

RECYCLING CONGRESS OF ONTARIO

BY-LAWS

Approved by the Board of Directors on March 24, 2011

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RECYCLING CONGRESS OF ONTARIO

ARTICLE 1. DEFINITIONS AND INTERPRETATION

1.01 Definitions

In this By-Law, the following words and phrases shall have the following meanings, respectively:

- (a) “Act” means the *Corporations Act* (Ontario) and, where the context requires, includes the regulations made under it;
- (b) “Affiliate Corporation” means any corporation that is designated as such by the Board, or any other corporation that is:
 - (i) a subsidiary of the Corporation;
 - (ii) together with the Corporation, a subsidiary of a third corporation; or
 - (iii) together with the Corporation, controlled by the same person;
- (c) “Annual Meeting” means the annual meeting of the Members held pursuant to the requirements of the Act and Section 4.01 of this By-Law;
- (d) “Associates” means, in relation to a Director, the parents, siblings, spouse, common law partner or other Immediate Family Member of such Director as well as any organization, agency, company or individual (such as a business partner) with a formal business relationship to such Director;
- (e) “Board” means the board of directors of the Corporation as more particularly described in Section 5.02 of this By-Law;
- (f) “Board Meeting” means either a Regular Board Meeting or a Special Board Meeting;
- (g) “Chair” means the Director elected by the Board to serve as chair of the Board and the Corporation. For greater certainty, and for the purposes of the Act, the Chair shall carry out the role of the “president” under the Act;
- (h) “Committee” means a committee of the Board as more particularly described in ARTICLE 9, and for greater certainty, may refer to either a Standing Committee or a Special Committee;
- (i) “Confidential Information” means any and all information, data or knowledge concerning the Corporation or any aspect of its operations, management, employees, or contractual obligations which is not generally known or available to the public, that:

- (i) when it is disclosed to the party in question, is conveyed or marked as confidential, private or privileged;
- (ii) when it is disclosed to the party in question, should reasonably be known to be confidential, private or privileged having regard to the circumstances surrounding its disclosure,

but does not include information that has become generally known or public other than through improper disclosure, or information which is required to be disclosed by law or pursuant to the order of a court of competent jurisdiction;

- (j) “Conflict of Interest” includes, without limitation, the following four areas that may give rise to a Conflict of Interest for the Directors, namely:
 - (i) Pecuniary or Financial Interest – a Director is said to have a pecuniary or financial interest in a decision when he/she (or his/her Associates) stands to gain by that decision, either in the form of money, gifts, favours, gratuities or other special considerations;
 - (ii) Undue Influence – a Director’s participation or influence in Board decisions that selectively and disproportionately benefits particular agencies, companies, organizations, municipal or professional groups, or clients from a particular demographic, geographic, political, socio-economic, cultural or other group is a violation of that Director’s entrusted responsibility;
 - (iii) Adverse Interest – a Director is said to have an adverse interest to the Corporation when he/she is a party to a claim, application or proceeding against the Corporation; and
 - (iv) Personal Relationship – a Director has or may be perceived to have personal interests that are inconsistent with those of the Corporation, creating conflicting loyalties;
- (k) “Corporation” means the Recycling Congress of Ontario (operating as the Recycling Council of Ontario), a non-share capital corporation incorporated under the Act;
- (l) “Director” means any individual described in Section 5.02 (Composition of the Board), including the Past-Chair;
- (m) “Employee” means an employee of the Corporation;
- (n) “Excluded Person” means:
 - (i) any Employee or employee of an Affiliate Corporation or an Immediate Family Member of either; or

- (ii) any Immediate Family Member of a Director who is an executive with any other organization that the Board determines to have competitive interests with the Corporation or an Affiliate Corporation;
- (o) “Executive Director” means the senior employee of the Corporation appointed by the Board to manage and administer the day-to-day affairs of the Corporation;
- (p) “Head Office” means the head office of the Corporation at 215 Spadina Avenue in Toronto, Ontario, or such other place as the Board determines by Resolution from time to time;
- (q) “Immediate Family Member” means a spouse, parent, child, sibling, mother-in-law or father-in-law, son or daughter-in-law, and anyone (other than an immediate family member) who shares the home of the individual in question;
- (r) “Letters Patent” means the letters patent of the Corporation dated December 13, 1978 and any other supplementary letters patent of the Corporation;
- (s) “Member” means a member of the Corporation as more particularly described in ARTICLE 3;
- (t) “Members’ Meeting” means either an Annual Meeting or a Special Meeting;
- (u) “Nominating Members” has the meaning granted to such term in Section 5.01(b);
- (v) “Officer” means those officers of the Corporation set out in Section 7.01;
- (w) “Past-Chair” has the meaning granted to such term in Section 5.02 and whose duties are more fully described in Section 5.02 and in Section 7.07;
- (x) “Policies” means policies of the Board developed and approved by the Board;
- (y) “Regular Board Meeting” means a meeting of the Board that is held pursuant to the requirements of the Act and Section 6.01 of this By-Law;
- (z) “Representative at Large” means a person who is not a director of any of the Affiliate Corporations that has been appointed to a Committee in accordance with Section 9.07 and who has the same rights and obligations of other Committee members;
- (aa) “Schedules” means the schedules appended to this By-Law;
- (bb) “Secretary” means the Director elected by the Board to serve as Secretary of the Corporation;
- (cc) “Special Committee” means a committee appointed by the Board for specific duties whose mandate shall expire with the completion of the tasks assigned;

- (dd) “Special Board Meeting” means a meeting of the Board other than a Regular Board meeting held pursuant to the requirements of the Act and Section 6.02 of this By-Law;
- (ee) “Special Meeting” means a meeting of the Members other than an Annual Meeting held pursuant to the requirements of the Act and Section 4.02 of this By-Law;
- (ff) “Standing Committee” means either the Executive Committee or the Policy/Advocacy Committee, or any other committees appointed by the Board from time to time that are expressly designated as “Standing Committees”;
- (gg) “Treasurer” means the Director elected by the Board to serve as Treasurer of the Corporation; and
- (hh) “Vice-Chair” means the Director elected by the Board to serve as Vice-Chair of the Board and the Corporation.

1.02 Interpretation

This By-Law shall be interpreted in accordance with the following, unless the context otherwise specifies or requires:

- (a) Words importing the singular number include the plural and vice versa; words importing the masculine gender include the feminine and vice versa; and words importing persons include individuals, corporations, partnerships, trusts and unincorporated organizations.
- (b) The headings used in this By-Law are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.
- (c) In the case of a conflict between the provisions of this By-Law and that of the Schedules, the provisions of this By-Law will govern.
- (d) Any references herein to any law, by-laws, rule, regulation, order or act of any government, governmental body or other regulatory body shall be construed as a reference thereto as amended or re-enacted from time to time or as a reference to any successor thereto.
- (e) Where this By-Law states that an obligation shall be performed “by” or “within” a prescribed number of days, the latest time for performance shall be 5:00 p.m. on the last day for performance of the obligation concerned, or if that day is not a business day, 5:00 p.m. on the next business day.
- (f) Any reference to time of day or date in this By-Law means the local time or date in Toronto, Ontario.

ARTICLE 2. MEETINGS

2.01 Meeting Procedures - General

- (a) Any Director, Officer, or Employee, as the context requires, and as is permitted by this By-Law or Policies of the Corporation, may participate in a Board Meeting or any Committee meeting by means of telephone conference or electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously and a person participating in such a meeting by such means is deemed, for the purposes of the Act and this By-Law, to be present at the meeting.
- (b) A resolution in writing (conducted by ordinary mail, e-mail, facsimile or courier), agreed to by all Directors entitled to vote on that resolution at a Board Meeting or agreed to by all Members entitled to vote on that resolution at a Members' Meeting, is as valid as if it had been passed at a Board Meeting or a Members' Meeting, respectively.
- (c) Subject to paragraph (b) above, business arising at any Members' Meeting, a Board Meeting or any Committee meeting shall be decided by a majority of votes unless otherwise required by statute or by the Policies or other rules of procedure selected by the Corporation for such meetings.
- (d) Voting shall take place as follows:
 - (i) Except as provided in this By-Law, each Member, each Director and each Committee member shall be entitled to one (1) vote at any meeting of the Members, Board or Committee, respectively.
 - (ii) Any *ex officio* Director or *ex officio* member of a Committee that is entitled to vote shall be counted towards quorum.
 - (iii) Votes shall be taken in the usual way, by show of hands, among all Members, Directors and Committee members present and entitled to vote and, subject to (iv) below, in the event of a tie the motion is lost.
 - (iv) A motion to elect the Directors by acclamation shall require a mover and seconder but no vote.
 - (v) Subject to a Member's right to vote by proxy pursuant to Section 2.02(a) of this By-Law, Directors and Committee members are not entitled to vote by proxy at Board Meetings or Committee meetings, as the case may be.
 - (vi) After a show of hands has been taken on any question, the chair of the meeting may require, or any person entitled to vote on the question may demand, a poll thereon. A poll so required or demanded shall be taken in such manner as the Chair of the meeting shall direct. A demand for a poll may be withdrawn at any time prior to the taking of the poll. Upon a poll,

each individual present in person and entitled to vote at such meeting shall have one (1) vote and the result of the poll shall be the decision of the Members, the Board or the Committee, as the case may be.

- (vii) Whenever a vote by show of hands shall have been taken on a question, unless a poll is required or demanded, a declaration by the Chair of the meeting that a resolution, vote or motion has been carried and an entry to that effect in the minutes shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution, vote or motion.
- (viii) Non-voting members of the Board, or of a Committee, or attendees at a Members' Meeting that are not Members, shall not be entitled to:
 - (A) vote;
 - (B) requisition meetings of the, as the case may be, Board, Committee or Members; or
 - (C) move or second motions at any meetings.
- (e) Minutes shall be kept for all meetings of the Members, the Board or any Committee, and shall be approved at the next meeting of the Members, the Board or the Committee, as the case may be.
- (f) The declaration of the Secretary or Chair that notice has been given pursuant to this By-Law shall be sufficient and conclusive evidence of giving of such notice.
- (g) No error or omission in giving notice for a meeting of the Members, the Board, of any Committee shall invalidate such meeting or invalidate or make void any proceedings taken or had at such meeting, and any Member, Director or Committee member, as the case may be, may at any time waive notice of any such meeting and may ratify and approve any or all proceedings taken or had thereat.
- (h) Any questions of procedure at or for any meetings of the Members, of the Board, or of any Committee that have not been provided for in this By-Law or by the Act shall be determined by the Chair of the meeting in accordance with the latest or current edition of *Robert's Rules of Order, Newly Revised*.

2.02 Specific Rules Applicable to Members' Meetings

- (a) Members may, by means of a proxy, appoint any person to attend and act at any Members' meeting as the Member's nominee, in the manner, to the extent and with the power conferred by the proxy, in accordance with the Act.
- (b) The chair of any Members' Meeting shall refrain from voting except when, in case of an equality of votes, either upon a show of hands or upon a poll, the chair

of such meeting shall be entitled to cast a tie-breaking vote. The chair always votes in a ballot vote, however, so a casting vote would not be permissible in this instance. In the event of a tie during a ballot vote, voting continues until one person receives a majority.

2.03 Specific Rules Applicable to Board Meetings

- (a) The chair of any Board Meeting shall refrain from voting, except where there is an equality of votes, in which case the chair of such meeting shall be entitled to cast a tie-breaking vote.

ARTICLE 3. MEMBERSHIP IN THE CORPORATION

3.01 Members

- (a) The Members shall consist of the applicants for the incorporation of the Corporation and others admitted as Members by the Board. Membership is open to any individual, corporation, partnership or other legal entity that wishes to become a Member and/or renew his or her or its membership under one of the membership categories approved by the Board and attached hereto as **SCHEDULE C**. Each Member shall promptly be informed by the Secretary of his/her admission as a Member.
- (b) Each Member in good standing shall be entitled to vote on each question arising at any Special Meeting or Annual Meeting. Corporations, partnerships and other legal entities may vote through a duly authorized proxy.
- (c) Membership is non transferable between different organizations and/or individuals but can, when membership rests with an organization, be transferred between representatives within that organization.
- (d) No Member shall be an Excluded Person.

3.02 Resignation

- (a) Any Member may withdraw from membership in the Corporation by delivering to the Corporation a written resignation and lodging a copy of same with the Secretary. A resignation shall be effective at the time it is received by the Secretary or at the time specified in the resignation, whichever is later.
- (b) A Member shall remain liable for payment of any assessment or other sum levied or which became payable by him/her to the Corporation prior to the acceptance of his/her resignation.

3.03 Termination of Membership

Membership in the Corporation lapses and ceases to exist:

- (a) upon death of the Member, if the Member is an individual;
- (b) upon dissolution of the Member, if the Member is a corporation; or
- (c) upon resignation of the Member pursuant to Section 3.02 of this By-Law,

provided, however, that the membership of any Director shall not be terminated unless such Director has first resigned or been removed as a Director pursuant to Section 5.06 of this By-Law.

ARTICLE 4. ANNUAL AND SPECIAL MEETINGS OF MEMBERS

4.01 Annual Meetings

- (a) The Corporation shall hold an Annual Meeting not later than eighteen (18) months after its incorporation and subsequently not more than fifteen (15) months after the holding of the last preceding Annual Meeting.
- (b) The Annual Meeting shall be held at the Head Office, or such other place within Ontario, on such day in each year and at such time as the Board may by resolution determine.
- (c) The business transacted at the Annual Meeting shall include:
 - (i) reading and/or circulation of:
 - (A) the minutes of the previous Annual Meeting;
 - (B) a report of the Directors on the affairs of the Corporation for the previous year;
 - (C) in a manner that is consistent with Section 97 of the Act, a financial statement of the Corporation and the auditor's report; and
 - (D) such other information or reports relating to the Corporation's affairs as the Directors may determine;
 - (ii) election of Directors in accordance with the elections procedure set out in ARTICLE 5 and in **SCHEDULE D** to this By-Law; and
 - (iii) the appointment of the auditor for the coming year.

4.02 Special Meetings

- (a) The Chair may call a Special Meeting.

- (b) Not less than one-tenth (1/10) of the Members entitled to vote at a meeting proposed to be held may, in writing, requisition the Board to call a Special Meeting for any purpose connected with the affairs of the Corporation that is properly within the purview of the Members' role in the Corporation and that is not inconsistent with the Act. The requisition shall be deposited at the Head Office and may consist of several documents in like forms signed by one or more Members.
- (c) If the Board, acting in its sole discretion, determines that the requisition meets the qualifications set out in paragraph (b) above, the Chair shall call and hold such meeting within twenty-one (21) days from the date of the deposit of the requisition.
- (d) The notice of a Special Meeting shall state the purpose for which it is called.

4.03 Notice

- (a) Notice of any Members' Meeting shall be given to all Members by ordinary mail, electronic transmission or courier at least ten (10) days in advance of the meeting at the last address of the Member as shown in the records of the Corporation.
- (b) A Member or any other person entitled to notice of a Members' Meeting may waive notice of any Members' Meeting. Attendance of any Member at a Members' Meeting shall constitute a waiver of notice of the meeting, except where such Member attends such meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
- (c) The notice of all Members' Meetings shall contain sufficient information concerning such business to permit the Member to form a reasoned judgement on the decision to be taken.

4.04 Quorum

- (a) A quorum for the transaction of business at any Members' Meeting shall consist of not less than a majority of those present in person or represented by proxy, provided that in no case can any meeting be held unless ten (10) percent of the members are present in person or by proxy.
- (b) If, within one-half hour after the time appointed for a Members' Meeting, a quorum is not present, the meeting shall stand adjourned until a day within two (2) weeks to be determined by the Chair. At least ten (10) days' notice of the adjourned meeting shall be given pursuant to Section 4.03(a).

4.05 Chair of Members' Meeting

The chair of a Members' Meeting shall be:

- (a) the Chair; or
- (b) if the Chair is absent, the Vice-Chair of the Board; or
- (c) if the Chair and the Vice-Chair are both absent, a Director elected by the voting Members present to serve as chair.

ARTICLE 5. BOARD OF DIRECTORS

5.01 Nominations to the Board

Subject to this Section 5.01 and all other provisions of this By-Law, nominations for election as Director at the Annual Meeting may be made only in accordance with the following process:

- (a) The Executive Committee will have responsibility for preparing a report to the Board with respect to Board vacancies and the Board's overall succession plan.
- (b) The Executive Committee shall request written nominations for vacant elected positions on the Board from the Members, at least sixty (60) days in advance of the Annual Meeting. Subject to paragraph (c) below, such nominations must be signed by at least two Members in good standing (“**Nominating Members**”) and accompanied by a written declaration signed by the nominee that he/she will serve as a Director in accordance with this By-Law if elected.
- (c) Directors can be Nominating Members. Of the Nominating Members, however, at least one must be a Member in good standing that is not also a Director.
- (d) The Executive Committee shall, throughout the year, identify potential candidates for Directors and determine the willingness of such candidates to serve.
- (e) The Executive Committee will receive and review all nominations made by the Executive and the Members pursuant to paragraphs (b), (c) and (d) above, and will prepare a list of qualified nominees for the Board in accordance with the nomination procedure set out in **SCHEDULE D** to this By-Law. The list shall be accompanied by a written declaration signed by each nominee that the nominee will serve as a Director in accordance with this By-Law if elected.

5.02 Board Composition

- (a) The affairs of the Corporation shall be managed by a Board of eleven (11) Directors.
- (b) The outgoing Chair shall occupy the position of the Past-Chair, provided that he/she accepts the position. The Past-Chair shall be appointed to the Board for a one year term in an *ex officio* capacity. If the Past-Chair has one year remaining on his/her term as a Director and/or has completed his/her two year term as a Director but is re-elected for another two year term, then he/she shall have all of

same rights and privileges held by all other members of the Board, including voting rights at Board Meetings. If the Past-Chair has completed his/her two year term as Director and is not re-elected, then he or she then he/she shall have all of same rights and privileges held by all other members of the Board, but excluding voting rights at Board Meetings. For greater certainty, only elected Directors currently serving their respective two year terms shall have voting rights at Board Meetings.

- (c) At least four (4) elected Directors' terms shall expire annually.

5.03 Qualification of Directors

Every Director shall:

- (a) be eighteen (18) or more years of age;
- (b) be, or become within ten (10) days of being elected as a Director and throughout his/her term of office, a Member in good standing of the Corporation; and
- (c) not be an Excluded Person.

5.04 Term of Office for Elected Directors

Each such Director shall be elected to hold office until the second Annual Meeting after he/she shall have been elected or until his/her successor shall have been duly elected and qualified.

5.05 Term of Office Restrictions

- (a) No Director may hold office for more than five consecutive terms of two years, provided, however, that following a break in his/her continuous service of at least one (1) year the same person may serve again as a Director.
- (b) No Director may serve as Chair or Vice-Chair for more than two (2) consecutive annual terms in one office, provided, however, that following a break in his/her continuous service of at least one (1) annual term, the same person may be re-elected or re-appointed to the office.
- (c) The Board may, by a resolution passed by at least two-thirds (2/3) of the votes cast by the members of the Board present at the meeting, make an exception to the term of office restrictions contained in this Section 5.05 when necessary to allow the Chair or Vice-Chair to carry out their terms of office or to continue in office until a successor is named.

5.06 Termination of Office

- (a) The office of a Director shall automatically be vacated if the Director:

- (i) ceases to be a Member;
 - (ii) becomes bankrupt or suspends payment of debts generally or compounds with creditors or makes an assignment in bankruptcy or is declared insolvent;
 - (iii) is found to be mentally incompetent or becomes of unsound mind;
 - (iv) by notice in writing to the Secretary, resigns his/her office; or
 - (v) dies.
- (b) The office of an appointed Director may be vacated by a resolution of the Board if:
- (i) a Director is absent, without the permission of the Board, for one-third (1/3) or more of Board Meetings held in any twelve (12) month period;
 - (ii) a Director fails to comply with the Act, this By-Law or the Policies, including without limitation, Sections 5.11 and 5.11 of this By-Law relating to conflicts of interest and confidentiality and **SCHEDULE A** (Policy Regarding Conflicts of Interest); or
 - (iii) at an Annual Meeting or Special Meeting, of which notice specifying the intention to pass such resolution has been given, a resolution is passed by at least two-thirds (2/3) of the votes cast by the Members removing a Director before the expiration of the Director's term of office. Members may also, by a majority of the votes cast at that meeting, elect any person in his/her stead for the remainder of his/her term, provided that notice of the possibility of such election is given to the Members pursuant to Section 4.03 of this By-Law.

5.07 Vacancies

- (a) As long as there is a quorum of Directors in office, if a vacancy on the Board occurs for any reason among the elected Directors, such vacancy may be filled for the remainder of the vacating Director's term by appointment of the Directors then in office.
- (b) Whenever there is not a quorum of elected Directors in office, the Director or Directors then in office shall forthwith call a Special Meeting to fill the vacancies.
- (c) For clarity, the Board will not be required to fill any vacancies on the Board if there is a quorum of Directors in office.

5.08 Remuneration of Directors

The Directors shall serve as such without remuneration, and no Director shall directly or indirectly receive any profit from his/her position as such, provided that a Director may

be paid reasonable expenses incurred by him/her in the performance of his/her duties as a Director representing the Corporation and where such expenses have been pre-approved by the Board.

5.09 Standard of Care

Every Director and Officer, in exercising his/her powers and discharging his/her duties, shall:

- (a) act honestly and in good faith with a view to the best interests of the Corporation; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

5.10 Conflicts of Interest

- (a) Any Director who has a Conflict of Interest, or may reasonably be perceived to have a Conflict of Interest, shall disclose in writing to the Corporation or request to have entered in the minutes of the current or next Board Meeting the nature and extent of his/her interest.
- (b) A Director referred to in (a) above may only attend a Board Meeting during which the transaction is discussed, or any part thereof, at the sole discretion of the Board. A Director referred to in (a) above attending such a Board Meeting shall not vote on any resolution to approve the transaction.
- (c) If no quorum exists for the purpose of voting on a resolution to approve a transaction only because a Director is not permitted to be present at the Board Meeting in question by reason of (b) above, the remaining members of the Board shall be deemed to constitute a quorum for the purposes of voting on the resolution.
- (d) Every Director is required to review and at all times abide by the Policy Regarding Conflicts of Interest appended to this By-Law as **SCHEDULE A**, as amended from time to time at the discretion of the Board. Without limiting the generality of Section 1.02(c) above, if there is a conflict between this By-Law and the Policy Regarding Conflicts of Interest, the provisions of this By-Law will govern.

5.11 Confidentiality/Public Relations

- (a) Every Director, Officer, Employee and every member of a Committee appointed or authorized by the Board shall respect the confidentiality of matters brought before the Board or any such Committee or coming to his/her attention in the course of his/her duties, keeping in mind that unauthorized statements may adversely affect the interests of the Corporation.

- (b) Without limiting the generality of (a) above, every Director, Officer, Employee and every member of a Committee appointed or authorized by the Board shall maintain in confidence all Confidential Information acquired or created by him/her during his/her term.
- (c) No statements respecting such matters shall be made to the public or the press by any Director, Officer, or Employee except as authorized by the Board.
- (d) Persons, other than persons referred to in paragraph (a) above, permitted to attend any meeting of the Board or of any Committee shall be advised that they are required to respect the confidentiality of all matters coming to their attention during any such meeting and shall undertake accordingly.

5.12 Principles of Governance and Accountability

- (a) The Board shall govern and oversee the management of the Corporation in accordance with the Letters Patent, this By-Law and the Policies and the terms and provisions of the Act and all other applicable legislation.
- (b) Without limiting the generality of (a) above, the Board shall adhere to a model of governance through which it shall provide strategic leadership and direction to the Corporation by establishing Policies, making governance decisions and providing oversight of performance metrics.

ARTICLE 6. REGULAR AND SPECIAL MEETINGS OF THE BOARD

6.01 Regular Board Meetings

- (a) The Board shall meet at the Head Office or another place in Ontario determined by the Board, at such time as the Board may from time to time determine.
- (b) There shall be at least quarterly Regular Board Meetings per year.

6.02 Special Board Meetings

Special Board Meetings shall be called for any reasonable purpose relevant to the Corporation by the Secretary at the request of any of the following:

- (a) the Chair; or
- (b) any six (6) Directors, by written request.

6.03 Attendance at Board Meetings

- (a) No person other than Directors may attend Board Meetings except:
 - (i) upon the invitation by the Chair; or

- (ii) upon the invitation by the Executive Director with the approval of the Chair; or
- (iii) upon resolution of the Board.

6.04 Notice of Board Meetings

- (a) Notice of Regular Board Meetings shall be sent by ordinary mail, electronic transmission or courier at least five (5) days before the date on which the meeting is to be held to the last address of each Director as shown in the records of the Corporation.
- (b) Notice of a Special Board Meeting may be given by telephone and shall be given at least twenty-four (24) hours in advance of the meeting. The notice of a Special Board Meeting shall state the purpose for which it is called.
- (c) Provided a quorum of Directors is present, each newly elected Board may, without notice, hold its first meeting immediately following the Annual Meeting at which the Board is elected.

6.05 Quorum

- (a) A quorum at any Board Meeting shall be a majority of the Directors (50% +1 person).
- (b) No Board Meeting shall be duly constituted for the transaction of business unless a quorum is present. There will be no representation by proxy at any Board Meeting.
- (c) If, within one-half hour after the time appointed for a Board Meeting, a quorum is not present, the meeting shall stand adjourned until a day within two (2) weeks to be determined by the Chair. At least forty-eight (48) hours' notice of the adjourned meeting shall be given.

6.06 Chair of Board Meetings

Board Meetings shall be chaired by:

- (a) the Chair;
- (b) the Vice-Chair if the Chair is absent; or
- (c) a Director elected by the Directors present if the Chair and Vice-Chair are both absent.

ARTICLE 7. OFFICERS

7.01 Officers

- (a) The Board shall elect at its first meeting following the Annual Meeting the following Officers from amongst the Directors:
 - (i) the Chair;
 - (ii) the Vice-Chair;
 - (iii) the Secretary; and
 - (iv) the Treasurer.
- (b) The Past-Chair and Executive Director shall also be Officers.
- (c) Any Officer shall cease to hold office upon resolution of the Board.

7.02 Duties of the Chair

The Chair shall, without limitation:

- (a) preside at all meetings of the Board;
- (b) report regularly and promptly to the Board, issues that are relevant to its governance responsibilities;
- (c) set a high standard for Board conduct by modelling, articulating and ensuring compliance with rules of conduct set out in this By-Law and the Policies;
- (d) ensure that the actions of the Board are in aligned with the Corporation's mission, vision, values, and strategic plan;
- (e) in consultation with the Executive Director, develop the agenda for Board Meetings;
- (f) in conjunction with the Executive Director, oversee the provision of adequate and timely information and notice of Members' Meetings and Board Meetings to the Board;
- (g) serve as the Board's central point of official communication with the Executive Director and, as such, develop a positive, collaborative relationship with the Executive Director, including acting as a sounding board for the Executive Director on emerging issues and alternative courses of action.
- (h) in conjunction with the Executive Committee and the Board, lead a formal evaluation of the Executive Director's performance at least annually, and oversee the adequacy of succession plans in place for key management roles;

- (i) in conjunction with the Executive Director, facilitate the effective and transparent interaction of Directors and management;
- (j) meet with all Directors and seek their feedback on Board and Committee effectiveness and other matters;
- (k) in conjunction with the Executive Committee, assess performance of Directors collectively and individually and, where applicable, provide individual performance feedback to Directors;
- (l) provide feedback and input to the Committee chairs on governance and other matters;
- (m) in accordance with guidance from the Executive Committee, approach candidates for Board membership;
- (n) conduct regularly scheduled *in camera* sessions of the Board and call and conduct additional *in camera* sessions, including sessions that exclude non-management non-independent Directors, as required and/or requested, and report the results of such meetings to the Executive Director as appropriate;
- (o) report to each Annual Meeting concerning the operations of the Corporation ;
- (p) represent the Corporation at public or official functions;
- (q) be a voting *ex officio* member of all Committees, with the same rights and privileges held by all other voting Committee members; and
- (r) perform such other duties as may from time to time be determined by the Board.

7.03 Duties of the Vice-Chair of the Board

The Vice-Chair of the Board shall:

- (a) have all the powers and perform all the duties of the Chair during the absence or disability of the Chair; and
- (b) perform such other duties, if any, as may be from time to time assigned by the Board.

7.04 Duties of the Secretary

(a) The Secretary shall:

- (i) ensure the proper recording and maintenance of minutes of all Members' Meetings, Board Meetings and Committees meetings;

- (ii) have custody of all minute books, documents and registers of the Corporation and ensure that the same are maintained as required by the Act and other applicable legislation;
 - (iii) be the custodian of the seal of the Corporation;
 - (iv) maintain copies of all testamentary documents and trust instruments by which benefits are conferred upon the Corporation and provide information respecting same to the Office of the Public Guardian and Director as required by the *Charities Accounting Act (Ontario)*;
 - (v) perform such other duties as may be required of the Secretary by the Board.
- (b) The Secretary may delegate the performance of his/her duties to any person(s) as approved by the Board, but the Secretary shall retain responsibility for ensuring the proper performance of such duties.

7.05 Duties of the Treasurer

- (a) The Treasurer shall:
- (i) keep or cause to be kept full and accurate books of account in which shall be recorded all receipts and disbursements of the Corporation;
 - (ii) under the direction of the Board, control the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation;
 - (iii) at each regular meeting of the Board, submit a financial statement or report indicating the financial position of the Corporation at the close of the preceding month and submit to the Board, whenever required, an account of all transactions as Treasurer and a detailed report respecting the financial position of the Corporation;
 - (iv) at least semi-annually provide an accounting to the Board with respect to all funds held in trust by the Corporation; and
 - (v) cause the accounts of the Corporation to be audited, and cause to be prepared financial statements and an auditor's report as prescribed by the Act and other applicable law;
 - (vi) submit quarterly certificates to the Board in respect of the previous quarter evidencing that all wages owing to Employees and source deductions relating to the Employees that the Corporation is required to deduct and remit to the proper authorities (including but not limited to the *Income Tax Act (Canada)*, Canada Pension Plan, the *Employment Insurance Act* and the *Employer Health Tax Act*) have been made and remitted to the proper

authorities, and that all taxes collected pursuant to the *Excise Tax Act* (HST) and the *Retail Sales Tax Act* (Ontario) have been collected and remitted to the appropriate authorities; and

- (vii) perform such other duties as may from time to time be assigned to the Treasurer by the Board.
- (b) The Treasurer may delegate the performance of his/her duties to any person(s) as approved by the Board, but the Treasurer shall retain responsibility for ensuring the proper performance of such duties.

7.06 Duties of the Executive Director

- (a) The Executive Director shall be appointed by the Board in accordance with the approved selection process that is set out at **SCHEDULE E** to this By-Law.
- (b) The Executive Director shall be accountable to the Board for the management of all affairs of the Corporation as directed by the Board from time to time. The Executive Director's duties include the exercise of the authority delegated to the Executive Director by the Board through this By-Law and Policies relating to the organization and operation of the Corporation.
- (c) In the case of absence or inability to act of the Executive Director, or for any other reason that the Board may deem sufficient, the Board shall delegate all or any of the powers of the Executive Director to one or more persons.
- (d) The Executive Director shall be a non-voting *ex officio* position on the Board and all Committees, and will not be counted in determining quorum in respect of either.

7.07 Duties of the Past-Chair

The Past-Chair shall:

- (a) have all the powers and perform all the duties of the Chair during the absence or disability of the Chair and Vice-Chair;
- (b) perform such other duties, if any, as may be from time to time assigned by the Board; and
- (c) be, pursuant to Section 5.02(b), a voting or non-voting *ex officio* position on the Board, with the same rights and privileges held by all other members of the Board.

7.08 Officer Vacancies

Except as provided in paragraph 7.06(c), if the office of any Officer shall be or become vacant by reason of death, resignation, disqualification or otherwise, the Directors shall elect or appoint a replacement for the balance of the term.

ARTICLE 8. INDEMNIFICATION OF DIRECTORS AND OFFICERS

8.01 Indemnity

Subject to Section 5.09, every Director or Officer, and his/her heirs, executors and administrators and agents, 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 whatsoever which such Director or Officer sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against him/her, for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him/her, in or about the execution of the duties of his/her office; and
- (b) all other costs, charges and expenses that he sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his/her own wilful neglect or default.

8.02 Protection

For the protection of Directors and Officers:

- (a) No Director or Officer shall be liable for the acts, receipts, neglects or defaults of any other Director, Officer or Employee or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order 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 moneys 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 company with whom or which any moneys, 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 such Director's or Officer's respective office or trust or in relation thereto, unless the same shall happen by or arise through such Director's or Officer's dishonest, fraudulent, criminal or malicious acts.
- (b) Directors and Officers shall not be liable to the Corporation for any costs, charges, expenses, loss or liability which the Corporation shall suffer or incur for, by reason of, arising out of, or in any way relating to any act, deed, matter or thing made, done or permitted to be done or omitted to be done by him/her in the

performance of his/her duties and functions (or in the performance of what he honestly believed was in the proper performance of his/her duties and functions), provided he acted or made such omission honestly, in good faith and without fraud or fraudulent intent.

8.03 Insurance

The Board may cause to be purchased such insurance as it considers advisable and necessary to ensure that Directors and Officers will be indemnified and saved harmless in accordance with this By-Law; the premiums for such insurance coverage shall be paid from the funds of the Corporation.

ARTICLE 9. COMMITTEES

9.01 Establishment of Committees

- (a) At the first meeting of the Board following the Annual Meeting, the Board shall establish the following Standing Committees:
 - (i) the Executive Committee;
 - (ii) the Membership/Communications Committee;
 - (iii) the Policy/Advocacy Committee;
- (b) The Board may, from time to time, establish such further and other Standing Committees and Special Committees whose members will hold their offices at the will of the Board.
- (c) The members of any Committee (other than Standing Committees) need not be Directors of the Corporation.

9.02 Executive Committee Terms of Reference

- (a) The Executive Committee shall consist of:
 - (i) the Chair;
 - (ii) the Vice-Chair;
 - (iii) the Secretary;
 - (iv) the Treasurer;
 - (v) the Past-Chair
 - (vi) the Executive Director; and

- (vii) such other Director or Directors as the Board may from time to time appoint on the recommendation of the Executive Committee.
- (b) The Executive Committee shall:
 - (i) exercise all of the powers of the Board during the intervals between meetings of the Board in all matters of administrative urgency, and report to the Board at the next meeting on any such actions taken; and
 - (ii) be responsible for assisting the Board in discharging its responsibility for management's performance evaluation, compensation and succession planning as set out in a Policy regarding same;
 - (iii) carry out the responsibilities identified in Section 5.01 of this By-Law; and
 - (iv) perform such other duties as assigned from time to time by the Board.

9.03 Membership/Communications Committee Terms of Reference

- (a) The Membership/Communications Committee shall consist of:
 - (i) the Chair;
 - (ii) the Executive Director; and
 - (iii) such other Director or Directors as the Board may from time to time appoint.
- (b) The Membership/Communications Committee shall:
 - (i) develop goals and implement strategies to increase membership and support multi-sectoral membership in the Corporation;
 - (ii) develop and implement promotional strategies to advertise membership services;
 - (iii) generate sufficient revenue to cover expenses associated with membership activities and contribute to the general overhead of the organization; and
 - (iv) perform such other duties as assigned from time to time by the Board.

9.04 Policy/Advocacy Committee Terms of Reference

- (a) The Policy/Advocacy Committee shall consist of:
 - (i) the Chair;
 - (ii) the Executive Director; and

- (iii) such other Director or Directors as the Board may from time to time appoint.
- (b) Members and other stakeholders may be asked to participate in any ad-hoc advisory groups to the Policy/Advocacy Committee from time to time to lend their knowledge and expertise
- (c) The Policy/Advocacy Committee shall:
 - (i) set priorities for the Corporation's policy development and disseminate policy updates to the Members and stakeholders;
 - (ii) recommend policy communication strategies, recruit ad hoc committee members and convene policy forums when ad hoc committee interests warrant;
 - (iii) review ad hoc committee policy reports and recommendations and put forward draft policies for the Board;
 - (iv) assist the Executive Director with policy inquiries from media; and
 - (v) perform such other duties as assigned from time to time by the Board.

9.05 Terms of Reference for Other Committees

- (a) The functions, duties, responsibilities, composition (including chair) and mandate of all other Committees shall be set out in a Policy governing same to be prepared and reviewed by the Board from time to time or in the resolution of the Board by which such Committee is established.
- (b) The mandates for all Committees shall be reviewed, evaluated and revised, as may be appropriate, on an annual basis.

9.06 Procedures for Committees

- (a) Procedures at Committee meetings shall be determined by the chair of each Committee, unless established by the Board by resolution or in a Policy governing same.

9.07 Representatives at Large of Committees

- (a) On the recommendation of the Executive Committee, Representatives at Large may be appointed as members of any Committee.
- (b) Any Representative at Large appointed under this Section 9.07 shall have full voting rights on said Committees but are not eligible to serve as the chair of any such Committee to which they are so appointed.

- (c) Representatives at Large shall have no voting privileges with respect to any Special Meetings or Annual Meetings.
- (d)
 - (i) Representatives at Large shall have one (1) year renewable terms up to a maximum number of consecutive terms that will constitute nine (9) years of service; provided however, that following a break in his/her continuous service of at least one (1) year, the same person may serve again as a Representative at Large member;
 - (ii) The Representative at Large appointment shall not preclude their future candidacy for nomination to the Board and their related terms shall not be included in calculating a Director's term limit under paragraph 5.05(a).
- (e) Participation by a Representative at Large is conditional on the Representative at Large signing an acknowledgement that the Representative at Large:
 - (i) is a fiduciary of the Corporation and must place the best interests of the Corporation above his/her own best interests; and
 - (ii) has read and understood Sections 5.10 and 5.11 of this By-Law relating to conflicts of interest and confidentiality and **SCHEDULE A** (Policy Regarding Conflicts of Interest), each of which will apply, without derogation, to the Representative at Large.

ARTICLE 10. FINANCIAL MATTERS

10.01 Authorized Signing Officers

Contracts, documents or instruments in writing requiring the signature of the Corporation may be signed by:

- (a) the Executive Director, provided the expenditure contemplated by the document has been included within:
 - (i) the annual operating budget approved by the Board;
 - (ii) the annual capital budget approved by the Board; or
 - (iii) the signing limit authority policy approved by the Board from time to time; or
- (b) any two Officers.

10.02 Banking and Borrowing

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

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

10.03 Seal

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

10.04 Auditor

- (a) The Corporation shall at its Annual Meeting appoint an auditor who shall not be a member of the Board or an Officer or an Employee or a partner or employee of any such person, and who is duly licensed under the provisions of the *Public Accounting Act, 2004* (Ontario), to hold office until the next Annual Meeting.
- (b) The auditor shall have all the rights and privileges as set out in the Act and shall perform the audit function as prescribed therein.

10.05 Fiscal Year

Unless otherwise ordered by the Board, the fiscal year of the Corporation shall terminate on May 31 in each year.

ARTICLE 11. NOTICES

11.01 Service

Unless stated otherwise in this By-Law, any notice or other document required by the Act, the Letters Patent or this By-Law to be sent to any Member or Director or to the auditor shall be delivered personally or sent by prepaid mail, electronic mail or facsimile to any such Member or Director at their latest addresses shown in the records of the Corporation and to the auditor at its business address, or if no address be given therein then to the last address of such Member or Director known to the Secretary; provided

always that notice may be waived or the time for the notice may be waived or abridged at any time with the consent in writing of the person entitled thereto.

11.02 Signatures to Notices

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

11.03 Computation of Time

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

11.04 Proof of Service

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

ARTICLE 12. ENACTMENT, REPEAL AND AMENDMENT OF BY-LAW

12.01 Amendment

Subject to the provisions of this ARTICLE 12, the Board may, by a majority vote, pass or amend this By-Law from time to time.

12.02 Notice

- (a) Where it is intended to pass or amend this By-Law at a meeting of the Board, written notice of such intention shall be sent by the Secretary to each member of the Board at his/her address as shown on the records of the Corporation by ordinary mail not less than ten (10) days before the meeting.
- (b) Where the notice of intention required by paragraph (a) above is not provided, any proposed By-Law or amendments to this By-Law may nevertheless be moved at the meeting and discussion and voting thereon adjourned to the next meeting, for which no notice of intention need be given.

12.03 Effective Date

Subject to Section 12.04 below and except as expressly provided in this By-Law or in the Act, the By-Law or an amendment to the By-Law passed by the Board have full force and effect:

- (a) from the time the motion was passed and approved by the voting Members; or

- (b) from such future time as may be specified in the Member's motion.

12.04 Approval by Members

- (a) This By-Law or an amendment to it passed by the Board shall be presented for approval at the next Annual Meeting or at a Special Meeting called for that purpose. The notice of such Annual Meeting or Special Meeting shall refer to the By-Law and/or to the amendment to be presented.
- (b) The voting Members at the Annual Meeting or Special Meeting may approve the By-Law as presented or any amendments to it, and may reject or amend it.
- (c) Any amendment to the portion of this By-Law relating to the borrowing powers of the Corporation is not effective until it has been confirmed by at least two-thirds of the votes cast at a Members' Meeting duly called for considering it.

12.05 Repeal of Previous By-laws

All previous by-laws relating to the administration of the affairs of the Corporation are hereby repealed and replaced with this By-Law.

12.06 Amendments to Schedules

- (a) Notwithstanding the foregoing, the Board reserves the right to amend the Schedules from time to time, in its sole discretion, and any such amendments will be effective immediately. For greater certainty, amendments to the Schedules shall not be subject to Sections 12.01 to 12.05 of this ARTICLE 12.
- (b) The Board will notify the Members of any amendments to the Schedules within one (1) month of the effective date of said amendments pursuant to the notification procedure set out at ARTICLE 11.

SCHEDULE A: Policy Regarding Conflicts of Interest

Conflict of Interest

(a) Statement of Principles

- Directors, officers, and sub-committee members carrying out their fiduciary responsibilities to the RCO must put the RCO's best interests first and foremost.
- Directors, Officers and Sub-Committee Members shall at all times act in accordance with and display utmost good faith towards the RCO.
- Directors, Officers and sub-committee members should exercise proper fiduciary responsibility, ensure arm's length transactions, and maximize RCO's opportunities.
- Directors, Officers and Sub-Committee Members shall not use for personal gain any of the RCO's assets, goods, confidential information or opportunities.
- Directors, Officers and Sub-Committee Members shall not disclose any information which is confidential to the RCO during or after their tenure as a Director, Officer or Sub-Committee Member except as may be authorized by the RCO.
- Directors shall not communicate or purport to communicate to the public on behalf of the RCO without the prior approval of the Board and shall direct all inquiries about the business and affairs of the RCO to the Chair or Vice-Chair of the Board or to the Executive Director.

(b) Definitions

Fiduciary – A person legally appointed and authorized to hold assets in trust for another person. Of or relating to a holding of something in trust for another, of or being a trustee or trusteeship, held in trust

Stakeholder Organization – any NGO, government, municipalities and not-for-profits, industry, and associations that may or may not represent sectoral interests.

Conflict of Interest Defined

A conflict of interest arises when the personal or business interests of a Director, Officer, Sub-Committee Member or a related person supersede or compete with his or her official fiduciary responsibilities. Personal and business interests include pecuniary and non-pecuniary interests. For the purposes of this Code of

Conduct, "related person" means a spouse, child, parent or sibling of the Director/Officer/Sub-Committee Member or a RCO or other business entity in which such person holds a position as a

Director, officer, employee or has a shareholding or other interest.

A conflict of interest may be a real conflict of interest, a potential conflict of interest or an apparent conflict of interest.

A "**real conflict of interest**" exists when a Director/Officer/Sub-Committee Member has a personal or business interest that is sufficiently connected to his or her duties and responsibilities that it influences the exercise of fiduciary responsibilities;

A "**potential conflict of interest**" exists when a Director/Officer/Sub-Committee Member has a personal or business interest that could influence the performance of any of their fiduciary responsibilities provided that he or she has not yet exercised that duty or responsibility;

An "**apparent conflict of interest**" exists when reasonably well-informed persons could properly have a reasonable belief that a Director/Officer/Sub-Committee Member has a real conflict of interest, even where there is no real conflict in fact.

Generally, pecuniary interests lead to conflict of interest when a Director/Officer/Sub-Committee Member or related person is in a position, either directly or indirectly, to personally benefit or avoid financial loss as a result of a contract or other matter of a financial nature in which such person is involved.

Other personal interests lead to a conflict of interest when a Director /Officer/Sub-Committee Member has non-economic interests such as religious, political, corporate and/or institutional interests which supersede or compete with the fiduciary responsibilities of a Director/Officer/Sub-Committee Member to the RCO.

(c) Examples of Areas of Conflict

A matter comes before the RCO Board and,

- a Director has a personal interest (whether adverse to RCO's or not) in the issue or any of the parties involved with the issue (whether pecuniary or not);
- a Director represents a party who has an interest (whether adverse to RCO's or not) in the issue (whether pecuniary or not);
- a Director has taken a public position on the issue adverse to RCO's;
- a Director is a member of an organization which has publicly taken a position on the issue which is adverse to RCO's.

(d) Exclusion for Sectoral Interests

Notwithstanding the foregoing, conflict of interest should not be deemed to exist where:

- i. a pecuniary or non-pecuniary interest is so remote or insignificant in nature that it cannot reasonably be regarded as likely to influence the Director/Officer/Sub-Committee Member; and/or
- ii. a pecuniary or non-pecuniary interest of the Director/Officer/Sub-Committee Member is in common with a broad group of which the Director/Officer/Sub-Committee Member is a member such as the interest of all or substantially all businesses in an economic sector (herein referred to as a "Sectoral Interest") and do not prefer their individual personal or business pecuniary or non-pecuniary interests over those of other members of the group.

It is acknowledged and recognized that a Director/Officer/Sub-Committee Member may hold a position of influence in a stakeholder organization representing a Sectoral Interest. Such stakeholder organizations may have taken positions on issues related to ones under discussion by the RCO. A Director/Officer/Sub-Committee Member shall not be deemed to have a conflict of interest simply by virtue of such stated positions.

A Director, Officer or Sub-Committee Member shall not be deemed to have a conflict of interest simply because he or she holds a position of influence in a stakeholder organization representing a Sectoral Interest which may be affected by a decision of the RCO and shall be permitted to advocate the positions of such stakeholder organization in discussions before the Board.

(e) Confidential Information

Confidential information (which may be paper-based, electronic, or in other formats) is information that is not available generally to the public. Such information belongs exclusively to RCO, and includes but is not limited to, data and information received by the RCO from Members or other stakeholders, programs and policies of the RCO prior to public disclosure and the financial position of the RCO. The RCO may from time to time, in its discretion, consent to the use or disclosure by Board members or others of information or categories of information in the possession or control of the RCO and such information shall thereafter cease to be considered confidential information. Confidential information does not include (i) information which has become known to the public without any breach of the restriction on the disclosure of such information by a party who owes a duty of confidentiality to the RCO, (ii) information developed independently by another party as evidenced by written documentation in its possession, (iii) information received by a party from another party who was not under a duty of confidentiality to the RCO, and (iv) information which is required to be disclosed by applicable law or by an order of a court or regulatory tribunal with jurisdiction over the party disclosing such information.

(f) Disclosure of Conflict of Interest

Whenever a person governed by this Code of Conduct has a conflict of interest as described in this Code of Conduct, such person shall disclose such interest at the earliest practical time:

- in the case of Directors or Officers, to the Chair (or designate);
- in the case of a Sub-Committee Member, to the Chair of such Sub-Committee (or designate);
- in the case of any other persons to whom this Code of Conduct is made applicable, the Executive Director (or designate);
- in any case when at a meeting, to the chair of the meeting.

Directors, Officers and Sub-Committee Members are expected to arrange their private affairs and conduct themselves in a manner so to avoid conflict of interest.

In cases where conflict cannot be avoided,

- a Director, Officer or Sub-Committee Member must declare the conflict of interest at the earliest opportunity and, in the case of a Director or Sub-Committee Member, refrain from voting on Board or Sub-Committee decisions with respect to such transaction or matter.

A Director of the Corporation may have interests with stakeholders of the Corporation which may appear to be a conflict of interest. The Board recognizes that where the perceived conflicts related to the RCO and other Affiliate Corporations that share common goals with the Corporation that the benefits of having such members on the Board outweigh the potential difficulties relating to the perceived or actual conflict of interest.

The benefits include:

- i. reflection of the operational reality of the inter-relationship that the Corporation has with key stakeholders, affiliates and partners that is critical to the Corporation achieving its mission, vision and values; and
- ii. increased capacity of the Board because it leads to fuller and more informed deliberation on issues that have cross-organizational implications.
- iii. For reasons reviewed above, where a member has an actual or perceived conflict of interest relating to a not-for-profit partner, affiliate or stakeholder, the Director shall be entitled to be present at and take part in the deliberations with respect to the proposed

matter, contract or transaction or matter but shall not be entitled to vote.

Where a Director, Officer or Sub-Committee Member is unsure whether he or she is in conflict, that person should raise the issue of whether a conflict of interest exists with the chair of the meeting or other person named above. In the case of a Director or Officer, the Board shall decide, and, in the case of a Sub-Committee Member, the Sub-Committee shall decide, by a majority vote whether or not a conflict of interest exists. A Director or Sub-Committee Member shall abstain from voting on the issue of whether or not a conflict of interest exists.

Where a conflict of interest affecting a Director or Sub-Committee Member is discovered after consideration by the Board or a Sub-Committee of a matter, it must be disclosed as set out above and if the Board or Sub-Committee, as the case may be, determines that involvement of such Director or Sub-Committee Member influenced or may have influenced the decision of the Board or Sub-Committee in the matter, the Board or Sub-Committee, as the case may be, must re-examine the matter and may rescind, vary or confirm the decision.

Where the number of Directors who, by reason of the provisions of this Section, are prohibited from participating in a meeting is such that, at that meeting the remaining Directors are not of sufficient number to constitute a quorum, then, notwithstanding any other provision in this By-Law, the remaining number of Directors shall be deemed to constitute a quorum, provided such number is not less than three (3).

(g) Prohibited and Permitted Transactions

Except in accordance with this Code of Conduct, the RCO shall not enter into transactions with

- ***a Director, Officer, Sub-Committee member or a related person where the Director, Officer, Sub-Committee Member or related person may benefit from the transaction.***

The RCO may enter into a transaction with a Director, Officer, Sub-Committee Member or related person if the affected Director, Officer or Sub-Committee Member:

- declares a conflict of interest in respect of the proposed transaction;
- discloses to the Board the full nature and extent of his or her interest in the proposed transaction and, to the extent that he or she is able, the interest of any related person in the proposed transaction; and
- establishes to the satisfaction of the Board that: the proposed transaction is fair and reasonable to the RCO; and the proposed transaction would meet or exceed community expectations about the conduct of the RCO; and the Board approves the proposed transaction.

In the case of a declared conflict of interest, the declaration will be noted in the meeting minutes. An affected Director or Sub-Committee Member shall be allowed to provide information, on the item of issue, to other members of the Board and staff, within the context of the meeting. The affected Director will be asked to remove themselves from the meeting once they have given their information. This Director will not be allowed to vote on the proposed transaction and shall not be counted for the purpose of determining whether a quorum of Directors or Sub-Committee Members is present in relation to the vote on the proposed transaction.

(h) Breach

Any breach of this Code of Conduct may result in a person:

- i. being reprimanded;
- ii. being suspended from employment;
- iii. being required to refrain from sitting at meetings or voting;
- iv. being expelled from employment, from the Board or from a Sub-Committee; or any one or more of the above.

(i) Acknowledgement/Compliance Statement

Each year RCO's secretary shall distribute the Conflict of Interest Policy Acknowledgement and Compliance Statement. This form shall be completed and returned to the Secretary within 30 days of receipt.

Those governed by this Conflict of Interest Policy are required to formally acknowledge their agreement to comply with this Conflict of Interest Policy by completing and delivering to the Executive Director the RCO's "Code of Conduct Acknowledgment/Compliance Statement", at the time of becoming a Director, Officer or Sub-Committee Member or commencing to serve the RCO in any other capacity if the Board has determined that this Code of Conduct should apply to such person.

SCHEDULE B: DEFINITIONS AND INTERPRETATION

Acknowledgement of Conflict of Interest Form

I have read, understand and agree to abide by, the Conflict of Interest Policy as laid out in Schedule A of this Bylaw.

- Neither I nor any person related to me has a direct or indirect interest (excluding any interest which is a Sectoral Interest as defined in the Conflict of Interest Policy) in a contract or transaction with, or decision to be made by, the RCO at the date set out below.

OR

- I have, or a person related to me has, a direct or indirect interest (excluding any interest which is a Sectoral Interest as defined in the Conflict of Interest Policy) in a contract or transaction with, or decision to be made by, the RCO as described below:

- I am a Director or Officer of the following stakeholder of RCO:

Name of organization:

Title:

- Other relationships, interests or associations that may give rise to a conflict of interest

I understand that this Acknowledgment/Compliance Statement will remain in effect for as long as I remain

a Director or Officer of the RCO, a member of a Sub-Committee of the Board of Directors of the RCO or serve the RCO in any other capacity. Furthermore, I understand that I must maintain the confidentiality of information acquired as a result of my association with the RCO, even after such association terminates, except as disclosure may be permitted pursuant to the terms of the Conflict of Interest Policy

I also understand that I am prohibited and that any person related to me (as defined in the Conflict of Interest Policy) is prohibited from benefiting personally from any contract or transaction with or decision of the RCO unless I have declared my interest in such contract or transaction and have refrained from voting on the matter in accordance with the provisions of Schedule A of this Bylaw.

If, subsequent to the signing of this statement, a conflict of interest arises, I must disclose the conflict to the appropriate representative of the RCO as required by the Conflict of Interest Policy. Failure to disclose a conflict of interest or to comply with this Code of Conduct will be subject to such measures, as the RCO may deem appropriate.

Name:

Signed:

Date:

SCHEDULE C: Membership Categories

Category	Fee
Industry/municipal association	\$250
Business (annual gross sales <\$249,000)	\$100
Business (annual gross sales \$250,000-\$500,000)	\$250
Business (annual gross sales \$500,000-\$999,000)	\$500
Business (annual gross sales 1 million-5 million dollars)	\$750
Business (annual gross sales 5 million dollars +)	\$1000
Municipality (population <50,000).....	\$200
Municipality (population 50,000-199,000).....	\$300
Municipality (population <200,000-499,000)	\$400
Municipality (population >500,000).....	\$600
Library.....	\$40
Small community group.....	\$75
Provincial/national non-profit or charitable group	\$100
School	\$50
School board	\$100
Post secondary institution	\$250
Student	\$20
Individual	\$30
Family	\$50

SCHEDULE D: Board Nomination Procedure

Development of the RCO Board of Directors involves identification of potential members, nomination and election procedures as laid out in Articles 5 of this Bylaw and by the following procedure.

PURPOSE

To ensure that the Board possesses the competencies necessary for effective Board performance.

POLICY

Development of the Board involves identification of potential Directors, nomination and election procedures as set out in Article 5 of this By-Law and by the following procedure.

Potential Directors will be selected based on a demonstrated record of possessing the specific qualifications and competencies necessary for effective governance.

Directors eligible for election to another term will be evaluated on their performance as a trustee and their ability to contribute a competency that is still needed by the organization.

Term limits will be strictly followed to ensure a regular infusion of new individuals who bring needed competencies, provide fresh thinking and keep governance connected to the Members.

NOMINATION PROCEDURES

The Board delegates to the Executive Committee responsibility for developing and bringing to the Board recommendations with regard to Board election and re-election.

Nomination of candidates for election to the Board is conducted as follows:

1. The Executive Committee will recommend a list of competencies needed on the Board. Three types of competencies will be identified:
 - a. Universal Competencies: Personal qualifications required of ALL Directors.
 - b. Collective Competencies: Knowledge and skills that the Board AS A WHOLE needs, and therefore, should be strong attributes of one or more but not necessarily all Directors.
 - c. Desirable Competencies: Characteristics that would be an asset to the Board at the present time, given its strategic priorities and Board needs.
2. Using the competencies set out above, the Executive Committee will review the Board's current composition and anticipated vacancies and identify particular competencies to look for in new Directors. All Directors and staff are encouraged to recommend candidates possessing the competencies for consideration by the Executive Committee.

3. All nominations are received by the Executive Committee, which assesses the prospects' interest and qualifications against the Board's needed competencies and recommends those considered to be of greatest benefit to the Corporation. The Executive Committee will establish a mechanism for review of the performance of individual Directors eligible for re-election.

ELECTION PROCEDURES

Directors, with the exception of the Executive Director, who is appointed by the Board, are elected by the Members through a confidential ballot vote prior to the Annual Meeting each year as follows:

1. Ballots listing the slate of nominees and biographical information about each candidate are distributed to each Member in advance of the Annual Meeting.
2. Completed ballots are submitted in confidence to the firm appointed annually by the Board to audit the financial records.
3. The auditor is responsible for tabulating the votes and submitting the results to the Executive Director and the Chair.
4. Results of the election will be announced at the Annual Meeting.

SCHEDULE E: Executive Director Recruitment & Selection Process

When the Executive Director position becomes vacant, the Executive Committee of the Board will initiate a recruitment process. The following procedures will be implemented by the Executive Committee and reported to the Board:

1. Make necessary arrangements for interim leadership, including appointing an internal candidate in an acting position or identifying a candidate for a short term contract and/or or assigning such duties to the member(s) of the Board of Directors as the Executive Committee sees fit.
2. Review the job description and compensation package and confirm the job requirements of the replacement Executive Director.
3. Consider optional recruitment methods (i.e. a search firm, advertising, known sources) and determine preferred recruitment method.
4. Launch and manage the search.
5. Select candidates for interview and conduct the interviews.
6. Identify a short list of candidates.
7. Review short list of proposed candidates with Board and Directors and obtain board approval to make an offer to the preferred candidate.
8. Draft the employment contract and review with the Board
9. Obtain independent legal advice and make any necessary adjustments to the employment contract
10. Present proposed employment contract to the preferred candidate.
11. Allow preferred candidate time to consider contract proposal and to obtain independent legal advice.
12. Review and consider changes, if any, the preferred candidate may have to the proposed employment contract.
13. If mutual agreement is reached and the preferred candidate accepts the employment contract, secure the employment of the preferred candidate and announce same to Board
14. If mutual agreement is not reached and the employment contract is rejected by preferred candidate, present proposed employment contract to second preferred candidate and repeat process from 11. to 14. until a replacement Executive Director is secured.
15. If this process is not successful in securing a replacement Executive Director, Executive Committee shall report lack of success to the Board and Board shall determine if the recruitment process should be re-started or if alternative options should be pursued to ensure that the duties of the Executive Director are fulfilled to the best interests of the Corporation.