



**ASSOCIATION COMMUNAUTAIRE LAC MALAGA INC.**

# **GENERAL BY-LAWS**

*(English translation)*

**ADOPTED BY THE BOARD OF DIRECTORS,  
MARCH 30, 2026**

# Chapter I: General Provisions

## ARTICLE 1 CORPORATE NAME

The name of the Corporation is “Association communautaire Lac Malaga Inc.” The abbreviation “ACLM” will be used.

## ARTICLE 2 LEGAL STATUS

The ACLM is a non-profit Corporation governed by Part 3 of the *Companies Act* (R.S.Q., chap. C-38, s.218). Its letters patent were filed in the enterprise registry on June 6, 1987, under registration number 1176408434.

## ARTICLE 3 HEAD OFFICE

The head office of the ACLM is located at Lac Malaga in the municipality of Austin, Quebec.

## ARTICLE 4 SEAL

Any document issued by the ACLM is fully valid and authentic, even in the absence of a seal.

## ARTICLE 5 MISSION AND OBJECTIVES

The mission of the ACLM is to protect the interests of the Lac Malaga Community. The purposes for which the ACLM was incorporated are set out in the incorporating act, including, but not limited to:

- 5.1** Bringing together in an association the property owners at Lac Malaga and its surrounding areas;
- 5.2** Promoting the cultural and social interests of its members; attending to the social and material well-being of residents, whether by creating and operating a recreational centre, by promoting shared services, or by any other means;
- 5.3** Promoting and defending the interests of property owners, making representations to public bodies for that purpose, and taking any other useful measures.

- 5.4** To achieve the above purposes, the ACLM commits to:
- a.** Maintaining the road around Lac Malaga;
  - b.** Monitoring the water quality of Lac Malaga;
  - c.** Defending the environmental integrity of Lac Malaga;
  - d.** Addressing any other matter of importance to ACLM members.

## **ARTICLE 6      LAC MALAGA COMMUNITY**

- 6.1** The Lac Malaga Community is defined as all properties (lots) with frontage on Lac Malaga and any other property (lot) sharing a boundary with the private road (chemin du Lac-Malaga) that encircles the lake.
- 6.2** Every lot in the Lac Malaga Community may be used solely for residential purposes, including, among other things, the construction of a single-family residence (house or cottage).
- 6.3** No lot in the Lac Malaga Community may be used to build or operate a commercial establishment such as an inn, hotel, short-term rental residence, restaurant, store, flea market, parking lot, etc., in accordance with the zoning regulations of the municipality of Austin.
- 6.4** No lot may be used to provide services to non-lot-owners in the Lac Malaga Community; for example, serving as a campground, beach, lake access point, or road providing access to other destinations.
- 6.5** The road around Lac Malaga is private property belonging exclusively to the ACLM, which assumes full responsibility for its maintenance for the benefit of its members. The ACLM accepts no liability for any incident should the road be used by a person who is not a member of the organization.
- 6.6** Every owner of a lot covered by these by-laws assumes civil liability for any damage caused to the road and its infrastructure as a result of work carried out on their lot. In such cases, the owner is required, at their sole expense, to restore the site to its original condition or, failing that, to compensate the ACLM for the full cost of the repairs undertaken.
- 6.7** In the event of an emergency giving rise to road maintenance costs that are the responsibility of a property owner (for example, a tree blocking the roadway), the ACLM may carry out the work provided that the expenditures are approved in advance by at least two (2) members of the board of directors before being incurred. The owner in question must reimburse the ACLM for the costs incurred.

## Chapter II: Members

### ARTICLE 7 MEMBERSHIP

Every owner of real property within the boundaries of the Lac Malaga Community is automatically a member of the ACLM and must pay the annual and special dues described in Article 9.1 of these by-laws.

### ARTICLE 8 MEMBERS' RIGHTS

Members have the right to:

- Speak at general meetings;
- Vote at general meetings;
- Sit on the board of directors and on the various committees of the ACLM;
- Be informed of the current affairs of the ACLM;
- Be consulted on relevant matters.

### ARTICLE 9 MEMBERS' OBLIGATIONS

- 9.1** All members of the ACLM are required to pay annual and special dues. The amount is determined and voted upon at the annual general meeting and is payable annually upon receipt of the invoice issued by the ACLM.
- 9.2** Every owner is required to inform any prospective buyer or tenant of one or more of their properties of the existence of the ACLM and to provide them with these by-laws as well as the residents' code of conduct.
- 9.3** All members of the ACLM are required to read the current by-laws and code of conduct and to agree to comply with them.
- 9.4** The board of directors may, by resolution, suspend for a specified period any member who contravenes the by-laws of the legal person or whose conduct is prejudicial to it. This decision is binding and final, subject to the member's right to be heard in advance to present their defence.

## Chapter III: General Meetings

The general meeting is composed of all members in good standing and is the highest decision-making authority of the ACLM.

### ARTICLE 10 ANNUAL GENERAL MEETING

- 10.1** The annual general meeting of ACLM members is held each year within ninety (90) calendar days following the end of the ACLM's fiscal year, on the date, at the time, and at the location determined by the board of directors.
- 10.2** The notice of meeting, specifying the date, time, location, and agenda, must be sent to members at least thirty (30) calendar days before the date set for the meeting. The notice is sent to each member at the most recent contact information on file in the ACLM's membership register.
- 10.3** Irregularities in the notice of meeting or in its delivery shall have no effect on the validity of the proceedings at a meeting.
- 10.4** Pursuant to the powers conferred by law, the annual general meeting shall:
- Adopt the agenda of the meeting;
  - Adopt the minutes of the last annual general meeting and, where applicable, the minutes of any extraordinary general meetings;
  - Receive the annual activity report;
  - Receive the financial report for the year;
  - Approve the annual orientations and priorities of the ACLM;
  - Approve the annual dues and, where applicable, any special assessment;
  - Receive the budget estimates;
  - Elect the members of the board of directors;
  - Ratify any amendments to the letters patent and general by-laws. Such decisions require the support by vote of two-thirds of the members present.

Where applicable, the meeting may also be consulted and may receive various reports for review and adoption.

## ARTICLE 11 EXTRAORDINARY GENERAL MEETING

- 11.1** An extraordinary general meeting of the ACLM may be convened in two ways:
- i.** At the initiative of the board of directors: to address an urgent matter;
  - ii.** At the request of members: if at least 10% of members submit a written request to the board of directors. This document must specify the exact subject to be discussed.
- 11.2** Only the subjects listed in the notice of meeting may be addressed at an extraordinary general meeting.
- 11.3** If the board of directors fails to act within ten (10) days of receiving the request, the petitioners may themselves convene the extraordinary general meeting.
- 11.4** An extraordinary general meeting may be held without prior notice if all members are present.

## ARTICLE 12 QUORUM

Twenty (20) voting members, present in person or represented by duly signed written proxy, shall constitute a sufficient quorum. If quorum is achieved at the opening of the general meeting, the members present may proceed with the business of that general meeting, notwithstanding the fact that quorum is not maintained throughout the entire meeting.

## ARTICLE 13 VOTING RIGHTS

- 13.1** To exercise their right to vote, every voting member of the ACLM must have paid their annual and special dues.
- 13.2** Each property (lot) has only one vote.
- 13.3** If a lot belongs to only one person and that person is absent, there is no presumption of a mandate in favour of other persons present at the meeting. To be represented, the owner must provide a written proxy.
- 13.4** In the case where a lot belongs to co-owners, a proxy form provided by the ACLM must be sent to the ACLM's board of directors secretariat and must include the following information: name and address of the designated person, address of the lot in question, powers granted, and the signatures of all co-owners. The form may also be submitted on-site.
- 13.5** In the case where a lot has multiple co-owners and the ACLM has not received a proxy form, if only one co-owner is present at a members' meeting, the voting mandate on behalf of the lot is presumed to be given to the person present.

- 13.6** A voting card is issued at the entrance to each voter (owner or proxy holder) for each lot represented.
- 13.7** A voting member of the ACLM may not use more than one proxy from another lot not belonging to them in order to vote on their behalf.

## ARTICLE 14      DECISION-MAKING

- 14.1** Unless otherwise provided by law — such as the ratification of general by-laws and letters patent, which require a two-thirds vote — all matters submitted to a members' meeting are decided by a simple majority of votes cast. In the event of a tie, the chair of the meeting has a casting vote.
- 14.2** In the case of a secret ballot, the chair of the meeting appoints two (2) scrutineers who distribute, collect, and tally the ballots.
- 14.3** In the event of a tie, the vote shall be retaken.

## Chapter IV: Board of Directors

### ARTICLE 15 DEFINITION

The board of directors (hereinafter the “Board”) is the administrative body of the ACLM.

### ARTICLE 16 COMPOSITION

- 16.1** The affairs of the ACLM shall be administered by a Board composed of seven (7) persons.
- 16.2** A composition representative of the membership is preferred: gender parity between women and men, representation of permanent resident members, and representation of non-resident members.
- 16.3** The Board shall designate, from among its members, the persons holding the offices of president, vice-president, secretary, and treasurer.

### ARTICLE 17 ELECTION

- 17.1** To be eligible for positions on the Board, candidates must meet the following requirements: hold the status of member in good standing and be entitled to vote for their property (lot). Only one person per property may sit on the Board.
- 17.2** At the time of the election, the meeting elects one person as election chair and another as election secretary; these persons may not stand as candidates.
- 17.3** The election secretary, after verifying the eligibility of members, announces the nominations.
- 17.4** A member may stand as a candidate by written proxy. Their candidacy must be seconded by another member in good standing during the election period.
- 17.5** If the number of candidates equals the number of positions to be filled, they are elected by acclamation.
- 17.6** If there are more candidates than positions to be filled, an election is held. The vote for this election is taken by a show of hands unless a secret ballot is requested. The persons receiving the greatest number of votes are elected.

## ARTICLE 18      TERM OF OFFICE

- 18.1**    The term of office of a Board member is two (2) years. To avoid a complete renewal of the Board each year, elections are staggered.
- 18.2**    Board members shall begin their term on the first day following the election and shall serve until the end of their term.
- 18.3**    Board members may be re-elected for an unlimited number of terms.

## ARTICLE 19      OPERATIONS AND DUTIES

- 19.1**    The Board meets as often as the interests of the ACLM require, and at least six (6) times per year.
- 19.2**    The presence of four (4) Board members constitutes the quorum necessary for decisions made at these meetings to be valid.
- 19.3**    The notice of a Board meeting must include the date, location, agenda, and the most recent minutes.
- 19.4**    Decisions by telephone or electronic consultation are made only on an exceptional basis and in cases of urgency. All Board members must be informed. The minutes of the consultation must be submitted at the next Board meeting for adoption.
- 19.5**    The functions of the Board of Directors include, without limitation:
- Electing Board members to the various offices;
  - Filling any vacancy during a term, up to a maximum of 50% of Board members;
  - Forming management committees for priority activities with member participation;
  - Appointing committee chairs;
  - Encouraging member participation in all ACLM activities and committees;
  - Taking positions on general issues;
  - Ensuring the safekeeping, conservation and optimal use of ACLM resources;
  - Acquiring, selling or disposing of real property for the purpose of improving the quality of the territory and environment;
  - Making all expenditures aimed at promoting the objectives of the ACLM;
  - Approving the annual budget estimates;
  - Approving the financial statements;
  - Determining the authorized signatories for banking instruments;
  - Authorizing contracts and documents that create obligations for the ACLM;
  - Approving the list of organizations of which the ACLM may become a member;
  - Preparing and presenting its activity report at the annual general meeting;

- Adopting policies;
- Proposing orientations to the members' meeting;
- Ensuring that the ACLM is covered by adequate insurance;
- Ensuring the preservation of archives and documents, in whatever format, that guarantee the continuity and history of the ACLM;
- Ensuring the confidentiality of members' personal information in its possession.

## ARTICLE 20 DUTIES AND POWERS OF THE BOARD

- 20.1** The president directs the affairs of the ACLM and chairs all meetings of the ACLM Board. The president is an ex officio member of every committee, standing or special, and exercises all other functions associated with the office.
- 20.2** The vice-president assumes the presidency in the event of the absence or incapacity of the president, for the duration of such absence. The vice-president also carries out any other functions assigned by the Board president.
- 20.3** The secretary attends members' meetings and board of directors meetings and records the minutes thereof. This office fulfills all other functions assigned to it by these by-laws or by the board of directors. The secretary has custody of the corporation's seal, minute book, and all other corporate registers. The secretary is responsible for sending notices of meeting to the members of the administration and the organization. The secretary is also responsible for ensuring that all reports required under the *Companies Act* or other legislation are duly prepared and submitted.
- 20.4** The treasurer maintains the books of the ACLM: they receive all sums of money and deposit them in a chartered bank or Caisse Populaire in the name of the organization. The treasurer also oversees the collection of amounts owed to the ACLM and the payment of all approved expenses, subject to Board authorization. The treasurer prepares the budget estimates and submits the financial statements to the members at the end of the fiscal year. The treasurer is also responsible for ensuring that all reports required under the *Companies Act* or other legislation are duly prepared and submitted.
- 20.5** The road director oversees the general inspection of the road encircling the lake and makes recommendations or suggestions regarding its maintenance or improvement. When deemed appropriate, the road director obtains quotes and ensures the full completion of any work.

- 20.6** The environment director oversees the protection of the lake’s environment and compliance with regulations, with particular attention to water quality, shoreline protection, and the preservation of wooded areas.
- 20.7** It is also possible to appoint a Board member responsible for other matters deemed to be priorities.

## ARTICLE 21 VACANCIES AND RESIGNATIONS

- 21.1** A Board member may resign from their position by submitting written notice to the ACLM Board. The Board has the right to accept or refuse the resignation.
- 21.2** A Board member of the ACLM is subject to permanent removal if they are absent from three (3) consecutive meetings without reason accepted by the Board, or if they have not notified the president or secretary of their absences in advance. The position is then declared vacant by simple resolution of the Board.
- 21.3** Any vacancy on the Board, for whatever reason, may be filled by any other person proposed, approved, and elected by the Board by resolution, until the next annual general meeting is held.

## ARTICLE 22 REMUNERATION

Board members are not remunerated for services rendered to the ACLM. However, the Board must adopt policies for the reimbursement of expenses incurred by members in the exercise of their duties.

## ARTICLE 23 CONFLICTS OF INTEREST

Every Board member must avoid placing themselves in a situation of conflict between their personal interests and their obligations to the ACLM Board.

- 23.1** A conflict of interest policy must be signed by each Board member at the beginning of their term.
- 23.2** Any person sitting on the Board who finds themselves in a conflict of interest situation must disclose that situation to the ACLM. They are required to declare any interest held in a company or association that could create such a conflict, as well as any rights that may be exercised against it, specifying their nature and value.

- 23.3** This declaration of interest is recorded in the minutes of the Board’s proceedings. The person concerned must withdraw during deliberations and their voting rights are suspended solely on the matter giving rise to the conflict of interest.

## ARTICLE 24 COMMITTEES

- 24.1** The Board may form any committee it deems relevant or useful to the accomplishment of the ACLM’s objectives.
- 24.2** The Board determines the composition and mandate of each committee.
- 24.3** Each committee is led by a member of the ACLM Board.

## Chapter V: Financial and Administrative Provisions

### ARTICLE 25 FISCAL YEAR

The fiscal year of the ACLM begins on May 1 and ends on April 30 of the following year.

### ARTICLE 26 REVENUES

The execution of the mission and objectives of the ACLM (article 5) generates costs.

- 26.1** These costs are shared by all ACLM property owners and members.
- 26.2** Payment of these costs is referred to as the “annual dues.”
- 26.3** The amount of annual dues is established based on two (2) categories of members:
  - 1. Those who have a dwelling;
  - 2. Those who have a lot without a dwelling.
- 26.4** The amount of annual dues is determined and voted upon at the annual general meeting.
- 26.5** A special assessment for urgent needs and future projects may also be voted upon at an annual or extraordinary general meeting.
- 26.6** The deadline for payment of annual dues is set at May 1. If payment is not received within 30 days of that date (i.e., after May 31), the ACLM reserves the right to apply interest at the legal rate on the amounts owing.
- 26.7** To carry out its mission, the ACLM may also collect money, funds, and other property through public or private subscription, through grants, or by any other means, including soliciting, receiving, and accepting donations, bequests, grants, or other contributions or benefits.

### ARTICLE 27 OFFICIAL DOCUMENTS

All official corporate documents are stored in a secure digital space. Access to these documents is reserved for members in good standing and is available by appointment only.

## ARTICLE 28 SIGNING AUTHORITY

- 28.1** All banking transactions (cheques, online payments, etc.) of the ACLM must be authorized and signed by two (2) of the three (3) officers designated for that purpose by the Board.
- 28.2** All other official corporate documents must be signed by the president or their delegate.
- 28.3** All Board decisions must be made by a majority of Board members. No Board member may, acting alone, bind the Board.

## ARTICLE 29 TRANSACTIONS AND INDEMNITIES

- 29.1** It is understood that each Board member accepts their position on the express condition that each Board member, their heirs, executors, property, and effects shall be respectively and at all times indemnified and held harmless from the funds of the ACLM. They are indemnified against all expenses, costs, and charges incurred in any legal proceedings brought against a Board member or officer in connection with any act or situation for which they are responsible or which they permitted during their term, as well as all expenses, costs, and charges incurred in the course of the ACLM's operations, except where such expenses, costs, and charges were incurred as a result of fraud, dishonesty, or bad faith on the part of that Board member or officer.
- 29.2** Board members of the ACLM shall not be held liable for the acts, negligence, or omissions of any other Board member or staff member. They shall also not be liable for their participation in acts resulting in losses, damages, or expenses to the ACLM, unless such acts result from their own bad faith.
- 29.3** The ACLM must be covered by civil liability insurance protecting the organization itself as well as the members of its board of directors against risks associated with the exercise of their mandates.

## ARTICLE 30 DISSOLUTION OR MERGER OF THE ACLM

- 30.1** In the event of dissolution of the ACLM, any remaining assets after settlement of debts shall be distributed among the members on a pro rata basis according to their dues. This distribution shall be carried out by way of resolutions and in accordance with applicable tax regulations, including those of Revenue Québec.
- 30.2** In the event of a merger of the ACLM with another organization or association, its assets shall be transferred to the newly created entity, provided that such entity pursues the same objectives.
- 30.3** Any dissolution or temporary or permanent cessation of ACLM activities must be ratified by the general meeting of members specially convened for that purpose, by a vote of two-thirds (2/3) of the votes cast.

## ARTICLE 31 SUSPENSION AND AMENDMENTS TO THESE BY-LAWS

- 31.1** Any amendment to these by-laws must be adopted by the general meeting of members. The agenda must clearly state this and the proposed amendments must appear therein. This document must be sent to members with the notice of meeting, thirty (30) calendar days before the general meeting is held.
- 31.2** Any amendment, to be valid, must be ratified by two-thirds (2/3) of the votes cast by members in good standing present at that meeting.
- 31.3** The general by-laws amended in accordance with Articles 30.1 and 30.2 come into force immediately upon adoption, unless the members' meeting decides otherwise.
- 31.4** The suspension of the application, for a limited time, of one or more articles of these by-laws must be adopted by two-thirds (2/3) of the votes cast by members in good standing at a general meeting.