

BY-LAW NO. 2

A by-law relating generally to
the conduct of the affairs of

Call2Recycle Canada, Inc.
Appel à Recycler Canada, Inc.

TABLE OF CONTENTS

1. Definitions and Interpretation
2. Board of Directors
3. Directors' Meetings
4. Appointment and Duties of Officers
5. Indemnification
6. Membership Conditions
7. Meetings of Members
8. Banking Arrangements, Contracts, Etc.
9. Notices
10. General
11. Repeal of Existing By-Law

BE IT ENACTED as a by-law of Call2Recycle Canada, Inc./Appel à Recycler Canada, Inc. (the "**Corporation**") as follows:

1. DEFINITIONS AND INTERPRETATION

1. **Definitions** - In this by-law and all other by-laws of the Corporation, 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**" the letters patent dated December 31, 1996 and Articles of Continuance dated January 1, 2013 or Articles of amendment, amalgamation, reorganization, arrangement or revival of the Corporation;
 - c. "**Board**" means the board of directors of the Corporation and "director" means a member of the Board;
 - d. "**By-law**" means this by-law and any other by-law of the Corporation as amended and which are, from time to time, in force and effect;

- e. **“Corporation”** means the corporation without share capital incorporated under the *Canada Corporations Act* by letters patent dated December 31, 1996 and continued under the Act by Articles of Continuance dated January 1, 2013.
 - 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. **“Regulations”** means the regulations made under the Act, as amended, restated or in effect from time to time; and
 - h. **“Special resolution”** means a resolution passed by a majority of not less than two-thirds 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.

2. BOARD OF DIRECTORS

1. **Composition of the Board** - The Board of directors shall be comprised as follows:
- a. There shall be a minimum of five (5) directors and a maximum of twelve (12) directors elected to the Board;
 - b. A maximum of three (3) directors shall be persons who are representatives of battery stewards;
 - c. A maximum of three (3) directors shall be persons who are retail representatives;
 - d. The remainder of directorship positions shall be filled by “directors at large” to be elected by the members;
2. **Nominations**
- a. **Nominating Chair**
 - i. The President shall annually appoint a person to act as Nominating Chair, as approved by the Board.
 - ii. The duties of the Nominating Chair shall be established from time to time by the Board, such duties to include the nomination of a full slate of candidates for election to the Board.
 - b. **Nominating Procedure**
 - i. No fewer than ninety (90) days prior to the annual Meeting of members, the Nominating Chair shall seek, through a publication to all members, the names of eligible members to be considered for possible nomination as directors in accordance with the provisions set out above.

- ii. All nominations for directors shall be received by the Nominating Chair no fewer than thirty (30) days prior to the annual Meeting of members.
 - iii. No fewer than fifteen (15) days prior to the annual Meeting of members, the Nominating Chair shall circulate to the membership the names of the current Board and a slate of candidates nominated for election to the Board.
 - iv. In the event that there are insufficient candidates to the Board nominated through the procedure set out herein, the members may nominate additional qualified persons at the annual Meeting of members.
3. **Election and Term** - The directors shall be elected annually by the members at the annual Meeting of members. Each director shall be elected to hold office for one year, at which time, each such director shall retire as a director, but, shall be eligible for re-election.
4. **Board Vacancies** - Should a vacancy occur on the Board by virtue of the death, resignation, removal or ineligibility of an elected director, the Board of directors may appoint another eligible member to serve the balance of the term.
5. **Management Committee** - Whenever the Board consists of more than 6 directors, the Board may elect from its members a management committee (which may be known as the “**Executive Committee**”) of not less than 3 directors, which committee shall have power to fix its quorum at not less than a majority of its numbers and may have such powers as the Board may delegate to it, subject to any restrictions imposed from time to time by the Board and the Act.

3. DIRECTORS' MEETINGS

6. **Calling of Meetings** - Meetings of the Board may be called by the chair of the Board (if any), the president or any one director at any time. If the Corporation has only one director, that director may call and constitute a meeting.
7. **Notice of Meetings** - Notice of a meeting of the Board shall be sent to each director not less than 48 hours before the date of the meeting provided that a meeting of the Board may be held at any time without notice if all the directors are present (except where a director is present for the express purpose of objecting to the transaction of any business on the grounds that the meeting has not been properly called) or if all the absent directors have waived notice. Notice of any meeting of the Board or any irregularity in any meeting or in the notice thereof may be waived in any manner by any director either before or after the meeting. For the first meeting of the Board to be held following the election of directors at a meeting of the members, no notice of such meeting need be given in order for the meeting to be duly constituted, provided a quorum of the directors is present.

In the event of there being any meeting where special business will be transacted, the notice shall contain sufficient information to permit the directors to form a reasoned judgement on the decision to be taken.

8. **Quorum** - Subject to the Act, a quorum for the transaction of business at any meeting of the Board shall be a majority of the number of directors which then constitutes the Board.
9. **Meeting Held Entirely by Electronic Means** - If the chair of the Board (if any), the president or

any one director calls a meeting of directors pursuant to the Act, the chair of the Board (if any), the president or any one director, as the case may be, may determine that the meeting shall be held, in accordance with the Act, entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

10. **Votes to Govern** - At all meetings of the Board every question shall be decided by a majority of the votes cast on the question.
11. **Casting Vote** - In the case of an equality of votes at a meeting of the Board, the chairman of the meeting shall not be entitled to a second or casting vote.

4. APPOINTMENT AND DUTIES OF OFFICERS

12. **Appointment of Officers** - The directors may, from time to time, designate the offices of the Corporation, 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 Corporation. A director may be appointed to any office of the Corporation. 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.
13. **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 Corporation, 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 shall be elected by the directors from among the directors at a meeting of the Board. Subject to re-election and to paragraph 15 hereto, the Chair of the Board shall hold office for a term of 2 years,. Any party interested in being considered by the Board for the position of Chair of the Board, shall inform the Corporation in advance of the Board meeting at which an election shall take place. 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** – If appointed, the president shall be the chief executive officer of the Corporation and shall be responsible for implementing the strategic plans and policies of the Corporation. The president shall, subject to the authority of the Board, have general supervision of the affairs of the Corporation.
 - 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 Corporation’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 Corporation.

- e. Treasurer – If appointed, the treasurer shall have such powers and duties as the Board may specify.
 - f. Other Officers - The powers and duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the Board or president requires of them.
14. **Variation of Duties** - The Board may from time to time and subject to the Act, vary, add to or limit the powers and duties of any officer.
15. **Term of Officers** - In the absence of a written agreement to the contrary, the Board may remove, whether for cause or without cause, any officer of the Corporation. 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 Corporation shall be or become vacant, the directors may, by resolution, appoint a person to fill such vacancy.

5. INDEMNIFICATION

16. **Limitation of Liability** — No director or officer shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom or which any of the monies, securities or effects of the Corporation shall be deposited or for any loss occasioned by any error of judgement or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same are occasioned by his own wilful neglect or default; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act or from liability for any breach thereof.
17. **Indemnity of Directors and Officers** — Except as provided in section 151(3) of the Act, every director and officer of the Corporation, every former director or officer of the Corporation or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder or creditor, and his heirs and legal representatives shall, from time to time, be indemnified and saved harmless by the Corporation from and against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of such corporation or body corporate if,
- a. he acted honestly and in good faith with a view to the best interests of the Corporation; and

- b. in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.
18. **Insurance** — Subject to the limitations contained in the Act, the Corporation may purchase and maintain insurance for the benefit of an individual referred to in subsection 151(1) of the Act against any liability incurred by the individual:
- a. in the individual's capacity as a director or officer of the Corporation; or
 - b. in the individual's capacity as a director or officer, or similar capacity, of another entity, if the individual acts or acted in that capacity at the Corporation's request.

6. MEMBERSHIP CONDITIONS

19. **One Membership Class** - Subject to the Articles, there shall be one class of members in the Corporation. Membership in the Corporation shall be available to persons interested in furthering the Corporation's purposes and who have applied for and been accepted into membership in the Corporation by resolution of the Board or in such other manner as may be determined by the Board. Each member shall be entitled to receive notice of, attend and vote at all meetings of the members of the Corporation.
20. **Transfer of Membership** - A membership may only be transferred to the Corporation. (Pursuant to Section 197(h) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendment to add, change or delete this section of the by-laws.)
21. **Membership Dues** - There shall be no dues or fees payable by members for membership except such dues and fees, if any, as shall from time to time be fixed by resolution of the Board.
22. **Termination of Membership** - A membership in the Corporation is terminated when:
- a. the member dies or resigns;
 - b. the member is expelled or their membership is otherwise terminated in accordance with the Articles or by-laws;
 - c. the member's term of membership expires; or
 - d. the Corporation is liquidated and dissolved under the Act.

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

23. **Suspension of Membership** - The Board shall have authority to suspend or expel any member from the Corporation for any one or more of the following grounds:
- a. violating any provision of the Articles, by-laws, or written policies of the Corporation;
 - b. carrying out any conduct which may be detrimental to the Corporation as determined by the Board in its sole discretion; or
 - 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 Corporation.

24. **Notice of Suspension**

- a. If the Board determines that a member should be expelled or suspended from membership in the Corporation, the president, or such other officer as may be designated by the Board, shall provide 20 days notice of suspension or expulsion to the member and shall provide reasons for the proposed suspension or expulsion.
- b. The member may make written submissions to the president, or such other officer as may be designated by the Board and/or shall have the right to have a hearing before the president or designated officer during such 20 day period, in response to the notice received within such 20 day period.
- c. If no written submissions or request for a hearing are received by the president, the president, 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 Corporation.
- d. If written submissions are received or a hearing is held in accordance with this section, the Board will consider such submissions and/or the report of the hearing in arriving at a final decision and shall notify the member concerning such final decision within a further 20 days from the date of receipt of the submissions or the date of the hearing.
- e. The Board's decision shall be final and binding on the member, without any further right of appeal.

7. MEETINGS OF MEMBERS

25. **Notice of 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 reach 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.

26. **Place of Meetings** - 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.

27. **Persons Entitled to be Present** - 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 Corporation and such other persons who are entitled or required under any provision of the Act, Articles or by-laws of the Corporation to be present at the meeting. Any other person may be admitted only on the invitation of the Chair of the meeting or by resolution of the members.

28. **Chair of Meeting** - If 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 of their members to chair the meeting.

29. **Quorum**

- a. A quorum at any meeting of the members (unless a greater number of members are required to be present by the Act) shall be a majority of the 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.
- b. If a quorum is not present at the opening of a meeting of members, the members present may adjourn the meeting to a fixed time and place but may not transact any other business.
- c. The quorum at an adjourned meeting of members shall be the presence of those members entitled to vote who are present at the meeting.

30. **Votes to Govern** - At any meeting of the members every question shall, unless otherwise provided by the Articles or by-laws or by the Act, be determined by a majority of the votes cast on the questions. 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 **[not]** have a second or casting vote.

31. **Participation by Electronic Means** - If the Corporation 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 Corporation has made available for that purpose.

32. **Meeting Held Entirely by Electronic Means** - If the directors or members of the Corporation 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.

33. **Absentee Voting at Members' Meetings** - Pursuant to Section 171(1) (Absentee Voting) of the Act, a member entitled to vote at a meeting of members may vote by mailed-in ballot or by means of a telephonic, electronic or other communication facility if the Corporation has a system that:

- a. enables the votes to be gathered in a manner that permits their subsequent verification, and
- b. permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each member voted.

34. **Voting by Proxy** - 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 mandatary
 - i. at the registered office of the Corporation 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 chair 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.

8. BANKING ARRANGEMENTS, CONTRACTS, ETC.

- 35. **Execution of Documents** - Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by any one 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 Corporation to be a true copy thereof.
- 36. **Banking Arrangements** - The banking business of the Corporation shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada or elsewhere as the Board of directors may designate, appoint or authorize from time to time by resolution. The banking business or any part of it shall be transacted by an officer or officers of the Corporation and/or other persons as the Board of directors may by resolution from time to time designate, direct or authorize.

9. NOTICES

- 37. **Giving Notices** - Any notice, communication or other document 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 or member of a committee of the Board or to 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 Corporation or in the case of notice to a director to the latest address as shown in the last notice that was sent by the Corporation in accordance with section 128 (Notice of directors) or 134 (Notice of change of directors);
 - b. if mailed to such person at such person's recorded address by prepaid ordinary or air mail;
 - 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 Part 17 of the Act.
- 38. **Methods of Giving** - 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 Corporation to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

39. **Errors or Omissions** - 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 Corporation 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.

10. GENERAL

40. **Corporate Seal** - If adopted by the Corporation and until changed by resolution of the Board of directors, the seal, an impression of which is stamped in the margin, shall be the corporate seal of the Corporation.
41. **Financial Year End** - The financial year end of the Corporation shall be determined by the Board of directors.
42. **Unanimous Members Agreement** - If the Corporation is a non-soliciting Corporation, a lawful agreement among all of the members or among the members and one or more persons who are not members may be entered not that restricts in whole or in part the powers of the directors to manage or supervise the management of the activities and affairs of the Corporation.
43. **Annual Financial Statements** - The Corporation may give members notice in the manner referred to in this by-law that the documents referred to in Subsection 172(1) (Annual Financial Statements) are available at the registered office of the Corporation and that any member may, on request, obtain a copy free of charge at the office or by prepaid mail.
44. **Invalidity of any Provision 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.

11. Repeal of Existing By-Law

45. **Repeal of Existing By-Law** - Upon this by-law coming into force, by-law number 1 of the Corporation is repealed provided that such repeal shall not affect the previous operation of such by-law so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under the validity of any contract or agreement made pursuant to any such by-law prior to its repeal.
46. **Validity of Acts, etc.** - All officers and the persons acting under such by-law so repealed shall continue to act as if appointed under the provisions of this by-law and all resolutions of the directors or voting members with continuing effect passed under such repealed by-law shall

continue good and valid except to the extent inconsistent with this by-law and until amended or repealed.

DATED the _____ day of _____, 2016.

President

Secretary