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## **BY-LAW 2018-1**

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**ARTICLE 1 – TERM OF OFFICE**

- 1.01 All elected and appointed positions shall commence June 1 and shall end May 31 at the end of the appropriate term of office.

**ARTICLE 2 – CORPORATE MEMBERS**

- 2.01 The Corporate Members of RTO/ERO shall be:
- (a) two individuals elected or appointed by each District under section 2.05 below;
  - (b) individuals elected or appointed to the Board of Directors; and
  - (c) individuals appointed as Chairs of Advisory Committees.
- 2.02 Notwithstanding section 2.01, if an individual who is elected or appointed is Absent from an Annual Meeting or Special Meeting at the beginning of that meeting, then the District Observer 1, if any, from the same District as the Corporate Member shall immediately become a Corporate Member. If the District Observer 1 is either Absent at the beginning of such meeting or is already a Corporate Member, then the District's District Observer 2, if any, shall immediately become a Corporate Member.
- 2.03 The Corporate Members of RTO/ERO shall not include any individuals other than the individuals listed in sections 2.01 and 2.02 of this By-law and such Corporate Members shall be the only "members" of RTO/ERO as that term is used in the Act.
- 2.04 Each District shall be entitled to appoint or elect two Corporate Members. An individual must be a member in RTO/ERO as described in section 1.01 (a) to (f) of the Policies in order to be eligible to be elected or appointed as a Corporate Member by a District. Each year by June 30 the District President shall provide written notification to the CEO (Chief Executive Officer) of RTO/ERO of the Corporate Members elected or appointed by the District.
- 2.05 A Corporate Member that is elected or appointed by a District shall be eligible for unlimited re-appointment or re-election by a District.
- 2.06 Each Corporate Member shall be entitled to receive notice of, attend and vote at all Annual and Special Meetings.
- 2.07 Corporate Membership in RTO/ERO automatically terminates upon the occurrence of any of the following events:
- a) the resignation in writing of a Corporate Member of RTO/ERO;
  - b) the death of a Corporate Member;
  - c) the expiration of a Corporate Member's term as set out in section 1.01;
  - d) the liquidation or dissolution of the RTO/ERO under the Act;

- e) in the case of a Corporate Member who ceases to be a Director of RTO/ERO;
  - f) in the case of a Corporate Member who ceases to be a Chair of an Advisory Committee;
  - g) the removal of a Corporate Member in accordance with section 2.08;
  - h) in the case of an individual who becomes a Corporate Member under section 2.02, the earlier of:
    - (i) the time at which the Corporate Member, who was Absent, from the same District arrives at the meeting in which the individual became a Corporate Member; or
    - (ii) the termination of that meeting.
- 2.08 A District Executive may remove and replace a Corporate Member. The removal or replacement shall be effective upon the District President providing written notice of the removal or replacement to the CEO of RTO/ERO.
- 2.09 If at any time a District has fewer than two Corporate Members, then the District may appoint or elect an individual to fill the balance of the Corporate Member's one-year term ending on June 30. The District President shall provide written notice to the CEO of RTO/ERO of such election or appointment.
- 2.10 Corporate Members shall serve without remuneration. They, however, shall be entitled to receive reimbursement for reasonable expenses incurred in carrying out their duties on behalf of RTO/ERO.

### **ARTICLE 3– DISTRICT OBSERVERS**

- 3.01 Each District may name a District Observer 1 and District Observer 2, each of whom must be a member of RTO/ERO in the District as described in section 1.01 (a) to (f) of the Policies. Each year by June 30 the District President shall provide written notification to the CEO of RTO/ERO of the names of District Observer 1, District Observer 2.
- 3.02 The District Observers shall have a term in such positions for one year ending on June 30 each year. A District Observer shall be eligible for unlimited re-appointment or re-election.
- 3.03 The District Observers have the right to receive notice of and may attend all Annual, Special, and Forums. A District Observer shall not have the right to vote at any Annual or Special Meeting, unless the District Observer becomes a Corporate Member in accordance with section 2.02.
- 3.04 A District Executive may remove and replace a District Observer. The removal or replacement shall be effective upon the District President providing written notice of the removal or replacement to the CEO of RTO/ERO.

### **ARTICLE 4 – ANNUAL AND SPECIAL MEETINGS**

- 4.01 The Board of Directors shall call at least two Forums each year. The Annual Meeting to be held not later than May 31 each year.
- 4.02 At the Annual Meeting, Corporate Members have the authority to:
- (a) elect the Board of Directors;

- (b) elect the majority of individuals on the Nomination Committee;
  - (c) appoint a Public Accountant;
  - (d) receive the financial statements of RTO/ERO;
  - (e) approve the strategic direction/strategic plan of RTO/ERO;
  - (f) approve changes to the annual fee to participate in RTO/ERO programs;
  - (g) approve changes to the calculation of the annual grants to Districts;
  - (h) approve dissolving or reorganizing Districts; and
  - (i) approve Fundamental Changes to the operations of RTO/ERO.
- 4.03 Any Fundamental Change proposed by the Board of Directors to the operations of RTO/ERO must be approved by a Special Resolution at an Annual or Special Meeting. Subject to the Act and this By-law, other matters which are placed before the Annual Meeting for consideration must be approved by Ordinary Resolution.
- 4.04 The Chair or a majority of the Board of Directors may call a Special Meeting.
- 4.05 A Corporate Member may propose that the Directors introduce a resolution on any matter relevant at an Annual or Special Meeting by providing a detailed written description of the resolution by the District Executive or General Membership signed by the Corporate Member and the District President and sent to the CEO of RTO/ERO at least forty-five (45) days in advance of an Annual Meeting or Special Meeting. The Directors shall introduce such resolutions at the next Annual Meeting unless the resolution:
- a) is to enforce a personal claim or redress a personal grievance against RTO/ERO or its directors, officers, members or debt obligation holders;
  - b) does not relate in a significant way to the activities or affairs of RTO/ERO;
  - c) is substantially similar to a resolution before the Annual Meeting in the past two years; or
  - d) rights conferred by this section are being abused to secure publicity.
- 4.06 Corporate Members are encouraged to raise any issues at the meetings called by the Directors in accordance with section 4.05. If a group of Corporate Members requisition an additional meeting in accordance with the Act, then:
- a) Corporate Members may pass a resolution that the group of Corporate Members requisitioning the meeting shall reimburse RTO/ERO for the expenses reasonably incurred in calling and holding the meeting.

- 4.07 The quorum for an Annual or Special Meeting shall be 66.67% percent of the Corporate Members then in office. In the absence of a quorum, any business conducted by the Corporate Members present shall require ratification at the next Annual or Special Meeting.
- 4.08 Notice of the time, place and date of an Annual Meeting or Special Meeting and sufficient information for a Corporate Member to make a reasoned judgment on the business to be considered, including information on any Special Resolution to be submitted to the meeting, shall be given to each Corporate Member and District Observer entitled to attend the meeting. The Public Accountant of RTO/ERO shall be given notice of the time, place and date of the Annual Meeting. Notice shall be given by:
- a) Mail, courier or individual delivery, during a period of twenty-one (21) to sixty (60) days before the day on which the meeting is to be held; or
  - b) Telephone, or other electronic means, during a period of twenty-one (21) to thirty-five (35) days before the day on which the meeting is to be held. If a Corporate Member requests that notice of a meeting be given by non-electronic means, the notice will be sent by mail, courier or individual delivery as provided in section (a).
- 4.09 A District Observer, who is not a Corporate Member, may only address an Annual or Special Meeting with the agreement of a Corporate Member from his or her District.

#### **ARTICLE 5 – BOARD OF DIRECTORS**

- 5.01 The number of Directors of the Corporation is nine, with the proviso that up to two non-RTO/ERO members may be elected or appointed.
- 5.02 The Corporate Members shall elect the Directors.
- 5.03 Each Director shall:
- (a) be a member of RTO/ERO referred to in sections 1.01 (a) to (f) of the Policy, with the exception of up to a maximum of two (2) Directors who need not be members of RTO/ERO;
  - (b) be an individual who is at least eighteen (18) years of age;
  - (c) not have the status of a bankrupt; and
  - (d) not be an individual who has been declared incapable by a court in Canada or elsewhere.
  - (e) No Director of the RTO/ERO Board can be a member of a competing plan with the exception of the two non-RTO/ERO Members.

If an individual ceases to be qualified as provided in this Article 5, the individual thereupon ceases to be a Director and the vacancy so created may be filled in the manner prescribed by section 5.10.

- 5.04 At each Annual Meeting, a number of Directors equal to the number of Directors retiring plus any vacancies then outstanding shall be elected.
- 5.05 Candidates for the office of Director shall be the individual candidates proposed by the Nomination Committee and such other individuals nominated in accordance with the

Policies or the Act prior to the Annual Meeting.

- 5.06 Each Director shall be elected for a three (3) year term, beginning the following June 1 until May 31 three years later, to expire at the later of the conclusion of the third Annual Meeting following appointment or such time as their replacement is elected. If a Director does not fill his or her term, the individual elected to fill the vacancy shall complete the term of the departing Director.
- 5.07 A Director is eligible for election for two (2) consecutive full three (3) year terms on the Board and thereafter is not eligible for re-election until a period of eleven (11) months has elapsed from the date such individual ceases to be a Director;
- (a) Provided that the term limit herein does not apply to an individual who is Chair or Vice Chair and that the individual serving as Chair or Vice Chair shall be entitled to remain on the Board (assuming re-election by the Corporate Members or re-appointment by the Directors, if necessary) until such time as he or she no longer holds either office; and
- 5.08 A Director may resign from office upon giving a written resignation to the CEO and such resignation becomes effective when received by the CEO or at a time specified in the resignation, whichever is later.
- 5.09 The Corporate Members may by Ordinary Resolution remove a Director from office at an Annual or Special Meeting. A proposal to remove a Director shall be placed at this Meeting if it is approved by a majority of the Directors or signed by ten (10) Corporate Members and submitted to the CEO. Any proposal to remove a Director shall set out the reasons for the proposed removal. The Director who is the subject of the proposal shall be given at least twenty (20) days' notice of the motion to remove the Director including the reasons for the proposed resolution. If the Director does not resign as a Director, then the matter will be heard and voted on before a closed session at either an Annual or Special Meeting. The Director shall have the right to address the Corporate Members before a vote is taken on this issue. The decision of the Corporate Members on this matter shall be final and binding, without any further right of appeal. At the meeting in which the Director is removed from office, the Corporate Members may elect an individual as Director for the remainder of the removed Director's term of office.
- 5.10 So long as a quorum of Directors remains in office, a vacancy on the Board may be filled by Ordinary Resolution of the Directors of RTO/ERO. If no quorum of Directors exists, the remaining Directors shall call a Special Meeting of the Corporate Members to fill the vacancies on the Board.
- 5.11 Notwithstanding section 5.10, the Directors may not fill a vacancy arising from an increase in the maximum number of Directors in the Articles or a vacancy arising if the Corporate Members do not elect the minimum number of Directors set out in the Articles.
- 5.12 The Directors of RTO/ERO shall serve as such without remuneration. Directors, however, shall be entitled to receive reimbursement for reasonable expenses incurred in carrying out their duties on behalf of RTO/ERO.

**ARTICLE 6 – DIRECTORS OF RTO/ERO**

- 6.01 The Board shall have full authority to manage the affairs of RTO/ERO.
- 6.02 The Board authority shall include, but shall not be limited to:
- (a) appointing an CEO;
  - (b) establishing an annual budget;
  - (c) overseeing the management of the general and trust funds of RTO/ERO;
  - (d) establishing a framework for organization performance oversight; and
  - (e) establishing a risk management framework.
- 6.03 The Board shall make recommendations and seek approval from the Corporate Members at a Special or Annual Meeting on any Fundamental Change to the operations of RTO/ERO.
- 6.04 The Board shall make recommendations and seek approval from the Corporate Members on the following items:
- (a) the strategic direction/strategic plan of RTO/ERO;
  - (b) changes to the annual fee to participate in RTO/ERO programs; and
  - (c) changes to the calculation of the annual grants to Districts.

**ARTICLE 7 – MEETINGS OF THE BOARD**

- 7.01 The Board shall meet at least six times a year at the call of the Chair, or on the written request of a majority of the Board of Directors.
- 7.02 The Board shall hold a meeting as soon as reasonably possible following the Annual Meeting of RTO/ERO for the purpose of the election and appointment of Officers and the transaction of any other business, and no notice shall be required for this meeting.
- 7.03 The Board may appoint one (1) or more days in each year for regular meetings of the Board at a set place and time. A copy of any resolution of the Board fixing the place and time of such regular meetings of the Board shall be sent to each Director as soon as possible after being passed, but no other notice shall be required for any such regular meeting except if the meeting addresses a matter listed in section 138(2) of the Act.
- 7.04 For a Board meeting, other than a meeting scheduled under section 7.03, notice of the time, place and date of any meeting of the Directors and the nature of the business to be conducted shall be given to each Director:
- (a) by courier, individual delivery, telephone, fax, e-mail or other electronic method at least two (2) days before the meeting is to take place, excluding the date on which notice is given; or
  - (b) by mail at least ten (10) days before the meeting is to take place, excluding the date on which notice is given.

- 7.05 A Director may participate in a meeting of the Board by means of an electronic or other telecommunication device that permits all individuals to communicate adequately with each other during the meeting. Any individual participating by electronic conference is deemed to be present at that meeting. Any security, confidentiality or other considerations with respect to the conduct of such a meeting shall be as determined by the Board from time to time.
- 7.06 The Chair of the Board may provide that the Board meeting will be held entirely by telephone or electronic means that permits all individuals to communicate adequately with each other during the meeting.
- 7.07 A quorum of the Board of Directors shall consist of 66.67% percent of the Directors then in office.
- 7.08 The method of voting at any meeting of the Board shall be determined by the chair of the meeting prior to any vote being taken. Each Director shall have one (1) vote on each question raised at any meeting of the Board, and all questions shall be determined by a majority of the votes cast. In the case of an equality of votes, the vote shall be deemed to have been lost.

#### **ARTICLE 8 – OFFICERS**

- 8.01 The Chair of the Board and the Vice Chair of the Board shall be elected by the Directors from among the Directors who are members of RTO/ERO. There may be such other Officers elected or appointed by the Board from time to time pursuant to the Policies.
- 8.02 The term of office of each of the Chair or Vice Chair shall be two (2) years to expire at the later of the conclusion of the second Annual Meeting following appointment or such time as their replacement is elected. No director may sit as Chair or Vice Chair, or Chair and Vice Chair for more than four (4) years. For greater certainty, an individual can either serve: four (4) years as Chair, four (4) years as Vice Chair or two (2) years as Chair and two (2) years as Vice Chair.
- 8.03 A Chair or Vice Chair may resign from office upon giving a written resignation to the CEO and such resignation becomes effective when received by the CEO or at a time specified in the resignation, whichever is later.
- 8.04 The Chair shall be the primary spokesperson for RTO/ERO.
- 8.05 The Chair shall have the right to receive notice of, to attend and to speak at all Committee meetings. The Chair shall not have the right to vote on Committee business, unless the Chair is otherwise appointed as a member of the Committee.
- 8.06 The Chair or his or her designate shall preside over the Annual and Special Meetings, and the Board of Directors.
- 8.07 The Chair shall report on the activities of RTO/ERO during the Chair's term of office.
- 8.08 The Vice Chair shall perform such duties as designated by the Board. In the absence of the Chair, the Vice-Chair shall perform the duties of the Chair.

**ARTICLE 9 – CHIEF EXECUTIVE OFFICER (CEO)**

- 9.01 The Board of Directors shall appoint a CEO.
- 9.02 The CEO shall report to the Board.
- 9.03 The CEO shall have the right to receive notice of, to attend and to speak at but not to vote at all meetings of the Board, any Committee of the Board, and any Annual or Special Meeting, except those meetings where terms of employment, compensation or performance of the CEO are discussed.

**ARTICLE 10 – COMMITTEES**

- 10.01 Subject to the Act and the By-Law, the Board may appoint and disband such Committees as it deems appropriate from time to time and set the rules governing such Committees.
- 10.02 All Committees shall be accountable to and make recommendations to the Board of Directors. Subject to the approvals required in sections 6.03 and 6.04, the Board of Directors shall be responsible for making all final decisions on behalf of RTO/ERO.
- 10.03 There shall be a Nomination Committee consisting of: four (4) Members elected at the Annual Meeting and three (3) individuals appointed by the Board. Individuals on the Nomination Committee are not eligible for election or re-election as Directors. The Board shall appoint Directors to the Nomination Committee, unless there are no Directors eligible to serve on the Nomination Committee in which case the Board can appoint from outside the Board.

**ARTICLE 11 – POLICIES**

- 11.01 The Board may make Policies with regard to any matter not inconsistent with the Act and the By-Law.

**ARTICLE 12 – CONFLICTS OF INTEREST**

- 12.01 Directors must avoid an actual or potential conflict of interest, including but not limited to those identified in the definition of “Conflict of Interest” in this By-Law.
- 12.02 As required by this By-Law and the Act, every Director or Officer who has or thinks he or she may potentially have a Conflict of Interest shall disclose the nature and extent of the interest, whether direct or indirect, that the Director or Officer has in any material contract or transaction, or in any party to such a contract or transaction, that is made or proposed to be made with RTO/ERO, which disclosure shall be made at the earlier of:
  - (a) the meeting at which the material contract or transaction is first considered; or

- (b) in the case of a Director or Officer who was not interested in the material, contract or transaction at the meeting when first considered, at the first meeting after the Director or Officer becomes so interested.
- 12.03 Every declaration of a Conflict of Interest and the general nature thereof shall be recorded in the minutes of the Board meeting.
- 12.04 Unless permitted under the Act, after making such a declaration of a Conflict of Interest such Director shall not vote or be present at the vote or during the discussions, or otherwise attempt to influence the voting on a contract, transaction, matter or decision, (including discussing the matter with other Directors), nor shall the Director be counted in any required quorum with respect to the vote.
- 12.05 If a Director has made a declaration of Conflict of Interest in compliance with this By-Law, the Director is not accountable to RTO/ERO for any profit he or she may realize from the contract, transaction, matter or decision.
- 12.06 If the Director fails to make a declaration of his or her Conflict of Interest in a contract, transaction, matter or decision as required by the By-Law, this shall be considered grounds for termination of his or her position as a Director and as a Corporate Member of RTO/ERO in accordance with the procedure set out in section 5.09.
- 12.07 Provided that these requirements are met by each Director and Officer, and subject to the Act, no contract or transaction will be invalidated due to the existence of a Conflict of Interest in respect of a Director or Officer. The failure of any Director to comply with the Conflict of Interest provisions of this Article 12 does not, in or of itself, invalidate any contract, transaction, matter or decision undertaken by the Board.
- 12.08 If a Director believes that any other Director or Officer is in a Conflict of Interest position with respect to any contract, transaction, matter or decision, the Director or Officer shall have the concern recorded in the minutes.
- 12.09 If the Board finds that the individual is not in a Conflict of Interest, the Board will then vote on the contract, transaction, matter or decision and the votes of each Director shall be recorded.
- 12.10 Every Director shall submit at least annually during the term of office, in a form prescribed by the Board, an acknowledgment that he/she has read and considered the provisions within this By-Law on Conflicts of Interest.

### **ARTICLE 13 – LIMITS OF LIABILITY**

- 13.01 RTO/ERO shall purchase and maintain appropriate liability insurance for the benefit of RTO/ERO and each Protected Individual. The insurance shall address coverage limits in amounts per occurrence with an aggregate maximum limit as deemed appropriate by the Board and shall include:
  - (a) property and public liability insurance;
  - (b) Directors' and Officers' insurance; and
  - (c) may include such other insurance as the Board sees fit.

- 13.02 RTO/ERO shall ensure that each Protected Individual is included as an insured individual in any policy of Directors' and Officers' insurance maintained by RTO/ERO.
- 13.03 No coverage shall be provided for any liability relating to a failure to act honestly and in good faith with a view to the best interests of RTO/ERO.
- 13.04 It shall be the obligation of any individual seeking insurance coverage or indemnity from RTO/ERO to co-operate fully with RTO/ERO in the defence of any demand, claim or suit made against such individual, and to make no admission of responsibility or liability to any third party without the prior agreement of RTO/ERO.
- 13.05 If a Protected Individual acts honestly and in good faith in the performance of the duties of office, and save as may be otherwise provided in any legislation or law, then the Protected Individual shall not be individually liable for any loss or damage or expense to RTO/ERO arising out of the acts (including wilful, negligent or accidental conduct), receipts, neglects, omissions or defaults of such Protected Individual or of any other Protected Individual arising from any of the following:
- (a) insufficiency or deficiency of title to any property acquired by RTO/ERO or for or on behalf of RTO/ERO;
  - (b) insufficiency or deficiency of any security in or upon which any of the monies of or belonging to RTO/ERO shall be placed out or invested;
  - (c) loss or damage arising from the bankruptcy or insolvency of any individual, firm or corporation including any individual, firm or corporation with whom or which any monies, securities or effects shall be lodged or deposited;
  - (d) loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with monies, securities or other assets belonging to RTO/ERO;
  - (e) loss, damage or misfortune whatever which may occur in the execution of the duties of the Protected Individual's respective office or trust or in relation thereto; and
  - (f) loss or damage arising from any wilful act, assault, act of negligence, breach of fiduciary or other duty or failure to render aid of any sort.
- 13.06 Every Protected Individual shall be indemnified and saved harmless, including the right to receive the first dollar payout, and without deduction or any co-payment requirement to a maximum limit per claim made as established by the Board from and against all costs, charges and expenses which such Protected Individual sustains or incurs:
- (a) in or in relation to any demand, action, suit or proceeding which is brought, commenced or prosecuted against such individual in respect of any act, deed, matter or thing whatsoever, made, done or permitted or not permitted by such individual, in or in relation to the execution of the duties of such office or in respect of any such liability; or
  - (b) in relation to the affairs of RTO/ERO generally; save and except such costs, charges or expenses as are occasioned by the failure of such individual to act honestly and in good faith in the performance of his or her duties of office.
- 13.07 Such indemnity will only be effective:

- (a) upon the exhaustion of all available and collectible insurance provided to the Protected Individual by RTO/ERO inclusive of whatever valid and collectible insurance has been collected; and
  - (b) provided that the Protected Individual has carried out all duties assigned to such individual, which are subject of the claim, in complete good faith so as to comply with the conditions of the insurance policy concerning entitlement to coverage.
- 13.08 RTO/ERO shall also indemnify any Protected Individual, firm or corporation in such circumstances designated by law, upon approval by the Board.
- 13.09 Nothing in this Article 13 shall limit the legal right of any individual, firm or corporation entitled to indemnity to claim indemnity apart from the provisions of this Article 13.
- 13.10 Where RTO/ERO has purchased or maintained insurance for any Protected Individual, such insurance shall not be discontinued or altered except upon approval of the Board of Directors.

#### **ARTICLE 14 – FISCAL YEAR**

- 14.01 The fiscal year shall commence on January 1 and shall terminate at the close of business on December 31 each year.

#### **ARTICLE 15 – BANKING AND FINANCES**

- 15.01 All accounts payable and other proper payments made by RTO/ERO shall be made by cheque or by electronic transfer signed/authorized by any two signing officers. RTO/ERO's signing officers are:
- (a) Chair;
  - (b) Vice-Chair;
  - (c) CEO;
  - (d) Senior Manager – Chargé(e) des services en français; and
  - (e) Chief Administrative Officer.

#### **ARTICLE 16 – EXECUTION OF DOCUMENTS**

- 16.01 The Board may at any time and from time to time direct the manner in which and the individual or individuals by whom any deed, transfer, contract or obligation or any class of deeds, transfers, contracts or obligations may be signed.

#### **ARTICLE 17 – AGENDA AND PARLIAMENTARY AUTHORITY**

- 17.01 The Chair shall set the agenda of all Annual and Special Meetings and Forums and the Board.
- 17.02 The Sturgis Standard Code of Parliamentary Procedure shall be the parliamentary authority used in the conduct of all Annual and Special meetings and Forums of RTO/ERO. The Board shall, from time to time, determine the edition of Sturgis Standard Code of Parliamentary Procedure that shall be used.

**ARTICLE 18 – NOTICE**

- 18.01 When notice is given under the By-Law by the following means, that notice is deemed to have been given at the following time:
- (a) if given by telephone, notice is deemed given at the time of the telephone call;
  - (b) if given by mail to the last address shown on RTO/ERO's records, notice is deemed given on the third day after mailing;
  - (c) if given in writing by courier or individual delivery, notice is deemed given when delivered;
  - (d) if given by e-mail, notice is deemed given when sent; and
  - (e) if provided by other electronic means, notice is deemed given when transmitted.
- 18.02 At any meeting, the declaration of the chair of the meeting that notice has been given pursuant to this By-Law shall be sufficient and conclusive evidence of the giving of such notice. No formal notice of a meeting is necessary if all those entitled to notice are present or if those Absent have signified their consent to the meeting being held without notice and in their absence.
- 18.03 In computing the date when notice must be given under any provision in the By-Law requiring a specified number of days' notice of any meeting or other event, a period of days is deemed to commence on the day following the event that began the period and is deemed to terminate at midnight of the last day of the period, except that if the last day of the period falls on a weekend or holiday, then the period terminates at midnight of the next day that is not a weekend or holiday.
- 18.04 Any resolution passed or proceeding taken at a meeting of the Board, a Committee of the Board or Corporate Members shall not be invalidated by:
- (a) an error in notice that does not affect its substance;
  - (b) the accidental omission to give notice; and
  - (c) the accidental non-receipt of notice by any Director, Corporate Member or Public Accountant.
- Any Director, Corporate Member or Public Accountant may at any time waive notice of, and ratify and approve any proceeding taken at any meeting.
- 18.05 Where a notice or document is required to be sent pursuant to the By-Law or the Act, the individual entitled to receive the notice or document may consent in writing to waive either the sending of the notice or document or the time within which the notice or document must be sent.

**ARTICLE 19 – BY-LAW AND EFFECTIVE DATE**

- 19.01 This By-Law shall only be effective upon the issuance of RTO/ERO's Certificate of Continuance under the Act by Industry Canada.
- 19.02 Amendments to the following sections of this By-Law shall only be effective upon approval of the Corporate Members by Special Resolution:

- (a) Corporate Member composition, sections 2.01 and 2.02;
- (b) Corporate Members' rights, section 2.06;
- (c) Number of Directors, section 5.01;
- (d) Notice of meetings, section 4.08; and
- (e) any section that adds, changes, or removes a provision that is contained in RTO/ERO's Articles.

19.03 Subject to the Articles and section 19.02, the Board of Directors may make, amend or repeal any By-Law that regulates the activities or affairs of RTO/ERO and any such By-Law, amendment or repeal shall be effective from the date of the resolution of Directors until the next meeting of Corporate Members where it may be confirmed, rejected or amended by Ordinary Resolution of the Corporate Members.

19.04 If the By-Law amendment or repeal is confirmed or confirmed as amended by the Corporate 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 Corporate Members at the next meeting of Corporate Members or if the Corporate Members at the meeting reject it.

#### **ARTICLE 20 – REPEAL OF PRIOR BY-LAWS**

20.01 Subject to the provisions of section 20.02 hereof, all prior By-Laws, resolutions and other enactments of RTO/ERO inconsistent in either form or content with the provisions of this By-Law are repealed.

20.02 The repeal of prior By-Laws, resolutions and other enactments shall not impair in any way the validity of any act or thing done pursuant to any such repealed By-Laws, resolution or other enactment.

#### **ARTICLE 21 – DEFINITIONS**

21.01 In this By-Law, Policies and resolutions of RTO/ERO, unless otherwise defined:

- (a) "Absent" means not physically present in the room in which a meeting is taking place.
- (b) "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;
- (c) "Advisory Committees" means such Advisory Committees as established by the Board from time to time.
- (d) "Annual Meeting" means an annual meeting of Corporate Members, as provided in section 4.01 of this By-Law;
- (e) "Articles" means any document or instrument that incorporates RTO/ERO or modifies its incorporating document or instrument, including articles of incorporation, restated articles of incorporation, articles of amendment, articles of amalgamation, articles of arrangement, articles of continuance, articles of dissolution, articles of reorganization, article of revival, letters patent,

supplementary letters patent or a special act;

- (f) “Board” means the Directors of RTO/ERO;
- (g) “By-Law” means this by-law and any other by-laws of RTO/ERO that may be in force;
- (h) “Code of Conduct” means the Code of Conduct policy approved by the Board, from time to time.
- (i) “Conflict of Interest” means any situation in which another interest or relationship impairs the ability of a Director or Officer to carry out the duties and responsibilities of a Director or Officer in an actual, potential, or perceived manner. A Conflict of Interest may occur with respect to a proposed or current contract, transaction, matter or decision of RTO/ERO, or any other matter that competes for the interest of the Director. Conflict of Interest includes, without limitation, the following areas that may give rise to a Conflict of Interest for the Directors or Officers of RTO/ERO, namely:
  - (i) Pecuniary or financial interest - a Director has a pecuniary or financial interest in a decision when the Director, or a related party to the Director, stands to gain by that decision, either in the form of money, gifts, favours, gratuities, or other special considerations. An individual shall not have a conflict of interest solely because the individual is a participant in RTO/ERO’s benefit or insurance plans and could benefit from the insurance or benefit coverage;
  - (ii) Undue influence - a Director has undue influence when there is an interest that impedes a Director in his or her duty to promote the best interest of RTO/ERO. For example, it is a conflict of interest for a Director to participate or influence Board decisions to selectively and disproportionately benefit particular agencies, companies and organizations, professional groups, or members from particular demographic, geographic, political, socio-economic, cultural, or other groups; and
  - (iii) Adverse interest - a Director is said to have an adverse interest to RTO/ERO when that Director is a party to a claim, application or proceeding against RTO/ERO;
- (j) “Committees” means a committee established by the Board from time to time and includes Standing Committees and Advisory Committees;
- (k) “Competing Plan” means any health insurance plan that can be offered to the majority of RTO/ERO’s members;
- (l) “Corporate Members” shall be those individuals elected or as set out in Article 2;
- (m) “Corporation” means The Retired Teachers of Ontario / Les enseignantes et enseignants retraités de l’Ontario;
- (n) “Director” means an individual who is elected or appointed to the Board;

- (o) “District” shall mean such Districts recognized by RTO/ERO in the Policies;
- (p) “District Observer 1” means an individual appointed or elected by a District to the position of District Observer 1;
- (q) “District Observer 2” means an individual appointed or elected by a District to the position of District Observer 2;
- (r) “District President” shall be an individual elected by a District as President of the District Executive or any person fulfilling this role on an interim basis;
- (s) “Forum” means an information session where Corporate Members discuss issues informally outside of an Annual Meeting or Special Meeting;
- (t) “Fundamental Change” shall include a change in control, a substantial sale of the assets or a reorganization of the operation of RTO/ERO;
- (u) “members” shall be the individuals served by RTO/ERO’s programs as provided by RTO/ERO Policies. For greater certainty, members are not members of RTO/ERO for the purposes of the Act unless elected or appointed as Corporate Members in accordance with Article 2;
- (v) “Nomination Committee” means the Nomination Committee established by the Policies;
- (w) “Officer” shall be the Chair, Vice Chair and such other officers appointed by the Board, from time to time;
- (x) “Ordinary Resolution” means a resolution passed by a majority of the votes cast on that resolution;
- (y) “Policies” shall mean such Policies approved by the Board of Directors from time to time;
- (z) “Protected Individual” means each individual acting or having previously acted in the capacity of a Director, Officer or any other capacity at the request of or on behalf of RTO/ERO, and includes the respective heirs, executors and administrators, estate, successors and assigns of an individual, who:
  - (i) is a Director of RTO/ERO;
  - (ii) is an Officer of RTO/ERO;
  - (iii) is a Corporate Member;
  - (iv) is a member of a Committee of RTO/ERO;
  - (v) is a member of a District Executive; or,
  - (vi) has undertaken, or, with the direction of RTO/ERO is about to undertake, any liability on behalf of RTO/ERO or any body corporate controlled by RTO/ERO, whether in the individual’s individual capacity or as a Director, Officer, employee or volunteer of RTO/ERO or such body corporate;
- (aa) “Public Accountant” means the public accountant of RTO/ERO appointed at the

Annual Meeting;

- (bb) “RTO/ERO” means The Retired Teachers of Ontario / Les enseignantes et enseignants retraités de l’Ontario, which is a bilingual trusted voice on healthy, active living in the retirement journey for the broader education community. RTO/ERO’s insurance programs are designed by members for members. RTO/ERO promotes a wide range of world-class programs, social networks and assistance throughout retirement;
- (cc) “Corporate Member” means an individual who has become a Corporate Member in accordance with Article 2;
- (dd) “Special Meeting” means any meeting called to consider any matter that should be before the Corporate Members in accordance with the Act, other than matters considered at an Annual Meeting;
- (ee) “Special Resolution” means a resolution passed by a majority of not less than two-thirds (2/3rds) of the votes cast on the resolution;
- (ff) “Spouse” means the person to whom a person is married or with whom the person is living in a conjugal relationship outside marriage; and
- (gg) “Standing Committees” means such Standing Committees as established by the Board from time to time.