

**CIFST**  
Canadian Institute of  
Food Science & Technology



**ICSTA**  
Institut canadien de science  
& technologie alimentaires

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# **ORGANIZATIONAL BY-LAW**

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## **A BY-LAW TO COMPLY WITH THE CANADA NOT-FOR-PROFIT CORPORATIONS ACT**

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**PASSED BY THE BOARD OF DIRECTORS ON**  
*31 January 2013*

**UPDATED BY THE MEMBERS ON**  
*27 May 2018*

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# ORGANIZATIONAL BY-LAW

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## ARTICLE I. DEFINITIONS

- Section 1.01 Act** “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.
- Section 1.02 Articles** “articles” means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation
- Section 1.03 Board** “board” means the board of directors of the Corporation and “director” means a member of the board.
- Section 1.04 By-Law** “by-law” means this by-law and any other by-law of the Corporation as amended and which are, from time to time, in force and effect.
- Section 1.05 Meeting of Members** “meeting of members” includes an annual meeting of members or a special meeting of members; “special meeting of members” includes a meeting of any class or classes of members and a special meeting of all members entitled to vote at an annual meeting of members.
- Section 1.06 Ordinary Resolution** “ordinary resolution” means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution.
- Section 1.07 Proposal** “proposal” means a proposal submitted by a member of the Corporation that meets the requirements of section 163 (Shareholder Proposals) of the Act.
- Section 1.08 Regulations** “regulations” means the regulations made under the Act, as amended, restated or in effect from time to time
- Section 1.09 Special Resolution** “special resolution” means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution

## ARTICLE II. INTERPRETATION

- Section 2.01 Interpretation of Terms** In these by-laws and in all other by-laws of the Corporation hereafter passed, unless the context otherwise requires, words in the singular include the plural and vice-versa. Other than specified above, words and expressions defined in the Act have the same meanings when used in these by-laws.

### ARTICLE III. DETAILS OF THE CORPORATION

- Section 3.01 Name of the Institute** This Corporation shall be known as the Canadian Institute of Food Science and Technology / Institut Canadien de Science et Technologie Alimentaires (hereinafter called the “Corporation” or “Institute” depending on the context).
- Section 3.02 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.
- Section 3.03 Statement of Purpose** The purpose of the Institute is to advocate and promote the quality, safety and wholesomeness of the food supply through the application of science and technology by linking food science professionals from industry, government and academia.
- Section 3.04 Goals of the Institute** The goals of the Institute are:
- a. To provide a forum for exchange of education, scientific and business ideas and information.
  - b. To promote the careers and professional development of its Members.
  - c. To be a major voice on scientific issues and public policy affecting the food supply.
- Section 3.05 Head Office** The head office of the Institute shall be located in the Greater-Toronto area, in the Province of Ontario, Canada.
- Section 3.06 No Gain to Members** The Institute shall carry on its purpose without pecuniary gain to its Members and without loans to its Members or Directors.

### ARTICLE IV. MEMBERSHIP

- Section 4.01 Conditions of Membership** The Institute shall be composed of Members, who in turn may be Members of the Regional Sections in which they reside. Membership in the Institute shall be limited to persons interested in furthering the objects of the Institute and shall consist of anyone whose application for admission is approved according to the policies of the Institute and who has paid the annual fee for his or her class of Membership.
- Section 4.02 Classes of Membership** Subject to the Articles, there shall be six classes of Members of the Institute as follows:
- a. Professional Member
  - b. Member-Emeritus
  - c. Associate Member
  - d. Student Member
  - e. Retired Member
  - f. Sustaining Member

<b>Section 4.03 Professional Member</b>	A Professional Members shall be a person: <ul style="list-style-type: none"> <li>a. who is actively engaged in Food Science and Technology for a period of two years and holding a Bachelor’s degree or equivalent in a field of science, or</li> <li>b. holding a Master’s degree or Doctoral degree in a field of science, or</li> <li>c. who has a minimum of seven years experience in Food Science and Technology and holds a responsible position therein, or</li> <li>d. not actively engaged in Food Science and Technology but who qualifies by virtue of past experience and/or specialised training, as outlined in the policies of the Institute.</li> </ul>
<b>Section 4.04 Member-Emeritus</b>	Member-Emeritus shall be an honorary title bestowed on a Professional Member who has retired and has contributed meritorious service to the Food Industry and/or the Institute.
<b>Section 4.05 Associate Member</b>	An Associate Member shall be a person actively interested in Food Science and Technology but not classified as a Professional Member.
<b>Section 4.06 Student Member</b>	A Student Member shall be a person in full attendance in courses directed towards a career in Food Science and Technology.
<b>Section 4.07 Retired Member</b>	A Retired Member shall be any Professional Member who has retired from remunerative professional life in the agri-food sector and who has been a Member of the Institute for at least ten years. Certification of qualifying Membership will be verified by the Executive Director.
<b>Section 4.08 Sustaining Member</b>	A Sustaining Member shall be a Corporation, an incorporated Association, a College or University, a government Department or Agency actively involved in the food industry.
<b>Section 4.09 Determination of Membership Class</b>	Except for Members-Emeriti, the class of Membership shall be determined upon application according the policies of the Institute. Members-Emeriti shall be approved by the Board of Directors. The Board of Directors shall be the final arbiter when doubt arises as to a Member’s qualification.
<b>Section 4.10 Voting Rights</b>	Each Member of the Institute is entitled to receive notice of, attend and vote at all meetings of Members and each Member shall be entitled to one vote on each question arising at any annual or special meeting of Members.
<b>Section 4.11 Amendments to Membership</b>	Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the Members is required to make any amendments to this section of the by-laws if those amendments affect Membership rights and/or conditions described in paragraphs 197(1)(e), (h), (l) or (m) of the Act.



<b>Section 4.12 Membership Not Transferrable</b>	Membership in the Institute is not transferable.  Pursuant to Section 197(1) (Fundamental Change) of the Act, a special resolution of the Members is required to make any amendment to add, change or delete this section of the by-laws.
<b>Section 4.13 Withdrawal From Membership</b>	Members may withdraw from the Institute by resignation in writing which shall become effective upon delivery of the resignation to the Institute and lodging a copy with the Executive Director.
<b>Section 4.14 Automatic Termination of Membership</b>	Membership in the Institute will automatically terminate when: <ul style="list-style-type: none"> <li>a. the Member dies or resigns;</li> <li>b. the Member is expelled or their Membership is otherwise terminated in accordance with the articles or bylaws;</li> <li>c. the Member's term of Membership expires; or</li> <li>d. the Institute is liquidated and dissolved under the Act.</li> </ul>
<b>Section 4.15 Discipline of Members</b>	The Board of Directors shall have the authority to suspend or expel a Member according to the policies of the Institute.
<b>Section 4.16 Effect of Termination of Membership</b>	Upon termination, expulsion, or resignation, the rights of the Member automatically cease to exist.
<b>Section 4.17 Membership Fees</b>	Members shall pay annual fees as determined and approved by the Board of Directors and described in the policies of the Institute. The Institute shall notify Members when membership dues are payable.
<b>Section 4.18 Failure to Pay Fees</b>	A Member whose fees are not paid by the first day of January following shall be suspended. If membership fees are not paid for two successive years, reapplication for Membership will be required.

## **ARTICLE V. MEMBERS' MEETINGS**

<b>Section 5.01 Time and Place of Annual Meeting</b>	The annual meeting of Members of the Institute shall be held at any place in Canada and on such day as may be designated by the Board of Directors. The annual meeting must be held once in every calendar year and not more than sixteen (16) months after the holding of the last preceding annual meeting.
<b>Section 5.02 Persons Entitled to be Present at Members' Meetings</b>	The only persons entitled to be present at a Members Meeting shall be those entitled to vote at the meeting, the directors and the public accountant of the Institute and such other persons who are entitled or required under any provision of the Act, articles or by-laws of the Institute to be present at the meeting.  Any other person may be admitted only on the invitation of the Chair of the Meeting or by an ordinary resolution of the Members.

**Section 5.03 Method of Giving Notice of Annual Meeting**

Notice of the time and place of an annual meeting of the Institute shall be given to each Member entitled to vote at the meeting by mail, courier, personal delivery, telephonic, electronic or other communication facility not less than 30 or more than 60 days prior to the meeting.

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

**Section 5.04 Information About Annual Meeting**

Information concerning ordinary or special business to be considered by the Members at an annual general meeting must be sufficient to permit Members to form a reasoned judgement on the decisions to be taken.

Information about special business to be conducted at the annual meeting must be received in writing by the Executive Director not later than 45 days prior to the annual general meeting.

**Section 5.05 Cost of Publishing Proposals**

If a Member submits a proposal to be included on the agenda of the Annual Meeting, that Member shall pay the cost of including the proposal and any statement in the notice of the meeting, unless the cost is waived by the Institute.

**Section 5.06 Holding Meetings and Participating by Electronic Means**

Holding Members' meetings and participation at them may not be entirely by telephonic, electronic or other communication facility.

**Section 5.07 Business of Annual Meeting**

At the Annual General Meeting, a report of the proceedings of the previous year, the financial statements of the Institute, and the auditors' report shall be presented and auditors appointed for the ensuing year.

Other information or material relating to the Institute's affairs of interest or importance to the Members may be presented.

**Section 5.08 Calling of Special Meetings**

The Board of Directors or President or Vice-President shall have the power to call, at any time, a special meeting of the Members.

The Board of Directors shall call a special meeting of the Members on written requisition of a majority of the Members entitled to vote.

**Section 5.09 Method of Giving Notice of Special Meeting**

Notice of the time and place of a special meeting of the Institute shall be given to each Member entitled to vote at the meeting by mail, courier, personal delivery, telephonic, electronic or other communication facility. If notice is by mail then notice shall not less than 15 days prior to the meeting; otherwise it shall not be less than 5 days.

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

**Section 5.10 Information About Special Meeting**

Information about all business to be considered by the Members at a special meeting must:

- a) be sufficient to permit the Member to form a reasoned judgement on the decisions to be taken;
- b) state the text of any special resolution to be submitted to the meeting; and
- c) state that no other business will be considered at the meeting.

Information about business to be considered must be received in writing by the Executive Director not later than 15 days prior to the special meeting.

**Section 5.11 Notice of Proxy**

Notice of any meeting of Members must remind Members of their right to vote by proxy or contain a form of proxy attached to the notice.

**Section 5.12 Errors, Omissions, Adjournments**

The accidental omission to give any notice to or the non-receipt any notice by any Member, Director, Officer, Member of a Board Committee or public accountant, where the Institute has provided notice in accordance with the by-laws or any error in any notice not affecting its substance, shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

Any Member may at any time waive notice of any such meeting and may ratify, approve and confirm any proceedings taken or had thereat.

For the purpose of sending any notice to any Member, Director or Officer, the address used shall be his or her last address recorded on the books of the Institute.

**Section 5.13 Quorum for Annual or Special Meetings**

Five per cent (5%) of Members entitled to vote or represented by proxy at a meeting will constitute a quorum.

**Section 5.14 Member Voting Rights**

Each voting Member present at a meeting shall have the right to exercise one vote.

**Section 5.15 Voting By Proxy**

A Member may, by means of written proxy, appoint a proxy-holder to attend and act at a specific meeting of Members, in the manner and to the extent authorized by the proxy. The proxy-holder must be a Member of the Institute and entitled to vote.

Voting by proxy shall follow the procedures outline in the policies of the Institute.

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the Members is required to make any amendment to the by-laws of the Corporation to change this method of voting by Members not in attendance at a meeting of Members.

**Section 5.16 Voting by Ballot**

A ballot of Members entitled to vote may be taken at any time at the discretion of the Board of Directors upon matters affecting the interest of the Institute, except where the Act requires a meeting.

Ballots may be mail, fax, email, electronic or other communication facility if the Institute has a system that:

- a) enables the votes to be gathered in a manner that permits their subsequent verification; and
- b) permits the tallied votes to be presented to the Corporate without it being possible for the Institute to identify how each Member voted.

An interval of thirty (30) days shall be allowed between when ballots are distributed to Members and the time when the ballots are counted. Ballots not submitted within the required period will be rejected.

A majority of ballots submitted by Members entitled to vote shall determine the question of this ballot.

**Section 5.17 Decision by Majority Vote**

A majority of votes cast by the Members entitled to vote shall determine the questions in meetings except where the vote or consent of a greater number of Members is required by the Act or these by-laws.

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.

**Section 5.18 Quorum When Ballot Used**

When voting is by ballot only, five percent (5%) of the Membership submitting a ballot shall constitute the equivalent of a quorum.

**ARTICLE VI. BOARD OF DIRECTORS**

**Section 6.01 Delegation of Duties**

The Board of Directors may delegate to the Executive Director, any committee or Officer and duties and authority of the Board of Directors, which may be lawfully delegated.

**Section 6.02 Borrowing Powers**

- The Directors shall have power on behalf of the Institute to:
- a. borrow money upon the credit of the Institute, from any bank, corporation, firm or person, upon such terms, covenants and conditions at such times, in such sums, to such an extent and in such manner as the Board of Directors in its discretion may deem expedient;
  - b. limit or increase the amount to be borrowed.

**Section 6.03 Nomination and Election or Appointment of Directors**

Directors shall be nominated and elected or appointed according to the rules specified in the policies of the Institute as approved by the Board of Directors.

Directors must be individuals, at least 18 years of age, with the power under law to contract and be Members of the Institute.

**Section 6.04 Appointment of Executive Director**

The Directors shall appoint the Executive Director of the Institute to the Board of Directors according to the policies of the Institute.

The Executive Director will not be entitled to vote at meetings of Directors.

**Section 6.05 Number of Directors**

The total membership of the Board shall be no fewer than three (3) or more than eleven (11). If there are only three Directors, at least two of them cannot be employees of the Institute. The complement of Directors shall be determined according to the policies of the Institute.

**Section 6.06 Terms of Office**

Except for the Executive Director, Directors shall serve until their successors have been duly elected or appointed and installed.

Terms of office for each type of Director shall be specified in the policies of the Institute.

The term of office of the Executive Director shall not be subject to term limits as outlined in the Policies of the Institute.

**Section 6.07 Automatic Removal of Directors**

The office of Director of the Institute, who is not employed or contracted by the Institute, shall be vacated automatically if the Director:

- a. by notice in writing to the Institute resigns the office;
- b. is found to be mentally incompetent or of unsound mind;
- c. is convicted of any criminal offence;
- d. becomes bankrupt or suspends payment or compounds with his or her creditors or makes an authorized assignment or is declared insolvent; or
- e. dies.

**Section 6.08 Filling Vacancies**

Any vacancies occurring among the Board of Directors shall, until the next annual election, be filled by appointment by the Board of Directors.

**Section 6.09 Remuneration of Directors**

Directors, who are not employed or contracted by the Institute, shall serve without remuneration and they shall not directly or indirectly receive any profit from their positions.

However, Directors may be reimbursed out of the funds of the Institute, when authorised according to the policies of the Institute, for reasonable expenses that they have incurred in the performance of their duties on behalf of the Institute.

Directors shall not be reimbursed for attending Board of Directors' meetings in conjunction with the Annual Meeting or any Special Meeting of the Institute.

## **ARTICLE VII. MEETING OF DIRECTORS**

### **Section 7.01 Time and Place of Directors' Meetings**

A meeting of the Board of Directors may be called by the President whenever there is, in the President's opinion, the necessity of such a meeting.

There shall be at least one meeting of the Board of Directors held each year.

Meetings of the Board of Directors shall take place at the head office of the Institute, unless otherwise stipulated.

### **Section 7.02 Method of Giving Notice of Directors' Meeting**

Notice of the time and place every Directors' meeting shall be mailed, not less than fifteen (15) days prior to the meeting or faxed, emailed, or sent by electronic or other communication facility to Directors not less than 48 hours prior to the meeting.

### **Section 7.03 Errors, Omissions, Adjournments**

The accidental omission to give notice of any Directors' meeting, the non-receipt of any notice by any Director or adjournment of such meeting shall not invalidate any resolution passed or any proceedings taken at any Director's meeting.

Any Director may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.

### **Section 7.04 Means of Participation**

If a majority of the Directors consents either generally or in respect of a particular meeting, a Director may participate in a meeting of the Board of Directors by or by telephonic, electronic or other communication facility, and a Director participating in such a meeting by such means is deemed to be present at the meeting.

### **Section 7.05 Quorum**

A majority of the Directors participating in any meeting of the Board of Directors shall constitute a quorum, whether participating in person, or by telephonic, electronic or other communication facility.

### **Section 7.06 Director Voting Rights**

Each Director present at a meeting and entitled to vote shall have the right to exercise one (1) vote, whether participating in person or by telephonic, electronic or other communication facility. The President shall determine how votes are recorded.

In case of an equality of votes, the chair of the meeting in addition to an original vote shall have a second or casting vote.

## **ARTICLE VIII. INDEMNITIES TO DIRECTORS AND OTHERS**

- Section 8.01 Indemnities** Every Director or Officer of the Institute or other person who has undertaken or is about to undertake any liability on behalf of the Institute and their heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Institute, from and against:
- a. All costs, charges and expenses which such Director, Officer or other person sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him or her for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him or her in or about the execution of the duties of his or her office or in respect of any such liability; and
  - b. All other costs, charges and expenses which he or she sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his or her own wilful neglect or default.

## **ARTICLE IX. OFFICERS**

**Section 9.01 Officers of the Institute** The Officers of the Institute shall be President, President-Elect and Past President. The Executive Director shall serve as Secretary.

**Section 9.02 Election and Appointment of Officers** The offices of President, President-Elect, Past-President and Executive Director shall be elected or appointed according to the policies and procedures of the Institute.

**Section 9.03 Term of Office** Except for the Executive Director, Officers shall serve until their successors have been duly elected or appointed and installed.

Terms of office for each type of Officer shall be specified in the policies of the Institute.

The term of office for the Executive Director shall be determined or extended by a resolution of the Board of Directors and confirmed in the terms and conditions of the letter of employment.

**Section 9.04 Removal of Officers** An Officer may be removed from office by the Board of Directors, based on a majority vote of three-quarters (3/4) of all Directors in accordance with the policies of the Institute.

**Section 9.05 Filling Vacancies** Any vacancies occurring among the Officers shall, until the next annual election, be filled by appointment by the Board of Directors.

**Section 9.06 Remuneration of Officers** Officers, who are not employed or contracted by the Institute, shall serve without remuneration and they shall not directly or indirectly receive any profit from their positions. However, they may be reimbursed out of the funds of the Institute, when authorised

according to the policies of the Institute, for reasonable expenses that they have incurred in the performance of their duties on behalf of the Institute.

Officers shall not be reimbursed for attending Officer s' meetings in conjunction with the Annual Meeting or any Special Meeting of the Institute.

## **ARTICLE X. DUTIES OF OFFICERS**

### **Section 10.01 President**

It shall be the duty of the President to preside at all meetings of the Board of Directors and the Members. The President shall:

- a. appoint such committees as may be necessary;
- b. call special meetings of the Members as stated in the by-laws;
- c. perform all duties incidental to the office; and
- d. have such other powers and duties as may be assigned from time to time by the Board of Directors.

### **Section 10.02 President-Elect**

It shall be the duty of the President-Elect to act in the absence or indisposition of the President. In the event of the resignation, removal or death of the President, the President-Elect shall assume the title, duties and powers of the President.

It shall be the duties of the President-Elect to oversee the financial operations of the Institute as performed by the Executive Director and he or she shall:

- a. arrange for an annual, or more frequently at his or her discretion, audit of the bills of the Institute, the records of payment and the complete books of accounts of the Institute and to report to the Board of Directors or the Executive Committee after each audit; and
- b. ensure that, at the expense of the Institute, a Chartered Accountant, who was appointed at the Annual General Meeting, is engaged to make these audits; and
- c. appoint, on an annual basis or as required, a director of the Institute to regularly report on the Institute's finances as Treasurer in cooperation with the Executive Director.

The President-Elect shall exercise such powers and duties as may from time to time be assigned by the Board of Directors.

### **Section 10.03 Resignation, Removal or Death of President and President-Elect**

In the event of the death, removal or resignation of both the President and President-Elect, the Board of Directors shall convene within ten days at the call of the Executive Director and shall fill the vacancies from among the Directors, to complete the original term.

### **Section 10.04 Past-President**

It shall be the duty of the Past-President to chair the Governance Committee and other committees assigned to him or her by the Board of Directors and exercise such powers and duties as may from time to time be assigned by the Board of Directors.



**Section 10.05 Executive Director**

It shall be the duty of the Executive Director to conduct the business of the Institute and to carry out its policies under the direction of the Board of Directors. He or she shall at all reasonable times give to the Directors all information they may require regarding the affairs of the Institute.

The Executive Director shall exercise such powers and duties as from time to time be assigned by the Board of Directors.

**ARTICLE XI. EXECUTIVE DIRECTOR DUTIES**

**Section 11.01 Records, Notices, Minutes, Corporate Seal**

It shall be the duty of the Executive Director to act as Secretary and to:

- a. keep all documents, registers and records of the Institute required by law;
- b. issue notices for meetings of Members, Directors and the Executive Committee and to ensure minutes of all proceedings of these meetings at are entered in the minutes book;
- c. distribute minutes of the Board of Directors and Executive Committee meetings to Directors;
- d. record names and other information of the Members and Directors as required by law; and
- e. have custody of the Corporate Seal and when so directed by the Board of Directors, shall certify documents issued by the Institute.

**Section 11.02 Finances of the Institute**

The Executive Director shall perform the financial operations of the Institute under the direction of the President-Elect and/or the appointed Treasurer.

In maintaining the custody of the securities owned by the Institute, the Executive Director shall comply with the policies of the Institute.

The Executive Director shall collect membership fees, dues and assessments and any other moneys due to the Institute. All moneys received by the Executive Director shall be deposited in the name of the Institute with such financial institution as may be designated by the Board of Directors.

The Executive Director shall keep a proper record of all assets, liabilities, receipts and disbursements of the Institute in the books of the Institute and shall submit his or her and other records of his or her office to the President-Elect for the purpose of the latter's audit and to the Board of Directors on demand.

The Executive Director may delegate these acts and duties to an employee or agent of the Institute if they are conducted under the general supervision and responsibility of the Executive Director and are in compliance with the policies of the Institute.

**Section 11.03 Cheque Signing** Cheques shall be signed in accordance with the policies of the Institute.

## **ARTICLE XII. COMMITTEES**

**Section 12.01 Powers of Committees** The mandates, duties and responsibilities of each committee and the terms of office for committee members shall be outlined in the policies of the Institute and approved by the Board of Directors.

**Section 12.02 Appointment of Committees** The Board of Directors may appoint standing and ad hoc committees. Except for the Executive Committee, Committee Chairs shall be appointed by the President.

**Section 12.03 Appointment and Removal of Committee Members** As authorized in the policies of the Institute, Committee Chairs shall appoint members of their committee from among the Membership of the Institute and remove committee members from the committee.

**Section 12.04 Remuneration of Committee Members** Committee members, who are not employed or contracted by the Institute, shall serve without remuneration and they shall not directly or indirectly receive any profit from their positions. However, they may be reimbursed from Institute funds, when authorised according to the policies of the Institute, for reasonable expenses that they have incurred in the performance of their duties on behalf of the Institute.

## **ARTICLE XIII. EXECUTION OF DOCUMENTS**

**Section 13.01 Signing Requirements** Contracts, documents or any instruments in writing requiring the signature of the Institute, shall be signed by any two Officers and all contracts, documents and instruments in writing so signed shall be binding upon the Institute without further authorization or formality.

**Section 13.02 Appointment of Signing Authority** The Board of Directors shall have power from time to time by resolution to appoint any Officer or Officers or any person or persons on behalf of the Institute either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing.

**Section 13.03 Power of Attorney** The Board of Directors may give the Institute's power of attorney to any registered dealer in securities for the purposes of the transferring of and dealing with any stocks, bonds and other securities of the Institute.

**Section 13.04 Use of Corporate Seal** The Corporate Seal when required may be affixed to contracts, documents and instruments in writing as aforesaid or by any Officer or Officers appointed by resolution of the Board of Directors.

## **ARTICLE XIV. MINUTES**

**Section 14.01 Board and** The minutes of the Board of Directors and the Executive Committee

**Executive Committee** shall not be available to the general Membership of the Institute, but shall be available to the Board of Directors, each of whom shall receive a copy of such minutes.

## **ARTICLE XV. FINANCIAL YEAR END**

**Section 15.01 Setting Financial Year** The financial year of the Institute shall be determined by the Board of Directors.

## **ARTICLE XVI. BY-LAWS AND EFFECTIVE DATE**

**Section 16.01 Repeal, Amend, Replace By-Laws** Subject to the Articles, the Board of Directors may, by resolution, make, amend or repeal any by-laws that regulate the activities or affairs of the Institute. Any such by-law, amendment or repeal shall be effective from the date of the resolution of directors until the next meeting of Members where it may be confirmed, rejected or amended by the Members by ordinary resolution.

If the by-law, amendment or repeal is confirmed or confirmed as amended by the Members it remains effective in the form in which it was confirmed. The by-law, amendment or repeal ceases to have effect if it is not submitted to the Members at the next meeting of Members or if it is rejected by the Members at the meeting.

This section does not apply to a by-law that requires a special resolution of the Members according to subsection 197(1) (fundamental change) of the Act because such by-law amendments or repeals are only effective when confirmed by Members.

## **ARTICLE XVII. AUDITOR**

**Section 17.01 Annual Appointment** At each Annual General Meeting, the Members shall appoint a Auditor to audit the accounts and annual financial statements of the Institute and report to the Members at the next annual meeting on whether or not these financial statements are fairly presented in accordance with generally accepted accounting principles. The Auditor shall hold office until the next annual meeting.

The auditor may not be a Director, Officer or employee of the Institute unless approved by a majority vote of the Members.

**Section 17.02 Vacancy** The Directors may fill any casual vacancy in the office of Auditor until the next Annual General Meeting.

**Section 17.03 Remuneration** The remuneration of the Auditor shall be approved by the Board of Directors.

## **ARTICLE XVIII. ANNUAL FINANCIAL STATEMENTS**

**Section 18.01 Distribution** The Institute will make the annual financial statements available to

to Members\*

Members in print or electronically.

## **ARTICLE XIX. BOOKS AND RECORDS**

### **Section 19.01 Kept According to Laws**

The Board of Directors shall see that all necessary books and records of the Institute required by the by-laws of the Institute or by any applicable statute or law are regularly and properly kept.

## **ARTICLE XX. POLICIES**

### **Section 20.01 Management of the Institute**

The Board of Directors may approve such policies which are not inconsistent with these by-laws relating to the management and operation of the Institute, provided the policies are approved by a majority of Directors.

## **ARTICLE XXI. SUBSIDIARY ORGANIZATIONS**

### **Section 21.01 Regional Sections**

The Board of Directors shall, from time to time, establish geographical limits and grant authority to groups of Members of the Institute living in the same geographical regions for the establishment of Regional Sections. Each Regional Section shall exist at the pleasure of the Institute and shall be governed in a manner consistent with these by-laws, policies of the Institute and Regional Section governance regulations.

### **Section 21.02 Member-at-Large**

Members of the Institute may choose to become Members of a Regional Section, or become a Member-at-Large.

### **Section 21.03 Termination of Regional Sections**

When a Regional Section shall cease to function as a Regional Section of the Institute for a period of more than one (1) year, or shall hold less than three (3) meetings in any one (1) year, or if its membership shall be less than fifteen (15) Members of the Institute for a period of one (1) year, the Board of Directors may terminate the existence of such a Regional Section. Members will be designated as "Members at Large".

### **Section 21.04 Purpose of Regional Sections**

The business and objectives of the Regional Sections shall be to promote and sponsor the objectives of the Institute in their geographical area.

## **ARTICLE XXII. INVALIDITY OF ANY PROVISION OF THIS BY-LAW**

### **Section 22.01 Validity of Provisions Separate**

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

# EXCERPTS FROM THE ACT

## PART 3 CAPACITY AND POWERS

**Section 16 (2) Capacity of a Corporate** A corporation may carry on activities throughout Canada.

## PART 5 CORPORATE FINANCE

**Section 34 (1) Distribution of Property, Accreditations or Profits** Subject to subsection (2), no part of a corporation's profits or of its property or accretions to the value of the property may be distributed, directly or indirectly, to a Member, a director or an officer of the corporation except in furtherance of its activities or as otherwise permitted by this Act.

**Section 34 (2) Distribution to Member** If a Member of a corporation is an entity that is authorized to carry on activities on behalf of the corporation, the corporation may distribute any of its money or other property to the Member to carry on those activities.

## PART 9 DIRECTORS AND OFFICERS

**Section 124 Duty to Manager or Supervise Management** Subject to this Act, the articles and any unanimous Member agreement, the directors shall manage or supervise the management of the activities and affairs of a corporation.

**Section 126 (1) Qualifications of Directors** The following persons are disqualified from being a director of a corporation:

- anyone who is less than 18 years of age;
- anyone who has been declared incapable by a court in Canada or in another country;
- a person who is not an individual
- a person who as the status of a bankrupt

**Section 130 (1) Removal of Directors** The Members of a corporation may by ordinary resolution at a special meeting remove any director or directors from office.

**Section 138 (1) Delegation** Directors of a corporation may appoint from their number a managing director or a committee of directors and delegate to the managing director or committee any of the powers of the directors.

**Section 138 (2) Limits on Authority** Despite subsection (1), no managing director and no committee of directors has authority to:

- submit to the Members any question or matter requiring the approval of Members;
- fill a vacancy among the directors or in the office of public accountant or appoint additional directors;

- c. issue debt obligations except as authorized by the directors;
- d. approve any financial statements referred to in section 172;
- e. adopt, amend or repeal by-laws; or
- f. establish contributions to be made, or dues to be paid, by Members under section 30.

## **PART 10 BY-LAWS AND MEMBERS**

### **Section 160 (1) Calling Annual Meeting**

The Directors of the Corporation shall call an annual meeting of Members:

- a. not later than the prescribed period after the Corporation comes into existence; and
- b. subsequently, not later than the prescribed period after holding the preceding annual meeting but not later than the prescribed period after the end of the Corporation's preceding financial year.

## **PART 13 FUNDAMENTAL CHANGES**

### **Section 197 (1) Amendment of Articles or By-Laws**

A special resolution of the Members — or, if section 199 applies, of each applicable class or group of Members — is required to make any amendment to the articles or the by-laws of a corporation to

- a) change the corporation's name;
- b) change the province in which the corporation's registered office is situated;
- c) add, change or remove any restriction on the activities that the corporation may carry on;
- d) create a new class or group of Members;
- e) change a condition required for being a Member;
- f) change the designation of any class or group of Members or add, change or remove any rights and conditions of any such class or group;
- g) divide any class or group of Members into two or more classes or groups and fix the rights and conditions of each class or group;
- h) add, change or remove a provision respecting the transfer of a Membership;
- i) subject to section 133, increase or decrease the number of — or the minimum or maximum number of — directors fixed by the articles;
- j) change the statement of the purpose of the corporation;
- k) change the statement concerning the distribution of property remaining on liquidation after the discharge of any liabilities of the corporation;
- l) change the manner of giving notice to Members entitled to vote at a meeting of Members;
- m) change the method of voting by Members not in attendance at a meeting of Members; or
- n) add, change or remove any other provision that is permitted by this Act to be set out in the articles.

### **Section 197 (2) Revocation**

The directors of a corporation may, if authorized by the Members in the special resolution effecting an amendment under this section,

revoke the resolution before it is acted on without further approval of the Members.

**Section 198 (1) Proposal to Amend**

Subject to subsection (2), a director, or a Member who is entitled to vote at an annual meeting of Members, may, in accordance with section 163, propose to make an amendment referred to in subsection 197(1).

**Section 198 (2) Notice of Amendment**

Notice of a meeting of Members at which a proposal to make an amendment referred to in subsection 197(1) is to be considered shall set out the proposed amendment.

**Section 199 (1) Class Vote**

The Members of a class or group of Members are, unless the articles otherwise provide in the case of an amendment referred to in paragraphs (a) and (e), entitled to vote separately as a class or group on a proposal to make an amendment referred to in subsection 197(1) to:

- a) effect an exchange, reclassification or cancellation of all or part of the Memberships of the class or group;
- b) add, change or remove the rights or conditions attached to the Memberships of the class or group, including
  - i) to reduce or remove a liquidation preference, or
  - ii) to add, remove or change prejudicially voting or transfer rights of the class or group;
- c) increase the rights of any other class or group of Members having rights equal or superior to those of the class or group;
- d) increase the rights of a class or group of Members having rights inferior to those of the class or group to make them equal or superior to those of the class or group;
- e) create a new class or group of Members having rights equal or superior to those of the class or group; or
- f) effect an exchange or create a right of exchange of all or part of the Memberships of another class or group into the Memberships of the class or group.

**PART 18 GENERAL**

**Section 277 (2) Execution of Documents**

Any articles, notice, resolution, requisition, statement or other document required or permitted to be executed or signed by more than one individual for the purposes of this Act may be executed or signed in several documents of similar form, each of which is executed or signed by one or more of the individuals.

The documents, when duly executed or signed by all individuals required or permitted, as the case may be, to do so, are deemed to constitute one document for the purposes of this Act.