



## NATURIST LEGACY NOTICE OF BY-LAW AMENDMENTS

**September 24, 2012**

This is formal notice that at the Naturist Legacy Inc. Annual General Meeting (AGM) to be held on October 13, 2012, at 1:00 p.m., motions will be presented to confirm amendments made to the corporation's by-laws by the board of directors as described below.

### ARTICLE 16(e)

Amendments to Article 16(e) are indicated by strikethrough deletions and/or underlined additions as follows:

16(e) Those persons seeking election to the position of director will be required to demonstrate and fulfill certain skill sets and working criteria that will be predetermined by the standing board of directors, as they are needed to fulfill the working mandate of the corporation. The corporation, through its nominating officer, will disclose and make available such criteria in reasonable time that the nominating officer may find suitable candidates. For the good of the corporation, the majority of directors shall at all times be comprised of individuals possessing extensive business experience, briefly defined as:

(1) Having worked in a management or professional position within the private or corporate sector, and/or

(2) Having owned or operated a successful company, and

(3) Possessing direct experience with and understanding of the financial, accounting, marketing and operational functions of a corporation or private sector organization or business.

Purpose: To ensure that the majority of directors will always possess the knowledge and experience necessary to effectively manage the often complex business and financial affairs of the corporation.

**Motion:** Whereas the board of directors has amended Article 16(e) of Naturist Legacy's by-laws, as presented at this Annual General Meeting of October 13, 2012, I do so move to formally confirm and adopt Article 16(e) as amended.

**Voting on this motion will be by show of hands.**

### ARTICLE 20

Amendments to Article 20 are indicated by strikethrough deletions and/or underlined additions as follows:

20. If all the directors of the corporation present at or participating in the meeting consent, a meeting of the board of directors, or any decisions needed, may be held by such telephone, electronic, or other communication facilities as permit all persons participating in the meeting to communicate adequately with each other ~~simultaneously and instantaneously~~, and a director participating in the meeting by those means shall be deemed to be present at the meeting.

Purpose: To permit directors to meet and make decisions via e-mail, an efficient and effective form of communication that is neither simultaneous nor instantaneous.

**Motion:** Whereas the board of directors has amended Article 20 of Naturist Legacy's by-laws, as presented at this Annual General Meeting of October 13, 2012, I do so move to formally confirm and adopt Article 20 as amended.

**Voting on this motion will be by show of hands.**

#### ARTICLE 23

Amendments to Article 23 are indicated by strikethrough deletions and/or underlined additions as follows:

23. As long as there is a quorum of directors in office, any vacancy occurring in the board of directors may be filled for the remainder of the term by the directors then in office from among ~~voting~~ Supporting members of the corporation who meet the qualifications set out in the established by-laws and orders. Otherwise, such vacancies shall be filled at the next AGM. Whenever there is not a quorum of directors in office, the director or directors remaining in office shall forthwith call a special meeting of ~~voting~~ Supporting members to fill the vacancies, and, in default or if there are no directors then in office, the meeting may be called by any corporation member.

Purpose: To clarify wording that may be mistakenly interpreted as allowing regular members to sit on the board of directors, something not permitted under Articles 6(c) and 15(a) of these by-laws.

**Motion:** Whereas the board of directors has amended Article 23 of Naturist Legacy's by-laws, as presented at this Annual General Meeting of October 13, 2012, I do so move to formally confirm and adopt Article 23 as amended.

**Voting on this motion will be by show of hands.**

#### ARTICLE 36

Amendments to Article 36 are indicated by strikethrough deletions and/or underlined additions as follows:

36. Any member of the board who has a financial, personal or official interest in, or conflict (or appearance of a conflict) with any matter pending before the board, of such nature that it prevents or may prevent that member from acting on the matter in an impartial manner, will offer to the board to voluntarily excuse himself and will vacate his seat and refrain from discussion and voting on said item. In the interests of board function, the board may decide it is in the best interest of the corporation to allow such board member to hold his seat during such transactions and vote. As this board will deal with issues arising with respect to ~~repayments of member loans~~ crediting back membership fees paid in advance, and since these ~~repayments~~ credits will also be to board members, they shall take all due care in seeing that any ~~payments~~ such credits are fair and equal with other ~~lenders~~ members who will also be ~~in receipt of repayments for loans~~ credited back for membership fees paid in advance. The minutes of meetings at which such votes are taken shall record such disclosures, abstentions and rationale for approval.

Purpose: To correct language mistakenly carried over from earlier by-law drafts when loans from members were contemplated.

**Motion:** Whereas the board of directors has amended Article 36 of Naturist Legacy's by-laws, as presented at this Annual General Meeting of October 13, 2012, I do so move to formally confirm and adopt Article 36 as amended.

**Voting on this motion will be by show of hands.**

#### ARTICLE 40

Amendments to Article 40 are indicated by strikethrough deletions and/or underlined additions as follows:

40. A quorum for the transaction of business at any meeting of members shall consist of 25% of ~~voting~~ Supporting members.

Purpose: To ensure that no meeting of members takes place at which the interests of Supporting members (the major financial contributors to the corporation) are not adequately represented.

**Motion:** Whereas the board of directors has amended Article 40 of Naturist Legacy's by-laws, as presented at this Annual General Meeting of October 13, 2012, I do so move to formally confirm and adopt Article 40 as amended.

**Voting on this motion will be by show of hands.**

#### ARTICLE 41

Amendments to Article 41 are indicated by strikethrough deletions and/or underlined additions as follows:

41. The board of directors may at any time call a membership meeting of the corporation for the transaction of any business, the general nature of which is specified in the notice calling the meeting. Notice of membership meetings ~~other than~~ including the AGM shall be sent to each member at least two weeks in advance of the meeting. Meetings of members may be held at any time or place without notice if all the voting members of the corporation are present thereat or represented by proxy duly appointed and at such meeting any business may be transacted which the corporation, at annual or general meetings may transact.

Purpose: To establish the notice period required for the corporation's AGM.

**Motion:** Whereas the board of directors has amended Article 41 of Naturist Legacy's by-laws, as presented at this Annual General Meeting of October 13, 2012, I do so move to formally confirm and adopt Article 41 as amended.

**Voting on this motion will be by show of hands.**

#### ARTICLE 45

Amendments to Article 45 are indicated by strikethrough deletions and/or underlined additions as follows:

45. In all other matters where ~~orders of corporation issues arise, such as contested issues, business issues and financial issues~~ that are deemed contested or controversial, every question shall be decided by secret ballot. The question shall be decided by a majority of the votes of voting members present in person or by proxy. Such ballot shall be taken in such manner as the chair shall direct except as stipulated in Schedule A, and the result of such ballot shall be deemed the decision of the corporation in general meeting upon the matter in question. Upon the casting of votes, a scrutineer shall verify every ballot and inform the chair of that vote's outcome. The chair and the secretary shall see that the actual vote by number is recorded as such in the minutes. If the membership is satisfied that the vote outcome is correct, the chair may at that time order the destruction of those ballots. If the outcome is in dispute, a second count of the ballots, with a witness, will be ordered. The ballots shall not be ordered to be destroyed until the vote is accepted by the membership as being without dispute.

Purpose: To simplify and clarify language regarding votes on issues deemed contested or controversial.

**Motion:** Whereas the board of directors has amended Article 45 of Naturist Legacy's by-laws, as presented at this Annual General Meeting of October 13, 2012, I do so move to formally confirm and adopt Article 45 as amended.

**Voting on this motion will be by show of hands.**