

**BOY SCOUTS OF CANADA
BY-LAW NO. 2**

ARTICLE I – GENERAL

- a. **Name** - The name of the corporation is Boy Scouts of Canada (or as amended by Act of Parliament). It is referred to in this By-Law as the “Corporation.”
- b. **Definitions** - In this By-law unless the context otherwise requires:
- (1) words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and vice versa, and references to persons shall include organizations, associations, firms and corporations;
 - (2) **“Board”** means the Board of Governors of the Corporation;
 - (3) **“CEO”** means the “Executive Commissioner and Chief Executive Officer” of the Corporation;
 - (4) **“Councils”** means those councils listed in Schedule A hereto as the same may be amended, from time to time, in accordance with Article VI;
 - (5) **“Member”** shall have the meaning ascribed thereto in Article II;
 - (6) **“National Office”** means the head office of the Corporation in the City of Ottawa in the Province of Ontario;
 - (7) **“Officer”** shall have the meaning ascribed thereto in Article IV a.;
 - (8) **“Policies”** means those policies established by the Board pursuant to Article I f.;
 - (9) **“Section Scouter”** means a leader in a weekly program who has reached the age of eighteen (18) years; and
 - (10) **“Youth”** means a person who is under twenty-seven (27) years of age as of 1 September of the year in question.
- c. **Corporate Seal** - The seal, an impression of which is stamped in the margin hereof, shall be the seal of the Corporation. The seal of the Corporation shall be kept in the custody of the CEO or such other person or persons as may be designated by the Board. All papers or documents required to be sealed on behalf of the Corporation shall be sealed in the presence of such person or persons.
- d. **Head Office** - The head office of the Corporation shall be in the City of Ottawa, in the Province of Ontario.
- e. **Financial Year** - Unless otherwise determined by the Board, the financial year-end of the Corporation shall be August 31.
- f. **Policies** - The Board may establish and amend Policies relating to all aspects of the business and affairs of the Corporation.
- g. **Priorities** - This By-Law No. 2 shall be consistent with the Act of the Canadian Parliament pursuant to which the Corporation was incorporated, as amended from

time to time. In the event of any conflicts or inconsistencies, the provisions of such Act shall govern.

ARTICLE II - MEMBERS

a. **Categories of Membership** - Membership in the Corporation shall be divided into three categories. Persons within such categories are referred to herein individually as a “Member” and collectively as the “Members”. The categories are as follows:

(1) **Ordinary Members** - Ordinary Members shall be entitled to receive notice of, in the manner set forth in Article III, and attend, but not vote at all meetings of Members. An Ordinary Member shall be any person who subscribes to the mission and principles of the Corporation, who pays the membership and national insurance fee established from time to time by the Board (or has such fees paid for him) and who falls into one of the following categories:

- (a) any Youth registered with the Corporation for the purpose of participating in the programs offered by the Corporation;
- (b) any person registered with the Corporation providing volunteer services to assist in the administration, development, management, or delivery of the programs offered by the Corporation;
- (c) any member of a BP Guild not otherwise registered as an Ordinary Member of the Corporation; and
- (d) any employee, as defined in the “Scouts Canada Personnel Policy” of the Corporation.

(2) **Honorary Officers and Members** - The Voting Members may elect as an Honorary Officer or Honorary Member of the Corporation any person they may deem suitable. The number of Honorary Officers shall not at any time exceed twelve (12).

(3) **Voting Members** - Voting Members of the Corporation shall be:

- (a) three (3) representatives, one of whom must be a Youth Member from each Council, elected annually by each such Council;
- (b) the Members of the Board;
- (c) one (1) representative from the Salvation Army Scout Association, appointed by such Association;
- (d) three (3) representatives from L’Association des Scouts du Canada, appointed by L’Association des Scouts du Canada;

- (e) one (1) representative from the Canadian Council of BP Guilds, appointed by the Canadian Council of BP Guilds; and
 - (f) all Honorary Officers.
- (4) The names of all representatives must be submitted to the Chief Commissioner care of the National Office by no later than twenty-five (25) days prior to the date of the annual general meeting of Members in each year.
 - (5) Voting Members shall serve in such capacity for a one (1) year period commencing on the termination of the annual general meeting of Members immediately following their election or appointment, (or at which they are elected, in the case of Members of the Board and Honorary Officers), and ending at the conclusion of the next succeeding annual general meeting of Members.
 - (6) Voting Members shall be entitled to receive notice of, in the manner set forth in Article III, and attend and vote at all meetings of Members.
- b. **Resignation** - Any Member may withdraw from the Corporation by delivering a written resignation addressed to the Corporation and delivered to the secretary of the Corporation care of the National Office.
 - c. **Removal** - Any Member may be removed as a Member by the Board and shall be removed as a Member if he is included in the Confidential List maintained pursuant to the provisions of Administrative Procedure No. 3 of the Corporation, as amended from time to time.
 - d. **Membership Not Transferable** - Except as provided in Article III f., the interest of a Member in the Corporation is not, directly or indirectly, transferable.

ARTICLE III - MEETINGS OF MEMBERS

- a. **Meetings** - Meetings of the Members shall be either an annual general meeting or a special general meeting. The annual general or any special general meeting of Members shall be held at a time and place to be fixed by the Board.
- b. **Business at Annual General Meetings** - The following business shall be transacted at each annual general meeting:
 - (1) receipt and consideration of reports including the Corporation's annual report;
 - (2) receipt and consideration of the financial statements and the auditor's report thereon for the preceding year;
 - (3) election of Honorary Officers and Honorary Members;

- (4) recommendation to the Chief Scout of an individual to fill the position of Chief Commissioner;
- (5) appointment of Officers and election of Members of the Board (except for the CEO, who is appointed by the Board, and the Chief Commissioner, who is appointed by the Chief Scout);
- (6) appointment of an auditor;
- (7) consideration of any matter placed before it by the Chief Commissioner on behalf of the Board;
- (8) selection of three (3) Voting Members to serve on the Nominating Committee for the ensuing year;
- (9) consideration of any resolution(s) introduced by the Voting Members in accordance with Article III i., and the recommendation(s) of the Board relating thereto: and
- (10) such other business as may come before the meeting and which the Members under applicable law are authorized to transact.

c. **Notice** -

- (1) Written notice of the time and place of any annual general meeting of the Members shall be given by the CEO, in his function as secretary of the Corporation, at least sixty (60) days before the date of such annual general meeting, to:
 - (a) the Voting Members by mail or electronic means,
 - (b) each of the Councils by mail or electronic means, and
 - (c) the Ordinary Members by publishing the same in the *Canadian Leader Magazine*.
- (2) Written notice of the time and place of any special general meeting of the Members shall be given by the secretary at least thirty (30) days before the date of such special general meeting to:
 - (a) the Voting Members by mail or electronic means,
 - (b) each of the Councils by mail or electronic means, and
 - (c) the Ordinary Members by publishing the same in both an English and a French language newspaper that has wide distribution in Canada.

- (3) Sufficient information shall be provided to the Voting Members, at least thirty (30) days prior to any meeting, to permit the Voting Members to form a reasoned judgment on any matter to be considered at such meeting. Discussion at any such meeting shall be limited to such matters. No error or omission in giving notice of any annual general or special general meeting or any adjourned meeting, whether annual general or special general, shall invalidate such meeting or make void any proceedings taken thereat, and the Voting Members may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. The statutory declaration of the Chief Commissioner that notice has been given shall be sufficient and conclusive evidence of the giving of such notice.

d. **Special General Meetings** -

- (1) Special general meetings of the Members may be called by the Chief Commissioner with the consent of the Board.
- (2) Special general meetings shall be called by the Chief Commissioner upon the written request of a minimum of twenty (20) Voting Members of the Corporation.

e. **Quorum** - A quorum at any meeting of Members shall be fifty percent (50%) plus one (1) of the Voting Members of the Corporation or their substitutes.

f. **Substitute Voting Member** -

- (1) Should a Voting Member be unable, for any reason, to attend a meeting of Members, a substitute may attend and act in such Voting Member's stead. This substitute is designated by:
 - (a) the Council or person which elected or appointed such Voting Member, as described in Article II a. (3) (a), (c), (d) and (e),
 - (b) by the Board, in the case of a Member of the Board, and
 - (c) by the Honorary Member, in the case of an Honorary Member.
- (2) A substitute may himself be a Voting Member, provided that in no event shall such a person be designated as a substitute for more than two (2) persons.
- (3) A substitute shall be designated by the completion of the form of proxy included with the information relating to a meeting of Members provided to Voting Members pursuant to Article III c. (3). A proxy must be signed and dated by the person granting the same and shall be valid only at the meeting of Members in respect of which it was given. A proxy holder may attend and

act at a meeting of Members in the manner and to the extent authorized by the proxy.

(4) To be valid, a proxy must be delivered to the CEO prior to the start of the meeting of Members in respect of which the proxy is given.

g. **Voting** -

(1) Except as expressly provided herein, at all meetings of the Members, every question shall be determined by a majority of votes cast by the Voting Members at the meeting. A declaration by the chair of the meeting that a resolution has been carried and an entry to that effect in the minutes shall be prima facie proof of the fact without proof of the number or proportion of the votes recorded in favor or against such resolution.

(2) Except as provided for in Article III f., no Voting Member or substitute may exercise more than one (1) vote on any issue coming before the meeting.

h. **Minutes** - The acts or proceedings of meetings of Members shall be adopted by resolution and shall be entered in a minute book and confirmed at the next meeting of Members.

i. **Introduction of Resolutions by Voting Members** -

(1) Any twelve (12) Voting Members may, by notice in writing signed by each and addressed to the Board in care of the CEO at the National Office, require (a) that the Board consider the resolution(s) set forth in such notice and (b) place such resolution(s), together with the recommendation(s) of the Board relating thereto, before an annual general meeting of Members.

(2) The Board shall consider all such notices and shall recommend to an annual general meeting of Members that the resolution(s) set forth therein be accepted or rejected by the Voting Members, as the case may be.

(3) To be considered at an annual general meeting of Members in any year, any such notice must be received by the CEO by not later than June 1 in that year, failing which the resolution(s) set forth in such notice will be considered at the next following annual general meeting of Members.

ARTICLE IV - OFFICERS

a. **Officers** - The officers of the Corporation shall be the Chief Scout, Chief Commissioner, Vice Chair of the Board - Strategic, Vice Chair of the Board - Finance, CEO, Past Chief Commissioner, Honorary Legal Counsel and such other officers as the Board may determine (herein referred to, individually, as an "Officer" and collectively, as the "Officers").

b. **Term of Office** -

- (1) All appointments of Officers, other than the CEO who shall hold office for such term as may be set out in the employment agreement referred to in Article IV b (2), shall become effective on the termination of the annual general meeting of Members at which the appointments were made and shall end at the conclusion of the next succeeding annual general meeting of Members. With the exception of the Chief Scout, the Honorary Officers, the most recent Past Chief Commissioner, Honorary Legal Counsel and the CEO, no Officer shall be eligible to serve more than three (3) consecutive one (1) year terms in any one (1) office.
- (2) The CEO shall be retained as an employee of the Corporation by the Board on such terms as the Board deems appropriate. Such terms and conditions of employment of the CEO shall be set out in a written employment agreement entered into between the Corporation and the CEO.
- (3) Officers, other than the CEO, who may be removed in accordance with the employment agreement referred to in this Article IV b. (2) and otherwise in accordance with applicable law, may be removed by the Board at any time.

c. **Vacancy** - Where an office becomes vacant by death, resignation or inability to serve, the Board may appoint a person to fill the vacancy until the following annual general meeting of Members. When an office has been filled within six (6) months from the date of the previous annual general meeting, the appointee shall be deemed to have served a term. Appointees assuming office after six (6) months of the date of the previous annual general meeting shall be deemed not to have served a term.

d. **Roles of the Officers** - The respective roles of the Officers are as follows:

- (1) **Chief Scout:** The office of Chief Scout is normally held by the Governor General of Canada. If the Governor General of Canada, for any reason, is unable to accept the office, a Chief Scout shall be elected by the Voting Members.
- (2) **Chief Commissioner:** The Chief Commissioner shall act as chair of all meetings of the Members and all meetings of the Board. The Chief Commissioner shall perform such duties as are assigned by the Board. The Chief Commissioner shall be an ex-officio Member of all national committees/task groups of the Corporation.
- (3) **Vice Chair of the Board - Strategic:** The Vice Chair of the Board - Strategic shall be responsible for the development of the strategic plans of the Corporation, assist the Chief Commissioner and shall chair the Board

should the Chief Commissioner be unable, for any reason, to carry out the responsibilities of that office.

- (4) **Vice Chair of the Board - Finance:** The Vice Chair of the Board - Finance shall serve as the treasurer of the Corporation, shall ensure that appropriate financial accounts and records are maintained by the Corporation, and shall present the annual audited financial statements to the Board and to the annual general meeting of Members.
- (5) **Executive Commissioner & Chief Executive Officer:** The CEO shall be the chief executive officer of the Corporation and shall report to the Board. The CEO shall be responsible for all activities of the Corporation in accordance with Policies and shall have the authority to implement all Policies at all levels of the Corporation. The CEO shall bring to the attention of the Board all matters, which require its attention and action and shall act as secretary of the Corporation and as secretary at all meetings of the Members and of the Board.
- (6) **Past Chief Commissioner:** The most recent Chief Commissioner willing and able to serve shall be the Past Chief Commissioner and shall serve the Corporation in an advisory capacity to the Chief Commissioner and to the Board.
- (7) **Honorary Legal Counsel:** The Honorary Legal Counsel shall perform such duties and provide such services as are assigned or requested by the Board.

ARTICLE V - BOARD OF GOVERNORS

- a. **Responsibilities** - The property and business of the Corporation shall be managed by an executive committee called the Board of Governors. The Board shall administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, except as otherwise specifically provided herein, shall exercise all such other powers and do all such other acts and things as the Corporation is by its Act of incorporation or otherwise authorized to exercise and do. Without limiting the foregoing, the Board shall have power to authorize expenditures on behalf of the Corporation from time to time. Also without limiting the foregoing, the principal responsibilities of the Board shall be the following:
 - (1) ensuring that the Corporation adheres to its mission and principles in force from time to time;
 - (2) ensuring strategic planning is done and guiding its development;
 - (3) ensuring that appropriate structures are in place to ensure that the Policies are carried out;

- (4) developing and maintaining fiscal responsibility at all levels in the Corporation including, without limitation, approval of the annual budget of the Corporation;
 - (5) ensuring a risk management program is in place and monitoring its results;
 - (6) hiring, directing and evaluating the performance of the CEO;
 - (7) ensuring that an effective and responsible management team is in place and overseeing its activities;
 - (8) periodically reviewing the implementation of Policies throughout the Corporation, to assess and correct the effectiveness of its execution;
 - (9) ensuring that the work performed by the Board is transparent and that it is well communicated to its Members, to the parents of its Members (where applicable) and others as deemed appropriate;
 - (10) ensuring that appropriate succession planning is in place at the Board and senior management levels;
 - (11) preparing an annual report for presentation to the annual general meeting of Members;
 - (12) ensuring that audited financial statements are prepared and approved for presentation to the annual general meeting of Members;
 - (13) recommending the appointment of an auditor to the annual general meeting of Members; and
 - (14) ensuring that all necessary books and records of the Corporation, required by the By-Laws of the Corporation or by applicable law, are regularly and properly kept.
- b. **Composition** - The Board shall be comprised of the following, each of whom shall be at least eighteen (18) years of age and have power under law to contract:
- (1) Chief Commissioner;
 - (2) CEO;
 - (3) Vice Chair of the Board - Strategic;
 - (4) Vice Chair of the Board - Finance;

- (5) eighteen (18) individuals with at least one (1) individual from each Province and one (1) from the Northwest Territories and Nunavut provided that four (4) of the eighteen (18) must be Youth Members; and
 - (6) the Past Chief Commissioner.
- c. **Other Offices** - No member of the Board, except the CEO, shall hold concurrently any office or position other than that of a Section Scouter in the Corporation.
- d. **Term of Office** - The term of office of each member of the Board shall commence on the termination of the annual general meeting of Members at which such member was elected and shall end at the conclusion of the next succeeding annual general meeting of Members. The Board (except for the CEO, who is appointed by the Board, and the Chief Commissioner, who is appointed by the Chief Scout) shall be elected by the Voting Members at each annual general meeting of Members for a term of one (1) year. No member of the Board, other than the CEO who shall hold office for such term as may be set out in the employment agreement referred to in Article IV b (2), and the most recent Past Chief Commissioner of the Board, shall be eligible to serve more than three (3) consecutive one (1) year terms in any one office.
- e. **Vacancy** -
- (1) The office of a member of the Board shall be automatically vacated:
 - (a) if he resigns his office by delivering a written resignation to the secretary of the Corporation in care of the National Office;
 - (b) if he is found by a court of law to be of unsound mind;
 - (c) if he becomes bankrupt or is unable to pay his debts as they become due;
 - (d) if at a special general meeting of the Members, a resolution is passed by at least sixty-six and two thirds percent (66 2/3%) of the Voting Members present at such meeting that he be removed from office; or,
 - (e) on death.
 - (2) Where a position on the Board becomes vacant, the Board may appoint a person to fill the vacancy until the dissolution or adjournment of the next annual general meeting of Members. Where a position has been filled within six (6) months from the date of the previous annual general meeting, the appointee shall be deemed to have served a term. An appointee whose term commences later than six (6) months following the date of the previous annual general meeting, shall be deemed not to have served a term.

- (3) If a vacancy occurs which is not filled by the Board, the members of the Board remaining in office may exercise all the powers of the Board provided that a quorum of the Board is elected or remains in office as the case may be.
- (4) A retiring member of the Board whose resignation stipulates that it is not to be effective until a certain meeting of the Board or the Members, shall remain in office until the dissolution or adjournment of the meeting at which his resignation is to be effective.
- f. **Meetings** - The Board shall meet at least four (4) times per year.
- g. **Telephone Calls** - If all members of the Board consent thereto in advance, generally or in respect of a particular meeting, and all such members have equal access, a member of the Board may participate in a meeting of the Board by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a member of the Board participating in such a meeting by such means is deemed to be present at the meeting. The secretary shall ensure each particular meeting is handled in a secure fashion. Quorum shall be established by a verbal roll call conducted by the secretary at the beginning of each particular meeting. Each vote cast by a member of the Board participating by teleconference call shall be recorded in the minutes by the secretary.
- h. **Quorum** - A quorum at any meeting of the Board shall be fifty percent (50%) plus one (1) of the members of the Board in office at the time.
- i. **Resolutions** - A resolution, if signed by all members of the Board, shall be as valid as if passed at a meeting of the Board.
- j. **Notice** - Meetings of the Board may be held at any time and place to be determined by the Board, provided that forty-eight (48) hours written notice of such meeting shall be given, other than by mail, to each member of the Board. It is provided further that, if notice is given by mail, such notice shall be mailed at least fourteen (14) days prior to the meeting. No notice of a meeting of the Board shall be required if all members of the Board are present and waive notice, or if those absent have signified their consent to the meeting being held in their absence. No error or omission in giving notice of any meeting of the Board or any adjourned meeting of the Board shall invalidate such meeting or make void any proceedings taken thereat and any member of the Board may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. The statutory declaration of the secretary that notice has been given shall be sufficient and conclusive evidence of the giving of such notice. The Chief Commissioner may, and shall upon written requisition of not less than a majority of the members of the Board, call a meeting of the Board.

- k. **Voting** - Each member of the Board shall be entitled to exercise one (1) vote at each meeting of the Board. At all meetings of the Board every question shall be determined by a majority of votes cast at the meeting. A declaration by the chair of the meeting that a resolution has been carried and an entry to that effect in the minutes shall be prima facie proof of the fact without proof of the number or proportion of the votes recorded in favor of or against such resolution.
- l. **Minutes** - The acts or proceedings of meetings of the Board shall be adopted by resolution and shall be entered in a minute book and confirmed at the next meeting of the Board. The minutes of meetings of the Board shall be reported at the next meeting of Members.
- m. **Board Remuneration** - The members of the Board shall serve as such without remuneration and no such member shall directly or indirectly receive any profit from his position as such, provided that such a member may be paid reasonable expenses incurred by him in the performance of his duties. Nothing contained herein shall be construed to preclude any such member from serving the Corporation as an Officer or in any other capacity and receiving compensation therefore.
- n. **Fund-raising** - The Board shall take such steps as they may deem requisite to enable the Corporation to acquire, accept, solicit or receive legacies, gifts, grants, settlements, bequests, endowments, payments and donations of any kind whatsoever for the purpose of furthering the objects of the Corporation. The Board shall have the power to enter into a trust arrangement with a trust company for the purpose of creating a trust fund in which the capital and interest may be made available for the benefit of promoting the interest of the Corporation in accordance with such terms as the Board may determine.
- o. **Borrowing** -
- (1) The Board may from time to time:
 - (a) borrow money upon the credit of the Corporation;
 - (b) limit or increase the amount to be borrowed;
 - (c) issue debentures or other securities of the Corporation;
 - (d) pledge or sell such debentures or other securities for such sums and at such prices as may be deemed expedient; and
 - (e) secure any such debentures, or other securities, or any other present or future borrowing or liability of the Corporation, by mortgage, hypothec, charge or pledge of all or any currently owned or subsequently acquired real and personal, movable and immovable, property of the Corporation, and the undertaking and rights of the corporation.

- (2) The Board may delegate such powers to the Officers or certain members of the Board to such extent and in such manner as the Board may determine. Nothing herein limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted, or endorsed by or on behalf of the Corporation.

ARTICLE VI – COUNCILS

The Board may, from time to time, amend the number and/or composition of Councils and assign names to them subject to the following conditions:

- a. all provinces will have a minimum of one (1) Council;
- b. all such amendments shall be subject to majority approval of the Voting Members at a meeting of Members; and,
- c. transition issues arising from any such amendment which is so approved, shall be approved by the Voting Members at such meeting.

ARTICLE VII- COMMITTEES AND TASK GROUPS

a. Committees and Task Groups

- (1) The Corporation shall have two (2) standing committees, namely, a Nominating Committee and an Audit Committee. The Board may establish other committees and task groups as deemed appropriate and shall assign duties to them on such terms and conditions as the Board may determine.
- (2) Except where membership is prescribed, each committee/task group shall be empowered to obtain voluntary assistance, as required, and shall be encouraged to include at least one Youth Member.
- (3) A quorum of each such committee/task group shall be a majority of its members.

b. Nominating Committee

- (1) Each year the Chief Commissioner shall ensure that a Nominating Committee is formed by the Board and carries out its responsibilities.
- (2) The Nominating Committee shall report to the Members and shall be chaired by the Past Chief Commissioner. Should no former Chief Commissioner be willing and able to serve, the Board shall appoint a chair of the Nominating Committee.

- (3) The Nominating Committee shall be comprised of the following:
 - (a) the chair;
 - (b) the Chief Commissioner;
 - (c) two (2) Members-at-large; and
 - (d) three (3) Voting Members, one (1) of which will be a Youth Member.

- (4) The Nominating Committee shall prepare for presentation to the annual general meeting of Members in each year a list of:
 - (a) Officers, namely, Chief Commissioner, Vice-Chair of the Board - Finance, Vice-Chair of the Board - Strategic, Past Chief Commissioner, Honorary Legal Counsel and such other Officer or Officers as the Board may determine;
 - (b) eighteen (18) individuals with at least one (1) individual from each Province and one (1) from the Northwest Territories and Nunavut provided that four (4) of the eighteen (18) must be Youth Members;
 - (c) Honorary Members; and
 - (d) The Chief Scout, in the event the Governor General, for any reason, is unable to accept the office.

- (5) The Nominating Committee shall take into consideration candidates who adequately represent the constituencies served by the Corporation and make recommendations to the Board with respect to any vacancies on the Board.

- (6) At least sixty (60) days prior to the annual general meeting of Members, the chair of the Nominating Committee shall circulate to the Voting Members by mail or by electronic means the nominations of the Nominating Committee for positions on the Board accompanied by a curriculum vitae for each such nominee.

- (7) Additional nominations for positions on the Board may be made provided that (a) each nomination is signed by five (5) Voting Members and is accompanied by a curriculum vitae and a written confirmation from the nominee acknowledging that he is willing to serve and that he has an understanding of the position to which he has been nominated and (b) such additional nominations are presented to the chair of the Nominating Committee, care of the National Office, at least twenty-five (25) days prior to the date of the annual general meeting of Members.

- (8) At least fourteen (14) days prior to the annual general meeting of Members, the chair of the Nominating Committee shall circulate to the Voting Members by mail or by electronic means the names of the additional nominees along with their curriculum vitae and the names of their nominators.

c. **Audit Committee -**

- (1) Each year the Chief Commissioner shall ensure that an Audit Committee is formed by the Board and meets at least two (2) times a year.
- (2) The Audit Committee shall present an annual report to the meeting of the Board at which approval of the annual financial statements is to be considered.
- (3) The Audit Committee shall be comprised of a minimum of four (4) and a maximum of six (6) members, one of whom shall be the Chief Commissioner and may include a majority who are not members of the Board. A member of the Board, not the Vice-Chair of Finance, shall be named as Chair. No employee of the Corporation may be a member of the Audit Committee.
- (4) The principal responsibilities of the Audit Committee shall be, but not limited to, the following:
 - (a) ensuring that the annual audit is carried out in an effective and cost efficient manner;
 - (b) overseeing the financial and control systems of the Corporation;
 - (c) recommending to the Board the approval of the annual audited financial statements;
 - (d) recommending to the Board the appropriate accounting Policies of the Corporation;
 - (e) performing other audits and reviews and preparing recommendations as requested from time to time by the Board; and
 - (f) recommending to the Board the appointment of the external auditor, including the audit fee.

ARTICLE VIII- INDEMNITY AND INSURANCE

- a. **Indemnity** -
- (1) In this Article VIII "Person" shall mean any person who was, now is or shall be (a) an Officer or member of the Board, (b) a member of a duly constituted committee or task group of the Corporation, (c) a director, officer, trustee or employee (whether salaried or not) of any Council and (d) an employee (whether salaried or not) of the National Office.
 - (2) The Corporation shall indemnify and save harmless each Person and his heirs, executors and administrators against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment reasonably incurred by that Person in respect of any civil, criminal or administrative action or proceedings to which he has been made a party by reason of being a Person provided that (a) that Person acted honestly and in good faith with a view to the best interests of the Corporation; and (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, that Person had reasonable grounds for believing that his conduct was lawful.
- b. **Insurance** - The Corporation may purchase, maintain and participate in such insurance for the benefit of Persons as the Board may from time to time determine.

ARTICLE IX - EXECUTION OF CONTRACTS, DOCUMENTS AND INSTRUMENTS

The Board shall have power from time to time to appoint any individual(s) who shall be empowered on behalf of the Corporation to sign specific contracts, documents and instruments in writing. All contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The Board may give the Corporation's power of attorney to any registered dealer in securities for the purposes of the transferring of and dealing with any securities owned by the Corporation.

ARTICLE X – TRANSITION

- a. **Past Chief Commissioner** - From the conclusion of the meeting of Members at which this By-Law No. 2 is sanctioned through to the earlier to occur of (1) the resignation or removal from office of the Chief Commissioner and (2) conclusion of the third annual meeting of Members following such meeting, the position of the Past Chief Commissioner shall be filled by the most immediate Past Chair of the Board willing and able to serve.
- b. The Officers (except for the President and Chief Executive Officer and the National Commissioner), Honorary Officers and Honorary Members, Members of the Board of Governors, Voting Members, members of the Nominating

Committee and the Auditor for the Corporation in place since the annual general meeting of Members held on the 16th of November 2002, shall constitute the Officers (except for the President and Chief Executive Officer and the National Commissioner), Honorary Officers and Honorary Members, Members of the Board of Governors, Voting Members, members of the Nominating Committee and the Auditor for the Corporation under this By-Law No. 2, until the end of the next annual general meeting of Members following the special general meeting of Members at which this By-Law No. 2 is sanctioned. Any vacancy arising in the position of Officer or Member of the Board prior to such next annual general meeting of Members shall be filled in accordance with the provisions of this By-Law No. 2 having application thereto.

- c. The person serving as the President and Chief Executive Officer of the Corporation at the time of the special general meeting of Members at which this By-Law No. 2 is sanctioned shall become the Executive Commissioner and Chief Executive Officer of the Corporation thereafter.
- d. The National Commissioner appointed at the annual general meeting of Members held on the 16th of November 2002 shall serve as the Chief Commissioner of the Corporation following the special general meeting of Members at which this By-Law No. 2 is sanctioned.

ARTICLE XI - AMENDMENTS

By-Laws of the Corporation may be amended or repealed by a resolution of the Board of Governors approved by an affirmative vote of sixty-six and two-thirds percent (66 2/3%) of the Voting Members at a meeting duly called, on not less than sixty (60) days' notice, for the purpose of considering the said By-Law.

ARTICLE XII - REPEAL

Upon this By-Law No. 2 coming into force By-Law No. 1 of the Corporation is repealed, provided that such repeal shall not affect the previous operation of such By-Law or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under the validity of any contract or agreement made pursuant to such By-Law prior to its repeal.

ARTICLE XIII - INTERPRETATION

- a. **Translation** - The Board shall ensure that the By-Laws of the Corporation or any approved amendments are translated to French or English, as the case may be, within a reasonable period of time. Should there be any inconsistency between the two texts, reference shall be made to the original text adopted by the Voting Members.

- b. **Correction** - Upon the adoption of this By-Law, the Board may, where appropriate, correct the punctuation or grammar and change the numbering of this By-Law No 2, if the correction does not change the meaning, and may make conforming changes to Policies.

May 31, 2003

CERTIFIED TRUE COPY, dated at Ottawa, ON on this 12th day of September, 2003:

Rob Stewart
Executive Commissioner & Chief Executive Officer

Schedule A - List of Councils

- a. Three (3) Councils in BC/Yukon as follows:
 - Cascadia*
 - Fraser Valley*
 - Pacific Coast*
- b. two (2) Councils in Alberta/NWT as follows:
 - Chinook*
 - Northern Lights*
- c. the Saskatchewan Council
- d. the Manitoba Council
- e. eight (8) councils in Ontario/Nunavut as follows:
 - Voyageur*
 - White Pine*
 - Greater Toronto*
 - Northern Ontario*
 - Shining Waters*
 - Central Escarpment*
 - Battlefields*
 - Tri-Shores*
- f. the Quebec Council
- g. the New Brunswick Council
- h. the Prince Edward Island Council
- i. the Nova Scotia Council
- j. the Newfoundland and Labrador Council

May 31, 2003
Revised: September 17, 2004