

SASKATCHEWAN ASSOCIATION FOR RESOURCE RECOVERY CORP.

**AMENDED AND RESTATED BY-LAWS
EFFECTIVE May 3, 2011**

This Amended and Restated By-Law replaces and supersedes all prior By-Laws of the Corporation.

ARTICLE I – INTERPRETATION

1.01 Definitions

In these By-laws, unless the context otherwise requires:

- (a) “Act” shall mean *The Environmental Management and Protection Act, 2002* (Saskatchewan), as the same may be amended from time to time and including any act of the legislature enacted in replacement thereof;
- (b) “Board” or “Board of Directors” means the Board of Directors of the Corporation from time to time;
- (c) “By-laws” means the by-laws of the Corporation in effect from time to time as the same may be amended, supplemented or restated;
- (d) “Chair” means the Chair of the Board of Directors;
- (e) “Corporation” means the “Saskatchewan Association for Resource Recovery Corp.”;
- (f) “Director” means an individual elected to the Board and includes the Chair;
- (g) “Filter First Seller” is a First Seller under the Act who engages in the sale or supply of filters, as defined in the Act and Regulations;
- (h) “First Seller” shall have the same meaning as in the Act and Regulations;
- (i) “Member” shall mean a member of the Corporation;
- (j) “Membership Agreement” shall mean the form of agreement providing for membership in the Corporation as adopted by the Board from time to time;
- (k) “Oil First Seller” is a First Seller under the Act who engages in the sale or supply of oil, as defined in the Act and Regulations;

- (l) “Ordinary Resolution” means a resolution passed by a simple majority of those Members present, in person or by proxy, at a meeting of Members at which such resolution is placed before the Members for consideration;
- (m) “Prescribed Product” shall have the same meaning as in the Act and Regulations;
- (n) “Product Management Program” shall have the same meaning as in the Act and Regulations;
- (o) “Regulations” shall mean the Regulations pursuant to the Act; and
- (p) “Special Resolution” means a resolution passed by a two-thirds majority of those Members present, in person or by proxy, at a meeting of Members at which such special resolution is placed before the Members for consideration.

1.02 Construction

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

1.03 Headings

The headings used throughout these Bylaws are inserted for convenience and reference purposes only, and are not intended to interpret, define, or limit the scope, extent or intent of any section or provision of this Bylaw that follows under such heading.

ARTICLE II – MEMBERSHIP

2.01 Members and Membership

Any First Seller of a Prescribed Product, as defined in the Act and Regulations shall be eligible for Membership in the Corporation upon payment by it of the Membership fee, the signing by it of the Membership Agreement and the Board having confirmed its acceptance as a new Member, in the Board’s sole discretion. In addition, any other person or organization approved by the Board may be a Member on condition that the Membership fee is paid and a Membership Agreement signed by both the applicant and the Corporation and that the person or organization purchases Prescribed Products from a First Seller and re-sells those Prescribed Products in Saskatchewan. Continued membership in the Corporation shall be predicated on the Member abiding by the terms of the Act and Regulations, as applicable, the Bylaws and the Membership Agreement.

2.02 Withdrawal from Membership

Any Member wishing to withdraw from Membership may do so upon giving notice in writing to the Board of Directors. The terms and mechanics of withdrawal will be determined by the Membership Agreement, then in effect. The membership of a Member is not transferrable and is terminated when: (i) the member dies or resigns; (ii) the member is expelled or his or her membership is otherwise terminated in accordance with these By-laws; (iii) the member's term of membership expires; or (iv) the Corporation is liquidated and dissolved.

2.03 Termination or Suspension by Reason of Default

If any Member is in breach of any provision of the Act, the Regulations or the Membership Agreement, including failure to pay any fees or assessments to the Corporation when due, the Board may resolve, in their sole discretion, to suspend or, depending on the severity or successive recurrence of such default, terminate the membership of such Member on such notice as the Board deems appropriate in the circumstances. In circumstances where protection of the public or reputation of the Corporation is at risk, such termination may be immediate. In all other circumstances, unless otherwise specifically directed by the Board, the Corporation shall give the Member written notice of such default and sixty (60) days from the date of such notice to cure such default to the satisfaction of the Board, failing which the membership of such Member may thereafter be suspended or terminated as directed by the Board. If a Member's membership is suspended, such Member shall not be entitled to enjoy any of the membership privileges from the date of suspension until such time as the Member's membership has been reinstated by the Board. A Member whose membership has been terminated may be eligible to reapply for membership in the Corporation on such terms or conditions as the Board may impose. The notice referred to herein may be delivered personally or mailed to the last address of the Member as shown on the register of Members and, if mailed, shall be deemed to be received 3 business days following the mailing. The Member named in the notice shall be given the opportunity to make representations to the Board, to the extent provided under *The Non-Profit Corporations Act, 1995*, as to why his or her membership should not be suspended or terminated.

2.04 Cancellation of Membership

In addition to the power of the Board to terminate a Member's membership pursuant to section 2.03 of these By-Laws, the Members may, if cause exists, by a resolution passed by a majority of not less than three-quarters of votes of Members and at a meeting called for the purpose, at any time cancel the membership of a Member; provided that at least seven (7) days' notice of the meeting and of the resolution proposed to be passed thereat shall be given to the Member whose membership is proposed to be cancelled. The notice may be delivered personally or mailed to the last address of the Member as shown on the register of Members. Any Member named in the notice or its representative shall be entitled to make representations at the meeting.

2.05 Continuing Obligations

The obligations of a Member under the Membership Agreement shall not continue after the effective date of termination of membership; however, withdrawal or cancellation of its membership shall not, in and of itself, release a Member from any obligations accrued to that time.

ARTICLE III – BOARD OF DIRECTORS

3.01 Number of Directors

Unless changed by Special Resolution of the Members, the Board shall consist of seven (7) directors.

3.02 Eligibility of Directors

In accordance with the Act, the following persons are disqualified from being a Director of a Corporation:

- (a) anyone who is less than 18 years of age;
- (b) anyone who has been found to be of unsound mind by a court in Canada or elsewhere;
- (c) a person who is not an individual;
- (d) a person who has the status of bankrupt.

A Director is not required to be a Member or a director, officer, employee or consultant of a Member of the Corporation, but at least one Director must reside in Saskatchewan and at least 25% of the Directors must be resident Canadians. A retiring Director shall be eligible for re-election.

3.03 Composition of the Board of Directors

The Corporation shall put forward each year at the annual general meeting of Members, for consideration and election by the Members, names for that number of Directors positions as are then up for election, with the intent that the composition of the Board will be representative of the following:

- (a) two (2) Directors shall represent Oil First Sellers;
- (a) one (1) Director shall represent Filter First Sellers;
- (b) one (1) Director shall represent the Saskatchewan Association of Rural Municipalities;

- (c) one (1) Director shall represent the Saskatchewan Urban Municipalities Association;
- (d) one (1) Director, who is not also an elected representative of, or employee of, the Saskatchewan government or any Saskatchewan municipality, shall represent the public at large; and
- (e) one (1) Director shall represent emerging products for which recycling may be required in the future.

3.04 No Member shall have more than one (1) director on the Board.

3.05 Nomination of Directors

A Member who is in good standing with the Corporation and who wishes to nominate one or more individuals for election to the Board shall submit their nomination, in writing, to the Board at least thirty (30) days prior to the annual general meeting of the Corporation. Nominations from Members need not be seconded or supported by another Member. The Board, or a committee thereof, shall evaluate each nomination received and, if acceptable, shall put the name of such nominee forward for election at the annual general meeting of Members. The Board shall not be obligated to accept any particular nomination and without limiting the generality of the forgoing, the Board shall be entitled to reject any nomination, and advise the nominating Member of such rejection, based on any of the following criteria:

- (a) the need to comply with the composition requirements of Article 3.03 hereof;
- (b) if it appears in the reasonable opinion of the Board that any particular Member's or group of Members' interests might be advanced over the interests of the Membership as a whole;
- (c) the Member who submitted the nomination is not in good standing with the Corporation;
- (d) the competency and skills that the Board considers to be necessary for the Board, as a whole, to possess, and any concerns of the Board respecting the competency or skills of such nominee; or
- (e) any concerns of the Board respecting the ability of the nominee to devote sufficient time and resources to his or her duties as a board member.

Notwithstanding the forgoing, the Board, or a committee thereof, may, by whatever means deemed necessary by the Board, including without limitation, mail-out, telephone solicitation, public advertisement or direct contact, solicit expressions of interest from individuals who are willing to sit as members of the Board. Such solicitation shall be done each year reasonably in advance of the annual general meeting of Members such that the names of such individuals approved by the Board may be

included in the list of individuals nominated for election at the next annual general meeting of Members.

If there are insufficient nominees to fill any vacancy or vacancies created by a retiring Director or Directors, the Board may, on its own initiative, and notwithstanding that such appointment may not strictly comply with the composition requirements of Article 3.03 hereof, appoint, as a Director, one or more individuals to fill such vacancy or vacancies until the next annual general meeting of Members.

Nothing herein contained shall preclude a Member in good standing with the Corporation from nominating for election an individual to sit as a Director from the floor of the annual general meeting, provided that individual meets the eligibility criteria of Article 3.02 hereof.

3.06 Election and Term

The term of each Director shall be two (2) years with half the Directors elected in even numbered years and the remaining half of the Directors elected in odd numbered years. An adjustment in length of term may be made for the initial Board of Directors in order to achieve this term procedure. An election of Directors shall take place at each annual general meeting of the Corporation, and all the Directors having completed a two-year term shall retire but, if qualified, shall be eligible for re-election. If a vacancy occurs on the Board during a Director's term, that vacancy shall be filled by the Board to complete the Director's term.

3.07 Removal of Directors

The Members may, by Ordinary Resolution at a meeting called for such purpose, remove any Director before the expiration of his or her period of office for any cause which such Members may deem reasonable.

3.08 Management

The management of the affairs of the Corporation shall be vested in the Directors.

3.09 Meetings of Directors

Meetings of the Board of Directors shall be not less than twice per annum and shall be called by the Chair. A special meeting of the Board may be called upon the written request of any two (2) Directors.

3.10 Place of Meetings

Meetings of the Board may be held at any place within or outside the Province of Saskatchewan.

3.11 Notice

Notice of the time, place and agenda of each meeting of the Directors shall be sent to each Director. Such notice may be sent by telephone, facsimile, email, regular mail or delivered personally. If notice is given by telephone, facsimile, email or delivered personally, then it shall be done not less than twenty-four (24) hours before the meeting. If mailed, the notice shall be addressed to the Director at his or her last address as shown in the records of the Corporation not less than seven (7) days before the meeting, and shall be deemed to have been received on the third (3rd) day following the date of mailing; if delivered by telephone or facsimile or any other means of electronic communication, the notice shall be deemed to have been received on the next business day following 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 of it.

3.12 Quorum

The quorum for the transaction of business at any meeting of the Board shall consist of not less than 50% of the Directors then on the Board of Directors.

3.13 Chair

The Chair of the Board shall be appointed by the Directors at the conclusion of the annual general meeting. The Chair shall direct the meetings of the Board of Directors. In the absence of the Chair, the Directors shall choose one (1) of their number to be Chair.

3.14 Votes to Govern

Questions arising at any meeting of the Board shall be decided by a majority of the votes. In the case of an equality of votes, the motion is defeated.

3.15 Meetings by Telephone or other Communications Facility

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 communications facilities as permit all persons participating in the meeting to hear each other, and a Director participating in such a meeting by this 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.

3.16 Committees

The Board may appoint such committees as it, from time to time, considers advisable. No committee shall have the power to act for or on behalf of the Board but shall only have the power to make recommendations to the Board.

ARTICLE IV - OFFICERS

4.01 Appointment

The officers of the Corporation shall be appointed by the Board and shall consist of a Chair, a Treasurer, a Secretary and an Executive Director and such other officers as the Directors may determine. Other than the Chair, officers need not be a Director. One (1) person may hold more than one office.

4.02 Chair of the Board

The Chair of the Board must be a Member or employee of a Member who is a First Seller.

4.03 Executive Director

The Board shall hire an Executive Director of the Corporation, who shall report to the Board. The Executive Director's duties shall be set by the Board, from time to time, and shall include being custodian of the seal of the Corporation and all relevant contracts and records of the Corporation. The Executive Director shall also be responsible for ensuring the proper recording of monies received by the Corporation and shall work with the accountants hired by the Corporation to properly account for the funds of the Corporation and deliver to the Board and Membership appropriate financial reports, as directed.

4.04 Powers and Duties of Other Officers

The powers and duties of all officers shall be such as the terms of their engagement call for or as the Board may specify and delegate.

4.05 Removal of Officers

The Directors may at any time, in their sole discretion, remove any officer of the Corporation.

ARTICLE V – MEETINGS OF THE MEMBERS

5.01 Annual Meetings

The annual meeting of the Corporation shall be held once a year at the date, time and place as determined by the Board.

5.02 Special Meetings

A special meeting of the Members shall be called by the Chair of the Board or Secretary upon receipt by either of them of a petition signed by one-third of the Members in good standing, setting out the reasons for calling such meeting.

5.03 General Meetings

General meetings of the Members of the Corporation may be called at any time by the Board.

5.04 Place of Meetings

Meetings of the Members may be held at any place within or outside the Province of Saskatchewan.

5.05 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 last address as shown in the records of the Corporation not less than fifteen (15) days before the meeting. If notice of the meeting is sent by telephone, facsimile or any other means of electronic communication or delivered personally, then it shall be done not less than fifteen (15) days before the meeting. If mailed, the notice shall be deemed to have been received on the third (3rd) day following the date of mailing; if delivered by telephone or facsimile or any other means of electronic communication, the notice shall be deemed to have been received on the next business day following 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 of it.

5.06 Quorum

The quorum for the transaction of business at any meeting of the Members shall consist of the lesser of ten (10) Members or 10% of the Members in good standing.

5.07 Chair

The Chair of the Board shall be the Chair of any meeting of the Members. In the absence of the Chair, the Board shall choose one (1) of their number to act as Chair for the purposes of the meeting.

5.08 Voting and Votes to Govern

A Member who has not withdrawn from the Corporation or whose membership has not been suspended shall have the right to vote at any meeting of the membership. The Board of Directors may, from time to time, authorize votes by proxy, or otherwise. Questions arising at any meeting of the membership shall be decided by a majority of the votes. In the case of an equality of votes, the Chair shall have a casting vote.

A Member entitled to vote at a meeting of Members may, by means of a proxy, appoint a proxyholder to attend and act at the membership meeting in the manner and to the extent authorized by the proxy. The proxy shall be in writing and signed by the Member. A proxy shall be valid only at the meeting for which it is given or any adjournment of that meeting. The Directors may specify in any notice calling a meeting of members a time, not exceeding forty-eight (48) hours, excluding Saturdays and Sundays preceding the membership meeting before which any proxy to be used at the meeting must be deposited with the Corporation.

5.09 Meetings by Telephone or other Communications Facility

Any meeting of the Members may be held by telephone or other communications facilities, including but not limited to teleconferencing, audio streaming, video conferencing, web casting or any other form of communication, as permit all persons participating in the meeting to hear each other, and a Member participating in such a meeting by this means is deemed to be present at the meeting.

5.10 Voting by Mail

The Board may direct that a mail vote be conducted on any issue related to the Corporation. Notice of a mail vote giving full details of the matter to be voted upon must be mailed to all Members not less than twenty-one (21) days in advance of the vote being taken. If objections to a mail vote are received by the Board, in writing, not less than three (3) days before the announced date of the vote from not less than 10% of the Members, the voting by mail procedure shall not proceed and the issue in question shall be set over to the next meeting of the Membership.

5.11 Quorum of Mail vote

A mail vote shall be declared valid if not less than the lesser of ten (10) Members or 10% of Membership casts a ballot. The issue in question shall be declared carried or defeated on the basis of a simple majority of the mail votes returned.

ARTICLE VI – AUDITING

6.01 Auditor

The books, accounts, and records of the Corporation shall be audited as required by the Act and/or the Board of Directors.

6.02 Financial Year End

The financial year end for the Corporation shall be determined by the Board.

6.03 Inspection of Books

The books and records of the Corporation may be inspected by any Member of the Corporation at the annual meeting of the Members or at any time upon giving reasonable notice and arranging a time satisfactory to the Officers having charge of the books. Each Member of the Board shall at all reasonable times have access to such financial books and records.

ARTICLE VII – REMUNERATION

7.01 The Board shall fix the remuneration of the Board and the officers of the Corporation. All officers and Directors shall receive reimbursement for all reasonable costs incurred in carrying out any duties with respect to the Corporation.

ARTICLE VIII – BORROWING POWERS

8.01 Authority

For the purpose of carrying out its objects, the Corporation may borrow or raise or secure the payment of money in such manner as it thinks fit, but this power shall be exercised only under the authority of the Board of Directors.

ARTICLE IX – MEMBERSHIP AGREEMENT

9.01 Form of Membership Agreement

The Board shall be authorized and empowered for and on behalf of the Corporation and its Members to establish and adopt the form of Membership Agreement from time to time and, in the Board’s sole discretion, to add, delete, or modify any provision thereof at any time.

The Board’s right to add, delete, or modify provisions of the Membership Agreement shall include imposition of financial terms, such as (subject to compliance with article 9.02 hereof) the amount of environmental handling charge (“EHC”) that each Member is required to remit, the schedule of remittance dates, late remittance fees and interest requirements, as well as other terms such as the nature, extent, and enforcement of the rights and obligations that the Member or the Corporation may have under the Membership Agreement. Modifications, additions, or deletions to the Membership Agreement are referred to herein as “Changes” or a “Change”.

9.02 Restrictions on ability to increase EHC

The Board shall be at liberty to decrease the amount of EHC in its sole discretion. However, any proposed increase in EHC shall not be effective unless and until such increased amount of EHC has been approved by the Members, by Ordinary Resolution, at a duly convened meeting of the membership.

9.03 Amended Membership Agreement binding on new and existing Members

The Corporation will notify each existing Member of any material Change(s) to the Membership Agreement and the effective date of any such Change(s). Such Change(s) may be given retroactive or retrospective effect. However, unless otherwise stated in such notice, any Change relating to terms of payment will apply only to any unremitted EHC or other amounts owing to the Corporation and to any new amounts owing to the Corporation thereafter. The notice referred to herein may be delivered personally or mailed to the last address of the Member as shown on the register of Members and, if mailed, shall be deemed to be received 3 business days following the mailing.

All Members shall be bound by the Membership Agreement, as so amended, when adopted by the Board and without any further action or signature required from the Member. Provided, however, that should a Member not be prepared to accept or be bound by any of the Changes to the Membership Agreement, such Member may, by written notice to the Corporation given within 60 days of such Member having received the Corporation's notice of the Change(s), withdraw as a Member. In such a case, such Member shall not be bound by the Change(s) to the Membership Agreement and his/her/its membership shall come to an end on the 60th day following the Member's receipt of the Corporation's notice of the Change(s). If the Member does not notify the Corporation in writing within the said 60 day period, or if the Member notifies the Corporation, in writing, of such Member's objection but then uses the services of the Corporation after the date of such Member's objection, the Member will be deemed to accept all Change(s) in the notice and to accept, confirm and be bound by, all terms of the Membership Agreement, as amended by the Change(s).

ARTICLE X – BY-LAWS

10.01 Amendments

These By-laws may be rescinded, altered, or amended at any annual meeting, saving that the amendment must be passed by two-thirds (2/3) of the Members voting.

ARTICLE XI - INDEMNIFICATION

11.01 Limitation of Liability – Every Director and officer of the Corporation in exercising his or her powers and discharging his or her duties must act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no Director or officer is liable for:

- (a) the acts or omissions, negligent or otherwise, of any other Director, officer or employee;
- (b) any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on

behalf of the Corporation;

- (c) the insufficiency or deficiency of any security in or upon which any of the monies the Corporation are invested;
- (d) any loss or damage arising from bankruptcy, insolvency or tortious acts of any Person with whom any of the monies, securities or effects of the Corporation are deposited;
- (e) any loss occasioned by any error of judgment or oversight on his or her part;
- (f) any other loss, damage or misfortune which happens in the execution of the duties of his or her office or in relation to it;

however nothing in this section 11.01 relieves any Director or officer from the duty to act in accordance with the Act and the Regulations under the Act or from liability for any breach of the Act.

11.02 Except respecting an action by or on behalf of the Corporation to procure a judgment in its favour, the Corporation shall indemnify a Director or officer of the Corporation, a former Director or officer of the Corporation or a person who acts or acted at the Corporation's request as a Director or officer of a body corporate of which the Corporation is or was a shareholder, a member or a creditor, and his or her heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him or her respecting any civil, criminal or administrative action or proceeding to which he or she is made a party by reason of being one of the above, where:

- (a) he or she acted honestly and in good faith with a view to the best interests of the Corporation; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he or she had reasonable grounds for believing that his or her conduct was lawful.

With the approval of the Court, the Corporation shall also indemnify those persons mentioned above respecting an action by or on behalf of the Corporation to procure a judgment in its favour, to which he or she is made a party by reason of being or having been a Director or an officer of the Corporation or body corporate, against all costs, charges and expenses reasonably incurred by him or her in connection to that action if he or she fulfills the conditions set out in clauses (a) and (b) above.

Notwithstanding anything in this section 11.01, a person mentioned in the first paragraph hereof is entitled to indemnity from the Corporation respecting all costs, charges and expenses reasonably incurred by him or her in connection with the defence of any civil, criminal or administrative action or proceeding to which he or she is made a

party by reason of being or having been a Director or officer of the Corporation, if the person seeking indemnity:

- (c) was substantially successful in the merits in his or her defense of the action or proceeding; and
- (d) fulfills the conditions set out in clauses (a) and (b).

The Corporation must also indemnify these persons in the other circumstances that the act or *The Non-Profit Corporations Act* permits or requires. Nothing in this bylaw limits the right of any person entitled to indemnity to claim indemnity apart from the provisions of this bylaw.

ARTICLE XII – NON-PROFIT CORPORATION

12.01 Saskatchewan Association for Resource Recovery Corp. is a non-profit corporation.

ARTICLE XIII – DISSOLUTION OF CORPORATION

13.01 In the event that the Corporation is dissolved or wound-up, for any reason, the remaining assets shall be paid over to one or more non-profit organizations who have as their object recycling.

ARTICLE XIV – CONFIRMATION OF BYLAWS

14.01 Upon confirmation by the Members, these By-laws shall become effective and shall supersede and replace any and all prior By-laws of the Corporation relating to the subject matter hereof, which prior By-laws are, concurrent with the confirmation of these By-laws, hereby rescinded and revoked.

These Amended and Restated Bylaws of the Corporation adopted by the Board effective this 29th day of March, 2011.



Chair



Secretary

CONFIRMED by the Members in accordance with the Act the 3rd day of May, 2011.



Secretary