

BY-LAW OF
TORONTO INSURANCE COUNCIL
(the “**Council**”)

BE IT ENACTED as a By-law relating generally to the conduct of the activities and affairs of the Council as follows:

ARTICLE 1
INTERPRETATION

1.1 **Definitions.** In the By-laws of the Council, unless the context otherwise requires:

- (a) “**Act**” means the ***Not-for-profit Corporations Act***, 2010, S.O. 2010, c. 15 (ONCA).
- (b) “**appoint**” includes “elect” and vice versa.
- (c) “**Articles**” means the original or restated Letters Patent, Supplementary Letters Patent, articles of incorporation or articles of amendment, amalgamation, continuance, arrangement, dissolution, reorganization, or revival of the Council.
- (d) “**Board**” means the board of directors of the Council.
- (e) “**By-law**” means this By-law and any other By-law of the Council which are, from time to time, in force and effect.
- (f) “**Chair**” means chair of the Board.
- (g) “**Designated Area**” means the City of Toronto and the regional municipalities of Durham, Halton Peel and York.
- (h) “**Director**” means a member of the Board.
- (i) “**Employee**” means an employed RIBO licensed insurance broker;
- (j) “**entity**” means a body corporate, a partnership, a trust, a joint venture or an unincorporated association or organization.
- (k) “**meeting of members**” means an annual meeting of members and a special meeting of members.
- (l) “**non-business day**” means Saturday, Sunday and any other day that is a holiday as defined in the Interpretation Act (Canada), R.S.C. 1985, c. I-21.
- (m) “**ordinary resolution**” includes a resolution of the members passed by a majority of the votes cast on that resolution or consented to by each member of the Council entitled to vote at a meeting of the members of the Council.
- (n) “**person**” includes any individual or entity.
- (o) “**recorded address**” means:
 - (i) in the case of a member, his, her or its address as recorded in the register of members of the Council;

- (ii) in the case of an officer, auditor, or member of a committee of the Board, his or her latest address as recorded in the records of the Council; and
 - (iii) in the case of a Director, his or her latest address as recorded in the most recent notice filed under the Act.
- (p) **"RIBO"** means the Registered Insurance Brokers of Ontario;
 - (q) **"special meeting"** 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.
 - (r) **"special resolution"** includes a resolution of the members passed by a majority of not less than two-thirds of the votes cast on that resolution or consented to by each member of the Council entitled to vote at a meeting of the members of the Council.
- 1.2 **Other Definitions.** Unless otherwise defined herein, the defined terms set out in the Act have the same meanings as when used in this By-law. For the purposes of this By-law, (a) the words "include", "includes" and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; (c) the words "herein", "hereof", "hereby", "hereto" and "hereunder" refer to this By-law as a whole; (d) whenever the singular is used herein, the same shall include the plural, and whenever the plural is used herein, the same shall include the singular, where appropriate; and (e) whenever the masculine is used herein, the same shall include the feminine, and whenever the feminine is used herein, the same shall include the masculine, where appropriate. Unless the context otherwise requires, references herein: (x) to sections mean the sections of this By-law; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute, including the Act, means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder.

ARTICLE 2 REGISTERED OFFICE AND RECORDS

- 2.1 **Location of Registered Office.** The address of the registered office of the Council shall be in Ontario at the location specified in the Articles or at such location therein as the Board may from time to time determine by resolution or special resolution.
- 2.2 **Books and Records.** Any records maintained by the Council in the regular course of its business as required by the Act, including its register of members, books of account and minute books, may be in any form, provided that the records are capable of being reproduced in intelligible written form within a reasonable time. The Council shall make such records available for inspection under applicable law.

ARTICLE 3 MEMBERSHIP

- 3.1 **Admittance.** Membership in the Council shall be available to persons who are admitted to membership from time to time by a resolution of the Board. Members may also be admitted in such other manner as may be prescribed by the Board by resolution
- 3.2 **Registered Representative Of Non-Human Member.** Any voting member who is not an individual shall appoint and register with the executive director of the Council at the time of its application for membership (and from time to time thereafter during the continuance of such membership in the event of any change in Registered Representative) one individual to represent it in all affairs of the Council including, without limiting the foregoing, voting on behalf of the member

at meetings of the Council (the “**Registered Representative**”) . If a voting member does not appoint and register a Registered Representative, the member will not be permitted to vote at any meetings of the members.

3.3 Conditions Of Membership The following conditions of membership shall apply:

- (a) **Full Members.** Persons who satisfy the following eligibility conditions may become a Full member of the Council by making application to the Secretary-Treasurer or such person as they delegate to:
- (i) be a firm or corporation operating as an Insurance Broker, authorized by the applicable regulating authority;
 - (ii) operate within the Designated Area;
 - (iii) uphold aims and practices consistent with the Council’s purposes;
 - (iv) place or broker a minimum of \$100,000,000 premium in commercial lines;
 - (v) secure the written recommendation of two current Board members as sponsors

Notwithstanding:

- (i) existing Full members prior to March 2018 shall be grandfathered and shall not be required to meet the qualifications in paragraph 3.3(a)(iv); and
- (ii) existing Full members prior to the enactment of these Bylaws shall be grandfathered and shall only be required to place or broker a minimum of \$20,000,000 in commercial lines and not \$100,000,000

Full members shall be entitled to serve on the Board.

- (b) **Associate Members.** Persons who satisfy the following eligibility conditions may become an Associate member of the Council by making application to the Secretary-Treasurer or such person as they delegate to:
- (i) Be either a
 - (a) a firm or corporation operating outside the Designated Area; or
 - (b) a firm or corporation operating as a wholesale insurance broker authorized by the applicable regulating authority, operating within or outside the Designated Area.
 - (ii) uphold aims and practices consistent with the purposes of the Council;
 - (iii) place or broker a minimum of \$20,000,000 premium in commercial lines;
 - (iv) secure the written recommendation of two current Board members as sponsors; and
 - (v) be a member in good standing of their local provincial brokers’ association.

Notwithstanding, existing Associate members prior to March 2018 shall be grandfathered and shall not be required to meet the qualifications in paragraph 3.3(b)(iii). Associate members shall not be entitled to serve on the Board.

- (c) **Supporting Members.** Any self-employed individual, firm or corporation offering supportive services to the insurance industry may become a Supporting member of the Council by making application to the Secretary-Treasurer or such person as they delegate to. For greater certainty, the services of insurance companies, insurance litigators and adjusters are not considered to be supporting services to brokers and therefore do not qualify to apply for a Supporting membership in the Council. Supporting members shall not be entitled to serve on the Board.

3.4 **Voting Rights.** Subject to the Articles¹, the voting rights of each class of members shall be as follows:

- (a) **Full Members.** Each Full member is entitled to receive notice of, attend and to vote at all meetings of the members. A Full member shall be entitled to one (1) vote at all meetings of the members.
- (b) **Associate Members.** An Associate member shall not be entitled to receive notice of and to attend any meeting of the members and shall not be entitled to vote at any such meeting of the members.
- (c) **Supporting Members.** A Supporting member shall not be entitled to receive notice of and to attend any meeting of the members and shall not be entitled to vote at any meeting of the members.

3.5 **Transfer of Memberships.** A membership may only be transferred to the Council.

3.6 **Membership Dues.** Members shall be notified in writing of the membership dues at any time payable by them, and, if any are not paid within one calendar month of the membership renewal date, the member's membership in the Council shall automatically be suspended. The Board shall also have the power to levy such special assessments as shall be deemed necessary for special purposes and the failure by a member to pay any such special assessment within the time directed by the Board shall result in the automatic suspension of the member's membership in the Council. A suspended member's membership in the Council shall automatically be reinstated at the time the suspended member pays all outstanding membership dues or special assessments in full. For members joining the Council during the course of a membership year, (January 1 to December 31), membership dues shall be calculated pro-rata after rounding off the membership term to the nearest half-year.

3.7 **Termination of Membership.** A membership in the Council is terminated when:

- (a) the member dies or resigns;
- (b) the member fails to maintain any qualification for membership described in section 3.3;
- (c) the member resigns by delivering a written resignation to the Chair, in which case such resignation shall be effective on the date specified in the resignation or, if no date is

¹ It is important to note that the Articles of the Council must be amended to alter the voting rights of members.

specified, immediately upon receipt. Members resigning during a year shall not be entitled to a refund of any fees;

- (d) the member is expelled or his or her membership is otherwise terminated in accordance with the Articles or By-laws;
- (e) the member's term of membership expires; or
- (f) the Council is liquidated and dissolved under the Act.

3.8 **Effect of Termination of Membership.** Subject to the Articles, upon any termination of membership, the rights of the member, automatically cease to exist.

3.9 **Discipline of Members.**

- (a) The Board shall have authority to suspend or expel any member from the Council for any one or more of the following grounds:
 - (i) violating any provision of the Articles or Bylaws or written policies of the Council;
 - (ii) carrying out any conduct that may be detrimental to the Council as determined by the Board in its sole and absolute discretion; or
 - (iii) any other reason that the Board acting in good faith considers to be fair and reasonable, having regard to the purpose of the Council.
- (b) If the Board determines that a member should be suspended or expelled from membership in the Council, the president, or such other officer as may be designated by the Board, shall provide 15 days' notice of suspension or expulsion to the member and shall provide reasons for the proposed suspension or expulsion. The member may make a written submission to the president, or such other officer as may be designated by the Board, in response to the notice received within such 15-day period. If no written submission is received, the president, or such other officer as may be designated by the Board, may proceed to notify the member that the member is suspended or expelled from membership in the Council. If a written submission is received in accordance with this section 3.9(b), the Board will give the member an opportunity to be heard, orally, in writing or in another format permitted by the Council's articles or by-laws, not less than five days before the suspension or expulsion of membership becomes effective. The Board's decision shall be final and binding on the member without any further right of appeal to the Board.

ARTICLE 4 MEETINGS OF THE MEMBERS

4.1 **Place of Meetings.** All meetings of members shall be held at such place in Ontario as the Board determines or, in the absence of such a determination, at the place stated in the notice of meeting. If all the members entitled to vote at that meeting so agree or the Articles specify a place outside Ontario where a meeting of members may be held, a meeting of members may be held outside Ontario.

4.2 **Annual Meetings.** The annual meeting of the members for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held no later than the 30th day of June in each calendar year or at such date, time and place, if any, as shall be determined by the Board and stated in the notice of the meeting.

- 4.3 **Special Meetings.** Special meetings of members for any purpose or purposes shall be called by a resolution of the Board. The Board shall also call a special meeting of members in accordance with the Act on the written requisition of members carrying not less than 10% of the voting rights. If the Board does not call a meeting within 21 days of receiving the requisition, any member who signed the requisition may call the meeting. The only business that may be conducted at a special meeting shall be the matter or matters set forth in the notice of such meeting. Each member who submits a 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 at the meeting.
- 4.4 **Fixing the Record Date.** In order that the Council may determine the members entitled to notice of, or to vote at, any meeting of members or any adjournment thereof, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall not be more than 50 nor less than 10 days before the date of such meeting. If the Board so fixes a date, such date shall also be the record date for determining the members entitled to vote at such meeting unless the Board determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board, the record date for determining members entitled to notice of, or to vote at, a meeting of members shall be at the close of business on the day immediately preceding the day on which notice is given, or, if notice is waived, at the close of business on the day immediately preceding the day on which the meeting is held. A determination of members entitled to notice of, or to vote at, a meeting of members shall apply to any adjournment of the meeting; provided that the Board may fix a new record date for the determination of members entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for members entitled to notice of such adjourned meeting the same or an earlier date as that fixed for the determination of members entitled to vote therewith at the adjourned meeting.
- 4.5 **Adjournments.** Any meeting of the members, annual or special, may be adjourned from time to time to reconvene at the same or some other place, if any, and notice need not be given of any such adjourned meeting if the time, place, if any, thereof and the means of remote communication, if any, are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Council may transact any business that might have been transacted at the original meeting. If the adjournment is for more than 30 days, a notice of the adjourned meeting shall be given to each member entitled to vote at the meeting. If, after the adjournment, a new record date is fixed for members entitled to vote at the adjourned meeting, the Board shall give notice of the new record date and notice of the adjourned meeting to each member entitled to vote at the adjourned meeting in accordance with the Act and this By-law.
- 4.6 **Notice of Meetings.** Notice of the time and place of a meeting of members shall be given by telephonic, electronic or other communication facility to each member entitled to vote at the meeting, during a period of not less than 10 or more than 50 days before the day on which the meeting is to be held. If the member requests that the notice be given by non-electronic means, the notice will be sent by mail, courier or personal delivery.
- 4.7 **Notices of special meetings** shall also specify the purpose or purposes for which the meeting has been called in sufficient detail to permit the member to form a reasoned judgment on the special business and include the text of any special resolution or By-law to be submitted at the meeting. Except as otherwise provided herein or permitted by applicable law, notice to members shall be in writing and provided in accordance with section 7.1. Notice of any meeting need not be given to any member who shall, either before or after the meeting, submit a waiver of notice or who shall attend such meeting, except when the member attends for the express purpose of objecting to the transaction of any business on the ground that the meeting is unlawfully called. Any member so waiving notice of the meeting shall be bound by the proceedings of the meeting in all respects as if due notice thereof had been given.

- 4.8 **List of Members.** The officer of the Council who has charge of the register of members shall prepare a complete list of the members entitled to vote at any meeting of members, arranged in alphabetical order, and showing the address of each member. A member may, on payment of a reasonable fee, inspect the list of members prepared for a meeting during the Council's usual business hours at its registered office.
- 4.9 **Quorum.** A quorum at any meeting of the members shall be one-third (1/3rd) of the members entitled to vote at the meeting, present in person. If, however, such quorum is not present at any meeting of the members, the members entitled to vote thereat, present in person, shall have power, by the affirmative vote of a majority in voting power thereof, to adjourn the meeting from time to time, in the manner provided in section 4.5, until a quorum shall be present or represented. Once a quorum is established, it does not need to be maintained throughout the meeting. At any such adjourned meeting at which there is a quorum, any business may be transacted that might have been transacted at the original meeting.
- 4.10 **Persons Entitled to Attend.** The only persons entitled to be present at a meeting of members are all of the members, the Directors and the auditor/public accountant of the Council and such other persons who are entitled or required under the Act or the Articles or By-laws of the Council to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or by resolution of the members.
- 4.11 **Conduct of Meetings.**
- (a) At every meeting of members, the Chair or, in his or her absence or inability to act, the person appointed by the Chair or, in his or her absence or inability to act, one of the members, who is present at the meeting and entitled to vote at the meeting, chosen by the members present in person shall act as chair of, and preside at, the meeting. The secretary or, in his or her absence or inability to act, the person whom the chair of the meeting shall appoint the secretary of the meeting, shall act as secretary of the meeting and keep the minutes thereof. The chair of any meeting of the members shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chair, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the chair of the meeting, may include the following:
- (i) establishing an agenda or order of business for the meeting;
 - (ii) determining when the polls shall open and close for any given matter to be voted on at the meeting;
 - (iii) establishing rules and procedures for maintaining order at the meeting and the safety of those present;
 - (iv) limiting attendance at, or participation in, the meeting to members of the Council, or such other persons as the chair of the meeting shall determine;
 - (v) restricting entry to the meeting after the time fixed for the commencement thereof; and
 - (vi) limiting the time allotted to questions or comments by participants.
- (b) If the Council chooses to make available a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during a meeting of members, any person entitled to attend such meeting may participate in the meeting by means of such telephonic, electronic or other communication facility in the

manner provided by the Act. A person participating in a meeting by such means is deemed to be present at the meeting. Notwithstanding any other provision of this By-law, any person participating in a meeting of members under this section 4.11 who is entitled to vote at that meeting may vote, in accordance with the Act, by means of any telephonic, electronic or other communication facility that the Council has made available for that purpose.

- (c) If the Directors or members of the Council call a meeting of members under the Act, 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 a telephonic, an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

4.12 **Voting.** Unless otherwise required by law, the election of Directors shall be by show of hands unless a ballot is demanded by a member entitled to vote at the meeting. Unless otherwise required by law, the Articles or this By-law, any matter brought before any meeting of members shall be decided by the affirmative vote of the majority of members present in person at the meeting and entitled to vote on the matter. In the case of an equality of votes on a show of hands, on a ballot or on the results of electronic voting, the chair of the meeting shall have a second or casting vote in addition to an original vote as a member. Voting at meetings of members need not be by written ballot, except where a ballot is demanded by a member entitled to vote at the meeting.

4.13 **Scrutineers at Meetings of Members.**

- (a) The Board, in advance of any meeting of members, may appoint one or more scrutineers, who may be employees of the Council, to act at the meeting or any adjournment thereof and make a written report thereof. The Board may designate one or more persons as alternate scrutineers to replace any scrutineer who fails to act. If no scrutineer or alternate is able to act at a meeting, the chair of the meeting shall appoint one or more scrutineers to act at the meeting. Each scrutineer shall faithfully execute the duties of a scrutineer with strict impartiality and according to the best of his or her ability.
- (b) The scrutineers shall:
 - (i) ascertain the number of members and the voting rights of each;
 - (ii) determine the members represented at the meeting, the existence of a quorum and the validity of ballots;
 - (iii) count all votes and ballots;
 - (iv) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the scrutineers; and
 - (v) certify their determination of the number of members represented at the meeting and their count of all votes and ballots.
- (c) The scrutineers may appoint or retain other persons to assist the scrutineers in the performance of their duties. Unless otherwise provided by the Board, the date and time of the opening and the closing of the polls for each matter upon which the members will vote at a meeting shall be announced at the meeting. No ballot, votes or any revocation thereof or change thereto shall be accepted by the scrutineers after the closing of the polls unless a court upon application by a member shall determine otherwise. In determining the validity and counting of ballots cast at any meeting of members, the scrutineers may consider such

information as is permitted by applicable law. No person who is a candidate for office at an election may serve as a scrutineer at such election.

- 4.14 **Resolution in Writing of Members.** 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 unless, in accordance with the Act:
- (a) in the case of the resignation or removal of a Director or the appointment or election of another person to fill the place of that Director, a written statement is submitted to the Council by the Director giving the reasons for his or her resignation or the reasons why he or she opposes any proposed action or resolution for the purpose of removing him or her from office or the election of another person to fill the office of the Director; or
 - (b) in the case of the removal or resignation of an auditor, or the appointment or election of another person to fill the office of auditor, representations are made to the Council by the auditor/public accountant concerning its proposed removal, the appointment or election of another person to fill the office of auditor or its resignation.

ARTICLE 5 BOARD OF DIRECTORS

- 5.1 **General Powers.** The Board shall manage, or supervise the management of, the activities and affairs of the Council.
- 5.2 **Number of Directors.** If the Articles do not provide for a minimum and maximum number of Directors, the Board shall consist of the fixed 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 special resolution or, if the special resolution empowers the Board to determine the number, by resolution of the Board.
- 5.3 **Term of Office.** The Directors shall be elected to hold office for a term expiring not later than the close of the first annual meeting of the members following their election. Each Director shall hold office until a successor is duly elected and qualified or until the earliest of the Director's death, resignation, disqualification, or removal.
- 5.4 **Election of Directors.** The Directors shall be elected by the members at each annual meeting at which an election of directors is required. The Directors shall be elected as outlined in rules for the election of directors adopted, from time to time, by the members of the Council.
- 5.5 **Newly Created Directorships and Vacancies.** Any newly created directorships resulting from an increase in the authorized number of Directors under section 5.2 and any vacancies occurring in the Board, may be filled by the affirmative votes of a majority of the remaining members of the Board, or by a sole remaining Director, if constituting a quorum. A Director so elected shall be elected to hold office until the earlier of the expiration of the term of office of the Director whom he or she has replaced, the date a successor is duly elected and qualified or the earliest of such Director's death, resignation, disqualification, or removal.
- 5.6 **Resignation.** Any Director may resign at any time by notice given in writing to the president. Such resignation shall take effect at the date of receipt of such notice by the Council or at such later time as is therein specified.
- 5.7 **Removal.** Except as prohibited by applicable law or the Articles, the members entitled to vote in an election of Directors may remove any Director from office at any time, with or without cause, by ordinary resolution.

- 5.8 **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 time to be named. A copy of any resolution of the Board fixing the time and place 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 the purpose of the meeting or the business to be transacted includes:
- (a) submitting to the members any question or matter requiring the approval of the members;
 - (b) filling a vacancy among the Directors or appointing additional Directors;
 - (c) filling a vacancy in the office of public accountant;
 - (d) issuing debt obligations except as authorized by the Board;
 - (e) approving any annual financial statements;
 - (f) adopting, amending or repealing By-laws; or
 - (g) establishing contributions to be made, or dues to be paid, by members under section 3.6 (Membership Dues).
- 5.9 **Calling of Ad Hoc Board Meetings.** Ad hoc meetings of the Board may be held at such **times** and at such places as may be determined by the Chair, or any two (2) or more Directors.
- 5.10 **Notice of Board Meetings.** Notice of the time and place for the holding of a meeting of the Board under section 5.9 shall be given in the manner provided in section 7.1 to every Director at least seven days before the time when the meeting is to be held. Notice of a meeting shall not be necessary if (a) all of the Directors are present and none of the Directors objects to holding the meeting or (b) those Directors who are absent have waived notice of, or otherwise signified, their consent to holding such meeting. Notice of an adjourned meeting of the Board is not required if the time and place of the adjourned meeting is announced at the original meeting. Unless the By-laws otherwise provide, 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 section 5.7(a) through section 5.7(g) that is to be dealt with at the meeting.
- 5.11 **Telephone Meetings.** With consent of all the directors of the Council, a board meeting or meetings of any committees of the Board may be held by means of telephonic, electronic or other communication facility that permit all participants to communicate adequately with each other during the meeting. Participation by a Director or a member of a committee in a meeting under this section 5.10 shall constitute presence in person at such meeting.
- 5.12 **Adjourned Meetings.** A majority of the Directors present at any meeting of the Board, including an adjourned meeting, whether or not a quorum is present, may adjourn and reconvene such meeting to another time and place. At least 24 hours' notice of any adjourned meeting of the Board shall be given to each Director, whether or not present at the time of the adjournment, if such notice shall be given by **one** of the means specified in section 7.1 other than by mail, or at least three days' notice shall be given if by mail. Any business may be transacted at an adjourned meeting that might have been transacted at the meeting as originally called.
- 5.13 **Waiver of Notice.** Whenever notice to Directors is required by applicable law, the Articles or this By-law, a waiver thereof, in writing signed by the Director entitled to the notice, whether before or after such notice is required, shall be deemed equivalent to notice. Attendance by a Director at a meeting shall constitute a waiver of notice of such meeting except when the Director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was unlawfully called. Neither the business to be transacted at, nor the purpose of,

any regular or ad hoc meeting of the Board or committee of the Board need be specified in any waiver of notice.

- 5.14 **Organization.** At each meeting of the Board, the Chair or, in his or her absence, another Director selected by the Board shall preside. The secretary shall act as secretary at each meeting of the Board. If the secretary is absent from any meeting of the Board, an assistant secretary shall perform the duties of secretary at such meeting; and in the absence from any such meeting of the secretary and all assistant secretaries, the person presiding as chair at the meeting may appoint any person to act as secretary of the meeting.
- 5.15 **Quorum of Directors.** The presence of one third (1/3rd) of the fixed number of Directors shall be necessary and sufficient to constitute a quorum for the transaction of business at any meeting of the Board.
- 5.16 **Majority Vote.** Except as otherwise expressly required by this By-law, the Articles or by applicable law, the vote of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board. In the case of an equality of votes, the chair of the meeting shall have a second or casting vote in addition to his or her original vote as a Director.
- 5.17 **Resolution in Writing of Board.** Unless otherwise restricted by the Articles or this By-law, any resolution required or permitted to be passed at any meeting of the Board or of any committee thereof may be taken without a meeting if all Directors or members of such committee, as the case may be, consent thereto in writing or by electronic transmission, and the writings or electronic transmissions are filed with the minutes of proceedings of the Board or committee in accordance with the Act.
- 5.18 **Limitation of Liability.** Every Director and officer of the Council in exercising his or her powers and discharging his or her duties shall act honestly and in good faith with a view to the best interests of the Council and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no Director or officer shall be liable for the acts, omissions, failures, neglects or defaults of any other Director, officer or employee, or for joining in any act for conformity, or for any loss, damage or expense suffered or incurred by the Council through the insufficiency or deficiency of title to any property acquired by the Council or for or on behalf of the Council, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Council shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any of the monies, securities or effects of the Council shall be deposited, or for any loss occasioned by any error of judgment or oversight on his or her part, or for any other loss, damage or misfortune that shall happen in the execution of the duties of his or her office or in relation thereto. Nothing herein shall relieve any Director or officer from the duty to act in accordance with the Act or from liability for any breach thereof.
- 5.19 **Indemnity.**
- (a) The Council shall indemnify a Director or officer of the Council, a former Director or officer of the Council or another individual who acts or acted at the Council's request as a director or officer (or an individual acting 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 the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Council or other entity.
- (b) The Council shall advance monies to a Director, officer or other individual for the costs, charges and expenses of a proceeding referred to in section 5.18(a). The individual shall repay the monies if he or she does not fulfill the conditions of section 5.18(c).

- (c) The Council shall not indemnify an individual under section 5.18(a) unless he or she (i) acted honestly and in good faith with a view to the best interests of the Council or, as the case may be, to the best interests of the other entity for which he or she acted as a director or officer or in a similar capacity at the Council's request and (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he or she had reasonable grounds for believing that his or her conduct was lawful.
- (d) The Council shall also indemnify the individual referred to in section 5.18(a) in such other circumstances as the Act or the law permits or requires. 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.

ARTICLE 6 OFFICERS

- 6.1 **Appointment of Officers.** The Board shall appoint from its Directors a president, and may designate additional offices of the Council, such as vice president, executive director, secretary, or treasurer. The individual appointed president shall simultaneously become the Chair. The Board may 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 activities and affairs of the Council (other than in respect of the matters described in section 5.7(a) through section 5.7(g)). A Director may be appointed to any office of the Council. An officer may, but need not, be a Director unless this By-law specifies otherwise. Two or more offices may be held by the same individual.
- 6.2 **Description of Offices** The powers and duties of the officers of the Council shall be as provided from time to time by resolution of the Board. In the absence of such resolution, the respective officers shall have the powers and shall discharge the duties customarily and usually held and performed by like officers of corporations similar in organization and business purposes to the Council, subject to the control of the Board.
- 6.3 **Term.** In the absence of a written agreement to the contrary, the Board may remove, whether for cause or without cause, any officer of the Council. Unless so removed, an officer shall hold office until the earliest of the officer's:
 - (a) successor being appointed;
 - (b) resignation;
 - (c) ceasing to be a Director (if being a Director is a necessary qualification of appointment); or
 - (d) death.
- 6.4 **Vacancy in Office.** Should any vacancy occur among the officers, the position shall be filled for the unexpired portion of the term by appointment made by the Board.
- 6.5 **Duties of Officers May Be Delegated.** In case any officer is absent, or for any other reason that the Board may deem sufficient, the president or the Board may delegate for the time being the powers or duties of such officer to any other officer or to any Director.

ARTICLE 7 NOTICE

- 7.1 **Method of Giving Notice.** Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) under 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 if:

- (a) delivered personally to the person to whom it is to be given or delivered to such person's address as shown in the records of the Council;
- (b) mailed to such person at such person's recorded address by prepaid ordinary or air mail; or
- (c) sent to such person by electronic means in accordance with the ***Electronic Commerce Act, 2000***, S.O. 2000, c. 17.

7.2 Deemed Receipt of Notice.

- (a) A notice:
 - (i) delivered in accordance with section 7.1(a) shall be deemed to have been given when it is delivered personally or to the recorded address as provided in section 7.1(a);
 - (ii) mailed in accordance with section 7.1(b) shall be deemed to have been received on the fifth day after it was sent; and
 - (iii) sent by any means of transmitted or recorded communication in accordance with section 7.1(c) shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch.
- (b) The secretary may change or cause to be changed the recorded address of any member, Director, officer, auditor/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 under this By-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any Director or officer of the Council to any notice or other document to be given by the Council may be written, stamped, typewritten or printed.

- 7.3 **Omissions and Errors.** The accidental omission to give any notice to any member, Director, officer, member of a committee of the Board or auditor/public accountant, the non-receipt of any notice by any such person where the Council has provided notice in accordance with this 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.

ARTICLE 8 DISPUTE RESOLUTION

- 8.1 **Dispute Resolution.** If a dispute or controversy among the Council, its members, Directors, officers or committee members of the Board arising out of or related to the Articles, the By-laws or out of any aspect of the activities or affairs of the Council is not resolved in private meetings between the parties, then such dispute or controversy shall be settled by a process of dispute resolution as follows to the exclusion of such persons instituting a law suit or legal action:
- (a) The dispute shall be settled by arbitration before a single arbitrator, in accordance with the ***Arbitration Act, 1991*** (Ontario) or as otherwise agreed upon by the parties to the dispute. 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 not be subject to appeal on a question of fact, law or mixed fact and law; and

- (b) All costs of the arbitrator shall be borne by such parties as may be determined by the arbitrator.

ARTICLE 9 GENERAL PROVISIONS

- 9.1 **Financial Year.** The financial and membership year of the Council shall end on December 31 of every year.
- 9.2 **Annual Financial Statements.** Not less than 21 days before each annual meeting, the Council shall send a copy of the annual financial statements and other documents referred to in section 84(1) (Presentation of Annual Financial Statements to Members) of the Act to all members who have informed the Council that they wish to receive a copy of those documents.
- 9.3 **Execution of Documents.** Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Council may be signed by any two of its officers or Directors. Also, the Board may from time to time direct the manner in which and the person by whom a particular document or type of document shall be executed. Any person authorized to sign any document may affix the Council's seal (if any) to the document. Any signing officer may certify a copy of any instrument, resolution, By-law or other document of the Council to be a true copy.
- 9.4 **Banking Arrangements.** The banking business of the Council shall be transacted at such bank, trust company, credit union, caisse populaire 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 such officer of the Council or other person as the Board may by resolution from time to time designate, direct or authorize.
- 9.5 **Conflict with Applicable Law or Articles.** This By-law is enacted subject to any applicable law and the Articles. Whenever this By-law may conflict with any applicable law or the Articles, such conflict shall be resolved in favour of such law or Articles.

ARTICLE 10 AMENDMENT AND REPEAL

- 10.1 **Amendment.** Subject to the Articles, the Board may, by resolution, make, amend or repeal any By-laws. 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. 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.
- 10.2 **By-laws Requiring Special Resolution** Section 10.1 does not apply to a By-law that requires a special resolution of the members according to section 103(1) (Amendment of Articles) of the Act. A special resolution is required to make any amendment to section 3.3 (Membership Conditions), section 3.5 (Transfer of Memberships), section 4.6 (Notice of Meetings), the last paragraph of section 4.11 (Conduct of Meetings), and this section 10.2.
- 10.3 **Repeal.** All previous By-laws of the Council are repealed as of the coming into force of this By-law. The repeal shall not affect the previous operation of any By-laws so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under or the validity of

any contract or agreement made, or the validity of any Articles or predecessor charter documents of the Council obtained, under any such By-law before its repeal. All officers and persons acting under the provisions of this By-law, and all resolutions of the members or the Board or a committee of the Board with continuing effect passed under any repealed By-laws shall continue to be good and valid except to the extent inconsistent with this By-law and until amended or repealed.

MADE by the Board the DAY of MONTH, YEAR.

Chair of the Board

END OF DOCUMENT