

A by-law relating generally to the conduct of the affairs of
**HEALTH PRODUCTS STEWARDSHIP ASSOCIATION /
ASSOCIATION POUR LA RÉCUPÉRATION DE PRODUITS SANTÉ**
(the “**Association**”)

WHEREAS the Association has applied for a Certificate of Continuance to be continued under the *Canada Not-for-Profit Corporations Act*;

NOW THEREFORE BE IT ENACTED as a general operating by-law of the Association to take effect as provided in Section 60 hereof and upon the issuance of certificate of continuance by the federal Government under the *Canada Not-for-Profit Corporations Act* as follows:

1. Definition

In this by-law and all other by-laws of the Association, unless the context otherwise requires:

- (a) “**Act**” means the *Canada Not-For-Profit Corporations Act* S.C. 2009, c. 23 including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;
- (b) “**Articles**” means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Association;
- (c) “**Board**” means the board of directors of the Association and “**Director**” means a member of the Board;
- (d) “**By-law**” means this by-law and any other by-law of the Association as amended and which are, from time to time, in force and effect;
- (e) “**Deliberative Council**” means the council composed of representatives of enterprises subject to the RRRPE and established in accordance with the RRRPE, as described in Section 47 of this By-law;
- (f) “**Meeting of Members**” includes an annual meeting of members or a special meeting of members; “**Special meeting of Members**” includes a meeting of any class or classes of members and a special meeting of all members entitled to vote at an annual meeting of members;
- (g) “**Member**” or “**Members**” means a company that meets the membership conditions described in Section 11 of this By-law and that has been admitted into membership in the Association;
- (h) “**Officer**” means an officer of the Association;
- (i) “**Operating Policies**” means the policies described in Section 10 of this By-law;
- (j) “**Ordinary Resolution**” means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;

- (k) **“Proposal”** means a proposal submitted by a member of the Association that meets the requirements of Section 163 (Member Proposals) of the Act;
- (l) **“Regulations”** means the regulations made under the Act, as amended, restated or in effect from time to time;
- (m) **“RRRPE”** means the *Regulation respecting the recovery and reclamation of products by enterprises* (CQLR, ch. Q-2, r. 40.1);
- (n) **“Sectors”** means the prescription drugs, other-the-counter drugs, natural health products and sharps devices sectors described in the Operating Policies and **“Sector”** means any one of them; and
- (o) **“Special Resolution”** means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

2. Interpretation

In the interpretation of this By-law, words in the singular include the plural and vice versa, words in one gender include all genders, and “person” includes an individual, body corporate, partnership, trust and unincorporated organization.

Other than as specified above, words and expressions defined in the Act have the same meanings when used in these By-laws.

3. Corporate Seal

The Association may have a corporate seal in the form approved from time to time by the Board. If a corporate seal is approved by the Board, the secretary of the Association shall be the custodian of the corporate seal.

4. Execution of Documents

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Association may be signed by any two (2) of its Officers or Directors. In addition, the Board may from time to time direct the manner in which and the person or persons by whom a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal (if any) to the document. Any signing Officer may certify a copy of any instrument, resolution, By-law or other document of the Association to be a true copy thereof.

5. Financial Year

Unless otherwise changed by Ordinary Resolution of the Board, the financial year end of the Association shall be December 31 in each year.

6. Banking Arrangement

The banking business of the Association shall be transacted at such bank, trust company or other firm or association carrying on a banking business in Canada as the Board of Directors may designate, appoint or authorize from time to time by Ordinary Resolution. The banking business or any part of it shall be transacted by an Officer or Officers of the Association and/or other persons as the Board of Directors may by resolution from time to time designate, direct or authorize.

7. Public Accountant and Level of Financial Review

The Association shall be subject to the requirements relating to appointment of a public accountant and level of financial review required by the Act.

8. Borrowing Powers

(a) Borrowing Powers

Subject to the limitations set out in the Act, the Articles and this By-law, the Board may:

- (i) borrow money on the credit of the Association;
- (ii) issue, reissue, sell, pledge or hypothecate debt obligations of the Association;
- (iii) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Association, owned or subsequently acquired, to secure any debt obligation of the Association; and
- (iv) provided that all borrowings by the Association over the amount of \$20,000.00 must first be approved by an Ordinary Resolution of the Members.

(b) Authorization

From time to time, the Board may authorize any Director or Officer of the Association to make arrangements with reference to money borrowed or to be borrowed as to the terms and conditions of the loan thereof, and as to the security to be given therefor, with power to vary or modify such arrangements, terms and

conditions and to give such additional security as the Board may authorize and generally to manage, transact and settle the borrowing of money by the Association.

9. Annual Financial Statements

The Association may, instead of sending copies of the annual financial statements and other documents referred to in subsection 172(1) (Annual Financial Statements) of the Act to the Members, publish a notice to its Members stating that the annual financial statements and documents provided in subsection 172(1) are available at the registered office of the Association and any Member may, on request, obtain a copy free of charge at the registered office or by prepaid mail.

10. Operating Policies

The Board may adopt, amend, or repeal by resolution such Operating Policies that are not inconsistent with the By-laws of the Association relating to such matters as terms of reference of committees, duties of Officers, Board code of conduct and conflict of interest as well as procedural and other requirements relating to the By-laws as the Board may deem appropriate from time to time. Any Operating Policy adopted by the

Board will continue to have force and effect until amended, repealed, or replaced by a subsequent resolution of the Board.

11. Membership Conditions

Subject to the Articles, there shall be one class of Members in the Association. Membership in the Association shall be available to companies engaged in the manufacturing and/or distribution and/or sale of health products licensed by the Government of Canada for sale to the general public, and which have applied for and been accepted into membership in the Association by Ordinary Resolution of the Board or in such other manner as may be determined by the Board. A Member of the Association shall have the right to receive notice of, attend, speak and participate at all Meetings of Members and the right to one (1) vote at all Meetings of Members.

12. Membership Transferability

A membership may only be transferred to the Association.

13. Notice of Members Meetings

Notice of the time and place of a Meeting of Members shall be given to each Member entitled to vote at the meeting by the following means:

- (a) by mail, courier or personal delivery to each Member entitled to vote at the meeting, during a period of 21 to 60 days before the day on which the meeting is to be held; or
- (b) by telephonic, electronic or other communication facility to each Member entitled to vote at the meeting, during a period of 21 to 35 days before the day on which the meeting is to be held.

Notice of a Meeting of Members shall also be given to each Director and to the public accountant of the Association during a period of 21 to 60 days before the day on which the meeting is to be held. Notice of any Meeting of Members at which special business is to be transacted shall state the nature of that business in sufficient detail to permit the Member to form a reasoned judgment on the business and provide the text of any Special Resolution or By-law to be submitted to the meeting. The Directors may fix a record date for determination of Members entitled to receive notice of any Meeting of Members in accordance with the requirements of Section 161 of the Act. Subject to the Act, a notice of Members' meeting provided by the Association shall include any Proposal submitted to the Association under Section 21.

14. Annual Meetings

An annual Meeting of Members shall be held at such time in each year, as the Board may from time to time determine, provided that the annual meeting must be held not later than fifteen (15) months after holding the preceding annual meeting and no later than six (6) months after the end of the Association's preceding fiscal year. The annual meeting shall be held for the purpose of considering the financial statements and reports of the Association required by the Act to be presented at the meeting, electing Directors, appointing the public accountant and transacting such other business as may properly be brought before the meeting or is required under the Act.

15. Special Meetings

The Board may at any time call a Special meeting of Members for the transaction of any business which may properly be brought before the Members. In accordance with and subject to the Act, on written requisition by Members carrying not less than 5% of the votes that may be cast at a Meeting of Members sought to be held, the Board shall call a special general meeting of Members, unless the exceptions in the Section 167 of the Act are met. If the Directors do not call a meeting within twenty-one (21) days of receiving the requisition, any Member who signed the requisition may call the meeting.

16. Absentee Voting at Members' Meetings

Pursuant to Section 171(1) of the Act, a Member entitled to vote at a Meeting of Members may vote by proxy by appointing in writing a proxyholder, and one or more alternate proxyholders, who are not required to be Members, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by it subject to the following requirements:

- (a) a proxy is valid only at the meeting in respect of which it is given or at a continuation of that meeting after an adjournment;
- (b) a Member may revoke a proxy by depositing an instrument or act in writing executed or, in Quebec, signed by the Member or by their agent or mandatory;
 - (i) at the registered office of the association no later than the last business day preceding the day of the meeting, or the day of the continuation of that meeting after an adjournment of that meeting, at which the proxy is to be used; or
 - (ii) with the chairperson of the meeting on the day of the meeting or the day of the continuation of that meeting after an adjournment of that meeting;
- (c) a proxyholder or an alternate proxyholder has the same rights as the Member by whom they were appointed, including the right to speak at a Meeting of Members in respect of any matter, to vote by way of ballot at the meeting, to demand a ballot at the meeting and, except where a proxyholder or an alternate proxyholder has conflicting instructions from more than one Member, to vote at the meeting by way of a show of hands;
- (d) if a form of proxy is created by a person other than the Member, the form of proxy shall:
 - (i) indicate, in bold-face type,
 - (A) the meeting at which it is to be used,
 - (B) that the Member may appoint a proxyholder, other than a person designated in the form of proxy, to attend and act on their behalf at the meeting, and
 - (C) instructions on the manner in which the Member may appoint the proxyholder,
 - (ii) contain a designated blank space for the date of the signature,

- (iii) provide a means for the Member to designate some other person as proxyholder, if the form of proxy designates a person as proxyholder,
 - (iv) provide a means for the Member to specify that the membership registered in their name is to be voted for or against each matter, or group of related matters, identified in the notice of meeting, other than the appointment of a public accountant and the election of Directors,
 - (v) provide a means for the Member to specify that the membership registered in their name is to be voted or withheld from voting in respect of the appointment of a public accountant or the election of Directors, and
 - (vi) state that the membership represented by the proxy is to be voted or withheld from voting, in accordance with the instructions of the Member, on any ballot that may be called for and that, if the Member specifies a choice under subparagraph (iv) or (v) with respect to any matter to be acted on, the membership is to be voted accordingly;
- (e) a form of proxy may include a statement that, when the proxy is signed, the Member confers authority with respect to matters for which a choice is not provided in accordance with subparagraph (d)(iv) only if the form of proxy states, in bold-face type, how the proxyholder is to vote the membership in respect of each matter or group of related matters;
 - (f) if a form of proxy is sent in electronic form, the requirements that certain information be set out in bold-face type are satisfied if the information in question is set out in some other manner so as to draw the addressee's attention to the information; and
 - (g) a form of proxy that, if signed, has the effect of conferring a discretionary authority in respect of amendments to matters identified in the notice of meeting or other matters that may properly come before the meeting must contain a specific statement to that effect.

17. Membership Dues

Membership dues shall be determined by the Board and paid by each Member in accordance with the Operating Policies.

18. Termination of Membership

A membership in the Association is terminated when:

- (a) the Member is dissolved;
- (b) a Member fails to maintain any qualifications for membership described in the Section on membership conditions of these By-laws;
- (c) the Member is expelled in accordance with any discipline of Members Section or is otherwise terminated in accordance with the Articles or By-laws;
- (d) the Member's term of membership expires; or
- (e) the Association is liquidated or dissolved under the Act.

19. Effect of Termination of Membership

Subject to the Articles, upon any termination of membership, the rights of the Member, including any rights in the property of the Association, automatically cease to exist.

20. Discipline of Members

The Board shall have authority to suspend or expel any Member from the Association for any one or more of the following grounds:

- (a) violating any provision of the Articles, By-laws, or written policies of the Association;
- (b) carrying out any conduct which may be detrimental to the Association as determined by the Board in its sole discretion;
- (c) for any other reason that the Board in its sole and absolute discretion considers to be reasonable, having regard to the purpose of the Association.

In the event that the Board determines that a Member should be expelled or suspended from membership in the Association, the chair of the Board, or such other Officer as may be designated by the Board, shall provide twenty (20) days notice of suspension or expulsion to the Member and shall provide reasons for the proposed suspension or expulsion. The Member may make written submissions to the chair of the Board, or such other Officer as may be designated by the Board, in response to the notice received within such twenty (20) day period. In the event that no written submissions are received by the president, the chair of the Board, or such other Officer as may be designated by the Board, may proceed to notify the Member that the Member is suspended or expelled from membership in the Association. If written submissions are received in accordance with this Section, the Board will consider such submissions in arriving at a final decision and shall notify the Member concerning such final decision within a further twenty (20) days from the date of receipt of the submissions. The Board's decision shall be final and binding on the Member, without any further right of appeal.

21. Proposals at Annual Meetings

Subject to compliance with Section 163 of the Act, a Member entitled to vote at an annual meeting may submit to the Association notice of any matter that the Member proposes to raise at the annual meeting (a "Proposal"). Any such Proposal may include nominations for the election of Directors if the Proposal is signed by not less than five per cent (5%) of the Members entitled to vote at the meeting. Subject to the Act, the Association shall include the Proposal in the notice of meeting and if so requested by the Member, shall also include a statement by the Member in support of the Proposal and the name and address of the Member. The Member who submitted the Proposal shall pay the cost of including the Proposal and any statement in the notice of meeting at which the Proposal is to be presented unless otherwise provided by Ordinary Resolution of the Members present at the meeting.

22. Place of Members' Meeting

Subject to compliance with Section 159 (Place of Members' Meetings) of the Act, Meetings of the Members may be held at any place within Canada determined by the Board or, if all of the Members entitled to vote at such meeting so agree, outside Canada.

23. Persons Entitled to be Present at Members' Meetings

The only persons entitled to be present at a Meeting of Members shall be those entitled to vote at the meeting, the Directors and the public accountant of the Association and such other persons who are entitled or required under any provision of the Act, Articles or By-laws of the Association to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or by Ordinary Resolution of the Members.

24. Chair of Members' Meetings

In the event that the chair of the Board and the vice-chair of the Board are absent, the Members who are present and entitled to vote at the meeting shall choose one person present to chair the meeting.

25. Quorum at Members' Meetings

A quorum at any Meeting of the Members (unless a greater number of Members are required to be present by the Act) shall be three (3) Members entitled to vote at the meeting. If a quorum is present at the opening of a Meeting of Members, the Members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

26. Votes to Govern at Members' Meetings

At any Meeting of Members every question shall, unless otherwise provided by the Articles or By-laws or by the Act, be determined by Ordinary Resolution. In case of an equality of votes either on a show of hands or on a ballot or on the results of electronic voting, the chair of the meeting in addition to an original vote shall have a casting vote.

27. Participation by Electronic Means at Members' Meetings

If the Association chooses to make available a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during a Meeting of Members, any person entitled to attend such meeting may participate in the meeting by means of such telephonic, electronic or other communication facility in the manner provided by the Act. A person participating in a meeting by such means is deemed to be present at the meeting. Notwithstanding any other provision of this By-law, any person participating in a Meeting of Members pursuant to this Section who is entitled to vote at that meeting may vote, in accordance with the Act, by means of any telephonic, electronic or other communication facility that the Association has made available for that purpose.

28. Members' Meetings Held Entirely by Electronic Means

If the Directors or Members of the Association call a Meeting of Members pursuant to the Act, those Directors or Members, as the case may be, may determine that the meeting shall be held, in accordance with the Act and the Regulations, entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

29. Voting by Electronic Means

Notwithstanding any other provision of this By-law, voting carried out by means of a telephonic, electronic or other communication facility referred to in Section 27 and Section 28 is permitted only if that facility enables the votes to be gathered in a manner that permits their subsequent verification; and permits the tallied votes to be presented to the Association without it being possible for the Association to identify how each Member voted.

30. Number of Directors

The Board shall consist of the number of Directors specified in the Articles. If the Articles provide for a minimum and maximum number of Directors, the Board shall be comprised of the fixed number of Directors as determined from time to time by the Members by Ordinary Resolution or, if the Ordinary Resolution empowers the Directors to determine the number, by Ordinary Resolution of the Board. In the case of a soliciting corporation the minimum number of Directors may not be fewer than three (3), at least two of whom are not Officers or employees of the Association or its affiliates.

31. Composition of the Board

The Board of Directors shall, as much as possible, be comprised of at least one (1) representative from each of the Sector(s). All nominees for the Board of Directors shall declare which Sector he or she represents. Each Director shall be an individual who is not less than eighteen (18) years of age. No person who has been found by a court in Canada or elsewhere to be mentally incompetent or who has the status of a bankrupt shall be a Director.

32. Term of Office of Directors

At the first election of Directors following the approval of this By-law, one-third (1/3) of the Directors shall be elected for a three-year term, one-third (1/3) of the Directors shall be elected for a two-year term and one-third (1/3) of the Directors shall be elected for a one-year term. Thereafter, except where an election is held to fill the unexpired portion of a term, newly elected Directors shall be elected for three-year (3) terms or as required to maintain the desired rotation of Directors. Directors may be re-elected without limitation.

33. Ceasing to Hold Office

A Director ceases to hold office when the Director dies, resigns, is removed from office by the Members in accordance with Section 35, or no longer meets the requirements to be a Director in the sole discretion of the Board. Where a person is no longer a Director, then such person shall be deemed to have also automatically resigned as an Officer (if it is a requirement to be a Director to hold that particular Officer position) and/or a committee member, as applicable, provided that the Board may in its discretion subsequently reappoint such individual as a committee member if the Board deems it appropriate in the circumstances.

34. Resignation

In accordance with and subject to the Act, a resignation of a Director becomes effective at the time a written resignation is sent to the Association or at the time specified in the resignation, whichever is later.

35. Removal

In accordance with and subject to the Act, the Members may, by Ordinary Resolution, passed at a Meeting of Members, remove any Director from office before the expiration of the Director's term and may elect a qualified individual to fill the resulting vacancy for the remainder of the term of the Director so removed, failing which such vacancy may be filled by the Board.

36. Filling Vacancies

In accordance with and subject to the Act and the Articles, a quorum of the Board may fill a vacancy in the Board, except a vacancy resulting from an increase in the number or the minimum or maximum number of Directors, or from a failure of the Members to elect the number of Directors required to be elected at any Meeting of Members. If there is not a quorum of the Board, or if the vacancy has arisen from a failure of the Members to elect the number of Directors required to be elected at any Meeting of Members, the Board shall forthwith call a Special meeting of Members to fill the vacancy. If the Board fails to call such meeting or if there are no Directors then in office, any Member may call the meeting. A Director appointed or elected to fill a vacancy holds office for the unexpired term of their predecessor.

37. Calling of Meetings of Board of Directors

Meetings of the Board may be called by the chair of the Board, the vice-chair of the Board or any two (2) Directors at any time. If the Association has only one Director, that Director may call and constitute a meeting.

38. Notice of Meeting of Board of Directors

Notice of the time and place for the holding of a meeting of the Board shall be given in the manner provided in the Section on giving notice of meeting of Directors of this By-law to every Director of the Association not less than fifteen (15) days before the time when the meeting is to be held, except in the case of business determined by the chair, vice-chair or any two (2) Directors to be more of an urgent nature for which notice of a meeting of the Board shall be given not less than 48 hours before the time when the meeting is to be held. Notice of a meeting shall not be necessary if all of the Directors are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting. Unless the By-law otherwise provides, no notice of meeting need specify the purpose or the business to be transacted at the meeting except that a notice of meeting of Directors shall specify any matter referred to in subsection 138(2) (Limits on Authority) of the Act that is to be dealt with at the meeting.

39. Regular Meetings of the Board of Directors

The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be named. A copy of any resolution of the Board fixing the place and time of such regular meetings of the Board shall be sent to each Director forthwith after being passed, but no other notice shall be required for any such regular meeting except if subsection 136(3) (Notice of Meeting) of the Act requires the purpose thereof or the business to be transacted to be specified in the notice.

40. Participation at Meeting by Telephone or Electronic Means

If all of the Directors consent, a Director may, in accordance with the Regulations, participate in a Board meeting, by means of a telephonic, electronic or other communications facility that permits all participants to communicate adequately with each other during the meeting. A Director participating in the meeting by such means shall be deemed for the purposes of the Act to have been present at that meeting. A consent pursuant to this Section may be given before or after the meeting to which it relates and may be given with respect to all meetings of the Board and committees of the Board.

41. Votes to Govern at Meetings of the Board of Directors

At all meetings of the Board, every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chair of the meeting in addition to an original vote shall have a casting vote.

42. Quorum

A majority of the number of Directors specified in the Articles constitutes a quorum at any meeting of the Board, provided that where there is a minimum and maximum number of Directors specified in the Articles, a quorum shall be a majority of the number of Directors determined in accordance with Section 30. For the purpose of determining quorum, a Director may be present in person, or by teleconference and/or by other electronic means.

43. Committees of the Board of Directors

The Board may from time to time appoint any committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the Board shall see fit. 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. Any committee member may be removed by Ordinary Resolution of the Board of Directors.

44. Appointment of Officers

The Board may designate the offices of the Association, appoint Officers on an annual or more frequent basis, specify their duties and, subject to the Act, delegate to such Officers the power to manage the affairs of the Association. A Director may be appointed to any office of the Association. An Officer may, but need not be, a Director unless these By-laws otherwise provide. Two or more offices may be held by the same person.

45. Description of Offices

Unless otherwise specified by the Board (which may, subject to the Act modify, restrict or supplement such duties and powers), the offices of the Association, if designated and if Officers are appointed, shall have the following duties and powers associated with their positions:

- (a) Chair of the Board — The chair of the Board, if one is to be appointed, shall be a Director. The chair of the Board, if any, shall, when present, preside at all meetings of the Board of Directors and of the Members. The chair shall have such other duties and powers as the Board may specify.

- (b) Vice-Chair of the Board — The vice-chair of the Board, if one is to be appointed, shall be a Director. If the chair of the Board is absent or is unable or refuses to act, the vice-chair of the Board, if any, shall, when present, preside at all meetings of the Board of Directors and of the Members. The vice-chair shall have such other duties and powers as the Board may specify.
- (c) President & Chief Executive Officer — The President & Chief Executive Officer shall, subject to the authority of the Board, supervise the day to day operations and administration of the Association. The Board may delegate to the President & Chief Executive Officer full power to manage and direct the business and affairs of the Association and to employ and discharge agents and employees of the Association. The President & Chief Executive Officer shall be responsible for implementing the strategic plans and policies of the Association.
- (d) Secretary — If appointed, the secretary shall attend and be the secretary of all meetings of the Board, Members and committees of the Board. The secretary shall enter or cause to be entered in the Association’s minute book, minutes of all proceedings at such meetings; the secretary shall give, or cause to be given, as and when instructed, notices to Members, Directors, the public accountant and members of committees; the secretary shall be the custodian of all books, papers, records, documents and other instruments belonging to the Association.
- (e) Treasurer — If appointed, the treasurer shall have such powers and duties as the Board may specify.

The powers and duties of all other Officers of the Association shall be such as the terms of their engagement call for or the Board or chair of the Board requires of them. The Board may from time to time and subject to the Act, vary, add to or limit the powers and duties of any office.

The Board may determine the terms of employment of and compensation paid to the President & Chief Executive Officer.

46. Vacancy in Office

In the absence of a written agreement to the contrary, the Board may remove, whether for cause or without cause, any Officer of the Association. Unless so removed, an Officer shall hold office until the earlier of:

- (a) the Officer’s successor being appointed,
- (b) the Officer’s resignation,
- (c) such Officer ceasing to be a Director (if a necessary qualification of appointment), Or
- (d) such officer’s death.

If the office of any Officer of the Association shall be or become vacant, the Directors may, by Ordinary Resolution, appoint a person to fill such vacancy.

47. Deliberative Council

The Deliberative Council shall be comprised of a minimum of seven (7) persons, of which a majority are representatives of enterprises subject to the RRRPE. Such persons appointed to the Deliberative Council are elected at an annual meeting of representatives of enterprises subject to the RRRPE, pursuant to Section 51 of this By-law for an initial two (2) year term and may be re-elected for additional two (2) year terms without limitation on the number of terms served.

At all times, one (1) representative of the *Société québécoise de récupération et de recyclage* (RECYC-QUÉBEC) will participate on the Deliberative Council as an observer. Sections 33 to 36 of this By-law shall apply to the persons appointed to the Deliberative Council, with such modifications as the circumstances require.

48. Responsibilities and Powers of the Deliberative Council

The Deliberative Council shall serve as an advisory body to the Board of Directors, providing guidance and recommendations on matters pertaining to the management of the Association's program(s) in Québec. Each member of the Deliberative Council shall be entitled to vote and make decisions within the Association on all matters relating to the stewardship of said program(s) in Québec. All decisions and recommendations of the Deliberative Council must be forwarded to the Board.

49. Meetings of the Deliberative Council

A meeting of the Deliberative Council must be held at least twice a year, as determined by the Deliberative Council. The secretary shall enter or cause to be entered in the Association's minute book, minutes of all proceedings at meetings of the Deliberative Council.

Sections 37 to 42 of this By-law governing the holding of the meetings of the Board of Directors shall apply to the meetings of the Deliberative Council, with such modifications as the circumstances require.

50. Relations with the Board of Directors

The Board shall give due consideration to the decisions and recommendations put forth by the Deliberative Council. In addition to considering them internally, the Board shall present the decisions and recommendations to the Association's Members and take steps to explain how the Board has acted on the Deliberative Council's decisions and recommendations or, if not yet acted upon, how it intends to act on them.

51. Annual Meeting of Representatives of Enterprises Subject to the RRRPE

An annual meeting of representatives of enterprises subject to the RRRPE shall be held at such time in each year, as the Deliberative Council may from time to time determine.

The objective of the annual meeting of representatives of enterprises subject to the RRRPE being notably to elect the persons comprising the Deliberative Council, to enable the representatives to learn about the Association's activities in Québec, program implementation progress and costs, and to voice their opinions and concerns on these subjects.

The representatives of enterprises subject to the RRRPE who are present and entitled to vote at the meeting shall choose one person among the persons comprising the Deliberative Council to chair the meeting.

The provisions in this By-law dealing with Notice of Members Meetings (Section 13), Absentee Voting at Members' Meetings (Section 16), Place of Members' Meeting (Section 22), Votes to Govern at Members' Meetings (Section 26), Participation by Electronic Means at Members' Meetings (Section 27), Members' Meetings Held Entirely by Electronic Means (Section 28) and Voting by Electronic Means (Section 29) shall apply to the annual meeting of representatives of enterprises subject to the RRRPE, with such modifications as the circumstances require.

52. Method of Giving Notices

Subject to Sections 13 and 38, any notice to be given (which term includes sent, delivered or served) pursuant to the Act, the Articles, the By-laws or otherwise to a Member, Director, Officer, member of a committee of the Board, or the public accountant shall be sufficiently given:

- (a) if delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of the Association or in the case of notice to a Director to the latest address as shown in the last notice that was filed by the Association in accordance with the Act and received by Corporations Canada; or
- (b) if mailed to such person at such person's recorded address by prepaid ordinary or air mail; or
- (c) if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
- (d) if provided in the form of an electronic document in accordance with the Act.

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 given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The secretary may change or cause to be changed the recorded address of any Member, Director, Officer, public accountant, or member of a committee of the Board in accordance with any information believed by the secretary to be reliable. The declaration by the secretary that notice has been given pursuant to this By-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any Director or Officer of the Association to any notice or other document to be given by the Association may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

53. Invalidity of any Provisions of this By-law

The invalidity or unenforceability of any provision of this By-law shall not affect the validity or enforceability of the remaining provisions of this By-law.

54. Omissions and Errors

The accidental omission to give any notice to any Member, Director, Officer, member of a committee of the Board or public accountant, or the non-receipt of any notice by any such person where the Association has provided notice in accordance with the By-laws or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

55. Waiver of Notice

Any Member, proxyholder, Director, Officer, member of a committee of the Board or public accountant may waive or abridge the time for any notice required to be given to such person, and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a Meeting of Members or of the Board or of a committee of the Board, which may be given in any manner.

56. Amendment of Articles

The Articles of the Association may only be amended if the amendment is sanctioned by a Special Resolution of the Members. Any amendment to the Articles is effective on the date shown in the certificate of amendment.

57. By-laws to be Confirmed by Special Resolution

In accordance with the Articles and subject to the Act, any By-law, amendment or repeal of a By-law shall require confirmation by Special Resolution of the Members.

58. Effective Date of Board Initiated By-law, Amendment or Repeal

Subject to the Articles and Section 59 of this By-law, the Board of Directors may, by Ordinary Resolution, make, amend or repeal any By-laws that regulate the activities or affairs of the Association. Any such By-law, amendment or repeal shall be effective from the date of the resolution of Directors until the next Meeting of Members where it may be confirmed, rejected or amended by the Members by Special Resolution. If the By-law, amendment or repeal is confirmed or confirmed as amended by the Members it remains effective in the form in which it was confirmed. The By-law, amendment or repeal ceases to have effect if it is not submitted to the Members at the next Meeting of Members or if it is rejected by the Members at the meeting.

59. Effective Date of By-law, Amendment or Repeal under Subsection 197 (1)

A Board resolution is not required to make, amend or repeal any By-law which is made pursuant to Subsection 197(1) of the Act. A By-law made, amended or repealed under Subsection 197(1) is effective from the date of the Special Resolution of Members approving such By-law, amendment or repeal.

60. Effective Date

This By-law is effective on the date on which is it approved by Special Resolution of the Members.

ENACTED by the Directors of the Association this _____ day of _____, _____.

Kristin Willemssen

Chair of the Board

[Handwritten Signature]

Secretary

APPROVED by the Members of the Association this 2nd day of Nov, 2023

[Handwritten Signature]

Secretary