

CATHOLIC KIDS NET INC.

SPECIAL RESOLUTIONS IN WRITING OF THE MEMBERS OF CATHOLIC KIDS NET INC. (THE "CORPORATION"), MADE EFFECTIVE AS OF THE 14 DAY OF April, 2016.

WHEREAS:

- A. WHEREAS the members of the Corporation desire to change the By-laws of the Corporation.

IT IS RESOLVED AS A SPECIAL RESOLUTION THAT:

1. All of the previous By-laws of the Corporation, as filed with Industry Canada, be rescinded in their entirety and replaced with the By-laws of the Corporation attached herewith to this special resolution (hereinafter referred to as the "By-laws").
2. This Special Resolution was ratified, approved, passed and adopted by all of the Members of the Corporation, to be effective on the day and year first above written. By signing this Special Resolution each of the undersigned waives any notice period which may be required to be given.
3. Any one of the officers and directors of the Corporation is authorized to take all such actions and execute and deliver all such documentation, including but not limited to, the annexed By-Laws, which are necessary or desirable for the implementation of this resolution.

This resolution may be executed in counterpart and transmitted by electronic means and each executed counterpart, or electronically delivered version thereof shall, for all purposes, be deemed an original and shall have the same force and effect as an original, all of which together shall constitute, in the aggregate, one and the same instrument.

Signed by the members of the Corporation entitled to vote on the foregoing resolutions.

Valerie Doran
VALERIE DORAN

Corinne Kirkpatrick
CORINNE KIRKPATRICK

Randy Feddersen
RANDY FEDDERSON

Gerald Rhodes
GERALD RHODES

CATHOLIC KIDS NET INC.

CERTIFIED COPY OF SPECIAL RESOLUTIONS IN WRITING OF THE MEMBERS OF CATHOLIC KIDS NET INC. (THE "CORPORATION"), MADE EFFECTIVE AS OF THE 14 DAY OF April, 2016.

WHEREAS:

B. WHEREAS the members of the Corporation desire to change the By-laws of the Corporation.

IT IS RESOLVED AS A SPECIAL RESOLUTION THAT:

1. All of the previous By-laws of the Corporation, as filed with Industry Canada, be rescinded in their entirety and replaced with the By-laws of the Corporation attached herewith to this special resolution (hereinafter referred to as the "By-laws").
2. This Special Resolution was ratified, approved, passed and adopted by all of the Members of the Corporation, to be effective on the day and year first above written. By signing this Special Resolution each of the undersigned waives any notice period which may be required to be given.
3. Any one of the officers and directors of the Corporation is authorized to take all such actions and execute and deliver all such documentation, including but not limited to, the annexed By-Laws, which are necessary or desirable for the implementation of this resolution.

This resolution may be executed in counterpart and transmitted by electronic means and each executed counterpart, or electronically delivered version thereof shall, for all purposes, be deemed an original and shall have the same force and effect as an original, all of which together shall constitute, in the aggregate, one and the same instrument.

CERTIFICATE

I, GERALD RHODES, President of Catholic Kids Net Inc., hereby certify that the foregoing is a true and complete copy of the Special Resolutions which were duly ratified, approved, passed and adopted by all of the Members of the Corporation, and that the said Special Resolutions are, at the date hereof, in full force and effect, unamended.

DATED this 14th day of April, 2016.



GERALD RHODES, PRESIDENT

SCHEDULE "A"

CANADA NOT-FOR-PROFIT CORPORATIONS ACT

BY-LAW NO. 1

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

CATHOLIC KIDS NET INC.
(hereinafter called the "CK Net")

ARTICLE 1 -NAME AND PURPOSE

- 1.1 The name of the organization is Catholic Kids Net Inc. The principal office of CK Net is located in Edmonton Alberta.
- 1.2 CK Net, a not-for-profit, registered charity, exists to:
- (a) Develop, promote and advance religion by teaching the religious tenets, doctrines, and observances associated with Catholicism.
 - (b) Advance religious formation by operating children and family programs, including but not exclusive to, resident camps, day camps, mission trips, retreats and related workshops to educate on the subject of Catholicism.
 - (c) To promote the education of the Catholic religion in the community at large, with a particular emphasis on providing leadership training programs to children ages 6-18, as they discern their vocation and grow in their relationship with Christ.

ARTICLE 2 -DEFINITIONS

- 2.1 In this by-law and all other by-laws of CK Net, 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 CK Net;
 - (c) "**Board**" means the board of directors of CK Net and "**Director**" means a member of the board;
 - (d) "**Board Meeting**" means a general or special meeting of the Board;
 - (e) "**By-law**" means this by-law and any other by-law of the CK Net as amended and which are, from time to time, in force and effect;

- (f) “**Eligible Person**” means an individual who is interested in furthering CK Net’s purposes listed at section 1.2.
- (g) “**Member Meeting**” includes an annual meeting of members or a special meeting of members; “**Special Member Meeting**” 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;
- (h) “**Ordinary Resolution**” means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;
- (i) “**Proposal**” means a proposal submitted by a member of CK Net that meets the requirements of section 163 (Member Proposals) of the Act;
- (j) “**Regulations**” means the regulations made under the Act, as amended, restated or in effect from time to time; and
- (k) “**Special Resolution**” means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

ARTICLE 3 -INTERPRETATION

- 3.1 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.
- 3.2 Other than as specified above, words and expressions defined in the Act have the same meanings when used in the By-laws.
- 3.3 The headings and subheadings used throughout this By-law are inserted for reference purposes only, and are not to be considered or taken into account in construing the terms or provisions of this By-law, nor to be deemed in any way to qualify, modify or explain the effect of any such terms or provisions.

ARTICLE 4 -CORPORATE SEAL

- 4.1 CK Net 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 CK Net shall be the custodian of the corporate seal.

ARTICLE 5 -EXECUTION OF DOCUMENTS

- 5.1 Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by CK Net 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 CK Net to be a true copy thereof.

- 5.2 Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by CK Net may be executed by counterpart and, provided the officers or Directors execute one (1) copy of the document, each copy bearing an original signature of one officer or Director shall be deemed to be an original. Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by CK Net may be executed by electronic transmission and each electronic signature shall be deemed to be an original signature.

ARTICLE 6 -FINANCIAL YEAR

- 6.1 The financial year end of CK Net shall be determined by the Board.

ARTICLE 7 -BANKING ARRANGEMENTS

- 7.1 The banking business of CK Net 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 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 CK Net and/or other persons as the Board may by Ordinary Resolution from time to time designate, direct or authorize.

ARTICLE 8 -BORROWING POWERS

- 8.1 If authorized by Special Resolution, the Board may from time to time raise or borrow or secure the payment of any sum or sums of money for the purpose of CK Net's business, and may secure the payment or repayment of the same by mortgage or charge upon the undertaking and the whole or any part of the assets and property of CK Net's (present and future), and may generally raise or borrow money for the purposes of CK Net, secured or charged upon the whole or any part of the assets and properties of CK Net, or otherwise as may be advisable or necessary in the interests thereof.

ARTICLE 9 -ANNUAL FINANCIAL STATEMENTS

- 9.1 Subject to section 9.2, CK Net shall send to its members before every annual Member Meeting:
- (a) A copy of the annual financial statements;
 - (b) Prescribed comparative financial statements that conform to any prescribed requirements and relate separately to:
 - (i) The period beginning immediately after the end of the last completed financial year and ending not more than six (6) months before the annual Member Meeting; and
 - (ii) The immediately preceding financial year; and
 - (c) The report of the public accountant, if any.
- (collectively, the "**Financial Documents**").

- 9.2 Instead of sending the Financial Documents, CK Net may send a summary to each member along with a notice informing the member of the procedure for obtaining a copy of the documents themselves free of charge. CK Net is not required to send the documents or a summary to a member who, in writing, declines to receive such documents.

ARTICLE 10 -MEMBERSHIP CONDITIONS

10.1 Subject to the Articles, there shall be one class of members in CK Net.

10.2 An individual shall become a member of CK Net upon:

- (a) Meeting the definition of Eligible Person;
- (b) Voluntarily agreeing to join CK Net; and
- (c) Being accepted as a member of CK Net by the Board.

To be granted membership, the individual must complete and return to CK Net the necessary consent forms, as specified by the Board from time to time.

10.3 Each member shall be entitled to receive notice of, attend and have one (1) vote at all Member Meetings of CK Net.

10.4 Subject to Articles 22 and 23, a member's membership with CK Net shall continue, so long as the member remains an Eligible Person.

10.5 CK Net is 100% volunteer-driven. The membership shall be largely composed of Alberta resident volunteers who shall establish, maintain control of and deliver CK Net's programs.

10.6 Pursuant to subsection 197(1) (Fundamental Change) of the Act, a Special Resolution is required to make any amendments to this section of the By-laws, if those amendments affect membership rights and/or conditions described in subsections 197(1)(e), (h), (l) or (m) of the Act.

ARTICLE 11 -MEMBERSHIP TRANSFERABILITY

11.1 A membership may only be transferred to CK Net. Pursuant to Section 197(1) (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.

ARTICLE 12 -MEMBERSHIP DUES

12.1 Members shall be notified in writing of the membership dues at any time payable by them and, if any are not paid within one (1) calendar month of the membership renewal date the member in default shall automatically cease to be member of CK Net.

ARTICLE 13 -NOTICE OF MEMBER MEETINGS

- 13.1 Notice of the time and place of a Member Meeting shall be given to each member entitled to vote at the Member Meeting by one of the following means:
- (a) By mail, courier or personal delivery to each member entitled to vote at the Member Meeting, during a period of twenty-one (21) to sixty (60) days before the day on which the Member Meeting is to be held; or
 - (b) By telephonic, electronic or other communication facility to each member entitled to vote at the Member Meeting, during a period of twenty-one (21) to thirty-five (35) days before the day on which the Member Meeting is to be held.
- 13.2 Pursuant to subsection 197(1) (Fundamental Change) of the Act, a Special Resolution is required to make any amendment to the By-laws of CK Net to change the manner of giving notice to members entitled to vote at the Member Meeting.

ARTICLE 14 -MEMBERS CALLING A MEMBER MEETING

- 14.1 The Board shall call a Special Member Meeting in accordance with Section 167 of the Act, on written requisition of members carrying not less than 5% of the voting rights. If the Directors do not call a Special Member Meeting within twenty-one (21) days of receiving the requisition, any member who signed the requisition may call the Special Member Meeting.

ARTICLE 15 -ABSENTEE VOTING AT MEMBER MEETINGS

- 15.1 A member may, by means of proxy, appoint an individual who must be a member, to attend and act at a Member Meeting in the manner and to the extent authorized and with the authority conferred by such proxy. A proxy shall be in writing executed by the member or his attorney authorized in writing and shall conform with the requirements of the Act. A proxy is valid only at the Member Meeting in respect of which it is given or at any adjournment thereof and may be revoked in accordance with the provisions of this Act.
- 15.2 Pursuant to subsection 197(1) (Fundamental Change) of the Act, a Special Resolution is required to make any amendment to the By-laws of CK Net to change this method of voting by members not in attendance at a Member Meeting.

ARTICLE 16 -PLACE OF MEMBER MEETING

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

ARTICLE 17 -PERSONS' ENTITLED TO BE PRESENT AT MEMBER MEETINGS

- 17.1 The only persons entitled to be present at a Member Meeting shall be those entitled to vote at the Member Meeting, the Directors and the public accountant of CK Net and such other persons who are entitled or required under any provision of the Act, Articles or By-laws of CK Net to be present

at the Member Meeting. Any other person may be admitted only on the invitation of the chair of the Member Meeting or by Ordinary Resolution of the members present at the Member Meeting.

ARTICLE 18 -CHAIR OF MEMBER MEETINGS

- 18.1 In the event that the president of the Board is absent, the members who are present and entitled to vote at the Member Meeting shall choose by simple majority one of their number to chair the Member Meeting.

ARTICLE 19 -QUORUM AT MEMBER MEETINGS

- 19.1 No business shall be transacted at a Member Meeting unless the requisite quorum is present at the commencement of the Member Meeting. Quorum at a Member Meeting shall be a majority of the members, as of the date of the Member Meeting

ARTICLE 20 -VOTES TO GOVERN AT MEMBER MEETING

- 20.1 At any Member Meeting 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 the 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 Member Meeting shall not be entitled to a second or casting vote.

ARTICLE 21 -PARTICIPATION BY ELECTRONIC MEANS AT MEMBER MEETING

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

ARTICLE 22 -DISCIPLINE OF MEMBERS

- 22.1 The Board shall have authority to suspend or expel any member from CK Net for any one or more of the following grounds:
- (a) Violating any provision of the Articles, By-laws, or written policies of CK Net;
 - (b) Carrying out any conduct which may be detrimental to CK Net, 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 CK Net.

- 22.2 In the event that the Board determines that a member should be expelled or suspended from membership in CK Net, the president, or such other officer as may be designated by the Board, shall provide twenty (20) days notice of the suspension or expulsion to the member, and shall provide reasons for the proposed suspension or expulsion. The member may make written submissions to the president, 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 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 CK Net. 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.

ARTICLE 23 -TERMINATION OF MEMBERSHIP

- 23.1 A membership in CK Net 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) CK Net is liquidated and dissolved under the Act.

ARTICLE 24 -EFFECT OF TERMINATION OF MEMBERSHIP

- 24.1 Subject to the Articles, upon any termination of membership, the rights of the member, including any rights in the property of CK Net, automatically cease to exist.

ARTICLE 25 -BOARD OF DIRECTORS

- 25.1 The Board shall consist of such a number of persons as the Board may determine from time to time, provided that there shall be not less than three (3) and no more than seven (7) Directors at any given time. Directors must be individuals, eighteen (18) years of age, with power under law to contract.
- 25.2 75% or more of the Board and officers (collectively the "Executive") must be members of CK Net (i.e. appointed from CK Net's volunteer base), a maximum of 25% of the Executive may be non-members.

ARTICLE 26 -TERM OF OFFICE OF DIRECTORS

- 26.1 The Directors shall be elected to hold office for a term of one (1) year.
- 26.2 The Directors shall be elected by CK Net's members at an annual Member Meeting by Ordinary Resolution.

26.3 The office of director shall be automatically vacated:

- (a) If a director has resigned his office by delivering a written resignation to the secretary of the CK Net;
- (b) If he is found by a court to be of unsound mind;
- (c) If he becomes bankrupt or suspends payment or compounds with his creditors;
- (d) If at a Special Members Meeting, a resolution is passed by a majority of the members present at the Special Members Meeting that he be removed from office;
- (e) If the Director is absent for three (3) consecutive Board Meetings, without having obtained the Board of Directors prior approval; or
- (f) On death

Provided that if any vacancy shall occur for any reason in this paragraph contained, the Board by majority vote, may, by appointment, fill the vacancy with a member of the CK Net until the next annual Member Meeting.

ARTICLE 27 -CALLING BOARD MEETINGS

27.1 Board Meetings may be called by the President of the Board, or any two (2) Directors at any time.

ARTICLE 28 -QUORUM AT BOARD MEETINGS

28.1 Quorum at a Board Meetings shall be the majority of the Directors that comprise the Board of Directors, as of the date of the Board Meeting. Despite any vacancy among the Directors, a quorum of Directors may exercise all the powers of the Directors.

ARTICLE 29 -NOTICE OF BOARD MEETINGS

29.1 Notice of the time and place of each Board Meeting shall be given to each Director verbally, or in writing, by telephone or facsimile or any other means of communication, not less than forty-eight (48) hours before the time when the Board Meeting is to be held.

29.2 A notice of the Board Meeting shall specify such matters to be dealt with at the Board Meeting as are required by the Act to be specified therein, but need not specify the purpose or of the business to be transacted at the Board Meeting. A Director may in any manner and at any time waive notice or of otherwise consent to a Board Meeting.

ARTICLE 30 -VOTES TO GOVERN BOARD MEETINGS

30.1 At all Board Meetings, every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the President of the Board Meeting shall not be entitled to a second or casting vote.

ARTICLE 31 -PARTICIPATION BY ELECTRONIC MEANS AT BOARD MEETING

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

ARTICLE 32 -COMMITTEES OF THE BOARD

- 32.1 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.

ARTICLE 33 -APPOINTMENT OF OFFICERS

- 33.1 The Board may designate the offices of the CK Net, 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 CK Net. A Director may be appointed to any office of CK Net. 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.

ARTICLE 34 -DESCRIPTION OF OFFICES

- 34.1 Unless otherwise specified by the Board (which may, subject to the Act modify, restrict or supplement such duties and powers), the offices of CK Net, if designated and if officers are appointed, shall have the following duties and powers associated with their positions:
- (a) **President** – The President, shall be a Director and be the chair of all Board meetings. The President, shall, when present, be chair at all Member Meetings. The President shall have such other duties and powers as the Board may specify;
 - (b) **Secretary** – If appointed, the Secretary shall attend and be the Secretary of all Board Meetings, Member Meetings and Board Committee Meetings. The Secretary shall enter or cause to be entered in CK Net’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 CK Net;

- (c) Treasurer – If appointed, the Treasurer shall have such powers and duties as the Board may specify; and
 - (d) Administrator – in the event CK Net desires to appoint one person to be responsible for the duties and powers associated with both Secretary and Treasurer, this person shall be known as the “Administrator”.
- 34.2 The powers and duties of all other officers of CK Net shall be such as the terms of their engagement call for or the Board or president 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 officer.

ARTICLE 35 -VACANCY IN OFFICE

- 35.1 In the absence of a written agreement to the contrary, the Board may remove, whether for cause or without cause, any officer of CK Net. 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.
- 35.2 If the office of any officer of CK Net shall be or become vacant, the Directors may, by Ordinary Resolution, appoint a person to fill such vacancy.

ARTICLE 36 -METHOD OF GIVING NOTICE

- 36.1 Any notice (which term includes any communication or document), other than notice of a Member Meeting or a Board Meeting, to be given (which terms 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 CK Net, or in the case of notice to a Director to the latest address as shown in the last notice that was sent by CK Net in accordance with section 128 (Notice of directors) or 134 (Notice of change of directors) of the Act;
 - (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.
- 36.2 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 CK Net to any notice or other document to be given by CK Net may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

ARTICLE 37 -LIMITATIONS ON LIABILITY AND INDEMNIFICATION

- 37.1 Every Director and officer in exercising his or her powers and discharging his or her duties shall act honestly and in good faith with a view to the best interests of CK Net and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. No Director or officer is liable for the acts, omissions or defaults of any other Director or officer or an employee, or for any loss, damage or expense happening to CK Net through the insufficiency or deficiency of title to any property acquired for or on behalf of CK Net, or for the insufficiency or deficiency of any security in or on which any of the money of CK Net shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous or criminal acts of any person with whom any of the money, securities or effects of CK Net shall be deposited, or for any loss occasioned by any error of judgment, or oversight on his or her part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his or her office or in relation to it.
- 37.2 Each and every Director and officer of CK Net shall be deemed to have assumed office on the express condition that every such Director or officer, or such Director's or officer's respective heirs, executors, administrators and estate shall at all times be indemnified and saved harmless out of the funds of CK Net against all costs (including legal costs on a solicitor and his own client basis), charges and expenses including any amount paid to settle an action or satisfy a judgment which such Director or officer sustains or incurs in any civil, criminal or administrative action or proceeding which is brought or prosecuted against such Director or officer in respect of any act or matter done or permitted by such Director or officer to be done in the execution of the duties of the office of such Director or officer, and also all costs, charges and expenses which such Director or officer may sustain or incur in relation to the affairs of CK Net, provided such Director or officer acted honestly and in good faith with a view to the best interests of the CK Net and such Director or officer had reasonable grounds for believing that the conduct was lawful.
- 37.3 The Board of Directors is authorized to purchase and maintain Directors and officers' liability insurance for the benefit of the Directors and officers of CK Net.

ARTICLE 38 -INVALIDITY OF ANY PROVISION OF THIS BY-LAW

- 38.1 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.

ARTICLE 39 -OMISSIONS AND ERRORS

- 39.1 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 CK Net 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 Member Meeting or Board Meeting to which the notice pertained or otherwise founded on such notice.

ARTICLE 40 -MEDIATION AND ARBITRATION

- 40.1 Disputes or controversies among members, Directors, officers, committee members, or volunteers of CK Net are, as much as possible, to be resolved in accordance with mediation and/or arbitration as provided in the section on dispute resolution mechanism of this By-law.

ARTICLE 41 -DISPUTE RESOLUTION MECHANISM

- 41.1 In the event that a dispute or controversy among members, Directors, officers, committee members or volunteers of CK Net arising out of or related to the Articles or By-laws, or out of any aspect of the operations of CK Net is not resolved in private meetings between the parties then without prejudice to or in any other way derogating from the rights of the members, Directors, officers, committee members, employees or volunteers of CK Net as set out in the Articles, By-laws or the Act, and as an alternative to such person instituting a law suit or legal action, such dispute or controversy shall be settled by a process of dispute resolution as follows:
- 41.2 The dispute or controversy shall first be submitted to a panel of mediators whereby the one party appoints one mediator, the other party (or if applicable the Board of CK Net) appoints one mediator, and the two mediators so appointed jointly appoint a third mediator. The three mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties;
- (a) The number of mediators may be reduced from three (3) to one (1) or two (2) upon agreement of the parties;
 - (b) If the parties are not successful in resolving the dispute through mediation, then the parties agree that the dispute shall be settled by arbitration before a single arbitrator, who shall not be any one of the mediators referred to above, in accordance with the provincial or territorial legislation governing domestic arbitrations in force in the province or territory where the registered office of CK Net is situated or as otherwise agreed upon by the parties to the dispute. The parties agree that all proceedings relating to arbitration shall be kept confidential and there shall be no disclosure of any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law.
 - (c) All costs of the mediators appointed in accordance with this section shall be borne equally by the parties to the dispute or the controversy. All costs of the arbitrators appointed in accordance with this section shall be borne by such parties as may be determined by the arbitrators.

ARTICLE 42 -DISSOLUTION

- 42.1 CK Net shall not be dissolved except by Special Resolution of the members at a Members Meeting of which not less than twenty-one (21) calendar days' notice specifying the intention to propose the resolution has been given. When the registrar has accepted the surrender of the certificate of incorporation and cancelled it, and fixed a date from which CK Net shall be dissolved, any assets remaining at such date shall be distributed to Legion of Christ, Canada.

ARTICLE 43 -BY-LAWS AND EFFECTIVE DATE

- 43.1 Subject to the Articles, the Board may, by Ordinary Resolution, make, amend or repeal any By-laws that regulate the activities or affairs of CK Net. Any such By-law, amendment or repeal shall be effective from the date of the Ordinary Resolution of Directors until the next Member Meeting, where it may be confirmed, rejected or amended by the members by Ordinary 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 Member Meeting or if it is rejected by the members at the Member Meeting.
- 43.2 This section does not apply to a By-law that requires a Special Resolution of the members according to subsection 197(1) (fundamental change) of the Act, as such By-law amendments or repeals are only effective when confirmed by members.