op.

8. FISCAL YEAR

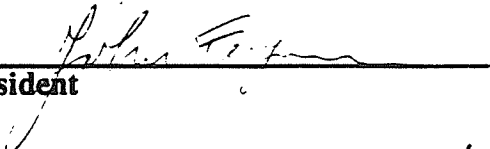
The fiscal year of the Co-op shall commence on the 1st day of December of each year and end on the 30th day of November in the same year.

9. EXECUTION OF DOCUMENTS

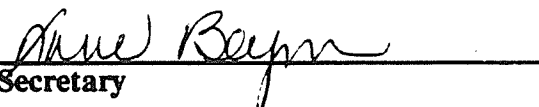
Any cheques, notes, bills of exchange, agreements, contracts, agreements of purchase and sale or assignments thereof, deeds, transfers, mortgages, chattel mortgages, assignments of rent, and all and any other documents which the Co-op is empowered to enter into or execute may be executed on behalf of the Co-op by any two of the directors and officers, or by any other persons authorized by resolution of the board, who may affix the corporate seal thereto. Any persons signing such documents shall satisfy themselves as the contents thereof, any may approve the particulars and contents thereof within the limits of any

authorizing resolution. The signature of any document in the manner set out in this paragraph shall be deemed in favour of third parties to be conclusive evidence that the execution and delivery of such document was duly authorized by the Co-op. Notwithstanding the foregoing, no director or officer shall execute any such document unless such execution has been properly authorized.

PASSED by the Board of Directors and sealed with the corporate seal of BRITANNIA GLEN CO-OPERATIVE HOMES INC. this 19th day of December, 1991.

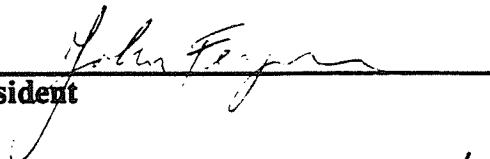


President c/s

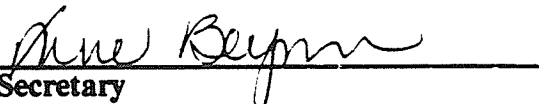


Secretary

CONFIRMED by two-thirds of the votes cast at a general meeting of members of BRITANNIA GLEN CO-OPERATIVE HOMES INC. this 19th day of December, 1991.



President c/s



Secretary