

SCARBOROUGH FAMILY-PHYSICIANS NETWORK

By-Laws

A By-law relating to the transaction of the business and affairs of the Scarborough Family Physicians Network (the “Corporation”).

Be it enacted as a By-law of the Corporation as follows:

Article 1

DEFINITIONS

1.1 Definitions

In this By-law, the following capitalized terms have the following meanings:

- 1.1.1 “**Act**” means the *Not-for-Profit Corporations Act, 2010* (Ontario) and, where the context requires, includes the regulations made under it, in each case as amended or re-enacted from time to time;
- 1.1.2 “**Articles**” means the incorporating documents of the Corporation, including articles of incorporation of the Corporation dated [insert] and any subsequent articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation from time to time in force and effect;
- 1.1.3 “**Auditor**” means a person permitted to conduct an audit or a review engagement under the *Public Accounting Act, 2004*;
- 1.1.4 “**Board**” means the board of directors of the Corporation;
- 1.1.5 “**Board Exclusive Responsibility**” means each specific decision identified by section 36(2) of the Act that cannot be delegated by the Board to a committee or to management, being:
 - 1.1.5.1 To submit to the Members any question or matter requiring the approval of the Members.
 - 1.1.5.2 To fill a vacancy among the Directors or in the position of Auditor.
 - 1.1.5.3 To appoint additional Directors.
 - 1.1.5.4 To issue debt obligations except as authorized by the Board.
 - 1.1.5.5 To approve any financial statements under section 83 of the Act.
 - 1.1.5.6 To adopt, amend or repeal by-laws.

- 1.1.5.7 To establish contributions to be made, or dues to be paid, by Members under section 86 of the Act.
- 1.1.6 **“By-laws”** means the by-laws of the Corporation;
- 1.1.7 **“Conflict of Interest”** includes any situation that impairs or interferes with (or appears to impair or interfere with) a Director’s ability to vote objectively and in the best interests of the Corporation including, without limitation, the following areas that may give rise to a conflict of interest for any Director:
- a) Financial interest – a Director has a financial interest in a decision when the Director (or an Associate of the Director) stands to gain by that decision, either in the form of money, gifts, favours, gratuities, or other special considerations that have value;
 - b) Competing interest – A Director has a competing interest with the Corporation where the Director has an affiliation with another entity that could be impacted by a decision before the Corporation;
 - c) Adverse interest – a Director has an interest adverse to the Corporation when the Director is a party to a claim, application or proceeding that is adverse in interest to the Corporation or its interests; or
 - d) Material interest - pursuant to the Act, a Director has a material interest if they are a director or officer of, or have a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation.
- 1.1.8 **“Corporation”** means Scarborough Family Physicians Network ;
- 1.1.9 **“Director”** means a member of the Board;
- 1.1.10 **“Excluded Person”** means:
- a) any employee of the Corporation;
 - b) any individual who has been within the preceding two (2) year period an employee of the Corporation; and
 - c) any person who is an immediate family member of an employee of the Corporation, including a spouse, parent, child, sibling or other person who has an economic dependence on the employee;
- 1.1.11 **“Majority”** means a number or percentage equaling more than half of a total;
- 1.1.12 **“Manager”** means the person, if any, engaged by the Board to manage and administer the day-to-day affairs of the Corporation who is neither a Member nor a Director of the Corporation;
- 1.1.13 **“Member”** means a member of the Corporation;

- 1.1.14 “**Officer**” means any individual listed in Article 11;
- 1.1.15 “**Ordinary Resolution**” means a resolution passed by a majority of the votes cast on that resolution;
- 1.1.16 “**Registered Office**” means 3170 Eglinton Avenue East, Scarborough, ON M1J 2H3;
- 1.1.17 “**Scarborough**” is the geographic region that makes up the district of Scarborough within the City of Toronto; and
- 1.1.18 “**Special Resolution**” means a resolution that is submitted to a special meeting of the Members duly called for the purpose of considering the resolution and passed at the meeting, with or without amendment, by at least two-thirds (2/3) of the votes cast, or consented to by each Member entitled to vote at a meeting of the Members. A complete list of Special Resolutions under the Act is set out in Appendix A.

Article 2

INTERPRETATION

1.2 Rules for Interpreting these By-laws

- 1.2.1 Words importing the singular number include the plural and vice versa, and words importing persons include individuals, corporations, partnerships, trusts and unincorporated organizations.
- 1.2.2 The headings used in this By-law are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.
- 1.2.3 Any references in this By-law to any law, by-law, rule, regulation, order or act of any government, governmental body or other regulatory body shall be construed as a reference thereto as amended or re-enacted from time to time or as a reference to any successor thereto.
- 1.2.4 Except where stated otherwise, references to actions being taken “in writing” or similar terms shall include electronic communications and references to “address” or similar terms shall include electronic mail addresses. It is the intent of the Corporation to use electronic communications whenever possible so long as the recipient has consented to receiving notices in such manner.

Article 3
MEETING RULES – BOARD AND MEMBERS

1.3 Electronic Participation in Meetings

- 1.3.1 Any Member may participate in a meeting of the Members by telephonic or electronic means that permits all participants to communicate adequately with each other during the meeting, and any person so participating in a meeting is deemed for the purposes of the Act to be present at the meeting.
- 1.3.2 Any Director or committee member may participate in a meeting of the Board or a committee (as applicable) by telephonic or electronic means that permits all participants to communicate adequately with each other during the meeting, and any person so participating in a meeting is deemed for the purposes of the Act to be present at the meeting.
- 1.3.3 Any meeting of the Members, Board or committee may be held entirely by telephonic or electronic means that permits all participants to communicate adequately with each other during the meeting.

1.4 Voting Rules

- 1.4.1 Business arising at any meeting of the Members, the Board or any committee established pursuant to this By-law shall be decided by a Majority of votes unless otherwise required by the Act.
- 1.4.2 Except as expressly provided otherwise in this By-law, each Member, each Director (including the chair of the meeting) and each committee member shall be entitled to one (1) vote at any meeting of the Members, Board or committee, respectively. In the event of a tie vote, the individual serving as chair of the meeting may have a second, tie-breaking vote.
- 1.4.3 Voting by proxy is not permitted at meetings of the Members, the Board or any committee.
- 1.4.4 Voting shall be by show of hands, except any Member entitled to vote at a meeting of the Members may demand a ballot. Meetings held in whole or in part through telephonic or electronic means will have votes taken in a way that the method of voting and the result of the voting is clearly communicated to all participants.
- 1.4.5 An abstention shall not be considered a vote cast.
- 1.4.6 Unless a ballot is demanded, an entry in the minutes of a meeting to the effect that the chair of the meeting declared a resolution to be carried or defeated is, in the absence of evidence to the contrary, proof of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

1.5 Written Resolution Equally Valid

A By-law or resolution in writing signed by all the Members or Directors entitled to vote on that By-law or resolution at a meeting of Members or the Board, respectively, is as valid as if it had been passed at a meeting of Members or the Board, respectively. This includes votes taken by electronic voting methods outside of a properly called meeting.

1.6 Minutes

Minutes shall be kept for all meetings of the Members, the Board or any committee, and shall be approved at the next meeting of the Members, the Board or the committee, as the case may be.

Article 4
PURPOSES OF THE CORPORATION

1.7 Purposes

The purposes for which the Corporation is incorporated are set out in its Articles and are reproduced here as a reference for the Members and the Board:

- a) To serve as the representative voice of primary care physicians working with the Scarborough Ontario Health Team.
- b) To undertake strategic planning to facilitate family practice physicians working collaboratively with other providers and participants in the health care system and the Scarborough OHT.
- c) To collaborate with partners to improve the quality of family practice services within the health care system.
- d) To work with other providers and participants in the health care system, including other physician specialists, to undertake systemic quality improvement and to promote patient engagement.

Article 5
MEMBERSHIP IN THE CORPORATION

1.8 Voting Members

The Members of the Corporation shall consist of the following, each of whom shall have one (1) vote at any meeting of the Members:

- 1.8.1 Family practice physicians who practice in Scarborough or provide care to patients living in Scarborough, who apply to the Board for membership and who are admitted by the Board in

its sole discretion and for such term as the Board shall determine. “Family practice physicians”, for the purposes of this section, means physicians operating in any compensation model or practice setting who meet the following criteria: (a) provision of primary care (b) to individuals and families.

1.8.2 Other primary care physicians not included in section 5.1.1, who apply to the Board for membership and who are determined by the Board to be a benefit to the Corporation.

Any membership shall have such term as the Board shall determine, but if the Board does not expressly indicate a term of membership on admission, the term shall coincide with the fiscal year of the Corporation.

1.9 Memberships

A membership may be transferred only to the Corporation.

1.10 Fees

No fees shall be payable by the Members.

1.11 Termination of Membership

Membership in the Corporation terminates when:

- 1.11.1 the individual dies;
- 1.11.2 the individual fails to maintain any qualifications for membership set out in section 5.1;
- 1.11.3 the individual delivers a written resignation as a Member to the Secretary;
- 1.11.4 the individual is expelled as a Member pursuant to section 5.5; or
- 1.11.5 the individual’s term of membership expires.

1.12 Discipline and Expulsion of Member

1.12.1 The Board shall have authority to suspend or expel any Member from the Corporation for any one or more of the following grounds: (a) violating any provision of the Articles, By-laws, or written policies of the Corporation; or (b) engaging in any conduct that may be detrimental to the Corporation as determined by the Board in its sole discretion.

1.12.2 In the event that the Board determines that a Member should be expelled or suspended from membership in the Corporation, the Chair, or such other officer as may be designated by the Board, shall provide at least twenty (20) calendar days’ notice of suspension or expulsion to the Member and shall provide reasons for the proposed suspension or expulsion. The member may make written submissions to the Chair, or such other officer as

may be designated by the Board, in response to the notice received within such twenty (20) day period.

- 1.12.3 If written submissions are received in accordance with this section, the Board will consider such submissions in arriving at a final decision and shall notify the Member concerning such final decision within a further twenty (20) calendar days from the date of receipt of the submissions. The Board's decision shall be final and binding on the Member, without any further right of appeal.

Article 6

ANNUAL AND SPECIAL MEETINGS OF THE MEMBERS OF THE CORPORATION

1.13 Annual Meeting – Timing

The Corporation shall hold an annual meeting of its Members not later than eighteen (18) months after its incorporation and subsequently not more than fifteen (15) months after holding the preceding annual meeting.

1.14 Annual Meeting – Notice

- 1.14.1 Notice of the time and place of the annual meeting of the Members shall be given to the Members, the Directors, and the Auditor not less than ten (10) days and not more than fifty (50) days by one of the following methods:

- a) by prepaid mail by sending it to the last address as shown on the records of the Corporation; or
- b) by electronic communication by sending it to the last electronic communication address on record.

- 1.14.2 Attendance of any Member at a meeting of Members shall constitute a waiver of notice of the meeting, except where such Member attends such meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

- 1.14.3 The notice of an annual meeting shall contain sufficient information concerning any special business (see section 6.3.1) to permit the Member to form a reasoned judgement on the decision to be taken as well as the text of any Special Resolution to be submitted to the meeting.

1.15 Annual Meeting – Business

- 1.15.1 The following constitutes regular business for the annual meeting and need not be highlighted in the annual meeting notice:

- 6.1.1.1 the minutes of the previous meeting of Members;

- 6.1.1.2 consideration of the financial statements;
 - 6.1.1.3 appointment of the incumbent Auditor;
 - 6.1.1.4 election of Directors; and
 - 6.1.1.5 reports from the Co-Chairs of the Board and the Manager.
- 1.15.2 Special business transacted at an annual meeting requires specific advance notice and may include any business not included in section 6.3.1, such as:
- 6.1.1.6 approval of By-law amendments;
 - 6.1.1.7 appointment of a new Auditor; or
 - 6.1.1.8 Special Resolutions.

1.16 Location of Annual Meeting

The annual meeting of the Members shall be held at such place in Ontario as the Board may determine, including entirely by telephonic or electronic means.

1.17 Special Meetings of the Members

- 1.17.1 The Board may call a special meeting of the Members.
- 1.17.2 Members who hold at least ten percent (10%) of the votes that may be cast at a meeting of the Members may, in writing, requisition the Board to call a special meeting of the Members for the purposes stated in the requisition.
- 1.17.3 The requisition must state the business to be transacted at the meeting and must be sent to each Director and to the Registered Office.
- 1.17.4 The Board shall call and hold a meeting of the Members within twenty-one (21) days from receiving the requisition.
- 1.17.5 A special meeting of the Members shall be held at the Registered Office or such other place within Ontario as the Board may determine, including entirely by telephonic or electronic means.
- 1.17.6 Notice of a special meeting shall be given in the same manner as for an annual meeting. The notice of special meeting shall specify the purpose or purposes for which it has been called.

1.18 Record Date

The record date for the determination of those Members entitled to notice of and to vote at any meeting of the Members will be thirty (30) days prior to the established date of the meeting. Any person who is not a Member as of the record date (and continuously thereafter until the date of the meeting) is not entitled to notice of or to vote at the meeting for which the record date has been established.

1.19 Adjourned Meeting

If, within one-half (1/2) hour after the time appointed for a meeting of the Members, a quorum is not present, the meeting shall stand adjourned until a day within two (2) weeks to be determined by the Co-Chairs. At least three (3) days' notice of the adjourned meeting shall be given.

1.20 Quorum

A quorum for the transaction of business at an annual or special meeting of Members shall consist of twenty-five percent (25%) plus one of the voting Members, present in person or electronically. If a quorum is present at the opening of a meeting of the Members, the Members present may proceed with the business of the meeting, even if a quorum is not present throughout the meeting.

1.21 Chair of a Members' Meeting

The chair of a meeting of the Corporation shall be:

- 1.21.1 one or both of the Co-Chairs of the Board; or
- 1.21.2 a chair elected by the Members present if the Co-Chairs are both absent.

1.22 Guests

- 1.22.1 The Auditor is entitled to notice of and to attend meetings of the Members.
- 1.22.2 Other guests may attend a meeting of the Members at the invitation of the Board.

Article 7
BOARD OF DIRECTORS

1.23 Board Composition and Guests

- 1.23.1 The affairs of the Corporation shall be governed by a Board of between three (3) and seventeen (17) Directors (as provided in the Articles) elected from the Members. The first Board under these By-laws shall be set at fifteen (15) Directors.
- 1.23.2 Any change in the size of the Board shall be approved by Special Resolution.

- 1.23.3 The Manager, if any, shall be invited to and may attend and participate at all meetings of the Board as a non-voting guest of the Board; the Manager may be asked to leave during an *in camera* session of the Board.
- 1.23.4 Either Co-Chair of the Board, or the Board as a whole by Ordinary Resolution, may invite any other individuals to attend Board meetings as guests, to provide advice to the Board from time to time.

1.24 Term of Office and Maximum Term

- 1.24.1 The Directors under this By-law will hold office for a term of two (2) years.
- 1.24.2 No Director may serve more than nine (9) consecutive years on the Board; provided, however, that following a break of at least one (1) year, an individual may be eligible for re-election to the Board.

1.25 Nominations & Election Process

The Board shall identify candidates for the Board through the following process:

- 1.25.1 Annually, the Board shall delegate to the Governance & Nominating Committee the nominating function described in this section in lieu of the Board performing this function itself, provided that the Board approves the candidates to be set before the Members.
- 1.25.2 The Committee will identify the number of vacancies for the year’s annual meeting of Members and shall conduct a skill-set and gap analysis each year as part of the nominations process. The Committee shall endeavour to ensure that the candidates reflect the diversity of Scarborough physicians, represented by the Corporation and, as a secondary consideration, different funding model/payment types. In particular, the Board shall strive to have representation from the following groups represented on the Board:
 - 7.1.1.1 Physicians (up to five) practicing in a family health organization payment model;
 - 7.1.1.2 Physicians (up to five) practicing in a family health group payment model;
 - 7.1.1.3 Physicians (up to four) not enrolled in a family health organization or family health group payment model and not working in long-term care; and
 - 7.1.1.4 Physicians (at least one) practicing significantly in long-term care or Community Health Centre
- 1.25.3 Directors shall be evaluated based on their past performance. Renewal of their term shall not be automatic.

- 1.25.4 An open call for nominations shall be made in a manner to be determined by the Board at least sixty (60) days in advance of the annual meeting of Members, and interested parties will be encouraged to submit written applications.
- 1.25.5 Applications shall be submitted to and reviewed by the Committee, as applicable.
- 1.25.6 The Board in any given year may present a slate of candidates (of those individuals who meet the criteria as identified by the Board) to the Members (where the candidates equal the number of vacancies) or require an election (where the candidates exceed the number of vacancies). The Board is responsible for approving all candidates placed for election before the Members.
- 1.25.7 At the annual meeting of Members, the election shall be conducted as follows:
- 7.1.1.5 If the slate consists of the same number of candidates as vacancies, the Members will vote on the slate as a whole, and if the slate as a whole is not approved by a Majority of votes, the Members will vote on each candidate separately; or
- 7.1.1.6 If the slate consists of more candidates than vacancies, the Members will vote on each candidate separately by ballot, and the candidates with the highest number of votes will fill the vacancies on the Board.
- 1.25.8 The foregoing process is the exclusive nominating process for candidates for the Board. There shall be no nominations from the floor at the annual meeting of Members.

1.26 Qualifications of Directors

Every Director shall:

- 1.26.1 be eighteen (18) or more years of age;
- 1.26.2 not have the status of bankrupt;
- 1.26.3 not be a person who has been found under the *Substitute Decisions Act, 1992* or under the *Mental Health Act* to be incapable of managing property;
- 1.26.4 not be a person who has been found to be incapable by any court in Canada or elsewhere; and
- 1.26.5 not be an Excluded Person.

1.27 Consent to Act as Director

- 1.27.1 Every Director, when first elected to the Board, shall sign and submit to the Secretary a form of consent to act as Director within ten (10) days of being elected, which form must be maintained with the Corporation's registers.

1.28 Termination of Office

The office of a Director shall automatically be vacated if:

- 1.28.1 the Director becomes bankrupt or suspends payment of debts generally or compounds with creditors or makes an assignment in bankruptcy or is declared insolvent;
- 1.28.2 an order is made declaring the Director to be a mentally incompetent person or incapable of managing their affairs;
- 1.28.3 the Director, by notice in writing to the Secretary of the Corporation, resigns their office, which resignation shall be effective at the time it is received by the Secretary of the Corporation or at the time specified in the notice, whichever is later;
- 1.28.4 the Director ceases to have the qualifications for Directors set out in section 7.4;
- 1.28.5 the Director dies; or
- 1.28.6 the Members, at a special meeting called for the purpose, vote by at least a Majority of the votes cast to remove a Director before the expiration of the Director's term of office.

1.29 Vacancies

- 1.29.1 If a vacancy occurs at any time among the Directors, such vacancy shall be filled by the Board until the next annual general meeting.
- 1.29.2 If there is not a quorum of Directors or there has been a failure to elect the minimum number of Directors set out in the Articles, the Directors in office shall, without delay, call a special meeting of the Members to fill the vacancy or vacancies and, if they fail to call such a meeting or if there are no Directors in office, the meeting may be called by any Member.

Article 8
RESPONSIBILITIES OF DIRECTORS

1.30 Standards of Care

Every Director and Officer of the Corporation, in exercising their powers and discharging their duties to the Corporation, shall:

- 1.30.1 act honestly and in good faith with a view to the best interests of the Corporation; and

1.30.2 exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

1.31 Conflict of Interest - Self-Declaration and Procedures

1.31.1 Every Director who, either directly or indirectly, has or thinks they may potentially have a Conflict of Interest with respect to a proposed or current contract, transaction, matter or decision of the Corporation shall disclose the nature and extent of the Conflict of Interest at a meeting of the Board. The declaration of Conflict of Interest shall be disclosed at the meeting of the Board at which the contract, transaction, matter or decision is first raised or at which the Director is first aware of the potential or actual Conflict of Interest.

1.31.2 Every declaration of a Conflict of Interest and the general nature thereof shall be recorded in the minutes of the Board.

1.31.3 Where the number of Directors who, by reason of this section are prohibited from participating in a meeting is such that at the meeting, the remaining Directors are not of sufficient number to constitute a quorum, then, notwithstanding any other provision in this By-law, the remaining number of Directors shall be deemed to constitute a quorum.

1.32 Conflict of Interest – Other Directors

1.32.1 If a Director believes that any other Director is in a Conflict of Interest position with respect to any contract, transaction, matter or decision, the Director shall have their concern recorded in the minutes, and the Director with the alleged Conflict of Interest shall have the right to address the Board with respect to the allegation.

1.32.2 Thereafter, at the request of the Director who recorded the initial concern, the Board, after the Director alleged to have a Conflict of Interest has left the discussion, shall vote on whether the Director alleged to have a Conflict of Interest is, in the opinion of the Board, in a Conflict of Interest. If the Board finds the person in a Conflict of Interest, that interested Director shall leave during any subsequent discussion or voting process relating to or pertaining to the conflict. The question of whether a Director has a Conflict of Interest shall be determined by a Majority of the Board and shall be final.

1.32.3 The procedures set out in section 8.2 apply where, in accordance with this section, the Board has determined a Director has a conflict of interest.

1.33 Conflict of Interest - Consequences

1.33.1 No Director with a Conflict of Interest shall attend any part of a Board meeting during which the contract, transaction, matter or decision is discussed and shall not vote on any resolution to approve the contract, transaction, matter or decision, or otherwise attempt to influence the voting on a contract, transaction, matter or decision. This rule does not apply if the

matter to be voted on is (a) one relating primarily to their remuneration as a Director; or (b) one for indemnity or insurance under this By-law.

- 1.33.2 After making a declaration of Conflict of Interest in accordance with this By-law, the Director is not accountable to the Corporation for any profit they may realize from the contract, transaction, matter or decision as of the date of the declaration, provided the contract, transaction, matter or decision was reasonable and fair to the Corporation when it was approved.
- 1.33.3 If the Director fails to make a declaration of their Conflict of Interest in a contract, transaction, matter or decision, as required by this By-law, this failure may be considered grounds for termination of their position as a Director.
- 1.33.4 The failure of any Director to comply with the Conflict of Interest provisions of this By-law does not, in or of itself, invalidate any contract, transaction, matter or decision undertaken by the Board or the Corporation.

1.34 Conflict of Interest – Annual Declaration

Every Director shall complete and submit to the Secretary of the Board an annual Conflict of Interest declaration in the form approved by the Board from time to time.

1.35 Confidentiality

Every Director, Officer, and member of a committee of the Board shall respect the confidentiality of matters brought before the Board and brought before any committee.

1.36 Remuneration

The Board may choose to pay a stipend, per Board policy, to the Directors. Directors may also be paid reasonable expenses incurred by them (such as travel and parking) in the performance of their duties as a Director.

1.37 Scarborough Ontario Health Team Collaboration Council

The Board will be responsible for selecting, from the Directors, those individuals who will serve on the Collaboration Council of the Scarborough Ontario Health Team to represent the Corporation and its stakeholders. The terms of reference of the Collaboration Council will dictate the number of representatives to which the Corporation is entitled.

Article 9
REGULAR AND SPECIAL MEETINGS OF THE BOARD

1.38 Regular Meetings

- 1.38.1 There shall be at least four (4) regular Board meetings per year. The schedule of regular Board meetings shall be established by the Co-Chairs each year no later than September 30th and provided in writing to all Directors.
- 1.38.2 The Co-Chairs may cancel any regular Board meeting (excluding the Board meeting that follows the annual meeting of the Corporation), in their discretion, if there is insufficient business to merit a meeting, on twenty-four (24) hours' written notice.
- 1.38.3 The Board shall meet at the Registered Office or another place determined by the Board, at such time as the Board may from time to time determine.
- 1.38.4 All Board meetings are closed to the public, unless the Board determines otherwise for any specific Board meeting or part thereof. Any guest must be invited to a Board meeting by the Chair or by a resolution of a Majority of the Board.

1.39 Special Meetings

Special meetings of the Board shall be called by the Secretary of the Corporation on the written request of any of the following:

- 1.39.1 either Co-Chair of the Board; or
- 1.39.2 one-third (1/3) of the Directors.

1.40 Notice of Regular and Special Meetings

- 1.40.1 The Secretary will give at least two (2) days' written notice of a regular meeting of the Board, which notice may be given electronically (for example, via e-mail or facsimile).
- 1.40.2 The notice of meeting shall specify any matter that constitutes a Board Exclusive Responsibility if any such matter is to be included on the meeting agenda.
- 1.40.3 Notice of a special meeting of the Board shall be given by telephone and/or email at least twenty-four (24) hours in advance of the meeting. The notice of a special meeting shall state the purpose for which it is called.
- 1.40.4 Provided a quorum of Directors is present, each newly appointed Board may, without notice, hold its first meeting immediately following the annual meeting of Members, provided the agenda does not include any matter that is a Board Exclusive Responsibility.

1.41 Quorum

- 1.41.1 A quorum for the transaction of business at any meeting of the Board shall consist of a Majority of the Directors.

1.41.2 No meeting of the Board shall be duly constituted for the transaction of business unless a quorum is present. There will be no representation by proxy at any Board meeting.

1.42 Chair of Board Meetings

The chair of a Board meeting shall be:

1.42.1 one of the Co-Chairs of the Board (with the expectation that the chair role will rotate between the two Co-Chairs); or

1.42.2 a chair elected by the Directors present if both Co-Chairs are absent.

1.43 Adjourned Board Meeting

If within one-half (1/2) hour after the time appointed for a meeting of the Board, a quorum is not present, the meeting shall stand adjourned until the same day in the following week at the same hour and place, or if such day shall be a holiday, on the next day following such date. The Secretary shall send notice of such adjourned meeting to each of the Directors at least forty-eight (48) hours prior to the meeting.

1.44 Right of Dissent

1.44.1 A Director who is present at a meeting of the Board or of a committee is deemed to have consented to any resolution passed or action taken at the meeting unless:

1.44.1.1 the Director requests a dissent to be entered in the minutes of the meeting;

1.44.1.2 the Director sends a written dissent to the secretary of the meeting before the meeting is terminated; or

1.44.1.3 the Director submits to the Corporation a written dissent immediately after the meeting is terminated.

1.44.2 A Director who was not present at a meeting at which a resolution was passed or action taken is deemed to have consented to the resolution or action unless, within seven (7) days after becoming aware of the resolution or action, the Director:

1.44.2.1 causes a dissent to be placed with the minutes of the meeting; or

1.44.2.2 submits a written dissent to the Corporation.

Article 10
COMMITTEES OF THE BOARD

1.45 Committees

- 1.45.1 The Board shall establish the following standing committees: an Executive Committee, a Governance & Nominating Committee, an Audit & Finance Committee and a Communications Committee.
- 1.45.2 The Board may establish other committees from time to time through Board policy or resolution.
- 1.45.3 The functions, duties, responsibilities and powers of the Executive Committee are set out below, The functions of other committees shall be established in terms of reference adopted by the Board.
- 1.45.4 A Director shall chair every committee.
- 1.45.5 A quorum for any meeting of any committee shall be a Majority of the voting members of the committee.
- 1.45.6 Procedures at committee meetings shall be consistent with the procedures outlined in this by-law, unless otherwise established by a Board policy.

1.46 Delegation of Decision-Making to Committees

The Board may delegate any decision-making authority to a committee, on the following conditions:

- 1.46.1 the Board may not delegate any Board Exclusive Responsibilities to a committee; and
- 1.46.2 only Directors may be voting members of that committee.

1.47 Executive Committee

- 1.47.1 The Executive Committee shall consist of the Co-Chairs and may include any other Director who may be invited by the Board.
- 1.47.2 In respect of matters that are not Board Exclusive Responsibilities, the Executive Committee shall:
 - a) exercise the full powers of the Board in all matters of administrative urgency between regular meetings of the Board, reporting every action at the next meeting of the Board; and
 - b) perform such other duties as assigned from time to time by the Board by By-law, resolution or policy.

1.48 Non-Directors on Committees

- 1.48.1 In this section, “non-Director” means a person who is not a Director of the Corporation, who has been appointed to a committee in accordance with this section, and who has the same rights and obligations of other members of the committee who are Directors.

- 1.48.2 Non-Directors serving on committees shall not be appointed as voting members.
- 1.48.3 Any non-Director appointed under this section is not eligible to serve as the chair of any such committee.
- 1.48.4 Non-Directors serving on committees shall have one (1) year renewable terms.
- 1.48.5 Participation by a non-Director is conditional on the non-Director signing an acknowledgement that they:
- a) are a fiduciary of the Corporation and must place the best interests of the Corporation above their own best interests;
 - b) have read and understood the Conflict of Interest and confidentiality requirements of this By-law, which apply to all non-Directors; and
 - c) agree to participate in the Board's orientation program if requested.

Article 11

OFFICERS

1.49 Officers

- 1.49.1 The Board shall elect from among the Directors, at its first meeting following the annual meeting of the Members, two (2) Co-Chairs, each to serve a term of two (2) years. The Co-Chairs may receive a stipend as determined by the Board.
- 1.49.2 The Board may also elect an individual or individuals to serve as Secretary and Treasurer.
- 1.49.3 Any Officer of the Board shall cease to hold office upon resolution of the Board.
- 1.49.4 An individual may hold more than one office.

1.50 Duties of the Co-Chairs of the Board

The two (2) Co-Chairs shall be elected by the Board from among the Directors. The Co-Chairs shall share between them the following duties: preside at all meetings of the Members and the Board (sharing this duty between them on a rotating basis, generally) and shall represent the Corporation and the Board as may be required or appropriate and shall have such other powers and duties as the Board may specify. In the event of a tie at a meeting of the Board or the Members, the individual serving as chair of the meeting shall have a second, tie-breaking vote.

1.51 Duties of the Secretary

The Secretary, if any, shall carry out the duties of the secretary of the Corporation generally and shall attend or cause a recording secretary to attend all meetings of the Members, Board, and committees to act as a clerk thereof and to record all votes and minutes of all proceedings in the books to be kept for that purpose. The Secretary shall give or cause to be given notice of all meetings of the Members and of the Board of Directors and shall perform such other duties as may be prescribed by the By-laws or the Board.

1.52 Duties of the Treasurer

1.52.1 The Treasurer, if any, shall oversee the management of the finances of the Corporation, and ensure that appropriate reporting mechanisms and control systems as established by the Board are in place, and monitor such mechanisms and systems for compliance. The Treasurer shall ensure that systems for control for the care and custody of the funds and other financial assets of the Corporation and for making payments for all approved expenses incurred by the Corporation are in place, are functional and adequate and monitor for compliance with such systems. The Treasurer shall report to the Board no less than quarterly on the financial position of the Corporation.

1.52.2 If the Board establishes an Audit & Finance Committee, the Chair of the Audit & Finance Committee shall serve as the Treasurer.

1.53 Other Officers

The powers and duties of all other Officers shall be such as the Board may from time to time determine. Any of the powers and duties of an Officer to whom an assistant has been appointed may be exercised and performed by such an assistant unless the Board otherwise directs.

**Article 12
MANAGER**

1.54 Appointment

A Manager may be appointed by the Board according to the selection process defined in Board policy from time to time. The Manager may not be a Member or a Director of the Corporation.

1.55 Duties and Performance

The duties of the Manager shall be defined in a job description approved by the Board. The Manager shall have no authority over the Corporation except as expressly delegated by the Board in the job description or other Board policies.

Article 13

INDEMNIFICATION

1.56 Indemnification of Directors, Officers, and Committee Members

1.56.1 Every Director, Officer, and committee member, their heirs, executors, administrators and estate, respectively, shall from time to time and at all times be indemnified and saved harmless out of the funds of the Corporation from and 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 action or proceeding in which the individual is involved because of that association with the Corporation.

1.56.2 The Corporation may advance money to a Director, Officer or other individual referred to in section 13.1.1 for the costs, charges and expenses of an action or proceeding referred to in that section, but the individual shall repay the money if the individual does not fulfil the conditions set out in section 13.1.3

1.56.3 The indemnity provided for in this section shall be applicable only if the Director, Officer or other individual referred to in section 13.1.1 acted honestly and in good faith with a view to the best interests of the Corporation, and in the case of criminal or administrative action or proceeding that is enforceable by a monetary penalty, the individual had reasonable grounds for believing that their conduct was lawful.

1.57 Insurance

The Corporation shall purchase such insurance as it considers advisable and necessary to ensure that Directors, Officers, and members of committees will be indemnified and saved harmless in accordance with this By-law; the premiums for such insurance coverage shall be paid from the funds of the Corporation.

Article 14
FINANCIAL MATTERS

1.58 Financial Year End

The financial year of the Corporation shall end on the 31st day of March in each year.

1.59 Authorized Signing Officers

1.59.1 Two (2) Directors or Officers, or as otherwise stipulated in a signing authority policy approved by the Board from time to time, shall sign on behalf of the Corporation all contracts, cheques, conveyances, mortgages, or other documents.

1.59.2 The Manager may be permitted to sign on behalf of the Corporation all contracts, cheques, conveyances, mortgages or other documents, having such financial thresholds, as stipulated in the signing authority policy approved by the Board from time to time.

1.59.3 The Board may direct, by resolution, the manner in which, and the person or persons by whom, any particular instrument or class of instruments may or shall be signed.

1.60 Banking and Borrowing

1.60.1 Bank accounts of the Corporation shall be kept at such banks and in such places and shall be operated in such manner and by such person or persons as the Board shall from time to time determine by By-law.

1.60.2 The Board may from time to time:

- a) borrow money on the credit of the Corporation;
- b) issue, sell or pledge debt obligations (including bonds, debentures, debenture stock, notes or other like liabilities whether secured or unsecured) of the Corporation;
- c) charge, mortgage, hypothecate or pledge all or any currently owned or subsequently acquired real or personal, movable or immovable property of the Corporation, including book debts, rights, powers, franchises and undertakings, to secure any debt obligations or any money borrowed, or other debt or liability of the Corporation; and
- d) delegate the powers conferred on the Board under this paragraph to such Officer or Officers of the Corporation and to such extent and in such manner as the Directors shall determine.

1.61 Seal

The corporate seal of the Corporation shall be such as the Board may by resolution from time to time adopt, and shall be entrusted to the Secretary of the Corporation (or delegate) for safekeeping.

1.62 Investments

The Board may invest in any investments that are authorized by the Corporation's investment policy. The Corporation's investment policy shall be developed by the Board from time to time.

1.63 Auditor

1.63.1 Except as provided in section 14.6.4 or section 14.6.5, the Corporation shall at its annual meeting appoint an Auditor who is duly licensed under the provisions of the *Public Accountancy Act* (Ontario), to hold office until the next annual meeting of the Members.

1.63.2 The Auditor shall have all the rights and privileges as set out in the Act and shall perform the audit function as prescribed therein.

1.63.3 The Auditor shall not be a Director or an Officer or employee of the Corporation or a partner or employee of any such person.

1.63.4 In any fiscal year, the Corporation may choose to conduct a review engagement instead of an audit, if the Members approve by an eighty percent (80%) vote.

1.63.5 In any fiscal year, the Corporation may choose to conduct neither an audit nor a review engagement, if the revenues for that fiscal year are \$500,000 or less and the Members approve by an eighty percent (80%) vote.

Article 15

NOTICES UNDER THESE BY-LAWS

1.64 Service

Any notice or other document required by the Act or the By-laws of the Corporation to be sent to any Member or Director or to the Auditor shall be delivered personally or sent by prepaid mail or facsimile to any such Member or Director at their latest addresses shown in the records of the Corporation and to the Auditor at its business address, or if no address be given therein then to the last address of such Member or Director known to the Secretary; provided always that notice may be waived or the time for the notice may be waived or abridged at any time with the consent in writing of the person entitled thereto.

1.65 Signatures to Notices

The signature to any notice may be written, stamped, typewritten, printed or partly written, stamped, typewritten or printed.

1.66 Computation of Time

Where a given number of days notice or notice extending over any period is required to be given, the day of service or posting of the notice shall, unless it is otherwise provided herein, be counted in such number of days or other period.

1.67 Error or Omission

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

1.68 Proof of Service

A certificate of any Officer of the Corporation in office at the time of the making of the certificate as to facts in relation to the mailing or delivery of any notice to any Member, Director, Officer or Auditor or publication of any notice shall be conclusive evidence thereof and shall be binding on every Member, Director, Officer or Auditor of the Corporation, as the case may be.

Article 16

ADOPTION AND AMENDMENT OF BY-LAWS

1.69 Amendments to By-laws

1.69.1 Subject to the Articles, the Board may, by resolution, make, amend or repeal any By-laws of that regulate the activities or affairs of the Corporation.

1.69.2 Subject to the Act, any such By-law, amendment or repeal shall be effective from the date of the resolution of the Board until the next meeting of the Members where it may be confirmed, rejected or amended by the Members by a Majority vote. 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 the Members or if it is rejected by the Members at the meeting.

1.69.3 A By-law or an amendment to a By-law that requires a Special Resolution (see Appendix A) is effective only when confirmed by Members.

ENACTED as By-law No. 1 by the Board this ** day of **, 2022.

Officer

Officer

Appendix A – List of Special Resolutions under the Act

The following decisions require the approval of 2/3 of the Members who attend a duly called meeting of the Members before taking effect

- To change the municipality or geographic township in which its registered office is located to another place in Ontario by special resolution – section 14(4)
- To set a fixed number of directors between the minimum and maximum number of directors in the Articles – section 22(2)
- To empower the board to set a fixed number of directors between the minimum and maximum number of directors in the Articles – section 22(2)
- To confirm or approve a contract or transaction of a director or officer that is the subject of a conflict of interest - a director or officer, acting honestly and in good faith, is not accountable to the corporation or to its members for any profit or gain realized from any contract or transaction by reason only of his or her holding the office of director or officer, and the contract or transaction, if it was reasonable and fair to the corporation at the time it was approved, is not by reason only of the director's or officer's interest in it void or voidable if,
 - (a) the contract or transaction is confirmed or approved by special resolution at a meeting of the members duly called for that purpose; and
 - (b) the nature and extent of the director's or officer's interest in the contract or transaction are disclosed in reasonable detail in the notice calling the meeting – section 41(10)
- To make any amendment to the Articles – section 103(1)
- To approve an amalgamation agreement – section 111(5)
- To approve a continuance under this Act– section 115(2)
- To approve a continuance under the Co-operative Corporations Act – section 117(1)
- To approve the sale, lease or exchange of all or substantially all of the property of the corporation other than in the ordinary course of its activities – section 118(6)
- To approve an arrangement as defined in section 120

- To require the corporation to be wound up voluntarily under section 123
- To authorize an application to be made to the court to wind up the corporation – section 136
- To authorize the corporation to be dissolved – section 166