

Updated - October 27 2021

**BY-LAW NO. 1**

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

**BOWMANVILLE OLDER ADULT ASSOCIATION**

(the "**Corporation**")

*The purposes of the Bowmanville Older Adult Association are to relieve loneliness and isolation of the aged and to improve their mobility and fitness by establishing, operating and maintaining a senior citizens' centre that will provide recreation, education, cultural activities and other programs for senior citizens.*

**BE IT ENACTED** as a by-law of the Corporation as follows:

**PART I - GENERAL**

**1.01 Definitions**

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

"**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;

"**articles**" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation;

"**Board**" means the board of directors of the Corporation and "director" means a Member of the Board;

"**by-law**" means this by-law and any other by-law of the Corporation as amended and which are, from time to time, in force and effect;

"**meeting of Members**" includes an annual meeting of Members or a special meeting of Members; "special meeting of Members" includes a meeting of any class or classes of Members and a special meeting of all Members entitled to vote at an annual meeting of Members;

"**ordinary resolution**" means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;

"**proposal**" means a proposal submitted by a Member of the Corporation that meets the requirements of section 163 (Member Proposals) of the Act;

"**Regulations**" means the regulations made under the Act, as amended, restated or in effect from time to time; and

"**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, words in the singular include the plural and vice-versa, words in one gender include all genders, and "person" includes an individual, body corporate, partnership, trust and unincorporated organization.

Other than as specified above, words and expressions defined in the Act have the same meanings when used in these by-laws.

## **1.03 Corporate Seal**

The Corporation may, but need not, have a corporate seal in the form approved from time to time by the Board. If a corporate seal is approved by the Board, the secretary of the Corporation shall be the custodian of the corporate seal.

## **1.04 Execution of Documents**

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by any two (2) of its officers or directors. In addition, the Board may from time to time direct the manner in which and the person or persons by whom a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal (if any) to the document. Any signing officer may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy thereof.

## **1.05 Name**

The name of the Corporation shall be "BOWMANVILLE OLDER ADULT ASSOCIATION".

## **1.06 Head Office**

The head office of the Corporation shall be located at 26 Beech Avenue, Bowmanville, Ontario.

## **1.07 Financial Year**

The financial year end of the Corporation shall be determined by the Board of directors.

## **1.08 Banking Arrangements**

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 of directors 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 of directors may by resolution from time to time designate, direct or authorize.

### **1.09 Borrowing Powers**

The directors of the Corporation may from time to time, and without authorization of the Members:

- i. borrow money on the credit of the Corporation;
- ii. issue, reissue, sell, pledge or hypothecate debt obligations of the Corporation;
- iii. 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;
- iv. authorize expenditures on behalf of the Corporation and delegate, by resolution, to an officer or officers of the Corporation, such authority to such maximum amounts as determined by the Board;
- v. employ and pay salaries to employees on behalf of the Corporation and delegate, by resolution, to an officer or officers of the Corporation such authority; and
- vi. for the purpose of furthering the mission of the Corporation, acquire, accept, solicit, or receive legacies, gifts, grants, settlements, bequests, endowments, and donations of any kind whatsoever on behalf of the Corporation.

Any such by-law may provide for the delegation of such powers by the directors to such officers or directors of the Corporation to such extent and in such manner as may be set out in the by-law.

Nothing herein limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

### **1.10 Dissolution and winding up**

If the Corporation is dissolved, and after payment of all indebtedness of the Corporation, any remaining funds, investments, and other assets shall be distributed to one or more registered charities in Canada carrying on similar activities. No part of the income or capital of the Corporation shall be payable to or otherwise made available for the personal benefit of any of its Members.

## **PART II - MEMBERSHIP**

### **2.01 Membership Conditions**

Subject to the articles, there shall be one class of Members in the Corporation. Membership in the Corporation shall be available only to individuals interested in furthering the Corporation's purposes and who have applied for and been accepted into Membership in the Corporation by resolution of the Board or in such other manner as may be determined by the Board. Each Member shall be entitled to receive notice of, attend and to cast one (1) vote at all meetings of the Members of the Corporation.

Members shall be individuals who are at least 55 years of age; provided that any individuals under the age of 55 who were Members of the Clarington Older Adult Association as of the date of incorporation of the Corporation will be eligible to be Members of the Corporation.

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the Members is required to make any amendments to this section of the by-laws if those amendments affect Membership rights and/or conditions described in paragraphs 197(1)(e), (h), (l) or (m).

## **2.02 Membership Transferability**

A Membership may only be transferred to the Corporation. Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the Members is required to make any amendment to add, change or delete this section of the by-law.

## **2.03 Membership Fees**

A Membership shall commence upon payment of the Membership fee set by the Board. A Membership shall be valid for twelve months and shall automatically expire at the end of the twelve-month term.

## **2.04 Termination of Membership**

A Membership in the Corporation is terminated when:

- i. the Member dies;
- ii. the Member resigns by delivering a written resignation to the Board, which shall be effective from the date specified in the resignation or upon acceptance by the Board, whichever is later;
- iii. the Member is expelled or their Membership is otherwise terminated in accordance with the articles or by-laws;
- iv. the Member's term of Membership expires; or
- v. the Corporation is liquidated and dissolved under the Act.

## **2.05 Effect of Termination of Membership**

Subject to the articles, upon any termination of Membership, the rights of the Member, including any rights in the property of the Corporation, automatically cease to exist.

## **2.06 Discipline of Members**

The Board shall have authority to suspend or expel any Member from the Corporation for any one or more of the following grounds:

- i. violating any provision of the articles, by-laws, or written policies of the Corporation;

- ii. carrying out any conduct which may be detrimental to the Corporation as determined by the Board in its sole discretion;
- iii. for any other reason that the Board in its sole and absolute discretion considers to be reasonable, having regard to the purpose of the Corporation.

In the event that the Board determines that a Member should be suspended from Membership in the Corporation, the president of the Board shall send a notice of suspension to the Member and the suspension shall start on the date indicated in the notice. The Member shall have twenty (20) days to appeal the suspension to the Board. During such suspension period, the Member shall not be able to use any of the Corporation's facilities. At the end of the twenty-day suspension period, the Board shall determine whether the suspension shall end or the Member's Membership shall be terminated. The Board's decision shall be final and binding on the Member, without any further right of appeal.

### **PART III – MEETINGS OF MEMBERS**

#### **3.01 Annual Meetings**

The Board shall call an annual meeting no later than eighteen months (18) months after the Corporation came into existence and subsequently, not later than fifteen (15) months after the last preceding annual meeting but not later than six (6) months after the end of the Corporation's preceding financial year.

The Board shall call an annual meeting of Members for the purpose of:

- (a) considering the financial statements and reports of the Corporation required by the Act to be presented at the meeting;
- (b) electing directors;
- (c) appointing a public accountant, if required under Part 12 of the Act; and
- (d) transacting such other business as may properly be brought before the meeting or is required under the Act.

Any other matters of business shall constitute special business and a special meeting will need to be held.

#### **3.02 Notice of Members' Meeting**

Notice of the time and place of a meeting of Members shall be given to each Member entitled to vote at the meeting, each director, and the public accountant of the Corporation by affixing the notice, no later than thirty (30) days before the day on which the meeting is to be held, to a notice Board on which information respecting the Corporation's activities is regularly posted and that is located in the main facilities or club house of the Corporation.

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the Members is required to make any amendment to the by-laws of the Corporation to change the manner of giving notice to Members entitled to vote at a meeting of Members.

### **3.03 Members Calling a Members' Meeting**

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. The Board of directors shall call a special meeting of Members in accordance with Section 167 of the Act, on written requisition of Members carrying not less than 5% of the voting rights. 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.

### **3.04 Place of Members' Meeting**

Subject to compliance with section 159 (Place of Members' Meetings) of the Act, meetings of the 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.

### **3.05 Persons Entitled to be Present at Members' Meetings**

The only persons entitled to be present at a meeting of Members shall be those entitled to vote at the meeting, the directors and the public accountant of the Corporation. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.

### **3.06 Chair of Members' Meetings**

In the event that the President of the Board and the Vice-President of the Board are absent, the Members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

### **3.07 Quorum at Members' Meetings**

A quorum at any meeting of the Members (unless a greater number of Members are required to be present by the Act) shall be fifty (50) Members entitled to vote at the meeting and present 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.

### **3.08 Votes to Govern at Members' Meetings**

At any meeting of Members every question shall, unless otherwise provided by the articles or by-laws or by the Act, be determined by a majority of the votes cast on the questions. In case of an equality of votes either on a show of hands or on a ballot or on the results of electronic voting, the chair of the meeting in addition to an original vote shall have a second or casting vote.

### **3.09 Participation by Electronic Means at Members' Meetings**

Members can attend, and vote at, meetings of Members' in person or virtually. No Member may use a proxy.

### **3.10 Members' Meeting Held Entirely by Electronic Means**

Meetings of Members may be held virtually if required.

### **3.11 Adjournment**

The chair of the meeting may, with the consent of the meeting, adjourn the meeting, at any time, to a fixed time and place, and no notice of such adjournment need be given to the Members, provided that the adjourned meeting takes place within thirty-one (31) days of the original meeting. Any business may be brought before, or dealt with at, any adjourned meeting that might have been brought or dealt with at the original meeting in accordance with the relevant notice of the meeting.

### **3.12 Proposals**

A Member entitled to vote at an annual meeting may submit to the Corporation 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 not less than 5% of Members entitled to vote at the meeting at which the Proposal is to be presented. The Corporation 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.

### **3.13 Cost of Publishing Proposals for Annual Members' Meetings**

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.

### **3.14 Annual Financial Statements**

The Corporation may, instead of sending copies of the annual financial statements and other documents referred to in subsection 172(1) (Annual Financial Statements) 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.

## PART IV – DIRECTORS

### 4.01 Number of Directors

The Board shall consist of the number of directors specified in the articles. If the articles provide for a minimum and maximum number of directors, the Board shall be comprised of the fixed number of directors as determined from time to time by the Members by ordinary resolution or, if the ordinary resolution empowers the directors to determine the number, by resolution of the Board. In the case of a soliciting Corporation the minimum number of directors may not be fewer than three (3), at least two of whom are not officers or employees of the Corporation or its affiliates.

### 4.02 Qualifications

The following persons are disqualified from being a director of the Corporation:

- (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) anyone who is not an individual;
- (d) anyone who has the status of bankrupt;
- (e) anyone who is not a Member of the Corporation; and
- (f) anyone who is an ineligible individual under the *Income Tax Act* (Canada).

### 4.03 Term of Office of Directors

Any of:

- (a) the individuals who became the Corporation's First Directors upon incorporation; and
- (b) the other directors elected by ordinary resolution of the Members during the first year of incorporation,

who are also appointed as officers by the Board, shall hold office as director and officer for two (2) years. Any other First Director or director elected during the first year of incorporation, who is not an officer, shall hold office for one (1) year.

For every year thereafter, the Members shall elect, by ordinary resolution, at each annual meeting at which an election of directors is required, directors to hold office for a two (2) year term. An individual may be a director for a maximum of six (6) consecutive years. At the end of such time period, he/she may not be re-elected as a director until at least one (1) calendar year has passed.



As set out in the articles, the directors may appoint additional directors to hold office until the next annual meeting of Members, but no more than one-third of the total number of directors appointed by the Members at the previous meeting may be appointed.

#### **4.04 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.

#### **4.05 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. A director will be deemed to have resigned from office if he/she:

- (a) misses three (3) consecutive meetings of the Board without prior approval of the Board;
- (b) misses four (4) meetings of the Board in any calendar year;
- (c) the Board concludes, in its sole discretion, that based on the behaviour of the director, the director is not mentally capable of fulfilling the duties of a director; or
- (d) the Board determines, in its sole discretion, that the director has not abided by the Articles of Incorporation, by-laws, policies, and/or codes of conduct of the Corporation.

#### **4.06 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.

#### **4.07 Vacancies.**

Subject to Section 4.06, a vacancy on the Board may be filled for the remainder of the term by a qualified individual by ordinary resolution of the directors.

#### **4.08 Remuneration**

The directors and officers shall serve as such without remuneration and no director or officer shall directly or indirectly receive any profit from his/her position as such. A director and officer may receive reimbursement for expenses incurred on behalf of the Corporation.

#### **4.09 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 accordance with Section 138(2) of the Act. 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 who are not also directors of the Corporation. A committee with any non-director members may only be an advisory committee.

## **PART V – MEETINGS OF DIRECTORS**

### **5.01 Calling of Meetings of Board of Directors**

Meetings of the Board may be called by the President of the Board, the Vice-President of the Board, or any two (2) directors at any time; provided that for the first organization meeting following in Corporation, such meeting may be called by any director or incorporator. If the Corporation has only one director, that director may call and constitute a meeting.

### **5.02 Notice of Meeting of Board of Directors**

Notice of the time and place for the holding of a meeting of the Board shall be given in the manner provided in the section on giving notice of meeting of directors of this by-law to every director of the Corporation not less than 10 days 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) (Limits on Authority) of the Act that is to be dealt with at the meeting.

### **5.03 Regular Meetings of the Board of Directors**

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 subsection 136(3) (Notice of Meeting) of the Act requires the purpose thereof or the business to be transacted to be specified in the notice.

### **5.04 Votes to Govern at Meetings of the Board of Directors**

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. Quorum of any meeting of the Board shall be a majority of the directors. For the purposes of determining quorum, a director may be present in person or, if authorized by Section 5.05, by teleconference and/or other electronic means. A quorum must be maintained throughout the meeting.

### **5.05 Participation at Meetings by Telephonic 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.

### **5.06 Resolutions in Writing**

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

## **PART VI - OFFICERS**

### **6.01 Appointment of Officers**

The Board may designate the offices of the Corporation, appoint officers on an annual or more frequent basis, specify their duties and, subject to the Act, delegate to such officers the power to manage the affairs of the Corporation. An officer must be a director. Two or more offices may be held by the same person. Unless determined otherwise by the Board, the officers of the Corporation shall be a President, Vice-President, Secretary, Treasurer, and Past-President.

### **6.02 Description of Offices**

Unless otherwise specified by the Board (which may, subject to the Act modify, restrict or supplement such duties and powers), the offices of the Corporation, if designated and if officers are appointed, shall have the following duties and powers associated with their positions:

1. President of the Board –The President shall, when present, preside at all meetings of the Board of directors and of the Members. The President shall have such other duties and powers as the Board may specify.
2. Vice-President of the Board – The Vice-President of the Board shall, if the President is absent or is unable or refuses to act, preside at all meetings of the Board of directors and of the Members. The Vice-President shall have such other duties and powers as the Board may specify.
3. Secretary – The Secretary shall attend and be the secretary of all meetings of the Board, Members and committees of the Board. The Secretary shall enter or cause to be entered in the Corporation's minute book, minutes of all proceedings at such meetings; the Secretary shall give, or cause to be given, as and when instructed, notices to Members, directors, the public accountant and members of committees; the secretary shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation.

4. Treasurer – The Treasurer shall have such powers and duties as the Board may specify.
5. Past-President, the Past-President shall have such powers and duties as the Board may specify.

### **6.03 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 Corporation. Unless so removed, an officer shall hold office until the earlier of:

- i. the officer's successor being appointed,
- ii. the officer's resignation,
- iii. such officer ceasing to be a director; or
- iv. such officer's death.

If the office of any officer of the Corporation shall be or become vacant, the directors may, by resolution, appoint a person to fill such vacancy.

## **PART VII - NOTICES**

### **7.01 Method of Giving Any Notice**

Any notice (which term includes any communication or document), other than notice of a meeting of Members or a meeting of the Board of directors, 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 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 in accordance with section 128 (Notice of directors) or 134 (Notice of change of directors);
- ii. if mailed to such person at such person's recorded address by prepaid ordinary or air mail;
- 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.

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 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.

### **7.02 Invalidation 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.

### **7.03 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.

## **PART VIII – PROTECTION OF DIRECTORS AND OFFICERS**

### **8.01 Standard of Care**

Every director and officer of the Corporation, 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 Corporation and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Every director and officer of the Corporation shall comply with the Act, the regulations, articles, and by-law.

### **8.02 Limitation of Liability**

Provided that the standard of care required of the director or officer under the Act and the by-law has been satisfied, 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 Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the money of the Corporation 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 Corporation 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 or the regulations.

### **8.03 Indemnification of Directors and Officers.**

The Corporation shall 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:

- (a) 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
- (b) 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.

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.

### **8.04 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 0 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.

### **8.05 Advances**

With respect to the defence by a director or officer or other individual of any claims, actions, suits or proceedings, whether civil or criminal, for which the Corporation is liable to indemnify a director or officer pursuant to the terms of the Act, the Board may authorize the Corporation to advance to the director or officer or other individual such funds as may be reasonably necessary for the defence of such claims, actions, suits or proceedings upon written notice by the director or officer to the Corporation disclosing the particulars of such claims, actions, suits or proceedings and requesting such advance. The director or officer shall repay the money advanced if the director or officer does not fulfill the conditions of Section 151(3) of the Act.

## **DISPUTE RESOLUTION**

### **8.01 Mediation and Arbitration**

Disputes or controversies among Members, directors, officers, committee Members, or volunteers of the Corporation are as much as possible to be resolved in accordance with mediation and/or arbitration as provided in the section on dispute resolution mechanism of this by-law.

### **8.02 Dispute Resolution Mechanism**

In the event that a dispute or controversy among Members, directors, officers, committee Members or volunteers 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, officers, committee Members, employees or volunteers 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 of the Corporation) 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 provincial or territorial legislation governing domestic arbitrations in force in the province or territory where the registered office of the Corporation is situated 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.

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.

**PART IX – EFFECTIVE DATE**

**9.01 By-laws and Effective Date**

Subject to the articles, the Board of directors 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 directors until the next meeting of Members where it may be confirmed, rejected or amended by the Members by ordinary resolution. 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.

This section does not apply to a by-law that requires a special resolution of the Members according to subsection 197(1) (fundamental change) of the Act because such by-law amendments or repeals are only effective when confirmed by Members.

**ENACTED** this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

**CONFIRMED** by the Members this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary