



GARDERIE JOLYS CO-OP INC.

Name of Cooperative

CHARTER BY-LAWS

NOTE - ANY AMENDMENT TO THESE CHARTER BY-LAWS
MUST BE APPROVED BY THE REGISTRAR UNDER
THE COOPERATIVES ACT BEFORE IT IS IN
FORCE OR MAY BE ACTED UPON.

(COMMUNITY SERVICE COOPERATIVE)



CHARTER BY-LAW PRECEDENTS

Section One INTERPRETATION

1.01 Definitions

Section Two BUSINESS OF THE COOPERATIVE

2.01 Registered Office
 2.02 Corporate Seal
 2.03 Financial Year
 2.04 Execution of Instruments
 2.05 Financing Arrangements
 2.06 Voting Rights in Other Bodies Corporate
 2.07 Information Available to Members

Section Three BORROWING AND SECURITIES

3.01 Borrowing Power
 3.02 Delegation of Borrowing Power

Section Four DIRECTORS

4.01 Number of Directors and Quorum
 4.02 Personal Qualifications
 4.03 Membership Qualification
 4.04 Election and Term
 4.05 Removal of Directors
 4.06 Ceasing to Hold Office
 4.07 Vacancies
 4.08 Exercise of Authority
 4.09 Resolution in Writing
 4.10 Meetings by Telephone
 4.11 Time and Place of Meetings
 4.12 Notice of Meeting
 4.13 Meeting of New Board
 4.14 Adjourned Meeting
 4.15 Regular Meetings
 4.16 Chairman
 4.17 Votes to Govern
 4.18 Conflict of Interest
 4.19 Remuneration and Expenses
 4.20 Reports

Section Five

COMMITTEES

5.01	Committee of Directors
5.02	Transaction of Business
5.03	Advisory Committee
5.04	Procedure

Section Six

OFFICERS

6.01	Appointment
6.02	President
6.03	Vice-President
6.04	Secretary
6.05	Treasurer
6.06	Powers and Duties of Other Officers
6.07	Variations of Powers and Duties
6.08	Term of Office
6.09	Terms of Employment
6.10	Conflict of Interest
6.11	Agents and Attorneys
6.12	Fidelity Bonds

Section Seven

DUTY OF CARE AND PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

7.01	Duty of Care of Directors and Officers
7.02	No Exculpation
7.03	Indemnity
7.04	Insurance
7.05	Dissent

Section Eight

MEMBERSHIPS AND TRANSFERS

8.01	Membership Fee
8.02	Membership Certificates
8.03	Approval of Membership
8.04	Approval of Transfer
8.05	Transfer of Membership
8.06	Maintenance of Register
8.07	Duty of Members
8.08	Deceased Members
8.09	Lien for Indebtedness
8.10	Non-Recognition of Trusts
8.11	Withdrawal of Members
8.12	Termination of Membership for Cause
8.13	Notice of Termination
8.14	Termination by Meeting of Members
8.15	Right to Appeal

Section Nine
JOINT MEMBERSHIP

- 9.01 Joint Memberships
- 9.02 Statement of Interest
- 9.03 Voting
- 9.04 Withdrawal of Membership
- 9.05 Notice
- 9.06 Director

Section Ten
ALLOCATION OF REVENUES

- 10.01 Reserve Fund
- 10.02 Transfer to Reserves and Payment of Deficits
- 10.03 Use of Surplus
- 10.04 Deficits
- 10.05 Distribution of Property

Section Eleven
MEETING OF MEMBERS

- 11.01 Annual Meetings
- 11.02 Special Meetings
- 11.03 Place of Meetings
- 11.04 Notice of Meetings
- 11.05 Meetings Without Notice
- 11.06 Chairman, Secretary and Scrutineers
- 11.07 Persons Entitled to be Present
- 11.08 Quorum
- 11.09 Right to Vote
- 11.10 Votes to Govern
- 11.11 Show of Hands
- 11.12 Ballots
- 11.13 Adjournment
- 11.14 Resolution in Writing

Section Twelve
NOTICES

- 12.01 Method of Giving Notices
- 12.02 Computation of Time
- 12.03 Undelivered Notices
- 12.04 Omissions and Errors
- 12.05 Persons Entitled by Death or Operation of Law
- 12.06 Waiver of Notice

Section Thirteen
EFFECTIVE DATE, AMENDMENT AND REPEAL

- 13.01 Effective Date
- 13.02 Amendment, Repeal and Replacement

Charter By-laws

Section One

INTERPRETATION

Definitions

1.01 In the by-laws of the Cooperative, unless the context otherwise requires:

"Act" means The Cooperatives Act, and any statute that may be substituted therefor, as from time to time amended;

"appoint" includes "elect" and vice versa;

"articles" means the articles of the Cooperative;

"board" means the board of directors of the Cooperative;

"by-laws" means these charter by-laws and all other by-laws of the Cooperative and all amendments, additions, deletions or replacements thereof from time to time in force and effect.

"Cooperative" means the Cooperative which passes these charter by-laws.

"meeting of members" means an annual meeting of members and a special meeting of members;

"recorded address" means in the case of a member, the address of the member as recorded in the members' register; and in the case of a director, officer, auditor or member of a committee of the board, the latest address of such persons as recorded in the records of the Cooperative; and in the case of joint membership, the address appearing in the members' register in respect of such joint holding or the first address so appearing if there are more than one.

"signing officer" means, in relation to any instrument, any person authorized to sign the same on behalf of the Cooperative by the charter by-laws or by a resolution passed pursuant thereto;

save as aforesaid, words and expressions defined in the Act have the same meanings when used herein; and

words importing the singular number 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.

Section Two

BUSINESS OF THE COOPERATIVE

Registered Office

2.01 The Registered Office of the Cooperative shall be at such place in Manitoba as the articles or a subsequent special resolution may provide.

Corporate Seal

2.02 The corporate seal of the Cooperative shall be in the form determined by the board.

Financial Year

2.03 The financial year of the Cooperative shall end on such date as may be fixed by the board.

Execution of Instruments

2.04 Deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Cooperative by two persons, one of whom holds the office of president, vice-president or director and the other of whom holds one of the said offices or the office of secretary, treasurer, assistant secretary or assistant treasurer or any other office established by resolution of the board. In addition, the board may from time to time direct the manner in which the designated person or persons may or shall sign any particular instrument or class of instruments. Any signing officer may affix the corporate seal to any instrument requiring the same.

Financing Arrangements

2.05 The financial business of the Cooperative including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such credit unions, credit union centrals, banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the board. Such financial business or any part thereof shall be transacted under such agreements, instructions and delegations of powers as the board may from time to time prescribe or authorize.

Voting Rights in Other Bodies Corporate

2.06 The signing officers of the Cooperative may execute and deliver proxies and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Cooperative. Such instruments, certificates or other evidence shall be in favour of such person or persons as may be determined by the officers executing such proxies or arranging for the issuance of voting certificates or such other evidence of the right to exercise such voting rights. In addition, the board may from time to time direct the manner in which and the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

Information Available to Members

2.07 Subject to the provisions of the Act, no member shall be entitled to discovery of any information respecting any details or conduct of the Cooperative's business which, in the opinion of the board, it would be inexpedient in the interests of the members or the Cooperative to communicate to the public. The board may from time to time determine whether and to what extent and at what time and place and under what conditions or regulations the accounts, records and documents of the Cooperative or any of them shall be open to the inspection of members and no member shall have any right of inspecting any account, record or document of the Cooperative except as conferred by the Act or authorized by the board or by resolution passed at a general meeting of members.

Nothing herein shall restrict the right of a member to inspect the records of the Cooperative as to the affairs of the Cooperative as is granted by Subsection 21(1) of the Act.

Section Three

BORROWING AND SECURITIES

Borrowing Power

3.01 Without limiting the borrowing powers of the Cooperative as set forth in the Act, the board may from time to time:

- (a) borrow money upon the credit of the Cooperative;
- (b) issue, reissue, sell or pledge bonds, debentures, notes or other evidence of indebtedness or guarantee of the Cooperative, whether secured or unsecured; and
- (c) mortgage, hypothecate, pledge or otherwise create an interest in or charge upon all or any property (including the undertaking and rights) of the Cooperative, owned or subsequently acquired, by way of mortgage, hypothec, pledge or otherwise, to secure payment of any such evidence of indebtedness or guarantee of the Cooperative.

Nothing in this section limits or restricts the borrowing of money by the Cooperative on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Cooperative.

Delegation of Borrowing Power

3.02 The board may from time to time delegate to such one or more of the directors and officers of the Cooperative as may be designated by the board all or any of the borrowing powers conferred on the board by the charter by-laws or by the Act to such extent and in such manner as the board shall determine at the time of each such delegation.

Section Four

DIRECTORS

Number of Directors and Quorum

4.01 Until changed in accordance with the Act, the board shall consist of 5 directors. The quorum for the transaction of business at any meeting of the board shall consist of a majority of the number of directors.

Personal Qualifications

4.02 No person shall be a director if that person

- (a) is less than 18 years of age; or
- (b) is of unsound mind and has been so found by a court in Canada or elsewhere; or
- (c) is not an individual; or
- (d) has the status of a bankrupt; or
- (e) is a regular employee of the Cooperative.

Membership Qualification

4.03 No person shall be a director unless that person or a corporation of which that person is an officer, director or member is a member of the Cooperative and unless that person or that corporation faithfully supports the business and the affairs of the Cooperative, and unless that person or that corporation complies with any other applicable requirements set out in the charter by-laws.

Election and Term

4.04 (a) The election of directors shall take place at the first meeting of members and at each annual meeting of members thereafter. At the first meeting of members, 5 directors shall be elected of whom the 3 receiving the highest number of votes shall hold office for 2 years, the 2 next in order in respect of votes shall hold office for 1 year. At each subsequent annual meeting, directors elected to replace those whose term of office has expired shall hold office for 2 years.

(b) Retiring directors if qualified shall be eligible for re-election. Nomination for the office of director may be made verbally or in writing by any member present at the meeting. A nominating committee may be appointed by the board before the meeting or by the members at a meeting of the members to place nominations for the office of director before the meeting provided that the report of the committee may be added to by further nominations which may be made verbally or in writing by any member present at the meeting.

(c) The election of directors shall be by secret ballot. Three scrutineers who are not nominees for directors shall be appointed by the chairman or by the meeting for the purpose of ascertaining and declaring the results of election for the office of director. On the first ballot, the candidates up to the number to be elected, receiving the highest number of votes cast, shall be declared elected. In the case of a tie between or among the last candidates to be declared elected, their names shall be submitted to a second ballot to be taken in the manner prescribed by the chairman.

Removal of Directors

4.05 Subject to the provisions of the Act, the members may by ordinary resolution at a special meeting, remove any director from office and the vacancy created by such removal may be filled at the same meeting, failing which it may be filled by the directors.

Ceasing to Hold Office

- 4.06 A director ceases to hold office when the director
- (a) dies or resigns; or
 - (b) is removed from office by the members at a special meeting of the members, or
 - (c) becomes disqualified from being a director.

Vacancies

4.07 Subject to the Act, a quorum of the board may fill a vacancy in the board, except a vacancy resulting from an increase in the minimum number of directors or from a failure of the members to elect the minimum number of directors. In the absence of a quorum of the board, or if the vacancy has arisen from a failure of the members to elect the minimum number of directors, the board shall forthwith call a special meeting of members to fill the vacancy. If the board fails to call such a meeting or if there are no such directors then in office, any member may call the meeting. A director elected to fill a vacancy shall serve the balance of the term of the director whose cessation of office caused the vacancy.

Exercise of Authority

4.08 Except as otherwise provided by the charter by-laws, the powers of the board or of a committee of the board may be exercised by resolution passed at a meeting at which a quorum is present. Where there is a vacancy in the board, the remaining directors may exercise all the powers of the board or of a committee of the board so long as a quorum remains in office.

Resolution in Writing

4.09 The powers of the board or of a committee of the board may be exercised by a resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of the board or of a committee of the board and the resolution shall:

- (a) be effective from the date specified in the resolution, but that date shall not be prior to the date on which the first director signed the resolution; and
- (b) be kept with the minutes of the proceedings of the directors or committee of directors as the case may be.

Meetings by Telephone

4.10 If all the directors consent, a director may participate in a meeting of the board or of a committee of the board 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 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 board and of committees of the board held while a director holds office.

Time and Place of Meetings

4.11 Meetings of the board shall be held at such time and place in Canada as the board, or failing determination by the board, the president or any two directors may determine.

Notice of Meeting

4.12 Notice of the time and place of each meeting of the board shall be given in the manner provided by the charter by-laws to each director not less than 2 days before the time when the meeting is to be held if the notice was delivered personally to each director or by means of transmitted or recorded communication and not less than 5 days if notice is given by any other method. A notice of meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified, including any proposal to:

- (a) submit to the members any question or matter requiring approval of the members; or
- (b) fill a vacancy among the directors or in the office of auditor; or
- (c) issue securities; or
- (d) approve any financial statement of the Cooperative; or
- (e) enact, amend or repeal by-laws.

A director may in any manner waive notice of or otherwise consent to a meeting of the board.

Meeting of New Board

4.13 Provided a quorum of directors is present, each newly elected board may without notice hold its first meeting immediately following the meeting of members at which such board is elected.

Adjourned Meeting

4.14 Notice of an adjourned meeting of the board is not required if the time and place of the adjourned meeting is announced at the original meeting.

Regular Meetings

4.15 The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such regular meetings shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be transacted thereat to be specified.

Chairman

4.16 The chairman of any meeting of the board shall be the chairman of the board, if one has been appointed, or if not, the president, or in his absence a vice-president who is a director and who is chosen by the directors to be chairman. If no such officer is present, the directors present shall choose one of their number to be chairman.

Votes to Govern

4.17 At all meetings of the board, every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chairman of the meeting shall not be entitled to a second or casting vote.

Conflict of Interest

4.18 A director or officer who is a party to a material contract or proposed material contract with the Cooperative, or is a director or an officer of or has a material interest in any person who is a party to a material contract or proposed material contract with the Cooperative shall disclose the nature and extent of that interest at the time and in the manner provided by the Act. Any such contract or proposed contract shall be referred to the board or members for approval even if the contract is one that in the ordinary course of the Cooperative's business would not require approval by the board or members, and a director interested in a contract so referred to the board shall not vote on any resolution to approve the same except as provided by the Act.

Remuneration and Expenses

4.19 The directors shall be paid such remuneration for their services as the members may from time to time by resolution determine. The directors shall also be entitled to be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the board or any committee thereof. Nothing herein contained shall preclude any director from serving the Cooperative in any other capacity except as a regular employee of the Cooperative and receiving remuneration therefor.

Reports

4.20 The board shall submit or cause to be submitted to the annual meeting and to any other general meeting of the Cooperative, a report as to the affairs of the Cooperative and the business carried on by the Cooperative. In addition, it shall be the responsibility of the board to keep the members informed as to the affairs of the Cooperative and to encourage interest, discussion and support on the part of the members throughout the year by presenting periodic reports to the members as to the affairs of the Cooperative and the condition of its business.

Section Five

COMMITTEES

Committee of Directors

5.01 The board may appoint a committee of directors, however designated, and delegate to such committee any of the powers of the board except those which, under the Act, a committee of directors has no authority to exercise.

Transaction of Business

5.02 The powers of a committee of directors may be exercised by 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 such committee may be held at any place in Canada.

Advisory Committee

5.03 The board may, from time to time, appoint such other committees as it may deem advisable, but the functions of such other committees shall be advisory only.

Procedure

5.04 Unless otherwise determined by the board, each committee shall have the power to fix its quorum at not less than a majority of its members, to elect its chairman and to regulate its procedure.

Section Six

OFFICERS

Appointment

6.01 The board may, from time to time, appoint from among the directors a president and one or more vice-presidents and may also appoint a secretary, a treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. The secretary and the treasurer may, but need not be, a director, and one person may hold more than one office. The board may specify the duties of and, in accordance with the charter by-laws and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Cooperative.

President

6.02 The duties of the president shall be:

- (a) to preside at all meetings of the Cooperative and at meetings of the directors, and of the executive committee, if any, unless some other member is appointed by the meeting to do so;
- (b) to be ex officio member of all committees appointed.
- (c) to perform such other duties as are incident to the office of president of the Cooperative or as may be required from time to time by the board of directors.

Vice-President

- 6.03 The duties of the vice-president shall be:
- (a) to discharge the duties of the president in the absence of the president or the president's inability from any cause to act;
 - (b) to act until such time as the directors may appoint a successor, should the office of the president become vacant;
 - (c) to carry out such duties as the directors may assign.

Secretary

- 6.04 The duties of the secretary shall be:
- (a) to attend all meetings of the Cooperative, of the directors and of the executive committee, if any; keep correct minutes of same, and keep the directors informed with respect to the minutes of any special committee meetings.
 - (b) to have charge of the seal of the Cooperative.
 - (c) to conduct or cause to be conducted the correspondence of the Cooperative and, subject to the order of the board, have charge or control of all corporate records, books, papers and documents.
 - (d) perform such other duties as the directors may assign.

Treasurer

6.05 The treasurer or such other officer appointed by the directors to perform such duties shall:

- (a) receive and deposit all monies to the account of the Cooperative.
- (b) keep or cause to be kept a proper set of business records showing accurately the financial position of the Cooperative and present a full and detailed account to the directors whenever requested by them to do so.
- (c) prepare or have prepared for submission to the annual meeting a complete statement of the financial position of the Cooperative and when requested to do so, prepare or have prepared interim financial statements for submission to any semi-annual meeting or any other general or special meeting.

Powers and Duties of Other Officers

6.06 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. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board otherwise directs.

Variations of Powers and Duties

6.07 The board may, from time to time, and subject to the provisions of the Act, vary, add to, or limit the powers and duties of any officer.

Term of Office

6.08 The board, in its discretion, may remove any officer of the Cooperative, without prejudice to such officer's rights under any employment contract. Otherwise, each officer appointed by the board shall hold office until the officer's successor is appointed.

Terms of Employment

6.09 The terms of employment and the remuneration of officers appointed by the board shall be settled by it from time to time.

Conflict of Interest

6.10 Any interest an officer has in any material contract or proposed material contract with the Cooperative shall be disclosed by the officer in accordance with the provisions of the Act.

Agents and Attorneys

6.11 The board shall have power from time to time to appoint agents or attorneys for the Cooperative in or outside Canada with such powers of management or otherwise, including the power to sub-delegate, as may be thought fit.

Fidelity Bonds

6.12 The board may require such officers, employees and agents of the Cooperative as the board deems advisable to furnish bonds for the faithful discharge of their powers and duties, in such form and with such surety as the board may from time to time determine.

Section Seven

DUTY OF CARE AND PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

Duty of Care of Directors and Officers

7.01 Directors and officers of the Cooperative, in exercising their powers and discharging their duties, shall:

- (a) act honestly and in good faith with a view to the best interests of the Cooperative; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

No Exculpation

7.02 No provision in a contract, the articles, the by-laws or a resolution relieves directors or officers from the duty to act in accordance with the Act and the regulations, or relieves them from liability for any breach thereof.

Indemnity

7.03 Subject to the limitations contained in the Act, the Cooperative shall indemnify directors or officers, former directors or officers, or persons who act or acted at the Cooperative's request as directors or officers of a body corporate of which the Cooperative is or was a shareholder or creditor, or persons who undertake or have undertaken any liability on behalf of the Cooperative or any such body corporate, and their heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgement, reasonably incurred by them in respect of any civil, criminal or administrative action or proceeding to which they are made a party by reason of being or having been directors or officers of the Cooperative or such body corporate, if:

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

Insurance

7.04 Subject to the limitations contained in the Act, the Cooperative may purchase and maintain such insurance for the benefit of its directors and officers as such, as the board may from time to time determine.

Dissent

7.05 Directors are deemed to have consented to any resolution passed or action taken at a meeting of the board or a committee of the board unless they record their dissent within the time and in the manner provided by the Act.

Section Eight

MEMBERSHIPS AND TRANSFERS

Membership Fee

8.01 The amount of the membership fee shall be \$10.00 .
The membership fee is not refundable, and shall be used for the general purposes of the Cooperative.

Membership Certificates

8.02 Every member of the Cooperative shall be entitled, upon request and without payment, to a certificate signed in accordance with the charter by-laws, stating that the member is a member of the Cooperative.

Approval of Membership

8.03 No person shall become a member of the Cooperative unless that person submits a written application for membership which is approved by the board or by a person authorized by the board to approve membership applications and has paid the required membership fee.

Approval of Transfer

8.04 No transfer of a membership in the Cooperative shall be registered in the members' register of the Cooperative unless a written application for membership by the transferee has been approved and the transfer has been authorized by a resolution of the board or by a person authorized by resolution of the board to approve applications and transfers of that kind. Subject to compliance with the Act and the charter by-laws, upon approval of the transferee and authorization of the transfer, notification of the approval shall be sent to the transferee and the name of the transferee shall be entered in the members' register.

Transfer of Membership

8.05 Subject to the provisions of the Act and the charter by-laws, no transfer of membership shall be registered in the members' register except upon presentation of a transfer duly executed by the registered holder or by the registered holder's attorney or successor duly appointed together with such reasonable assurance or evidence of signature, identification and authority to transfer as the board may from time to time prescribe, upon payment of any applicable taxes and fees, upon compliance with such restrictions on transfer as are authorized by the articles and upon satisfaction of any lien of the Cooperative on the member's interest in the Cooperative.

Maintenance of Register

8.06 The board may, from time to time, appoint an officer to maintain the members' register and to maintain a register of transfers. The board may at any time terminate any such appointment.

Duty of Members

8.07 A member shall faithfully support and promote the business and the affairs of the Cooperative and shall be bound by the by-laws and policies of the Cooperative.

Deceased Members

8.08 In the event of the death of a holder or one of the joint holders of any membership, the Cooperative shall not be required to make any entry in the members' register, or make any payment, in respect thereof, except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Cooperative and its transfer agents, if any.

Lien for Indebtedness

8.09 The lien of the Cooperative on any interest of a member in the property of the Cooperative and on any sum payable by the Cooperative to the member, for a debt of that member to the Cooperative, may be enforced by any action, suit, remedy or proceeding authorized or permitted by law or by equity and, pending such enforcement, the Cooperative may refuse to register a transfer of or acknowledge any assignment of any membership or any other interest or any sum payable affected by the lien.

Non-Recognition of Trusts

8.10 Subject to the provisions of the Act, the Cooperative shall treat as absolute owner of any membership or other interest in the Cooperative the person in whose name it is registered or recorded on the books of the Cooperative as if that person had full legal capacity and authority to exercise all rights of ownership, irrespective of any indication to the contrary through knowledge or notice or description in the Cooperative's records or on any membership certificate.

Withdrawal of Members

- 8.11 (a) A member may withdraw from the Cooperative by giving to the Secretary of the Cooperative 3 months' notice of the intention to withdraw. The board may, by resolution, accept any application for withdrawal upon shorter notice.
- (b) The death of a member shall have the same force and effect as notice of withdrawal.
- (c) Winding-up and dissolution proceedings in respect of a body corporate that is a member of a Cooperative shall have the same force and effect as notice of withdrawal.

Termination of Membership for Cause

8.12 If a member's conduct and attitude is considered detrimental to the welfare of the Cooperative, the board may, by a resolution passed by a majority of not less than $3/4$ of the directors at a meeting called to consider the resolution, terminate the membership of the member for cause. The member shall receive at least 7 days' notice of the meeting at which the resolution is to be considered, together with a statement of the grounds upon which the membership of the member is proposed to be terminated and is entitled to appear, either personally or by or with an agent or counsel, to make submissions at the meeting.

Notice of Termination

8.13 Within 7 days after the date on which the resolution to terminate the membership of a member is passed, the Cooperative shall, in the same manner as that provided for the giving of notice of a meeting of members, notify the person whose membership was terminated.

Termination by Meeting of Members

8.14 A meeting of members may, by special resolution, terminate the membership of a member.

Right to Appeal

8.15 A person whose membership is terminated for cause or by special resolution of the members may appeal the decision in accordance with the Act.

Section Nine
JOINT MEMBERSHIP

Joint Memberships

9.01 Subject to the Act and charter by-laws, two or more persons may apply for joint membership in the Cooperative.

Statement of Interest

9.02 If two or more persons are registered as joint holders of any membership, the Cooperative shall not be bound to issue more than one statement showing the interest of the membership holders in the Cooperative, and delivery of such statement to one of such persons shall be sufficient delivery to all of them. Any one of such persons may give effectual receipts for the statement or for any interest, refund, return of capital or other money payable in respect of such membership.

Voting

9.03 Each joint membership shall have one vote. The two or more persons who hold the membership jointly shall vote as one the membership jointly held by them.

Withdrawal of Membership

- 9.04 (a) Subject to the Act and charter by-laws, an application for withdrawal of joint membership shall be in writing and signed by all surviving joint holders of such membership.
- (b) The death of one of the joint holders of a membership shall not have the same force and effect as notice of withdrawal.

Notice

9.05 If two or more persons are registered as joint holders of any membership in the Cooperative, any notice shall be addressed to all of such joint holders but notice to one of such persons shall be sufficient notice to all of them.

Director

9.06 Only one joint holder of a membership may be a director of the Cooperative at any one time.

Section Ten
ALLOCATION OF REVENUES

Reserve Fund

10.01 There shall be a reserve fund of the Cooperative known as the general reserve fund.

Transfer to Reserves and Payment of Deficits

10.02 Before any distribution of surplus is made, such part thereof as may be necessary for those purposes shall be appropriated for, and transferred to, reserve funds duly established by the charter by-laws or by resolution passed by the members at a general meeting, and shall be used to retire all or a portion of deficits of the Cooperative previously incurred as the board shall determine.

Use of surplus

10.03 The Cooperative is, in the opinion of the Registrar under the Act, being operated for purposes of community service. No patronage dividend shall be paid by the Cooperative until and unless the Registrar otherwise orders, and the surplus of the Cooperative in any fiscal year shall be used for the purposes of the Cooperative or donated for community welfare as the board shall determine.

Deficits

10.04 If the calculation of surplus in accordance with the Act produces a negative amount, this amount shall be the deficit of the Cooperative for that fiscal year. The board in its entire discretion shall carry the deficit forward and deduct it from surpluses accruing in subsequent fiscal years of the Cooperative in accordance with these charter by-laws, or charge the deficit against the General Reserve Fund, or charge part of the deficit against the General Reserve Fund and carry the balance forward.

Distribution of Property

10.05 In the event of liquidation and dissolution of the Cooperative and after payment of all debts and liabilities, the remaining property of the Cooperative shall be distributed or disposed of to another Cooperative with like purpose to that of the Cooperative or a charitable organization within the meaning of The Income Tax Act (Canada).

Section Eleven
MEETINGS OF MEMBERS

Annual Meetings

11.01 The directors of the Cooperative shall call an annual meeting of members not later than 18 months after the Cooperative comes into existence, and subsequently not later than 15 months after holding each preceding annual meeting. Subject to the charter by-laws, the annual meeting shall be held at such time and at such place as the board may from time to time determine for the purpose of considering the annual report of the directors, the financial statements, the auditors' report, the election of directors, the appointment of auditors and any other business authorized by the charter by-laws to be transacted at an annual meeting.

Special Meetings

11.02 The board may at any time call a special meeting of members.

Place of Meetings

11.03 Meetings of members shall be held at the registered office of the Cooperative or elsewhere in the area being served by the Cooperative as the directors may determine.

Meetings Without Notice

11.05 A meeting of members may be held without notice at any time and place permitted by the Act if all members entitled to vote thereat are present in person or if those not present waive notice of or otherwise consent to such meeting being held, and if the auditors and the directors are present or waive notice of or otherwise consent to such meeting being held. At such meeting any business may be transacted which the Cooperative at a meeting of members may transact.

Chairman, Secretary and Scrutineers

11.06 The chairman of any meeting of members shall be one of the following officers as have been appointed and who is present at the meeting: president, or a vice-president, or some other member appointed by the persons present and entitled to vote at a meeting of members. If the secretary of the Cooperative is absent, the chairman shall appoint some person, who need not be a member, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be members, may be appointed by a resolution or by the chairman with the consent of the meeting.

Persons Entitled to be Present

11.07 The only persons entitled to be present at a meeting of members shall be those entitled to vote thereat, and auditors of the Cooperative and others who, although not entitled to vote, are entitled or required under any provision of the Act or the articles or the charter by-laws to be present at the meeting. Any other person may be admitted only on invitation of the chairman of the meeting or with the consent of the meeting.

Notice of Meetings

- 11.04 (a) Notice of the time and place of each meeting of members shall be given in the manner provided by the charter by-laws not less than 14 days nor more than 30 days before the date of the meeting.
- (b) The notice shall be given to each director, to the auditor, and to each member registered on the records of the Cooperative at the close of business on the day immediately preceding the day on which the notice is given, unless a different record date is fixed in accordance with the Act.
- (c) Notice of a meeting of members called for any purpose other than the consideration of the annual report of the directors, the financial statements, the auditors' report, the election of directors, the re-appointment of the incumbent auditor and any other business authorized by the charter by-laws to be transacted at an annual meeting, shall state the nature of that business in sufficient detail to permit the member to form a reasoned judgment thereon, and shall state the text of any special resolution to be submitted to the meeting or, if the full text is too lengthy for convenient inclusion in the notice, a summary thereof.
- (d) A member may, in any manner, waive notice of or otherwise consent to a meeting of members.
- (e) Failure to receive a notice does not deprive a member of the right to vote at the meeting.

Quorum

11.08 A quorum for the transaction of business at any meeting of members shall be a number of members equal to 50% of the number of members entitled to vote at meetings of members, or equal to the number of directors plus 5, whichever is the lesser.

Right to Vote

11.09 Every person shall be entitled to vote at a meeting who at the time is entered in the members' register.

Votes to Govern

11.10 At any meeting of members, every question shall, unless otherwise required by the Act, articles or the charter by-laws, be determined by the majority of the votes cast on the question. In case of an equality of votes, the motion shall be lost.

Show of Hands

11.11 Subject to the provisions of the Act, any question at a meeting of members shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the members upon the said question.

Ballots

11.12 On any question proposed for consideration at a meeting of members, and whether or not a show of hands has been taken thereon, any member entitled to vote at the meeting may require or demand a ballot. A ballot so required or demanded shall be taken in such manner as the chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken, the result of the ballot shall be the decision of the members upon the said question.

Adjournment

11.13 If a meeting of members is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. If a meeting of members is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

Resolution in Writing

11.14 A resolution in writing signed by all the members entitled to vote on that resolution at a meeting of members is as valid as if it had been passed at a meeting of the members unless a written statement with respect to the subject matter of the resolution is submitted by a director or the auditors in accordance with the Act.

Computation of Time

12.02 In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

Undelivered Notices

12.03 If any notice given to a member pursuant to this section is returned on 3 consecutive occasions because the member cannot be found, the Cooperative shall not be required to give any further notices to such member until the member informs the Cooperative in writing of his new address.

Omissions and Errors

12.04 The accidental omission to give any notice to any member, director, officer, auditor or member of a committee of the board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

Persons Entitled by Death or Operation of Law

12.05 Every person who, by operation of law, transfer, death of a member or any other means whatsoever, shall become entitled to membership in the Cooperative, shall be bound by every notice in respect thereof which shall have been duly given to the member from whom such person derives title to such membership prior to such person's name and address being entered on the members' register (whether such notice was given before or after the happening of the event upon which that person became so entitled) and prior to the person furnishing to the Cooperative the proof of authority or evidence of the person's entitlement prescribed by the Act.

Section Twelve

NOTICES

Method of Giving Notices

12.01 (a) This subsection applies to any notice (which term includes any communication or document) to be given (which term includes sent, delivered, served or posted up) pursuant to the Act, the regulations thereunder, the articles, the charter by-laws or otherwise to a member, director, officer, auditor or to a member of a committee of the board.

(b) Any notice shall be sufficiently given if delivered personally to the person to whom it is to be given or if mailed to the person at the person's recorded address by prepaid ordinary or air mail or if sent to the person's recorded address by means of prepaid transmitted or recorded communication, or if posted up in the office of the cooperative. 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; and a notice so posted up in the office of the cooperative shall be deemed to be received by the members at the time the notice is posted up.

(c) The secretary may change or cause to be changed the recorded address of any member, director, officer, auditor or member of a committee of the board in accordance with any information believed by the secretary to be reliable.

Waiver of Notice

12.06 Any member, director, officer, auditor or member of a committee of the board, may at any time, waive any notice, or waive or abridge the time for any notice required to be given the above named person under any provision of the Act, the regulations thereunder, the articles, the charter by-laws or otherwise, and such waiver or abridgement shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of members or of the board, which may be given in any manner.

Section Thirteen

EFFECTIVE DATE, AMENDMENT AND REPEAL

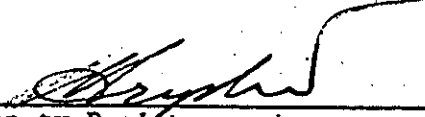
Effective Date

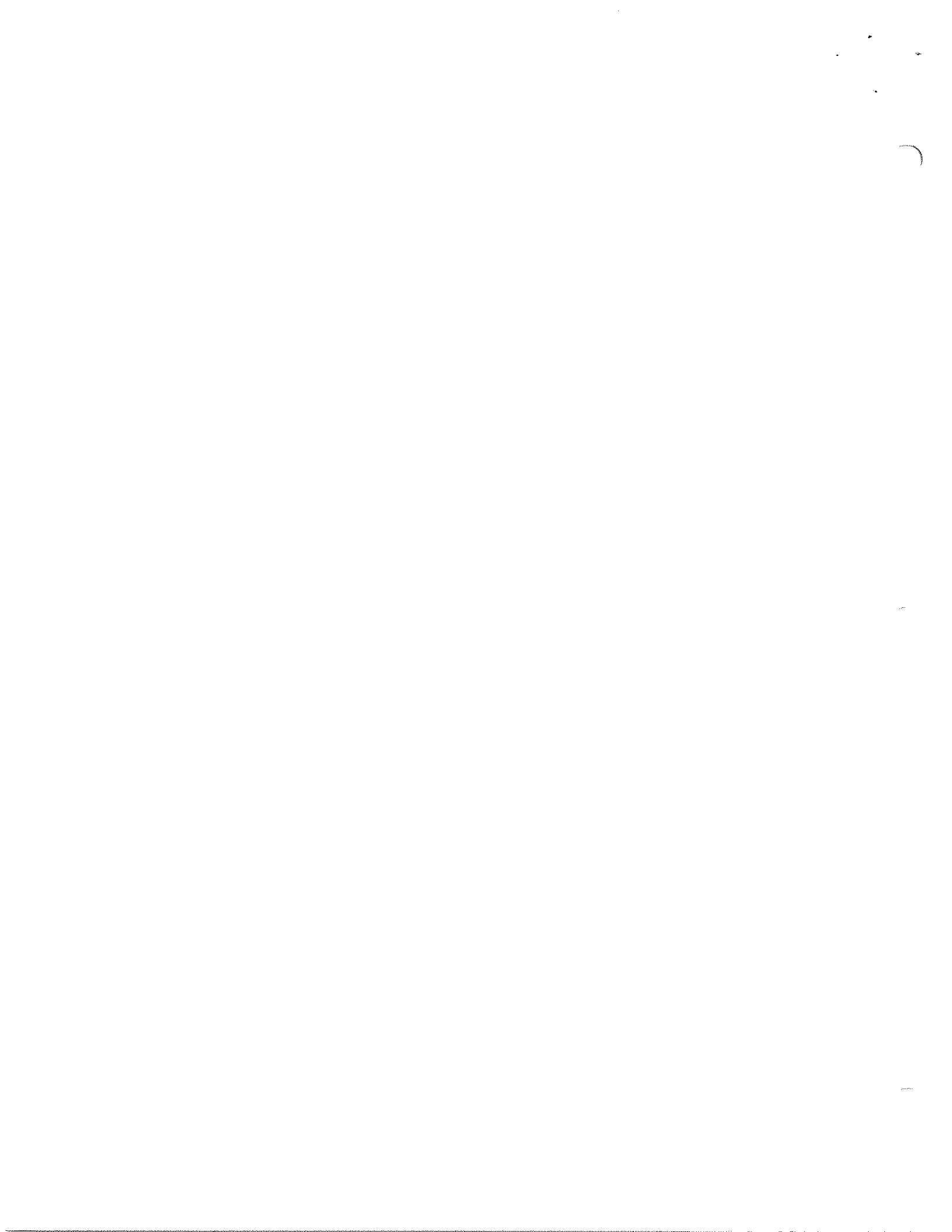
13.01 The charter by-laws shall come into force in accordance with the Act when the approval of the Registrar thereto is obtained and a certified copy thereof is filed with him.

Amendment, Repeal and Replacement

13.02 The charter by-laws may be amended, repealed and replaced by the members of the Cooperative by special resolution or if written notice of the proposed amendment, repeal or replacement is forwarded to each member with the notice of meeting at which the amendment, repeal or replacement is to be considered, by a majority of the votes cast at the meeting.

The foregoing Charter By-laws accompany the Articles of
Incorporation of Garderie Jolys Co-op Inc. and were
approved and filed by the Registrar on the 6th day of
July, 19 81.


Deputy Registrar



GARDERIE JOLYS CO-OP INC.

CHARTER BY-LAW AMENDMENT



Manitoba



Cooperative Development

800 — 215 Garry Street
Winnipeg, Manitoba, CANADA
R3C 3P3

Telephone:

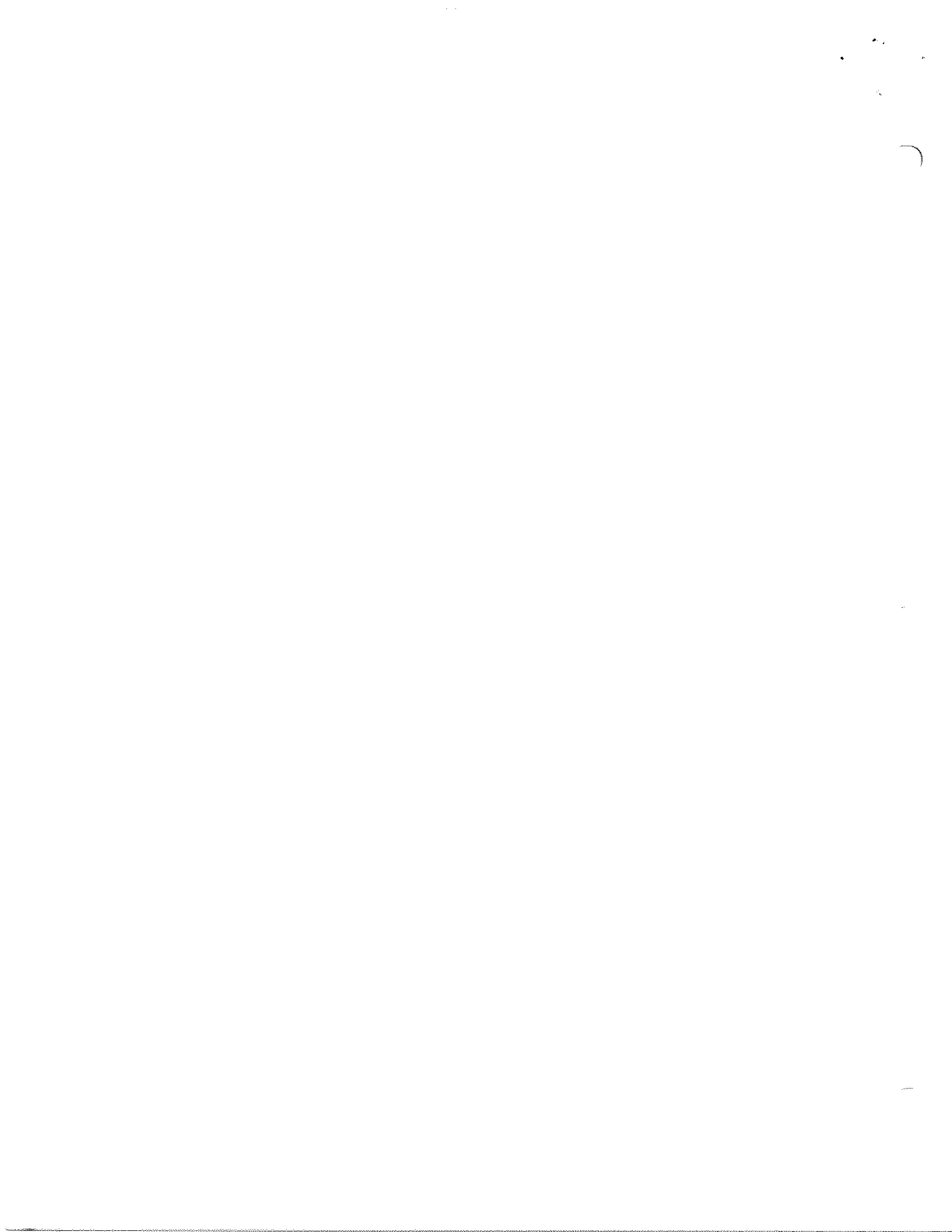
THE COOPERATIVES ACT

CHARTER BY-LAW AMENDMENT

I hereby certify that the Amendment to the Charter By-laws of GARDERIE JOLYS CO-OP INC. as set out in the attached certified copy thereof has been approved by the Registrar and is effective on, from and after July 22, 1985.

A handwritten signature in cursive script, appearing to read "P. B. Olivier".

Registrar
The Cooperatives Act
MANITOBA



FILED
JUL 22 1985
REGISTRAR
THE COOPERATIVES ACT
MANITOBA

CHARTER BY-LAW AMENDMENT

GARDERIE JOLYS CO-OP INC.

I, LYNNE PELOQUIN of ST. PIERRE-JOLYS, MB,

Secretary of GARDERIE JOLYS CO-OP INC. HEREBY CERTIFY THAT in accordance with The Cooperatives Act, the members of GARDERIE JOLYS CO-OP INC. passed the following resolution on the 14 day of Nov., 1984 and that written notice of the resolution was forwarded to each member with the Notice of the Meeting.

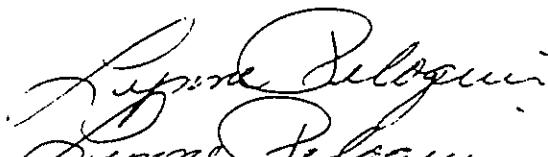
BE IT RESOLVED: that subsection 4.19 of the Charter By-laws of the Cooperative be repealed and the following be substituted therefor:

Subsection 4.19

The directors shall not be paid remuneration for their services. The directors shall be entitled to be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the board or any committee thereof. Nothing herein contained shall preclude any director from serving the Cooperative in any other capacity except as a regular employee of the Cooperative and receiving remuneration therefor.

Dated at THE TOWN of ST PIERRE-JOLYS

in the Province of Manitoba this 14 day of NOVEMBER, 1984


Secretary

