

## By-Laws Sail Canada/Voile Canada

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**BE IT ENACTED** as by-laws of Sail Canada/Voile Canada as follows:

### SECTION 1 GENERAL

1.1 These By-laws relate to the general conduct of the affairs of the Sail Canada/Voile Canada, a Canadian Corporation under the *Canada Not-for-Profit Corporations Act*.

1.2 The following terms have these meanings in these By-laws:

- a) *Act* – the Canada Not-for-Profit Corporations Act, S.C. 2009, c.23, including the Regulations made pursuant to the Act, and any statutes or regulations that may be substituted, as amended from time to time;
- b) *Articles* – the articles of incorporation attached to the Certificate of Continuance dated March 20, 2014;
- c) *Auditor* – a Public Accountant, as defined in the Act, appointed by the Members by Ordinary Resolution at the annual meeting to audit the books, accounts, and records of the Corporation for a report to the Members at the next annual meeting;

Several sections in the old by-laws were deleted as dated, irrelevant or redundant, e.g. Name, Organization, Corporate Seal, Head Office.
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- d) *Board* – the Board of Directors of the Corporation;
- e) *Canadian Olympic Committee* – oversees Canada’s involvement in the in the Olympic, Pan American and Youth Olympic Games;
- f) *Chair* – the President of the Board
- g) *Corporation* – Sail Canada/Voile Canada;
- h) *Days* – total days irrespective of weekends;
- i) *Director* – an individual elected or appointed to serve on the Board as set out in these By-laws;
- j) *Executive Director* – the chief executive officer employed to manage the business and affairs of the Corporation as set out in these By-laws;
- k) *ISAF* – International Sailing Federation, the international governance body for the sport of sailing;
- l) *Meetings of Members* – shall include annual meetings and special meetings;
- m) *Members* – those organizations meeting the definition of member as set out in these By-laws, or delegates authorized by each Member to exercise the Member's vote;
- n) *Paid Membership of Clubs* – the number of members of a club established and certified by the Executive Director in a membership report issued on September 30 of the current year which is used as the basis for allocating votes as set out in these By-laws;
- o) *Officer* – an individual elected or appointed to serve as an Officer of the Corporation pursuant to these By-laws;
- p) *Ordinary Resolution* – a resolution passed by the majority of votes cast on that resolution;
- q) *Special Resolution* – a resolution passed by a majority of not less than two-thirds of the votes cast on that resolution; and

- r) *Sport Canada* – supports Canadian athletes and national organizations that make up the Canadian sport system.

1.3 Sail Canada/Voile Canada has as its exclusive purpose and function, to encourage and promote the sport of sailing in all its forms in Canada, including yachting, on a nationwide basis. In furtherance of this purpose and function, the stated purposes of Sail Canada/Voile Canada are:

Sub-section 1.3 lists the purposes of the Corporation as stated in the Articles.

- a) To serve as the governing body for the sport of sailing in Canada and as such, to represent and protect the interests of Canada and Canadian sailing within the International Sailing Federation (ISAF), the Canadian Olympic Committee and with other national and international bodies;
- b) To establish and promote training and certification standards for sailing, recreational boating and navigation in Canada;
- c) To foster interest and participation in competitive and recreational sailing and those activities common to all forms of boating in Canada;
- d) To oversee and govern the conduct of competitive sailing events held in Canada;
- e) To identify, select and train members of national teams to represent Canada in international sailing competitions;
- f) To assist member Provincial or Territorial organizations in the development of sailing in their respective jurisdictions and to encourage support of sailing by the public generally; and
- g) To receive money and other property by gift, bequest, fees or otherwise, and to apply same in furtherance of these purposes.

1.4 The business and the affairs of the Corporation will be carried on without the purpose of gain for its Members and any profits, increases or advantages to the Corporation will be used in promoting its purposes.

Sub-section 1.4 clarifies the obligations of a NFP.

## SECTION 2 MEMBERS

2.1 The Corporation has one class of Members, which are *Organizations* that represent three groups:

- a) *Sailing or Yacht Clubs* – organizations with docking, mooring and/or boat launch and recovery facilities that provide programs, facilities or events to individuals participating in the sport of sailing on a local, regional or national level in Canada;
- b) *Provincial/Territorial Sailing Associations* - associations or federations established to promote the sport of sailing in its respective province/territory of Canada and which is recognized as such by the relevant provincial government; and
- c) *Special Organizations* - any association, federation or organization having an interest in promoting, administering or supporting the sport of sailing, as stated in sub-section 1.3 of the By-laws.

2.2 Candidates for Membership in categories specified in section 2.1 shall make application as follows:

- a) Clubs, as defined in paragraph 2.1(a) shall make application in writing to its relevant provincial or territorial sailing association;
- b) In order to be qualified for membership a club must be a member in good standing of its provincial or territorial association; and
- c) Organizations as defined in sub-section 2.1(b) and 2.1(c) shall make application in writing to the Board of Directors.

2.3 Each Member agrees to abide by the Corporation's By-laws, policies, procedures, rules and regulations, as may be established and amended from time to time.

The content of sub-sections 2.1 and 2.2 replicates sub-sections 7.1 and 7.2 in the current By-laws that were approved by the membership in October 2012 and 2013 (i.e. one class – three groups).

This section is also consistent with the fundamental provisions detailed in Sail Canada/Voile Canada's Articles.

According to the Act, the Board is **not allowed** to establish guidelines for additional classes of members, as this is a fundamental change requiring members' approval - see Section 10. Therefore, the sub-section 7.3 in the current by-laws has been deleted.

Sub-section 2.3 clarifies that Sail Canada exercises its authority for developing and promoting sailing with member organizations. See sub-section 1.3 (f).

2.4 Membership in the Corporation is terminated when:

- a) The Member no longer meets the definition of Members set out in sub-section 2.1;
- b) The Member fails to pay any dues or fees payable within 30 days of the date that the Secretary sends a written demand for payment;
- c) The Member resigns from the Corporation by giving written notice to the Secretary in which case the resignation becomes effective on the date specified in the notice, provided that resignation as a Member does not relieve the Member of its obligation to pay any outstanding dues or fees; or
- d) The Corporation is liquidated or dissolved under the Act.

Sub-section 2.4 reflects current practice, i.e. the Secretary (through the Assistant Secretary) works with the PSAs to collect dues. This updates sub-section 7.7 in the current by-laws regarding cessation of membership.

Current by-laws 7.9 and 7.10 regarding the expulsion of a member for "injurious conduct" is covered by the Code of Conduct and Dispute Resolution Policy approved in 2012, and is therefore not included here.

**SECTION 3 MEETINGS OF MEMBERS**

3.1 Meetings of Members will include annual meetings, and special meetings. The Corporation will hold Meetings of Members at such date, time and place as determined by the Board. Such meetings will be conducted according to *Roberts Rules of Order*, current edition.

Sub-section 3.1 replaces current by-law 27 Parliamentary Authority.

3.2 The annual meeting will be held within 15 months of the last annual meeting but not later than six (6) months after the end of the Corporation's preceding financial year.

The NPCA contains a number of mandatory provisions about meetings of members, including their timing and how the members can requisition a meeting (5 percent of votes is sufficient, and it cannot be higher). Sub-section 3.2 replaces current by-law 8.1 that specifies a date, i.e. no later than November 30<sup>th</sup> (which is 8 months after the FYE of March 31). Also see Section 8 Finance.

3.3 The agenda for an annual meeting, which should be included with the notice of meeting sent to members, should include the following items:

Sub-section 3.3 replaces current by-law 8.8.

- a) Consideration of the financial statements;
- b) Receipt of report from the public accountant;
- c) Appointment of a public accountant (or, in the case of a designated corporation, a resolution of the members to dispense with the appointment of a public accountant);
- d) Election of directors; and
- e) Other items of business including such matters as general by-law amendments that require confirmation by the members, by-laws of

Notice of meeting must satisfy the Act (21 to 60 days) and the by-laws contemplate electronic participation in meetings, as well as fully electronic meetings.

amendment; or other similar changes.

3.4 A special meeting of the Members may be called at any time by the Chair or upon the written request of Members holding not less than five percent of the total Members' votes as would be calculated at the time of the request, using the formula in Sub-section 3.10. The agenda of special meetings will be limited to the subject matter for which the meeting was duly called.

3.5 A Meeting of Members may be held by means of telephone, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the Corporation makes available such a communication facility.

3.6 Any Member entitled to vote at a Meeting of Members may participate in the meeting by means of telephone, or an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting if the corporation makes available such a communication facility. A person so participating in a meeting is deemed to be present at the meeting.

3.7 Notice for a Meeting of Members will include the time and place of a meeting, the proposed agenda, reasonable information to permit Members to make informed decisions, and will be given to each Member by the following means:

- a) By mail, courier or personal delivery to each Member entitled to vote at the meeting, at least 30 days before the day on which the meeting is to be held; or
- b) By telephone, electronic or other communication facility to each Member entitled to vote at the meeting, at least 21 days before the day on which the meeting is to be held.

3.8 Persons entitled to be present at a meeting of Members are the delegates authorized by each Member to exercise the Member's vote, other representatives of the Member that the Member consents to being present, the Directors, the Auditor, the ISAF and Sport Canada liaison, and such other persons who are entitled or required under any provision of the Act to be present at the meeting. At the invitation of the Chair of the

Members make decisions by voting on resolutions, which can either be passed at members' meetings or adopted by signing written resolutions instead of holding meetings. Decisions can be made by ordinary, special or unanimous resolutions or by consensus decision-making.

The Act permits both absentee and proxy voting, however the rules are very specific. Sub-sections 3.3 through 3.7 reflect recommended wording consistent with the Act and its regulations for absentee voting. See also sub-section 3.11 below.

Sub-section 3.7 on Notice of Members' Meetings replaces current by-laws 8.3, 8.5, 8.6 and 8.13 (Notice of Motion) that are inconsistent (10 days, 21 days) and not compliant with the Act.

Sub-section 3.8 replaces current by-law 8.9

meeting, or by Ordinary Resolution of the Members at the Meeting, other person(s) may be admitted to Members' Meetings.

3.9 Quorum for a Meeting of Members will be twenty (20) Members present and entitled to vote. If quorum is met at the start of the meeting, but thereafter Members depart the meeting such that quorum is lost, the meeting is nonetheless a valid meeting and may continue.

Sub-section 3.9 is consistent with the current by-law 8.4. The default clause for a quorum under the Act is a simple majority and many NSOs use a percentage.

3.10 For Member resolutions at Meetings of Members, each Member will be allocated a number of votes as follows:

Sub-section 3.10 replicates current by-law 8.10 that was approved by the members in 2013. The formula for determining the weighting of votes is unchanged from current practice.

- a) Clubs, as defined in sub-section 2.1 (a) shall be allocated votes proportional to their paid membership as follows:
  - 5 to 100 members - 1 vote;
  - 101 to 200 members - 2 votes;
  - for each additional 100 members – 1 additional vote per 100 members
- b) The number of members of a club shall be established and certified by the Executive Director from the last membership report issued on September 30 of the current year. Where members' names are not supplied by the Member Organizations, the number of members will be determined by dividing the aggregate of the fees paid by the annual fee payable for one member rounded off to the nearest whole number.
- c) Organizations as defined in sub-section 2.1 (b) and (c) shall each have one vote.

3.11 Members will exercise their vote as a block of votes. Absentee voting will be either by electronic means or by proxy. If by proxy, any Member entitled to vote at an Annual or Special Meeting of the Corporation shall be entitled to appoint, in writing, a proxy holder to attend the meeting on that Member's behalf and to exercise all voting rights. The written proxy may be in a general form or may give specific instructions with respect to the business to come before the meeting. The notice of meeting may prescribe how the proxies will be registered. In any event, the proxy shall be deposited with the Secretary of the meeting before any vote is cast under the authority of the proxy. Except as otherwise provided in the Act or these By-laws, an

Sub-section 3.11 reflects the current practice of some NSOs – i.e. allow absentee voting and proxy voting. These requirements have been updated from sub-section 8.7 of the current by-laws in order to comply with NPCA's requirements for proxy voting

In 2013, Sail Canada/Voile Canada's Board began seeking ways to minimize proxy voting and maximize opportunities for Member representatives to vote at annual meeting

Ordinary Resolution will decide each issue. In the case of a tie, the vote is defeated.

Sport Law & Strategy conducted a survey on absentee vs. proxy voting outlining current practice of sport organizations in light of governance changes & technology improvements - <http://www.sportlaw.ca/2013/09/absentee-voting-survey-results/>

## SECTION 4 BOARD OF DIRECTORS

4.1 The Board of Directors is responsible for managing and supervising the affairs and activities of the Corporation. Except as otherwise provided in the Act or these By-laws, the Board has the powers of the Corporation and may delegate any of its powers, duties and functions. More specifically, the Board will:

Section 4 describes the powers and responsibilities of the Board of Directors, including board structure and meetings. It replaces Sections 9, 10 and 11 of the current by-laws. The wording of Section 4 reflects the broad scope of board oversight and accountability under the Act.

- a) Approve the vision, mission, values and strategic direction of the Corporation;
- b) Approve policies and procedures to deliver the programs and services of the Corporation;
- c) Provide continuity for the Corporation by maintaining its financial health, approving budgets and monitoring the performance of the Corporation;
- d) Engage an Executive Director to manage and oversee the operations of the Corporation;
- e) Maintain positive relationships with stakeholders; and
- f) Perform any other duties from time to time as may be in the best interests of the Corporation.

4.2 The Board will consist of a minimum of five and a maximum of nine Directors, as follows:

- a) A President, elected in odd years by the Members at the annual meeting to serve a term of two (2) years, to a maximum two (2) two-year terms in succession;
- b) Six Directors, elected by the Members at the annual meeting to serve a term of three (3) years, to a maximum two (2) three-year terms in succession; and
- c) Two Athlete Directors, one of each gender, elected by all currently carded Canadian Sailing Team Athletes to serve for a one-year term, with no limit on the number of terms in succession.
- d) The election process must ensure that there are a minimum of two members of each gender on

Sub-section 4.2 replaces sub-section 9.2, 9.4 and 9.5 in the current by-laws. Details of the election process as outlined in sub-sections (a) through (f) of the current by-law 9.4 are superfluous. Elections, covered by *Roberts Rules of Order* are covered in Section 3 – Meetings of Members.

the board of directors, not including the Athlete Directors. Should the number of members fall below two members of any gender, then only members of that gender would be eligible for candidacy until the two member rule was met

- e) In the event that a sufficient number of candidates of the under-represented gender have not been nominated or are unwilling to stand for election, the Board shall appoint candidates of the under-represented gender as directors and no further ballots shall be taken.

4.3 Any person who is a member in good standing of a member organization and eligible under the *Income Tax Act* to serve as a director of a registered charity, may be nominated for election or appointment as a Director, more specifically:

- a) Is 18 years of age or older;
- b) Has the power under law to contract;
- c) Who is a resident of Canada;
- d) Who does not have the status of bankrupt;
- e) Who has not been declared incapable by a court in Canada or in another country; and
- f) In the case of the Athlete Directors, the member must have been a carded Canadian Sailing Team athlete within the prior ten (10) years.

4.4 Any nomination of a person for election as a Director or President must include the written consent of the nominee. Nominations must have either the support of at least two (2) voting Members of the Corporation or the support of the Nominating Committee.

The nominations process is largely unchanged from current practice: a committee will seek nominees, but nominees may also come forward outside the committee process.

4.5 The Nominating Committee will oversee a nominations process as follows:

- a) On or before May 1<sup>st</sup>, a call for nominations will be issued that includes the number of positions to be elected and the expertise sought;
- b) On or before September 1<sup>st</sup>, the committee will announce the list of nominations received to date, and issue a second call for nominations due by September 10<sup>th</sup>;
- c) On or before September 30<sup>th</sup>, the committee will announce the list of nominations received to date, accompanied by a brief biography of each candidate;

The Board would like to improve the nominations process by strengthening the responsibilities of the Nominating Committee and publishing the Committee's terms of reference in a separate document. The ToR will establish a robust and open nomination process that clearly communicates the call for nominations in sub-section 4.5 seeks and draws upon a broad diversity of thought and range of competencies and experience, has a fair voting mechanism, and meets expectations of prospective board members.

- d) The list of candidates must include all nominations received for each position and may include more than one person for each position; and
- e) Announcements will be sent by electronic means on or before the dates in 4.5 a), b), c) and will be posted prominently on the Sail Canada/Voile Canada website by 12 noon the following business day.

Also see 'Section 6 Committees'

4.6 If the president or a director of a provincial/territorial sailing association or federation or a member of a Sail Canada/Voile Canada program committee is elected to the Board, he/she shall resign from their present position immediately after election. Failure to do so will nullify their election to the Corporation's Board.

Sub-section 4.6 is nearly identical to current by-law 9.6. The phrase 'or a director' (of a PSA) has been added

4.7 With the exception of the Athlete Directors, a Directors' terms of office will be staggered such that at least two Directors will be elected in even-numbered years, and at least two Directors will be elected in odd-numbered years.

The staggering of terms is essential for a system whereby at least three Directors are elected annually, so that the Corporation may retain the option of appointing one Director.

4.8 The term of a Director shall begin effective with the adjournment of the annual meeting in which he/she is elected. 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.

Sub-section 4.8 is identical to current by-law 9.8.

4.9 A Director may resign from the Board at any time by presenting his or her notice of resignation to the Board. This resignation will become effective at the time the notice is sent, or at the time specified in the notice, whichever is later.

Sub-section 4.9, 4.10 & 4.11 replace sub-section 9.9 of the current By-laws.

4.10 The office of a Director will be vacated automatically if the Director:

- a) Fails to maintain the qualifications specified in sub-section 4.3;
- b) Is charged with any criminal offense related to the position of Director;
- c) Misses more than three consecutive Board meetings; or
- d) Dies.

4.11 A Director may be removed by Ordinary Resolution of the Members at a Meeting of Members, provided the Director has been given written notice of and the opportunity to be heard at such a meeting. If the Director is removed and holds a position as an Officer, the Director will automatically and simultaneously be removed from the position as an Officer.

Sub-section 4.11 replaces sub-section 9.9 a) of the current By-laws which requires a Special Resolution passed by two-thirds of the Members present at a meeting. This is a mandatory rule under the Act – Members can easily remove Directors.

4.12 Where the position of a Director becomes vacant for whatever reason, the Board may appoint a person who satisfies the qualifications of sub-section 4.3, to fill the vacancy for the remainder of the Director's term.

Sub-section 4.12 replaces sub-section 9.7 of the current By-laws. As with the former legislation, a vacancy can be filled by appointment. But under the Act, this appointment is for the balance of the term (not until the next Annual Meeting).

4.13 The Chair or any three Directors may call a meeting of the Board.

4.14 Notice of meetings of the Board will be given to all Directors at least 14 days prior to the scheduled meeting. No notice of a meeting of the Board is required if all Directors waive notice, or if those Directors who are absent consent to the meeting being held in their absence.

Sub-sections 4.13 through 4.18 replace Section 11 of the current By-laws.

4.15 Notice of board meetings need not specify the purpose of or the business to be transacted at the meeting unless the meeting:

Although meeting requirements are largely unchanged from the current by-laws, there is more stringency relating to notices of and participation in Board meetings under the Act.

- a) Involves a matter that requires member approval;
- b) Fills the vacancy of a director or public accountant;
- c) Appoints additional directors;
- d) Issues debt obligations;
- e) Approves financial statements;
- f) Adopts, amends or repeals by-laws; or
- g) Establishes members' contributions or dues.

4.16 At any meeting of the Board, quorum will be a majority of Directors holding office.

4.17 A meeting of the Board may be held by means of telephone, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the Corporation makes available such a communication facility.

## SECTION 5 OFFICERS

5.1 The officers of the Corporation are the President, Treasurer, Secretary and Executive Director.

5.2 After each annual meeting, the Board will appoint a Treasurer and a Secretary, who need not be an elected Director.

5.3 The *President* will be responsible for the general supervision of the affairs of the Corporation, more specifically:

- a) Preside at meetings of Members and at meetings of the Board;
- b) Be responsible for the operation of the Board;
- c) Be the official spokesperson of the Corporation;
- d) Be an ex-officio, non voting member of all committees except the Nominating Committee, and monitor the performance of all committees;
- e) Ensure that the Directors are aware of all policy guidelines of the Corporation and of the decisions of committees; and
- f) Perform such other duties as may from time to time be established by the Board.

5.3 The *Secretary* will be responsible for the administrative affairs of the Corporation, more specifically:

- a) Facilitate an effective flow of information to and from the Board by coordinating, preparing and disseminating board documents, agendas, information packages and management reports that board members need in order to prepare for meetings;
- b) Plan, give notice and attend all Board and Members' Meetings, record discussions and decisions and ensure that minutes of board discussions and decisions are distributed and retained;
- c) Ensure that legislation, rules and regulations are complied with, including disclosure requirements;
- d) Review and maintain by-laws, by-laws and related corporate documents;
- e) Certify all documents which require certification; and
- f) Perform other such duties as may from time to time be established by the Board.

Section 5 replaces Sections 14 & 15 of the current by-laws, reflects current board practice and indicates the board's broad latitude to determine offices & appoint officers.

The Act defines "officer" to include any individual so appointed by the board who performs functions similar to those normally performed by an individual occupying any of those offices.

The board can appoint any director or any person who is not a director to be an officer. The same person may hold two or more offices, e.g. Secretary-Treasurer may be a staff person other than the Executive Director

Sub-section 5.3 replaces sub-section 15.2 of the current by-laws, and reflects current practice.

Information on maintaining and filing corporate records can be found here – <http://www.ic.gc.ca/eic/site/cd-dgc.nsf/eng/cs05007.html>

5.4 The Board may appoint one or more Assistant Secretaries to carry out any of the day-to-day corporate responsibilities of the Secretary under the general supervision of the Secretary.

Sub-section 5.4 is a similar but simplified version of sub-section 15.3 of the current by-laws. Current practice is to appoint the Executive Director and Office Manager to carry out the day-to-day responsibilities

5.5 The *Treasurer* will oversee the financial affairs of the Corporation, more specifically:

- a) Ensure the establishment of sound financial policies and practices that will lead to the long term financial sustainability of the Association;
- b) See that proper accounting records as required by the Act are maintained;
- c) Ensure all monies received by the Corporations are deposited in Corporation bank accounts;
- d) Provide the Board with an account of the financial position of the Corporation; and
- e) Perform other such duties as may from time to time be established by the Board.

Sub-section 5.5 summarizes the current Terms of Reference of the Finance Committee. However, the Board has not appointed a Treasurer in the past, relying instead on reports from the Executive Director who works with the Finance Committee.

5.6 The *Executive Director* will be responsible for the management and supervision of the operations of the Corporation.

## SECTION 6 COMMITTEES

6.1 The Board may constitute such committees that are deemed necessary for managing the affairs of the Corporation, and may delegate to such committees any of its power, duties and functions except where prohibited by the Act or these By-laws. The Board will establish written terms of reference for all Committees.

Section 6 replaces sections 12 and 16 of the current by-laws (Standing Committees and Program Committee respectively) reflects broadly the intention of the current Organizational Structure policy.

6.2 The Board will establish the following standing committees to address and make recommendations on strategic direction, governance or organizational issues:

- a) The *Provincial Council* will consist of presidents of each provincial/territorial sailing association or their nominees, and will be responsible for alerting and advising the Board on national issues or concerns that could affect the long-term success of Sail Canada/Voile Canada as the national authority for sport of sailing in all its forms in Canada, including yachting;

The Act (ss. 138) prohibits delegating the following functions of the Board: any question or matter requiring members' approval; filling a vacancy on the board; in the office of public accountant or appointing additional directors; issuing debt obligations; approving financial statements; adopting, appealing or amending by-laws; or establishing membership dues.

- b) The *Nominating Committee* will consist of up to eight persons including the Past President and representatives of the standing and program committees, and will be responsible for overseeing the nominating process described in By-law 4; and
- c) The *Audit Committee* will consist of up to three persons, and is responsible for the annual financial review, liaison between the auditor and Corporation's Executive Director, evaluation of accounting policies, practices and assessing financial risk.

Consistent with good governance practice for a Policy Board, the by-laws do not identify all the committees of the corporation.

6.3 The Board will establish program committees to assist the Executive Director in managing the operations of the Corporation.

Though dated 2002, a useful primer on standing and special committees is available at – <https://www.ic.gc.ca/eic/site/cilp-pdci.nsf/eng/cl00695.html>

## SECTION 7 CONFLICT OF INTEREST

7.1 According to the Act, a Director, Officer, or member of a Committee who has an interest, or may be perceived as having an interest, in a proposed contract or transaction with the Corporation will comply with the Act and the Corporation's Conflict of Interest Policy:

This is standard and consistent with the Act.

- a) Disclose fully and promptly the nature and extent of such interest to the Board or Committee, as the case may be;
- b) Refrain from voting or speaking in debate on such contract or transaction;
- c) Refrain from influencing the decision on such contract or transaction; and
- d) Otherwise comply with the Act regarding conflict of interest.

The Board and Provincial Council may wish to review and update the Conflict of Interest Policy

## SECTION 8 FINANCE

8.1 The fiscal year of the Corporation will be May 1 to April 30, or such other period as the Board may from time to time determine.

8.2 Subject to any unanimous member agreement, the Board may require members to make an annual contribution or pay annual dues and may determine the manner in which the contribution is to be made or the dues are to be paid.

8.3 The Corporation will send to the Members a copy of the annual financial statements at least 21 days before the annual meeting.

8.4 All necessary books and records of the Corporation required by these By-laws or by applicable law will be regularly and properly kept. Minutes from meetings of the Board and records of the Corporation will be available to the Board, each of whom will receive a copy of such minutes. All other books and records will be available for viewing at the Registered Office of the Corporation in accordance with the Act.

8.5 Any two Officers will have authority to sign for and on behalf of the Corporation all instruments and contracts. The Board may establish different signing authorities for cheques and other banking documents as appropriate. From time to time the Board may, by resolution, appoint a Director or Officer to sign a specific instrument or contract on behalf of the Corporation without any further authorization or formality.

8.6 The Corporation may acquire, lease, sell, or otherwise dispose of securities, lands, buildings, or other property, or any right or interest therein, for such consideration and upon such terms and conditions as the Board may determine.

8.7 The Corporation may invest and may borrow funds upon such terms and conditions as the Board may determine.

8.8 All Directors, Officers who are not employed by the Corporation, and members of Committees, will serve as such without remuneration and will not directly or indirectly receive any profit from their positions. Directors, Officers who are not employed by the

Given the Act's requirements that annual meetings be held within 6 months of year end, and that financial statements be prepared 21 days before the annual meeting, the Board changed the fiscal year end from March 31 (current by-law 19.1) in 2014. This enables the annual meeting to take place before October 31 reflecting current practice.

Corporation, and members of Committees may however, be paid reasonable expenses incurred by them in performance of their duties.

## SECTION 9 AMENDMENT OF BY-LAWS

9.1 Except for the items set out in Section 10, these By-laws may be amended or repealed by Ordinary Resolution of the Directors at a meeting of the Board. The By-law amendment or repeal is effective from the date of the resolution of the Directors. The Board will consult with the Provincial Council prior to amending or repealing any of these By-laws.

This section, from Section 152 of the Act, is an efficiency feature of the new legislation. It clarifies the powers of the Board to set and approve by-laws within specific restrictions. It is no longer necessary to obtain acceptance, approval or confirmation of By-laws changes by Industry Canada before they can take effect.

9.2 Except as provided in the Act, the Board will have the authority to interpret any provision of these By-laws that is contradictory, ambiguous, or unclear, provided such interpretation is consistent with the purposes of the Corporation as set out in the By-laws. The Board will consult with the Provincial Council prior to making any such interpretation.

9.3 The Directors will submit the By-law amendment or repeal to the Members at the next meeting of Members, and the Members may, by Ordinary Resolution confirm, reject or amend the By-law amendment or repeal. If the By-law amendment or repeal is confirmed, or confirmed as amended, by the Members, it remains effective in the form in which it was confirmed.

However, the Board will consult with the membership through the Provincial Council prior to making any by-law changes or interpreting a by-law that may be inconsistent with the By-laws or intent of these by-laws.

9.4 The By-law amendment or repeal ceases to have effect if it is not submitted to the Members as described, or if rejected by the Members.

9.5 Within 12 months of the date of confirmation, the Corporation shall send to Industry Canada a copy of any by-law, amendment or repealed by-law except those that have been rejected by the Members.

By-law amendments and notice periods for members meetings are detailed in Part 4 of the Act's Regulations. Also see Section 11 for information on the dates and format of notice.

## SECTION 10 FUNDAMENTAL CHANGES

10.1 According to the Act, a Special Resolution of the Members is required to make the following fundamental changes to the By-laws or By-laws of the Corporation:

This is directly from Section 197 of the Act

- a) Change in the Corporation's name;

- b) Change in the province/territory in which the Corporation's Registered Office is situated;
- c) Add, change or remove any restriction on the activities that the Corporation may carry on;
- d) Create a new class or group of Members;
- e) Change a condition required for being a Member;
- f) Change the designation of any class or group of Members or add, change or remove any rights or conditions of an such class or group;
- g) Divide any class or group of Members into two or more classes or groups and fix the rights and conditions of each class or group;
- h) Add, change or remove a provision respecting the transfer of a membership;
- i) Increase or decrease the number of, or the minimum or maximum number of directors;
- j) Change the statement of the purpose of the Corporation;
- k) Change the statement concerning the distribution of property remaining on liquidation after the discharge of any liabilities of the Corporation;
- l) Change the manner of giving notice to Members entitled to vote at a meeting of Members;
- m) Change the method of voting by Members not in attendance at a meeting of Members; or
- n) Add, change or remove any other provision that is permitted by this Act to be set out in the By-laws.

## SECTION 11 NOTICE

11.1 In these By-laws, notice will mean written notice which is provide by mail, courier, personal delivery, telephone, electronic or other communication facility to the address of record of the Director or Member filed with the Corporation;

This is standard wording about the format of notice
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11.2 Date of notice will be:

- a) The date on which the notice is given by personal delivery;
- b) One (1) day after the date on which the notice is delivered by telephone, electronic or other communication facility;
- c) Two (2) days after the date that the notice is couriered; or
- d) Five (5) days after the date that notice is mailed.

11.3 The accidental omission to give any required notice to any Member, Director, Officer, member of a committee or the Auditor, or the non-receipt of any notice by any such person where the Corporation has provided notice in accordance with the By-laws, or any error in any notice not affecting its substance will not invalidate any action taken at any meeting to which the notice pertained.

**SECTION 12 INDEMNIFICATION**

12.1 The Corporation will indemnify and hold harmless out of the funds of the Corporation each Director and Officer, his or her heirs, executors and administrators from and against any and all claims, demands, actions or costs which may arise or be incurred as a result of occupying the position or performing the duties of a Director or Officer or any other person for acts of fraud, dishonesty, or bad faith.

This is a standard provision for protecting Directors and Officers. The indemnification is backed by the Corporation's insurance policies

**SECTION 13 – EFFECTIVE DATE**

CERTIFIED to be By-laws of the Corporation, as approved by the directors of the Corporation by resolution on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ and ratified by the members of the Corporation by special resolution on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Dated as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
[name of signing authority - director/officer]

\_\_\_\_\_  
[name of signing authority - director/officer]