

BY-LAW NO. 1

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

CENTRE FOR CANADIAN LANGUAGE BENCHMARKS
CENTRE DES NIVEAUX DE COMPÉTENCE LINGUISTIQUES CANADIENNES

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CENTRE FOR CANADIAN LANGUAGE BENCHMARKS CENTRE DES NIVEAUX DE COMPÉTENCE LINGUISTIQUES CANADIENNES

(the “Corporation”)

BE IT ENACTED as a By-Law of the Corporation as follows:

ARTICLE 1 INTERPRETATION

1.01 Definitions: In this By-Law and all other By-Laws and resolutions of the Corporation, unless the context otherwise requires:

- (a) “**Act**” means the *Canada Not-for-profit Corporations Act* S.C. 2009, c.23, including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;
- (b) “**Articles**” means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation;
- (c) “**Board**” means the board of directors of the Corporation;
- (d) “**By-Laws**” means this By-Law and all other By-Laws of the Corporation as amended and which are, from time to time, in force and effect;
- (e) “**Director**” means a member of the Board;
- (f) “**Executive Director**” means the person appointed by the Board to be responsible to the Board for the day-to-day management of the Corporation;
- (g) “**Meeting of Members**” includes an annual meeting of members and a Special Meeting of Members;
- (h) “**Members**” means the members of the Corporation as described in Section 3.01(b);
- (i) “**Ordinary Resolution**” means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;
- (j) “**Proposal**” means a proposal submitted by a Member that meets the requirements of Section 163 of the Act;

- (k) “**Regulations**” means the regulations made under the Act, as amended, restated or in effect from time to time; and
- (l) “**Special Meeting of Members**” means a special meeting of all Members entitled to vote at an annual meeting of Members;
- (m) “**Special Resolution**” means a resolution passed by a majority of not less than two-thirds (2/3) 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 in the By-Law, words, terms and expressions appearing in this By-Law shall have the meaning ascribed to them under the Act;
- (b) words importing the singular number only shall include the plural and vice versa;
- (c) the word “person” shall mean an individual, body corporate, a partnership, a trust, a joint venture or an unincorporated association or organization; and
- (d) the headings used in the By-Laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions of the By-Laws or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.
- (e) except where specifically stated otherwise, references to actions being taken “in writing” or similar terms shall include electronic communication and references to “address” or similar terms shall include e-mail address. It is the intent of the Corporation to use electronic communication whenever possible.

ARTICLE 2

GENERAL

2.01 Registered Office: The registered office of the Corporation shall be situated in the City of Ottawa, in the province of Ontario.

2.02 Fiscal Year: The fiscal year of the Corporation shall end on March 31st of each year or as otherwise set by the Board.

2.03 Execution of Documents:

- (a) Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation by any two of:
 - (i) the Chair; or
 - (ii) the Vice-Chair; or
 - (iii) the Secretary-Treasurer; or

- (iv) the Executive Director.
 - (b) All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by such officer or officers or person or persons, whether or not officers of the Corporation, and in such manner as the Board may from time to time designate by resolution.
 - (c) The Board may also from time to time direct the manner in which and the person or persons by whom any other form of document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal to the document.
- 2.04 Banking:** The banking business of the Corporation 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 by resolution. The banking business or any part of it shall be transacted by an officer or officers of the Corporation and/or other persons as the Board may from time to time designate, direct or authorize.
- 2.05 Annual Financial Statements:** The Corporation may, instead of sending copies of the annual financial statements and other documents referred to in subsection 172(1) of the Act to the Members, publish a notice to its Members stating that the annual financial statements and documents provided in subsection 172(1) are available at the registered office of the Corporation and any Member may, on request, obtain a copy free of charge at the registered office or by prepaid mail.
- 2.06 Invalidity of any Provisions of this By-Law:** The invalidity or unenforceability of any provision of this By-Law shall not affect the validity or enforceability of the remaining provisions of this By-Law.

ARTICLE 3 **MEMBERS**

3.01 Membership Conditions:

- (a) Subject to the Articles, there shall be one (1) class of Members in the Corporation.
- (b) The Members of the Corporation shall consist of the Directors from time to time of the Corporation who shall be ex officio Members for so long as they serve as Directors.
- (c) Each Member shall be entitled to receive notice of, attend and vote at all meetings of the Members.
- (d) Each Member shall be entitled to one (1) vote at a meeting of Members.

3.02 Membership Dues: No dues or fees shall be payable by the Members.

3.03 Termination of Membership:

Membership in the Corporation terminates automatically upon the happening of the following events:

- (a) if the Member resigns in writing as a Member, in which case the individual also automatically ceases to be a Director, effective at the time the resignation is received by the Secretary-Treasurer of the Corporation or at the time specified in the notice, whichever is later; and
- (b) upon the individual ceasing to be a Director for any of the reasons set out in Sections 5.06, 5.07 or 5.08 of these By-Laws.

ARTICLE 4

MEETINGS OF MEMBERS

4.01 Place of Meetings: Meetings of Members may be held at any place within Canada determined by the Board or, if all of the Members entitled to vote at such meeting so agree, outside Canada.

4.02 Annual Meetings:

- (a) The Board shall call an annual meeting no later than fifteen (15) months after the last preceding annual meeting but not later than three (3) months after the end of the Corporation's preceding financial year.
- (b) The Board shall call an annual meeting of Members for the purpose of:
 - (i) considering the financial statements and reports of the Corporation required by the Act to be presented at the meeting;
 - (ii) electing Directors; and
 - (iii) appointing a public accountant, if required under Part 12 of the Act, and transacting such other business as may properly be brought before the meeting or is required under the Act.
- (c) Any other matters of business shall constitute special business and a Special Meeting of Members will need to be held.

4.03 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.

4.04 Notice of Meetings:

- (a) Notice of the time and place of a Meeting of Members shall be sent to the following:
 - (i) to each Member entitled to vote at the meeting;

- (ii) to each Director; and
 - (iii) to the public accountant of the Corporation.
- (b) Notice of the time and place of a Meeting of Members shall be given to each of the persons set out in subsection 4.04(a) by the following means:
 - (i) 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
 - (ii) 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.
- (c) Notice of a Meeting of Members at which special business is to be transacted shall:
 - (i) state the nature of that business in sufficient detail to permit the Member to form a reasoned judgment on the business to be transacted; and
 - (ii) provide the text of any Special Resolution or By-Law to be submitted to the meeting.
- (d) Pursuant to subsection 197(1) of the Act, a Special Resolution of the Members is required to make any amendment to the By-Laws to change the manner of giving notice to Members entitled to vote at a Meeting of Members.

4.05 Waiving Notice: A person entitled to notice of 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.

4.06 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 Corporation and such other persons who are entitled or required under any provision of the Act, Articles or By-Laws of the Corporation to be present at the meeting. Any other person may be admitted only on the invitation of the Chair or with the consent of the meeting.

4.07 Chair of the Meeting: In the event that the Chair and the Vice Chair are absent, the Members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

4.08 Quorum: A quorum at any meeting of the Members (unless a greater number of Members are required to be present by the Act) shall be a majority of the Members entitled to vote at the meeting. 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.

4.09 Participation at Meetings by Telephone or Electronic Means:

- (a) Any person entitled to attend a Meeting of Members may participate in the meeting using telephonic, electronic or other communications means that permit all participants to communicate adequately with each other during the meeting, if the Corporation makes available such a communication facility or the person in question has access to such a communication facility.
- (b) A person participating in the meeting by any such means shall be deemed to have been present at that meeting.
- (c) A person participating by telephonic, electronic or other communication facility may vote by any such means if the facility, when necessary, can be adapted so that the votes can be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how a particular Member or group of Members voted.

4.10 Meeting Held by Electronic Means: If the Directors or Members call a Meeting of Members, those Directors or Members, as the case may be, may determine that the meeting shall be held, in accordance with the Act, entirely by means of teleconference or an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

4.11 Absentee Voting: A Member is not permitted to be represented by proxy or by any other form of absentee voting for purposes of voting at a Meeting of Members or for any other purpose.

4.12 Votes to Govern:

- (a) Subject to the Act and the By-Laws, all questions proposed for consideration of the Members shall be determined by Ordinary Resolution.
- (b) The chair of any meeting of Members shall not vote unless there is an equality of votes, in which case the chair may exercise a casting vote.

4.13 Show of Hands: Subject to the Act and except where a ballot is demanded in accordance with Subsection 4.14, voting on any question proposed for consideration at a Meeting of Members shall be by show of hands, and a declaration by the chair of the meeting as to whether or not the question or motion has been carried and an entry to that effect in the minutes of the meeting shall, in the absence of evidence to the contrary, be evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the motion.

4.14 Ballots: For any question proposed for consideration at a Meeting of Members, either before or after a vote by show of hands has been taken, the chair of the meeting, or any Member may demand a ballot, in which case the ballot shall be taken in such manner as the chair directs and the decision of the Members on the question shall be determined by the result of such ballot.

4.15 Resolution in Lieu of Meeting:

- (a) Subject to Section 166 of the Act:
 - (i) a resolution in writing 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; and
 - (ii) a resolution in writing dealing with all matters required by the Act to be dealt with at a Meeting of Members, and signed by all the Members entitled to vote at that meeting, satisfies all the requirements of the Act relating to that Meeting of Members.
- (b) A copy of every resolution referred to above shall be kept with the minutes of meetings of Members.

ARTICLE 5
DIRECTORS

5.01 Duty to Supervise Management: Subject to the Act and the Articles, the Board shall supervise the management of the activities and affairs of the Corporation.

5.02 Number: Subject to the minimum (9) and maximum (12) number of Directors provided for in the Articles, the Board shall consist of the number of Directors as determined from time to time by Ordinary Resolution of the Members, unless the Members have delegated such power to the Board.

5.03 Qualifications: The following persons are disqualified from being a Director:

- (a) anyone who is less than 18 years of age;
- (b) anyone who has been declared incapable by a court in Canada or in another country;
- (c) a person who is not an individual; and
- (d) a person who has the status of bankrupt.

5.04 Election and Term:

- (a) Subject to the provisions of this By-Law, the Directors shall be elected by the Members at each annual meeting at which an election of Directors is required.

- (b) A Director's term of office shall be from the date of the meeting at which the Director is elected until the third annual meeting next following or until that Director's successor is elected.

5.05 Maximum Terms:

- (a) Subject to paragraphs 5.05(b), 5.05(c) and 5.05(d), each Director shall be eligible for re-election provided that such Director shall not be elected for a term that will result in the Director serving more than six (6) consecutive years on the Board.
- (b) In determining a Director's length of service as a Director, service prior to the coming into force of this By-Law's predecessor By-Law, shall not be included.
- (c) A Director may, by resolution of the Board, have his or her maximum term as a Director extended for the sole purpose of that Director succeeding to the office of Chair or serving as Chair.
- (d) Where a Director is appointed to fill an unexpired term of a Director such partial term shall be excluded from the calculation of the maximum years of service.

5.06 Vacation of Office: A Director ceases to hold office when the Director dies, resigns, is removed from office by the Members, or becomes disqualified to serve as Director.

5.07 Resignation: A Director may resign from office by giving a written resignation to the Corporation and such resignation becomes effective when received by the Corporation or at the time specified in the resignation, whichever is later.

5.08 Removal: The Members may, by Ordinary Resolution passed at a Special Meeting of Members, remove any Director from office before the expiration of the Director's term and may elect a qualified individual to fill the resulting vacancy for the remainder of the term of the Director so removed, failing which such vacancy may be filled by the Board.

5.09 Director's Statement: a Director is entitled to submit to the Corporation a written statement giving reasons for resigning or for opposing the removal or replacement of the Director if a meeting is called for that purpose. If a Director submits such a statement, the Corporation shall comply with Section 131 of the Act.

5.10 Filling Vacancies:

- (a) Subject to the Act and to Section 5.08 of this By-Law, a vacancy on the Board may be filled for the remainder of the term by a qualified individual by Ordinary Resolution of the Board, otherwise such vacancy shall be filled at the next annual meeting of Members.
- (b) Notwithstanding Subsection 5.10(a) of this By-Law, if there is not a quorum of Directors or if a vacancy results from either (i) a change to the minimum or maximum number of Directors provided in the Articles or (ii) a failure to elect the number of Directors required to be elected at any Meeting of Members, the

Directors then in office shall call a Special Meeting of Members to fill the vacancy and, if they fail to call a meeting or if there are no Directors then in office, the meeting may be called by any Member.

5.11 Remuneration and Expenses: The Board may, by Ordinary Resolution, fix the reasonable remuneration of the Directors and officers of the Corporation, if any. Any Director and officer of the Corporation may receive reimbursement for expenses incurred on behalf of the Corporation in their respective capacities as a Director or officer.

5.12 Borrowing Powers: The Board may, without authorization of the Members:

- (a) borrow money on the credit of the Corporation;
- (b) issue, reissue, sell, pledge or hypothecate debt obligations of the Corporation;
- (c) give a guarantee on behalf give a guarantee on behalf of the Corporation to secure performance of an obligation of any person; and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the corporation, owned or subsequently acquired, to secure any debt obligation of the corporation.

ARTICLE 6 **COMMITTEES**

6.01 Delegation: The Board may appoint from their number a managing committee of Directors (which may be referred to as an “Executive Committee”) and delegate to such 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.

6.02 Audit and Risk Management Committee:

- (a) The Board shall establish an Audit and Risk Management Committee comprised of such individuals as the Board may from time to time appoint, provided that such individuals are sufficiently versed in financial matters and have relevant knowledge or experience regarding financial operations, accounting systems and internal control issues.
- (b) The Audit and Risk Management Committee shall exercise such powers as are authorized by the Board.
- (c) Subject to the By-Laws and any resolution of the Board, the Audit and Risk Management Committee may otherwise meet for the transaction of business, adjourn and otherwise regulate its meetings, as it sees fit and may from time to time adopt, amend or repeal rules or procedures in this regard.

- (d) Members of the Audit and Risk Management Committee shall be subject to removal by resolution of the Board.
- (e) Members of the Audit and Risk Management Committee shall receive no remuneration for serving as such, but may be reimbursed for reasonable expenses incurred in the exercise of their duty.

6.03 Nominating and Board Evaluation Committee:

- (a) The Board shall establish a Nominating and Board Evaluation Committee comprised of such individuals as the Board may from time to time appoint.
- (b) The Nominating and Board Evaluation Committee shall exercise such powers as are authorized by the Board.
- (c) Subject to the By-Laws and any resolution of the Board, the Nominating and Board Evaluation Committee may otherwise meet for the transaction of business, adjourn and otherwise regulate its meetings, as it sees fit and may from time to time adopt, amend or repeal rules or procedures in this regard.
- (d) Members of the Nominating and Board Evaluation Committee shall be subject to removal by resolution of the Board.
- (e) Members of the Nominating and Board Evaluation Committee shall receive no remuneration for serving as such, but may be reimbursed for reasonable expenses incurred in the exercise of their duty.

6.04 Other Committees: The Board may from time to time appoint any other committee or 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. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the Board may from time to time make. Any committee member may be removed by resolution of the Board. The Board may fix any remuneration for committee members.

ARTICLE 7
MEETINGS OF DIRECTORS

7.01 Place of Meetings: Meetings of the Board may be held at the registered office of the Corporation or at any other place within or outside of Canada as the Board may determine.

7.02 Right of Executive Director to Attend Meetings:

- (a) Subject to Subsection 7.02(c), the Executive Director shall have the right to attend and, in a non-voting capacity, to participate in all meetings of the Board and all committees thereof.

- (b) The Executive Director shall have the right to receive notice of all Board and Board committee meetings and all Board and Board committee packages and other information and reports that the Corporation delivers to the Directors for the purpose of such meeting.
- (c) Unless the Board decides otherwise, the Executive Director shall not have the right to attend and participate in a meeting of the Board or a committee of the Board at which the Executive Director's performance and/or compensation will be discussed, nor shall the Executive Director have the right to receive any notices, packages, information and/or reports that the Corporation delivers to the Directors for the purpose of such meeting.

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

7.04 Notice of Meeting:

- (a) Notice of the time and place for the holding of a meeting of the Board shall be given in the manner provided in Section 11.01 to every Director not less than forty-eight (48) hours before the time when the meeting is to be held.
- (b) Notice of a meeting of the Board 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.
- (c) Notice of a meeting of the Board is not required to set out the purpose of the meeting or the business to be transacted unless it relates to a matter specified in Section 138(2) of the Act that is to be dealt with at the meeting.

7.05 First Meeting of New Board: Provided that a quorum of Directors is present, a newly-elected Board may, without notice, hold its first meeting immediately following the Meeting of Members at which such Board is elected.

7.06 Regular Meetings:

- (a) 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, provided that the Board shall meet at least four (4) times per fiscal year and that at least one (1) of those four meetings shall be in person.
- (b) 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 immediately after being passed, but no other notice shall be required for any such regular meeting except if Section 136(3) of the Act requires the purpose thereof or the business to be transacted to be specified in the notice.

- 7.07 Quorum:** A majority of the number of incumbent Directors 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 Section 7.10, by teleconference and/or by other electronic means.
- 7.08 No Alternate Directors:** No person shall act for an absent Director at a meeting of the Board.
- 7.09 Resolutions in Writing:** A resolution in writing, signed by all the Directors entitled to vote on that resolution at a meeting of Directors or of a committee of Directors, shall be as valid as if it had been passed at a meeting of Directors or committee of Directors. A copy of every such resolution in writing shall be kept with the minutes of the proceedings of the Directors or committee of Directors.
- 7.10 Participation at Meeting by Telephone or Electronic Means:** A Director may, if all Directors are in agreement and have provided their consent, participate in a meeting of Directors or of a committee of Directors using telephonic, electronic or another communication 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.
- 7.11 Chair of the Meeting:** In the event that the Chair and Vice-Chair are absent, the Directors who are present shall choose one of their number to chair the meeting.
- 7.12 Votes to Govern:**
- (a) At all meetings of the Board, every question shall be decided by a majority of the votes cast on the question.
 - (b) The chair of any meeting of Directors shall not vote unless there is an equality of votes, in which case the chair may exercise a casting vote.
- 7.13 Detailed Voting Ballot:**
- (a) Where a Director is unable to participate at a meeting of the Board then, subject to this By-Law, the Director may have his or her vote recorded for the purposes of the meeting by means of a detailed voting ballot. The detailed voting ballot shall be provided by the Secretary-Treasurer to any Director who indicates his or her inability to attend a meeting of Directors in person or by teleconference.
 - (b) The completed and signed voting ballot must be returned by the absent Director to the Secretary-Treasurer and to another Director who will be attending the meeting of Directors prior to the commencement of the meeting at which the absent Director's vote is to be counted.
 - (c) The voting ballot must contain sufficient detail concerning matters to be raised at the meeting to allow a Director who is unable to attend the meeting the opportunity to make a reasoned judgment on the matters contained therein.

- (d) A Director's vote by ballot will only be counted if the motion on the floor of the meeting is identical to that contained in the mail ballot.
- (e) The deposit of a ballot with the Secretary-Treasurer and a Director will not constitute that Director present for the purposes of establishing a quorum at any meeting of Directors.

ARTICLE 8 **OFFICERS**

8.01 Appointment and Removal:

- (a) The officers of the Corporation shall include:
 - (i) a Chair of the Board (the “**Chair**”);
 - (ii) a Vice-Chair of the Board (the “**Vice-Chair**”);
 - (iii) a Secretary-Treasurer; and
 - (iv) an Executive Director;and may include any such other officers as the Board may by resolution determine.
- (b) Any Director may be appointed to any office described in paragraph 8.01(a), except the office of Executive Director. The Chair and Vice-Chair must be a Director of the Corporation.
- (c) Subject to paragraph 8.03(b), Officers shall be subject to removal by resolution of the Board at any time, with or without cause.
- (d) If the office of any officer of the Corporation shall be or become vacant, the Directors may, by Ordinary Resolution, appoint a person to fill such vacancy.

8.02 Appointment:

- (a) The officers, other than the Executive Director, shall be appointed by resolution of the Board at the first meeting of the Board following the annual meeting of the Members at which the Board is elected.
- (b) The Executive Director shall be retained as an employee of the Corporation pursuant to subparagraph 8.06(c)(i).

8.03 Term & Removal:

- (a) Officers, other than the Executive Director, shall hold office for a term of one (1) year from the date of their appointment or until their successors are appointed.

Officers, other than the Executive Director, may be removed by resolution of the Board at any time.

- (b) The Executive Director's term of office shall be in accordance with the agreement referenced in subparagraph 8.06(c)(i). The Executive Director may be removed from office in accordance with the agreement referenced in subparagraph 8.06(c)(i) and applicable law.

8.04 Reimbursement of Expenses:

All officers shall be entitled to be reimbursed for reasonable expenses incurred in the performance of the officer's duties.

8.05 Delegation of Duties of Officers:

In case of the absence or inability to act of any officer of the Corporation or for any other reason that the Board may deem sufficient, and subject to the Act, the Board may delegate all or any of the powers of any such officer to any other officer or to any Director for the time being.

8.06 Powers and Duties:

- (a) All officers shall sign such contracts, documents or instruments in writing as require their respective signatures and shall respectively have and perform all powers and duties incident to their respective offices and such other powers and duties respectively as may from time to time be assigned to them by the Board.
- (b) The duties of the officers shall include:
 - (i) Chair. The Chair shall, when present, preside at all meetings of the Members and the Board and shall represent the Corporation and the Board as may be required or appropriate. The Chair shall be an *ex-officio* member of all committees of the Board and shall have such other powers and duties as the Board may specify.
 - (ii) Vice-Chair. The Vice-Chair shall, in the absence or disability of the Chair, perform the duties and exercise the powers of the Chair and shall perform such other duties as shall from time to time be imposed upon the Vice-Chair by the Board.
 - (iii) Secretary-Treasurer. The Secretary-Treasurer shall give or cause to be given notices for all meetings of the Board or committee of the Board, if any, and Members when directed to do so. The Secretary-Treasurer shall keep or shall cause to be kept an accurate account of all receipts and disbursements of the Corporation in proper books of account, and shall deposit or shall cause to be deposited all monies or other valuable effects in the name and to the credit of the Corporation in such banks or banks as may be designated from time to time by the Board. The Secretary-

Treasurer shall annually render or cause to be rendered to the Board at regular meetings of the Board, or whenever the Board may require it, an accounting of all the transactions and a statement of the financial position of the Corporation. The Secretary-Treasurer shall be an *ex-officio* member of the Audit and Risk Management Committee and shall perform such other duties as shall from time to time be imposed upon the Secretary-Treasurer by the Board.

(c) Executive Director.

- (i) The Executive Director shall be retained as an employee of the Corporation by the Board on such terms as the Board deems appropriate. Such terms and conditions of employment of the Executive Director shall be set out in a written employment agreement entered into between the Executive Director and the Corporation.
- (ii) The Executive Director shall be the Chief Executive Officer of the Corporation. Subject to the authority of the Board, the Executive Director shall be responsible for the general and active administration, organization and management of the affairs of the Corporation. He or she shall see that all orders and resolutions of the Board are carried into effect and shall perform such other duties as may be specified by the Board from time to time.

ARTICLE 9
CONFLICT OF INTEREST

9.01 Disclosure of Interest: A Director or an officer of the Corporation shall disclose to the Corporation, in writing or by requesting to have it entered in the minutes of meetings of Directors or of committees of Directors, the nature and extent of any interest that the Director or officer has in a material contract or material transaction, whether made or proposed, with the Corporation, if the Director or officer

- (a) is a party to the contract or transaction;
- (b) is a Director or an officer, or an individual acting in a similar capacity, of a party to the contract or transaction; or
- (c) has a material interest in a party to the contract or transaction.

9.02 Time of Disclosure for Director: The disclosure required by Section 9.01 shall be made, in the case of a Director,

- (a) at the meeting at which a proposed contract or transaction is first considered;
- (b) if the Director was not, at the time of the meeting referred to in Subsection 9.02(a), interested in the proposed contract or transaction, at the first meeting after the Director becomes so interested;

- (c) if the Director becomes interested after a contract or transaction is made, at the first meeting after the Director becomes so interested; or
- (d) if an individual who is interested in a contract or transaction later becomes a Director, at the first meeting after the individual becomes a Director.

9.03 Time of Disclosure for officer: The disclosure required by Section 9.01 shall be made, in the case of an officer who is not a Director,

- (a) immediately after the officer becomes aware that the contract, transaction, proposed contract or proposed transaction is to be considered or has been considered at a meeting;
- (b) if the officer becomes interested after a contract or transaction is made, immediately after the officer becomes so interested; or
- (c) if an individual who is interested in a contract or transaction later becomes an officer, immediately after the individual becomes an officer.

9.04 Time of disclosure for Director or officer: If a material contract or material transaction, whether entered into or proposed, is one that, in the ordinary course of the Corporation's activities, would not require approval by the Directors or Members, a Director or an officer shall, immediately after they become aware of the contract or transaction, disclose in writing to the Corporation, or request to have entered in the minutes of meetings of Directors or of committees of Directors, the nature and extent of their interest.

9.05 Voting: A Director required to make a disclosure under Section 9.01 shall not vote on any resolution to approve the contract or transaction unless the contract or transaction

- (a) relates primarily to the Director's remuneration as a Director, an officer, an employee, an agent or other legal representative of the Corporation or an affiliate;
- (b) is for indemnity or insurance under section 151 of the Act; or
- (c) is with an affiliate.

9.06 Continuing Disclosure Section: For the purposes of this Article 9, a general notice to the Directors declaring that a Director or an officer is to be regarded as interested, for any of the following reasons, in a contract or transaction made with a party, is a sufficient declaration of interest in relation to the contract or transaction:

- (a) the Director or officer is a Director or an officer, or acting in a similar capacity, of a party referred to in Subsection 9.01(b) or 9.01(c);
- (b) the Director or officer has a material interest in the party; or
- (c) there has been a material change in the nature of the Director's or the officer's interest in the party.

- 9.07 Access to disclosures:** The Members of the Corporation may examine the portions of any minutes of meetings of Directors or of committees of Directors that contain disclosures under this Article 9, and of any other documents that contain those disclosures, during the Corporation's usual business hours.
- 9.08 Avoidance standards:** A contract or transaction for which disclosure is required under Section 9.01 is not invalid, and the Director or officer is not accountable to the Corporation or its Members for any profit realized from the contract or transaction, because of the Director's or officer's interest in the contract or transaction or because the Director was present or was counted to determine whether a quorum existed at the meeting of Directors or of the committee of Directors that considered the contract or transaction, if
- (a) disclosure of the interest was made in accordance with this Article 9;
 - (b) the Directors approved the contract or transaction; and
 - (c) the contract or transaction was reasonable and fair to the Corporation when it was approved.
- 9.09 Confirmation by Members:** Even if the conditions of Section 9.08 are not met, a Director or an officer, acting honestly and in good faith, is not accountable to the Corporation or to its Members for any profit realized from a contract or transaction for which disclosure is required under Section 9.01, and the contract or transaction is not invalid by reason only of the interest of the Director or officer in the contract or transaction, if
- (a) the contract or transaction is approved or confirmed by Special Resolution at a meeting of the Members;
 - (b) disclosure of the interest was made to the Members in a manner sufficient to indicate its nature and extent before the contract or transaction was approved or confirmed; and
 - (c) the contract or transaction was reasonable and fair to the Corporation when it was approved or confirmed.
- 9.10 Application to court:** If a Director or an officer of the Corporation fails to comply with this Article 9, a court may, on the application of the Corporation or any of its Members, set aside or annul the contract or transaction on any terms that it thinks fit, require the Director or officer to account to the Corporation for any profit or gain realized on the contract or transaction or make any other order that the court thinks fit.

ARTICLE 10
PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

10.01 Indemnification of Directors and Officers:

- (a) The Corporation may indemnify a Director, an officer of the Corporation, a former Director or officer of the Corporation, or another individual who acts or acted at the Corporation's request as a Director or officer or in a similar capacity of another entity, 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 Corporation or other entity if:
 - (i) the person acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which the individual acted as Director or officer or in a similar capacity at the Corporation's request; and
 - (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the person had reasonable grounds for believing that the conduct was lawful.
- (b) The Corporation 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.

10.02 Insurance: Subject to the Act, the Corporation may purchase and maintain insurance for the benefit of any person entitled to be indemnified by the Corporation pursuant to Section 10.01 against any liability incurred by the individual in the individual's capacity as a Director or an officer of the Corporation; or in the individual's capacity as a Director or officer, or in a similar capacity, of another entity, if the individual acts or acted in that capacity at the Corporation's request.

ARTICLE 11
NOTICES

11.01 Method of Giving Notices :

- (a) Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served), other than a notice of a Meeting of Members, pursuant to the Act, the Articles, the By-Laws or otherwise to a Member, Director, officer or member of a committee of the Board or to the public accountant shall be sufficiently given:
 - (i) 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 Corporation or in the case of notice to a Director to the latest address as shown in the last notice that was sent by the Corporation to Industry Canada in accordance with section 128 or 134; or
 - (ii) if mailed to such person at such person's recorded address by prepaid ordinary or air mail; or
 - (iii) if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
 - (iv) if provided in the form of an electronic document in accordance with Part 17 of the Act.
- (b) 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.
- (c) The Secretary-Treasurer 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-Treasurer to be reliable. The declaration by the Secretary-Treasurer 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 Corporation to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

11.02 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 Corporation has provided notice in accordance with the By-Laws 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.

- 11.03 Waiver of Notice:** Any person entitled to notice 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.

ARTICLE 12

DISPUTE RESOLUTION

- 12.01 Mediation and Arbitration:** Disputes or controversies among Members, Directors, or officers of the Corporation are as much as possible to be resolved in accordance with mediation and/or arbitration as provided in Section 12.02.

12.02 Dispute Resolution Mechanism

- (a) In the event that a dispute or controversy among Members, Directors, or officers of the Corporation arising out of or related to the Articles or By-Laws, or out of any aspect of the operations of the Corporation is not resolved in private meetings between the parties then without prejudice to or in any other way derogating from the rights of the Members, Directors, or officers of the Corporation as set out in the Articles, By-Laws or the Act, and as an alternative to such person instituting a law suit or legal action, such dispute or controversy shall be settled by a process of dispute resolution as follows:
- (i) The dispute or controversy shall first be submitted to a panel of mediators whereby the one party appoints one mediator, the other party (or if applicable the Board) appoints one mediator, and the two mediators so appointed jointly appoint a third mediator. The three mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties.
 - (ii) The number of mediators may be reduced from three to one or two upon agreement of the parties.
 - (iii) If the parties are not successful in resolving the dispute through mediation, then the parties agree that the dispute shall be settled by arbitration before a single arbitrator, who shall not be any one of the mediators referred to above, in accordance with the *Arbitration Act, 1991*, S.O. 1991, chap. 17. or as otherwise agreed upon by the parties to the dispute. The parties agree that all proceedings relating to arbitration shall be kept confidential and there shall be no disclosure of any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law.

- (b) All costs of the mediators appointed in accordance with this Section shall be borne equally by the parties to the dispute or the controversy. All costs of the arbitrators appointed in accordance with this Section shall be borne by such parties as may be determined by the arbitrators.

ARTICLE 13
SPECIAL RESOLUTIONS

13.01 Special Resolutions: For greater certainty, a Special Resolution of the Members is required to make any amendment to this By-Law or to the Articles for the purpose of:

- (a) changing the name of the Corporation;
- (b) changing the province in which the Corporation's registered office is situated;
- (c) adding, changing or removing any restriction on the activities that the Corporation may carry on;
- (d) creating a new class or group of Members;
- (e) changing a condition required for being a Member;
- (f) changing the designation of any class or group of Members or add, change or remove any rights and conditions of any such class or group;
- (g) dividing 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) adding, changing or removing a provision respecting the transfer of a membership;
- (i) subject to Section 133 of the Act, increasing or decreasing the minimum and maximum number of Directors fixed by the Articles;
- (j) changing the statement of the purpose of the Corporation;
- (k) changing the statement concerning the distribution of property remaining on liquidation after the discharge of any liabilities of the Corporation;
- (l) changing the manner of giving notice to Members entitled to vote at a Meeting of Members;
- (m) changing the method of voting by Members not in attendance at a Meeting of Members; or
- (n) adding, changing or removing any other provision that is permitted by the Act to be set out in the Articles.

ARTICLE 14
BY-LAWS AND RULES

14.01 By-Laws and Effective Date:

- (a) Subject to Section 13.01 of this By-Law, the Board may, by resolution, make, amend or repeal any By-Laws that regulate the activities or affairs of the Corporation. Any such By-Law, amendment or repeal shall be effective from the date of the resolution of the Board until the next Meeting of Members where it may be confirmed, rejected or amended by the Members by Ordinary Resolution.
- (b) 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. The By-Law, amendment or repeal ceases to have effect if it is not submitted to the Members at the next Meeting of Members or if it is rejected by the Members at the meeting.

14.02 Policies, Rules and Regulations

The Board may by Ordinary Resolution prescribe such policies, rules and regulations not inconsistent with the By-Laws relating to the management and operation of the Corporation and other matters provided for in these By-Laws as they may deem expedient.

14.03 Procedural Rules

The meetings of the Board and of the Members shall be conducted, subject always to the By-Laws, in accordance with the most recent edition of *Robert's Rules of Order*, unless following such rules of order is, in the discretion of the chair of the meeting, impractical given the requirements of the By-Laws.

ENACTED on the 8 day of June, 2012



Chair



Secretary-Treasurer

CONFIRMED by the Members on the 8 day of June, 2012