



Island East Tourism Group

P.O. Box 95
St. Peters Bay, PE C0A 2A0
(902) 739-3030

www.pointseastcoastaldrive.com

ISLAND EAST TOURISM GROUP INC.

BY-LAWS

April 27, 2005

INDEX

1. Definitions
2. Name
3. Head Office
4. Purpose
5. Objectives
6. Membership
7. Voting
8. Board of Directors
9. Powers and Duties of Directors
10. Executive Committee
11. Meetings of Voting Members
12. Amendment of By-Laws
13. Finances
14. Financial Review
15. Corporate Seal
16. Insurance
17. Dissolution

WHEREAS on October 5th 1995, "ISLAND EAST TOURISM GROUP INC." was incorporated under the authority of Part 2 of the Companies Act of Prince Edward Island and the constitution and by-laws were revised and previously amended in June 2000 and October 2002;

WHEREAS it is the intention of "ISLAND EAST TOURISM GROUP INC." to repeal these previous By-Laws and amendments and to replace them with an amended and revised By-Law (2005) relating generally to the re-organization of ISLAND EAST TOURISM GROUP INC.

BE IT ENACTED as a by-law of "ISLAND EAST TOURISM GROUP INC." as follows:

1. DEFINITIONS

1.1 The area, "Eastern Prince Edward Island", for the purpose of this group, means the region in the Province of Prince Edward Island with the western boundaries defined in the North by the Afton Road and in the south, east of the communities of Mermaid, Hazelbrook and Pownal.

Amendment as follows (Amendment adopted at AGM April 27th, 2011)
Motion submitted by Doug Deacon, seconded by Friend Herring that Section 1.1 be amended as follows:

1.1A: The area, Eastern Prince Edward Island, for the purpose of this group, means the region of Prince Edward Island with the western boundaries defined in the North by Afton Road and the North East shore of PEI, in the East and South by the Northumberland Strait, and in the West, by the Hillsborough Bay and Hillsborough River. Motion Carried

1.2 "Board" shall mean the Board of Directors of this Group

2. NAME

The name of the organization shall be "ISLAND EAST TOURISM GROUP INC.". (here in after referred to as "the Group")

3. HEAD OFFICE

The head office of the Group shall be located at 1915 intersection of route 2 and route 313 in St. Peter's Bay, in the Province of Prince Edward Island. The mailing address is P.O. Box 95, St. Peter's Bay, Prince Edward Island, C0A 2A0, or at such other place in the area as the directors of the Group may from time to time, by motion or resolution, designate.

4. PURPOSE

The purpose of the Group is:

To enhance, strengthen and promote the growth of the tourism industry in Eastern Prince Edward Island;

To increase the incidence of tourism visitations to Eastern Prince Edward Island;

To increase the awareness of the activities, attractions and natural beauty of Eastern Prince Edward as a vacation destination.

5. OBJECTIVES

The objectives of the Group are:

To conduct research, develop, implement, promote and market the tourism region of Eastern Prince Edward Island;

To co-ordinate development and marketing of the tourism industry with provincial tourism organizations and both provincial and federal government programs and services;

To advocate for the membership of the Group;

To provide networking capabilities unavailable to non-members.

6. VOTING MEMBERSHIP

6.1 CONDITIONS FOR VOTING MEMBERSHIP

Membership in the Group is open to all tourist operators, businesses or organizations that have a vested interest in the tourism industry in Eastern Prince Edward Island, and who pay the annual membership fees.

6.2 ELIGIBILITY FOR VOTING MEMBERSHIP

The following shall be eligible for membership in the Group:

(a) business representatives who are active tourist operators in Eastern Prince Edward Island

(b) business representatives who are active operators in other Island business which derive income from the tourism industry in Eastern Prince Edward.

(c) representatives from towns and communities in Eastern Prince Edward Island. These representatives must be active in tourism and/or community affairs. Ideally the representative should be the tourism committee chair or a tourism operator.

(d) representatives from Development organizations in Eastern Prince Edward Island. These representatives must be active in tourism and/or community affairs. Ideally the representative should be the tourism committee chair or a tourism operator.

(e) representatives from organizations in Eastern Prince Edward Island which have an

interest in the tourism industry. These representatives must be active in tourism and/or community affairs. Ideally the representative should be the tourism committee chair or a tourism operator.

(f) representatives or employees from facilitating government departments/ agencies shall not be allowed voting membership in the Group, but may be invited to any Group meeting in an ex-officio representative capacity.

(g) One business in 6.2 (a) to (b) will be registered per membership.

6.3 MEMBERSHIP DUES

(a) Membership dues will be established initially by the Board of Directors and thereafter will be determined by the membership at the Annual Meeting.

(b) Memberships are due by April 1st for the next fiscal year.

(c) Only fully paid up members can vote at the Annual General Meeting.

6.4 MEMBERSHIP YEAR

The Group's membership and fiscal year will commence on April 1st of each year and end on March 31 of the following year, until and unless changed by motion or resolution of the Board and ratified by a majority of the membership at the Annual Meeting.

6.5 MEMBERSHIP LIST

The Group must prepare lists of the Members, their addresses and the amount paid. The membership list will not be circulated. It will be open to review by members at the head office, with reasonable notice.

6.6 MEMBERSHIP TERMINATION

A Member may withdraw from membership in the Group by giving the Board written notice of the intention to withdraw as a Member of the Group. Such withdrawal of membership shall be effective at the close of business of the meeting of the Board next following. The member will have no further rights of the Group and Membership fees are non-refundable.

6.7 DUTIES OF MEMBERSHIP

It shall be the duty of each representative of business or an organization, or the Delegate of the Member, to attend meetings of the Group, and report back to the organization or Member for which they are a delegate, on such meetings, provided, however, that the failure of any such Representative of an organization to attend any meeting, or vote at such meeting, shall not invalidate any proceeding or transaction, which takes place at such meeting.

7. VOTING

7.1 VOTING AT MEETINGS OF MEMBERSHIP

(a) Each member shall be entitled to one vote.

(b) The Chair will not have a vote at any meeting (except the Annual General Meeting), unless there is a tie.

(C) Facilitating government departments and agencies shall not be allowed voting membership in the Group.

(d) In the case of joint Members, spouses, partnerships, and corporations, only one vote is permitted.

7.2 PROXY VOTING

For the purpose of special business only, a vote by proxy may be completed by post or email. The notice of a special meeting must be sent to the membership at least ten (10) days before the meeting date. The notice must clearly state the nature of the special meeting, in sufficient detail to permit the member to form a seasoned judgement, with respect to the matter, which is the subject of the special meeting. In addition, the notice shall contain the text of any special motion or resolution to be submitted to the special meeting. Any member voting by proxy must submit the vote in writing so that a printed copy may be counted in determining the results of the vote for or against the matter, which is the subject of the resolution presented at the meeting.

8. BOARD OF DIRECTORS

8.1 BOARD REPRESENTATION

The affairs of the Group shall be governed by a Board of Directors comprised of nine (9) Directors elected by the members of the Group, and the Past Chair who shall be a Director ex officio, so that the board shall number not more than ten (10).

8.2 ELIGIBILITY OF DIRECTORS

Any person is eligible to be a Director of the Group who:

(a) Meets the eligibility requirements for membership set out in 6;

(b) Is a member in good standing,

(c) Is the age of eighteen or more;

(d) Is not an employee of the Group ; and

(d) Is otherwise legally competent to conduct business and enter contracts under the laws of Canada and its Provinces.

8.3 NOMINATION OF DIRECTORS

(a) There shall be a nominating committee, appointed yearly by the Board, only one member of which shall be a director. This Committee shall have, as its chair, a member who is not also a Director.

(b) As well, members can submit their intent to run for vacant positions of Director, in writing, to the Chair of the Nominating Committee.

8.4 TERM OF OFFICE

Except for the first election, Directors shall hold office for a term of three (3) years. No Director shall be eligible to serve more than two (2) consecutive terms. A member who has served two (2) full consecutive terms shall not be eligible to serve again as a Director before the passing of one year. This can be overturned at an Annual General Meeting.

8.5 ELECTION OF DIRECTORS

(a) The Directors of the Group shall be elected by a majority of the members in attendance personally at the Annual General Meeting of the Group and shall hold office until others are elected in their place.

(b) Except for the first election, at each annual meeting, three (3) new directors will be elected to terms of three years.

(c) At the initial election, one-third of whom shall be elected for a one year term and one-third of whom shall be elected for a two year term, and one third of whom shall be elected for a three year term.

(d) The election of Directors shall be conducted by secret ballot. The candidate or candidates with the largest number of votes shall fill Director vacancies where the number of candidates exceeds the number of vacancies to be filled.

8.6 VACANCIES

Any Director has the right to resign and shall submit a letter of resignation to the Secretary or Executive Director for acceptance by the Board.

Any vacancies in a Director position between Annual General Meetings, may be filled by appointment from the membership, (except where the vacancy occurs within the ninety (90) day period preceding an Annual General Meeting), by a majority vote of the remaining Directors of the Group, present and voting at a meeting of the Board, provided that the appointment is ratified at the next Annual General Meeting of the membership.

The exception of a vacancy is the office of Chair, in which case, the Vice-Chair shall automatically assume the responsibilities.

8.7 MEETINGS OF DIRECTORS

Regular meetings of the Board shall be held at least every two months, or more frequently as may be determined by the Board members, or by notification of the Chair, with the exception for the months of July and August. At least (72) hours notice will be given to the board. The Board meetings should be on the alternate months from Membership meetings.

8.8 QUORUM AT BOARD MEETINGS

A quorum at any Board meeting of the Group shall consist of one half of the number of sitting directors, plus one.

8.9 MINUTES OF BOARD MEETINGS

Minutes of all Board meetings will be kept by the Secretary of the Group. All decisions reached by motions shall be recorded in the minutes of each meeting and contain the names of the mover and seconder. A minute book shall be maintained by the Executive Director or Secretary.

8.10 REMOVAL OF A DIRECTOR

Directors may be removed:

- (a) If a director misses three consecutive meetings without sufficient cause, and in the opinion of the Board his/her absence causes sufficient disruption, the director may be removed by a two-thirds majority vote of the Board.
- (b) The Director ceases to be eligible as a member under the terms of clauses 6 of this by-law.

8.11 RENUMERATION OF A DIRECTOR

(A) No Officer or member of the Group shall receive any honorarium for acting as a member of the Board.

(b) The Board may reimburse directors for out of pocket expenses as agreed upon by the Board and upon presentation of proper receipts.

8.12 DIRECTOR CONTRACTING WITH GROUP

(a) No director shall be disqualified by his office from contracting with the Group, either as vendor, purchaser or otherwise. No contract or arrangement entered into by or on behalf of the Group in which any director shall be in any ways interested shall be void by reason of the director having such an interest. No director entering into such a contract shall be liable to account to the Group for any profit realized by any such contract or arrangement by reason of such director holding that office, or by reason of the fiduciary relation thereby established. However, no such contract or arrangement shall be made with a director, unless it is approved at a meeting of the Board of Directors of which full minutes and records shall be made and kept in proper form; the exact nature and extent of the interest of such director must be disclosed at any such meeting, and if the interested director votes, his vote shall not be counted.

8.13 CONFLICT OF INTEREST

Regarding issues from which a Director may profit independently or financially, the Director shall abstain from the vote, and in no such instance shall influence the decisions of the Group pertaining to such matters.

9 POWERS AND DUTIES OF DIRECTORS

9.1 GENERAL AND SPECIFIC POWERS

- (a) The Board shall have power to contract for services and/or hire or discharge such permanent or part-time employees as may be necessary to carry on the business of the Group and shall further have the right to review terms of employment.
- (b) All Directors of the Group, when representing the Group shall present the position of the Group established in accordance with the By-Laws.
- (c) The Directors shall promote, support and encourage membership in the Group.

9.2 ACCOUNTABILITY of DIRECTORS

The Board and individual Directors represent the membership of the Group and are directly accountable to said membership. They also have a fiduciary duty to those who provide funds to the Group and to its staff for the sound administration of the Group. In addition, they have a general duty of trust to those served by the Group and to the general public.

10. EXECUTIVE COMMITTEE

10.1 ELECTION OF OFFICERS

- (a) The first meeting of the Board of Directors shall be held immediately following the election of Directors at the Annual General Meeting of the members, for the purpose of election of the officers of the Group, and the transaction of any other business that the Directors may see fit to deal with. No notice of such meeting shall be deemed necessary in order to legally constitute the meeting, provided that a quorum of the Directors is present.
- (b) The Board of Directors shall elect an Executive Committee consisting of a Chair, Vice-Chair, Secretary and Treasurer from among its members. The Executive Committee ensures management commitment to the purpose of the Group.
- (c) The individual who served as Chair prior to the current Chair shall assume the role as Past Chair on the Executive Committee and the Board.

10.2 TERM OF OFFICERS

Every office with the exception of the Past Chair shall be for a one year term. A Director can be elected to hold the same Executive Committee office for a second consecutive one year term. Two years is the maximum number of consecutive years that a Board member can hold the same office.

10.3 DUTIES OF EXECUTIVE OFFICERS – CHAIR:

The Chair shall, when present, preside at all meetings of the Group and, along with the Board, generally oversee and supervise the governance of the Group including the signing of by-laws, special motions or resolutions and other such documents requiring his signature and such other duties as may from time to time be prescribed by motion or

resolution of the Board or that are otherwise incidental to this office. The Chair is an ex-officio member of all committees.

10.4 DUTIES OF EXECUTIVE OFFICERS – VICE CHAIR:

The Vice-Chair shall, in the absence of the Chair, preside over meetings of the Group and of the Board and otherwise exercise all the powers and duties of the Chair. The Board, in the absence of the Chair and Vice-Chair, may appoint from among its members, an Acting Chair.

10.5 DUTIES OF EXECUTIVE OFFICERS – SECRETARY:

The Secretary shall be responsible for giving of notices; keeping the corporate seal; keeping accurate records of all meetings of the members, the Board and the Executive committee, if any; signing of minutes; and, such other duties as may from time to time be assigned by the Board. The Secretary sees that there is a record of all members and their addresses and that they are sent all notices of the various meetings as required.

10.6 DUTIES OF EXECUTIVE OFFICERS – TREASURER:

The Treasurer shall keep or cause to be kept, full and accurate accounts of all receipts and disbursements of the Group in proper form of accounts and shall ensure that all monies or other valuable effects in the name and to the credit of the Group are deposited in such bank as may from time to time be designated by the Board. The Treasurer shall, under the direction of the board, disburse the funds of the corporation, taking proper vouchers therefore and shall render to the board at regular meetings thereof, or whenever required, an account of all such transactions and the financial position of the Group.

10.7 DUTIES OF EXECUTIVE OFFICERS – PAST CHAIR:

The Past Chair shall serve as part of the executive committee as an ex-officio member to provide advice for the purposes of continuity of information.

10.8 EXECUTIVE DIRECTOR

The Board may contract, employ or appoint an Executive Director to manage the general operation of the Group under the direction of the Board. The Executive Director shall hold office at the pleasure of the Board, or until the Executive Director resigns the office.

The Executive Director shall be accountable to the board for the proper legal conduct of the business of the Group according to the policies from time to time established by the Board. The Executive Director shall be responsible for the organization, co-ordination and supervision of the work of the Group and for such other duties, as the Board shall direct.

The Executive Director shall be an ex-officio, non voting, officer of the Group and shall

be entitled to receive notice and attend all meetings of the Board and its Executive, except where a conflict of interest is present, in which case, he would be asked to leave the meeting prior to any discussion on the conflicted matter.

10.9 COMMITTEES

The Board may from time to time, establish such committees, as it considers advisable. The committees may be composed of directors, members and/or others. The term and mandate of each committee will be established in writing by the Board. All committees (save the Executive Committee) are responsible to the Board, and serve at the pleasure of the Board. Each such Committee shall be chaired by a Director, shall consider such matters as are referred to it by the Board, shall keep records of its activities and recommendations, and shall report to the Board at such intervals as required by the Board.

11. MEETINGS OF VOTING MEMBERS

11.1 GENERAL MEMBERSHIP MEETINGS

Meetings of the Membership of the Group shall be held at least every two months, with the exception for the months of July and August. Date and time will be decided by the Board members or by notification of the Chair. Members shall be given at least one-week notification of a meeting.

11.2 ANNUAL MEETING

(a) The Group shall hold an Annual General Meeting not later than April 30th each year for the election of officers and Group business. Thirty (30) days notice shall be given to all members by the Secretary and/or Executive Director of the Board.

Amendment as follows: (Amendment 2, adopted at AGM May 16th, 2012)

Motion submitted by Donna Glass, seconded by Perry Gotell that Section 11.2 Annual Meeting be amended as follows:

(a) The Group shall hold an Annual General Meeting not later than May 31st each year for the election of officers and Group business. Thirty (30) days notice shall be given to all members by the Secretary and/or Executive Director of the Board. Motion Carried.

The annual meeting of the Group shall be held for the purpose of:

- (a) Considering and approving the minutes of the previous annual meeting and any special general meeting that may have been held since the last annual meeting.
- (b) Receiving and considering financial statements for the preceding fiscal year.
- (c) Receiving and considering such other reports and statements.
- (d) Electing Directors
- (e) Transacting any other business properly brought before the meeting.
- (f) Presenting the Proposed Budget for consideration and approval

11.3 SPECIAL MEETINGS

SPECIAL MEETINGS OF THE MEMBERSHIP

(a) The Chair or Board may, at any time, call a special meeting of the membership.

(b) A special meeting of the membership shall also be called, by the Chair, in the same manner as is provided for annual meetings, within seven (7) days upon receipt of a written request signed by not less than a third of the membership, setting forth the reasons for calling such a meeting.

SPECIAL MEETINGS OF THE BOARD

Special meetings of the Board may be held upon the written call, signed by at least 51% of the Directors, and filed with the Secretary, providing that the call, so filed, shall state the purpose of the meeting.

NOTICE OF ANY SPECIAL MEETING

The notice for any special meeting shall state the purpose or purposes for which the meeting is to be called and will be limited to the reasons set forth.

11.4 NOTICE AND AGENDA OF MEETINGS OF MEMBERS

Notice for any meeting of members shall include the date, time, place, agenda and general nature of business to be transacted.

11.4 QUORUM AT MEETINGS OF MEMBERS

(a) A quorum at any Annual, General or Special Meeting of the Group shall require 15% of the total membership of the Group present, as determined by the membership list. Lacking such a quorum, the meeting shall be adjourned.

(b) If a quorum is not present at a meeting that has been duly notified or advertised, the next called meeting shall be a valid meeting, whether a quorum is present or not, and the call shall so inform members.

12. AMENDMENT OF BY-LAWS

The Board shall not have the authority to alter or enact any By-Law, but it shall have the authority to draft By-Laws and submit them for adoption at the next Annual General Meeting of the Group.

13. FINANCES

13.1 FINANCIAL YEAR

The Group's financial year shall begin April 1 and shall terminate on the 31st day of March in each year.

13.2 ACCOUNTS

(a) Signing authority for disbursement of funds shall be designated by the Board and all disbursements shall have two signatures.

(b) An accurate set of books, accounts and financial records shall be maintained by the Group at the Head Office under the authority of the Treasurer with statements

presented monthly. The books shall, at all reasonable times, be open to inspection by the Directors.

14. REVIEW OF FINANCIAL AFFAIRS

A review of the books, accounts and vouchers shall be performed annually and at such other times, as the Board requires. A report of this review shall be provided at the Annual General Meeting.

At the request of the membership by a majority vote at the Annual General meeting or special meeting the Executive shall have a full audit of the accounts completed by an independent accredited accountant and presented to the membership by a subsequent special meeting.

15. CORPORATE SEAL

The corporate seal and certifying documents of the company and shall be stored at the Head Office. The Secretary shall be responsible for the certification of documents.

16. INSURANCE

The Group may purchase and maintain insurance, for the benefit of the officers, Directors, and individuals carrying out the directions of the Board.

17. DISSOLUTION

In the event of a winding up or dissolution of the Group, any assets, or property of any kind remaining after the satisfaction of all debts and liabilities of the Group, shall be conveyed to some other organization in Prince Edward Island having a purpose similar to those of the Group.