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BY-LAW NO. 1

A by-law relating generally to the transaction of the affairs of L'Arche Toronto Homes Inc.

BE IT ENACTED as a by-law of L'Arche Toronto Homes Inc. (the "Corporation") as follows:

ARTICLE 1

1.0 Interpretation

1.1 Definitions and Rules of Interpretation

In this by-law and all other by-laws of the Corporation, unless the context otherwise specifies or requires:

- (a) Act means the Corporations Act, R.S.O., 1990, c. 38, or any statute which may be substituted therefore, including the regulations made thereunder, all as from time to time amended.
- (b) Board means the board of directors of the Corporation;
- (c) Meeting of supporting members includes an annual meeting of supporting members of the Corporation and a general meeting of supporting members of the Corporation;
- (d) Supporting members has the meaning ascribed thereto in Section 2.1 hereof;
- (e) Ordinary resolution means a resolution passed by a majority of the votes cast by the supporting members or the directors, as the case may be, that voted in respect of that resolution;
- (f) Special resolution means a resolution passed by the Board and confirmed by a majority of not less than two-thirds of the votes cast by the supporting members which voted in respect of that resolution or, in lieu of such confirmation, by the consent in writing of all the supporting members entitled to vote at a meeting of supporting members;
- (g) Except as expressly otherwise stated, all terms contained in this and other by-laws of the Corporation which are defined in the Act shall have the meanings given to such terms in the Act;
- (h) The use of words in the singular or plural, or with a particular gender shall not exclude or limit the application of any provision of this or other by-laws of the Corporation to such persons or circumstances as the context otherwise permits; the descriptive headings of Articles and Sections of this and other by-laws of the Corporation are inserted solely for the convenience of reference and are not necessarily a complete or accurate description of the contents thereof; and if any of the provisions contained in this and other by-laws of the Corporation at any time are inconsistent with the provisions of the Act, the provisions of the Act shall prevail.

ARTICLE 2

2.0 Supporting Members

2.1 Supporting Members.

Supporting members shall be those individuals who have applied for supporting membership and whose admission as a supporting member has received the approval of the Board. There shall be no requirement for supporting membership fees or dues. Supporting memberships shall not be assignable or transferable. Supporting members shall have the right to receive notice of and to attend all meetings of supporting members and to vote thereat on the affairs of the Corporation. Each supporting member shall have one (1) vote at all meetings of supporting members.

2.2 Supporting Members Criteria

Supporting membership is open to all persons who have actively supported L'Arche Toronto or L'Arche Daybreak for a minimum of ten years, or persons who are elected or appointed to the Board of Directors. The Board of Directors shall establish a nominations committee which will select prospective supporting members who have met the criteria of "active support" based on the history of that person's relationship with L'Arche Toronto or L'Arche Daybreak. Participation in worship life, time given to volunteer, and the quality of relationship with others committed to the mission of L'Arche are among the factors that will be considered by the committee in making recommendations for supporting membership.

2.3 Granting of Supporting Membership

A Board Supporting Membership Committee will from time to time recommend persons to the Board of Directors for acceptance as supporting members. These persons will be approved, or not, by a decision of the whole Board. Potential supporting members will be identified:

- Through the initiative of the Supporting Membership Committee
- Through the initiative of any other person or group
- Through their unsolicited expression of desire for Supporting membership

2.4 Nomination of Supporting Members

The nominating committee appointed by the Board of Directors will make recommendations to the board for acceptance of supporting members from the following groups:

1. **Current and Past Directors of the Board:** Persons who have served on L'Arche Daybreak or L'Arche Toronto's Board of Directors at any point in time.
2. **Core Supporting members and Assistants:** Persons who are currently living the mission of L'Arche in the role of "core supporting member" or "assistant".
3. **Friends, Benefactors and Associate Supporting members:** Persons who participate in L'Arche Daybreak or L'Arche Toronto's relational network as a friend, volunteer, or donor.

4. **Family Supporting members:** Persons who have a relative who is currently a L'Arche Toronto or L'Arche Daybreak core member or have a relative who was a L'Arche Toronto or L'Arche Daybreak core member in the past.

There shall at all times be a balance in the body of Supporting members such that any one of the above groups of Supporting members (Current and Past Directors; Core Supporting members and Assistants; Friends and Benefactors and Associate Supporting members; Family Supporting members) shall represent a maximum of 50% of the total Supporting membership at any given time.

2.5 Termination of Supporting Membership

Any supporting member may terminate his or her supporting membership by delivering to the Secretary of the Corporation a notice in writing. Such termination shall be effective upon delivery of such notice, and, for greater certainty, shall not require acceptance to be effective. Supporting membership shall automatically terminate upon the death, bankruptcy or insolvency of the relevant supporting member, or upon the resignation, removal or automatic termination of the supporting member as a director in accordance with Section 4.4. of this by-law or otherwise.

2.6 Suspension and Expulsion

Any supporting member may be suspended or expelled from the Corporation or otherwise penalized for conduct, which the supporting members determine in accordance with the procedure outlined in this section, is detrimental or prejudicial to the best interests of L'Arche Toronto. Such suspension, expulsion or penalty shall be determined by a vote of three-quarters (3/4) of the supporting members present and voting at a general meeting of supporting members provided that a statement of the detrimental or prejudicial conduct complained of shall have been mailed or otherwise delivered to the last recorded address of the relevant supporting member on the records of the Corporation at least 7 days before final action is taken thereon. Such statement shall be accompanied by notice of the time and place of the meeting of supporting members at which the matter will be considered, and the supporting member shall have the opportunity to appear in person or by representative and to respond to the complaint.

2.7 Liability of Supporting Members

Supporting members shall not, as such, be held liable or responsible for any act, default, obligation or liability of the Corporation or for any engagement, claim, payment, loss, injury, transaction, matter or thing relating to or connected with the Corporation.

ARTICLE 3

2.0 MEETINGS OF SUPPORTING MEMBERS

3.1 Annual Meetings

The annual meeting of supporting members shall be held on such day and at such time each year as the Board may from time to time determine. The annual meeting of supporting members shall follow a meeting of the Board at which new supporting members, if any, shall be admitted to the Board and other business properly brought before the Board shall be transacted. The annual meeting of supporting members shall be convened for the purposes of receiving the financial

statements of the Corporation and the auditors' report, appointing auditors and fixing such auditors' remuneration, electing directors, receiving reports on the affairs of the Corporation, and for the transaction of such other business as may properly be brought before the annual meeting of supporting members.

3.2 General Meetings

The Board, the President, the Vice-President or any two directors shall have the power to call a general meeting of supporting members at any time for the transaction of any business, whether special or general.

3.3 Resolution in Lieu of Meeting

A resolution in writing signed by all of the supporting members entitled to vote on that resolution at a meeting of supporting members is as valid as if it had been passed at a meeting of supporting members; and a resolution in writing dealing with all matters required to be dealt with at a meeting of supporting members, and signed by all the supporting members entitled to vote at such meeting, shall satisfy all the requirements of the Act relating to meetings of supporting members.

3.4 Place of Meetings

Meetings of supporting members shall be held at the head office of the Corporation or at such place in the City of Toronto or such other place as the Board shall determine.

3.5 Notice of Meetings

Notice of the time and place of every meeting of supporting members shall be sent by pre-paid mail, by facsimile transmission or by any other means of electronic transmission as the Board may deem acceptable, such notice to be sent to, not less than 7 days prior to the date of such meeting, each supporting member. Notwithstanding the foregoing, a meeting of supporting members may be convened without notice having been given to the supporting members, provided that those supporting members who do not receive notice of such meeting have consented in writing to the holding of such meeting without notice. Notice of a meeting of supporting members at which special business is to be transacted shall state the nature of that business in sufficient detail to permit the supporting member to form a reasoned judgment thereon and shall include or attach a text of any special resolution to be submitted to such meeting.

3.6 Quorum

Except as provided in Section 3.13 respecting adjourned meetings of supporting members, a quorum at any meeting of supporting members shall be Fifty (50%) Percent of the supporting members entitled to vote at such meeting. No business shall be transacted at any meeting of supporting members unless the requisite quorum shall be present at the opening of the meeting. A quorum need not be present throughout the meeting of supporting members provided a quorum is present at the opening of such meeting.

3.7 Right to be Present

The only persons entitled to be present at a meeting of supporting members shall be the supporting members, officers, directors and auditors of the Corporation, and others who, although

not entitled to vote, are entitled or required under any provision of the Act or the letters patent or by-laws of the Corporation to be present at the meeting of supporting members. Any other person may be admitted only on the invitation of the Present or with the consent of the meeting of supporting members.

3.8 Chair

In the absence of the President or Vice President, as the case may be, the supporting members entitled to vote at the meeting shall choose a as Chair.

3.9 Votes to Govern

Except as otherwise required by the Act, all questions proposed for the consideration of supporting members at a meeting of supporting members shall be determined by a majority of the votes cast by the supporting members present in person or represented by proxy. In case of an equality of votes at any meeting of supporting members either upon a show of hands or upon a ballot, the President shall be entitled to a second or casting vote.

3.10 Proxies and Representatives

A supporting member may, by means of a written proxy, appoint a proxy holder to attend and act at a specific meeting of supporting members, in the manner and to the extent authorized by the proxy. Subject to the requirements of the Act, a proxy may be in such form as the Board may from time to time prescribe or in such form as the Chairman of the meeting may accept as sufficient, and shall be deposited with the Secretary of the meeting before any vote is called under its authority, or at such earlier time and in such manner as the Board may prescribe.

3.11 Show of Hands

Any question at a meeting of supporting members shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands, each supporting member or proxy holder, as the case may be, who is present and entitled to vote shall have one vote. Whenever a vote by a show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the President that the vote upon the question has been carried or carried by a particular majority or not carried, and an entry to that effect in the minutes of such meeting, shall be *prime facie* evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of such question, and the result of the votes so taken shall be the decision of the supporting members upon such question.

3.12 Ballots

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

3.13 Adjournments

The President may, at a meeting of supporting members, irrespective of whether there is a quorum at such meeting, adjourn the same from time to time to a fixed place and time and no notice of time and place for the holding of the adjourned meeting of supporting members need be given to any supporting members which might have been brought before or dealt with at any adjourned meeting of supporting members which might have been brought before or dealt with at the original meeting of supporting members, and, provided proper notice has been given, the number of supporting members who attend such adjourned meeting of supporting members shall constitute a quorum thereat.

3.14 Minutes of Meetings

Minutes shall be prepared for all meetings of supporting members and a copy thereof shall be available for delivery, upon request, to each supporting member and, officer of the Corporation.

ARTICLE 4

3.0 DIRECTORS, ADVISORS AND COMMITTEES

4.1 Number of Directors

The affairs of the Corporation shall be managed by a board of directors consisting of that number of directors as set out in the Articles of Incorporation or as determined from time to time in accordance with the procedures prescribed by the Act.

4.2 Qualifications of Directors

Any person elected or appointed as a director shall be deemed to be a supporting member of the Corporation at the time of such appointment or election and shall remain a supporting member throughout his or her term of office and after completion of such term, unless removed as a director in accordance section 4.4 hereof.

4.3 Election and Term

Directors shall be elected by the supporting members at the first meeting of supporting members after the effective date of this by-law and at each succeeding annual meeting at which an election of directors is required and shall hold office until the next annual meeting of supporting members or, if elected for an expressly stated term, for a term expiring not later than the close of the third annual meeting of supporting members following the election. The number of directors to be elected at any such meeting shall be that number most recently determined in the manner referred to in Section 4.1. The election need not be by ballot, unless a ballot is demanded by any supporting member. If an election of directors is not held at an annual meeting of supporting members at which such election is required, the incumbent directors shall continue in office until their successors are elected.

4.4 Resignation, Removal and Automatic Termination

Any director may resign by delivering his or her resignation in writing to the Board. Such resignation shall not require acceptance to be effective. The supporting members may, by resolution passed by at least two thirds of the votes cast at a general meeting of supporting members, of which notice specifying the intention to pass such resolution has been given, remove any director before the expiration of his or her term of office, and may, by a majority of the votes

cast at that meeting, elect a qualified person in his or her stead for the remainder of his or her term. The office of a director shall be automatically terminated in the event he or she:

- Becomes bankrupt or is declared insolvent;
- Ceases to be a supporting member of the Corporation; or
- dies

4.5 Vacancies

Whenever the Board has fewer than the maximum number of directors, the directors then in office, if constituting a quorum, may, if they see fit to do so, appoint to the Board such number of directors necessary to fully constitute the Board to hold office for a term expiring at the close of the next annual meeting of supporting members. Otherwise such vacancy shall be filled at the next annual meeting of supporting members at which the directors for the ensuing year are elected. Whenever a vacancy shall occur on the Board, which results in the Board not having a quorum, the remaining directors shall forthwith call a general meeting of supporting members to fill the vacancy. If the Board fails to call such general meeting of supporting members, or if there are no such directors then in office, any supporting member may call a general meeting of supporting members.

4.6 Remuneration of Directors

The directors shall serve as such without remuneration and no director shall directly or indirectly receive any profit from his or her position as such provided that a director may be reimbursed for reasonable expenses incurred by him or her in the performance of his or her duties as director.

4.7 Committees of the Board

The Board may establish an ad hoc committee or committees to deal with matters which the directors, subject to the provisions of the Act, may delegate to such committee or committees any of the powers of the Board in the management of the Corporation as the Board deems advisable. Each committee shall report to and be accountable to the Board. The chairperson of each committee of the Board shall be appointed by the President.

4.8 Committee Meetings and Procedure

A quorum for all committees of the Board shall be a majority of their respective supporting members and the President shall be an *ex officio* supporting member of all committees of the Board. Each committee shall also have the power to adopt such rules as it shall deem expedient for the holding and conduct of its meetings.

4.9 Powers of Directors

The directors of the Corporation shall manage, and shall be vested with such powers necessary to enable them to manage the affairs of the Corporation.

4.10 Books and Records

The directors shall see that all necessary books and records of the Corporation, including minutes of all meetings, are properly kept in accordance with the by-laws of the Corporation or the Act or any other applicable statute or law.

ARTICLE 5

5.0 MEETINGS OF DIRECTORS

5.1 Calling Meetings and Adjourned Meetings

Meetings of the Board shall be held from time to time at such place on such day and at such time as the Board, the President, a Vice-President or, upon the direction in writing of any two directors, the Secretary may determine. Any meeting of the Board may be adjourned to any time, and any business may be brought before or dealt with at any adjourned meeting of the Board which might have been brought before or dealt with at the original meeting of the Board.

5.2 Quorum

Five directors or two fifths of the number of directors of the Corporation from time to time, whichever is greater, shall constitute a quorum for the transaction of business at any meeting of the Board.

5.3 Votes to Govern

At all meetings of the Board any question shall be decided by a majority of the votes cast on such question. In the event there is an equality of votes on any issue, the President shall be entitled to a second or casting vote. Any question at a meeting of the Board shall be decided by a show of hands unless a ballot is required or demanded by any director present. A declaration by the President that a resolution has been carried and an entry to that effect in the minutes shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

5.4 Meetings by Telephone

If all of the directors consent, such consent to be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the Board, any director may participate in a meeting of the Board by means of telephone or other communications equipment by means of which all persons participating in the meeting can hear each other.

5.5 Notice of Meetings

Notice of the time and place of each meeting of the Board shall be delivered to each director by hand or by facsimile, or shall be communicated by telephone to each director by hand or by facsimile, or shall be communicated by telephone to each director not less than two (2) days before the time when the meeting is to be held. If such notice is sent by mail, it must be mailed not less than seven (7) days before the time when the meeting is to be held. A notice of a meeting of the Board need not specify the purpose of the meeting or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified. Provided a quorum of directors is present, each newly elected Board may without notice hold its first meeting following the meeting of supporting members at which such Board is elected. Notice of an adjourned meeting of the Board is not required if the time and place of the adjourned meeting is announced at the original meeting. Notwithstanding the foregoing, a meeting of the Board may be convened without having given prior notice provided that either, (a) all directors are present, or (b) those directors who are absent from the meeting have consented in writing to the holding of such meeting without notice. The Board may designate a day or days in any month or months for holding a meeting of the Board at a time and place to be determined, and no notice is required to be given to the directors in respect of such meetings, provided that the time and place of such meetings is communicated to each director prior to the time when the meeting is to be held.

5.6 Minutes of Meeting

Minutes shall be prepared for all meetings of directors, committees and other bodies, if any, and made available to the directors, each of whom shall receive a copy of such minutes.

ARTICLE 6

6.0 OFFICERS

6.1 Appointment of Officers

The Board shall at the first meeting of the Board held after the annual meeting of supporting members at which such directors were elected, appoint a President, a Vice-President, a Secretary, and a Treasurer, or, in lieu of a Secretary and a Treasurer, a Secretary-Treasurer, and such other officers as the Board may determine, to hold office for a term ending on the date of the next meeting of the Board at which their respective successors are appointed, or until the resignation or removal of such officers. All officers who are not directors of the corporation must be employees, contractors or supporting members of the corporation. One person may hold more than one office, except that the offices of President and Vice-President must be held by different persons, neither of whom may hold any other office of the Corporation. The Board may specify the duties of, and in accordance with this by-law and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation.

6.2 Delegation of Duties

In case of the absence or inability to act of any officer of the Corporation or for any other reason that the Board may deem sufficient, the Board may delegate all or any of the powers of any such officer to any other officer or to any director for the time so required.

6.3 President

The office of President shall be filled by a director of the Corporation. The President shall be elected for a term of three (3) years and shall be responsible for the general management and supervision of the affairs and operations of the Corporation. The President shall preside at all meetings of the Board and meetings of supporting members, and shall ensure that all orders and resolutions of the Board are carried into effect. The President shall perform such other duties as may from time to time be assigned to the office of President by the Board.

6.4 Vice President

The office of Vice-president shall be filled by a director of the Corporation. The Vice-President shall assist the President in carrying out his or her duties as prescribed by this by-law or by the Board from time to time. The Vice-President shall be vested with all the powers and shall perform all duties of the President in the absence or inability or refusal to act of the President. The Vice-President shall possess and may exercise such other powers and duties as may from time to time be assigned to him or her by the Board.

6.5 Secretary

The Secretary shall preside at and act as secretary for all meetings of the Board and meetings of supporting members, and shall have charge of the minute books of the Corporation and the documents, records and registers referred to in the Act as well as all correspondence, contracts and other documents belonging to the Corporation. The Secretary may release the documents and records of the Corporation of which she/he has custody only as and when authorized by the Act or by the Board. The Secretary shall give all notices required to be given to directors and supporting members. He or she may from time to time be assigned to him or her by the Board, or he or she, with prior approval of the Board, can delegate all or any of such aforementioned duties.

6.6. Treasurer

The Treasurer shall collect all revenues of the Corporation and, subject to the provisions of any resolution of the Board, shall have the care and custody of all funds and securities of the Corporation and shall deposit the same in the name of the Corporation in such bank or banks or with such depositories as the Board may direct. He or she shall keep or cause to be kept the books of account and accounting records required by the Act. He or she shall perform all duties incidental to his or her office or that are properly required of him or her by the Board. The Treasurer shall report to the Board and the President on an ongoing basis all transactions, which may have a material adverse impact on the financial health of the Corporation, and shall generally keep the Board and the President apprised of the financial status of the Corporation. The Treasurer shall possess and may exercise such other powers and duties as may from time to time be assigned to the office of the Treasurer by the Board.

6.7 Resignation and Removal of Officers

Any officer may resign by delivering his or her resignation in writing to the Board. Such resignation shall not require acceptance to be effective. The Board may, by a majority of the votes cast at a meeting of the Board, remove any officer.

6.8 Vacancies

If the office of the President, the Vice-president, the Treasurer, the Secretary or, if applicable, Secretary-Treasurer shall become vacant for any reason, the Board may appoint an officer to fill such vacancy.

6.9 Other Agents and Employees

The Board may appoint such other officers, agents and employees as they 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 at the time of such appointment.

6.10 Remuneration of Agents and Employees

The terms of employment and if applicable, remuneration of all other officers, agents and employees shall be determined from time to time by the Board or by any other person or persons to whom the Board delegates such authority, except that, for appointments or engagements previously approved by the Board, the President may appoint or engage replacement agents and employees.

ARTICLE 7

7.0 MISCELLANEOUS

7.1 Offices

The head office of the Corporation shall be in the City of Toronto, in the Province of Ontario, Canada. The Corporation may from time to time establish other offices at such other place or places as the Board may from time to time determine.

7.2 Seal

The corporate seal of the Corporation shall be in such form as shall be prescribed by the Board, provided that the name of the Corporation shall appear thereon engraved in legible characters.

7.3 Fiscal Year

The fiscal year of the Corporation shall terminate on the 31st day of March in each year, unless otherwise directed by the Board.

7.4 Auditors

The supporting members of the Corporation shall at each annual meeting of supporting members appoint an auditor to hold office until the close of the next annual meeting of supporting members provided that the Board may fill any casual vacancy in the office of the auditor. The auditor shall audit the accounts of the Corporation and report on such audited accounts at the annual meeting of supporting members. The auditor must be a professional accountant. The remuneration of the auditor shall be fixed by supporting members of the Corporation, unless at each annual meeting of supporting members the supporting members authorize the directors to do so.

7.5 Execution of Documents

All deeds, transfers, licences, engagements, contracts and documents in writing, whether in or out of the ordinary course of business of the Corporation, requiring the signature of the Corporation shall be signed by either, (a) the President or Vice-president and the Secretary or the Treasurer, (b) any two directors; or (c) any such person or persons as the board may from time to time by resolution provide. The Secretary shall affix the corporate seal of the Corporation to such documents and instruments as require the same. Copies of by-laws, resolutions or other records of proceedings of the Board of directors, committees thereof or supporting members of the Corporation may be certified under the corporate seal of the Corporation by the President, or the Secretary, or, in their absence, by any other officer of the Corporation.

7.6 Cheques, Etc.

All cheques, bills of exchange or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by the Treasurer or by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by the Board.

7.7. Designation of Bankers

The Board shall designate, by resolution, the officers and other persons authorized to transact the banking business of the Corporation, or any part thereof, with the bank, trust company, or other corporation carrying on a banking business that the Board has designated as the Corporation's banker, to have the authority set out in the resolution, including, unless otherwise restricted, the power to:

- (a) operate the Corporation's accounts with such bankers;
- (b) make, sign, draw, accept, endorse, negotiate, deposit or transfer any of the cheques, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money;
- (c) issue receipts for and orders relating to any Property of the Corporation;
- (d) execute any agreement relating to any banking business and defining the rights and powers of the parties thereto.

7.8 Deposit of Securities for Safekeeping

The Treasurer shall deposit all securities of the Corporation in such bank or banks or depositories as the Board may direct, in accordance with the provisions of such agreement as may be entered into with such institution such agreement to be approved by resolution by the Board. Any and all securities so deposited may be withdrawn, from time to time, only upon the written order of the Corporation signed by such officer or officers, agent or agents of the Corporation, and in such manner, as shall from time to time be determined by the Board, and such authority may be general or confined to specific instances.

ARTICLE 8

8.0 PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

8.1 Indemnification

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, administrators,

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:

- (1) all costs, charges and expenses whatsoever which such person sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him, for and in respect of any act, deed, matter or thing whatsoever made, done or permitted by him or her, in or about the execution of the duties of his or her office; and
- (2) all other costs, charges and expenses which he or she sustains, or incurs, in or about or in relation to the affairs of the Corporation;

except such costs, charges or expenses as are occasioned by his or her own willful neglect or default.

8.2 Protection of Directors and Officers

Except as otherwise provided in the Act, no directors or officers of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency of any security in or upon which any of the money of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the Bankruptcy, insolvency or tortuous act of any person, firm or corporation with whom or which any moneys, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune whatsoever which may happen in the execution of the duties of his or its respective office or trust or in relation thereto unless the same shall happen by or through the wrongful and willful act or through the wrongful or willful neglect or default of such directors or officers.

ARTICLE 9

9 ENACTMENT AND AMENDMENT OF BY-LAWS

9.1 Enactment and Amendment

A by-law passed by the directors, and a repeal, amendment or re-enactment thereof, unless in the meantime confirmed at a general meeting of supporting members duly called for that purpose, is effective only until the next annual meeting of supporting members unless confirmed thereat, and in default of confirmation thereat, ceases to have effect at and from that time, and in that case no new by-law of the same or like substance has any effect until confirmed at a general meeting of supporting members.

ARTICLE 10

10. NOTICES

10.1 Method of Notification

Any notice, communication or document ("Notice") to be given, sent, delivered or served pursuant to the Act, the letters patent, any supplementary letters patent, the by-laws or otherwise to or on a supporting member, director (including any supporting member of a committee of the Board), officer or auditor shall be sufficiently given, sent, delivered or served if delivered personally to the person to whom it is to be given or if delivered to the latest address of such person as the same appears to in the books of the Corporation, or if mailed to him or her at such address by pre-paid, ordinary or air mail or if sent to him or her at such address by any means of pre-paid, transmitted or recorded communications. A notice of delivery shall be deemed to have been sent when it is delivered personally or to such address as aforesaid; and a notice so sent by any means of transmittal or recorded communication shall be deemed to have been sent when dispatched or when delivered to the company or agency or its representative for dispatch. With respect to every notice sent by post, it shall be sufficient to prove that the envelope or wrapper containing the notice was properly addressed and put in the post office or into a post office box.

The Secretary may change or cause to be changed the recorded address of any supporting member, director (including any supporting member of a committee of the Board), officer or auditor in accordance with any information believed by the Secretary to be reliable. The signature to any notice may be written, stamped, typewritten or printed or partly printed, stamped, typewritten or printed.

10.2 Omissions and Errors

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

10.3 Waiver of Notice

Any supporting member (or his duly appointed proxy holder), director (including any supporting member of a committee of the Board), officer, or auditor may at any time waive the sending of any notice, or waive or abridge the time for any notice, required to be given to him or her under any provision of the Act, the letters patent, the by-laws or otherwise in such waiver or abridgement shall cure any default in the giving or in the time of such notice as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of supporting members or of the Board which may be given in any manner. Attendance of a person entitled to attend a meeting of supporting members is a waiver of notice of the meeting of supporting members except where such director, supporting member or other person, as the case may be, attends a meeting of supporting members for the express purpose of checking the transaction of any business on the grounds that the meeting is not lawfully called.

CERTIFICATION OF BY-LAW NO. 1 OF
L'ARCHE TORONTO HOMES INC.
(the **Corporation**)

The undersigned officers of the Corporation certify that the foregoing is a true copy of By-law No. 1 of the Corporation, as enacted by the board of directors of the Corporation on February 23, 2005, and confirmed by the members of the Corporation at a meeting of the membership on February 23, 2005, and that the said by-law, as amended by By-law No. 3 and by a resolution passed by the board of directors on May 24, 2007 and confirmed by the members of the Corporation on June 13, 2007, is now in full force and effect.

DATED as of this 24th day of April 2008

Name: Anna Jane Gilchrist
Title: President

Name: Edward Hyland
Title: Secretary

L'ARCHE TORONTO HOMES INC.

BY-LAW NO. 2

A bylaw respecting the borrowing of money by the Corporation.

1. In addition to, and without limiting such other powers which the Corporation may by law possess, the directors of the Corporation may without authorization of the members:
 - (a) borrow money upon the credit of the Corporation;
 - (b) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation owned or subsequently acquired, to secure any obligation of the Corporation.
2. The directors may from time to time by resolution delegate the powers conferred on them by paragraph 1 of this bylaw to a director, a committee of directors or an officer of the Corporation.
3. The powers hereby conferred shall be deemed to be in supplement of and not in substitution for any powers to borrow money for the purposes of the Corporation possessed by its directors or officers independently of a borrowing bylaw.

**CERTIFICATION OF BY-LAW NO. 2 OF
L'ARCHE TORONTO HOMES INC.
(the Corporation)**

The undersigned officers of the Corporation certify that the foregoing is a true copy of By-law No. 2 of the Corporation, as enacted by the board of directors of the Corporation as of March 23, 2006, and confirmed by the members of the Corporation at a meeting of the membership on June 14, 2006, and that the said by-law has not been rescinded, amended or otherwise varied, and is now in full force and effect.

DATED as of this 24th day of April 2008

Name: Anna Jane Gilchrist
Title: President

Name: Edward Hyland
Title: Secretary

BY-LAW NO. 3

A by-law to amend By-law No. 1

BE IT ENACTED as a by-law of L'ARCHE TORONTO HOMES INC. (the **Corporation**), a corporation incorporated under the *Corporations Act* (Ontario), that By-law No. 1 relating generally to the transaction of the business and affairs of the Corporation be and the same is hereby amended as follows:

1. AMENDMENTS

1.1. Section 2.6 is deleted and replaced with the following:

“2.6 Suspension and Expulsion

Any supporting member may be suspended or expelled from the Corporation or otherwise penalized for conduct, which the supporting members determine in accordance with the procedure outlined in this section, is detrimental or prejudicial to the best interests of L'Arche Toronto. Such suspension, expulsion or penalty shall be determined by a vote of three-quarters (3/4) of the supporting members present and voting at a general meeting of supporting members provided that a statement of the detrimental or prejudicial conduct complained of shall have been mailed or otherwise delivered to the last recorded address of the relevant supporting member on the records of the Corporation at least 10 days before final action is taken thereon. Such statement shall be accompanied by notice of the time and place of the meeting of supporting members at which the matter will be considered, and the supporting member shall have the opportunity to appear in person or by representative and to respond to the complaint.”

1.2. Section 3.5 is deleted and replaced with the following:

“3.5 Notice of Meetings

Notice of the time and place of every meeting of supporting members shall be sent by pre-paid mail, by facsimile transmission or by any other means of electronic transmission as the Board may deem acceptable, such notice to be sent to, not less than 10 days prior to the date of such meeting, each supporting member. Notwithstanding the foregoing, a meeting of supporting members may be convened without notice having been given to the supporting members, provided that those supporting members who do not receive notice of such meeting have consented in writing to the holding of such meeting without notice. Notice of a meeting of supporting members at which special business is to be transacted shall state the nature of that business in sufficient detail to permit the supporting member to form a reasoned judgment thereon and shall include or attach a text of any special resolution to be submitted to such meeting.”

1.3. Section 4.3 is deleted and replaced with the following:

“4.3 Election and Term

The directors of the Corporation shall be elected and shall retire in rotation. At each election of directors, directors shall be elected to fill the positions of those directors whose term of office has expired, and each director so elected shall hold office for a term of 3 years or until the third annual meeting of supporting members thereafter. No person is eligible to be elected as a director if he or she has served as a director for nine consecutive years immediately prior to the election, provided, however, that following a break of at least 12 consecutive months after the completion of nine consecutive years of service the same person may stand for election to serve as a director if otherwise qualified. The election need not be by ballot, unless a ballot is demanded by any supporting member.”

1.4. Section 5.5 is deleted and replaced with the following:

“5.5 Notice of Meetings

Notice of meetings shall be delivered, telephoned or transmitted by facsimile or electronic mail to each director not less than 2 days before the meeting is to take place or shall be mailed to each director not less than 7 days before the meeting is to take place. A notice of a meeting of the Board need not specify the purpose of the meeting or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified. Provided a quorum of directors is present, each newly elected Board may without notice hold its first meeting following the meeting of supporting members at which such Board is elected. Notice of an adjourned meeting of the Board is not required if the time and place of the adjourned meeting is announced at the original meeting. Notwithstanding the foregoing, a meeting of the Board may be convened without having given prior notice provided that either, (a) all directors are present, or (b) those directors who are absent from the meeting have consented in writing to the holding of such meeting without notice. The Board may designate a day or days in any month or months for holding a meeting of the Board at a time and place to be determined, and no notice is required to be given to the directors in respect of such meetings, provided that the time and place of such meetings is communicated to each director prior to the time when the meeting is to be held.”

2. TRANSITIONAL PROVISIONS

2.1. Election and Term

Notwithstanding the provisions related to the election and term of directors that are set out in Section 1.3 of this By-law No. 3, the following shall apply to the first election of directors after the coming into force of this By-law No. 3: one-third of the number of directors elected shall be elected for a term of 1 year or

until the next annual meeting of supporting members, one-third of the number of directors elected shall be elected for a term of 2 years or until the second annual meeting of supporting members thereafter, and one-third of the number of directors elected shall be elected for a term of 3 years or until the third annual meeting of supporting members thereafter. The term of each director shall be by volunteer, unless the above-noted number of directors does not volunteer for each length of term, in which case length of term shall be determined by lot. After the election of the directors as contemplated in this section 2.1, this section 2.1 shall automatically be repealed and shall no longer be of any force and effect.

2.2. Election and Term: Limitation

Despite any other provision in this By-law No. 3, each current director who, as of the day immediately preceding the date of the first election of directors following the coming into force of this By-law No. 3, has nine or more consecutive years of service as a director of L'Arche Daybreak and the Corporation shall be eligible for election to the board for only one term of up to three years. Such director will not be eligible for re-election upon the expiry of his or her term, except that, following a break of at least 12 consecutive months after the expiry of his or her term, the same person may stand for election to serve as a director if otherwise qualified.

3. EFFECTIVE DATE

3.1. This By-law No. 3 shall come into force without further formality upon its enactment by the board of directors of the Corporation.

CERTIFICATION OF BY-LAW NO. 3 OF
L'ARCHE TORONTO HOMES INC.
(the **Corporation**)

The undersigned officers of the Corporation certify that the foregoing is a true copy of By-law No. 3 of the Corporation, as enacted by the board of directors of the Corporation on May 11, 2006, and confirmed by the members of the Corporation at a meeting of the membership on June 14, 2006, and that the said by-law, as amended by a resolution passed by the board of directors on May 24, 2007 and confirmed by the members of the Corporation on June 13, 2007, is now in full force and effect., is now in full force and effect.

DATED as of this 24th day of April 2008

Name: Anna Jane Gilchrist
Title: President

Name: Edward Hyland
Title: Secretary