

**CHARTER AND INTERNATIONAL BYLAWS
OF THE SHAMBHALA MANDALA
KOOTENAY SHAMBHALA CENTRE**

THIS CHARTER is issued by the authority of the Sakyong Mipham Jampal Trinley Rinpoche, the lineage holder of the Shambhala Mandala.

RECITATIONS

THE SHAMBHALA MANDALA is the global community devoted to presenting, establishing, and advancing the wisdom, compassion, and skillful means of the lineage of the Sakyongs of Shambhala.

THE LINEAGE INSTITUTIONS OF THE SHAMBHALA MANDALA have adopted principles and instruments of governance that provide for the recognition and empowerment of Shambhala lineage institutions dedicated to the advancement of the purposes of Shambhala.

THE KOOTENAY SHAMBHALA CENTRE has sought recognition as and has been determined to qualify for proclamation as a Lineage Institution of the Shambhala Mandala and has accepted this Charter and International Bylaws as its founding instrument.

SHAMBHALA CHARTER

The Kootenay Shambhala Centre (“the Centre”) is hereby chartered and proclaimed as a lineage institution of Shambhala and a member of Vajradhatu Buddhist Church, a Nova Scotia Society. As a lineage institution, the Centre is a recognized seat of the lineage of the Sakyongs of Shambhala and is authorized to present the teachings and practices entrusted to the Shambhala Mandala by that lineage. The Centre is authorized, empowered, and licensed to identify itself to the public as a lineage institution of Shambhala under the leadership and spiritual guidance of the lineage of Sakyongs. The Centre is entitled and commits to participate in the governance bodies and procedures of the Shambhala Mandala. The Centre is further authorized to form and operate such corporate or other legal entities as may be necessary or appropriate under the laws of its local jurisdiction; to adopt and amend bylaws and rules related to its internal governance; to appoint directors and officers and to employ such persons as may be necessary or appropriate to its efficient operation; to acquire, own, lease, and operate real and personal property; to enter into contracts in its own name; and otherwise to exercise all of the powers permitted under the laws of its local jurisdiction.

INTERNATIONAL BYLAWS

1. Adoption. The Centre hereby adopts these International Bylaws (“Bylaws”) for the governance and administration of its operations. These Bylaws are supplemental to the Charter and to the governing instruments of Shambhala and shall be deemed subordinate to the Charter and said governing instruments. In the event of conflict in interpretation, the Charter and governing instruments of Shambhala shall prevail.

2. Purposes. The purposes for which the Centre is established are as follows:

(a) To operate solely as a lineage institution of the Shambhala Mandala and a part of its association of centres and organizations in the world and in the nation of Canada, and in that role to present, propagate, and support the teachings of the Shambhala lineage;

(b) To establish, maintain, and operate a centre for religious practice and worship in accordance with the precepts and teachings of the Shambhala and Buddhist traditions, as taught and practiced within the Shambhala Mandala, and, specifically within Vajradhatu, with which the Centre is associated;

(c) To promote and encourage cooperation and communication between the Centre and the other centres and organizations within the Shambhala Mandala and under the direction and control of Vajradhatu;

(d) To conduct the activities of the Centre exclusively as a registered charity within the meaning of section 149 of the *Income Tax Act*, as the same may be amended from time to time; and,

(e) To fulfill the purposes and exercise the powers of Shambhala and Vajradhatu, as set forth in the Articles of Incorporation of Vajradhatu, which are incorporated herein by reference as if fully set forth.

3. Governance by Shambhala.

(a) The Centre is subject to the governance of the Sakyong, the Lineage Holder of Shambhala, and the governing bodies and officers of the Shambhala Mandala and Vajradhatu in all matters of practice and instruction, organization, administration, and finances.

(b) The Centre may adopt procedures for appointment, compensation, and replacement of its directors and officers; provided that all such appointments shall be confirmed by the Sakyong or his designee, and all directors and officers shall be subject to removal from office by the Sakyong or his designee in accordance with procedures in effect within the Shambhala Mandala.

(c) The Centre shall have the authority to adopt operational Bylaws and policies in furtherance of and consistent with these Bylaws, provided that in the event of any conflict, the provisions of these Bylaws shall govern.

4. Protecting the Name of Shambhala. The Centre acknowledges that the Shambhala Mandala, acting through the Colorado corporations Shambhala International (Vajradhatu) and Shambhala/Nalanda Foundation (collectively, for purposes of this paragraph only, “Shambhala International”), has adopted, owns and uses world-wide, the names and service marks Shambhala, Shambhala Centre/Center, Shambhala Meditation Centres/Centers, and Shambhala Training, and have registered the same with the U.S. Patent and Trademark Office for educational services in International Class 41 (the “Trademarks”). Ownership of service marks for the same have been filed in Canada by Shambhala International and are pending at the date of the adoption of these Bylaws.

(a) The Centre acknowledges that the service marks, and the goodwill symbolized thereby, are the sole and exclusive property of Shambhala International. The Centre agrees that it will do nothing inconsistent with such ownership and that all use of the service marks by it shall inure to the benefit of and be on behalf of Shambhala International, that the Centre is estopped from establishing any claim of adverse possession to the service marks, and agrees to assist Shambhala International in recording this agreement with appropriate government authorities where necessary.

(b) The Centre acknowledges that nothing in these Bylaws shall give it any right, title, or interest in or to the service marks and that it shall not attack Shambhala International’s title to the service marks or attack the validity of the service marks as service marks or trademarks.

(c) The Centre acknowledges and agrees that it has no power or right to, and shall not at any time (i) attach, pledge, or otherwise encumber the title or any rights of Shambhala International in or to the service marks anywhere in the world, (ii) claim any right, title, or interest in or to the service marks, or (iii) register or apply to register the service marks in the anywhere in the world in its name or in any other name not otherwise expressly authorized by Shambhala International in a signed writing.

5. Limitations on Powers Related to the Canadian Income Tax Act.

(a) The Centre is a local subordinate organization within Vajradhatu Buddhist Church. The Centre shall have the power to conduct activities necessary or incidental to its purposes stated above or conducive to the furtherance thereof, subject always to the direction and control of Vajradhatu Buddhist Church, acting through its governing bodies.

(b) No part of the income is payable to, or is otherwise available for, the personal benefit of any proprietor, member, director, shareholder, or trustee of the Centre, except that it is

authorized to pay reasonable compensation for services rendered in furtherance of the purposes set forth herein.

6. Assets. The assets of the Centre are dedicated to the purposes of the Shambhala Mandala and Vajradhatu Buddhist Church and in the event of the liquidation, dissolution, or winding up of the Centre shall be transferred, conveyed, and distributed to Vajradhatu Buddhist Church or any successor to Vajradhatu Buddhist Church; or in the event that Vajradhatu Buddhist Church or its successor shall not then exist, then in a manner designed to carry out the purposes of Vajradhatu Buddhist Church, provided that no assets shall be distributed to any organization that is not a registered charity within the meaning of section 149 of the Income Tax Act, as it may be amended.

7. Dispute Resolution. The Centre agrees that in the event of any dispute between it, its directors, officers, or representatives (for purposes of this paragraph, collectively referred to as “the Centre”) and Shambhala, Vajradhatu Buddhist Church, any other participating entity of the Shambhala Mandala, or any director, officer, or representative of Shambhala or Vajradhatu Buddhist Church, acting in his or her official capacity (for purposes of this paragraph, collectively referred to as the “Shambhala Mandala”), such dispute shall be resolved exclusively by means of the internal dispute resolution procedures established by the Sakyong and the governing bodies of the Shambhala Mandala. As used herein, the term “dispute” shall be construed as broadly as possible and includes, without limitation, any claim or controversy arising out of or related to the Charter, these Bylaws, or, more generally, the relationship between the Centre and the Shambhala Mandala, whether legal or equitable and regardless of the nature of any cause of action or legal theory under which such dispute could be asserted. The Centre agrees that it shall fully participate in, comply with, and be absolutely bound by any final decision entered in accordance with such internal dispute resolution procedures, which may include mediation and mandatory binding arbitration before an arbiter or arbiters appointed by the Sakyong or his designee; that the final decision entered in such internal dispute resolution procedures shall not be subject to review or appeal by any civil court or tribunal in any jurisdiction whatsoever; and that such final decision shall be fully enforceable to the fullest extent of the law as an arbitration or similar award by the civil courts having jurisdiction over the Centre.

8. Amendment. These International Bylaws may be amended at any time by action of the governing body of the Shambhala Mandala.

The foregoing International Bylaws are hereby adopted by the Kootenay Shambhala Centre this nineteenth day of February, 2007.

ACKNOWLEDGEMENT

The Kootenay Shambhala Centre is hereby acknowledged as a member lineage institution of Shambhala and an associated division of Vajradhatu Buddhist Church as of the nineteenth day of February, 2007.

SHAMBHALA

By: Vajradhatu Buddhist Church

[SEAL]

By: _____

Title: Vice President