



BY-LAW NO. 1

LAST UPDATED June 4, 2023

CHANGES RATIFIED AND APPROVED CAA NIAGARA AGM 2023

A BY-LAW RELATING GENERALLY TO THE CONDUCT OF THE AFFAIRS OF CAA NIAGARA

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BE IT ENACTED AS A BY-LAW OF THE CORPORATION AS FOLLOWS:

ARTICLE ONE

INTERPRETATION

- 1.01 **DEFINITIONS** - In this by-law and all other by-laws and resolutions of the Corporation, unless the context otherwise requires:
- a) words importing the singular number only shall include the plural and vice versa;
 - b) words importing persons shall include companies, corporations, societies, associations, partnerships and any number or aggregate of persons;
 - c) "Act" means the Not-For-Profit Corporations Act, (Ontario), as amended from time to time, or any Act that may hereafter be substituted therefore;
 - d) "Board" means the Board of Directors of the Corporation;
 - e) "CAA National" means the Canadian Automobile Association/L'Association Canadienne des Automobilistes;
 - f) "Corporation" means CAA Niagara;
 - g) "Expiry Date" means a date that is one year after the date upon which a person becomes a member of the Corporation;
 - h) "President" means the President and Chief Executive Officer (CEO) of the Corporation.
 - i) "CFO" means Vice President of Finance or Chief Financial Officer.
 - i) Member – an eligible person whose membership application has been approved by the corporation;
 - k) Membership Handbook- a publication that is sent out to new members when they join describing the benefits that are offered by the club. It is also found on the Corporation's website.
 - l) "Officer" means any Officer of the Board or Officer of the Corporation as more specifically defined herein.
- 1.02 All terms defined in the Act have the same meanings in this by-law and all other By-laws and resolutions of the Corporation.
- 1.03 CAA Niagara is constituted as a not-for-profit Corporation.

ARTICLE TWO

TRANSACTION OF THE AFFAIRS OF THE CORPORATION

- 2.01 All terms defined in the Act have the same meanings in this by-law and all other By-laws and resolutions of the Corporation.
- 2.02 FINANCIAL YEAR - Financial year of the Corporation shall end on such day in each year as the Board may, by resolution duly passed, from time to time determine.
- 2.03 TERRITORY - The Corporation shall be responsible for club services to members within the area known as the Regional Municipality of Niagara or such lesser or greater area as the Board may, by resolution duly passed, determine. The Corporation shall not maintain an office, render services or sell memberships in the regular course of business, either directly or indirectly, outside of the Corporation's territory unless it has obtained the written consent of the Corporation, club or division in whose territory the Corporation shall operate and forwarded this consent to the Secretary/President of CAA National.
- 2.04 HEAD OFFICE - The Head Office of the Corporation shall be in the Regional Municipality of Niagara in the Province of Ontario and at such place therein as the Board may, by resolution duly passed from time to time, determine.
- 2.05 BRANCH OFFICES - The Board may establish branch offices elsewhere within the territory as the Board may, by resolution duly passed from time to time, determine.
- 2.06 EXECUTION OF INSTRUMENTS - Deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by any two of the following: President, Vice-President of Finance and Administration, or the Chair. In addition, the Board may, from time to time, direct the manner in which and the person or persons by whom any particular instrument or class of instruments may or shall be signed.
- 2.07 BANKING ARRANGEMENTS - The banking business of the Corporation shall be transacted with such banks, trust companies or other firms or corporations as may from time to time be designated by or under the authority of the Board. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations of powers as the Board may from time to time prescribe or authorize.

- 2.08 DEPOSIT OF SECURITIES - The securities of the Corporation shall be deposited for safekeeping with one or more banks, trust companies, other financial institutions or brokerage firms to be selected by the Board. Any and all securities so deposited may be withdrawn, from time to time, only upon the written order of the Corporation signed by such director(s), officer(s), agent(s) of the Corporation, and in such manner, as shall from time to time be determined, by resolution of the Board and such authority may be general or confined to specific instances.
- 2.09 MEMBERSHIP RECORDS - A record of members shall be kept in which the names, of all persons who are members and the address of every such person shall be recorded.
- (1) The use or disclosure of personal information regarding the members or membership records will not be disclosed without the prior written consent and knowledge of the member or members.
- (2) The record of members and all other official records of the club shall be final and conclusive evidence of:
- a) the commencement or expiry date of any memberships;
 - b) the right to use or benefit from the Corporation's services or privileges;
 - c) the date of which the Corporation accepts payment and renews membership.
- 2.10 OTHER RECORDS - Minutes of the meetings of the members, the Board, and any Board committee shall be recorded and confirmed at the next succeeding meeting by ordinary resolution. Such records shall be maintained in accordance with any policy as may be determined by the board from time to time.
- 2.11 AFFILIATION - The Corporation shall endeavour, by use of its best efforts, to obtain and maintain a membership in good standing in CAA National and to participate in the activities of such body. The Corporation shall derive rights and privileges of national and international affiliation solely by affiliation with CAA National and AAA (American Automobile Association).
- 2.12 REAL PROPERTY - Subject to the provisions of the Act, the Corporation may acquire by purchase, lease or otherwise any land or interest therein necessary for its actual use and occupation or for carrying on its undertaking.

- 2.13 NOTICE - Any notice (which term includes any communication or document) to be given, sent, delivered or served pursuant to the Act, Letters Patent, the by-laws or otherwise to a member, Director, officer or auditor shall be sufficiently given if given by any of the following methods:
- a) oral or telephone communication;
 - b) facsimile or electronic transmission;
 - c) personal delivery;
 - d) prepaid mail addressed to the recipient at his or her last known address as recorded in the records of the Corporation. For clarity such notice may be included in a CAA National or CAA Niagara publication or magazine mailed to the Member;

A notice orally given by telephone or by delivery shall be deemed to have been given at the time when it was so given or delivered by facsimile or electronic transmission shall be deemed to have been given when it is transmitted; a notice given by mail shall be deemed to have been given four days after the date of mailing.

- 2.14 COMPUTATION OF TIME - In computing the date when notice must be given under any provision of the bylaws requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

- 2.15 OMISSIONS AND ERRORS - The accidental omission to give any notice to any member, Director, officer or auditor or the non-receipt of any notice by any member, Director, officer or auditor or any error in notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise found thereon.

- 2.16 WAIVER OF NOTICE - Any member (or his or her duly appointed proxy or representative), Director, officer or auditor may waive any notice required to be given to him or her under any provision of the Act or the Letters Patent or the by-laws of the Corporation and such waiver, whether given before or after the meeting or other event of which the notice is required to be given, shall cure any default in giving such notice.

- 2.17 AUDITOR - The members shall at each annual meeting appoint an auditor to audit the accounts of the Corporation and to hold office until the next annual meeting, provided that the Board may fill any casual vacancy in the office of the auditor. The Board shall fix the remuneration of the auditor.

- 2.18 DISSOLUTION - Upon the dissolution of the Corporation and after payment of all debts and liabilities thereof, the remaining property or part thereof shall not be divided among the members but shall be distributed or disposed of to charitable organization or organizations whose objects are beneficial to the community having like or similar objects to those of the Corporation.

ARTICLE THREE

MEMBERSHIP

- 3.01 ELIGIBILITY - Any person of legal driving age is eligible for membership in the Corporation.
- 3.02 APPLICATION - Eligible persons may apply for membership in the Corporation by submitting:
- a) a written application or
 - b) an electronic application or
 - c) an application that is submitted over the telephone; and the appropriate annual fees for the desired class of membership.
- 3.03 ADMISSION - Where an application for membership is approved by the Corporation, the Corporation shall issue a membership card/certificate which shall state that membership is subject to the bylaws and regulations of the Corporation and which membership card/certificate shall be null and void and of no effect if such membership is terminated or suspended for any reason. The membership card/certificate shall specify the month and day when the membership will expire.
- 3.04 CLASSES OF MEMBERSHIP - There shall be the following classes of membership in the Corporation:
- a) Primary members of the Corporation are entitled to receive notice of, attend and vote at all meetings of the members.
 - b) Associate members are derivative members of the Corporation who are members of the family of a primary member and reside with that primary member and through the primary member become eligible for membership. Associate members are not entitled to receive notice of, attend nor vote at any meetings of the members. The exception to the residency requirement for an Associate member is when they are away at school.
 - c) Other classes of membership as determined by the Board from time to time.

All rights and privileges of associate membership shall cease upon the termination of the membership of the primary member through whom such rights and privileges were obtained. Such an associate member may, if qualified, become a primary member upon payment to the Corporation of such sum of money which, together with the pro-rata amount of such member's unexpired membership fee, would constitute payment in full of a pro-rata amount of a primary member's fees for the remainder of the membership year.

- 3.05 FEES - The annual fee payable by each class of member shall be in an amount to be fixed from time to time by the Board of Directors.
- 3.06 TERM OF MEMBERSHIP - Membership shall be for a term of one year from the date of commencement of membership as shown in the records of the Corporation but may be renewed in accordance with the provisions of section 3.08.
- 3.07 TERMINATION - Membership in the Corporation is personal and not transferable, assignable or otherwise conveyable and automatically terminates upon the happening of any of the following events:
- a) the Expiry Date, unless renewed in accordance with paragraph 3.08;
 - b) upon the receipt, by the Corporation, of a written notice of resignation of a member;
 - c) upon the death of a member;
 - d) Upon dissolution of the Corporation;
 - e) subject to section 3.09, by decision of the Board where, in the opinion of the Board, a member makes excessive or unreasonable use of the Corporation's privileges or services or engages in conduct deemed prejudicial to the Corporation.

There shall be no refund or abatement of membership fees upon termination of membership with the following exceptions:

- Death of a member: If road service has not been used in the current membership year, a pro-rated refund is calculated and returned to the estate less a \$20.00 processing fee.
- Member Stops Driving: If road service has not been used in the current membership year, a pro-rated refund is calculated and returned to the Member less a \$20.00 processing fee.

- 3.08 RENEWAL/GRACE PERIOD - Before a membership expiry date, or within 90 days after such expiry date, a member tenders, and the Corporation accepts, annual dues for a subsequent year, membership shall continue for such subsequent year. If such dues are not paid until after the expiry of the period of grace, membership shall be deemed to have terminated on the expiry date.
- 3.09 ALTERNATE DISCIPLINE METHODS - Where a situation described in paragraph 3.07(e) exists, the Officers of the Corporation may, refuse to renew such membership by refusing the annual fee of such member.
- 3.10 POWER TO DISCIPLINE OR TERMINATE A MEMBER - The Board, may authorize disciplinary action or may terminate any membership for violating any provision of the articles or By-laws. If a membership is to be terminated, the member must receive written notice at least fifteen (15) business days prior to the termination date. The notice shall set out the reasons for the disciplinary action or termination of membership. Any disciplinary action or termination of membership must be done in good faith and in a fair and reasonable manner. The member receiving the notice shall be given the opportunity to be heard orally or provide a written submission to the Board opposing the disciplinary action or termination not less than 5 days before the end of the 15-day period.

ARTICLE FOUR

MEETINGS OF MEMBERS

- 4.01 DEFINITION - For the purpose of this article only, the word "member" shall mean members in good standing in the Corporation.
- 4.02 ANNUAL MEETING - The annual meeting of the members shall be held each year, on a date determined by the Board and, in any event, not more than fifteen (15) months after the holding of the last preceding annual meeting, for the purpose of:
- a. receipt of the agenda;
 - b. receipt of the minutes of the previous annual and subsequent special meetings;
 - c. consideration of the financial statements;
 - d. report of the auditor or person who has been appointed to conduct a review engagement;
 - e. reappointment or new appointment of the auditor or a person to conduct a review engagement for the coming year;
 - f. election of Directors; and

g. such other or special business as may be set out in the notice of meeting.

- 4.03 GENERAL MEETING - The Board may at any time call a general meeting of members for the transaction of any business, the general nature of which is specified in the notice calling the meeting. A general meeting of members may also be called by the members as provided in the Act.
- 4.04 LOCATION OF MEETINGS - Annual and/or general meetings of the members shall be held at the Head Office of the Corporation or elsewhere within the territory as the Board may determine.
- 4.05 NOTICE OF MEETINGS - The date, time and place of a meeting of the members and the general nature or purpose of the meeting shall be sent by one of the methods specified in Section 2.13 of these by-laws not less than ten (10) days nor more than fifty (50) days before the meeting, to the following:
- a) Each member entitled to receive notice of the meeting;
 - b) Each director; and
 - c) The auditor of the Corporation.
- 4.06 QUORUM FOR ANY MEETING OF THE MEMBERS - The quorum shall be 10 members of the Corporation present in person or by proxy, provided that at least 2 members, other than Directors, are present in person at the meeting.
- 4.07 ADJOURNMENTS - If a meeting of the members is adjourned for less than thirty (30) days, it is not necessary to notify any person of the meeting that continues the adjourned meeting other than by announcement at the original meeting. An adjournment may be made with or without a quorum being present.
- 4.08 VOTING BY MEMBERS - Unless otherwise required by the provisions of the Act or by the by-laws of the Corporation, all questions proposed for consideration at a meeting of members shall be determined by a majority of the votes cast by members. In the case of an equality of votes, the Chairperson presiding at the meeting has a second or casting vote.
- 4.10 SHOW OF HANDS - At all meetings of members, every question shall be decided by a show of hands unless required by a by-law of the Corporation or unless a ballot is required by the Chairperson or requested by any member entitled to vote. Whenever a vote by show of hands has been taken upon a question, unless a ballot is requested, a declaration by the Chairperson that the resolution has been carried or lost by a particular majority and an entry to that effect in the minutes of the Corporation is

conclusive evidence of the fact without proof of the number of proportion of votes recorded in favour of or against the motion.

- 4.11 **BALLOT VOTING** - If at any meeting a ballot is requested, it shall be taken in the manner and time as directed by the Chairperson of the meeting. The result of a ballot shall be deemed to be the resolution of the meeting at which the poll was requested. A request for a ballot may be withdrawn at any time prior to the taking of the ballot.
- 4.12 **CHAIRPERSON** - in the absence of the Chairperson of the Board and the Past Chairperson of the Board, the members present at any meeting of members shall choose another Director as Chairperson and if no Director is present or if all the Directors present decline to act as Chairperson, the members present shall choose one of their number to be Chairperson.
- 4.13 **SCRUTINEERS** - At each meeting of members, one or more scrutineers may be appointed by a resolution of the meeting, or by the Chairperson with the consent of the meeting to serve at the meeting. A scrutineer need not be a member of the Corporation.

ARTICLE FIVE

MEMBERS' SERVICES

- 5.01 **SERVICES PROVIDED** - The Corporation will provide members with the services applicable to its membership as described in the Membership Handbook or on the website for the Corporation as approved by the Board from time to time and filed with the corporation. Members purchasing the CAA Plus Program or the CAA Premier Program will receive additional services as described in the Membership Handbook or on the website for the Corporation.
- 5.02 **MINIMUM STANDARDS** - In the provision of members' services, the Corporation shall endeavour, at all times, to comply with the quality standards as those standards are promulgated by CAA National from time to time.
- 5.03 **LIABILITY** - The Corporation does not incur or assume any obligation or legal liability to any member making a claim or demand as a result of any of the services to which a member is entitled. Members' recourse, if any, shall be against those who supplied the said services.

ARTICLE SIX

BOARD OF DIRECTORS

- 6.01 NUMBER - Until changed in accordance with the Act, the affairs of the Corporation shall be managed by a Board of Directors composed of a minimum of three (3) Directors and a maximum of eleven (11) Directors and one ex-officio Director, who shall be the President of the Corporation. A majority of the elected Directors shall constitute a quorum.
- 6.02 QUALIFICATIONS - Any person elected as a Director shall:
- a) be a primary member of the Corporation;
 - b) be at least 18 years of age;
 - c) not be an undischarged bankrupt nor a mentally incompetent person;
 - d) be a member of the Corporation in good standing
- 6.03 ELECTION & TERM - Candidates for the office of elected Director shall include:
- a) the slate of candidates for office proposed by the Governance Committee
 - b) in order to be considered a candidate for the Board of Directors each candidate must be nominated and signed by a minimum of three (3) members who are in good standing at the time of nomination. Nominations must be received in writing and presented to the Chair of the Governance Committee at least sixty (60) days prior to the Annual Meeting.
- 6.04 ELECTION - The required number of Directors to fill vacancies on the Board, if any, shall be elected from among those nominated at each Annual Meeting by the members entitled to vote thereat. Each Director shall hold office until the 3rd annual meeting after qualified.
- 6.05 TERM LIMITS - A Board evaluation process will be used by CAA Niagara to determine whether each member is making a valid contribution to the stewardship of the Club. In order to ensure that the CAA Niagara Board regularly renews itself and ensures a balance of new and experienced directors, CAA Niagara supports the general goal of a term limit that does not exceed 12 years. Exceptions will be allowed for Directors who hold positions on the Boards of CAA National and/or AAA National, for Directors who hold the Chair or Vice Chair position of their Club Board and for Directors who transfer boards as part of a Club merger. In these cases, the Directors may remain on their Club Board until they no longer hold such a position. In addition, where it is in the best interest of the organization, the Board may extend the maximum term of directors by an ordinary resolution.

- 6.06 CHAIRPERSON & VICE-CHAIRPERSON OF THE BOARD - Subsequent to the election of the Directors at the annual meeting, the Directors shall appoint a Chairperson and Vice-Chairperson of the Board from among the Directors. The Chairperson of the Board shall have the duties set out, in Article Nine hereof.
- 6.07 EX-OFFICIO DIRECTOR - The President /Chief Executive Officer shall be an ex-officio Director of the Corporation, but the same person shall not hold the office of Chairperson of the Board at the same time.
- 6.08 CEASING TO BE A DIRECTOR - A person ceases to be a Director upon the happening of any of the following events:
- a) the expiration of his or her three-year term of office and the election of his/her successor;
 - b) death;
 - c) if the person, in writing, resigns as a Director or member of the Corporation;
 - d) if the person ceases to be a member of the Corporation;
 - e) if the person becomes a mentally incompetent person or an undischarged bankruptcy;
 - f) if, at a meeting of the Members, the Members by ordinary resolution removes the Director before the expiration of the Director's term of office.
 - h) if the person is an ex-officio Director, by removal from the office pursuant to which the person became a member of the Board;
 - i) becomes an acting President.

Directors shall at all times comply with any code of conduct approved by resolution of the Board or adopted by By-law. The Board shall determine the consequences arising from any breach of such code of conduct, which may include suspension of a director's office or recommendation of dismissal to the membership.

If, in the opinion of the Board, a director has exhibited behaviour unbecoming of a director, the directors of the Club may recommend to the Members that such director be removed from office. A director who receives notice of a meeting of directors called for the purpose of considering a recommendation of his or her removal is entitled to submit to the Chair a written statement giving the reasons why he or she opposes any such proposed recommendation. The Chair shall forthwith send a copy of any such statement to every director entitled to receive notice of the meeting. The Chair and any person acting on his or her behalf does not incur any liability by reason only of circulating a director's statement in compliance with this section. If the Board, by ordinary resolution passed at a meeting, votes in favour of proceeding with the recommendation to Members, the Chair may call a Club Meeting as set out in Article 19.

- 6.09 VACANCIES - So long as a quorum of Directors remains in office, a vacancy on the Board, may be filled by the Directors for the remainder of the term, however caused, by the appointment of qualified members of the Corporation. If no quorum of Directors exists, the remaining Directors shall forthwith call a special general meeting of members to fill the vacancies on the Board.
- 6.10 RE-ELECTION - A person who has completed a term as a Director of the Corporation is eligible to seek re-election to the Board provided that, at the date of the annual meeting, the person is qualified to stand for re-election to the Board, as outlined in Section 6.02 and the person meets the standards as outlined in Section 6.03.
- 6.11 CONFLICT OF INTEREST - In accordance with the Act, every Director and Officer who is in any way directly or indirectly interested in a proposed material contract or a material contract with the Corporation shall disclose his or her interest in a meeting of the Board.
- 6.12 TIME OF DISCLOSURE - In accordance with the Act, the Director and/or Officer shall disclose his or her interest as follows:
- a) in the case of a proposed contract, the disclosure shall be made at the meeting of the Board at which the question of entering into the contract is first taken into consideration; or
 - b) if the Director is not at the date of that meeting interested in the proposed contract, at the next meeting of the Board held after he or she becomes so interested; or
 - c) in a case where the Director becomes interested in a contract after it is made, the disclosure shall be made at the first meeting of the Directors held after he or she becomes so interested; or
 - d) in a case where a person who is interested in a contract later becomes a Director, at the next meeting of the Board when he or she becomes a Director.
- 6.13 GENERAL NOTICE - In accordance with the Act, a general notice given by a Director to the effect that he or she is a shareholder or otherwise interested in any other corporation or is a member of a specified firm and is to be regarded as interested in any contract made with such other corporation or firm, shall be deemed to be a sufficient disclosure of interest in relation to a contract so made, but no such notice is effective unless given at a meeting of the Board or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Board after it is given.
- 6.14 EFFECT OF DISCLOSURE - Where, in accordance with the Act, a Director has made disclosure described in section 6.10 and has not voted at a meeting of the Board in respect of the contract, the Director is not accountable to the Corporation or to any of its members or creditors for any profit realized from the contract and the contract is not

voidable by reason only of the Director holding that office or the fiduciary relationship established thereby.

- 6.15 CONFIRMATION BY MEMBERS - Notwithstanding anything contained in sections 6.10 and 6.11, a Director is not accountable to the Corporation or to its members or creditors for any profit realized from such contract and the contract is not by reason only of the Director's interest therein voidable if it is confirmed by a majority of the votes cast at a general meeting of the members duly called for that purpose and if the Director's interest in the contract is declared in the notice calling the meeting.
- 6.16 REMUNERATION OF DIRECTORS AND OFFICERS - The elected Directors of the Board, the Chair, Vice-Chair and chairs of committees shall be remunerated and reimbursed for expenses as specified by the Board from time to time in accordance with the applicable Governance Policy.
- 6.17 POWERS OF BOARD - The Board may, on behalf of the Corporation, exercise all the powers that the Corporation may legally exercise under the Act, the Letters Patent or Supplementary Letters Patent or otherwise unless the Board is restricted by law or by the members from exercising those powers.

ARTICLE SEVEN

BOARD OF DIRECTORS

- 7.01 MEETINGS - Meetings of the Board may be held at any place within or outside Ontario as designated in the notice calling the meeting. The Chairperson of the Board, Vice-Chairperson or Past-Chairperson or any three Directors may call meetings of the Board.
- 7.02 NOTICE - Subject to the provisions of section 7.03, notice of meetings of the Board shall be given, according to the provisions of section 2.13, not less than three days before the meeting is to take place. 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.
- 7.03 REGULAR MEETINGS - The Board may appoint one or more days in each year for regular meetings of the Board at a place and time to be named; no further notice of the regular meetings need be given. The Board shall hold a meeting within seven days following the annual meeting of the Corporation for the purpose of organization, the election and appointment of officers and the transaction of any other business. A Director may, if all the Directors of the Corporation provide consent, participate in a meeting of the Directors or

of a committee of Directors by telephonic or electronic means and any similar digital device which currently exists or may exist as technology develops that permits all participants to communicate adequately with each other during the meeting. A Director will be deemed to be present at the meeting.

- 7.04 QUORUM - A quorum for the transaction of business at meetings of the Board shall be a majority of the elected Directors.
- 7.05 VOTING - Questions arising at any meeting of the Board shall be decided by majority vote. The Chairperson shall not have a vote save in the case of an equality of votes, such as a tie, the Chairperson shall cast the deciding vote. At all meetings of the Board, every question shall be decided by a show of hands unless a poll on the question is requested by the Chairperson or any Director. A declaration by the Chairperson 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 or against the resolution.
- 7.06 BOARD POLICIES - The Board may pass, by Ordinary Resolution, policies, rules and procedures governing the duties, responsibilities and procedures for the management of the Corporation which shall be known as "Governance Policies." The Directors shall at all times abide by the terms of the Governance Policies. In the event of any conflict between the Act, letters patent, or by-laws and any Governance Policies, the provisions of the Act, the letters patent and By-Laws shall supersede the provisions of any Governance Policy.

ARTICLE EIGHT

COMMITTEES

- 8.01 CONSTITUTION - The Board shall create the following committees and appoint members thereto:
- a) Governance Committee – consisting of at least three non-management Directors. The members of the Committee and the committee Chairperson, who shall not be the Chairperson of the Board, shall be appointed annually at the first meeting of the Board following the Annual General Meeting to hold office until the next Annual General Meeting. A casual vacancy may be filled or any additional member of the committee may be appointed at any time by the Board, such member to hold office until the next Annual General Meeting.

The Committee shall be responsible for recommending nominees for Directors, for evaluating the performance of Directors and for reporting on corporate governance issues.

b) Human Resource & Executive Compensation Committee –consisting of the Chair of the Board of Directors and not less than three non-management Directors on behalf of the Board of Directors ensure on behalf of the Board of Directors that general compensation philosophies and policies which support the achievement of Association goals, a management compensations plan which is both competitive and motivational, and programs which ensure the continuity and development of key staff, are in place.

c) Finance, Investment and Audit Committee – consisting of not less than three non-management Directors, together with the President and the Chief Financial Officer, shall assist the Board of Directors in the establishment of financial goals and objectives for the Association and its subsidiary companies and ensure the Board of Directors is kept properly informed of the current situation, trends and any other factors which may affect the financial integrity of the Association. In addition, they will ensure a proper review of financial reports prepared for public distribution or to satisfy regulatory requirements, verify the integrity of internal accounting controls and monitor the business conduct of the Association.

d) Any other committee, Standing or Ad Hoc that the Board deems necessary and appropriate.

8.02 RULES OF PROCEDURE - Subject to any other regulations imposed from time to time by the Board, committees shall have the power to fix its own rules of procedure from time to time.

8.03 QUORUM - No business may be transacted by a committee except at a meeting of its members at which a majority of the members of the committee are present in person or attending by electronic means.

8.04 PLACE OF BUSINESS - Meetings of the committees may be held at the Head Office of the Corporation or at any place within or outside of Ontario as specified in the notice calling the meeting.

ARTICLE NINE

OFFICERS OF THE BOARD

9.01 OFFICERS - The following shall be the Officers of the Board:

- a) Chair (Chairperson)
- b) Vice-Chair (Vice-Chairperson)
- c) Secretary
- d) Treasurer

e) other such officers as the Board may from time to time determine.

- 9.02 ELECTION/APPOINTMENT - The Chairperson and Vice-Chairperson of the Board shall be elected in accordance with the provisions of section 6.06 hereof. The Board shall appoint the remaining officers, if any. The Board may, by ordinary resolution appoint an employee to serve as Secretary.
- 9.03 CHAIRPERSON OF THE BOARD - The Chairperson of the Board shall be the Chief Elected Officer and, subject to the authority of the Board, shall have general supervision of the business affairs and policies of the Corporation. The Chairperson of the Board shall preside at all meetings of the Corporation and the Board. In the absence of the Chairperson, the Vice-Chairperson shall carry out the duties of the Chairperson.
- 9.04 SECRETARY - The Secretary shall be clerk of the Board and shall attend all meetings of the Board to record all facts and minutes of those proceedings in the books kept for that purpose. The Secretary shall give all notices required to members, directors and officers. The Secretary shall be the custodian of the corporate seal of the Corporation and of all books, papers, records, correspondence and documents belonging to the Corporation. The Secretary shall perform such other duties from time to time prescribed by the Board or incident to his or her office. The Secretary shall be appointed by the Board, and by default shall be the employee with the title Executive Assistant unless otherwise appointed by resolution of the Board.
- 9.05 TREASURER - The Treasurer is the Chair of the Finance, Investment and Audit committee and will cooperate with the auditors of the Corporation during any audit of the Corporation and will perform other duties from time to time prescribed by the Board or incident to his or her office. The Treasurer shall be the Board's link to the CFO who shall keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account and shall deposit all monies or other valuable effects in the name of and to the credit of the Corporation and the bank or banks from time to time as designated by the Board. The CFO shall disburse the funds of the Corporation under the direction of the Board, taking proper vouchers therefore and shall render to the Board, whenever required of him or her, an account of all his or her transactions as CFO and the financial position of the Corporation. He or she shall cooperate with the auditors of the corporation during any audit of the accounts of the Corporation and perform the other duties from time to time prescribed by the Board or related to his or her office.
- 9.06 REMOVAL - Officers are appointed by the Board and may be removed from their position by a majority vote. Any Officer shall be deemed removed upon ceasing to be a director for any reason, or in the case of the Secretary or any Officer of the Corporation, upon

termination of employment.

ARTICLE TEN

PROTECTION OF DIRECTORS AND OFFICERS

10.01 INDEMNITY INSURANCE - The Corporation shall have indemnity insurance for each Director in an amount not less than two million dollars. The amount of Director & Officer insurance should be reviewed by the Finance, Investment & Audit Committee tri-annually or sooner if required.

10.02 PROTECTION OF DIRECTORS AND OFFICERS

No Director, Officer or committee member of the Corporation is liable for the acts, neglects or defaults of any other Director, Officer, committee member or employee of the Corporation or for joining in any receipt or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by Resolution of the Board or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the money of or belonging to the Corporation 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 his or her respective office or trust provided that they have:

- (a) complied with the Act and the Corporation's Articles and By-laws; and
- (b) exercised their powers and discharged their duties in accordance with the Act.

10.03 INDEMNITY

Every Director or Officer of the Corporation or other person who has undertaken or is about to undertake any liability on behalf of the Corporation or any company controlled by it and their heirs, executors and administrators, and estate and effects, 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;

- (a) all costs, charges and expenses which such Director, Officer or other person sustains or incurs in or about any action, suit or proceedings which is brought, commenced or prosecuted against him or her, or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him or her, in or about the execution of the duties of his or her office or in respect of any such liability;
- (b) all other costs, charges and expenses which he or she sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his or her own fraud, wilful neglect or default or breach of fiduciary

duty.

ARTICLE ELEVEN

OFFICERS OF THE CORPORATION

- 11.01 The following shall be the Officers of the Corporation:
President
Vice-Presidents
- 11.02 PRESIDENT - The President shall have the general day-to-day management and direction of the organization and transaction of the affairs of the Corporation, subject to the authority of the Board.
- 11.03 TERMS OF EMPLOYMENT AND REMUNERATION - The terms of employment and remuneration of the President shall be settled by the Board from time to time. The Board may remove at its pleasure the President, unless the Corporation has entered into a written contract of employment with the officer, which specifies otherwise.
- 11.04 FIDELITY BONDS - The Corporation may require such officers, employees and agents of the Corporation as the Board deems advisable to furnish bonds with faithful discharge of their duties, in such form and with such surety as the Board may from time to time prescribe.

ARTICLE TWELVE

Amendment

- 12.01 Amendments The Board may, by ordinary resolution, make, amend or repeal any By-law that regulates the activities of the Corporation except in respect of any matter which, under the Act, requires a special resolution of the Members. The Members may amend this By-law by a majority of votes cast at a meeting.
- 12.02 Approval Any changes to the By-laws of the Corporation shall be submitted to the Members at the next meeting of the Members and the Members may confirm, reject, repeal or amend such By-law by ordinary Resolution.

Enacted as By-law No. 1 by the Directors of the Corporation at a meeting duly called and regularly held and at which a quorum was present on the _____ day of _____ 2023.

X _____
Secretary

X _____
Chairperson

The foregoing By-law No. 1 as enacted by the Directors of the Corporation is hereby ratified, sanctioned, confirmed and approved without variation by the unanimous affirmative vote of all members entitled to vote at a meeting of the members duly called and regularly held at _____ in the Region of Niagara and at which a quorum was present on the _____ day of _____.

X _____
Secretary

X _____
Chairperson