

**MULTIPLE SCLEROSIS SOCIETY OF CANADA
SOCIÉTÉ CANADIENNE DE LA SCLÉROSE EN
PLAQUES**

GENERAL OPERATING BY-LAW NO. 2

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A By-law relating generally to the conduct of the affairs of

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SOCIÉTÉ CANADIENNE DE LA SCLÉROSE EN PLAQUES**

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A By-law relating generally to the conduct of the affairs of

MULTIPLE SCLEROSIS SOCIETY OF CANADA SOCIÉTÉ CANADIENNE DE LA SCLÉROSE EN PLAQUES

(the “Society”)

WHEREAS the Society was granted Letters Patent by the federal Government of Canada under the *Canada Corporations Act* on the 6th day of August, 1948;

AND WHEREAS the Society has applied for and received a Certificate of Continuance dated July 1, 2013, under the *Canada Not-for-Profit Corporations Act* S.C. 2009, c.23;

AND WHEREAS the Society enacted a General Operating By-law No. 1 of the Society (“**By-law No. 1**”);

AND WHEREAS the Society wishes to repeal By-law No.1 and replace it with this General Operating By-law No. 2;

NOW THEREFORE BE IT ENACTED as a General Operating By-law No. 2 of the Society to take effect in accordance with section 14.01:

SECTION I **INTERPRETATION**

1.01 **Definitions**

In all By-laws and resolutions of the Society, unless the context otherwise requires:

- (a) “Act” means the *Canada Not-for-Profit Corporations Act*, S.C. 2009, c. 23, including any Regulations made pursuant to the Act and any statute or Regulations that may be substituted, as amended from time to time.
- (b) “Arm’s length” has the meaning set out in section 251 of the *Income Tax Act* (Canada) and Canada Revenue Agency’s interpretation bulletin IT-419R2 as amended from time to time.
- (c) “Articles” means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Society.
- (d) “Board” means the board of directors of the Society.

- (e) “By-laws” means this By-law and all other by-laws of the Society as amended and which are, from time to time, in force and effect.
- (f) “Chapter” means the local geographic areas within Divisions designated by the Board in accordance with section 10.03 or section 11.01.
- (g) “Committee” means a committee of the Board established in accordance with SECTION VIII of this By-law.
- (h) “Director” means a member of the Board of the Society.
- (i) “Division” means the geographical areas of Canada designated by the Board in accordance with section 10.02 or section 11.01.
- (j) “Member” means a member of the Society and “Members” or “Membership” means the collective membership of the Society.
- (k) “Officer” means an officer of the Society as set out in section 7.02.
- (l) “Operating Policies” means the operating policies approved by the Board in accordance with section 2.07 of this By-law.
- (m) “Ordinary Resolution” means a resolution passed by a majority of the votes cast on that resolution.
- (n) “Proposal” means a proposal submitted by a Member of the Society that meets the requirements of section 163 of the Act.
- (o) “Regulations” means the regulations made under the Act, as amended, restated or in effect from time to time.
- (p) “Special Resolution” means a resolution passed by a simple majority (50%+1) of the votes cast on that resolution.

1.02 Interpretation

In the interpretation of this By-law, unless the context otherwise requires, the following rules shall apply:

- (a) except where specifically defined herein, all terms contained herein and which are defined in the Act shall have the meanings given to such terms in the Act;
- (b) words importing the singular number only will include the plural and *vice versa*;
- (c) the word “person” will include an individual, sole proprietorship, partnership, unincorporated association, body corporate, and a natural person;

- (d) if any of the provisions contained in the By-laws are inconsistent with those contained in the Articles or the Act, the provisions contained in the Articles or the Act, as the case may be, shall prevail; and
- (e) if any of the provisions contained in the French version of this By-law are inconsistent or conflict with any of the provisions contained in the English version of this By-law, the English version shall prevail.

SECTION II

FINANCIAL AND OTHER MATTERS

2.01 Financial Year

Unless otherwise changed by resolution of the Board, the financial year end of the Society shall be the 31st day of December in each year.

2.02 Banking Arrangements

The banking business of the Society shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada or elsewhere as the Board may designate, appoint or authorize from time to time. The banking business or any part of it shall be transacted by an Officer or Officers of the Society and/or other persons as the Board may by resolution from time to time designate, direct or authorize.

2.03 Public Accountant and Level of Financial Review

The Society shall be subject to the requirements relating to the appointment of a public accountant and level of financial review required by the Act.

2.04 Annual Financial Statements

The Society shall send copies of the annual financial statements and any other documents required by the Act to the Members between 21 to 60 days before the day on which an annual meeting of Members is held or before the day on which a written resolution in lieu of an annual meeting is signed, unless a Member declines to receive them. Alternatively, the Society may:

- (a) give notice to the Members stating that such documents are available at the registered office of the Society and any Member may request a copy free of charge at the registered office or by prepaid mail; or
- (b) give notice to the Members stating that such documents are available electronically through a generally accessible electronic source, such as a website.

2.05 Registered Office

The registered office of the Society shall be situated in the province or territory specified in the Articles at such address as the Board may determine from time to time. The Directors may change the registered office to another place within the province specified in the Articles. A Special Resolution of the Members is required in order to authorize an amendment to the Articles to change the province in which the registered office of the Society is situated.

2.06 **Execution of Documents**

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Society may be signed by such Officer or Officers or person or persons, whether or not Officers of the Society and in such manner as the Board may from time to time designate by resolution. Any person authorized to sign any document may affix the corporate seal (if any) to the document. Any Director or Officer may certify a copy of any instrument, resolution, By-law or other document of the Society to be a true copy thereof.

2.07 **Operating Policies**

The Board may adopt, amend, or repeal by resolution such Operating Policies that are not inconsistent with the By-laws of the Society relating to such matters as terms of reference of Committees, duties of Officers, Board code of conduct and conflict of interest as well as procedural and other requirements relating to the By-laws as the Board may deem appropriate from time to time. Any Operating Policy adopted by the Board will continue to have force and effect until amended, repealed, or replaced by a subsequent resolution of the Board. For greater certainty, Operating Policies bind the Society as a whole including Committees.

SECTION III
MEMBERS

3.01 **Classes and Conditions of Membership**

Pursuant to the Articles, there shall be one (1) class of Members in the Society. Membership in the Society is available to individuals who wish to further the purposes of the Society. The Board may determine that certain Members and/or applicants for Membership should be granted Membership on an honorary basis as a result of such individuals' exceptional contribution to the purposes of the Society. All honorary members of the Society immediately prior to the continuance of the Society under the Act shall continue as Members of the Society on an honorary basis. Individuals shall be admitted into membership in the Society and may be renewed as Members in accordance with the By-laws, Membership Policy and Operating Policies.

3.02 **Membership Rights and Being in Good Standing**

A Member of the Society shall have the right to receive notice of, attend, speak and participate at all meetings of Members. A Member must be in “good standing” in order to vote at meetings of the Members. A Member shall be considered to be in good standing if the Member:

- (a) was admitted as a Member of the Society at least ninety (90) days before the meeting of Members (in the case of a new Member); or
- (b) is an existing Member and renews his or her membership at any time prior to the commencement of the meeting of Members; and
- (c) is not in the course of disciplinary action pursuant to section 3.05.

A Member in good standing shall have one (1) vote at all meetings of Members.

3.03 Termination of Membership

Membership in the Society is terminated when:

- (a) the Member dies;
- (b) the Member ceases to maintain the qualifications for membership set out in section 3.01;
- (c) the Member resigns by delivering a written resignation to the Chair of the Board in which case such resignation shall be effective on the date specified in the resignation;
- (d) the Member is removed as a Member of the Society in accordance with section 3.05;
- (e) the Member’s term of membership expires and has not been renewed in accordance with the requirements of the Membership Policy and Operating Policies; or
- (f) the Society is liquidated or dissolved under the Act.

Subject to the Articles, upon any termination of membership, the rights of the Member automatically cease to exist. Where a person is no longer a Member, then such person shall be deemed to have also automatically resigned as a Director, an Officer, or a Committee member, as applicable, provided that the Board may, in its discretion, subsequently re-appoint such individual as an Officer or Committee member if the Board deems it appropriate in the circumstances.

3.04 Membership Dues

The Board may require the Members to pay annual membership dues and may determine the manner in which the dues are to be paid, all subject to the Operating Policies of the Corporation. Members shall be notified in writing of the amount of membership dues to be paid by them and the Operating Policies shall clarify the process to be followed where a Member is in default of payment of membership fees.

3.05 **Discipline of Members**

The Board may suspend or remove any Member from the Society for any one or more of the following grounds:

- (a) violating any provision of the Articles, By-laws, or Operating Policies of the Society; and/or
- (b) carrying out any conduct which may be detrimental to the Society as determined by the Board in its sole discretion.

In the event that the Board proposes that a Member should be expelled or suspended from membership in the Society, the Chair of the Board shall provide twenty (20) days notice of suspension or removal to the Member and shall provide reasons for the proposed suspension or removal. The Member may make written submissions to the Chair of the Board in response to the notice received within such twenty (20) day period. In the event that no written submissions are received by the Chair of the Board, he/she may proceed to notify the Member that the Member is suspended or removed from membership in the Society. Where written submissions are received in accordance with this section, the Board will consider such submissions in arriving at a final decision and shall notify the Member concerning such final decision within a further twenty (20) days from the date of receipt of the submissions.

SECTION IV
MEETINGS OF MEMBERS

4.01 **Notice of Meetings**

In accordance with and subject to the Act, notice of the time and place of a meeting of Members shall be given to each Member entitled to vote at the meeting by any of the following means:

- (a) by mail, courier or personal delivery to each Member entitled to vote at the meeting, during a period of 21 to 60 days before the day on which the meeting is to be held; or
- (b) by telephonic, electronic or other communication facility to each Member entitled to vote at the meeting, during a period of 21 to 35 days before the day on which the meeting is to be held; or

- (c) at least once in a publication of the Society that is sent to all of its Members, during a period of 21 to 60 days before the day on which the meeting is to be held.

Where the Society provides notice electronically, as referred to in section 4.01(b), and if a Member requests that notice be given by non-electronic means, the Society shall give notice of the meeting to the Member so requesting in the manner set out in section 4.01(a).

Notice of a meeting of Members shall also be given to each Director and to the public accountant of the Society during a period of 21 to 60 days before the day on which the meeting is to be held. Notice of any meeting of Members at which special business is to be transacted shall state the nature of that business in sufficient detail to permit the Member to form a reasoned judgment on the business and provide the text of any Special Resolution or By-law to be submitted to the meeting. The Directors may fix a record date for determination of Members entitled to receive notice of any meeting of Members in accordance with the requirements of section 161 of the Act. Subject to the Act, a notice of meeting of Members provided by the Society shall include any Proposal submitted to the Society under section 4.13.

4.02 Place of Meetings

Meetings of Members may be held at any place within Canada as the Board may determine.

4.03 Annual Meetings

An annual meeting of Members shall be held at such time in each year, as the Board may from time to time determine, provided that the annual meeting must be held not later than fifteen (15) months after holding the preceding annual meeting and no later than six (6) months after the end of the Society's preceding fiscal year. The annual meeting shall be held for the purpose of considering the financial statements and reports of the Society required by the Act to be presented at the meeting, electing Directors, appointing the public accountant and transacting such other business as may properly be brought before the meeting or is required under the Act.

4.04 Special Meetings

The Board may at any time call a special meeting of Members for the transaction of any business which may properly be brought before the Members. On written requisition signed by 500 Members or a number of Members carrying not less than five percent (5%) of the votes that may be cast at a meeting of Members, whichever is less, the Board shall call a special meeting of Members, unless the exceptions in the Act are met. If the Directors do not call a meeting within twenty-one (21) days of receiving the requisition, any Member who signed the requisition may call the meeting.

4.05 Special Business

All business transacted at a special meeting of Members and all business transacted at an annual meeting of Members, except consideration of the financial statements, public accountant's report, election of Directors and re-appointment of the incumbent public accountant, is special business.

4.06 **Waiving Notice**

A Member and any other person entitled to attend a meeting of Members may in any manner and at any time waive notice of a meeting of Members, and attendance of any such person at a meeting of Members is a waiver of notice of the meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

4.07 **Persons Entitled to be Present**

The only persons entitled to be present at a meeting of Members shall be those entitled to vote at the meeting, the Directors, the Officers and the public accountant of the Society and such other persons who are entitled or required under any provision of the Act, Articles or By-laws of the Society to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or by Ordinary Resolution of the Members.

4.08 **Chair of the Meeting**

The chair of Members' meetings shall be the Chair of the Board or the Vice-Chair of the Board if the Chair of the Board is absent or unable to act. In the event that the Chair of the Board and the Vice-Chair of the Board are absent, the Members who are present and entitled to vote at the meeting shall choose a Member to chair the meeting.

4.09 **Quorum**

Subject to the Act, a quorum at any meeting of the Members shall be fifteen (15) Members. If a quorum is present at the opening of a meeting of Members, the Members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting. For the purpose of determining quorum, a Member may be present in person, by telephonic or by other electronic means.

4.10 **Meetings Held by Electronic Means**

A Members meeting may be held by telephonic or electronic means in accordance with the Act as follows:

- (a) Any person entitled to attend a meeting of Members may participate in the meeting by means of such telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the Society makes available such a communication facility and the meeting complies

with the requirements in the Act and the Regulations. A person participating in a meeting by such means is deemed to be present at the meeting.

- (b) Notwithstanding clause (a), if the Directors or Members of the Society call a meeting of Members, those Directors or Members, as the case may be, may determine that the meeting be held, in accordance with the Act and the Regulations, entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.
- (c) Any person participating in a meeting of Members by means of a telephonic, electronic or other communication facility and entitled to vote at such meeting, may vote using the communication facility that the Society has made available for that purpose. When a vote is to be taken at a meeting of Members, the voting may be carried out by means of a telephonic, electronic or other communication facility only if that facility enables the votes to be gathered in a manner that permits their subsequent verification; and permits the tallied votes to be presented to the Society without it being possible for the Society to identify how each Member voted.

4.11 Absentee Voting by Proxy

Every Member entitled to vote at a meeting of Members may appoint a proxyholder, or one or more alternate proxyholders, who need not be Members, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by it subject to the following:

- (a) a proxy is valid only at the meeting in respect of which it is given or at a continuation of the meeting after an adjournment;
- (b) a Member may revoke a proxy by depositing an instrument in writing executed by the Member in accordance with the Regulations;
- (c) a proxyholder or an alternate proxyholder has the same rights as the Member by whom they were appointed, including the right to speak at a meeting of Members in respect of any matter, to vote by way of ballot at the meeting, to demand a ballot at the meeting and, except where a proxyholder or alternate proxyholder has conflicting instructions from more than one Member, to vote at the meeting by way of a show of hands;
- (d) a proxy shall be in writing, executed by the Member or such Member's attorney and shall conform with the requirements of the Regulations; and
- (e) votes by proxy shall be collected, counted and reported in such manner as the chair of the meeting directs.

4.12 Votes to Govern

At any meetings of the Members, every question shall, unless otherwise provided by the Articles or By-laws or by the Act, be determined by Ordinary Resolution. In case of an equality of votes, the chair of the meeting, in addition to an original vote, shall have a second or casting vote.

4.13 **Proposals at Annual Meetings**

Subject to compliance with section 163 of the Act, a Member entitled to vote at an annual meeting may submit to the Society notice of any matter that the Member proposes to raise at the annual meeting (a “Proposal”). Any such Proposal may include nominations for the election of Directors if the Proposal is signed by 500 Members or not less than five percent (5%) of the Members entitled to vote at the meeting, whichever is less. Subject to the Act, the Society shall include the Proposal in the notice of meeting and if so requested by the Member, shall also include a statement by the Member in support of the Proposal and the name and address of the Member. The Member who submitted the Proposal shall pay the cost of including the Proposal and any statement in the notice of meeting at which the Proposal is to be presented unless otherwise provided by Ordinary Resolution of the Members present at the meeting.

4.14 **Resolution in Lieu of Meeting**

A resolution in writing and signed by all the Members entitled to vote on that resolution at a meeting of Members is as valid as if it had been passed at a meeting of the Members, unless a written statement is submitted to the Society by a Director or by the public accountant in relation to their resignation, removal or replacement. A copy of every resolution of the Members shall be kept with the minutes of meetings of Members.

SECTION V
DIRECTORS

5.01 **Powers**

Subject to the Act and the Articles, the Board shall manage or supervise the management of the activities and affairs of the Society.

5.02 **Number of Directors**

The Articles provide for a minimum and maximum number of Directors.¹ Commencing at the 2017 annual general meeting, the Board shall be fixed at fifteen (15) Directors. The size of the Board may change from time to time, provided the Board shall be composed of the fixed number of directors as determined by resolution of the Board.

5.03 **Qualifications**

¹ Between 12 and 17.

Each Director shall be an individual who is not less than 18 years of age. Each Director shall be a Member of the Society. No person shall be a Director who

- (a) has been found by a court in Canada or elsewhere to be mentally incompetent;
- (b) who has the status of a bankrupt;
- (c) who is an “ineligible individual”, as defined in the *Income Tax Act*;
- (d) is non-Arm’s length from any senior staff or management, as defined in Operating Policies of the Board; or
- (e) receives or has received within a year of their election any employment remuneration either directly or indirectly from the Society in accordance with section 5.11.

5.04 Composition of Board

The Board will at all times include a minimum of one (1) and a maximum of five (5) Directors resident in each Division, with such number determined by the Board from time to time; provided that each such Director must provide proof of residency in the particular Division and otherwise meet any other requirements set forth in the Operating Policies and provided that the Past Chair shall be excluded when determining the number of Directors from specific Divisions. All Directors will exercise their duties as members of the Board in keeping with the requirement to act in good faith and exercise their duties in the best interests of the Society as a whole, independent of their place of residence. More than fifty percent (50%) of the Directors shall deal with each other and with each of the other Directors at Arm’s length.

5.05 Transition

The terms of office held by the Directors of the Society shall be calculated pursuant to subsection 5.06(b). In computing the maximum number of years that a Director may hold office under subsection 5.06(d) or (e), the terms of office held by the Directors prior to continuance under the Act shall be included.

5.06 Election of Directors and Term

- (a) Subject to the Articles, Directors shall be elected by the Members by Ordinary Resolution at an annual meeting of Members at which an election of Directors is required.
- (b) The terms of office of Directors shall be three (3) years or as determined by Ordinary Resolution of the Board.
- (c) If Directors are not elected at a meeting of Members, the incumbent Directors shall continue in office until their successors are elected.

- (d) Subject to section 5.06(e), Directors shall be eligible for re-election for a maximum of six (6) consecutive years; however, after a break from serving on the Board for a period of no less than one (1) year, the individual may once again be eligible for election.
- (e) Directors holding an Officer position in the final year of their second three (3) year term shall be eligible to continue as a Director beyond the maximum two terms of three years, up to a maximum consecutive term of ten (10) years, provided that in each of those additional years the Director holds an Officer position.
- (f) Nominations for candidates to serve on the Board may be made in two ways:
 - (i) By the Governance Committee. On an annual basis, the Governance Committee will identify the core skills and qualities required for the Board to govern effectively. The Governance Committee's work will be guided by the overriding principle that the Board shall include the voices of people with multiple sclerosis and people affected by multiple sclerosis as well as those who have experience with the Society's activities at the community level, including past Chairs. Once the core skills and qualities have been identified, the Governance Committee will solicit from the Board and other stakeholders the names of potential candidates that match the priority skills and qualities required for the Board. The Governance Committee will present a report to the Members for the election of Directors on the Corporation's website no less than four (4) days prior to the annual meeting, and such report will be prepared in accordance with the requirements of this By-law and the Operating Policies.
 - (ii) By Member Nominations. Any Member may nominate a candidate for election to the Board by providing in writing to the Secretary of the Corporation, no less than fourteen (14) days prior to the annual meeting, the following information: the name of the candidate, a summary of the candidate's skills, experience and qualifications to serve on the Board, as well as written confirmation from the candidate that he/she is willing and available to serve on the Board should he/she be elected and that he/she meets the qualifications to serve on the Board as set out in Section 5.03. The Governance Committee will review all nominations received from Members and will ensure such candidates are included, along with a summary of their qualifications, in the report to the Members for the election of Directors referenced in paragraph (f)(i) above.

5.07

Ceasing to Hold Office

A Director ceases to hold office when the Director dies, resigns, is removed from office by the Members in accordance with section 5.09, or no longer fulfils all of the qualifications to be a Director set out in section 5.03, as determined in the sole discretion of the Board. Where a person is no longer a Director, then such person shall be deemed to have also automatically resigned as an Officer, or Committee member, as applicable, provided that

5.13 **Confidentiality**

Every Director, Officer, Committee member, employee and volunteer, shall respect the confidentiality of matters brought before the Board or before any Committee of the Board. Employees and volunteers shall also keep confidential matters that come to their attention as part of their employment or volunteer activities.

5.14 **Use of Funds**

- (a) The Board has an obligation to ensure that all funds received by the Society are used to further its charitable purposes and that the Society complies with any limitations, conditions, terms of reference, directions or other restrictions imposed by donors or grantors including but not limited to those imposed by governments at all levels, their crown corporations, agencies, and authorities established by them to regulate lotteries and gaming.
- (b) To the extent required to comply with paragraph (a) and local requirements for receiving lottery or gaming funds, the Board may delegate to local individuals or a local body (such as a local council) limited but sufficient powers to oversee the activities and affairs of the Society within that local jurisdiction, including without limitation signing authority on behalf of the Society. Notwithstanding this permitted delegation, the Board may not delegate any specific powers that may not be delegated by any board pursuant to subsection 138(2) of the Act. To the extent that a decision required to be delegated to local individuals or a local body can only be made by the Board, the Board shall make the decision in consultation with and giving due deference to the advice of the local individuals or local body, as applicable.

SECTION VI
MEETINGS OF DIRECTORS

6.01 **Calling of Meetings**

Meetings of the Board may be called by the Chair of the Board, the Vice-Chair of the Board or any two (2) Directors at any time.

6.02 **Place of Meetings**

Meetings of the Board may be held at the registered office of the Society or at any other place within or outside of Canada, as the Board may determine.

6.03 **Notice of Meeting**

Notice of the time and place for the holding of a meeting of the Board shall be given in the manner provided in section 12.01 of this By-law to every Director of the Society not less than 48 hours before the time when the meeting is to be held. Notice of a meeting shall not be necessary if all of the Directors are present, and none objects to the holding of the

meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting. Unless the By-law otherwise provides, no notice of meeting need specify the purpose or the business to be transacted at the meeting except that a notice of meeting of Directors shall specify any matter referred to in subsection 138(2) of the Act that is to be dealt with at the meeting.

6.04 **Regular Meetings**

The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be named. A copy of any resolution of the Board fixing the place and time of such regular meetings of the Board shall be sent to each Director forthwith after being passed, but no other notice shall be required for any such regular meeting except if notice is required to be given because a matter referred to in subsection 138(2) of the Act, is to be dealt with at the meetings.

6.05 **Participation at Meeting by Telephone or Electronic Means**

If all of the Directors consent, a Director may, in accordance with the Regulations, participate in a Board meeting, by means of a telephonic, electronic or other communications facility that permits all participants to communicate adequately with each other during the meeting. A Director participating in the meeting by such means shall be deemed for the purposes of the Act to have been present at that meeting. A consent pursuant to this section may be given before or after the meeting to which it relates and may be given with respect to all meetings of the Board and Committees of the Board.

6.06 **Quorum**

A majority of the number of Directors specified in the Articles constitutes a quorum at any meeting of the Board. For the purpose of determining quorum, a Director may be present in person, or, if authorized under this By-law, by teleconference and/or by other electronic means.

6.07 **Votes to Govern**

Each Director may exercise one (1) vote. At all meetings of the Board, every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chair of the meeting in addition to an original vote shall have a second or casting vote.

6.08 **Resolutions in Writing**

A resolution in writing, signed by all the Directors entitled to vote on that resolution at a Board meeting, shall be as valid as if it had been passed at a Board meeting. A copy of every such resolution in writing shall be kept with the minutes of the proceedings of the Board or Committee of Directors.

transactions as Treasurer and of the financial position of the Society. The Treasurer shall be a Director.

The duties of all other Officers of the Society shall be such as the terms of their engagement call for or the Board or the Chair requires of them. The Board may from time to time and subject to the Act, vary, add to or limit the powers and duties of any Officer.

7.03 **Term of Office**

Officers shall hold their position for a period of one (1) year or as may otherwise be determined by the Board. Where an Officer is appointed by the Board to fill a vacancy the Officer will hold their position until the first meeting of the Board immediately following the annual general meeting. An Officer may hold a position for a maximum of four consecutive (4) years.

7.04 **Vacancy in Office**

In the absence of a written agreement to the contrary, the Board may remove, whether for cause or without cause, any Officer of the Society. Unless so removed, an Officer shall hold office until the earlier of:

- (a) the Officer's successor being appointed;
- (b) the Officer's resignation;
- (c) such Officer ceasing to be a Director (if a necessary qualification of this appointment); or
- (d) such Officer's death.

If the office of any Officer of the Society shall be or become vacant, the Board may appoint a person to fill such vacancy.

SECTION VIII
COMMITTEES

8.01 **Committees**

The Board may from time to time appoint any Committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the Board shall see fit. In appointing members of Committees, the Board shall ensure that each Committee shall include a Director who shall sit as a member of the Committee, which Director may be the Chair who shall be an *ex-officio* member of all Committees of the Society. Any Committee member may be removed by the Board. Unless otherwise determined by the Board, a Committee shall have the power to fix its quorum at not less

than a majority of its members, to elect its chair and to otherwise regulate its procedure. The Committee terms of reference and procedures relating to such Committees shall be set forth in the Operating Policies.

8.02 **Governance Committee**

The Board will establish a Governance Committee, the details of which shall be set forth in the Operating Policies, the duties of which shall include the selection and/or review of Director candidates for election by Members in accordance with section 5.06(f).

8.03 **National Executive Committee**

Subject to the Act, the Board may appoint from their number a National Executive Committee and delegate to the National Executive Committee any of the powers of the Board, except those which may not be delegated by the Board pursuant to subsection 138(2) of the Act. Unless otherwise determined by the Board, such a Committee shall have the power to fix its quorum at not less than a majority of its members, to elect its chair and to otherwise regulate its procedure. The Chair of the Board, Vice-Chair of the Board, Secretary and Treasurer shall constitute the National Executive Committee.

SECTION IX
PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

9.01 **Duties of Directors and Officers**

Every Director and Officer in exercising such person's powers and discharging such person's duties shall act honestly and in good faith with a view to the best interests of the Society and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Every Director and Officer of the Society shall comply with the Act, the Regulations, Articles, By-laws, Operating and other policies of the Society.

9.02 **Limitation of Liability**

No Director or Officer 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 other act for conformity, or for any loss, damage or expense happening to the Society through the insufficiency or deficiency of title to any property acquired for or on behalf of the Society, or for the insufficiency or deficiency of any security in or upon which any of the money of the Society shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the money, securities or effects of the Society shall be deposited, or for any loss occasioned by any error of judgment or oversight on the Director or Officer's part, or for any other loss, damage or misfortune which shall happen in the execution of such person's duties of office, unless the same are occasioned by the

Director or Officer's own wilful neglect or default or otherwise result from the Director or Officer's failure to act in accordance with the Act and the Regulations.

9.03 **Indemnification**

Subject to the Act, the Society may indemnify a Director or Officer of the Society, a former Director or Officer of the Society, a Committee member or former Committee member, or another individual described in section 151(1) of the Act against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by such person in respect of any civil, criminal, administrative or investigative action or other proceeding in which the individual is involved because of that association with the Society if,

- (a) the individual acted honestly and in good faith with a view to the best interests of the Society; or
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that their conduct was lawful.

The Society may indemnify such person in all such other matters, actions, proceedings and circumstances as may be permitted by the Act or the law. Nothing in this By-law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this By-law.

9.04 **Insurance**

Subject to the Act, the Society may purchase and maintain insurance for the benefit of any person entitled to be indemnified by the Society pursuant to the Act and section 9.03 of this By-law as the Board may determine from time to time against any liability incurred by the individual in the individual's capacity as a Director or an Officer of the Society or otherwise; provided that due consideration is first given to the requirements under the *Charities Accounting Act* (Ontario) for the purchase of directors and officers liability insurance.

9.05 **Advances**

The Society may advance money to a Director, Officer, Committee member, or other individual referred to in section 9.03 for the costs, charges and expenses of a proceeding referred to in section 9.03.

without proceeding immediately to suspension or termination and the Board may impose such sanctions or require the Division to carry out such remedial solutions as the Board may determine to be necessary or advisable in the circumstances. The Board's intervention in Divisional affairs shall be carried out in the sole discretion of the Board and shall take place in accordance with any procedures set forth in the Operating Policies or in the Divisional affiliation agreement.

11.04 Divisional Board Intervention in Chapter Affairs

Quebec's Divisional Board may intervene in Quebec Chapter affairs, if circumstances so require, without proceeding immediately to suspension or termination and the Divisional Board may impose such sanctions or require the Chapter to carry out such remedial solutions as the Divisional Board may determine to be necessary or advisable in the circumstances. The Divisional Board's intervention in Chapter affairs shall be carried out in the sole discretion of the Divisional Board and may be further described in the Operating Policies or in the Chapter affiliation agreement.

11.05 Termination of Quebec's Incorporated Division and Chapters

Quebec's incorporated Division or its incorporated Chapters may be terminated as a Division or Chapter of the Society in accordance with the terms of its affiliation agreement. Quebec's incorporated Division or its incorporated Chapters may also dissolve according to the provisions of its incorporating legislation and shall provide immediate notice to the Society regarding any such intended dissolution.

11.06 Termination Obligations

Upon termination of Quebec's incorporated Division or its incorporated Chapters, the Division or Chapter shall comply with the provisions contained in the applicable affiliation agreement, as well as the following directives:

- (a) all usage of the Division and Chapter name and Society trade-marks shall immediately cease;
- (b) the Division or Chapter shall return all materials which have been provided by the Society to the Division or by the Division to the Chapter;
- (c) the Division or Chapter shall destroy all letterhead and other similar material on which the name of the Society appears; and
- (d) the Division or Chapter shall immediately comply with all financial and other directives provided by the national office of the Society, including provision of all financial information regarding the affairs of the Division or Chapter to the national office of the Society.

11.07**Indemnity**

Subject to the Act, the Society may indemnify a Quebec Divisional director or a Quebec Chapter director or a former Quebec Divisional director or Quebec Chapter director against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by such person in respect of any civil, criminal, administrative or investigative action or other proceeding in which the individual is involved because of that association with the Society, incorporated Division or incorporated Charter, as applicable, if,

- (e) the individual acted honestly and in good faith with a view to the best interests of its incorporated Division or Chapter; or
- (f) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that their conduct was lawful.

The Society may indemnify such person in all such other matters, actions, proceedings and circumstances as may be permitted by the Act or the law. Nothing in this By-law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this By-law.

**SECTION XII
NOTICES****12.01****Method of Giving Notices**

Subject to sections 4.01 and 6.03, any notice to be given (which term includes sent, delivered or served) pursuant to the Act, the Articles, the By-laws or otherwise to a Member, Director, Officer, member of a Committee of the Board, or the public accountant shall be sufficiently given:

- (a) if delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of the Society or in the case of notice to a Director to the latest address as shown in the last notice that was filed by the Society in accordance with the Act and received by Corporations Canada; or
- (b) if mailed to such person at such person's recorded address by prepaid ordinary or air mail; or
- (c) if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
- (d) if provided in the form of an electronic document in accordance with the Act.

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The Secretary may change or cause to be changed the recorded address of any Member, Director, Officer, public accountant, or member of a Committee of the Board in accordance with any information believed by the Secretary to be reliable. The declaration by the Secretary that notice has been given pursuant to this By-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any Director or Officer of the Society to any notice or other document to be given by the Society may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

12.02 Computation of Time

Where a given number of days' notice or notice extending over a period is required to be given under the By-laws, the day of service, posting or other delivery of the notice shall not, unless it is otherwise provided, be counted in such number of days or other period. In computing the number of days for any notice under the By-laws, a day shall be considered to be any day of the week and not just a working day.

12.03 Undelivered Notices

If any notice given to a Member is returned on two consecutive occasions because such Member cannot be found, the Society shall not be required to give any further notices to such Member until such Member informs the Society in writing of his or her new address.

12.04 Omissions and Errors

The accidental omission to give any notice to any Member, Director, Officer, member of a Committee of the Board or public accountant, or the non-receipt of any notice by any such person where the Society has provided notice in accordance with the By-law or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

12.05 Waiver of Notice

Any Member, proxyholder, Director, Officer, member of a Committee of the Board or public accountant may waive or abridge the time for any notice required to be given to such person, and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given 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 Members or of the Board or of a Committee of the Board, which may be given in any manner.

shall survive until the date on which all Division and Chapter charters have been terminated.

ENACTED by the Directors of the Society this 7th day of September, 2018.



Chair of the Board



Secretary

APPROVED by the Members of the Society this 28th day of October, 2018.



Secretary