



CANADIAN  
**MUSEUMS**  
ASSOCIATION

ASSOCIATION  
**DES MUSÉES**  
CANADIENS

# **By-law No. 2**

Approved  
December 4 2020

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**BY-LAW No. 2**

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BE IT ENACTED as a general operating By-law of the Association as follows:

**1. INTERPRETATION**

1.1 In this By-law and all other By-laws and resolutions of the Corporation unless the context otherwise requires:

- (a) “Articles” means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Association;
- (b) “Association” means the Canadian Museums Association;
- (c) “Board of Directors” means the Board of Directors of the Association;
- (d) “By-law” or “By-laws” means this by-law and all other by-laws of the Association as amended and which are, from time to time, in force and effect;
- (e) “Chair” means the Chairperson of the Board of Directors of the Association.
- (f) “Director” means a member of the Board of Directors of the Association;
- (g) “Director-at-large” means those candidates referred to in Section 6.5 that have been elected by the members in accordance with Section 6;
- (h) “Documents” means any and all kinds of contracts, documents and instruments in written or electronic form, including cheques, drafts, orders, notes, acceptances and bills of exchange, deeds, mortgages, hypothecs, charges, conveyances, transfers, assignments, powers of attorney, agreements, proxies, releases, receipts and discharges conveyances, and all other paper or electronic writings; “NFP Act” means the *Canada Not-for-profit Corporations Act*, SC 2009, C 23, and any statute amending or enacted in substitution therefore, from time to time;
- (i) “Officers” means the persons who hold the offices enumerated in Section 5.1;
- (j) “Member” means a member of the Association;
- (k) “Members” or “Membership” means the collective membership of the Association;
- (l) “Ordinary Resolution” means a resolution passed by a majority of the votes cast on that resolution.
- (m) “Past President” means the person whose term of office as President has most recently expired and who is willing to serve as such.
- (n) “Special Resolution” means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution

1.2 All terms defined in the NFP Act have the same meaning in this By-law and all other By-laws and resolutions of the

Association. The division of this By-law into Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect its interpretation. Words importing the singular number include the plural and vice versa. Any reference in this By-law to gender includes all genders. In this By-law the words “including”, “includes” and “include” means “including (or includes or include) without limitation”.

1.3 This By-law is subject to, and should be read in conjunction with, the NFP Act and the articles. If there is any conflict or inconsistency between any provision of the NFP Act or the articles and any provision of this By-law, the provision of the NFP Act or the articles will govern.

**2. HEAD OFFICE**

2.1 The Head Office of the Association shall be in the City of Ottawa, in the Province of Ontario, Canada. The Association may establish such other local or regional offices or agencies elsewhere in Canada as the Board of Directors may, by resolution, determine.

**3. SEAL AND EMBLEM**

3.1 The seal, which is impressed hereon, shall be the corporate seal of the Association.

3.2 The Executive Director, acting under the direction of the President or Vice-President shall have authority to affix the corporate seal of the Association to any Documents requiring the same.

**4. BOARD OF DIRECTORS**

4.1 *Board of Directors* The affairs of the Association shall be managed by a Board of Directors comprised of eleven (11) voting Directors being the President, the two (2) Vice-Presidents and the eight Directors-at-large.

4.2 *Duties of the Board of Directors* The Board of Directors shall be responsible to the membership for the formulation of policy and the management of the affairs of the Association. The Board of Directors shall determine all such policy of the Association as is not specified by the NFP Act or by this By-law required to be exercised by the Association in general meetings, subject, nevertheless, to any provisions of this By-law, to the provisions of that Act, and to such rules or other directions not inconsistent with such By-laws or provisions as may be prescribed by the Association in general meetings; but no By-law and no rule or other direction made by the Association in general

meetings, shall invalidate any prior act of the Board of Directors which would have been valid if such a By-law, rule or other direction had not been made. The Board of Directors shall by resolution fix the remuneration of all of its agents and employees.

4.3 *Directors-at-large* Subject to the provisions of Section 4.4, Directors-at-large shall be elected in the manner set out in Section 6, each of whom, subject to the Articles, shall hold office for three (3) years from the date of election by the Membership and until a successor has been duly elected and qualified.

4.4 *Qualifications* Each director shall:

- (a) be at least eighteen (18) years of age;
- (b) not be an undischarged bankrupt or a mentally incompetent person;
- (c) be a Member who is qualified by the terms of Section 6.2 to hold office.

If a person ceases to be a Member who is qualified by the terms of Section 6.2 to hold office, or becomes bankrupt or a mentally incompetent person, or resigns, the Director thereupon ceases to be a Director, and the vacancy so created may be filled in the manner prescribed by Section 4.5.

4.5 *Vacancies* Any vacancy occurring in the Board of Directors may be filled by a quorum of the Board of Directors, and any person so chosen shall retain the office only until the next Annual General Meeting of the members. The person, however, retains the right to run for the same position in a succeeding term. No more than one third the Board of Directors may be persons chosen by the Board of Directors.

4.6 *Mandatory Vacating of Office*

- (a) A Director shall vacate the office if the Director is concerned in, or participates in, the profits of any contract with the Association. However, a Director shall not be required to vacate the office by reason of being a shareholder or member of any corporation which has entered into any contract with or done any work for the Association of which he/she is a director if the director has not voted in respect of such contract or work and the authorization of the contract or work complies with all applicable law, including if and to the extent applicable the *Charities Accounting Act* and any regulations made under it;
- (b) A Director shall vacate the office if absent from more than two consecutive Board meetings and can show no just cause for the absence.
- (c) A Director shall vacate the office if the director ceases to meet any of the qualifications in Section 4.4.

4.7 *Quorum* A quorum of the Board of Directors shall consist of at least six (6) voting directors. The Executive Director or designate shall attend meetings of the Board of Directors and act as recording secretary.

4.8 *Meetings* Meetings of the Board of Directors shall be called at the President's discretion or by the written request of two Directors and shall be accompanied by a statement of the purpose of the meeting. A minimum of four meetings each fiscal year must be held. Should the President or any officer fail to attend such a meeting, or having attended, decline to act, the Directors present, providing they constitute a quorum, may elect a Chair and secretary and proceed with the business of the meeting. If all of the Directors present at or participating in a meeting of the Board of Directors consent, a Director may participate in such meeting by means of a telephone, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. A Director participating in a meeting by such means is deemed to be present at the meeting. Any consent is effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the Board of Directors.

4.9 *Notice* Subject to the provisions of Section 4.8, written notice of a Board of Directors meeting, setting out the time and place of such meeting, shall be delivered or mailed to each director, the Past President and the Executive Director not more than thirty (30) days and not less than seven (7) days before the meeting is to take place. The statutory declaration of the Executive Director or President that notice has been given pursuant to this By-law shall be sufficient and conclusive evidence of the giving of such notice. No formal notice of a meeting is necessary if all the Directors are present or if those absent have signified their consent to the meeting being held without notice and in their absence, unless a Director is present for the express purpose of objecting to the meeting on the grounds that it is not lawfully called.

4.10 *Voting* Questions arising at any meeting of the Board of Directors shall be decided by a majority vote. At all meetings of the Board of Directors, every question shall be decided by a show of hands or verbal expression unless a poll on the question is required by the Chair or requested by any director. A declaration by the Chair that a resolution has been carried and an entry to that effect in the minutes is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution.

4.11 *Remuneration of Directors* Members of the Board of Directors, as such, shall serve without remuneration, and no Director shall directly or indirectly receive any profit from their position, but by sanction of the Association, Directors may be reimbursed for reasonable expenses incurred in performing their duties. No Director shall be

entitled to any remuneration for services in any other capacity so long as the Association is a charitable corporation, except in compliance with the NFP Act and any other applicable law or regulation.

4.12 *Indemnities to Directors etc.* Every Director and Officer or any other person who has undertaken or is about to undertake any liability on behalf of the Board of Directors or a person who acts or acted at the Association's request as a director or officer of another company of which the Association is or was a shareholder or creditor and their heirs, executors and administrators, and estate and effects, respectively, who acts or acted honestly and in good faith with a view to the best interests of the Association or other company of which the Association is or was a shareholder or creditor, shall from time to time and at all times, be indemnified and saved harmless to the fullest extent permitted by the NFP Act and any other applicable law, out of the funds of the Association, from and against:

- (a) all costs, charges and expenses whatsoever which the Director, Officer or other person sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against the director or in respect of any act, deed, matter or thing whatsoever made, done, or permitted by the director in or about the execution of the duties of the office or in respect of any such liability; and
- (b) all other costs, charges and expenses which the Director or Officer sustains or incurs in or about or in relation to the affairs thereof, except the costs, charges or expenses occasioned by the Director's or Officer's own wilful neglect or default.

Any amendment of this section 4.12 will not adversely affect the rights of an indemnified party with respect to events or actions occurring before the amendment. Nothing in this By-law limits the right of any person entitled to indemnity to claim indemnity apart from the provisions of this By-law.

4.13 *Insurance* Subject to the NFP Act and all applicable laws and regulations, the Association may purchase and maintain insurance for the benefit of any person referred to in Section 4.12 against any liability incurred by that person:

- (a) in the capacity as a Director or Officer, except where the liability relates to the failure to act honestly and in good faith with a view to the best interests of the Association;
- (b) in the capacity as a director or officer of another company as set out in Section 4.12 where that person acts or acted in that capacity at the Association's request, except where the liability relates to the failure to act honestly and in good faith with a view to the best interests of the other company.

4.14 *Protection of Directors and Officers* No Directors or Officers shall be liable for the acts, omissions, receipts, neglects or defaults of any other Director or Officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Association through the insufficiency or deficiency of title to any property acquired by the Association or for or on behalf of the Association or for the insufficiency or deficiency of any security in or upon which any of the money of or belonging to the Association shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation with whom or which any monies, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of the respective office or trust or in relation thereto unless the same shall happen by or through its own wrongful or wilful act or through its own wrongful and wilful neglect or default.

4.15 *Responsibility for Acts* The Directors for the time being of the Association shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Association except such as shall have been submitted to and authorized or approved by the Board of Directors.

4.16 *Other Participants in Board of Directors Meetings* The Past President and the Executive Director shall each be entitled to receive notice of, to attend, and to speak at all meetings of the Board of Directors and meetings of Members, but shall not be entitled to vote at a meeting of the Board of Directors and shall not be included in determining whether there is a quorum of directors.

## 5. OFFICERS

5.1 The elected officers of the Association shall be as follows:

- (a) President;
- (b) two Vice-Presidents.

5.2 *Duties* The duties of the elected Officers shall be as follows:

- (a) The President shall normally preside at all meetings of the Association and of the Board of Directors. The President shall be an ex-officio member of all committees;
- (b) The Vice-Presidents shall, in the absence of the President, perform the duties of the President and when so acting shall have all the power and be subject to all responsibility hereby given or imposed upon the President. The Vice-Presidents may chair meetings of the Standing Committees.

- 5.3 *Term* Subject to Section 5.4, the elected Officers of the Association shall hold office for one (1) year from the date of their election by the membership and until their successors are elected by the membership in their stead.
- 5.4 *Removal of Officers* If an elected Officer is, in accordance with the NFP Act, removed from the Board of Directors before completion of a full term by a vote of the members present at the Annual General Meeting of the Association or at a Special General Meeting called in accordance with Section 7.12 or 7.13 respectively and the members do not fill the vacancy at such meeting than the Board of Directors shall appoint a Director to serve as interim Officer for the remainder of the term.
- 5.5 *Executive Director* The Board of Directors shall appoint an Executive Director, Chief Executive Director or Chief Executive Officer (in this By-law, the “Executive Director”) who shall be the principal administrative officer responsible for implementing the decisions and resolutions of the Board of Directors. The Executive Director or designate shall act as recording secretary to the Board of Directors and shall assist all Committee Chairs in the performance of their duties. The Executive Director shall have the authority to engage and dismiss staff, subject to administrative and financial guidelines established by the Board of Directors of the Association, and may delegate such responsibilities as are necessary to enable staff members to perform effectively their duties and assignments.

## 6. ELECTION OF DIRECTORS AND OFFICERS

### 6.1 *Nomination of Directors and Officers*

- (a) Not later than thirty (30) days before the Annual General Meeting, the Board of Directors shall provide the Executive Director with a copy of the recommended slate of Directors-at-large and officers for nomination for election at the next Annual General Meeting of the Association as proposed by the Nominations and Governance Committee for circulation to the members of the Association;
- (b) Voting members of the Association may submit a proposal with a nomination for the election of one or more Directors in accordance with the NFP Act and may also submit additional nominations for Directors-at-large (but not for officers) in writing to the Executive Director at the Head Office of the Association not later than fourteen (14) days prior to the date of the Annual General Meeting which nominations must comply with the eligibility requirements set out in Section 6.2, be supported by two voting members of the Association and include the concurrence of the nominee.

### 6.2 *Eligibility for Nomination to Board of Directors*

- (a) All Regular Individual Members and designated representatives of Institution Members shall be eligible for nomination to the Board of Directors;
- (b) A retiring member of the Board of Directors shall be eligible for re-election to the same position on the Board of Directors only after one year has elapsed after serving two three-year terms.

6.3 *Eligibility for Nomination as an Officer* A nominee for President or Vice-President must have served on the Board of Directors in the year immediately preceding the year in which the term as President or Vice-President will be served.

6.4 *Re-Election* The President and Vice-Presidents may be re-elected for a subsequent term to the same position.

6.5 *Nomination for Directors-at-large* Candidates for election as Directors-at-large by the members shall include:

- (a) the slate of candidates for Directors-at-large proposed by the Nominating and Governance Committee; and
- (b) the persons whose names are put in nomination for election as a Director-at-large by any Member pursuant to Sections 6.1.

6.6 *Rejection of Officer Proposed by Nominating and Governance Committee* If the Annual General Meeting does not elect a person proposed by the Nominating and Governance Committee as an Officer, the Board of Directors shall appoint an interim Officer from among the members of the current Board of Directors (who, in any event, should not be the person whose nomination was rejected), and shall submit a new nomination to the next Annual General Meeting or Special General Meeting in accordance with the procedure specified in this Section 6.

## 7. MEMBERSHIP

7.1 *Definition* The Membership of the Association shall consist of all members who are enrolled on the records of the Association as Members on the date of enactment of this By-law, together with such other individuals, corporations, partnerships and other entities admitted to membership from time to time pursuant to procedures hereinafter set forth.

Application for Membership shall be subject to the approval of the Board of Directors. The Board of Directors shall review the Membership roll annually and exclude those who no longer meet the requirements of Membership.

7.2 *Voting Classes* There shall be three (3) classes of voting for membership in the Association:

- (a) Institution Members;
- (b) Regular Individual Members;
- (c) Corporate Members.

7.3 *Institution Member* An Institution is (a) a Museum or (b) a corporation professionally related to the aims and objects of the Association. Museums are institutions created in the public interest. Museums are permanent, not-for-profit institutions whose exhibits are regularly open to the general public. Accordingly, the following are also recognized as museums:

- Exhibition places such as art galleries and science and interpretation centres;
- Institutions with plant and animal collections and displays, such as botanical gardens, biodomes, zoos, aquariums and insectariums;
- Cultural establishments that facilitate the preservation, continuation and management of tangible and intangible living heritage resources, such as keeping houses and heritage centres;
- Natural, archaeological, ethnographic and historical monuments and sites.

The director or chief executive officer of a Museum or President of a corporation professionally related to the aims and objects of the Association, as recorded in the CMA Directory of Museums or as otherwise known to the Association, shall be the authorized representative of each Institution Member to represent the Institution Member at any Annual General Meeting or Special General Meeting of the Association, except that the director or president of an Institution Member may delegate in writing an alternative representative for a specific meeting, providing that such delegation is received by the Executive Director at least twenty-four (24) hours prior to such Annual General or Special General Meeting.

7.4 *Regular Individual Member* A person, who is interested in the Association and who is or has been employed by or associated with an Institution eligible for membership in the Association as confirmed by a responsible officer of that Institution, may apply for admission as a Regular Individual Member subject to the payment of an annual fee and approval by the Association. The Board of Directors may designate certain Regular Members who have contributed in a distinctive and exemplary fashion to their profession, have contributed to the advancement of museums and have made a significant contribution to the work of the Association as “Fellows”. Such members are appointed for life, are exempt from paying annual fees, and may use the letters FCMA after their names.

7.5 *Corporate Member* A corporation, that is interested in furthering the objects of the Association as confirmed by

a responsible officer of that corporation, is eligible for membership in the Association and may apply to the Board of Directors for admission as a Corporate Member subject to the payment of an annual fee.

7.6 *Non-Voting Classes* A person, institution, association, business or group based in Canada or in another country which wishes to support the objects, aims and programs of the Association is eligible to be a non-voting member of the Association, subject to the payment of an annual fee and approval by the Association.

7.7 *Transfer of Membership* Membership in the Association is not transferable.

7.8 *Termination of Membership* A membership in the Association automatically terminates upon the happening of any of the following events:

- (a) if the person or Institution, in writing, resigns as a member of the Association, such notice to be given to the Association;
- (b) if a member dies or the Institution ceases to exist;
- (c) when, after warning, no just cause can be shown for a default of payment of fees;
- (d) if a member fails to comply with all of the terms and conditions that the Board of Directors may impose as a condition of membership;
- (e) when so decreed in a resolution of the Board of Directors.

7.9 *Membership Fees* Wherever an annual fee is prescribed for a category of membership, the fee shall be payable on application for membership and annually thereafter no later than the end of the second month following the anniversary date of acceptance by the Board of Directors of an application for membership.

7.10 *Changes in Membership Fees* When a change in the fee is approved by the Board of Directors, the effective date of the change shall be the first of any month as determined by the Board of Directors at which the change was approved and all fees, including renewals, that fall due after the effective date of change shall be payable at the new rate (but a renewal which falls due before the date of any change in fee may be renewed at the rate in force when the renewal came due within the two month period provided in Section 7.9 above).

7.11 *Membership General* Various responsibilities for membership are assigned as follows:

- (a) *Questions* Questions concerning membership issues are assigned to the President and/or designate as required;
- (b) *Review* The review of membership applications for the ratification of the Board of Directors are assigned to the Executive Director.

7.12 *Annual Meeting* The Annual General Meeting of the members of the Association shall be held in such place within Canada and at such time (not later than six months after the end of the Association's fiscal year) as may be fixed from time to time by resolution of the Board of Directors for the purpose of:

- (a) hearing and receiving the reports and statements required by the NFP Act to be read at and laid before the Association at an annual meeting;
- (b) electing directors pursuant to Section 6.1;
- (c) appointing the auditor and fixing or authorizing the Board of Directors to fix the remuneration; and
- (d) the transaction of any other business for which proper notice has been given to be brought before the meeting.

7.13 *Special General Meeting* A Special General Meeting may be called at any time:

- (a) by the President;
- (b) by resolution of the Board of Directors;
- (c) by a petition signed by not less than (i) fifty (50) voting Members or (ii) such percentage of the voting Members of the Association as is prescribed by the NFP Act for the purposes of requisitioning a meeting, whichever is the lesser number and any petition shall state the nature of the business to be considered at the meeting; or
- (d) by the Members as provided by the NFP Act.

Such meeting shall be held at such times and places as the Board of Directors may determine. Any special meeting called by the Members shall be called within twenty-one (21) days from the date of the petition. All other notice requirements as set out in Section 7.14 shall apply mutatis mutandis.

7.14 *Notice of Meetings* Notice of meetings at which members are entitled to vote shall be delivered to member not more than sixty (60) days and not less than twenty-one (21) days in advance if sent by mail, courier or personal delivery and not more than thirty-five (35) days and not less than twenty-one (21) days in advance if sent by telephonic, electronic or other communication facility. Notice shall be directed to such address of each member as appears on the records of the Association, and shall state the date, hour, place of meeting, general nature of business to be transacted and notice that the financial statements and reports to be reviewed may be obtained free of charge at the registered office of the Association or by prepaid mail, and, if special business will be transacted, shall include the text of any special resolution.

7.15 *Omission of Notice* The accidental omission to give notice of any meeting to, or the non-receipt of any notice by, any person of the Association shall not alone invalidate any

resolution passed, or any proceedings taken, at any meeting of members if in all other respects, the meeting has been properly called and conducted.

7.16 *Waiver of Notice* A Member, a proxyholder, a Director or the public accountant and any other person entitled to attend a meeting of members may waive notice of a meeting of members, any irregularity in a notice of meeting of members or any irregularity in a meeting of members. Such waiver may be waived in any manner and may be given at any time either before or after the meeting to which the waiver relates. Waiver of any notice of a meeting of members cures any irregularity in the notice, any default in the giving of the notice and any default in the timeliness of the notice.

7.17 *Quorum* The presence in person of at least fifty (50) voting Members, or of one-tenth of the voting Members, whichever is the smaller number, shall constitute a quorum at general meetings.

7.18 *Voting*

- (a) *One vote* Each voting member is entitled to one vote. Institution Members, Regular Individual Members and Corporate Members may vote by proxy. The names of proxies shall be registered in writing with the Executive Director of the Association, or designate, at least twenty-four (24) hours in advance of the time set for the meeting;
- (b) *Majority* A simple majority of the votes cast shall constitute a decision of the membership of the Association, except with respect to any matter which, under the NFP Act must be approved by Special Resolution and any amendment to the the Constitution.

7.19 *Chair* The President or in the President's absence a Vice-President shall preside at all meetings of the members. If the President and Vice-Presidents are all absent or decline to act, the members may choose one of their numbers to be Chair. The Chair shall be entitled to vote when the vote is by ballot and in all other cases where the vote will determine the result of a motion.

7.20 *Procedures* All meetings of members of the Association, including those of the Board of Directors and Committees, shall be conducted in accordance with procedures laid down in *Roberts Rules of Order*.

7.21 *Electronic Meetings*. Meetings of members may be held entirely by means of telephonic, electronic or other communications facility that permits all participants to communicate adequately with each other during the meeting. The directors may establish procedures regarding the holding of meetings of members by such means.

## 8. COMMITTEES

8.1 *Standing Committees* The Nominating and Governance Committee and the Audit, Finance and Risk Committee shall be standing committees of the Association.

### 8.2 *Duties of Committees*

*Nominating and Governance* The Nominating and Governance Committee shall consist of three to five Members including at least one current Director. The current Executive Director and the Past President are invited as ex-officio Nominating and Governance Committee members. The members of the Nominating and Governance Committee shall serve for a one-year term. The Chair of the Nominating and Governance Committee normally will be one of the Vice Presidents. The Nominating and Governance Committee shall:

- (a) Receive nominations and suggested nominations from members of the Association;
- (b) Propose additional candidates for nomination having regard to specific nominating criteria to be developed annually by the Board of Directors in line with needs of the Association at that time and respecting the diversity of the Museum community, to prepare a slate of eligible and willing candidates from among members of the Association to fill vacancies on the Board of Directors or among the elected officers of the Association at the next Annual General Meeting;
- (c) Present to the Board of Directors of the Association the officers and the slate of candidates for election as Directors-at-large to the Board of Directors prepared by the committee no later than forty-five (45) days before the Annual General Meeting at which elections will be held;
- (d) Be responsible for presenting to the membership of the Association, not later than thirty (30) days before the Annual Meeting, the officers to be appointed together with a slate of candidates as Directors-at-large for the Board of Directors.
- (e) Be responsible for the orientation of new members of the Board of Directors.
- (f) At least bi-annually, conduct a review of all Association governance practices including By-laws, board mandate, committee terms-of-reference, governance policies and procedures. A survey of the Board of Directors will be conducted to identify areas for improvement in governance practices and effectiveness of Board of Directors processes.

*Audit, Finance and Risk* The Audit, Finance and Risk Committee shall consist of three to five Members and including at least one current Director. The current Executive Director is invited as an ex-officio committee member. The members of the Audit, Finance and Risk Committee shall serve for a one-year term. The Chair of the Audit, Finance and Risk Committee normally will be one of the Vice Presidents. The Audit, Finance and Risk

Committee shall:

- (a) Review and recommend for approval to the Board:
  - a. the appointment and compensation of external auditors;
  - b. the annual operating budget;
  - c. major tenders or contracts as prescribed by Board policy;
  - d. financial policies; and
  - e. acceptance of the annual audited statement.
- (b) Work with the auditor to define the purpose of the audit, formulate and approve the audit plan and review audit results.
- (c) Monitor the integrity of the Corporation's financial reporting, and ensure that the Board receives meaningful reports on the organization's financial situation.
- (d) Review existing management processes to identify and manage risk.
- (e) Ensure that financial information presented to government and stakeholders accurately represents the business activities of the organization.
- (f) Recommend investment guidelines for Board approval.
- (g) Monitor compliance with financial policies and legal and regulatory requirements as delegated by the Board.
- (h) Confirming compliance with all federal and provincial laws and regulations.
- (i) Perform other duties as may be delegated from time to time by the Board.
- (j) Review the Terms of Reference annually, and recommend to the Nominating and Governance Committee any changes the Committee considers necessary.

8.3 *Other Committees* It shall be in the power of the Board of Directors to establish other committees as deemed necessary. Such committees shall work within an annual budget approved by the Board of Directors.

8.4 *Committee Membership* All the members of the Standing Committees and a majority of the members of ad hoc committees must be voting Members of the Association. Chairs of ad hoc committees may be chosen from outside the Board of Directors.

## 9. EXECUTION OF DOCUMENTS

9.1 *Contracts* Any and all Documents, signed for, on behalf of, and in name of the Association by the Executive Director (other than routine expenditures within the guidelines of an approved budget) shall be approved through the Board of Directors and shall be binding upon the Association. Any such authorization may be general or confined to specific instances. Save as aforesaid or as otherwise by these By-laws provided, no officer, agent or employee shall have any power or authorization to bind the Association by any contract or engagement or to pledge its credit.

9.2 *Cheques and Drafts* All cheques, bills of exchange or other orders for the payment of money, notes or other evidence of indebtedness issued, accepted or endorsed in the name of the Association shall be signed by those individuals as designated by the Board of Directors from time to time. The personnel designated for the purpose, may arrange, balance and certify all books and accounts between the Association and the Association's bankers and may receive all paid cheques and vouchers and sign all bank forms of settlement of balance and release or verification slips.

9.3 *Books and Records* The Association shall keep proper books of accounts with respect to:

- (a) The receipt and expenditure of all sums of money received, granted or expended by the Association;
- (b) All sales and purchases by the Association;
- (c) The assets and liabilities of the Association;
- (d) All other transactions affecting the financial position of the Association.

## 10. BANKING ARRANGEMENTS

10.1 *Banking Business* The banking and borrowing business of the Association or any part of it may be transacted with such banks, trust companies or other firms or corporations as the directors determine from time to time. All such banking and borrowing business or any part of it may be transacted on the Association's behalf under the agreements, instructions and delegations, and by the one or more Officers and other persons, that the Directors authorize from time to time. This paragraph does not limit in any way the authority granted under Section 9.1 or 9.2.

## 11. BORROWING BY THE ASSOCIATION

11.1 *Borrowing Authorization* Subject to the limitations set out in these By-laws of the Association or the NFP Act, the Board of Directors may:

- (a) borrow money on the credit of the Association;
- (b) issue, sell or pledge securities of the Association; or
- (c) charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Association, including book debts, rights, powers, franchises and undertakings, to secure any securities or any money borrowed, or other debt, or any other obligation or liability of the Association;

Provided that, except where the Association borrows on the security of its real or personal property, its borrowing power shall be limited to borrowing money for current operations expenses.

11.2 *Board of Directors Designation* From time to time the Board of Directors may authorize any Director, Officer or

committee of Directors to make arrangements with reference to the money so borrowed or to be borrowed and as to terms and conditions of the loan thereof, and as to the security to be given therefore, with power to vary or modify such arrangements, terms and conditions and to give such additional security as the Board of Directors may authorize, and generally to manage, transact and settle the borrowing of money by the Association.

## 12. FISCAL YEAR

12.1 *Fiscal Year* The fiscal year of the Association shall end on the 31<sup>st</sup> day of December.

## 13. NOTICE

13.1 *Computation of Time* In computing the date when notice must be given under any provision of the By-laws requiring a specified number of days' notice of any meeting or other event, the date of giving the notice is excluded and the date of the meeting or other event is included. and receiving the notice is, unless otherwise provided, included..

13.2 *Omissions and Errors* The accidental omission to give notice of any meeting of the Board of Directors to any person or non-receipt of any notice by any Director or Member or by the auditor of the Association or any error in any notice not affecting its substance does not invalidate any resolution passed or any proceedings taken at the meeting. Any Director, Member or the auditor of the Association may at any time waive notice of any meeting and may ratify and approve any or all proceedings taken thereat.

## 14. BY-LAWS AND AMENDMENTS ETC.

14.1 *Revisions of the Articles of Incorporation* The Articles of Incorporation of the Association may be revised by a Special Resolution as required by the NFP Act at an Annual General Meeting or Special General Meeting of the Association, provided that the proposed changes are submitted for review in writing to all members prior to or at the Annual General Meeting preceding the meeting at which action is to be taken and provided also that such revisions shall not be enforced or acted upon until the necessary certificate of amendment is issued in accordance with the procedures set forth in the NFP Act.

14.2 *By-laws* The By-laws of the Association may be enacted, repealed, amended or re-enacted in accordance with the provisions of the NFP Act.

## 15. AUDITORS

15.1 *Appointment of Auditors* The members at each Annual General Meeting shall appoint one or more auditors to hold office until the close of the next Annual General

Meeting and, if an appointment is not so made, the auditor in office continues in office until a successor is appointed.

15.2 *Vacancy* The Board of Directors may fill a casual vacancy in the office of the auditor but while the vacancy continues, the surviving or continuing auditor, if any, may act.

15.3 *Removal of Auditors* Members, by a resolution passed by at least two-third of the votes cast at a Special Meeting of which notice specifying the intention to pass such a resolution was given, may remove any auditor before the expiration of the term of office and shall, by a Ordinary Resolution, appoint another auditor in for the remainder of the term.

15.4 *Remuneration* The remuneration of the auditor or auditors shall be fixed by the Board of Directors.

15.5 *Examination of Records* At least once in every fiscal year, the accounts of the Association shall be examined and the correctness of such accounts and the balance sheet shall be certified by the auditor or auditors appointed. Such audited accounts shall be presented at the next Annual General Meeting of the Association.

## **16. LANGUAGE**

16.1 The official languages of the Association shall be English and French. In constructing this By-law, both its English and French version are equally authentic.

## **17. EFFECTIVE DATE**

17.1 This By-Law No. 2 came into full force and effect when made by the directors in accordance with the Act.

17.2 All previous By-laws of the Corporation are repealed as of the coming into force of this By-law. Such repeal does not affect the previous operation of any By-law so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under any such By-law prior to its repeal.

This by-law was made by resolution of the directors on Oct 9, 2020.

### Document history:

6-Oct-2020	Draft for Board approval (legal review completed)
9-Oct-2020	Approved by the Board of Directors
4-Dec-2020	Approved by the Members
18-Jan-2021	By-Law filed with Industry Canada