

BYLAWS
THE CHARTERED GOVERNANCE INSTITUTE OF CANADA
L'INSTITUT DE GOUVERNANCE AGRÉÉ DU CANADA
(HEREINAFTER CALLED 'THE CORPORATION')
BYLAWS RELATING GENERALLY
TO THE CONDUCT OF THE AFFAIRS OF THE CORPORATION

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BYLAWS

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L'INSTITUT DE GOUVERNANCE AGRÉÉ DU CANADA

(HEREINAFTER CALLED 'THE CORPORATION')

BYLAWS RELATING GENERALLY

TO THE CONDUCT OF THE AFFAIRS OF THE CORPORATION

WHEREAS the Corporation is permitted to use its present name by consent of The Institute of Chartered Secretaries and Administrators having its head office in London, England, and constituted by Royal Charter in 1902, which consent was given in writing on the 12th day of September, 1957, and subject to the Corporation adhering to certain rules relating to membership and governance;

AND WHEREAS the Corporation now desires to adopt new bylaws:

NOW THEREFORE BE IT ENACTED AND IT IS HEREBY ENACTED as the bylaws of the Corporation:

THAT the existing bylaws of the Corporation be and the same are hereby repealed in their entirety and replaced with these bylaws with effect as of June 14, 2019 and subject to being sanctioned by the Members.

GENERAL BYLAW NO. 1

SECTION 1 – INTERPRETATION

1.01 Definitions

In this bylaw and all other bylaws of *The Chartered Governance Institute of Canada* in the English language and *L'Institut de gouvernance agréé du Canada* in the French language (hereinafter called "the Corporation"), unless the context otherwise requires:

"Act" means the *Canada Not-for-profit Corporations Act* S.C. 2009, c.23 including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;

"articles" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation including the letters patent incorporating *The Chartered Governance Institute of Canada* and *L'Institut de gouvernance agréé du Canada* incorporated by Letters Patent dated 19th September 1957 as from time to time amended and supplemented by supplementary letters patent;

"ADR Institute of Canada" means the entity formed in August 2000 by the consolidation of the Arbitration and mediation Institute of Canada ("AMIC") and the Canadian Foundation for Dispute Resolution ("CFDR");

"board" means the board of directors of the Corporation;

"byelaw" means the byelaws of The Institute and/or ICOSA;

"bylaw" means this bylaw and any other bylaws of the Corporation as amended and which are, from time to time, in force and effect;

"Canadian Division" means the Division of The Institute designated by the Council pursuant to the byelaws of The Institute and subject to agreement with Council and such other jurisdictions or territories as the Council may include in the Division which includes Canada;

"Canadian Secretary" means the individual who is appointed Secretary of the CFC;

"CFC" means the Committee for Canada pursuant to a Delegation Agreement between The Institute, the CFC and the Corporation signed on May 26, 2003, a supplemental agreement signed on July 9, 2003 between The Institute, the CFC and the United Kingdom Committee of The Institute, and an additional supplemental agreement signed on May 24, 2014 between The Institute and the CFC;

"Corporation" means the entity constituted under the Act (i.e. CGI of Canada). The Corporation is permitted to use its present name by consent of *The Institute of Chartered Secretaries and Administrators*, London, United Kingdom and constituted by Royal Charter in 1902, which consent was given in writing on the 12th day of September, 1957, and subject to the Corporation adhering to certain rules relating to membership and governance;

"Council" means the International Council of The Institute;

"director" means a director of the board;

"meeting of members" includes an annual meeting of members or a special meeting of members;

"member" means a member or ordinary member in good standing of the Corporation and "members" or "membership" means the collective membership of the Corporation;

"ordinary resolution" means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;

"President" means any member appointed to perform the duties of the President of the Corporation;

"proposal" means a proposal submitted by a member of the Corporation that meets the requirements of section 163 (Shareholder Proposals) of the Act;

"Regulations" means the regulations made under the Act, as amended, restated or in effect from time to time;

"representative" in relation to a body corporate, means a representative of the body corporate, means a representative of the body corporate appointed or authorized by the body corporate pursuant to and in accordance with the law on such appointments;

"special resolution" means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution;

"The Institute" or **"ICSA"** means *The Institute of Chartered Secretaries and Administrators* constituted by Royal Charter in 1902 and any subsequent amendments thereto.

1.02 Interpretation

In the interpretation of this bylaw, words in the singular include the plural and vice-versa. "may" is construed as permissive, "shall" is construed as imperative, words in one gender include both genders. Other than as specified in 1.01 above, words and expressions defined in the Act have the same meanings when used in these bylaws.

If any of the provisions contained in the bylaws are inconsistent with those contained in the articles or the Act, provisions contained in the articles or the Act, as the case may be, shall prevail.

SECTION 2 – BUSINESS OF THE CORPORATION

2.01 Registered Office – The registered office of the Corporation shall be situated in any Province or Territory in Canada.

2.01.1 Other Offices – The Corporation may establish such other offices elsewhere within Canada as the directors may deem expedient.

2.02 Branches and Chapters – The board of directors, with the consent of the CFC may create branches and chapters which shall be responsible for the affairs of the Corporation in the location, and to such end may grant funds or enter into agreements with such branches and chapters. The branches may establish local chapters.

2.03 Financial Year End – The financial year end of the Corporation shall be determined by ordinary resolution of the board of directors.

2.04 Annual Financial Statements - The Corporation may, instead of sending copies of the annual financial statements and other documents referred to in subsection 172(1) (Annual Financial Statements) of the Act to the members, send a notice, by regular post or electronic means, to its members that the annual financial statements and documents provided in subsection 172(1) are available on the Corporation's website and may be downloaded and are available at the registered office of the Corporation and any member may, on request, obtain a copy free of charge at the registered office or by prepaid mail.

2.05 Auditor – Unless otherwise permitted by the Act, the members shall, by ordinary resolution at each annual meeting, appoint an auditor to hold office until the next following annual meeting. The auditor must be qualified to conduct an audit of the Corporation's financial statements and must meet the qualifications in the Act, including being independent of the Corporation and its affiliates, as well as the directors and officers of the Corporation and its affiliates. The directors may fill any casual vacancy in the office of the public accountant to hold office until the next following annual meeting. The remuneration of the public accountant may be fixed by ordinary resolution of the members, or if not so fixed, shall be fixed by the board.

2.06 Corporate Seal

The Corporation may have a corporate seal in the form approved from time to time by the board. If a corporate seal is approved by the board, the Secretary of the Corporation shall be the custodian of the corporate seal.

2.07 Execution of Documents

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by any two (2) of its officers or directors. In addition, the board of directors may from time to time direct the manner in which and the person or persons by whom a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal (if any) to the document. Any signing officer may certify a copy of any instrument, resolution, bylaw or other document of the Corporation to be a true copy thereof.

2.08 Banking Arrangements

The banking business of the Corporation shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada or elsewhere as the board of directors may designate, appoint or authorize from time to time by resolution. The banking business or any part of it shall be transacted by an officer or officers of the Corporation and/or other persons as the board of directors may by resolution from time to time designate, direct or authorize.

2.09 Application of Income and Property

The income and property of the Corporation shall be applied solely towards the promotion of the objects of the Corporation. The Corporation shall not declare or pay any dividend or otherwise divide, give or transfer any of its property or income to members.

2.10 Rules of Order

Any questions of procedures at or for any meetings of the members or meetings of the board of directors which have not been provided for in these bylaws or by the applicable legislation shall be determined by the Chairperson of the meeting in accordance with the most current edition of *Wainberg's Company Meetings including Rules of Order* by J.M. Wainberg, Q.C. of the Ontario Bar.

2.11 CFC Obligations

Pursuant to a Delegation Agreement signed between The Institute, the CFC and the Corporation on May 26, 2003, a supplemental agreement signed on July 9, 2003 between The Institute, the CFC and the United Kingdom Committee of The Institute, and an additional supplemental agreement signed on May 24, 2014 between The Institute and the CFC regarding the delegation of powers to the Canadian Division, the CFC will uphold the Charter and the bylaws of The Institute including directions issued by the Council including the said agreements so far as they are not inconsistent with the laws and regulations of Canada.

Any amendments to the agreements shall be implemented by the CFC so far as they are not inconsistent with the laws and regulations of Canada. The board of directors may appoint from time to time directors to negotiate amendments to the agreements.

SECTION 3 – MEMBERSHIP

3.01 Professional Designations

The board of directors may, pursuant to the authority granted to the CFC, and in accordance with such rules, regulations and standards of the Corporation as approved by the CFC from time to time and sanctioned by The Institute, as applicable, grant to individuals any one or more of the following designations:

- a. Associate of the Institute of Chartered Secretaries and Administrators, with the abbreviation A.C.I.S.;
- b. Fellow of the Institute of Chartered Secretaries and Administrators, with the abbreviation F.C.I.S.; and

such other designations as may from time to time be established by the Corporation.

The board of directors may grant to individuals any one or more of the following designations:

- a. Professional Administrator, with the abbreviation P.Adm.;
- b. Accredited Director, with the abbreviation Acc.Dir.; and

such other designations as may from time to time be established by the Corporation.

3.02 Membership Conditions

Subject to the articles, there shall be one class of members referred to as “members” or “ordinary members”. The board of directors of the Corporation may, by resolution, approve the admission of the members of the Corporation.

The board of directors shall admit as ordinary members of the Corporation, persons who consent to become a member of the Corporation and to be bound by its bylaws including, but not limited to, their provisions on entitlement to become ordinary members.

Membership of the Corporation as an ordinary member is conditional on the person being (i) a member of The Institute and (ii) resident in the jurisdictions of the Canadian Division, or a member who chooses the Canadian Division affiliation by personal choice. When an ordinary member of the Corporation ceases to be a member of The Institute for any reason, including, but not limited to, his or her expulsion from that membership, or his or her failure to pay subscriptions due to the Corporation or The Institute by the time required by the Corporation or The Institute, he/she automatically ceases to be an ordinary member of the Corporation and the directors must delete that member’s name from the Corporation’s register of members.

Whether a person has become, is currently, or has ceased to be a member of The Institute shall be determined by the committee of The Institute to which The Institute has delegated powers and responsibilities in relation to the Canadian Division of The Institute and known as the CFC, and failing determination by that

Committee for any reason, by the Council of The Institute. A notice in writing to the Secretary of the Corporation from the Canadian Secretary of the Canadian Division of The Institute, to the effect that a person has been admitted to membership of The Institute, is a member of The Institute, or has ceased to be a member of The Institute, shall be conclusive on the question whether the person is a member of The Institute for the purpose of determining whether a person is or has ceased to be an ordinary member of the Corporation.

The directors may suspend the admission of members or close the register of members at such times and for such periods and purposes as they think fit and may settle on a date at which membership shall be determined for the purpose of giving notice to members of any matter including a general meeting. To the extent permitted by law, failure to give notice to a member whose name appears on the register of members after that date shall not invalidate the effective giving of the notice if that person was not on the register at that date so fixed.

Membership of the Corporation is personal to the member and is not transferable.

Ordinary Members

- a. Ordinary voting membership shall be available to individuals who are (i) resident in the jurisdictions of the Canadian Division or who choose the Canadian Division affiliation by personal choice, (ii) recognized as Associates (ACIS) or Fellows (FCIS) and (iii) owe no money to the Corporation.
- b. The term of membership of an ordinary voting member shall be annual, subject to renewal in accordance with the policies of the Corporation.
- c. Each ordinary voting member is entitled to receive notice of, attend and vote at all meetings of members and each such ordinary voting member shall be entitled to one (1) vote at such meetings.

3.03 Obligations of Members

Every member shall comply with the bylaws and any rules and regulations of the Corporation as may be determined by the board from time to time.

3.04 Membership Dues

Members shall be notified in writing of the membership dues at any time payable by them and, if not paid as set by board policy, the member shall be subject to sanction up to and including removal from membership as set by board policy.

3.05 Termination of Membership

A membership in the Corporation is terminated when:

- a. the member dies;
- b. the member fails to maintain the usual terms of membership required by the Corporation;

- c. the member resigns by delivering a written resignation to the Chair of the board of the Corporation in which case such resignation shall be effective on the date specified in the resignation;
- d. the member is expelled in accordance with Section 3.07 below or is otherwise terminated in accordance with the articles or bylaws;
- e. the member's term of membership expires; or
- f. the Corporation is liquidated and dissolved under the Act.

Upon any termination of membership, the rights of the member automatically cease to exist.

3.06 Continuing Obligations

Termination of membership for whatever reason shall not relieve a member from paying to the Corporation any obligations arising before the effective date of termination of membership.

3.07 Discipline of Members

Subject to The Institute's ultimate authority and responsibility for all disciplinary investigations and decisions regarding all members of The Institute, including members of the Corporation, the board shall have authority to suspend or expel any member from the Corporation on any one or more of the following grounds:

- a. violating any provision of the articles, bylaws, or written policies of the Corporation;
- b. carrying out any conduct which may be detrimental to the Corporation as determined by the board of directors in its sole discretion;
- c. for any other reason that the board of directors in its sole and absolute discretion considers to be reasonable, having regard to the purpose of the Corporation.

In the event that the board of directors determines that a member should be expelled or suspended from membership in the Corporation, the Chair of the board, or such other officer as may be designated by the board of directors, shall provide twenty-one (21) days' notice of suspension or expulsion to the member and shall provide reasons for the proposed suspension or expulsion. The member may make written submissions to the Chair of the board, or such other officer as may be designated by the board of directors, in response to the notice received within such twenty-one (21) day period. In the event that no written submissions are received by the Chair of the board, the Chair of the board, or such other officer as may be designated by the board of directors, may proceed to notify the member that the member is suspended or expelled from membership in the Corporation. If written submissions are received in accordance with this section, the board of directors will consider such submissions in arriving at a final decision and shall notify the member concerning such final decision within a further twenty-one (21) days from the date of receipt of the submissions. The board of directors' decision shall be final and binding on the member, without any further right of appeal.

SECTION 4 – MEETINGS OF MEMBERS

4.01 Annual Meeting

The annual meeting of members shall be held on such day or at such time in the year and at such place as the board of directors may from time to time determine provided that the annual meeting must be held not later than fifteen (15) months after holding the preceding annual meeting and no later than six (6) months after the end of the Corporation's preceding fiscal year. Subject to compliance with section 159 (Place of Members' Meetings) of the Act, meetings of the members may be held at any place within Canada determined by the board or, if all of the members entitled to vote at such meeting so agree, outside Canada.

4.02 Business at Annual Meeting

The annual meeting of the members shall be held for the purpose of considering the financial statements and reports of the Corporation required by the Act to be presented at the meeting, electing directors, appointing the **Auditor** and transacting such other businesses as may properly be brought before the annual meeting of members.

4.03 Special Meetings

The directors may also call a special meeting of the members on such day or at such time in the year and at such place in Canada in accordance with the following. The notice of the special meeting of the members shall state the nature of the business in sufficient detail to permit the members to form a reasoned judgment thereon and shall include the text of any special resolution to be submitted to the meeting.

4.04 Persons Entitled to be Present

The only persons entitled to be present at a meeting of members shall be those entitled to vote at the meeting, the directors and the **Auditor** of the Corporation and such other persons who are entitled or required under any provision of the Act, articles or bylaws of the Corporation to be present at the meeting. Any other person may be admitted only on the invitation of the Chair of the meeting or by ordinary resolution of the members.

4.05 Quorum

A quorum at any meeting of the members (unless a greater number of members are required to be present by the Act) shall be 10 members present in person or by proxy entitled to vote at the meeting. For this purpose, where a person present is proxy for more than one member, each such member is present.

If a quorum is present at the opening of a meeting of members, the members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting. For the purpose of determining quorum, a member may be present in person, or by telephonic and/or other electronic means.

4.06 Manner of Sending Notice of Meetings

In accordance with and subject to the Act, the notice of the time and place of a meeting of members shall be given to each member entitled to vote at the meeting by the following means:

- a. by mail, courier or personal delivery to each member entitled to vote at the meeting, during a period of 21 to 60 days before the day on which the meeting is to be held; or
- b. by telephonic, electronic or other communication facility to each member entitled to vote at the meeting, during a period of 21 to 35 days before the day on which the meeting is to be held.

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendment to the bylaws of the Corporation to change the manner of giving notice to members entitled to vote at a meeting of members.

4.07 Waiving Notice of Meeting

A member and any other person entitled to attend a meeting of members may in any manner and at any time waive notice of or otherwise consent to a meeting of members and attendance of any such person at a meeting of members is a waiver of notice of the meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

4.08 Right to Vote

Every person who, at the time of the meeting, is a member in good standing of the Corporation and eligible to vote, shall be entitled to one (1) vote on each matter before the meeting.

4.09 Absentee Voting at members' Meetings

Pursuant to Section 171(1) (Absentee Voting) of the Act, a member entitled to vote at a meeting of members may vote by proxy by appointing in writing a proxyholder, and one or more alternate proxyholders, who are not required to be members, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by it subject to the following requirements:

- a. a proxy is valid only at the meeting in respect of which it is given or at a continuation of that meeting after an adjournment;
- b. a member may revoke a proxy by depositing an instrument or act in writing, signed by the member or by their agent:
 - i. at the registered office of the Corporation no later than the last business day preceding the day of the meeting, or the day of the continuation of that meeting after an adjournment of that meeting, at which the proxy is to be used; or

- ii. with the chairperson of the meeting on the day of the meeting or the day of the continuation of that meeting after an adjournment of that meeting.
- c. a proxyholder or an alternate proxyholder has the same rights as the member by whom he was appointed, including the right to speak at a meeting of members in respect of any matter, to vote by way of ballot at the meeting, to demand a ballot at the meeting and, except where a proxyholder or alternate proxyholder has conflicting instructions from more than one member, to vote at the meeting by way of a show of hands.

4.10 Deposit of Proxies

The board of directors may fix a time not exceeding 48 hours, excluding Saturdays and holidays, prior to any meeting of members before which time proxies must be deposited with the Corporation in an original form or by acceptable electronic means and any such period of time established shall be specified in the notice calling the meeting. If no time is established, proxies may be deposited with the Secretary of the meeting before any vote is cast under its authority.

4.11 Votes to Govern

Ordinary Resolution

At any meeting of members every question shall, unless otherwise provided by the articles or bylaws or by the Act, be determined by a majority of the votes cast on the question. In case of an equality of votes either on a show of hands or on a ballot or on the results of electronic voting, the Chair of the meeting in addition to an original vote shall have a second or casting vote.

Special Resolution

All matters proposed for consideration by special resolution shall be decided by a two-thirds (2/3) majority.

SECTION 5 – DIRECTORS

5.01 Authority to Manage

Subject to the Act and the articles, the directors shall manage or supervise the management of the affairs of the Corporation.

5.02 Number of Directors

The board shall consist of no less than three (3) directors and not more than twelve (12) directors.

If the articles provide for a minimum and maximum number of directors, the board shall be comprised of the fixed number of directors determined from time to time by the members by ordinary resolution or, if the ordinary resolution empowers the directors to determine the number, by resolution of the board.

A director must be (i) a Fellow of The Institute, (ii) a fully paid up member of the Corporation and (iii) a resident in the jurisdictions of the Canadian Division or who chooses the Canadian Division affiliation by choice.

5.03 Election and Term of Office of Directors

Subject to the articles, the members shall elect the directors at each succeeding annual meeting at which an election of directors is required to fill all positions of director of the Corporation and nominations must be called for in the notice of the annual meeting so convened.

The Branch Council of each duly constituted Branch of the Corporation shall from time to time nominate one (1) member of such Branch Council to be a director of the Corporation; provided however that the Branch Council of the British Columbia Branch shall nominate one (1) additional member of its Branch Council to be a director and that the Branch Council of the Ontario Branch shall nominate two (2) additional members of its Branch Council to be directors. The remaining four (4) directors shall consist of up to two (2) most immediate past-presidents and two (2) members at large. If there are no immediate past-presidents willing and able to serve, the remaining four (4) directors shall consist of members at large.

The directors shall be elected to hold office for a three (3) year term. A person shall be eligible for re-election for a second consecutive term of three (3) years. After a second consecutive elected term, a person can only be re-elected after being out of office for a year.

5.04 Appointment of Directors

Pursuant to the articles, the board may appoint directors (the “appointed directors”) to fill any vacancy occurring on the board of directors for any reason, and such appointed directors may hold office for a term expiring not later than the close of the next annual meeting of members.

5.05 Conflict of Interest

A director must withdraw from any discussions and not take part in any vote on a matter where the director or a person connected to him has interests that are likely to be affected. A person is connected to a director if that person is a spouse, civil partner, child, stepchild, adopted child, parent or parent-in-law. A person is deemed to have a significant interest in an entity if a director of the Corporation or a person connected to him is a director or partner, or directs the entity’s affairs, or holds an equity interest of 10% or more in such entity. In the event that a director has a real or perceived conflict of interest, the director shall declare this conflict at the first opportunity to the board of directors or may declare the conflict to the Chair of the board in accordance with the manner and timing provided in section 141 of the Act (disclosure of interest).

5.06 Vacation of Office

In addition to the circumstances prescribed by the Act, the office of director shall be vacated:

- a. in the event a director resigns from office by delivering a written resignation to the Chair or Secretary of the board;
- b. in the event the director is declared incapable by a court or tribunal in Canada;
- c. in the event the director is found guilty of a summary offence of an indictable offence under the criminal code or other criminal law statutes in Canada;
- d. in the event the director becomes an undischarged bankrupt;
- e. in the event of the death of the director;
- f. in the event the director fails to carry out the obligations of a director as set out in section **5.05**;
- g. in the event at a special meeting of members a resolution is passed by a majority of the members present at the meeting that the director be removed from office;
- h. in the event a director ceases to be a member of The Institute, ceases to be a member of the Corporation or is suspended or excluded from The Institute;
- i. in the event a director ceases to be resident in the jurisdictions of the Canadian Division, or ceases his/her affiliation to the Canadian Division by personal choice; or
- j. in the event he has failed to attend three (3) consecutive meetings of the board without reasonable cause.

5.07 Rolling cycle of Elections

Elections to the board of directors shall, as far as reasonably practical, aim to ensure one-third (1/3) of directors are elected each year, to facilitate a staggered retirement process and term of office going forward.

5.08 Powers of the Board

In conducting the business of the Corporation, the board may make or cause to be made any kind of contract that the Corporation may enter into lawfully. The board and its officers may exercise all such powers and do all such things as may be necessary in the best interests of the Corporation, subject to any limitations expressed in these bylaws.

The board may make and from time to time revoke or amend regulations not inconsistent with the bylaws to govern procedures and activities of the corporation, its organization and its relation with The Institute and any committee or delegate of The Institute and any committee or delegate of The Institute which has been given delegated powers or authorities in relation to the affairs of The Institute and its members. Those regulations as they are from time to time, bind the directors and the members of the Corporation.

SECTION 6 – MEETINGS OF DIRECTORS

6.01 Calling of Meetings

Meetings of the board of directors may be called by the Chair of the board, the Vice-Chair of the board or any two (2) directors at any time with reasonable notice to all of the directors entitled to receive notice.

6.02 Notice of Meeting of Board of Directors

Subject to the bylaws, a notice of a meeting of directors must be given by the Secretary of the Canadian Division to each person who is at the time of giving the notice a director, other than a director on leave of absence approved by the directors.

Notice of the time, place and business to be transacted for the holding of a meeting of the board shall be given in the manner provided in Section 9.01 of this bylaw to every director of the Corporation not less than two (2) days before the time when the meeting is to be held. Notice of a meeting or adjourned meeting shall not be necessary if all of the directors are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting.

6.03 Meetings of the Board

The board of directors shall meet from time to time to carry out its business, and no less frequently than four (4) times each calendar year.

6.04 Participation at Meetings

A director may, if a majority of the board consents, participate in a meeting of directors by means of telephone, electronic or other communications facility which permits all persons participating in the meeting to communicate adequately with each other during the meeting. A director participating by such means shall be deemed for the purposes of the Act to have been present at that meeting. A consent pursuant to this section may be given before or after the meeting to which it relates and may be given with respect to all meetings of the board and committees of the board.

6.05 Location of Meetings

Meetings of the board shall normally be held across Canada, or if the board so determines and all directors absent consent, at any place outside Canada.

6.06 Votes to Govern

At all meetings of the board, every question shall be decided by a majority of those present and eligible to vote. In case of an equality of votes, the Chair of the meeting in addition to an original vote shall not have a second or casting vote, and the motion shall be defeated.

6.07 Resolution in Lieu of Meeting

A resolution in writing, signed by all the directors entitled to vote thereon at a duly held meeting of the board or committee of the directors, is as valid as if it had been passed at a meeting of the board or a committee of directors. A copy of every such resolution in writing shall be kept with the minutes of the proceedings of the board or committee of directors.

6.08 Errors or Variances in Notice

No errors or omissions made in good faith regarding notice shall invalidate a meeting or make void the decisions of that meeting. An agenda for the meeting is required as part of any notice.

6.09 Quorum at Board Meetings

A majority of the directors shall form a quorum for the transaction of business. Vacancies on the board of directors shall not be included when establishing the requisite quorum. If a quorum is present at the opening of the meeting of the board of directors, the members present may proceed with the business of the meeting, including the taking of decisions, even if a quorum is not present throughout the meeting, however, at least four (4) directors must be present either in person or, if authorized under this bylaw, by teleconference or other electronic means as authorized for the taking of decisions.

If the number of directors in office at any time is not sufficient to constitute a quorum at a meeting of directors or is less than the minimum number of directors fixed under the articles, the remaining director or directors must advise the CFC immediately and request it to appoint a director or directors and, until that has happened, the remaining director or directors may act but only act if and to the extent that there is an emergency requiring them to act.

6.10 Participation at Board Meetings by Alternate Means

Directors may participate in board meetings via teleconference or other electronic means provided the Chair has received the approval of a majority of directors at the meeting. A director participating in this way shall be included for the purposes of determining quorum.

6.11 Committees of the Board of Directors

The board may from time to time appoint any committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the board shall see fit. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the board may from time to time make. Any committee member may be removed by resolution of the board of directors.

Any such committee, if so created, may be a joint standing committee of both the CFC and the board of the Corporation, or a standing committee of the board of the Corporation only.

Only Fellows of the Corporation may serve on the Executive Committee and the Admissions Committee.

All committee Chairs must be current directors of the board of the Corporation, although desirable but not obligatory for the Editorial Committee, which must however have at least one board member on its Committee.

Committee Chairs and members shall be appointed yearly by the board, immediately following the annual meeting of members. No committee Chair or member shall serve more than six (6) consecutive one-year terms, subject to the maximum term limits described in Section 5.03, but may be reappointed after being absent from such committee for at least one year.

SECTION 7 – OFFICERS

7.01 Appointment and Authority of Officers

The board may designate the offices of the Corporation, appoint officers on an annual basis, specify their duties and, subject to the Act, delegate to such officers the power to manage the affairs of the Corporation. A director may be appointed to any office of the Corporation. By a vote of the board, four (4) directors shall be designated as officers. The designation of officers shall take place as soon as possible after the board is elected by a meeting of the members. The officers shall be appointed for a one (1) year term, with a possibility to be re-appointed for another consecutive one (1) year term only. Re-appointment to an office can only occur after a one (1) year hiatus.

The board may appoint other officers from time to time, including an Executive Director. The officer so appointed may, but need not be, a director or member.

7.02 Executive Officers

- a. At its first meeting following each annual meeting of members of the Corporation, the board shall elect from among its members for the ensuing year a President, one or more Vice-Presidents, a Secretary, and a Treasurer. The officers so elected may hold more than one office, save that the President may not hold the office of Treasurer or Secretary.
- b. **President** – The President shall be the Chair of all meetings of the Corporation when in attendance, subject to the authority of the board and shall be an ex-officio member of all committees. The board may prescribe additional powers and duties to the President.
- c. **Vice-President** – During the absence or disability of the President, the duties shall be performed and the powers exercised by the Vice-President or, if there are more than one, by a Vice-President in order of seniority. A Vice-President shall have such other powers as the board or President may prescribe.

- d. **Executive Director** – The directors may appoint a person to the office of executive director of the Corporation on such terms and conditions including as to remuneration, as the directors determine. The person so appointed may be or may also be appointed as a director, in the manner provided by the bylaws. Nothing in the bylaws shall prevent a member of the Corporation or another person not a member being appointed to the position. An Executive Director so appointed by the directors may be removed from the position by the directors at any time on reasonable notice. The Executive Director shall have such responsibilities as are determined by the directors from time to time, subject to directions of the directors. The person appointed may also be an individual with an appointment in a company or other legal entity which has a management contract with the Corporation.
- e. **Secretary** – The Secretary shall give, or cause to be given, as and when instructed, notices to members, directors, the public accountant and members of committees and shall attend and be the Secretary of all meetings of the board, members and committees of the board. The Secretary shall enter or cause to be entered in the Corporation's minute book, minutes of all proceedings at such meetings. The Secretary shall keep or cause to be kept the stamp or mechanical device used for affixing the seal of the Corporation and shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation, except when some officer or agent has been appointed by the board for that purpose, The Secretary shall act as the Corporation's archivist, preserving all records and other instruments of historical interest, and perform such other duties as the board may prescribe.
- f. **Treasurer** – Subject to the Act, the treasurer of the Corporation shall be appointed by the directors for such term and upon such conditions as the directors think fit and any treasurer so appointed may be removed by the directors at any time. The directors may appoint a director as the treasurer and if the treasurer is appointed as a director of the Corporation he/she does not thereby cease to be treasurer. The treasurer shall be responsible for the maintenance of proper accounting records in compliance with the Act as well as the deposit of money, the safekeeping of securities and the disbursement of funds of the Corporation; whenever required, the treasurer shall render to the board an account of all such person's transactions as treasurer and of the financial position of the Corporation.
- g. **International Council Representative** – The immediate past-president, or such other individual as may be designated by the board, will assume the role of international council representative.

The powers and duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the board or President requires of them. The board may, from time to time and subject to the Act, vary, add to or limit the powers and duties of any officer.

7.03 Agents, Attorneys and Employees

The board may appoint such agents or attorneys, in or out of Canada, and engage such employees as it shall deem necessary from time to time. Such persons shall have such authority, and shall perform such duties, including the power of management and to appoint such as may be thought fit as shall be prescribed by the board from time to time.

7.04 Variation of Duties

From time to time, the board may vary, add to or limit the title, powers and duties of any officer, agent or employee.

7.05 Term of Office, Engagement or Employment

Subject to the bylaws, the term of office, engagement or employment, as the case may be, of an officer, agent, attorney or employee shall terminate upon a successor being duly appointed or written notification of resignation is received by the Secretary of the Corporation, provided however, that the board may remove, at its pleasure, any person so appointed, engaged or employed. The term of office of officers who are directors shall expire when they shall cease to be directors.

7.06 Removal from and Vacancy in Office

In the absence of a written agreement to the contrary, the board may remove any officer of the Corporation, whether for cause or without cause, by a vote of two-thirds (2/3) of the directors who are present in person or by electronic means at a board meeting. Unless so removed, an officer shall remain in office until:

- a. the officer's successor has been appointed;
- b. the officer has resigned;
- c. the officer has ceased to be a director (if a necessary qualification of appointment); or
- d. the officer has suffered an incapacity or has died.

If the office of any officer of the Corporation shall be or become vacant, the directors may, by resolution, appoint a person to fill such vacancy.

7.07 Additional responsibilities of Officers

The Board may specify in writing, from time to time, additional duties or powers for each of its officers.

7.08 Remuneration of Directors and Officers

Directors, including all officers, with the exception of the Executive Director, shall not receive remuneration for their services as directors or officers, but may be reimbursed for expenses properly incurred while conducting the Corporation's business. Directors and officers may be compensated for services rendered to the Corporation in another capacity, only if it is authorized by a board resolution, subject to Section 5.05 hereof.

SECTION 8 – INDEMNIFICATION

8.01. Limitation of Liability

Except as otherwise provided in the applicable legislation, no current director or officer of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director, officer or employee or for any loss, damage or expense incurred by the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation 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 including any person with whom or which any moneys, securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of the director's or officer's respective office or trust or in relation thereto unless the same shall happen by or through the Director's or Officer's own wilful neglect or default.

8.02 Indemnity of Directors and Officers

To the full extent permitted by the applicable legislation, every present and former director and officer of the Corporation and his or her 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 whatsoever that such director or officer sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against him for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him in or about the execution of the duties of his office and (b) all other costs, charges and expenses that he sustains or incurs in or about or in relation to the affairs of the Corporation except such costs, charges or expenses as are occasioned by his own wilful neglect or default. The Corporation shall also indemnify such person in such other circumstances as the applicable legislation permits or requires. Nothing in this bylaw shall limit the right of any person entitled to indemnity to claim indemnity apart from this bylaw.

8.03 Insurance

Subject to the Act, the Corporation may purchase and maintain insurance for the benefit of any person entitled to be indemnified by the Corporation pursuant to section 151 of the Act as the board may determine from time to time against any liability incurred by the individual:

- a. in the individual's capacity as a director or an officer of the Corporation; or
- b. in the individual's capacity as a director or an officer, or in a similar capacity, of another entity, if the individual acts or acted in that capacity at the corporation's request.

8.04 Advances

With respect to the defence by a director or officer of any claims, actions, suits or proceedings, whether civil or criminal, for which the Corporation is liable to indemnify a director or officer pursuant to this bylaw, the Corporation may advance to the director or officer such funds as may be reasonably necessary for the defence of such claims, actions, suits or proceedings upon written notice by the director or officer to the Corporation disclosing the particulars of such claims, actions, suits or proceedings and requesting such advance.

SECTION 9 – NOTICES

9.01 Method of Giving Notices

Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served), other than notice of a meeting of members or a meeting of the board of directors, pursuant to the Act, the articles, the bylaws or otherwise to a member, director, officer or member of a committee of the board or to the auditor shall be sufficiently given:

- a. if delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of the Corporation or in the case of notice to a director to the latest address as shown in the last notice that was sent by the Corporation in accordance with section 128 (Notice of directors) or 134 (Notice of change of directors);
- b. if mailed to such person at such person's recorded address by prepaid ordinary or air mail;
- c. if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
- d. if provided in the form of an electronic document in accordance with Part 17 of the Act.

9.02 Notice Deemed to be Delivered

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The Secretary may change or cause to be changed the recorded address of any member, director, officer, public accountant or member of a committee of the board in accordance with any information believed by the Secretary to be reliable. The declaration by the Secretary that notice has been given pursuant to this bylaw shall be sufficient and conclusive evidence of the giving of such notice. The signature of any director or officer of the Corporation to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

9.03 Invalidity of any Provisions of this Bylaw

The invalidity or unenforceability of any provision of this bylaw shall not affect the validity or enforceability of the remaining provisions of this bylaw.

9.04 Errors and Omissions

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

SECTION 10 – DISPUTE RESOLUTION

10.01 Mediation and Arbitration

Disputes or controversies among members, directors, officers, committee members, or volunteers of the Corporation are as much as possible to be resolved in accordance with mediation and/or arbitration as provided in Section 10.02 of this bylaw.

10.02 Dispute Resolution Mechanism

In the event that a dispute or controversy among members, directors, officers, committee members or volunteers of the Corporation arising out of or related to the articles or bylaws, or out of any aspect of the operations of the Corporation is not resolved in private meetings between the parties, then without prejudice to or in any other way derogating from the rights of the members, directors, officers, committee members, employees or volunteers of the Corporation as set out in the articles, bylaws or the Act, and as an alternative to such person instituting a law suit or legal action, such dispute or controversy shall be settled by a process of dispute resolution as follows:

- a. The dispute or controversy shall first be submitted to a panel of mediators whereby the one party appoints one mediator, the other party (or if applicable the board of the Corporation) appoints one mediator, and the two mediators so appointed jointly appoint a third mediator. The three mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties.
- b. The number of mediators may be reduced from three to one or two upon agreement of the parties.
- c. If the parties are not successful in resolving the dispute through mediation, then the parties agree that the dispute shall be settled by arbitration before a single arbitrator, who shall not be any one of the mediators referred to above, in accordance with the provincial or territorial legislation governing domestic arbitrations in force in the province or territory where the registered office of the Corporation is situated or as otherwise agreed upon by the parties to the dispute. The parties agree that all proceedings relating to arbitration shall be

kept confidential and there shall be no disclosure of any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law.

- d. All costs of the mediators appointed in accordance with this section shall be borne equally by the parties to the dispute or the controversy. All costs of the arbitrators appointed in accordance with this section shall be borne by such parties as may be determined by the arbitrators.

SECTION 11 – DISSOLUTION

11.01 Dissolution

In the event that the Corporation is dissolved, the process described in the applicable legislation for dissolution of a not-for profit organization will be followed.

If upon the winding up or dissolution of the Corporation there remains, after satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Corporation, but shall be given or transferred pursuant to the requirements of the applicable Canadian legislation in the Act in trust for the benefit of the members of the Canadian Division of The Institute or, where the Canadian Division is no longer recognized by The Institute, then in trust for members of The Institute who were former members of the Canadian Division to some other institution or institutions created, resident and controlled in Canada, having objects similar to the objects of the Corporation and bylaws which prohibit the distribution of its or their income and property among its or their members to at least the same extent as imposed on the Corporation by section 2.09, such institution or institutions to be determined by the members of the Corporation at or before the time of the dissolution and in default thereof by application to the President of The ADR Institute of Canada or an equivalent or successor institution in Canada and provided that the income and property distributed must be held in trust for members of The Institute who were former members of the Canadian Division .

SECTION 12 – BYLAWS AND AMENDMENTS

12.01 Enactment and Amendment of Bylaws

Bylaws of the Corporation may be enacted (and these may be subsequently repealed or amended) by a majority of the directors at a meeting of the board, provided that any such enactment shall be sanctioned by the Council and by an affirmative vote of at least two (2/3) of the members of the Corporation present or represented by proxy at a meeting of members duly called for the purpose of considering the said bylaw, and further provided that the repeal or amendment of such bylaw shall not be enforced or acted upon until the approval of the Director on behalf of Industry Canada has been obtained. All contracts and obligations legally entered into by the Corporation remain in force.

12.02 Invalidity of any Provision of these Bylaws

The invalidity or unenforceability of any provision of this bylaw shall not affect the validity or enforceability of the remaining provisions of these bylaws.

12.03 The Institute Obligations

The CFC shall uphold the Charter and any byelaws of The Institute and observe all rules, regulations, laws and directions from time to time made or issued by the Council so far as they are not inconsistent with the laws and regulations in Canada.

SECTION 13 – EFFECTIVE DATE

13.01 Effective Date

This bylaw is effective upon its approval by special resolution of the members of the Corporation.

CERTIFIED to be Bylaw No. 1 of the Corporation, as enacted by the directors of the Corporation by resolution on the 12th day of April 2019 and confirmed by the members of the Corporation by special resolution on the 14th day of June, 2019.

Dated as of the 27th day of June, 2019.