

BY-LAW OF

The University Network of Excellence in Nuclear Engineering – Réseau D'Excellence Universitaire en Genie Nucléaire

1 CORPORATE SEAL

- 1.1 The Corporation may have a corporate seal that shall be in such form as shall be approved by resolution of the Board of Directors, and may be used only with the consent of the President or the Secretary.

1.2 OBJECTS

The objects of the Corporation are to:

- (i) Establish a sustainable supply of qualified nuclear engineers and scientists to meet the current and future needs of the Canadian nuclear industry through university education, university-based training and by encouraging young people to choose a career in the nuclear industry;
- (ii) Create and sustain nuclear research by establishing new research professorships and through enhanced funding for nuclear research at Canadian universities;
- (iii) Create and sustain a respected body of nuclear experts to provide independent assessments and advice on various aspects of nuclear energy issues;
- (iv) Fund nuclear research at Canadian universities; and
- (v) Any other matter ancillary or supplemental to the foregoing.

2 HEAD OFFICE

- 2.1 Until changed in accordance with the Canada Corporations Act, the Head Office of the Corporation shall be established in the City of Hamilton, in the Province of Ontario. It will be established at such address, within such city, as the Board of Directors of the Corporation may from time to time determine by resolution.

3 DEFINITIONS

- 3.1 *Title:* The University Network of Excellence in Nuclear Engineering – Réseau D'Excellence Universitaire en Genie Nucléaire, may be referred to interchangeably in these By-Laws and in any other document by their full name, UNENE or the Corporation.
- 3.2 *The Board of Directors:* The Board of Directors refers to the Board constituted and whose roles and responsibilities are set out in Section 5 of these By-Laws.
- 3.3 *President:* The President means the President as described in s.6.3.
- 3.4 *Secretary:* The Secretary as described in s.6.5.
- 3.5 *Corporation-Funded Chair:* Corporation Funded Chair refers to the Corporation funding a research, development and/or training program at or under the supervision of a university.

4 MEMBERSHIP

- 4.1 Membership in the Corporation shall be open to Canadian universities, corporations, associations, government agencies or other entities, if their application for admission as a member has received the approval of the Board of Directors and the Voting Members of the Corporation.
- 4.2 Membership in the Corporation shall be limited to two categories of members, namely: Voting Members as defined in s.4.3 and Non-Voting Members as defined in s.4.4. Each such Member that is a corporation shall nominate an individual representative of the Member in its dealings with the Corporation.
- 4.3 Voting Membership shall be granted only to:
- i) Those corporations, associations, government agencies or other entities that meet the conditions for membership specified in these By-Laws and who are approved by the Board of Directors and the other Voting Members. In particular and without limiting the generality of the foregoing, such membership shall only be granted to those entities which fulfil the Annual Membership Fee and fund a significant portion of the overall UNENE Program. The significance of the funding in relation to the overall UNENE Program cost will be determined by majority vote of the existing Voting Members held at a special meeting to determine the status of the applicant for voting membership.

And

- ii) Those universities who have Corporation funded Chairs.

Subject to the Voting Member agreeing to meet its funding proportion of the overall UNENE Program, the initial Voting Members shall be: Ontario Power Generation Inc., Bruce Power LP, Atomic Energy of Canada Limited, McMaster University, Queens University, University of Toronto, University of Waterloo, University of Ontario Institute of Technology, and University of Western Ontario.

4.4 Non-Voting Membership shall be granted to:

- i) Those corporations, associations, government agencies or other entities that pay, as a minimum, the Annual Membership Fee, and who are approved by the Board of Directors and the Voting Members.

And

- ii) Those universities not having Corporation funded Chairs.

The initial Non Voting Members shall be: Canadian Nuclear Safety Commission, University of New Brunswick, Ecole Polytechnique and CANDU Owners Group.

4.5 The total annual amount payable by each Voting and Non Voting Member shall be determined by adding the sum of a Member's committed share of the budget for each UNENE Program which that Member is participating in for that fiscal year ("Committed Share") and the Annual Membership Fee. The amount of the Annual Membership Fee will be determined annually by the majority vote of the Voting Members.

4.6 At the first meeting of the Voting Members following the issuance of letters patent to the Corporation as provided for in 8.1 of these By-Laws, the Voting Members will, by majority vote estimate a budget for the remainder of that fiscal year, based on the committed shares of the Members for each UNENE Program and an estimate, following a majority vote of the Voting Members, of what each Program will cost for the remainder of that fiscal year. The Voting Members may, by majority vote, revise the budget during the year to reflect changes in Programs and costs.

The Members will pay their initial respective committed shares to the Corporation in accordance with a schedule of payments agreed to by majority vote of the Voting Members at, or prior to the first meeting of the Voting Members. The payment schedule for the first fiscal year of the Corporation may be revised from time to time as agreed upon by majority vote of the Voting Members to accommodate changes in the Programs, budget estimates, and the due date of payments. The Voting Members will also determine by majority vote the annual Membership Fee for the remainder of that fiscal year in which the initial meeting of the Voting Members is called and pay to the Corporation forthwith upon

receiving a statement of fees from the Corporation such annual Membership Fee. Subsequent annual budgets and Membership Fees shall be determined in a like manner no later than January 31st of each year.

The annual Membership Fees are due and payable on the first calendar day of the Corporation's fiscal year which fiscal year shall be determined in accordance with s.9.1 of this By-Law. Subject to the payment schedule agreed to by the Members for the first Fiscal year, committed funds to support the UNENE Program are due and payable thirty (30) days after invoices are received. Invoices shall be issued for each committed project or research program in which the individual Member has agreed to take part upon the determination of a budget for a UNENE program by the Voting Members. Changes to any UNENE program budget and the due date of payments may be made by the Voting Members at any time throughout the year. Late payments will be charged at prevailing rates of interest as set by the Board of Directors.

Member's payments shall only be applied to a project or research program the Member has committed to fund and in accordance with any specific instructions provided by the Member.

If a Member's payment for a project or research program that Member has committed to fund is not applied within a period of time agreed to between the funding Member and the recipient because of a failure by government to provide matching funds, or for any other reason, the Corporation will return that payment to the Member.

- 4.7 If a Voting Member is not in agreement with the estimated annual budget/annual Members fees the Member may resign as a Voting member without incurring any obligation for the said annual budget or annual fees by delivering written notice of resignation within seven (7) days of the vote on the estimated annual budget and/or annual members fees.

Subject to the aforesaid notice of resignation, should a Member cease to be a Member before the end of any fiscal year for which dues have been paid, there shall be no refunding of dues for that fiscal year. With respect to the UNENE Program, Members shall be liable for their funding obligations for the current twelve (12) month period (measured from the anniversary date of the specific program/project) upon termination in accordance with s.4.11 or resignation of membership, in accordance with s.4.10 unless specific provision has been made in individual program agreements to the contrary, or in any event, the Board of Directors determines otherwise.

- 4.8 Applications for non-voting membership or voting membership from eligible organizations shall be made in writing to the President who will submit such applications to the Board of Directors. The Board of Directors shall consider such

applications and make an appropriate recommendation to the Voting Members for approval.

- 4.9 Upon a vote of the Voting Members, all membership rights shall be suspended if the Member is more than ninety (90) days in arrears in the payment of monies owing to the Corporation. In such situations the Corporation may still seek redress for the amounts outstanding.
- 4.10 Subject to the summary withdrawal in accordance with s.4.7, any Member may withdraw from the Corporation by delivering to the Corporation a written notice of resignation to be effective sixty (60) days thereafter. However, all financial obligations must be fulfilled in accordance with sections 4.7 and 11.
- 4.11 Any membership may be terminated by a 75% vote of the Voting Members at the Annual General Meeting, or at a special meeting, provided that the Member subject to such a termination has been given thirty (30) days notice of such intention and has been given the opportunity to make representation to the other Members at such meeting. Such termination shall be undertaken only for cause, where the Member has acted in a manner which is contrary to the objects of the Corporation.
- 4.12 Non Voting Members will be entitled to all information and support covered by the Annual Membership Fee. The Board of Directors will determine from time to time the nature and content of those basic programs and the level of information and support related thereto which are covered by the Annual Membership Fee. In addition, Non Voting Members have the right to take part in any other UNENE program as they so elect, providing they pay the agreed pro-rata funding of such programs. Non Voting Members do not have the right to vote at the Annual General Meeting or any other duly constituted meeting of the Members, nor do they have the right to nominate a director to the Board of Directors.
- 4.13 Voting Members enjoy the same rights and privileges as Non Voting Members, except they have the right to vote at the Annual General Meeting and other duly constituted meetings of the Members, and they have the right to nominate a director to the Board of Directors.

5 BOARD OF DIRECTORS

- 5.1 The property and business of the Corporation shall be managed by a Board of Directors, with each Voting Member represented by one Director. Directors must be individuals, 18 years of age or over, with power under law to contract. Initially, the Corporation shall be managed by a board of nine (9) Directors representing each of the nine (9) Voting Members. There shall be a minimum of seven (7) and a maximum of twenty (20) Directors. The Board of Directors has

such powers as may be required for the purpose of carrying out their duties and responsibilities as specified herein.

- 5.2 Each Voting Member of the Corporation shall formally nominate one Director to the Board of Directors at the first meeting of the Voting Members. This nomination will either be renewed every two years, or a new Director nominated. The Voting Members shall ensure that no Director thus appointed has any conflict of interest, respecting the aims and mandate of the Corporation. Initially, the applicants for incorporation shall become the first provisional Directors of the Corporation whose term of office on the Board of Directors shall continue until their successors are appointed. At the first meeting of the Members, the Board of Directors then appointed shall replace the first provisional Directors named in the Letters Patent of the Corporation.
- 5.3 The Board of Directors may from time to time nominate and present to the Voting Members for approval at a meeting of the Members, external Directors who do not represent a Member, in order to bring specific competencies to the Board.
- 5.4 Except for the initial provisional Directors, Directors shall be appointed for a term of two (2) years. The initial provisional Directors shall be confirmed or replaced as Directors, at the first meeting of the Voting Members following the formation of the Corporation.
- 5.5 The office of Director shall be automatically vacated:
 - (i) if a Director resigns his office by delivering a written resignation to the Secretary of the Corporation;
 - (ii) if at a duly constituted meeting of the Board of Directors, a resolution is passed by the Directors present at the meeting that he be removed from office for cause;
 - (iii) on death, disability, incompetence;
 - (iv) if the Director ceases to be the representative of the Voting Member;
 - (v) if the Board of Directors determines that the initial rationale for an external Director no longer exists.
- 5.6 If a vacancy shall occur for any of the above reasons, the Voting Member who is no longer represented on the Board of Directors will appoint a replacement Director.
- 5.7 If the vacancy so created was held by a Director who did not represent a Member, the Board of Directors will decide whether a replacement is required and if so, nominate a successor.
- 5.8 A retiring Director shall remain in office until the dissolution or adjournment of the meeting at which his retirement is accepted and his successor is appointed.

- 5.9 The Directors shall serve without remuneration and no Director shall directly or indirectly receive any profit from his position as such, provided that a Director may be paid reasonable expenses incurred by him in the performance of his duties. External Directors, if so appointed, will be remunerated as approved by the Voting Members.
- 5.10 Meetings of the Board of Directors may be held at any time and place to be determined by the Directors provided that one (1) week written notice of such meeting shall be given directly to each Director by personal delivery, facsimile or email. Notice by mail shall be sent at least fourteen (14) days prior to the meeting. Notice shall be deemed to have been given if by registered mail, mailed on the day the receipt is executed and otherwise, on the date of delivery or transmission if delivered or transmitted during normal business hours on a business day, failing which it shall be deemed to have been given on the next business day following the delivery or transmission. Meetings may be held with less than the required notice on the written consent of 75% of the Directors which may be evidenced by facsimile. For the purposes of sending any notice to a director, the address or facsimile number of the Director shall be the last address or facsimile number recorded for the Director on the books of UNENE.
- 5.11 There shall be at least two (2) meetings per year of the Board of Directors. Additional meetings may be held at the request of the President or by decision of the Board of Directors or the Voting Members.
- 5.12 No error or omission in giving notice of any meeting of the Board of Directors or any adjourned meeting of the Board of Directors of the Corporation shall invalidate such meeting or make void any proceedings taken thereat, provided that the Secretary has confirmed receipt of notice of such meeting by the Directors. Any Director may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.
- 5.13 If all the Directors of the Corporation consent thereto generally or in respect of a particular meeting, a Director may participate in a meeting of the Board or of a committee of the Board by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to communicate with each other, and provided that each Director has equal access to the specific means of communication to be used. A Director participating in such a meeting by such means is deemed to be present at the meeting for all purposes including quorum requirements and calculating the votes cast.
- 5.14 Sixty-six (66) percent of the eligible Directors of the Board of Directors present in person or in accordance with s.5.13, one of whom must be the Chair or the Vice Chair of the Board, shall represent a quorum. No alternate directors or votes by proxy are permitted.

- 5.15 Each Director is authorized to exercise one (1) vote and all decisions of the Board of Directors shall be by majority vote unless otherwise specifically provided for herein.

Responsibilities and Powers of the Board of Directors

- 5.16 The Board of Directors of the Corporation is responsible for administration of the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, save as hereinafter provided, generally, may exercise all such powers and do all such other acts and things as the Corporation is by its charter, corporate policies or otherwise authorized to exercise and do.
- 5.17 The Board of Directors is responsible for prescribing such rules and regulations not inconsistent with these bylaws relating to the management and operation of the Corporation as they deem expedient, provided that such rules and regulations shall have force and effect only until the next Annual General Meeting of the Voting Members of the Corporation when they shall be confirmed, and failing such confirmation at such Annual General Meeting of the Voting Members, shall at and from that time cease to have any force and effect.
- 5.18 The Board of Directors shall have the power to suspend all of a Member's rights for failure to honor funding obligations or if such membership is prohibited due to Federal Government policy. In such cases, the matter will be brought before a special meeting of the Members at the earliest opportunity and either endorsed or overturned by vote of the Voting Members.
- 5.19 The Board of Directors shall have the power to authorize expenditures on behalf of the Corporation strictly in accordance with the UNENE Program budgets, the specific instructions of the Members committing the funding for those Programs and the Annual Membership Fee already approved by the Voting Members.
- 5.20 The Board of Directors may delegate by resolution, to an officer or officers of the Corporation, the right to authorize specific expenditures in accordance with the restrictions in s.5.19, as well as the right to arrange the attachment of staff from member organizations and, when necessary, to employ and pay salaries to employees, to appoint agents, hire consultants or otherwise enter into contracts with third parties.
- 5.21 The Board of Directors shall have the power from time to time by resolution to appoint an officer or officers on behalf of the Corporation to sign specific contracts, documents, and instruments in writing. The seal of the Corporation when required may be affixed to contracts, documents, and instruments in writing, and signed in accordance with said resolution of the Board of Directors.

- 5.22 The Board of Directors shall have the power to enter into or authorize officers to enter into an arrangement with a banking institution, for the purpose of creating accounts in which the working capital of the Corporation may be invested, and which institution may also be used for short term borrowing to better manage the cash flow of the Corporation in accordance with such terms as the Board of Directors may prescribe.
- 5.23 The Board of Directors shall take such steps as they may deem requisite to enable the Corporation to acquire, accept, solicit or receive legacies, gifts, grants, settlements, bequests, endowments and donations of any kind whatsoever for the purpose of furthering the objects of the Corporation.
- 5.24 The Board of Directors shall, by majority vote of those Directors nominated by University Voting Members, appoint a Chair to chair all meetings of the Board. The Board of Directors shall, by majority vote of those Directors nominated by Industry Voting Members, appoint a Vice-Chair to perform all the functions of the Chair in his or her absence. The Chair and Vice-Chair may not be officers of the Corporation .The Chair and Vice Chair are permitted to vote.

6 OFFICERS

- 6.1 The Board of Directors shall appoint the Officers of the Corporation. The Officers of the Corporation shall be a President, a Secretary and a Treasurer, and any such other Officer as the Board of Directors may determine and enact by change to these By-Laws. Officers need not be Directors, Members or representatives of Members.
- 6.2 The Officers of the Corporation shall hold office for two (2) years from the date of appointment or until their successors are appointed in their stead. Officers shall be subject to removal by resolution of the Board of Directors at any time.
- 6.3 The President shall be the Chief Executive Officer of the Corporation. The President shall at the direction of the Board of Directors, organize and chair all meetings of the Members of the Corporation .The President will attend all meetings of the Board in an *ex-officio* capacity but will not be a member of the Board. The President shall be responsible for the general and active management of the affairs of the Corporation. He or she shall see that all orders and resolutions of the Board of Directors are carried into effect.
- 6.4 The Treasurer shall be the Chief Financial Officer of the Corporation. He shall have custody of the funds and securities of the Corporation and shall keep full and accurate accounts of all assets, liabilities, receipts and disbursements of the Corporation. He shall deposit all monies, securities and other valuable effects in the name and to the credit of the Corporation in such chartered bank, trust company, or registered securities' dealer as may be designated by the Board of

- Directors from time to time. He shall disburse the funds of the Corporation as may be directed by proper authority in accordance with s.9.5 taking proper vouchers for such disbursements. He shall render to the President and Directors at the regular meeting of the Board of Directors, or whenever they may require it, an accounting of all the transactions and a statement of the financial position of the Corporation. He shall retain all invoices, receipts, vouchers and other documents for three years after the end of the fiscal year to which they relate, or for a period as otherwise required by law or statute. He shall ensure that an audit of the books and records of the Corporation is conducted on an annual basis.
- 6.5 The Secretary shall attend all meetings and act as clerk thereof and record all votes and minutes of all proceedings in the books to be kept for that purpose. He shall give or cause to be given notice of all meetings of the Members and of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or the President. He shall be the custodian of the seal of the Corporation. The Secretary shall ensure that appropriate security measures are taken to protect confidentiality of all meetings of the Members and the Board of Directors, all to the reasonable satisfaction of the Chairperson of the meeting.
- 6.6 Contracts, documents or any instruments in writing requiring the signature of the Corporation shall be signed by any of two (2) Officers and all contracts, documents and instruments in writing so signed shall be binding on the Corporation without any further authorization or formality.
- 6.7 The duties of any other Officers of the Corporation shall be such as the terms of their engagement call for or the Board of Directors requires of them. The duties of the Secretary and the Treasurer may at the discretion of the Board of Directors be combined.
- 6.8 A reasonable remuneration for all Officers, agents and employees shall be fixed by the Board of Directors by resolution. Where the Officers, staff or committee members have been seconded from the Member organizations, appropriate remuneration will be decided by the Board of Directors.

7 COMMITTEES

- 7.1 The Board of Directors may establish such committees as are deemed necessary to achieve the aims of the Corporation and may appoint either by resolution or through delegation of its appointment power, the committee chair and such members as are considered appropriate. The Board of Directors shall also have the power to remove the chair or any other member as it deems appropriate. The Board of Directors shall determine the duties of such committees. The Directors and Officers appointed to serve on committees shall serve as such without remuneration and no Director or Officer shall directly or indirectly receive any

profit from his position as such; provided that a Director or Officer may be paid reasonable expenses incurred by him in the performance of his duties.

- 7.2 The President will be an *ex-officio* member of all committees, unless otherwise directed by the Board of Directors.

8 MEETINGS OF THE MEMBERS

- 8.1 Within 30 business days of the issuance by Industry Canada of letters patent for the Corporation, the Voting Members shall meet to appoint the Board of Directors as set out in s.5.2 of these By-Laws, cause a budget for UNENE Programs to be made, set a payment schedule for the payment of funding commitments by the Voting Members for the remainder of the current fiscal year and conduct such other business as is required by the By-Laws and any applicable law to be conducted at the Annual General Meeting of the Members. Subsequent Annual General Meetings of the Members shall be held within ninety (90) days of the end of the Corporation's fiscal year at a site within Canada to be selected by the Board of Directors. The Annual General Meeting may be attended by representatives of both Voting and Non-Voting Members.
- 8.2 At every Annual General Meeting, in addition to any other business that may be transacted, the report of the Directors, the financial statement and the report of the auditors shall be presented and auditors appointed for the ensuing year. The format and content of the core Programs covered by the Annual Membership Fee may be discussed by the membership at large. The Members may consider and transact any other business, which has been included on the agenda of the meeting.
- 8.3 The Board of Directors or the President shall have the power to call, at any time, a special meeting of the members of the Corporation. The Board of Directors or the President shall call a special meeting of the Members on the written request of a Voting Member. If the Board of Directors or President fail to do so within a reasonable time, any Voting Member may call the special meeting. All such special meetings must have an agenda approved by the Voting Members. Where the Voting Members' permanent delegate/representative to the Members' meeting is also the individual who represents them on the Board of Directors,
- (i) in a vote at a meeting that Voting Members have requisitioned the directors to call (i.e. a requisitioned vote), the Voting Members themselves have the right to vote, and the Members' delegate/representative cannot vote on behalf of the Voting Members, and
 - (ii) in other types of votes, the Voting Members themselves have the right to attend all meetings of Members, even though their vote is exercised by their delegate/representative.

- 8.4 The Corporation's Annual Scientific Conference shall be held once a year at a site to be selected by the Board of Directors. No business shall be transacted at such Annual Scientific Conference, except that presentations shall be made and information shall be provided to the attending Members on the scientific progress accomplished by the research projects supported by the Corporation funds during the previous twelve month period. At least thirty (30) days written invitation to such Annual Scientific Conference shall be given to all Members, irrespective of category.
- 8.5 Meetings of the Members may be held at a time and place to be determined by the Board of Directors provided that thirty (30) days written notice of such meeting shall be given directly to the official representative of each Member by personal delivery, facsimile or email.
- 8.6 Notice of any meeting where special business will be transacted shall contain sufficient information to permit the Member to form a reasoned judgement on the decision to be taken. Notice of each meeting of Members must remind the Member that he has the right to vote by proxy and the form of proxy to be used by the Member shall be attached to the notice. The designation of delegates and proxy-holders shall be at the discretion of each Member.
- 8.7 For purposes of sending notice to any Member, for any meeting or otherwise, the address or facsimile number of the Member, shall be his last address or facsimile number recorded on the books of the Corporation. Notice shall be deemed to have been given if by registered mail, mailed on the day the receipt is executed and otherwise, on the date of delivery or transmission if delivered or transmitted during normal business hours on a business day, failing which it shall be deemed to have been given on the next business day following the delivery or transmission. Meetings may be held with less than the required notice on the written consent of 75% of the Members which may be evidenced by facsimile.
- 8.8 The agenda included with the notice of any meeting of the members shall be as far as practicable agreed in advance by the Members and limit the matters to be discussed at the meeting. It must include a notice of all resolutions to be placed before the meeting.
- 8.9 Three quarters of the Voting Members present in person or represented by proxy at a meeting will constitute a quorum.
- 8.10 If all the Members consent thereto generally or in respect of a particular meeting, a Member may participate in a meeting by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to communicate with each other, and provided that each Member has equal access to the specific means of communication to be used. A Member participating in such a meeting by such means is deemed to be present at the meeting for all purposes including quorum requirements and calculating the votes cast.

- 8.11 Within the category of Voting Members, voting rights for any particular Voting Member for any fiscal year will depend upon the total funding commitment to UNENE Programs for that fiscal year. For University Voting Members, any matching government contributions will be considered as part of that University's total funding commitment. The total number of votes cast by all Voting Members at any meeting will be no greater than 100. Each Voting Member will have the right to cast that number of votes of the total 100 votes which represents the portion of the total estimated UNENE Program budget for that fiscal year which the Voting Member has committed to fund. The number of votes assigned to each Voting Member for the upcoming fiscal year will be initially set by January 31st of the previous fiscal year when the estimated Budget for the upcoming fiscal year is due, as provided in s.4.6. The Voting Member's total number of votes may change during the course of the year to reflect changes in the relative contributions of Voting Members to the overall UNENE budget. In particular, should a Voting Member be in arrears in payment of its contribution to any committed UNENE Program, or should the overall UNENE budget increase during the year and other Members contribute to the incremental increase in the total UNENE Program budget, the Voting Member's votes will be reduced to reflect any such reduction in their proportionate share of the overall funding of the UNENE Program budget.
- 8.11 At all meetings of Members of the Corporation every question shall be determined by a majority of votes unless otherwise specifically provided by statute or by these By-Laws.
- 8.12 No error or omission in giving notice of any meeting, or any adjourned meeting of the members of the Corporation shall invalidate such meeting or make void any proceedings taken thereat providing that the Secretary has confirmed receipt of notice of such meeting by the Members and any Member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.

9 ADMINISTRATION

- 9.1 Unless otherwise ordered by the Board of Directors the fiscal year-end of the Corporation shall be the 31st day of March.
- 9.2 The President in consultation with the Treasurer, shall cause an annual budget to be prepared for each year which will be submitted to the Board of Directors no later than December 31st of the preceding year.
- 9.3 Each Member of the Corporation shall pay their Annual Membership Fee prior to the beginning of the fiscal year and all participants shall pay their share of each program in which they are participating, when invoiced.

- 9.4 The bank accounts of the Corporation shall be maintained at such bank or trust company as the Board of Directors may direct. The Treasurer shall maintain a record of all transactions and advise the President monthly of the status of the accounts.
- 9.5 Any withdrawal or disbursement of funds belonging to the Corporation shall be authorized by the signatures of two persons designated as signing authorities. The signing authorities shall be the officers of the Corporation and such other persons who may be designated by the Board of Directors.
- 9.6 The Members shall, at each Annual General Meeting appoint an auditor to audit the account and records of the Corporation for report to the Members at the next annual or special general meeting. The auditor may not be a Director, Officer, or employee of the Corporation without the consent of all the Members. The auditor shall hold office until the next annual general meeting provided that the directors may fill any casual vacancy in the office of the auditor. The remuneration of the auditor shall be fixed by the Board of Directors.
- 9.7 The said accounts and records may be audited upon the request of any Member, the cost of such audit to be paid by the requesting Member. An audit of the accounts and records with respect to any year may be performed once only by any Member. The rights to audit are restricted to those programs or projects in which the Member has participated.
- 9.8 The President under the direction of the Board of Directors shall ensure that all necessary books and records of the Corporation required by the By-Laws of the Corporation or by any applicable statute or law are regularly and properly kept.
- 9.9 The President will make available to any representative of the Members, on request, the records of the Corporation, subject to any confidentiality restrictions written into the records themselves in accordance with s.10, applicable law and UNENE Policy.

10 INTELLECTUAL PROPERTY RIGHTS

- 10.1 Intellectual Property rights and the rights associated with the ownership, use and exploitation of information generated within the Corporation's program or projects shall be defined in the specific program or project agreement negotiated by the participants in that program or project. Such agreements shall be executed by each of the Members wishing to participate in said program or project and by the Corporation.
- 10.2 UNENE Policy on intellectual property rights and the rights associated with the ownership, use and exploitation of information generated within the Corporation's

program or projects shall be set by the Board of Directors following both the approval of a majority of the Board Members nominated by the University Voting Members and the approval of a majority of the Board Members nominated by Industry Voting Members. Any change to the Corporation's policy on intellectual property will similarly require the approval of a majority of the Board Members nominated by the University Voting Members as well as a majority of the Board Members nominated by Industry Voting Members.

11 LIABILITIES

- 11.1 Unless provided to the contrary, in any agreement governing any program or project, the application or use of any intellectual property received by a Member shall be the responsibility of such Member. The Member providing such information shall not warrant the suitability of such intellectual property for any use or application.
- 11.2 Unless provided to the contrary in any agreement governing any program or project, each participant in a program or project shall indemnify and hold harmless the other participants, non participating members and the Corporation from any and all claims which may be made against them by any third party for any injury to or death of persons or for any damage to or loss of property, or for any other loss, cost, expense or damage whatsoever (collectively "Claims") arising from or resulting from the performance of or the failure to perform their obligations, except to the extent that such Claims arise from or result from the negligence or wilful misconduct of other participants, non participating members or the Corporation.

12 INDEMNIFICATION OF DIRECTORS AND OTHERS

- 12.1 Every director or officer of the Corporation or other person who has undertaken or is about to undertake any liability on behalf of the Corporation, and their heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation, from and against:
- (i) all costs, charges and expenses which such director, officer or other person sustains or incurs in or about any investigation, action, suit or proceedings which is brought, commenced or prosecuted against him, or in respect of any act, deed, matter of thing whatsoever, made, done or permitted by him, in or about the execution of the duties of his office or in respect of any such liability; and
 - (ii) all other costs, charges and expenses which he sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his own wilful neglect, default or fraud.

13 AMENDMENT OF BY-LAWS

- 13.1 The By-Laws of the Corporation not embodied in the letters patent may be repealed or amended by By-Law enacted by at least three quarters majority of the directors at a meeting of the Board of Directors and sanctioned by an affirmative vote of at least three quarters of the votes cast by the Voting Members at a meeting duly called for the purpose of considering the said By-Law, provided that the repeal or amendment of such By-Laws shall not be enforced or acted upon until the approval of the Minister of Industry Canada has been obtained.

14 INTERPRETATION

- 14.1 In these By-Laws and in all other By-Laws of the Corporation hereafter passed unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and vice versa, and references to persons shall include firms and corporations.

15 DISSOLUTION

- 15.1 In the event of dissolution of the Corporation for any reason, all assets and funds shall be distributed rateably among the Members according to the decision of a special meeting of the Voting Members called for the purpose.

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