

ASSOCIATION OF CANADIAN INDUSTRIES RECYCLING COAL ASH
ASSOCIATION CANADIENNE DU RECYCLAGE DES CENDRES DE CHARBON
BY-LAW

CORPORATE SEAL

1. The seal, an impression whereof is stamped in the margin hereof, shall be the seal of the corporation.

HEAD OFFICE

2. Until changed in accordance with the Act, the Head Office of the corporation shall be in the Municipality of Montréal, in the Province of Québec.

CONDITIONS OF MEMBERSHIP

3. Membership in the corporation shall be limited to persons interested in furthering the objects of the corporation and shall consist of anyone whose application for admission as a Member or an Associate Member has received the approval of the Board of Directors of the corporation and ratified by the Members.

4. Membership shall be open to:

- ♦ Utilities with coal fired generating stations;
- ♦ Marketers of coal combustion products;
- ♦ Government and other agencies; and,
- ♦ Universities and other stakeholders.

CIRCA will not seek out organizations in other countries except for those doing "significant" business in Canada. CIRCA reserves the right to determine what level of activity should be considered "significant" business. Annual fees for Members will be approved by a majority vote at the Annual General Meeting.

An "Associate Member" category is offered to encourage individuals and small consulting companies to participate in CIRCA activities. Associate Membership does *not* include voting privileges.

5. Any Member may withdraw from the corporation by delivering to the corporation a written resignation and lodging a copy of the same with the Secretary of the corporation.

6. Any Member may be required to resign by a majority vote of the Members at an annual meeting.

MEMBERS' MEETINGS

7. The annual or any other general meeting of the Members shall be held within 6 months after the end of the corporation's fiscal year, in the city where the head office of the corporation is situated.

8. At every annual 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 Members may consider and transact any business either special or general at any meeting of the Members. The Board of Directors or the President or Vice-president shall have power to call, at any time, a general meeting of the Members of the corporation. The Board of Directors shall call a special general meeting of Members on written requisition of Members carrying not less than 25% of the voting rights. Members present in person or by proxy at a meeting and holding not less than a majority of the voting rights will constitute a quorum. Members meetings shall be chaired by the President.

If all the members of the Corporation consent thereto generally or in respect of a particular meeting, a member may participate in a meeting of the members by means of conference telephone call permitting all persons participating in the meeting to hear each other, and a member participating in such a meeting by such means is deemed to be present at the meeting. Participants in such a meeting shall be restricted to

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ASSOCIATION CANADIENNE DU RECYCLAGE DES CENDRES DE CHARBON
BY-LAW

members of the corporation and others, who may participate with the consent of a simple majority of participating members. The identity of each participant in such a meeting must be established to the satisfaction of every participant, in particular with respect to the establishment of quorum and the recording of votes by members.

9. Fourteen (14) days' written notice shall be given to each voting Member of any annual or special general meeting of Members. 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 if he has the right to vote by proxy.

Each voting Member present at a meeting shall have the right to exercise one vote. A Member may, by means of a written proxy, appoint a proxyholder to attend and act at a specific meeting of Members, in the manner and to the extent authorized by the proxy. A proxyholder must be a Member of the corporation. Proxyholders may not vote on requisitioned matters.

10. A majority of the votes cast by the Members present and carrying voting rights shall determine the questions in meetings except where the vote or consent of a greater number of Members is required by the Act or these By-laws.

Unless prohibited by the Act, where a proposed resolution is in writing and it has been signed by one hundred percent (100%) of members, such a resolution may take the place of a members' meeting and be valid as if a members' meeting had taken place.

11. No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether annual or general, of the Members of the corporation shall invalidate such meeting or make void any proceedings taken thereat 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. For purpose of sending notice to any Member, director or officer for any meeting or otherwise, the address of the Member, director or officer shall be his last address recorded on the books of the corporation.

BOARD OF DIRECTORS

12. The property and business of the corporation shall be managed by a Board of Directors, comprised of a minimum of three Directors, including at least one producer, and at least one marketer. The number of Directors shall be determined from time to time by a majority of the Directors at a meeting of the Board of Directors and sanctioned by an affirmative vote of at least two-thirds (2/3) of the Members at a meeting duly called for the purpose of determining the number of Directors to be elected to the Board of Directors. Directors must be individuals, 18 years of age, with power under law to contract. Directors need not be Members.

13. The applicants for incorporation shall become the first Directors of the corporation whose term of office on the Board of Directors shall continue until their successors are elected.

At the first meeting of Members, the Board of Directors then elected shall replace the provisional Directors named in the Letters Patent of the corporation.

14. Directors shall be elected for a term of 2 years by the Members at an annual meeting of Members. There is no restriction on consecutive terms.

15. The office of director shall be automatically vacated:

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BY-LAW

- a) if at a special general meeting of Members, a resolution is passed by of the Members present at the meeting that he be removed from office;
- b) if a director has resigned his office by delivering a written resignation to the Secretary of the corporation;
- c) if he is found by a court to be of unsound mind;
- d) if he becomes bankrupt or suspends payment or compounds with his creditors;
- e) on death;

provided that if any vacancy shall occur for any reason in this paragraph contained, the Board of Directors by majority vote, may, by appointment, fill the vacancy with a Member of the corporation.

16. The Directors shall serve as such 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. Nothing herein contained shall be construed to preclude any director from serving the corporation as an officer or in any other capacity and receiving compensation therefor.

17. 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 elected.

POWERS OF DIRECTORS

18. The Directors of the corporation may administer 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 other powers and do all such other acts and things as the corporation is by its charter or otherwise authorized to exercise and do.

19. The Directors shall have power to authorize expenditures on behalf of the corporation from time to time and may delegate by resolution to an officer or officers of the corporation the right to employ and pay salaries to employees. The Directors shall have the power to enter into a trust arrangement with a trust company for the purpose of creating a trust fund in which the capital and interest may be made available for the benefit of promoting the interest of the corporation in accordance with such terms as the Board of Directors may prescribe.

The Board of Directors is hereby authorized, from time to time

- a) to borrow money upon the credit of the corporation, from any bank, corporation, firm or person, upon such terms, covenants and conditions at such times, in such sums, to such an extent and in such manner as the Board of Directors in its discretion may deem expedient;
- b) to limit or increase the amount to be borrowed;
- c) to issue or cause to be issued bonds, debentures or other securities of the corporation and to pledge or sell the same for such sums, upon such terms, covenants and conditions and at such prices as may be deemed expedient by the Board of Directors;
- d) to secure any such bond, debentures or other securities, or any other present or future borrowing or liability of the company, by mortgage, hypothec, charge or pledge of all or any currently owned or subsequently acquired real and personal, movable and immovable, property of the corporation, and the undertaking and rights of the corporation.

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ASSOCIATION CANADIENNE DU RECYCLAGE DES CENDRES DE CHARBON
BY-LAW

20. 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.

21. The Board of Directors may appoint such agents and engage such employees as it shall deem necessary from time to time and such persons shall have such authority and shall perform such duties as shall be prescribed by the Board of Directors at the time of such appointment.

22. Remuneration for all officers, agents and employees and committee Members shall be fixed by the Board of Directors by resolution. Such resolution shall have force and effect only until the next meeting of Members when such resolution shall be confirmed by resolution of the Members, or in the absence of such confirmation by the Members, then the remuneration to such officers, agents or employees and committee Members shall cease to be payable from the date of such meeting of Members.

DIRECTORS' MEETINGS

23. Meetings of the Board of Directors may be held at any time and place to be determined by the Directors provided that 48 hours written notice of such meeting shall be given, other than by mail, to each director. Notice by mail shall be sent at least 14 days prior to the meeting. There shall be at least one (1) meeting per year of the Board of Directors. 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 and 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. Each director is authorized to exercise one (1) vote. Meetings of the Directors shall be chaired by a Director, with the consent of the meeting.

If all the directors of the Corporation consent thereto generally or in respect of a particular meeting, one or more directors may participate in a meeting of the board or of a committee of the board by means of a conference telephone call which permits all persons participating in the meeting to fully and equally participate and hear each other, and a director participating in such a meeting by such means is deemed to be present at the meeting. Participants in such a meeting shall be restricted to directors of the Corporation and others who may participate with the consent of a simple majority of participating directors. The identity of each participant in such a meeting must be established to the satisfaction of every other participant, in particular with respect to the establishment of quorum and the recording of votes by directors.

24. 2/3 of Directors in office, from time to time, but no less than two Directors, shall constitute a quorum for meetings of the Board of Directors. Any meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the by-laws of the corporation.

A 2/3 majority of all the Directors is required for any resolution to pass. In the event of a deadlock, the decision will be deferred until the next Directors meeting.

ASSOCIATION OF CANADIAN INDUSTRIES RECYCLING COAL ASH
ASSOCIATION CANADIENNE DU RECYCLAGE DES CENDRES DE CHARBON
BY-LAW

INDEMNITIES TO DIRECTORS AND OTHERS

25. Every director 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;

- a) all costs, charges and expenses which such director sustains or incurs in or about any 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;
- b) 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 or default.

OFFICERS

26. The officers of the corporation shall be a President, Vice-president, Secretary and Treasurer and any such other officers as the Board of Directors may by by-law determine. Any two offices may be held by the same person. Officers need not be Directors, nor Members.

27. The President shall be elected at an annual meeting of Members. Officers other than President of the corporation shall be appointed by resolution of the Board of Directors at the first meeting of the Board of Directors following an annual meeting of Members.

28. The officers of the corporation shall hold office for 1 year from the date of appointment or election or until their successors are elected or appointed in their stead. There is no restriction on consecutive terms. Officers shall be subject to removal by resolution of the Board of Directors at any time.

DUTIES OF OFFICERS

29. The President shall be the chief executive officer of the corporation. He shall have the general and active management of the affairs of the corporation. He shall see that all orders and resolutions of the Board of Directors are carried into effect.

30. The Vice-president shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

31. The Treasurer shall have the 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 in the books belonging to the corporation and shall deposit all monies, securities and other valuable effects in the name and to the credit of the corporation in such chartered bank of trust company, or, in the case of securities, in such registered dealer in securities 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 taking proper vouchers for such disbursements, and 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 also perform such other duties as may from time to time be directed by the Board of Directors.

32. The Secretary may be empowered by the Board of Directors, upon resolution of the Board of Directors, to carry out his affairs of the corporation generally under the supervision of the officers thereof and shall attend all meetings and act as clerk thereof and record all votes and minutes of all proceedings

ASSOCIATION OF CANADIAN INDUSTRIES RECYCLING COAL ASH
ASSOCIATION CANADIENNE DU RECYCLAGE DES CENDRES DE CHARBON
BY-LAW

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 President, under whose supervision he shall be. He shall be custodian of the seal of the corporation, which he shall deliver only when authorized by a resolution of the Board of Directors to do so and to such person or persons as may be named in the resolution.

33. The duties of all other officers of the corporation shall be such as the terms of their engagement call for or the Board of Directors requires of them.

COMMITTEES

34. The Board of Directors may appoint committees whose Members will hold their offices at the will of the Board of Directors. The Directors shall determine the duties of such committees and may fix by resolution, any remuneration to be paid.

EXECUTION OF DOCUMENTS

35. Contracts, documents or any instruments in writing requiring the signature of the corporation, shall be signed by any two officers and all contracts, documents and instruments in writing so signed shall be binding upon the corporation without any further authorization or formality. The Directors shall have 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 Directors may give the corporation's power of attorney to any registered dealer in securities for the purposes of the transferring of and dealing with any stocks, bonds, and other securities of the corporation. The seal of the corporation when required may be affixed to contracts, documents and instruments in writing signed as aforesaid or by any officer or officers appointed by resolution of the Board of Directors.

MINUTES OF BOARD OF DIRECTORS

36. The minutes of the Board of Directors shall be available but not circulated to the general membership of the corporation; minutes of the Board of Directors shall be circulated to the Board of Directors, each of whom shall receive a copy of such minutes.

FINANCIAL YEAR

37. Unless otherwise ordered by the Board of Directors, the fiscal year end of the corporation shall be December 31.

AMENDMENT OF BY-LAWS

38. The by-laws of the corporation not embodied in the letters patent may be repealed or amended by by-law, or a new by-law relating to the requirements of subsection 155(2) of the *Canada Corporations Act*, may be enacted by a majority of the Directors at a meeting of the Board of Directors and sanctioned by an affirmative vote of at least two-thirds (2/3) of the 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 has been obtained.

AUDITORS

39. The Members shall, at each annual meeting, appoint an auditor to audit the accounts and annual financial statements of the corporation for report to the Members at the next annual meeting. The auditor shall hold office until the next annual 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.

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ASSOCIATION CANADIENNE DU RECYCLAGE DES CENDRES DE CHARBON
BY-LAW

BOOKS AND RECORDS

40. The Directors shall see 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.

RULES AND REGULATIONS

41. The Board of Directors may prescribe such rules and regulations not inconsistent with these by-laws 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 meeting of the Members of the corporation when they shall be confirmed, and failing such confirmation at such annual meeting of Members, shall at and from that time cease to have any force and effect.

INTERPRETATION

42. 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.