

THE SOCIETIES ACT APPLICATION

WE, the undersigned, hereby declare that we desire to form a society under *The Societies Act*, R.S.A., 2000, c. S-14, as amended, and that:

1. The name of the Society is "THE ALBERTA WATER COUNCIL ASSOCIATION" (the "Society").
2. The objects of the Society are to:
 - a) Develop, recommend and advise on policies to ensure integrated and comprehensive support for effective watershed management systems in Alberta;
 - b) Advocate for and catalyze improvements to Alberta's watershed management systems;
 - c) Identify priority water knowledge and research needs in Alberta and advocate that these needs be met;
 - d) Support and enhance the effectiveness of local and regional watershed groups;
 - e) Influence Albertans and sectors to improve their water management practices and performance;
 - f) Guide, assess and report on the effectiveness of the implementation of the *Water for Life* strategy;
 - g) Act in any capacity under any legislation, regulations or Ministerial Order delegating authority to the Society;
 - h) Enter into any arrangements with any authorities, industry participants, or otherwise which are conducive to the attainment of the objects of the Society or any of them, and to obtain from any such authority any rights, privileges, and concessions which the Society determines is desirable to carry out, exercise and comply with such arrangements, rights, privileges and concessions;
 - i) Receive, sell, manage, invest, lease, mortgage, dispose of or otherwise deal with the property of the Society.

DATED this 18th day of September, 2007

Witness	Name of Incorporator	Signature	Address
Lorie Wagner Lorie Wagner Lorie Wagner	BILL BERZINS	BILL BERZINS Bill Berzins Bill BERZINS	Fossil Water Corporation 240 CANTERBURY CT SW CALGARY T2W 6R3
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ALBERTA WATER COUNCIL ASSOCIATION BYLAWS

ARTICLE I: INCORPORATION

1.01 DEFINITIONS. In these Bylaws, unless the context otherwise requires:

- (a) “Act” means the *Societies Act* being Chapter S-14 of the Revised Statutes of Alberta, 2000, as amended from time to time, or any statute or statutes substituted therefore;
- (b) “Board of Directors”, or “Board” means the Board of Directors from time to time of the Society;
- (c) “Society” means ALBERTA WATER COUNCIL ASSOCIATION;
- (d) “Member” means any Industry member, Non-government organization member, Government member, or a member of the Government of Alberta and Provincial Authorities that is accepted in accordance with section 3.02, 3.03, 3.04, 3.05, or 3.06;
- (e) “Consensus” means unanimous consent of all members or directors in attendance at a duly called and constituted meeting;
- (f) “Member Group” means any one of the member groups described in articles 3.02, 3.03, 3.04 or 3.05.

Words importing the singular gender include the plural and vice versa; words importing gender include the masculine, feminine and neuter genders; and words importing persons include individuals, bodies corporate, partnerships, trusts and unincorporated organizations.

The headings used throughout these Bylaws are inserted for reference purposes only, and are not to be considered or taken into account in construing the terms or provisions of any Article not to be deemed in any way to qualify, modify or explain the effect of any such terms or provisions.

ARTICLE II: CORPORATE SEAL

2.01 CORPORATE SEAL. The corporate seal of the Society shall be in the form as approved by the Board of Directors from time to time. The corporate seal shall be kept in the custody of the Secretary-Treasurer or nominee of the Society, and shall not be affixed to any documents except by authority of the Board of Directors.

ARTICLE III: MEMBERSHIP

3.01 MEMBERS. The Members of the Society are the applicants for incorporation, and those individuals or organizations who subsequently become Members in accordance with these Bylaws as amended from time to time.

3.02 INDUSTRY MEMBERS. Corporations, businesses or industry associations that have a vested or specific interest in water or water use management within Alberta may become a Member where two-thirds of the Directors in attendance at a duly called and constituted meeting approve.

3.03 NON-GOVERNMENT ORGANIZATION MEMBERS. Not-for-profit organizations or agencies that have a demonstrated interest in water or water use management within Alberta may become a Member where two-thirds of the Directors in attendance at a duly called and constituted meeting approve.

3.04 GOVERNMENT MEMBERS. Any Federal, Municipal or Aboriginal Government or associated department, agency or organization with an interest in matters related to water or water use management within Alberta may become a Member where two-thirds of the Directors in attendance at a duly called and constituted meeting approve.

3.05 GOVERNMENT OF ALBERTA AND PROVINCIAL AUTHORITIES MEMBERS. Any provincial government department or provincial authority with a mandate that encompasses an interest in matters related to water or water use management within Alberta may become a Member where two-thirds of the Directors in attendance at a duly called and constituted meeting approve.

3.06 MEMBER GROUP REPRESENTATION. Upon approval of a Member, the Board of Directors shall designate which Member Group (Industry, Non-Government Organization, Government, or Government of Alberta and Provincial Authorities) the Member shall be included in.

3.07 BOARD APPROVAL. The maximum total number of Members shall be thirty-two (32). The number of Members from each Member Group shall not be less than fifteen percent (15%) or exceed thirty-three percent (33%) of the total number of Members.

3.08 CONTRIBUTIONS. Each Member shall be expected to contribute value to the Society, which may include money, property and/or services.

3.09 REPRESENTATIVES. Each Member shall appoint one (1) individual person to act as its representative at all meetings of the Members. Each Member shall notify the Secretary of the Society in writing of the name, address, telephone number and occupation of the representative. Each Member has the option to appoint one (1) individual person to act as its alternate representative at any meeting the representative cannot attend. Each Member shall notify the Secretary of the Society in writing of the name, address, telephone number and occupation of the alternate representative.

3.10 WITHDRAWAL OF MEMBERSHIP. Any Member wishing to withdraw from membership may do so upon giving notice in writing to the Society through its Secretary-Treasurer of the Member's intention to withdraw its membership in the Society, and shall cease to be a Member upon the date therein specified or its earlier acceptance by the Board of Directors.

3.11 CANCELLATION OF MEMBERSHIP. Membership in the Society is terminated:

- a) If a Member submits written notice of resignation to the Secretary-Treasurer;
- b) If a Member ceases to meet the eligibility criteria set out in these Bylaws;
- c) In the case of a corporation or unincorporated organization, society, or governmental body, on dissolution;
- d) At the direction of the Board, if a Member is in arrears on payment or contribution of any fees or required contribution for more than sixty (60) days;
- e) By resolution of the Board, in accordance with Article 3.12 of these Bylaws.

3.12 MEMBERSHIP SUSPENSION. In accordance with section 4.11b, the Board may, by resolution, suspend or expel a Member for cause if:

- a) The Member to be suspended or expelled has been given notice of the Board meeting at which the suspension or expulsion is to be considered; and
- b) The Member named in such notice is given an opportunity to make representations to the Board at such meeting.

ARTICLE IV: BOARD OF DIRECTORS

4.01 MANAGEMENT. The management of the affairs of the Society shall be vested in the Board of Directors. The Board of Directors may enact and enforce policies regarding the management and operation of the Society, and such policies shall be consistent with these Bylaws.

4.02 NUMBER OF DIRECTORS. The affairs of the Society shall be managed by a Board of no fewer than six (6), and not more than thirty-two (32) directors.

4.03 APPOINTMENT AND TERM. Immediately upon a Member being approved by the Board, a Member shall appoint one (1) individual as its director at meetings of the Board, and may appoint one (1) individual as its alternate, as provided for in clause 4.04. The director or alternate shall act as the Member's representative at all meetings of the Members, and shall be entitled to vote as a director. Each director and alternate shall hold office until the expiration of the term, termination or resignation of the Member or upon the Member appointing replacement representatives.

4.04 ALTERNATES. In the absence of the director, alternate representatives shall assume the roles and responsibilities of the director.

4.05 RESIGNATION. A director or alternate may resign by giving the Member notice in writing to that effect. The Member shall inform the Society of the resignation and appoint a replacement.

4.06 MEETINGS OF DIRECTORS. Meetings of the Board shall be held as often as may be required, but at least three (3) times per year, and shall be called by the President, as defined in section 6.02. A special meeting of the Board may be called upon written request of four (4) directors, one from each Member Group (industry, non-government organizations, government, and Government of Alberta and provincial authorities), with such written request to state the business to be brought before the meeting. Meetings may be held without notice if a quorum of the Board is present, provided that any business transacted at such meeting shall be null and void unless ratified at the next regularly called meeting of the Board.

4.07 PLACE OF MEETINGS. Meetings of the Board may be held at any place approved by the Board within or outside the Province of Alberta.

4.08 MEETINGS BY TELEPHONE. If all the directors participating in a meeting consent, one or more directors may participate in a meeting of the directors by means of such telephone or other communication facilities as permit all persons participating in the meeting to hear each other, and a director participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the directors held while a director holds office.

4.09 NOTICE. Notice of the time and place of each meeting of the directors shall be sent to each director by regular mail addressed to the director at his/her latest address as shown in the records of the Society not less than twenty-one (21) days before the meeting, or by telephone or telegram or any other means of communication, or not less than fourteen (14) days before the meeting or delivered personally. If mailed, such notice shall be deemed to have been received on the third (3rd) day following the date of mailing; if delivered by telephone or telegram or any other means of communication, such notice shall be deemed to have been received on the date of transmission, and if delivered personally, on the date of delivery. A director who participates in a meeting shall be deemed to have received notice thereof. Notice of meeting can be waived by unanimous written consent.

4.10 QUORUM. The quorum for the transaction of business at any meeting of the Board shall consist of fifty-five percent (55%) of the current Members, provided that at least one representative is present from each Member Group.

4.11 VOTES TO GOVERN. Each Member shall have one (1) vote. Except as specifically provided in these Bylaws, questions arising at any meeting of the Board shall be decided as follows:

- (a) in respect to matters of policy, including without limitation those matters specified in the objects of the Society by way of consensus;
- (b) in respect to administrative matters, as defined in the Process Guidelines, a majority of not less than two-thirds (2/3) of the Members present.

4.12 RESOLUTION IN WRITING. Notwithstanding anything to the contrary in these Bylaws, a resolution in writing signed by all of the directors shall be valid and effectual as if it had been passed at a meeting duly called and constituted.

ARTICLE V: PROJECT TEAMS AND WORKING GROUPS

5.01 PURPOSE. The Board may establish working groups and project teams to investigate, evaluate, and provide recommendations to specifically defined problems for the Board of Directors.

5.02 COMPOSITION. Working groups and project teams shall be initially composed of those persons appointed by the Board of Directors and others as chosen by the members of the working group or project team and approved or ratified by the Board of Directors. The Executive Director of the Society or his/her designated representative shall be an ex-officio Member of each working group or project team and is entitled to be notified of and to attend all meetings of working groups and project teams.

ARTICLE VI: OFFICERS

6.01 APPOINTMENT. The officers of the Society shall consist of a President, three Vice-Presidents and a Secretary-Treasurer and such other officers as the Board of Directors may determine from time to time. Such officers shall be appointed at the first meeting by the Board of Directors, and thereafter as required under these Bylaws. The offices of President, and the three Vice-Presidents shall be appointed so that each of the Member Groups shall have a representative in one of these four offices at any given time.

6.02 PRESIDENT. The President shall be a director and shall have such duties and powers as the directors may specify and delegate. The President shall when present, preside at all meetings of the Members of the Society and of the Board of Directors. During the absence or inability of the President, his/her duties and powers shall be exercised by one or more of the Vice-Presidents. The President's term of office shall be two (2) years.

6.03 VICE-PRESIDENTS. Each Vice-President shall be a director, and shall have such duties and powers as the directors may specify and delegate. During the absence or inability of the President, his/her duties and powers shall be exercised by a Vice-President. The initial appointments for Vice-President shall specify that the term of office for two Vice-Presidents shall be one (1) year and the other Vice-President's term of office shall be two (2) years, thereafter, each Vice-President's term of office shall be two (2) years.

6.04 SECRETARY-TREASURER. The Secretary-Treasurer shall be appointed by the Board of Directors and shall be the Secretary-Treasurer of all meetings of the Board of Directors and of the Members and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat. The Secretary-Treasurer shall keep a record of all the Members of the Society and their addresses, send all notices of meetings as required, and shall collect and receive the membership fees or contributions levied by the Society. The Secretary-Treasurer shall receive all monies paid to the Society and shall be responsible for the deposit of same in a Canadian chartered bank, trust company, credit union, treasury branch or deposit receiving agency designated from time to time by the Board. The Secretary-Treasurer shall properly account for the funds of the Society and keep such books as may be directed, and shall present a full detailed account of receipts and disbursements to the Board whenever required. The Secretary-Treasurer's term of office shall be two (2) years, or as otherwise determined by the Board.

6.05 EXECUTIVE DIRECTOR. The Board of Directors may from time to time appoint an Executive Director, who shall be an ex-officio member of the Board of Directors without voting power. The Board of Directors may delegate to the Executive Director full authority (subject to any restrictions contained in the Act or imposed from time to time by the Board) to manage and direct the business and affairs of the Society and to employ and discharge agents and employees of the Society. The Executive Director shall at all reasonable times give to the Board of Directors all information the Board may require regarding the affairs of the Society.

6.06 POWERS AND DUTIES OF OTHER OFFICERS. The powers and duties of all other officers shall be such as the terms of their engagement call for or as the Board may specify and delegate.

6.07 REMOVAL OF OFFICERS. The directors may at any time, in their discretion, remove, re-appoint or change any officer of the Society.

ARTICLE VII: COMMITTEES

7.01 APPOINTMENT. Committees for promoting the objects or functions of the Society may be appointed by the Board of Directors.

7.02 COMPOSITION. Every committee shall be composed of a chairman and such other persons as may be required. The Executive Director or his/her designated representative shall be an ex-officio member of all committees and is entitled to be notified of and attend all meetings of committees. The Chairman of a committee may designate an alternate to act on his/her behalf.

7.03 TRANSACTION OF BUSINESS. The powers of a committee as defined by the Board of Directors may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of committees may be held at any place approved by the Board of Directors within or outside the Province of Alberta.

7.04 PROCEDURE. Unless otherwise determined from time to time by the Board, each committee shall have the power to fix its quorum at not less than the majority of its Members, to elect its chairman and to regulate its procedures.

7.05 EXECUTIVE COMMITTEE. An Executive Committee shall be appointed by the Board of Directors at the first meeting of the Board of Directors. The Executive Committee shall be composed of the Officers of the Society, and shall have such duties and powers as the Board of Directors may specify and delegate.

ARTICLE VIII: PROTECTION OF DIRECTORS AND OFFICERS

8.01 LIMITATION OF LIABILITY. No director, alternate director, officer or member of a project team or committee of the Society shall be liable for the acts, receipts, neglects or defaults of any other director or officer or member of a project team or committee or employee of the Society, or for joining in any receipt or other act of conformity, or for any loss, damage or expense happening to the Society through the insufficiency or deficiency of title to any property acquired by order of the Board of Directors for or on behalf of the Society, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Society shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any of the monies, securities or effects of the Society shall be deposited, or for any loss occasioned by any error of judgment or oversight on their part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution of the duties of their offices or in relation thereto unless the same shall happen through their own willful neglect or default.

8.02 INDEMNITY. The members and former members of the Board of Directors, alternate directors, officers and former officers, and members and former members of all Committees and Project Teams of the Society and each of them, and each of their respective heirs, executors, administrators, successors and assigns, shall from time to time and at all times be indemnified and saved harmless out of the assets and profits of the Society from and against all costs, charges, losses, damages and expenses which they, or any of them, or any of their heirs, executors, administrators, successors and assigns, shall or may incur or sustain by or by reason of the performance of their duty or purported duty in their respective offices, except such (if any) as they shall incur or sustain by or through their own wilful neglect or default, respectively. This indemnification is in addition to, but not exclusive of, any other rights of indemnification to which the members and former members of the Board of Directors, alternate directors, officers and former officers and members and former members of all Committees and Project Teams of the Society may be entitled to at law or in equity.

ARTICLE IX: MEETINGS OF THE MEMBERS

9.01 ANNUAL MEETINGS. The annual meeting of Members of the Society shall be held within six months of the year end of the Society for the purpose of appointing an auditor, receipt of the audited financial statements of the Society, and for the transaction of such other business as may properly be brought before the meeting.

9.02 SPECIAL MEETINGS. A special meeting of the Members shall be called by the President or Secretary-Treasurer upon receipt by either of them of a petition signed by one-third (1/3) of the Members setting forth the reasons for calling such meeting.

9.03 GENERAL MEETINGS. General meetings of the Members of the Society may be called at any time by the Secretary-Treasurer upon the instructions of the President or the Board.

9.04 PLACE OF MEETINGS. Meetings of the Members may be held at any place within or outside the Province of Alberta. The Annual General Meeting shall be held at any place within Alberta.

9.05 NOTICE. Notice of the time and place of each meeting of the Members shall be sent to each Member by regular mail addressed to the Member at its latest address as shown in the records of the Society not less than twenty-one (21) days before the meeting, by telephone or telegram or any other means of communication not less than fourteen (14) days before the meeting or delivered personally. If mailed, such notice shall be deemed to have been received on the third (3rd) day following the date of mailing, if delivered by telephone or telegram or any other means of communication, such notice shall be deemed to have been received on the date of transmission, and if delivered personally, on the date of delivery. A Member who participates in a meeting shall be deemed to have received notice thereof.

9.06 QUORUM. The quorum for the transaction of business at any meeting of the Members shall consist of fifty-five percent (55%) of the Members provided that at least one representative is present from each Member Group.

9.07 VOTING AND VOTES TO GOVERN. Any Member who has not withdrawn from membership or whose membership has not been cancelled as herein provided shall have the right to vote at any meeting of the Members. Every Member shall have one (1) vote.

9.08 MEETINGS BY TELEPHONE. If all the Members participating in a meeting consent, a Member may participate in a meeting of the Members by means of such telephone or other communication facilities as permit all persons participating in the meeting to hear each other, and a Member participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the Members.

9.09 RESOLUTION IN WRITING. Notwithstanding anything to the contrary in these Bylaws, a resolution in writing signed by all of the Members entitled to vote thereon shall be valid and effectual as if it had been passed at a meeting duly called and constituted.

ARTICLE X: FINANCIAL ARRANGEMENTS

10.01 FINANCIAL YEAR. The financial year for the Society shall end on the 31st day of December in each year.

10.02 AUDITOR. An auditor shall be appointed at every annual meeting of the Members of the Society as provided for in Section 9.01 of these Bylaws. A financial statement shall be prepared annually and duly audited by the auditor of the Society and such audited financial statement duly signed by the President and Secretary-Treasurer and accompanied by a written signed report of the auditor shall be placed before the Members at the next annual meeting of the Members of the Society. The remuneration of the auditor shall be subject to the approval of the directors.

10.03 BANK ACCOUNTS. All monies received by the Society shall, promptly following their receipt, be deposited to the credit of the Society in a Canadian chartered bank, trust company, credit union, treasury branch or deposit receiving agency designated from time to time by the Board of Directors.

10.04 SIGNING OFFICERS. Cheques drawn by the Society shall be signed by such persons as are designated from time to time by the Board of Directors.

ARTICLE XI: REMUNERATION

11.01 REMUNERATION OF DIRECTORS, OFFICERS AND MEMBERS. No director, officer or Member shall receive any remuneration for services rendered to the Society, unless authorized at a meeting of the Board or membership and after notice of such authorization is sent to the Board and the Members. Directors shall at their option and direction be entitled to be reimbursed for reasonable expenses incurred in attending meetings of the directors, or as may be agreed to by the Board from time to time.

ARTICLE XII: BORROWING POWERS

12.01 AUTHORITY. For the purpose of carrying out its objects, the Society may borrow or raise or secure the payment of money in such manner as it thinks fit, and in particular by the issue of debentures, but this power shall be exercised only under the authority of the Members of the Society, and in no case shall debentures be issued without the sanction of a Special Resolution, as defined in the Act, of the Members of the Society.

ARTICLE XIII: BYLAWS

13.01 AMENDMENTS. These Bylaws may be rescinded, altered or added to by a Special Resolution, as defined in the Act, of the voting Members of the Society; Provided that the Members have received thirty (30) days written notice of the proposed rescission, alteration or addition. Members may by writing waive the notice required to be given pursuant to this paragraph.

ARTICLE XIV: BOOKS AND RECORDS

14.01 INSPECTION. Any and all books and records of the Society shall be open for inspection by any of the Society at the annual meeting or at such other time upon giving reasonable notice to the officers having charge of the books and records.

ARTICLE XV: NOT-FOR-PROFIT ORGANIZATION

15.01 STATUS. The Society is a not for profit organization.

15.02 NO PROFIT FOR MEMBERS. The operation of the Society shall be carried on without the purpose of financial gain for its Members, and any accretions to the Society shall be used to promote the objects of the Society.

ARTICLE XVI: REVIEW

16.01 DATE OF REVIEW. The Members of the Society will evaluate the performance of the Society not later than five (5) years from the date of its incorporation or from the date of its last performance evaluation.

ARTICLE XVII: DISTRIBUTION

17.01 DISTRIBUTION. Upon the dissolution of the Society, the property of the Society shall be converted into cash and added to the funds of the Society and the amount thereof distributed firstly in payment of all outstanding debts and liabilities of the Society and the balance shall be distributed in accordance with the Act.

DATED this 18th day of September, 2007

Lorie Wagner.
WITNESS

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