

**CANADIAN ELECTRICAL STEWARDSHIP ASSOCIATION**

**BY-LAW NO. 1**

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**CANADIAN ELECTRICAL STEWARDSHIP ASSOCIATION**  
**(the "Corporation")**

**BY-LAW NO. 1**

A by-law relating generally to the transaction of the business and affairs of the Corporation.

**Article 1**  
**Interpretation**

**1.1 Interpretation**

In this by-law:

- (a) **"Act"** means the *Canada Not-for-profit Corporations Act* (Canada), S.C. 2009, c. C-23, and the regulations made under it, each as amended or re-enacted from time to time;
- (b) **"board"** means the board of directors of the Corporation;
- (c) **"by-law"** means any by-law of the Corporation in effect from time to time;
- (d) **"EPR regulation"** means the extended producer responsibility regulation of any province of Canada;
- (e) **"meeting of members"** means an annual or special meeting of members of the Corporation;
- (f) **"observer"** means a person who is deemed by the Corporation to be a valued contributor to its policy development activities, including without limitation a representative of the Retail Council of Canada, the Association of Home Appliance Manufacturers, and the Canadian Housewares and Hardware Manufacturers Association, who may be admitted to a meeting of members, of directors, or of a committee, subject to any by-law, policy or any other terms of participation prescribed from time to time by the board;
- (g) **"producer"** means the party who is or may be deemed to be subject to the EPR regulation of any province of Canada, as a producer, steward, or other obligated party under that regulation;
- (h) unless otherwise specified, all words and expressions contained in this by-law and that are defined in the Act have the meanings given to them in the Act;
- (i) any reference to gender includes all genders and words importing the singular number include the plural and vice versa;
- (j) any reference to persons shall include firms and corporations; and

- (k) the inclusion of headings and a table of contents are provided for convenience only and do not affect the construction or interpretation of this by-law.

## **1.2 Conflicts with the Act**

If any provision in this by-law (or any other by-law) contravenes any provision in the Act, the provision in the Act will govern.

## **1.3 Unanimous Member Agreement**

If any provision in this by-law (or any other by-law) conflicts with any provision in a unanimous member agreement validly made under the Act, the provision in the unanimous member agreement will govern to the extent permitted by the Act.

## **Article 2** **Activities of the Corporation**

### **2.1 Head Office**

Until changed in accordance with the Act, the head office of the Corporation shall be in the Province of Ontario.

### **2.2 Financial Year**

Unless otherwise determined by the board of directors, the financial year-end of the Corporation shall be December 31st in each year.

### **2.3 Banking Arrangements**

Banking transactions will be made with the bank(s) or other financial institution(s) approved by the board from time to time, and banking transactions will be made on the Corporation's behalf by the director(s), officer(s) or other person(s) designated, directed or authorized by the board from time to time and to the extent so designated, directed or authorized.

### **2.4 Execution of Contracts, Documents and Instruments by the Corporation**

Contracts, documents or instruments in writing requiring the signature of the Corporation may be signed on behalf of the Corporation by any two officers, any two or directors, or any one officer and one director of the Corporation. In addition, the board may from time to time authorize any officer or officers of the Corporation, any director or directors of the Corporation, or any other person or persons, either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing and the manner in which those contracts, documents or instruments in writing may or will be signed.

**Article 3**  
**Membership**

**3.1 Membership Class and Conditions**

**3.1.1** Subject to the articles, there shall be one class of members in the Corporation, namely, Producer Members. The board of directors of the Corporation may, by resolution, approve the admission of the members of the Corporation. Members may also be admitted in such other manner as may be prescribed by the board by resolution. The following conditions of membership shall apply.

**3.1.2** Membership in the Corporation shall be limited to persons who are interested in furthering the objects of the Corporation, who are companies incorporated in Canada, and who operate in a province where the Corporation operates a stewardship program.

**3.1.3** Producer membership shall be limited to producers who are or may be deemed to be subject to the EPR regulation of any province of Canada in which the Corporation operates a stewardship program.

**3.2 Membership Agreement**

**3.2.1** In addition to any other conditions of membership established by this by-law or any other by-law of the Corporation, or by the board of directors from time to time, each member shall, as a condition of membership, agree to be bound by and to abide by the terms and conditions of the Corporation's Membership Agreement from time to time in effect.

**3.2.2** The board of directors may amend, change or modify the Membership Agreement from time to time in effect, although not more often than once in any twelve (12) month period, by approving such amendments, changes or modifications at a meeting of the directors held for that purpose, if such amendments, changes or modifications are approved by not less than sixty-six per cent (66%) of the directors in attendance at the meeting, in which event such amendments, changes and modifications, and the resulting revised Membership Agreement, shall be valid and effective and applicable to each member from and after a date specified by the board of directors which is at least ninety (90) days following notification to the members of such amendments, changes and modifications.

**3.3 Dues**

There shall be no membership fees or dues unless otherwise determined by the board of directors.

**3.4 Voting Rights of Members**

Each of the members of the Corporation is entitled to one vote at any meeting of members.

### **3.5 Termination of Membership and Member's Rights**

**3.5.1** Unless the articles otherwise provide, a membership is terminated automatically, when:

- (a) three-quarters (3/4) of the members of the Corporation voting at an annual or special meeting vote to terminate the member's membership, provided that any such member shall be granted the opportunity to be heard at such meeting;
- (b) the member's term of membership, if any, expires; or
- (c) the Corporation is liquidated and dissolved under the Act.

**3.5.2** Unless the articles otherwise provide, a membership is terminated voluntarily, when the member delivers a written resignation to the Corporation, with a copy to the Secretary of the Corporation.

**3.5.3** Unless the articles otherwise provide, the rights of a member, including any rights in the property of the Corporation, cease to exist on termination of the membership.

## **Article 4** **Directors**

### **4.1 Number of Directors**

The property and business of the Corporation shall be managed by a board of not less than three (3) and not more than fifteen (15) directors. The members shall, from time to time by ordinary resolution, fix the number of directors of the Corporation and the number of directors to be elected at annual meetings of the members, but no decrease in the number of directors will shorten the term of an incumbent director.

### **4.2 Eligibility**

Directors must be members of the Corporation or employees or directors of a member of the Corporation. All directors shall be "ordinarily resident" in Canada under the *Income Tax Act*.

### **4.3 Election and Term**

**4.3.1** Subject to the Act, the members of the Corporation shall, by ordinary resolution at each annual meeting at which an election of directors is required, elect the number of directors required to satisfy section 4.1.

**4.3.2** Directors shall be appointed for a term of one (1), two (2) or three (3) years, with the intention that, so far as possible:

- (a) a similar number of directors will be appointed for a one (1) year term, a two (2) year term, and a three (3) year term; and
- (b) one-third of the directors retire in each year.

**4.3.3** The board has no power to appoint honorary or *ex officio* directors.

#### **4.4 Ceasing to Hold Office**

A director ceases to hold office when the director (i) dies, (ii) is removed from office by the members of the Corporation in accordance with section 4.5 of this by-law, (iii) becomes disqualified for election as a director, or (iv) resigns, which resignation is effective when the director's written resignation is sent to the Corporation or, if a later time is specified in the resignation, at the later time.

#### **4.5 Removal of Directors**

The members of the Corporation may by ordinary resolution at a special meeting of members remove any director or directors from office, but a director elected by a class or group of members that has an exclusive right to elect the director may only be removed by an ordinary resolution of those members. A vacancy created by the removal of a director may be filled at the meeting of the members at which the director is removed or, if not so filled, may be filled by the board in accordance with the Act. Subject to the Act, if all of the directors of the Corporation have resigned or have been removed without replacement, a person who manages or supervises the management of the activities or affairs of the Corporation is deemed to be a director for the purposes of the Act.

#### **4.6 Vacancies**

Subject to the Act, a quorum of directors may fill a vacancy among the directors, except a vacancy resulting from an increase in the number or the minimum or maximum number of directors provided for in the articles or a failure to elect the number or minimum number of directors provided for in the articles.

#### **4.7 Remuneration and Expenses of Directors**

Subject to the articles and any unanimous member agreement, a director shall serve as such without remuneration from the Corporation. A director may receive reasonable remuneration and expenses for any services to the Corporation that are performed in any other capacity. A director may receive indemnification for reasonable expenses incurred on behalf of the Corporation as a director.

### **Article 5** **Meetings of Directors**

#### **5.1 Powers and Duties of Directors**

Subject to the Act, the articles, the by-laws and any unanimous member agreement, the directors shall manage or supervise the management of the activities and affairs of the Corporation. Every director of the Corporation in exercising their powers and discharging their duties shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Every director of the Corporation shall comply with the Act, the articles, the by-laws and any unanimous member agreement.

## **5.2 Transaction of Affairs**

The powers of the board may be exercised at a meeting at which a quorum is present or by a resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board.

## **5.3 Quorum**

Subject to the articles, a majority of the number of directors determined in accordance with section 4.1 of this by-law constitutes a quorum for the transaction of affairs at any meeting of the board, and, despite any vacancies on the board, a quorum of directors may exercise all the powers of the board.

## **5.4 Calling of Meetings**

Meetings of the board may be called at any time by the Chair of the board, the President (if the President is a director), a Vice-President who is a director, or any two directors, and may be held at such time and place as the director or directors calling the meeting may determine.

## **5.5 Notice of Meetings**

Unless the articles otherwise provide, notice of the time and place of the meeting must be given to each director not less than forty-eight (48) hours before the time when the meeting is to be held. A notice of a meeting of the board need not specify the purpose of or the business to be transacted at the meeting unless the Act requires that purpose or business to be specified.

## **5.6 Waiver of Notice**

A director may waive notice of a meeting of the board, and attendance of a director at a meeting of the board is a waiver of notice of the meeting, except if the director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

## **5.7 Persons Entitled to Attend**

The only persons entitled to attend a meeting of the board are the directors, and others who, although not entitled to vote, are entitled or required under the Act, the articles or the by-laws to be present at the meeting. Any other person, including observers at the meeting, may be admitted on the invitation of the chair of the meeting, subject to compliance with any policy or other terms of participation prescribed from time to time by the board.

## **5.8 Voting at Meetings**

**5.8.1** Only directors may vote at a meeting of the board.

**5.8.2** Questions arising at any meeting of the board will be decided by a majority of the votes cast on the question. In case of an equality of votes the chair of the meeting will not be entitled to a second or casting vote. 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.

## **5.9 Written Resolution In Lieu of Meeting**

A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of the board or a committee of the board, is as valid as if it had been passed at a meeting of the board or a committee of the board.

## **Article 6** **Interest of Directors in Contracts**

### **6.1 Conflict of Interest**

**6.1.1** Any director of the Corporation who:

- (a) is a party to a material contract or proposed material contract with the Corporation, or
- (b) is a director or officer of or has a material interest in anybody corporate or business firm who is a party to a material contract or proposed material contract with the Corporation,

shall disclose in writing at the directors' meeting or have entered in the minutes, the nature and extent of such director's interest in such material contract or proposed material contract with the Corporation.

**6.1.2** The disclosure required by 6.1.1 above, shall be made:

- (a) at the directors' meeting at which a proposed contract is first considered;
- (b) if the director was not then interested in a proposed contract, at the first directors' meeting after such director becomes so interested; or
- (c) if the director becomes interested after a contract is made, at the first directors' meeting held after the director becomes so interested.

**6.1.3** If a contract or a proposed contract is one that, in the ordinary course of carrying on the Corporation's non-pecuniary purpose or purposes, would not require approval by the directors or members, a director shall disclose in writing the nature and extent of the director's interest at the first directors' meeting held after the director becomes aware of the contract or proposed contract.

**6.1.4** A director referred to in sub-section 6.1.1 above is liable to account for any profit made on the contract by the director or by a corporate entity or business firm in which the director has a material interest, unless

- (a) the director disclosed the director's interest in accordance with sub-sections 6.1.2 or 6.1.3 above or 6.1.7 below;
- (b) after such disclosure the contract was approved by the directors or members; and
- (c) the contract was reasonable and fair to the Corporation at the time it was approved.

**6.1.5** Provided that a director who has made a declaration of the director's interest in a contract or a proposed contract and has not voted in respect of such contract contrary to the prohibition contained in sub-section 6.1.6 below, if such prohibition applies, is not accountable to the Corporation or any of its members or creditors by reason only of such director holding that office or of the fiduciary relationship thereby established, for any profit realized by such contract.

**6.1.6** A director referred to in sub-section 6.1.1 above shall not vote on any resolution to approve the contract, unless the contract is an arrangement by way of security for money lent to or obligations undertaken by the director for the benefit of the Corporation.

**6.1.7** For the purposes of this section 6.1, a general written notice to the directors by a director declaring that the person is a director or officer of or has a material interest in a body corporate or business firm and is to be regarded as interested in any contract made therewith, is a sufficient declaration of interest in relation to any contract so made.

**6.1.8** A contract is not void by reason only of the failure of a director to comply with the provisions of this section 6.1, but the court may upon the application of the Corporation or a member, set aside a contract in respect of which a director has failed to comply with the provisions of this section 6.1, and the court may make any further order it thinks fit.

## **Article 7**

### **Committees of the Board**

#### **7.1 Committees of Directors**

**7.1.1** The board may appoint from their number a managing director or one or more committees of directors, however designated, and delegate to the managing director or those committees any powers of the board except those that pertain to matters which, under the Act, a managing director or committee of the board has no authority to exercise. Any member of a committee of the board may be removed by a majority vote of the board of directors.

**7.1.2** The only persons entitled to attend a meeting of a committee of directors are the directors appointed to the committee under subsection 7.1.1, and others who, although not entitled to vote, are entitled or required under the Act, the articles or the by-laws to

be present at the meeting. Any other person, including observers at the meeting, may be admitted on the invitation of the chair of the meeting, subject to compliance with any policy or other terms of participation prescribed from time to time by the board.

## **7.2 Transaction of Business**

The powers of a committee of the board may be exercised at a meeting at which a quorum is present or by a resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the committee.

## **7.3 Procedures**

Unless otherwise determined by the board, each committee of the board has the power to fix its quorum at not less than a majority of its members, to elect its chair and to regulate its procedure.

## **7.4 Executive Committee**

There may be an executive committee composed of three (3) directors who shall be appointed by the board of directors. Meetings of the executive committee shall be held at any time and place to be determined by the members of the committee provided that notice of the time and place of the meeting is given to each member of the committee not less than forty-eight (48) hours before the time when the meeting is to be held.

## **Article 8** **Officers**

### **8.1 Designation and Appointment**

Subject to the articles and any unanimous member agreement, the board may designate the offices of the Corporation, appoint as officers persons of full capacity, specify their duties and, subject to the Act, delegate to them powers to manage the activities and affairs of the Corporation. Subject to the articles and any unanimous member agreement, a director may be appointed to any office of the Corporation and two or more offices of the Corporation may be held by the same person.

### **8.2 Powers and Duties**

#### **8.2.1** Every officer of the Corporation shall:

- (a) perform all powers and duties incident to their respective offices and such other powers and duties respectively as may from time to time be assigned to them by the board;
- (b) in exercising their powers and discharging their duties, act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances; and

- (c) comply with the Act and the regulations made under it, the articles, the by-laws and any unanimous member agreement.

**8.2.2 Chair.** The chair shall preside at all meetings of the members and of the board of directors and shall perform such other duties as shall from time to time be imposed upon the chair by the board of directors.

**8.2.3 Vice-Chair.** The vice-chair shall, in the absence or disability of the chair, perform the duties and exercise the powers of the chair and shall perform such other duties as shall from time to time be imposed upon the vice-chair by the board of directors.

**8.2.4 President.** The president shall be the chief executive officer of the Corporation, shall have the general and active management of the affairs of the Corporation and shall see that all orders and resolutions of the board of directors are carried into effect.

**8.2.5 Treasurer.** The treasurer shall have the custody of the funds and securities of the Corporation and shall keep full and accurate accounts of all assets, liabilities, receipts and disbursements of the Corporation in the books belonging to the Corporation and shall deposit all monies, securities and other valuable effects in the name and to the credit of the Corporation in such chartered bank or trust company, or, in the case of securities, in such registered dealer in securities as may be designated by the board of directors from time to time. The treasurer shall disburse the funds of the Corporation as may be directed by proper authority, taking proper vouchers for such disbursements, and shall render to the president and directors at the regular meeting of the board of directors, or whenever they may require it, an accounting of all the transactions and a statement of the financial position of the Corporation. The treasurer shall also perform such other duties as may from time to time be directed by the board of directors.

**8.2.6 Secretary.** The secretary may be empowered by the board of directors, upon resolution of the board of directors, to carry on the affairs of the Corporation generally under the supervision of the officers thereof and shall attend all meetings and act as clerk thereof and 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 board of directors or by the president.

**8.2.7 Compliance Officer.** The compliance officer shall perform such duties relating to data, regulatory, and governance compliance as shall from time to time be imposed upon the compliance officer by the board of directors.

**8.2.8 Duties of Other Officers.** The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the board of directors requires of them.

### **8.3 Term of Office; Removal**

An officer ceases to hold office at the earliest of (i) that officer's death, (ii) that officer's removal from office by the board in accordance with this section, (iii) that officer ceasing to be a director if being a

director is a necessary qualification of that officer's appointment, (iv) that officer's resignation, which resignation is effective when that officer's written resignation is sent to the Corporation or, if a later time is specified in that resignation, at the later time, (v) the appointment of that officer's successor, or (vi) the meeting at which the board annually appoints the officers of the Corporation. All officers, in the absence of agreement to the contrary, are subject to removal by resolution of the board at any time, with or without cause.

#### **8.4 Vacancies**

If the office of any officer of the Corporation becomes vacant for any reason, the board may appoint a person to fill that vacancy.

### **Article 9** **Protection of Directors and Officers**

#### **9.1 Indemnification**

**9.1.1** Subject to the Act, the Corporation shall indemnify a present or former director or officer of the Corporation, or another individual who acts or acted at the Corporation's request as a director or an officer or in a similar capacity of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by 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 Corporation or other entity.

**9.1.2** The Corporation shall not indemnify an individual under subsection 9.1.1 unless the individual:

- (a) acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the Corporation's request; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that their conduct was lawful.

**9.1.3** The Corporation shall also indemnify an individual referred to in subsection 9.1.1 in such other circumstances as the Act or law permits or requires. Nothing in this by-law limits the right of any individual entitled to indemnity to claim indemnity apart from the provisions of this by-law to the extent permitted by the Act or law.

#### **9.2 Insurance**

The Corporation may purchase and maintain insurance for the benefit of an individual referred to in subsection 9.1.1 of this by-law against any liability incurred by that individual, (i) in the individual's capacity as a director or an officer of the Corporation, or (ii) in the individual's capacity as a director or

an officer, or in a similar capacity, of another entity, if the individual acts or acted in that capacity at the Corporation's request.

## **Article 10** **Meetings of Members**

### **10.1 Annual Meetings**

The board shall call an annual meeting of members not later than eighteen months after the Corporation comes into existence and, subsequently, not later than fifteen months after the last preceding annual meeting but not later than six months after the end of the Corporation's preceding financial year, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing a public accountant and transacting any other business that may be properly brought before the meeting.

### **10.2 Special Meetings**

The board may at any time call a special meeting of members, and, subject to the quorum requirements in section 10.4 below, a special meeting of members may be held in conjunction with an annual meeting of members. The board shall call a special meeting of members on written requisition of members carrying not less than twenty-five percent (25%) of the voting rights.

### **10.3 Place of Meetings**

Meetings of members will be held at such place within Canada as the board determines. Alternatively, a meeting of members may be held at a place outside Canada if the place is specified in the articles or all the members entitled to vote at that meeting agree that the meeting is to be held at that place. A member who attends a meeting of members held outside Canada is deemed to have agreed to it being held outside Canada except when the member attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully held.

### **10.4 Quorum**

A quorum at an annual meeting of members will be five percent (5%) of the members present in person or represented by proxy. A quorum of a special meeting of members will be ten percent (10%) of the members present in person or represented by proxy. No business may be transacted at any meeting of members unless a quorum is present at the time of the transaction of the business. If a quorum is present at the opening of a meeting of members, the members present may proceed with the business of the meeting, even if a quorum is not present throughout the meeting. If a quorum is not present at the opening of a meeting of members, the members present may adjourn the meeting to a fixed time and place but may not transact any other business.

### **10.5 Written Resolution in Lieu of Meeting**

Subject to the Act, a resolution in writing signed by all the members of the Corporation entitled to vote on that resolution at a meeting of members is as valid as if it had been passed at a meeting of members.

## **10.6 Participation in Meeting by Electronic Means**

Any person entitled to attend a meeting of members may participate in the meeting, in accordance with the Act, by means of a telephonic, an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the Corporation makes available such a communication facility, and a person so participating in the meeting is deemed for the purposes of the Act to be present at the meeting.

## **10.7 Meeting Held by Electronic Means**

If the board or members of the Corporation call a meeting of members under the Act, those directors or members, as the case may be, may determine that the meeting will 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.

## **10.8 Notice of Meetings**

**10.8.1** The Corporation shall give members entitled to vote at a meeting of members notice of the time and place of the meeting in one or more of the following manners:

- (a) by mail, courier or personal delivery to each member entitled to vote at the meeting at the member's latest address as shown in the records of the Corporation, during a period of 21 to 60 days before the day on which the meeting is to be held; or
- (b) by telephonic, electronic or other communication facility to each member entitled to vote at the meeting, during a period of 21 to 35 days before the day on which the meeting is to be held.

**10.8.2** The Corporation shall send the public accountant and the board notice of the time and place of any meeting of members during a period of 21 to 60 days before the day on which the meeting is to be held.

**10.8.3** Notice of a meeting of members at which special business (as defined in the Act) is to be transacted must state the nature of that business in sufficient detail to permit a member to form a reasoned judgment on the business and state the text of any special resolution to be submitted to the meeting.

## **10.9 Persons Entitled to Attend**

The only persons entitled to attend a meeting of members are those entitled to vote at that meeting, the directors and the public accountant of the Corporation and others who, although not entitled to vote, are entitled or required under the Act, the articles or the by-laws to be present at the meeting. Any other person, including observers at the meeting, may be admitted on the invitation of the chair of the meeting, subject to compliance with any policy or other terms of participation prescribed from time to time by the board.

**10.10 Chair and Secretary**

**10.10.1** The Chair of the board or, in the Chair of the board's absence, the Vice-Chair of the board or, in the Vice-Chair of the board's absence, the President shall be the chair at any meeting of members. If none of these officers is present at a meeting, the persons present and entitled to vote at that meeting shall choose a director present at the meeting to be the chair, and if no director is present or if all the directors present decline to take the chair, then the persons present and entitled to vote shall choose one of their number to be the chair.

**10.10.2** The Secretary of the Corporation shall act as secretary at any meeting of members and, if the Secretary of the Corporation is not present at a meeting, the chair of the meeting shall appoint a person who need not be a member to act as secretary for that meeting.

**10.11 Voting at Meetings**

**10.11.1** Only members may vote at a meeting of members.

**10.11.2** Subject to section 10.12 of this by-law, voting at a meeting of members will be by show of hands, except if a ballot is demanded by a member or proxyholder entitled to vote at the meeting. A member or proxyholder may demand a ballot either before or after any vote by show of hands. A demand for a ballot may be withdrawn.

**10.11.3** On a show of hands, every person who is present and entitled to vote at the meeting will have one vote. If a ballot is taken on a question, every person who is present and entitled to vote at the meeting will have, subject to the Act or the articles, one vote.

**10.11.4** Despite clause 10.11.1, any vote referred to in that clause may be held, in accordance with the regulations under the Act, if any, entirely by means of a telephonic, an electronic or other communication facility, if the Corporation makes available such a communication facility.

**10.11.5** If at any meeting a ballot is demanded on the election of a chair or on the question of adjournment, it will be taken immediately without adjournment. If at any meeting a ballot is demanded on any other question, including the election of directors, the vote will be taken by ballot in the manner and at the time (at once, later in the meeting or after adjournment) as the chair of the meeting directs. The result of a ballot on a question will be the decision of the members on that question.

**10.11.6** 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.

**10.11.7** Subject to the Act, the articles or any unanimous member agreement, every question at any meeting of members will be determined by a majority of the votes cast on the question. In case of an equality of votes, either on a show of hands or on a ballot, the chair of the meeting will not be entitled to a second or casting vote.



**10.12 Absentee Voting**

**10.12.1** Members of the Corporation not in attendance at a meeting of members and who are entitled to vote at that meeting may vote by appointing in writing a proxyholder, and one or more alternate proxyholders, who are not required to be members, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by it subject to the requirements set out in the regulations under the Act.

**10.12.2** Subject to the Act, a proxy may be in the following form:

The undersigned member of [ ] hereby appoints [ ] of [ ] or failing him, [ ] of [ ] as the proxy of the undersigned to attend and act at the [ ] meeting of the members of the said Corporation to be held on the [ ] day of [ ], [ ], and at any adjournment or adjournments thereof in the same manner, to the same extent and with the same power as if the undersigned were present at the said meeting or such adjournment or adjournment thereof.

DATED the [ ] day of [ ], [ ].

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Signature of Member

Print Name of Member:

**10.12.3** The board may from time to time make regulations regarding the lodging of proxies at a place other than the place at which a meeting of members is to be held and for particulars of those proxies to be provided before the meeting to the Corporation or any agent of the Corporation for the purpose of receiving those particulars and providing that proxies so lodged may be voted upon as though the proxies themselves were produced at the meeting, and votes given in accordance with those regulations will be valid and will be counted. The chair of any meeting of members may, subject to any such regulations, in its discretion, accept any legible form of communication as to the authority of any person claiming to vote on behalf of and to represent a member notwithstanding that no proxy conferring such authority has been lodged with the Corporation, and any votes given in accordance with the communication accepted by the chair of the meeting will be valid and will be counted.

**Article 11**  
**Notices**

**11.1 Method of Giving Notices**

**11.1.1** This section 11.1 does not apply to notices of meetings of members sent to members under section 10.8.

- 11.1.2** A notice or other document required by the Act, the articles or the by-laws to be sent to a member, director or the public accountant of the Corporation (each an “addressee”) may be sent by prepaid mail addressed to, or may be delivered personally to,
- (a) the member at the member’s latest address as shown in the records of the Corporation;
  - (b) the director at the director’s latest address as shown in the records of the Corporation or in the last notice that was sent by the Corporation in accordance with the Act and received by the Director; and
  - (c) to the public accountant at the public accountant’s business address.

**11.1.3** A notice or other document sent by prepaid mail to a member in accordance with clause 11.1.2(a) or to a director in accordance with clause 11.1.2(b) is deemed to be received at the time it would be delivered in the ordinary course of mail unless there are reasonable grounds for believing that the member or director did not receive the notice or document at that time or at all.

## **11.2 Sending Notices by Electronic Means**

**11.2.1** This section 11.2 does not apply to notices of meetings of members sent to members under section 10.8.

**11.2.2** Subject to subsection 11.2.3, a notice, document or other information may be sent to an addressee (i) by fax, (ii) by electronic mail, or (iii) in another form of electronic document.

**11.2.3** A notice, document or other information may be sent to an addressee by fax, by electronic mail or in another form of electronic document only if the addressee has consented in writing and all other requirements under the Act in respect of the creation and provision of electronic documents have been complied with. An addressee may revoke consent in writing. If an addressee revokes consent to receive notices, documents or other information in an electronic document (including by fax or electronic mail), the Corporation shall send notices, documents and other information to that addressee in the manner described in section 11.1.

## **11.3 Omissions and Errors**

The accidental omission to give any notice to any member, director, officer, member of a committee of the board or public accountant, or the non-receipt of any notice by any such person where the Corporation has provided notice in accordance with the by-laws or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or which was otherwise founded on such notice.

**Article 12**  
**Amendments to By-Law**

Unless the articles, by-laws or any unanimous member agreement otherwise provide, the board may, by resolution, make, amend or repeal any by-laws that regulate the activities or affairs of the Corporation, except in respect of matters referred to in the Act that require a special resolution of the members of the Corporation. If the board makes, amends or repeals a by-law, the board shall submit the by-law, amendment or repeal to the members at the next meeting of members, and the members may, by ordinary resolution, confirm, reject or amend that by-law, amendment or repeal.

**Article 13**  
**Effective Date**

Subject to this Article 13, a by-law, an amendment or a repeal of a by-law is effective from the date of the resolution of the board, and if it is confirmed, or confirmed as amended, by the members of the Corporation it remains effective in the form in which it was confirmed. A by-law, an amendment or a repeal of a by-law ceases to have effect if it is not submitted by the board to the members of the Corporation as required under Article 12 or if it is rejected by the members. If a by-law, an amendment or a repeal of a by-law ceases to have effect, a subsequent resolution of the board that has substantially the same purpose or effect is not effective until it is confirmed, or confirmed as amended, by the members of the Corporation.

**MADE** by the board on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary