

**CRANE MOUNTAIN ENHANCEMENT INC.
GENERAL BY-LAW NO.1**

ARTICLE 1 DEFINITIONS

1.01 These terms shall be defined as follows

- a) "Act" means the Clean Environment Act (New Brunswick) as subsequently amended or re-enacted and includes Regulations and Orders-In Council made pursuant thereto:
- b) "By-Law" means any by-law of the Company from time to time in force and effect.
- c) "President", "Vice-President", "Secretary", "Treasurer" or any other officer means such officer of the Company.
- d) "Company" means CRANE MOUNTAIN ENHANCEMENT INC. established pursuant to the Companies Act.
- e) "employee" means any employee of the company
- f) "Fundy Region" means the area including the City of Saint John, the Towns of Grand Bay-Westfield, South Bay, Hampton, Quispamsis and Rothesay, the Villages of Browns Flat, St. Martins, and the Local Service Districts of Greenwich, Hampton Parish, Kingston, Musquash, Nauwigewauk, Rothesay Parish, Saint John Parish, St. Martins Parish, Simonds and Westfield-West
- g) "member" means any member of the Host Community who becomes a Member of the Company under the authority of the By-laws.
(2006-April 25 A.G.M.)
- h) "Minister" means the Minister of the Environment (New Brunswick); and
- i) "Officer" means any person appointed by the Company to exercise an official capacity on behalf of the Company

- j) "Host Communities" means the area including Grand Bay-Westfield and that portion of the City of Saint John extending from the southern boundary of Grand Bay-Westfield to a line drawn of right angle to the end of the sewer line located at the South Bay Bridge in South Bay.
- k) "Director" means any member of the Company elected as a Director of the Company.
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ARTICLE 2 GENERAL MATTERS

2.01 Objects and Purposes of the Company

1. To establish, maintain and operate a community environmental monitoring organization to study, monitor, investigate and assist the Fundy Region Solid Waste Commission (the "Commission") in its operation of Crane Mountain Sanitary Landfill.
2. To plan for the future of the Crane Mountain site.
3. To investigate and assess the environmental impact of the Crane Mountain site.
4. To determine the distribution and use of the Host Community Enhancement funds flowing from the Fundy Region Solid Waste Commission.
5. To assist in direction other benefits flowing from the Crane Mountain site, including recreational, educational and aesthetic benefits.
6. To advise on and monitor the composting operations on and off the Crane Mountain site.
7. To establish its rules of procedure and to determine the size and composition of the Host Community which it represents and to fix the boundaries of such Host Community.

2.02 Head Office

The head office of the Company shall be at 10 Crane Mountain Road, in the City of Saint John, in the County of Saint John and Province of New Brunswick

2.03 Seal

The Seal, an impression whereof is stamped in the margin hereof, shall be the seal of the Company.

2.04 Financial Year

The Company may, by resolution, fix the financial year of the Company and may from time to time, by resolution, change the financial year of the Company. The financial year shall be the period of November 1st to October 31st of each and every year.

2.05 Execution of Documents

Instruments in writing requiring execution by the Company may be signed on behalf of the Company jointly by any two of the President, the Vice-President, the Secretary or the Treasurer and all instruments in writing so signed shall be binding upon the Company without any further authorization or formality. The Company may, from time to time, by resolution, appoint any officer or officers or member or members or any other person or persons on behalf of the Company either to sign the instruments in writing generally or to sign specific instruments in writing.

2.06 Resolutions in Writing

A resolution in writing signed by all the members entitled to vote on that resolution at a meeting of the Company as valid as if it had been passed at a meeting of the Company.

ARTICLE 3 MEMBERSHIP

3.01 Members

Members of the Company shall be the respective applicants for the incorporation of the Company until their resignations have been accepted, and such other qualified persons as shall reside in, own real property in the Host Communities.

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3.02 Ceasing to Hold Membership

A member shall cease to hold such office when he/she dies or resigns or is removed or replaced pursuant to the provisions of the By-law.

Any member who misses three consecutive meetings without notification of regret will have his or her membership suspended. A suspension of membership shall be lifted upon approval of the Company.

ARTICLE 4 DIRECTORS (sometimes referred to as the "COUNCIL")

4.01 Directors

- (a) The affairs of the Company shall be managed by a Board of twelve (12) directors (the "Council") who shall exercise all such powers and do all such acts and things as may be exercised or done by the Company and which are not by the By-laws of the Company or by statute, expressly directed or required to be done by the Company at a general meeting of members.
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- (b) Every Director shall be nineteen or more years of age and shall be a member of the Company.
- (c) At the Annual General Meeting for 2006, twelve (12) Directors shall be elected from the Members at that meeting and such Directors after their election shall arbitrarily determine which six (6) Directors shall hold office for one year and which six (6) Directors shall hold office for a two year period, until others are elected in their place. At the Annual General Meeting for 2007, and thereafter, six (6) Directors shall be elected annually from the Members and shall retain office for a two year period or until others are elected in their place. Vacancies occurring on the Board of Directors between annual meetings may be filled by

appointment by a majority of the remaining Directors of the Company, present and voting at a meeting of the Directors.
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- d) The office of a Director of the Company shall be vacated:
 - (a) If he is adjudged bankrupt, makes an assignment to his creditors or is declared insolvent;
 - (b) If he is found to be mentally incompetent;
 - (c) If he is convicted of any indictable criminal offence;
 - (d) If by notice in writing to the Company he resigns his office;
 - (e) If he dies or ceases to be a member;
 - (f) If he misses three (3) consecutive meetings without notification of regret.

Vacancies occurring in the Board of Directors because of Article 4.01 d) may be filled by appointment by majority of the remaining Directors of the Company present and voting at the meeting of the Directors. A Director whose position is vacated pursuant to 4.01d)(f) hereof, may be reappointed by such remaining Directors of the Company.
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ARTICLE 5 POWER TO BORROW

5.01 Banking

The banking business of the Company shall be transacted with such banks as may from time to time be designed by or under the authority of the Company. Such banking or business or any part thereof shall be transacted under such agreements, instructions, and delegations of powers as the Company may from time to time prescribe by resolution.

5.02 Power to Borrow

The Company may, in accordance with the provisions of the Act, from time to time:

a) borrow money on the credit of the Company, and

b) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Company owned or subsequently acquired, to secure any debt obligation of the Company.

5.03 Delegation of Power to Borrow

The Company may, by resolution, once it has approved any borrowing in accordance with the requirements of the By-law, delegate all or any powers conferred on them by Section 5.02 hereof, to a member or members, a committee of the Company or any officer or officers of the Company.

5.04 Cheques, Drafts, Notes, Etc.

All cheques, drafts, notes or orders for payment of money and all notes, acceptances and bills of exchange shall be signed by such officer or officers of the Company and in such manner as the Company may direct from time to time by resolution.

5.05 Custody of Securities

All securities owned by the Company shall be lodged in the name of the Company with a chartered bank or a trust company or in a safety deposit box or, if so authorized by resolution, with such other depositories or in such other manner as may be determined from time to time by the Company.

ARTICLE 6 MEETINGS OF THE COUNCIL

6.01 Place of Meetings

The meetings of the Council may be held at any place within the Fundy Region designated by the Council.

6.02 Regular Meetings

The Council may, by resolution, fix a day or days of each month for the holding of regular meetings of the Council at a time and place specified in such resolution.

Subsequent to the making of such resolution, no notice shall be required for any such regular meeting.

6.03 Special Meetings

A special meeting of the Council may be called at any time by the President, or in the absence of the President, by a Vice-President upon two (2) days (exclusive of Saturdays and holidays) notice by telephone or fax to members. A special meeting of the Council may also be called by the Secretary at the request of at least five (5) members of the Council upon two (2) days (exclusive of Saturdays and holidays) notice by telephone or fax to members. A request for a special meeting shall state the purpose for which such meeting is to be held.

6.04 Waiver of Notice

Notice of any meeting or any irregularity in the giving of such notice may be waived by a member. The accidental omission to give notice of any meeting or the non-receipt of any notice by any member or members shall not invalidate any resolution passed or any proceedings taken at any meeting.

6.05 Participation by Telephone

Where all the members have consented thereto, any member may participate in a meeting of the Council or of the Executive Committee by means of such telephone or other communications facilities as permit all persons participating in the meeting to hear each other. A member participating in such meeting by such means shall be deemed to be present at the meeting for purposes of this By-law.

6.06 Chairperson of the Meetings

Meetings of the Council shall be chaired by the President or a Vice-President of the Company. In the absence of the President or a Vice-President, the members present will choose from their number a person to act as the Chairperson of the meeting.

6.07 Conduct of Meetings

The meetings of the Council shall be conducted in an open manner in order to promote a full and fair discussion without undue or unnecessary formality. In the event a

question relating to procedure arises, Procedures for Meetings and Organizations, by M.K. Kerr and H.W. King, Carswell Legal Publications, Toronto, 3rd Edition, 1996, or later editions shall govern the Commission in all procedural matters not otherwise covered by this or any other By-law or Provincial statute.

6.08 Quorum

A quorum for any meeting of the Council shall be 25% of the members of the Council, including two members of the executive, who, at the time of the meeting, hold an appointment to the Council in accordance with the By-law. No business shall be transacted at a meeting of the Council unless a quorum is entitled to vote.

6.09 Voting

- a) All questions, except those dealt with in subsection (b) below, arising at any meeting of the Council shall be decided by a majority of votes (including the vote of the Chairperson), provided that in the case of a tie vote the motion shall fail.
- b) A motion to approve an annual budget for the Company, to approve the borrowing of money, or to elect an executive officer of the Company shall not pass unless at least two-thirds of the members of the Company present vote in favour.
- c) A member of the Council shall not be entitled to vote by proxy at a meeting of the Council. Each member will only represent herself or himself.
- d) Members of the Company who also hold a position in the Commission are not entitled to vote on Company questions.

6.10 Public Meetings

The Company may, by resolution, designate any meeting of the Company as a public meeting and invite members of the public and the media to attend as observers.

6.11 Annual Meeting

An annual meeting to elect officers of the Company shall be held at such time of the year not later than six (6) months from the end of the last fiscal year as the Company, by resolution, may determine.

6.12 Notice of Annual Meeting

A notice of an annual meeting shall be publicly advertised at least two (2) weeks in advance of the date set for the annual meeting.

6.13 Order of Business of an Annual Meeting

At an annual meeting of the Company the order of business shall be as follows (subject to the discretion of the Chairperson to adjust such order to facilitate the matters to be considered by the meeting):

- 1) call to order;
- 2) tabling the notice calling the meeting and furnishing proof that such notice was duly given and that a quorum is present;
- 3) presentation of the minutes of the last annual meeting;
- 4) presentation of the President's Annual Report;
- 5) presentation of the audited financial statement;
- 6) appointment of the auditor;
- 7) approval or confirmation of the enactment, repeal, amendment or re-enactment of any By-law;
- 8) election of Directors;
- 9) appointment of committees and/or advisory bodies;
- 10) other business; and
- 11) adjournment.

6.14 Deleted

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6.15 Nominating Committee

At least two (2) months prior to the annual meeting the Company will appoint a Nominating Committee consisting of a chairperson and not less than two (2) other members to bring forth a list of members of the Company who agreed to stand for election as Directors. This will not prevent other Directors from being nominated from the floor at the time of the meeting. The Nominating Committee will also bring forth a list of members of the Company who have agreed to stand for election to the offices of President, Vice-President, Secretary and Treasurer and any other offices established by the Company and present such list to the Directors at any meeting called for the purpose of election of officers, which meeting will be held as soon as practical after the Annual General Meeting. The Nominated Committee shall, if requested by the Directors, establish a list of the proposed committee or advisory body chairpersons and members for such committee or advisory bodies, if any, that the Directors may wish to establish or appoint in accordance with these By-Laws.
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ARTICLE 7 THE OFFICERS OF THE COMPANY

7.01 The Officers of the Company

In addition to the President, Vice-President, Secretary and Treasurer, the Company may from time to time, by resolution, establish such offices and appoint such other officers as the Company determines to be necessary or advisable in the interests of the Company. Officers of the Company shall have such authority and shall perform such duties as are hereinafter specified or as may from time to time be prescribed by resolution of the Company

7.02 Delegation of Duties of Officers

In case of the absence or the inability to act of the President, Vice-President, Secretary or Treasurer, or of any other officer of the Company, or for any other reason that the Company may deem sufficient, the Company may, by resolution, delegate the powers of such officer to any other member of the Company for a specified time.

7.03 President of the Company

The President shall, if present, preside at all meetings of the Company and the Council. He/she shall sign all instruments which require his/her signature and shall perform such duties incident to his/her office, and shall have such other powers and duties as may from time to time be assigned to him/her by resolution of the Company

7.04 Vice-Presidents (two)

During the President's absence or inability or refusal to act, the President's duties may be performed and his/her powers may be exercised by a Vice-President. The Vice-President shall also perform such duties and exercise such powers as may from time to time be prescribed by resolution of the Company.

7.05 Secretary

The Secretary shall enter or cause to be entered in the books kept for that purpose, minutes of all proceedings of meetings of the Company, the Executive Committee and all other committees of the Company. The Secretary shall perform such other duties as may from time to time be prescribed by resolution of the Company.

7.06 Treasurer

The Treasurer shall have the care and custody of all the funds and securities of the Company and shall deposit or cause to be deposited the same in the name of the Company in such bank or banks or with such depository or depositories as the Company may, by resolution, direct. The Treasurer shall at all reasonable times exhibit his/her books and accounts to any member of the Company upon request at the offices of the Company during business hours. The Treasurer shall sign or countersign such instruments as require his/her signature and shall perform all duties incident to his/her office or that are properly required of him/her by resolution of the Company.

7.07 General Manager

The Company may, from time to time, appoint by resolution, a General Manager who shall have such powers to manage the business of the Company as may from time to time be prescribed by resolution of the Company. The General Manager need not be a member of the Company

7.08 Vacancies

If the office of any officer of the Company shall for any reason be or become vacant the Company may, by resolution and subject to the By-laws, appoint a person to fill such vacancy for the remaining term of the officer being replaced.

7.09 Variation of Duties

Notwithstanding the foregoing, the Company may, from time to time and by resolution, vary, add to, or limit the powers and duties of an office or of an officer occupying any office of the Company.

ARTICLE 8 EXECUTIVE COMMITTEE, SPECIAL COMMITTEES, ADVISORY BODIES

8.01 Executive Committee

- a) There shall be an Executive Committee composed of the President, Vice President(s), Secretary and Treasurer who shall all be members of the Company and elected pursuant to these By-laws, and such other officers or committee chairpersons as the Company may, by resolution, decide. The Company may, by resolution, delegate to the Executive Committee any powers of the Company, subject to such restrictions as may be imposed from time to time by resolution by the Company and subject to the limits of authority imposed by the By-laws.
- b) The Executive Committee shall be responsible to the Company for the day to day management of the Company's administrative, operational and business affairs.
- c) The Executive Committee shall report regularly to the Company concerning its activities and respond promptly to requests for information or clarification of its activities posed by the Company. Minutes of meetings of the Executive Committee shall, after their approval by the committee, be provided to a meeting of the Company for the information of members.

- d) The meetings and proceedings of the Executive Committee shall be governed by the provisions of these By-laws for regulating meetings and proceedings of the Company so far as the same are applicable thereto and are not superseded by any regulations or restrictions made or imposed by the Company or the provisions of the By-laws.
- e) The meetings of the Executive Committee shall be convened at the direction of the President or at the request of any two (2) members of the Executive Committee.

8.02 Special Committees and Advisory Bodies

- a) The Company may, by resolution, appoint one or more special committees composed of members and/or non-members of the Company and may, by resolution, delegate to any such committee any of the powers of the Company subject to such restrictions as may be imposed from time to time by resolution of the Company and subject to the limits of authority contained in the Act.
- b) The Company may establish from time to time, by resolution, such advisory bodies composed of members or non-members of the Company as it deems necessary.
- c) The Company shall appoint a chairperson for each special committee and advisory body that it creates. Such chairperson need not be a member of the Company.
- d) Unless otherwise determined by the Company, each special committee or advisory body chairperson shall determine the membership of his/her committee or advisory body. The term of all committee or advisory body members shall expire on the earlier of (i) the date of the next annual meeting of the Company following their appointment, or (ii) the date that the terms of the committee or advisory body chairperson ends through replacement or retirement. All committee or advisory body members are eligible for reappointment.
- e) Each special committee and advisory body shall have the power to fix its quorum at not less than a majority and to otherwise regulate its procedures provided that minutes of proceedings of such committees and bodies shall be

maintained and provided to the Executive Committee and, if requested, to all members of the Company for their information.

ARTICLE 9 PROTECTION OF MEMBERS AND OFFICERS

9.01 Limitation of Liability

Every member, officer and committee or advisory body member of the Company in exercising his/her powers and discharging his/her duties shall act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no member, officer or committee or advisory body member of the Company shall be liable for the acts, or defaults of any other member, officer or committee or advisory body member or employee of the Company or for joining in any act for conformity, or for any loss, damage or expense happening to the Company through the insufficiency or deficiency of title to any property acquired for or on behalf of the Company or for the insufficiency or deficiency of any security in or on which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous acts of any person with whom any of the moneys, securities or effects of the Company shall be deposited, or for any loss occasioned by error of judgment or oversight on his/her part, or for any other loss, damage, misfortune which shall happen in the execution of his/her duties on behalf of the Company provided that nothing herein shall relieve any member, officer or committee or advisory body member of the Company from the duty to act in accordance with the By-laws or from liability for any breach thereof.

9.02 Indemnity

The Company shall indemnify a member, officer or committee or advisory body member or a former member, officer or committee or advisory body member, or his/her heirs and legal representatives, against all costs (including legal costs on a solicitor and client basis), charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him/her in respect of any civil, criminal or administrative action or proceeding to which he/she is made a party by reason of occupying such a position or otherwise having acted on behalf of the Company if:

- a) he/she acted honestly and in good faith with a view to the best interests of the Company and
- b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he/she had reasonable grounds for believing that his/her conduct was lawful. Nothing in these By-laws shall limit the right of any person entitled to indemnity to claim indemnity apart from the provision of these By-laws.

9.03 Insurance

The Company must maintain insurance for the benefit of any person referred to in Section 8.02 against any liability incurred by him/her in his/her capacity as a member, officer or committee or advisory body member of the Company.

ARTICLE 10 CONFLICTS OF INTEREST

10.01 Disclosure of Interest

- a) in addition to the conflict of interest provisions contained in the Act which specifically prohibit members from being employed by, contracting with, acting as agent for or otherwise providing goods or services to the Company while holding office who is a party to a contract or proposed contract with the Company, or
- b) is a director or an officer of, or has an interest in any person who is a party to a contract or proposed contract with the Company shall disclose in writing to the Company or request to have entered in the minutes of the meeting of the Company, the Executive Committee, other committee or advisory body, the nature and extent of his/her interest. Notwithstanding the foregoing, if an existing or proposed contract would violate the conflict of interest provisions of the By-laws, the Company shall terminate or not proceed with the contract, whichever the case may be.

10.02 Time of Disclosure

The disclosure required by Section 10.01 hereof shall be made:

- a) at the meeting at which a proposed contract is first considered;
- b) if the person concerned was not then interested in a proposed contract, at the first meeting after he/she becomes so interested; or
- c) if the person concerned becomes interested after contract is made, at the first meeting after he/she becomes so Interested.

10.03 Voting by Interested Member or Officer of the Company

A member or officer of the Company referred to In Section 10.01 hereof shall excuse themselves from the discussion of such a contract and neither participate in the discussion nor vote on any resolution to approve the contract in question.

10.04 Nature of Disclosure

For the purposes of this Section, a general notice to the Company by a member, officer, committee or advisory body member or employee of the Company declaring that he/she is a director or officer of, or has an interest in a person and is to be regarded as interested in any contract made with that person, is a sufficient declaration of interest in relation to any contract so made.

ARTICLE 11 ENACTMENT, REPEAL AND AMENDMENT OF BY-LAWS

11.01 By-laws

By-laws of the Company may be enacted, repealed, or amended by a resolution supported by a majority of members of the Company at a meeting of the Company duly called for the purpose of considering such a By-law. If such enactment, repeal or amendment does not occur by resolution passed at an annual meeting as described in Article 5, although the resolution will take effect from the date of the meeting at which it is passed, the Company shall confirm and ratify such resolution at the next annual meeting.

ARTICLE 12 REIMBURSEMENT OF EXPENSES AND REMUNERATION

12.01 Reimbursement of Expenses

Members, officers and committee or advisor body members of the Council shall be reimbursed for their out-of-pocket expenses incurred in attendance at any meetings of the Council, the Executive Committee, special committees or advisory bodies or otherwise in respect of the performance by them of their duties. Reimbursement of such expenses shall be paid on the basis of procedures and at rates as established, or revised, by resolution of the Council. The intent of this provision is to defray expenses incurred as a result of attending meetings where unusual travel expenses occur. Each instance shall be approved by the Executive Committee in advance of the incurrance of such expenses.

12.02 Remuneration

Members and offices of the Council and committee or advisory body members shall not be paid an honorarium for attendance at meetings of the council, the Executive Committee, special committees or advisory bodies or otherwise in respect of the performance by them of their duties.

ARTICLE 13 COUNCIL RECORDS AND INFORMATION

13.01 Keeping Council Records

The Council shall prepare and maintain, at its registered office or at any other place designated by resolution of the council adequate accounting records and records containing minutes of meetings and resolutions of the Council and any committee or advisory body thereof. The records described in this section shall, at all reasonable times, be open to inspection by the members of the Council. Copies of the minutes and records of the Council meetings will be filed in the local library and be available for public inspection.

ARTICLE 14 CONFIDENTIALITY OF COUNCIL BUSINESS

14.01 Confidentiality

- (a) Due to the controversial and emotional nature of waste management planning, it is important that information and issues under consideration by the Council be kept confidential until such time as that information and those issues are officially tabled for discussion by the Council;
- (b) After issues are tabled for discussion, Council members should prudently communicate and discuss such information and issues in order to obtain guidance and direction prior to a vote being taken by the Council;
- (c) Committees are mandated to evaluate various issues and recommend alternatives for consideration by the Council in this specific capacity, committee members are representing the council in carrying out an assessment of confidential and often sensitive information and issues. Any outside discussion of this information, should it be justified, should be on a specific "need-to-know" basis. Any opinions on these matters which are prematurely released by committee members prior to their being tabled for discussion by the Council would not necessarily reflect the findings, opinions or ultimately the decision of the Council. Council members are strongly urged to respect the importance of a certain degree of confidentiality in their carrying out of the affairs of the Council.

ARTICLE 15 PUBLIC COMMUNICATION

15.01 Communication

The Council will have a designated official spokesperson or persons who will speak to the press on behalf of the Council. This spokesperson shall be the Chairperson or such other person or persons as may be appointed by resolution of the Council or any committee of the Council established for the purpose of overseeing communications.

15.02

The Council will submit an annual assessment of the landfill operation to the Commission and NBDOE. This assessment shall be made at the end of each fiscal year.