

## **GENERAL OPERATING BY-LAW NUMBER 1**

A By-Law relating generally to the transaction of the affairs of

### **Grace Christian School**

**BE IT ENACTED** as a By-Law of Grace Christian School (hereinafter referred to as the "Corporation") as follows:

We declare and establish the aforementioned Letters Patent and the following by-laws to preserve and secure the principles of our faith and to govern the body in an orderly manner. These documents will preserve the liberties of each individual member and the freedom of action of this body in relation to other Corporations.

#### **1. NAME**

The name of this Corporation shall be **Grace Christian School** (herein after called the "Corporation").

#### **2. DEFINITIONS**

In this By-Law and all other By-laws and Resolutions of the Corporation unless the context otherwise requires, the following definitions shall apply:

(a) "Act" means the Canada Corporations Act R.S.C. 1970, c.C.32 as amended from time to time and any statute enacted in substitution thereof, and in the case of such substitution, any references in the By-law of the Corporation to provisions of the Act shall be read as references to the substituted provisions thereof in the new statute or statutes;

(b) "By-law" means any By-law of the Corporation from time to time in force and effect, including the General Operation By-law;

(c) "Corporation" means the legal entity incorporated as a Corporation without share capital under the Act by Letters Patent dated the 15th day of September , 2010, and named Grace Christian School, through which its Directors, Members, Employees, Volunteers and Agents may associate and collectively work together in the fulfillment of the Objects of the Organization;

(d) "Constitution" means the Letters Patent (including the Objects and statement of Faith), General Operation By-law and any Policy statements, Rules, Regulations or Guidelines adopted by the Corporation from time to time;

(e) "Director" means a member of the Board of Director of the Organization pursuant to the Act;

(f) "Board" means the board of directors of the Organization;

(g) "Discipline" means the action taken towards members with the aim of reconciling them to one another through mutual forgiveness and restoring offenders to fellowship with God and the Church;

(h) "General Operating By-law" means this By-law and any other By-laws of the Corporation intended to amend or replace the General Operating By-law herein:

- (i) "Letters Patent" means the Letters Patent incorporating the Corporation, as from time to time amended or supplemented by Supplementary Letters Patent;
- (j) "Member" means a Member of the Corporation;
- (k) "Objects" means the charitable Objects of the Corporation as contained in the Letters Patent;
- (l) "Statement of Faith" means the Statement of Faith of the Corporation set out in the Letters Patent;
- (m) "Policy Statement" means a policy statement adopted pursuant to this General Operating By-law from time to time in pursuance of the Objects of the Corporation;
- (n) "Rules, Regulations and Guidelines" means any rules, regulations and guidelines adopted pursuant to this General Operating By-law from time to time concerning the management and operations of the Corporation;
- (o) "Volunteer" means any individual who performs services on behalf of the Corporation without receiving remuneration other than repayment of out of pocket expenses
- (p) "Agent" means any individual who performs services on behalf of the Corporation and receives remuneration for such services;
- (q) "Employees" means all full time and part-time employees of the Corporation and all contract for service providers who are deemed to be employees for purposes of the Income Tax Act (Canada), where applicable;

### 3. INTERPRETATION

This General Operating By-law and any other By-laws of the Corporation shall be strictly interpreted at all times in accordance with and subject to the Objects and Statement of Faith contained in the Letters Patent of the Corporation, which for purposes of this General Operating By-law are incorporated by reference and made a part hereof. If any of the provisions contained in this General Operating By-law are inconsistent with those contained in the Letters Patent or the Act, the provisions contained in the Letters Patent or the Act, as the case may be, shall prevail.

In this constitution and these By-laws and in all other By-laws of this Corporation hereafter passed unless the context requires, words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be.

In the event of any dispute arising as to the intent or meaning of any section of the constitution, the interpretation thereof by the Executive Board after being confirmed by a majority of the membership shall be final and conclusive.

### 4. PURPOSE

The mission statement of this Corporation shall be:

"Grace Christian School is dedicated to your child's whole person education, with emphasis on the moral, intellectual, physical, social, emotional, and spiritual developments in a warm and caring Christian environment."

## SECTION II - MEMBERSHIP

### 2.01. Definition of Membership

#### (a) Definition of Membership

The first Directors of the Corporation and the Directors of Grace Chinese Gospel Church of North York shall constitute its first Members. Thereafter, Membership in the Corporation shall consist only of those Persons who:

- (i) have signed a Membership Statement to evidence;
  - (1) their commitment to furthering the Objects and Statement of Faith of the Corporation as contained in the Letters Patent; **and**
  - (2) their agreement with the Constitution;
- (ii) are over the age of eighteen (18) years;
- (iii) whose application for Membership has been approved by a Resolution of the Board; and
- (iv) attend group meetings of the Corporation on a regular basis.

#### (b) Class of Membership

There shall be one (1) class of Members in the Corporation, as more particularly described herein.

#### (c) Admission to Membership

An application for Membership shall be signed and submitted to the Board. If the Board is satisfied that the application for Membership satisfies all of the definitions of Membership as set out in Section 2(a), then in its sole discretion by a Resolution of the Board, such Person shall thereafter become a Member of the Corporation after confirmation by majority of members at the next membership meeting. Each Member shall promptly be informed in writing by the Secretary of his/her admission into Membership.

#### (d) No Membership Fees

There shall be no Membership fees or dues unless otherwise directed by the Board of Directors.

#### (e) Membership Record

A record of Members of the Corporation shall be kept by the Secretary of the Corporation.

### 2.02. Duties and Rights of Members

#### (a) Duties and Rights of Members

A Member of the Corporation shall have the following duties and rights:

- (i) the duty to further the Objects and Statement of Faith for the Corporation as contained in the Letters Patent;
- (ii) the duty to respect and submit to the procedures of the Corporation as expressed in its Constitution;
- (iii) the right to receive notice of, attend, speak and participate at all Meetings of Members; and
- (iv) the right to a single vote at all Meetings of Members.
- (v) Each member shall live a Christian life in truth and justice, be a good citizen, and observe the laws of God, and of local or federal government when not in conflict with the laws of God.

#### (b) Membership Non-Transferable

Membership in the Corporation is non-transferable.

### 2.03 Resignation and Termination of Membership

(a) Resignation of Membership

Members may resign at any time from Membership in the Corporation by delivering a written notification of their resignation to the President or Secretary of the Corporation, which resignation shall be deemed to have been accepted as of the effective date stated in the resignation.

(b) Termination of Membership

Membership in the Corporation shall automatically terminate upon occurrence of any of the following:

- (i) a Member failing to maintain all of the qualifications of Membership set out in Section 2.02(a);
- (ii) if at a Meeting of Members of the Corporation called for that purpose, the Members determine by a two-third (2/3rds) Resolution that a Member is to be removed as a Member of the Corporation, provided that such Member is first offered an opportunity to be heard; or
- (iii) on the death of the Member.

(c) Deemed Co-ordinated Resignations

If a Member resigns or is removed from Membership in the Corporation and holds a position of either a Director or Officer of the Corporation, that Member shall be deemed to have immediately resigned from his position as a Director, an Officer and/or a Committee Member of the Corporation.

## 2.04. Membership Meetings

(a) Annual Meeting

There shall be an annual Meeting of Members of the Corporation at such time and place as determined by the Board of Directors, provided that the annual Meeting of Members shall be held within fifteen (15) months from the holding of the last annual Meeting of Members and not more than one hundred and eighty (180) days after the end of the Corporation's fiscal year end.

(b) Business of Annual Meeting

The annual Meeting of Members shall be held to transact such business as is required by the Act and as determined by the Board from time to time, but at a minimum shall be held to do the following;

- (i) to receive a report or reports from the Board;
- (ii) to receive a report from the Auditor on the financial statements for the Corporation in accordance with the Act;
- (iii) to elect Directors as required;
- (iv) to appoint an Auditor for the current fiscal year and to fix or authorize the Board to fix remuneration for the Auditor;
- (v) to approve past actions of the Directors and Officers; and
- (vi) to transact any other business properly brought before the meeting.

(c) Special Meetings

The Board may at any time call a special Meeting of Members for the transaction of any business, the general nature of which is specified in the notice calling the meeting. A special Meeting of Members may also be called by the written request of at least twenty percent (20%) of the total number of Members entitled to vote. Notice of such special Meeting of Members shall be sent by the President within thirty (30) days of the receipt of such written request.

(d) Notice of Meetings

Notice of any annual or special Meeting of Members shall be provided to Members by any of the following means:

- (i) by mail sent to each Member to the address shown on the books of the Corporation not less than fourteen (14) days before the Meeting of Members is to take place;
- (ii) by electronic notice, including facsimile transfer or e-mail, sent to each Member not less than seven (7) days before the Meeting of Members is to take place;

(iii) by personal service to each Member not less than four (4) days before the Meeting of Members is to take place; or  
(iv) in the event of an emergency, as determined by the President, by notice to each Member not less than twenty-four (24) hours before the Meeting of Members is to take place. Such Notice shall include the date, time, place and purpose of the Meeting of Members and shall contain sufficient information to permit the Members to make a reasonable judgment on the decision to be taken. Notice of each Meeting of Members must remind Members that they have the right to vote by proxy.

(e) Waiver of Notice

A Member may waive notice of a Meeting of Members and attendance of any such Person at a Meeting of Members shall constitute a waiver of notice of the Meeting, except where such Person attends a Meeting for the express purposes of objecting to the transaction of any business on the grounds that the Meeting of Members is not lawfully called.

(f) Omission of Notice

The accidental omission to give notice of any Meeting of Members or any irregularity in the notice of any such Meeting of Members or the non-receipt of any notice by any Member shall not invalidate any Resolution passed or any proceedings taken at any Meeting of Members, provided that no Member objects in writing to the President of such omission or irregularity within thirty (30) days after the date of such meeting.

(g) Quorum

A quorum for any annual or special Meeting of Members shall be constituted by the presence of a simple majority of the Members of the Corporation. Only those Members present in person, by telephone, electronically, or by proxy shall be counted in determining whether or not a quorum is present.

(h) Chair of Members Meetings

The Chair of Member Meetings shall be:

- (i) the President;
- (ii) if the President is absent or unable to act, then a Vice-President; and
- (iii) if the President and all Vice-Presidents are absent or unable to act, then a Director appointed by the Members by Resolution.

(i) Voting Rights of Members

All Members shall be entitled to one (1) vote on each question put to the Members at any Meeting of Members. Unless otherwise required by the provisions of the Act or this General Operating By-law, all questions proposed for consideration at a Meeting of Members shall be determined by a Resolution of the votes cast of the Members in person, represented by proxy, or participating by telephone conference call or other electronic means. In the case of equality of votes, the Chair presiding at the meeting has a second or casting vote.

(j) Voting Procedure

At all Meetings of Members, every question shall be decided by a show of hands, unless a secret ballot on the question is required by the Chair or requested by any Member. Whenever a vote by a show of hands has been taken upon a question, a declaration by the Chair that a Resolution has been carried or lost by a particular majority is determinative and an entry to that effect in the minutes of the Corporation is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion, except in such cases where a secret ballot is conducted.

(k) Secret Ballot

If, at any meeting, a secret ballot is requested, it shall be taken in the manner as the Chair directs. The result of a secret ballot shall be deemed to be the Resolution of the meeting at which the secret ballot was requested. A request for a secret ballot may be withdrawn at any time prior to its taking. If secret ballots are utilized at any meeting, such secret ballots are to be destroyed following the completion of the meeting.

(1) Voting Rights and Proxies

Votes at Meetings of Members may be given either personally or by proxy, provided that the proxy appointed is either the Secretary or the President, or alternatively a Member, provided that such Member shall represent no more than two other Members at such meeting. At every meeting at which a Member is entitled to vote, every Member present or appointed by proxy to represent a Member shall have one (1) vote for each Member present or represented by proxy. A proxy shall be executed by the Member or the Member's attorney authorized in writing. A proxy may be in the following form, or some similar form:

The undersigned Member of the Grace Christian School, hereby appoints the Secretary [or \_\_\_\_\_, a Member] as the proxy of the undersigned to attend and act at the Meeting of the Members of the said Corporation to be held on the day of, [year], and at any adjournment or adjournments thereof in the same manner, to the same extent, and with the same power as if the undersigned were present at the said meeting or such adjournment or adjournments thereof.

DATED the day of,  
Signature of Member  
Name of Member-

The Board may from time to time make rules regarding the lodging of proxies at some place or places other than the place at which a meeting or adjourned Meeting of Members is to be held and to determine particulars of such proxies being cabled, telegraphed or sent by facsimile, e-mail or other electronic means, or in writing before the Meeting of Members or adjourned Meeting to the Corporation. The Chair may, subject to any rules made as aforesaid, in the Chair's discretion, accept telegraphic, cable, facsimile, e-mail or other electronic means, or written communication as to the authority of any Person claiming to vote on behalf of and to represent a Member notwithstanding that no proxy form as stated above conferring such authority has been lodged with the Corporation, and any votes given in accordance with such communication accepted by the Chair shall be valid and shall be counted.

(m) Minutes

Minutes shall be kept at all Meetings of Members and signed by the Chair and the Secretary. Minutes of each Meeting of Members shall be submitted to all Members prior to the next Meeting of Members for their approval; and once approved, copies shall be made available to each Member.

(n) Meeting by Telephone or Other Electronic Means

If a majority of the Members of the Corporation consent either at a Meeting of Members by Resolution or by consents signed individually by a majority of the Members, a Meeting of Members of the Corporation may be held by telephone conference call or by other electronic means that permits each Member to communicate adequately with each other, provided that:

- (i) the Board of Directors of the Corporation has passed a Resolution addressing the mechanics of holding such Meeting of Members in dealing specifically with how security issues are to be handled, the procedure for establishing a quorum and recording votes; and
- (ii) each Member has equal access to the specific means of communication to be used; and
- (iii) each Member has consented in advance to meeting by telephone or electronic means using the specific means of communication proposed for the Meeting of Members.

(o) Procedural Code

The rules for Members Meetings, as well as Board meetings and all Committee meetings shall follow Robert's Rules of Order, the most current edition, except where varied by this General Operating By-law.

(p) Adjournments

Subject to other provisions of this General Operating By-law, any Meeting of Members may be adjourned as any time and from time to time by the President with the consent of the meeting and any business may be transacted at any adjourned meeting that might have been transacted at the original meeting from which the adjournment took place in accordance with the notice calling the same, provided that no notice of such adjournment need to be given to the Members.

### **SECTION III - Board of Directors**

#### 3.01 Establishment of the Board of Directors

##### (a) Number of Directors

The affairs, business and property of the Corporation shall be managed by a Board of Directors, which shall consist of not less than three (3) and not more than fifteen (15) members, as determined by the Members by Resolution from time to time.

##### (b) Provisional Directors

The applicants for incorporation shall become the first Directors whose term of office on the Board of Directors shall continue until their successors are elected. At the first meeting of Members, the Board of Directors then elected shall replace the provisional Directors named in the Letters Patent.

##### (c) Qualifications for Directors

The qualifications to be a Director of the Corporation shall include all of the following:

- (i) the Person shall at the time of his election or within 10 days thereafter, be a Member of the Corporation in good standing, having signed a current Membership application as outlined in 2.01 (a);
- (ii) the Person must be eighteen (18) years of age or older, and have power under law to contract;
- (iii) the Person must be in full agreement with the Constitution;
- (iv) save and except where permitted by law, the Person and any of his Family Members must not be an Employee, Agent or contractor who is receiving remuneration, either directly or indirectly, from the Corporation;
- (v) the Person must not be an undischarged bankrupt or become one at any time during his term as a Director;
- (vi) the Person must not be a mentally incompetent person or become a mentally incompetent person at any time during his term as a Director;
- (vii) the Person must not be in contravention of the conflict of interest provisions set out in Section 3.09(a) of this by-law; and
- (viii) the Person must be member of Grace Chinese Gospel Church of North York or her sister churches.

#### 3.02 Composition and Election of Board of Directors

##### (a) Composition of Board of Directors

The Board of Directors shall consist of not less than fifty-one percent (51%) of Persons who are residents of Canada and not more than forty-nine percent (49%) of Persons may deal with each other in a non arm's length relationship as defined in the Income Tax Act (Canada) from time to time.

##### (b) Nomination of Directors

Nomination of qualified Persons to be elected as Directors and admitted as Members of the Corporation shall be made by the Board by a Resolution.

##### (c) Election of Directors

The Board of Directors shall be elected at the annual Meeting of Members by the Members from Persons who are Members or who become Members of the Corporation within ten (10) days of the date of their election.

#### 3.03 Term, Rotating Term and Maximum Term

##### (a) Term for Director

Each Director shall be elected for a term of three (3) years.

##### (b) Rotating Term

As much as possible, the members of the Board of Directors shall be elected and shall retire in rotation every three (3) years. At the first Meeting of Members immediately after passage of this By-Law, one third (1/3rd) of the Board of Directors shall be elected to hold office until the end of the third full fiscal year after that date, one third (1/3rd) of the Board of Directors shall be elected to hold office until the end of the second full fiscal year after that date, and one third (1/3rd) shall be elected to hold office until the end of the first full fiscal year after that date and subsequently at each annual Meeting of Members thereafter,

members of the Board of Directors shall be elected to fill the position of those members of the Board of Directors whose term of office has expired and each member of the Board of Directors so elected shall hold office until the end of the third full fiscal year after his election.

(c) No Maximum Term for Director

There is no maximum term of office for a Director and as such, a Director will be eligible for re-election to the Board at the end of his term on a consecutive basis thereafter provided that such Director continues to meet the qualification requirements to be a Director in Section 3.01(c).

3.04 Resignation and Removal of Director

(a) Resignation of Director

If for any reason a Director chooses to resign, a letter of resignation shall be directed to the President, who in turn shall call it to the attention of the Board of Directors. The Board shall then have the power to accept such resignation between Meetings of Members. Such letter of resignation shall, as much as possible, set out the reasons for the departure of the Person from the Board.

(b) Removal of a Director

The position of a Director shall be automatically vacated if any of the following occurs:

- (i) a Director resigns in accordance with Section 3.04(a);
- (ii) a Director no longer fulfils all of the qualifications to be a Director in Section 3.01(c) in the sole discretion of the Board;
- (iii) at a Meeting of Members of the Corporation called for that purpose, the Members determine by a two thirds (2/3rds) Resolution that a Director be removed from office provided that the Director is first given an opportunity to be heard;
- (iv) a Director becomes prohibited from being a Director by reason of any order made under the Act;
- (v) a Director is removed in accordance with Section 3.09(e);
- (vi) a Director is found by a court to be of unsound mind;
- (vii) a Director becomes bankrupt; or
- (viii) a Director dies.

(c) Written Notification of Removal of a Director

When a Director is deemed to have automatically resigned in accordance with Section 3.04(b), the Corporation shall not be required to take any further action other than the sending of written notification to the Director that he is no longer a Director effective as of a certain date as determined by the Board.

3.05 Filling Vacancies of Directors

(a) Filling Vacancies

So long as a quorum of Directors remains in office, any vacancy occurring on the Board shall, as much as possible, be filled for its unexpired term within ninety (90) days from the date on which the Board declares the seat vacant either:

- (i) by election if an annual Meeting of Members falls within the ninety (90) day period; or
- (ii) where no annual Meeting of Members falls within the ninety (90) day period, by having those Directors remaining in office designate a suitable Person from among the Members to fill the vacancies for the unexpired term, provided that such Person fulfils all the qualifications to be a Director as set out in Section 3.01(c).

(b) Increase in Number of Directors

If the number of Directors is increased during the year within the prescribed limit of Directors, a vacancy or vacancies shall thereby be deemed to have occurred, which vacancy shall be filled in the manner provided above.

(c) Continuation of Director's Powers

Notwithstanding vacancies, the remaining Directors may exercise all the powers of the Board so long as a quorum of the Board remains in office. If no quorum of Directors remains in office, the remaining Directors shall forthwith call a special Meeting of Members to fill the vacancies for the unexpired terms.

### 3.06 Authority of the Board of Directors

(a) General Authority - The Board shall govern, administer, manage and control the affairs, activities, business and property of the Corporation.

(b) Specific Authority - Without limiting the generality of the foregoing, the Board shall be authorized to carry out the following duties and responsibilities:

- (i) to provide direction and leadership for the Corporation in pursuing its Objects and Statement of Faith;
- (ii) to exercise overall responsibility over the day-to-day administration and operations of the Corporation, either on its own or through the Executive Director, if applicable, or through other Persons as may be designated from time to time, and to authorize expenditures on behalf of the Corporation from time to time in the furtherance of its Objects;
- (iii) to delegate responsibility and concomitant authority to the Executive Director, where applicable, or such Officers or Persons as may be designated from time to time by the Board, for the management and operation of the Corporation;
- (iv) to establish procedures for monitoring compliance with the Act, the Letters Patent, the By-laws herein and applicable legislation;
- (v) to establish the selection process for the appointment of the Executive Director, if applicable, and to appoint the Executive Director in accordance with such process and ensure the ongoing evaluation of the Executive Director;
- (vi) to work on a collaborative basis with other Corporations, agencies and institutions in the community for purposes of furthering the Objects of the Corporation;
- (vii) to appoint such agents and engage such employees, either on its own or as delegated to the Executive Director, as it deems necessary, and such agents and employees shall have the authority and shall perform such duties as shall be prescribed by the Board on their behalf at the time of such appointment;
- (viii) to establish other offices and/or agencies as deemed necessary by the Board from time to time;
- (ix) to take such steps as may be deemed requisite to enable the Corporation to acquire, solicit, or receive legacies, gifts, grants, settlements, bequests, endowments, and donations of any kind whatsoever for the purpose of furthering the Objects of the Corporation;
- (x) to actively participate in fundraising programs on behalf of the Corporation, either personally or by recruiting others to become involved therein;
- (xi) to make or cause to be made for the Corporation in its name any kind of contract in which the Corporation may lawfully enter into;
- (xii) to approve the annual financial statements of the Corporation and the annual budget presented by the Treasurer;
- (xiii) to invest funds for the benefit of the Corporation in accordance with such terms as the Board may prescribe in an investment policy pursuant to the investment powers contained in the Letters Patent;
- (xiv) to regularly review the functioning of the Corporation in relation to the Objects of the Corporation as stated in the Letters Patent, the By-laws, and the Policy Statements, and to demonstrate accountability for its responsibility to the annual Meeting of Members;
- (xv) to prescribe such Rules and Regulations not inconsistent with this General Operating By-law relating to the efficient management and operations of the Corporation;
- (xvi) to prescribe such Policy Statements not inconsistent with this General Operating By-law relating to substantive matters of policies and procedures concerning the programs and activities undertaken by the Corporation; and
- (xvii) to generally exercise such power and to do such other acts and things as the Corporation, by its Letters Patent, the Act or otherwise authorized to exercise and do by law.

### 3.07 Board Report

The Board shall, through the President, report to the Membership at the annual Membership Meeting. At the said meeting, the President shall be available to answer any questions by Members and to entertain any motion arising from the floor concerning the proceedings of the Board.

### 3.08 No Remuneration of Directors

The Members of the Board shall serve as such without remuneration and no Member of the Board shall directly or indirectly receive any profit from his position as such, nor shall any Member of the Board receive any direct or indirect remuneration from the Corporation, except where specifically permitted by

law and approved by a Resolution of the Board, provided that Directors may be reimbursed for Reasonable Expenses incurred by them in the performance of their duties.

### 3.09 Conflict of Interest

#### (a) Prohibition

Save and except where specifically permitted by law and as approved by the Board, a Director and his Family Members shall not enter into a contract, business transaction, financial arrangement or other matter with the Corporation in which the Director or any of his Family Members has any direct or indirect personal interest, gain or benefit.

#### (b) Disclosure

Any Director who has any direct or indirect personal interest, gain or benefit in an actual or proposed contract, business transaction, financial arrangement or other matter with the Corporation as described in Section 3.09(a), whether permitted by law or not, shall declare their interest therein at the first opportunity at a meeting of the Board.

#### (c) Material Interest

Notwithstanding the provisions in Section 3.09 herein, no disclosure or prohibition of involvement is required in relation to any actual or proposed contract, business transaction, financial arrangement, or other matter with the Corporation unless the direct or indirect personal interest, gain or benefit of the Director in such contract, business transaction, financial arrangement or other matter is of a material nature. The phrase "material nature" shall mean that the Director in question, directly or indirectly, is personally receiving a material benefit or gain of some kind, either financially or otherwise, with the determination of "material nature" in such circumstances to be determined by the Board from time to time, subject to the overriding compliance with the common law concerning conflict of interest of directors as fiduciaries and the provisions of the Act.

#### (d) Procedure Where Disclosure

The Chair of the Board shall request any member of the Board who has declared a direct or indirect (i.e. through his Family Members) personal interest, gain or benefit in any proposed contract, business transaction, financial arrangement, or other matter with the Corporation, to absent himself during the discussion of and vote upon the matter, with such action being recorded in the minutes.

#### (e) Consequences of Contravention

In the event that the Board proceeds with a contract, business transaction, financial arrangement, or other matter, in which a Director has a direct or indirect personal interest, gain or benefit in contravention of this Section 3.09, save and except where permitted by law and approved by a Resolution of the Board, such Director shall be required to immediately resign from the Board, failing which he shall be deemed to have resigned from the Board upon the passing of a Board Resolution to that effect.

### 3.10 Board of Directors Meetings

#### (a) Regular Meetings

Regular meetings of the Board shall be held at such time and place as shall be determined by the President or approved by the Board, but not less than once a year.

#### (b) Annual Election Meeting

The Board shall hold a meeting within thirty (30) days following the annual Meeting of Members for purposes of the election and appointment of Officers, admittance of Members, and the transaction of any other business that may be necessary.

#### (c) Special Meetings

Special meetings of the Board may be called by the President, or by the Secretary on advice of the President, or upon written request of any two (2) Directors to the President or the Secretary who shall then give notice of a special meeting of the Board to each Director.

#### (d) Notice of Meetings

Notice of any regular or special meetings of the Board shall be provided to Directors by any of the following means:

(i) by mail sent to each Director not less than fourteen (14) days before the Board meeting is to take place;

(ii) by electronic notice including facsimile transfer or e-mail, sent to each Director not less than seven (7) days before the Board meeting is to take place;

(iii) by personal service to each Director not less than four (4) days before the Board meeting is to take place; or

(iv) in the event of an emergency, as determined by the President, by telephone notice to each Director not less than twenty-four (24) hours before the Board meeting is to take place. The Board may appoint a day or days in any month or months for regular meetings of the Board at an hour to be named, and with regard to such meeting, no notice needs to be given. A Board of Directors meeting may be held without notice immediately before or following the annual Meeting of Members.

(e) Waiver of Notice

Whenever any notice of the meetings of the Board of Directors is required to be given under the provisions of the Act, or by these By-laws, a waiver thereof in writing signed by the Person or Persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto. Attendance at a meeting by a Person entitled to notice shall constitute a waiver of notice of such meeting, except where attendance is for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

(f) Omission of Notice

The accidental omission to give notice of any meeting of the Board or any irregularity in the notice of any such meeting of the Board or the non-receipt of any notice by any Director of the Corporation shall not invalidate any Resolution passed or any proceedings taken at any meeting of the Board, provided that no Director objects in writing to the President of such omission or irregularity within thirty (30) days of the relevant meeting.

(g) Quorum

A quorum for the transaction of business at any meeting of the Board shall be a majority of the Directors then in office in accordance with Section 3.01(a), but not fewer than two (2) directors, provided that vacancies on the Board of Directors shall not be counted towards establishing quorum. Only those Directors present in person, by telephone or electronically shall be counted in determining whether or not a quorum is present.

(h) Chair of the Board

The Chair of the Board of Directors shall be:

- (i) the President;
- (ii) if the President is absent or unable to act, then a Vice-President; and
- (iii) if the President and all Vice-Presidents are absent or unable to act, then a Director appointed by the Board by Resolution.

(i) Voting Rights

All Directors shall have one (1) vote on every question put to the meeting. All questions arising at any meeting of Directors shall be decided by a Resolution of the Directors present and voting, unless the Act or the By-laws otherwise provide. A Director shall be considered to be present at a meeting of Directors if such Director attends the meeting of Directors either in person, by telephone conference call or by electronic means. In the case of an equality of votes, reference shall be made to the procedures contained in the Rules of Order of the Corporation. The Executive Director, if any, shall not have the right to vote at any meeting of the Board of Directors.

(j) Voting Procedures

At all meetings of the Board, every question shall be decided by a show of hands unless a secret ballot on the question is required by the Chair of the Board or requested by any Director. When a recorded vote on the question is required by the Chair of the Board or requested by any Director, the Secretary shall record the names of the Directors and whether they voted in support or opposition. A declaration by the Chair of the Board that a Resolution has been carried and an entry to that effect in the minutes of the Board is conclusive evidence of the fact without proof of the number of proportionate votes recorded in favor

against the Resolution. In the case of an equality of votes, the Chair of the Board shall have the second or casting vote

(k) Minutes

Minutes shall be kept at all meetings of the Board and signed by the Chair of the Board and the Secretary. Minutes of each Board meeting shall be submitted to all Board Members prior to the next Board meeting for their approval, and once approved, copies shall be made available to each Director.

(l) Meetings by Telephone or Electronic Means

If a majority of the Directors consent, either at a Board meeting by Resolution or by consents signed individually by a majority of the Directors, a meeting of the Board of Directors may be held by telephone conference call or by other electronic means that permits each Director to communicate adequately with each other, provided that:

- (i) the Board of Directors has passed a Resolution addressing the mechanics of holding such Board meeting and dealing specifically with how security issues should be handled, the procedure for establishing quorum and recording votes;
- (ii) each Director has equal access to the specific means of communication to be used; and
- (iii) each Director has consented in advance to meeting by telephone or electronic means using the specific means of communication proposed for the meeting of Directors.

(m) Confidentiality

Every Director, as well as every Officer, Committee Member, Employee or Volunteer, shall respect the confidentiality of matters brought before the Board or before any Committee of the Board, or any matter dealt with in the course of employment or involvement of such Person in the activities of the Corporation.

(n) Attendance of Other Persons

Meetings of the Board shall be open to all Members of the Corporation, the Executive Director and to such other Persons as the Board from time to time determines can be present by Resolution, provided that no one other than a Director and the Executive Director shall have the right to participate in discussions at any Board meeting, save and except where approved by the Board.

(o) Meetings In Camera

Where matters confidential to the Corporation are to be considered at a meeting of the Board, the part of the meeting concerning such matters may be held in camera. In addition, where a matter of a personal nature concerning a Person may be considered at a meeting of the Board, the part of the meeting concerning the Person shall be held in camera, unless there is mutual agreement to the contrary by the Board and such Person.

## **SECTION IV - OFFICERS AND EMPLOYEES**

### 4.01 Officer Positions

(a) Mandatory Officers

The Officers of the Corporation shall include:

- (i) a President;
- (ii) one or more Vice-Presidents;
- (iii) a Secretary;
- (iv) a Treasurer; or
- (v) in lieu of a Secretary and a Treasurer, a Secretary-Treasurer.

(b) Other Officers

The Board may appoint an Executive Director and such other Officers as the Board determines is appropriate and the duties of such Officer shall be determined at the discretion of the Board.

(c) Assistant Secretary and Treasurer

The Board may also appoint an Assistant Secretary and/or an Assistant Treasurer to assist the Secretary and/or the Treasurer in fulfillment of their duties, but such positions shall not be Officers of the Corporation.

### 4.02 Definition of Officer

(a) President

The duties of the President shall be as follows:

- (i) to call meetings of the Board;
- (ii) to preside at all meetings of the Board as Chair of the Board;
- (iii) to preside at all Meetings of Members as Chair;
- (iv) to report at each annual Meeting of Members concerning the operations of the Corporation;
- (v) to ensure the fairness, objectivity and completeness of matters occurring at such meetings;
- (vi) to preside as chair of the Executive Committee, if applicable;
- (vii) to be an ex-officio member of all Committees who shall be included in the calculation of the authorized number of Committee Members and be provided with the right to vote on all such Committees;
- (viii) in the absence of an Executive Director, to oversee the operations and management of the Corporation;
- (ix) in the absence of an Executive Committee, to determine and fix the remuneration and/or allowances of the non-Board Officers with the approval of the Board by Resolution;
- (x) to sign all By-laws of the Corporation with the Secretary or other Officers as designated by the Board;
- (xi) to represent the Corporation at public or official functions, as much as possible; and
- (xii) to perform such other duties as may from time to time be determined by the Board.

(b) Vice-President

The duties of a Vice-President shall be as follows:

- (i) in the event that the President is absent or otherwise not able to function in such position, then the President may be temporarily replaced by a Vice-President, who shall exercise all the authority and comply with all the obligations of the President; and
- (ii) to perform such other duties as may from time to time be determined by the Board.

(c) Secretary

The duties of the Secretary shall be as follows:

- (i) to attend meetings of the Board and the Executive Committee;
- (ii) to keep minutes of all Board, Executive Committee and Membership Meetings, and present the minutes of previous Membership Meetings when called upon to do so;
- (iii) to conduct all correspondence on behalf of the Corporation arising out of such meetings; (iv) to publish the time and place for all Members Meetings with due notice; (v) to be the custodian of the seal of the Corporation, which the Secretary shall deliver only when authorized by Resolution of the Board to do so and to such Person or Persons as have been named in the said Resolution;
- (vi) to be the custodian of all papers and documents of the Corporation;
- (vii) to keep copies of all testamentary documents and trust instruments by which benefits are given to the use of the Corporation;
- (viii) to perform such other duties as may from time to time be determined by the Board; and (ix) in the absence of the Secretary, the duties of the Secretary shall be performed by the Assistant Secretary, if applicable, or by another Director who is temporarily appointed by Resolution of the Board.

(d) Treasurer

The duties of the Treasurer shall be as follows:

- (i) to be the custodian of the books of account and accounting records of the Corporation required to be kept by the provisions of the Act or otherwise by law;
- (ii) to deposit all monies, securities and other valuable effects in the name and to the credit of the Corporation at such chartered bank or trust company or in the case of securities, in such registered dealer in securities as may be designated by the Board from time to time;
- (iii) to disburse the funds of the Corporation as may be directed by proper authority taking proper vouchers for such disbursements;
- (iv) to submit a financial report on a timely basis at each regular meeting of the Board indicating the financial position of the Corporation;
- (v) to submit an annual budget for the Corporation to the Board and to the Members;
- (vi) to submit an annual audited financial report to the Board and to the Members of the Corporation of the financial operations of the Corporation:

(vii) to ensure that no members of the Board receive any remuneration from the Corporation unless such monies are for purposes of reimbursing such Person for legitimate expenses incurred on behalf of the Corporation or has otherwise been authorized by law and adopted by a Resolution of the Board; (viii) to perform such other duties as directed from time to time by the Board; and (ix) in the absence of the Treasurer, the duties of the Treasurer shall be performed by the Assistant Treasurer, if applicable, or by another Director who is temporarily appointed by Resolution of the Board.

(e) Executive Director

The duties of the Executive Director, when appointed, shall be as follows:

- (i) to be responsible to the Board for the Corporation, management and day-to-day activities of the Corporation in accordance with the Resolutions, Bylaws, Policy Statement and Rules and Regulations established by the Board from time to time;
- (ii) to ensure that appropriate systems and structures are in place for the effective management and control of the Corporation and its resources, including the employment, development, control, direction and discharge of all employees of the Corporation, if applicable;
- (iii) to ensure structures and systems for the development, review and recommendation of new programs and program expenses;
- (iv) to ensure effective human resources, if applicable, for the needs of the Corporation;
- (v) to establish an Corporational structure to ensure accountability of all departments and staff for fulfilling the Constitution as well as Resolutions of the Board;
- (vi) to provide leadership and support of the Board's responsibility to develop and periodically review the Constitution;
- (vii) to develop and provide leadership as necessary for furthering the Constitution;
- (viii) to be an Officer of the Corporation;
- (ix) to be an ex-officio member of all Committees who shall be included in the calculation of the authorized number of Committee Members but is not provided with the right to vote on such Committees;
- (x) to report at each Annual Meeting of Members concerning the operations of the Corporation;
- (xi) to receive notification of and to attend all meetings of the Board as a nonmember thereof without the right to vote, provided that the Executive Director shall have the right to be present and fully participate at all meetings of the Board, save and except when the Board is discussing the position. salary or benefits of the Executive Director, if applicable;
- (xii) to perform such other duties as may from time to time be determined by the Board.

#### 4.03 Qualifications for Officers

(a) Qualifications

A Person may be considered for election as an Officer of the Corporation if such Person fulfills all of the following qualifications:

- (i) the Person must be at least eighteen (18) years of age;
- (ii) the Person must be a Member and Director of the Corporation, and except for the position of Executive Director, which position shall specifically provide that such Officer shall not be a Director of the Corporation.

(b) Multiple Officer Positions

A Person may hold more than one Officer position at the same time.

#### 4.04 Election of Officers

The Directors shall elect from amongst themselves the Officer positions of President, Vice-Presidents, Secretary, Treasurer, and/or Secretary-Treasurer.

#### 4.05 Appointment of Executive Director

- (a) The Executive Director shall be appointed, when deemed necessary, by the Board of Directors in accordance with its approved selection process.

(b) The Board may at any time revoke or suspend the appointment of the Executive Director by a two-thirds Resolution of all members of the Board of Directors, provided that the exercise of such discretion does not derogate from the obligation imposed upon the Corporation at law to deal with the Executive Director as an employee, if applicable, in a fair and equitable manner.

#### 4.06 Delegation of Duties of Officers

Unless otherwise provided for by the Board of Directors, the Officers of the Corporation shall be responsible for the duties set forth in this By-law but are not necessarily required to perform such duties personally, and as such may delegate to other Persons the performance of any or all of such duties, provided that such Officer remains accountable to the Board in relation to the duties that have been so delegated.

#### 4.07 Term and Maximum Term of Officers

##### (a) Term of Officers

The term of office for all elected Officers is one (1) year and expires at the first Board meeting after the annual Meeting of Members every year, save and except the Executive Director, who shall hold office at the discretion of the Board.

##### (b) No Maximum Term

There is no maximum term of office for an Officer and as such, an Officer will be eligible for re-election to his Officer position at the end of his term on a consecutive basis thereafter provided that such Officer continues to meet the qualification requirements to be an Officer in Section 4.03(a).

#### 4.08 Resignation and Removal of Officers

##### (a) Resignation of Officers

If, for any reason, any Officer other than the President chooses to resign from his position, a letter of resignation shall be directed to the President, who in turn shall call it to the attention of the Board of Directors, which resignation shall be deemed to have been accepted as of the effective date stated in the resignation. Where the President chooses to resign, then his letter of resignation shall be directed to the Secretary, who shall call it to the attention of the Board of Directors.

##### (b) Removal of Officers

An Officer, other than the Executive Director, shall be deemed to have been automatically removed from his Officer position if any of the following occur:

- (i) the Officer is no longer a Director;
- (ii) the Officer no longer fills all the qualification requirements to be an Officer in Section 4.03(a);
- (iii) the Board of Directors adopts a Resolution to remove an Officer for any reason at a Board Meeting duly called for that purpose, provided that such Officer is first offered an opportunity to be heard;
- (iv) if an Officer becomes prohibited from being an Officer by reason of any order made under the Act;
- (v) the Officer resigns in accordance with Section 4.08(a); or
- (vi) upon the death of an Officer.

##### (c) Notification of Removal

When an Officer is deemed to have been automatically removed in accordance with the preceding Section 4.08(b), the Corporation shall not be required to take any further action other than the sending of written notification to the Officer that he is no longer an Officer effective as of a certain date as determined by the Board.

##### (d) Filling Vacancy of Officers

If the office of any Officer of the Corporation shall be or become vacant by reason of death, resignation, removal, or otherwise, the Board by Resolution may appoint a Person to fill such vacancy for the unexpired term of such Officer position.

#### 4.09 Terms of Engagement for Employees and Volunteers

All Employees of the Corporation (which shall be deemed to include all full-time and part-time Employees, and all contract for service providers who are deemed to be Employees for purposes of the Income Tax Act (Canada), where applicable), and all Volunteers who perform services on behalf of the Corporation, shall be required to be subject to the authority of the Corporation as expressed in its Constitution and to be committed to furthering the Objects and Statement of Faith of the Corporation, with such requirements to be reflected in any engagement agreement that may be utilized from time to time with such Employees or Volunteers.

#### 4.10 Remuneration of Executive Director, Employees and Agents

The reasonable remuneration and/or allowances of the Executive Director, non-Board Officers, Employees or Agents of the Corporation shall be determined or fixed by the Board by Resolution, or by a Committee thereof with the approval of the Board by Resolution.

### **SECTION V - ADVISORY BOARD AND COMMITTEES**

#### 5.01 Standard Terms of Reference

##### (a) Application

These standard terms of reference shall apply to all Committees of the Corporation unless specifically stated otherwise in the Sections of this General Operating By-law regarding each specific Committee.

##### (b) Qualification for Membership on Committees

Both Members of the Corporation in good standing and non-Members may be considered for appointment to any Committee. Where a Committee Member is not a Member of the Corporation, then such Committee Member will be deemed to be a Volunteer of the Corporation and will be subject to the requirements outlined in Section 4.09.

##### (c) Appointment of Members to Committees

The Board may, in its sole discretion, appoint Persons to be members of a Committee.

##### (d) Ex-Officio Members

The President and the Executive Director, if any, shall be ex officio members of any Committee subject to the following terms:

- (i) the President shall be included in the calculation of the authorized number of Committee Members and shall have the right to vote and participate in all meetings of a Committee; and
- (ii) the Executive Director shall not be included in the calculation of the authorized number of Committee Members, and shall not have the right to vote but may otherwise participate in all meetings of a Committee.

##### (e) Term of Office of Committee Members

The term of office for any appointed member of a Committee is one (1) year to expire at the first Board meeting after the annual Meeting of Members each year.

##### (f) Maximum Term of Committee Members

There shall be no maximum term of office for membership on a Committee and as such, a Committee Member will be eligible for re-election to membership on the Committee at the end of his term on a consecutive basis thereafter, provided that such Committee Member continues to meet the qualification requirements to be a Committee Member.

##### (g) Removal of Committee Members

The Board may remove any member of a Committee by Resolution and may also fill any vacancy on any Committee by Resolution.

##### (h) Quorum

A majority of the members of the Committee, but not less than (2) members, constitutes a quorum for the transaction of business at any meeting of such Committee. Only those Committee Members present in person (and where permitted by Section 5.01 (n) by telephone or electronically) shall be counted in determining whether or not a quorum is present.

(i) Chair

The Committee shall by Resolution appoint an interim chair from amongst the Committee Members, other than ex-officio Committee Members, if any. The Board of Directors may by Resolution appoint the interim chair as chair of the Committee or may direct the Committee to appoint another interim chair.

(j) Notice of Meeting

Meetings of the Committee shall be held at such times determined by the chair, but not less than once a year and provided that 24 hours' written, telephone or electronic, including facsimile transfer and e-mail, notice of such meeting shall be given, other than by mail, to each Committee Member. Notice by mail shall be sent at least ten (10) days prior to the meeting.

(k) Waiver of Notice

Whenever any notice of a Committee meeting is required to be given under the provisions of the Act, or in accordance with this General Operating By-law, a waiver thereof in writing signed by the Person or Persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto. Attendance at a Committee meeting by a Person entitled to notice shall constitute a waiver of notice of such meeting, except where attendance is for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

(l) Omission of Notice

The accidental omission to give notice of any Committee meeting or any irregularity in the notice of any such meeting of the Committee or the non-receipt of any notice by any Committee Member shall not invalidate any Resolution passed or any proceedings taken at any Committee meeting, provided that no Committee Member objects in writing to the President or the Committee chair of such omission or irregularity within thirty (30) days of the relevant meeting.

(m) Place of Meetings

Meetings of the Committee shall be held at the head office of the Corporation or at any other place as designated by the chair in the notice calling the meeting.

(n) Meetings by Telephone or Electronic Means

If a majority of the Committee consent, either at a Committee meeting by Resolution or by consents signed individually by a majority of the Committee, a meeting of the Committee may be held by telephone conference or by other electronic means that permits each Committee Member to communicate adequately with each other, provided that:

(i) the Board of Directors has passed a Resolution addressing the mechanics of holding such Committee meeting and dealing specifically with how security issues should be handled, the procedure for establishing quorum and recording votes;

(ii) each Committee Member has equal access to the specific means of communication to be used; (iii) each Committee Member as consented in advance to meeting by telephone or electronic means using the specific means of communication proposed for the Committee meeting.

(o) Voting Procedures  
Questions arising at any meeting of a Committee shall be decided by a majority of the members of the Committee present and voting. A Committee Member shall be considered to be present at a meeting of a Committee if such Person attends the meeting either in person, by telephone conference call or by other electronic means. In the event of an equality of votes, reference shall be made to the procedures contained in the Rules of Order of the Corporation.

(p) Confidentiality

Every Committee Member shall respect the confidentiality of matters brought before the Committee.

(q) Open Committee Meeting

Meetings of any Committee shall be open to all Members of the Corporation, and to such other Persons as the Committee from time to time determines can be present by Resolution, provided that no one other than a Committee Member shall have the right to participate in discussions at any Committee meeting.

(r) Meetings in Camera

Where matters confidential to the Corporation are to be considered at a Committee meeting, the part of the meeting concerning such matters may be held in camera. In addition, where a matter of a personal nature concerning a Person may be considered at a Committee meeting, the part of the meeting concerning such Person shall be held in camera, unless there is mutual agreement to the contrary by the Committee and such Person.

(s) Secretary of the Committee

The secretary of the Committee shall be determined by Resolution of the Committee Members.

(t) Minutes of Meeting

Minutes shall be kept of all Committee meetings and a summary report of such meetings shall be presented to the Board at the next meeting of the Board.

## 5.02 Advisory Board

(a) Establishment of Advisory Board

The Board of Directors may establish an Advisory Board consisting of a minimum of three (3) and a maximum of fifteen (15) Persons plus ex-officio members, if any. The Standard Terms of Reference for Committees as detailed in Section 5.01 shall apply to the Advisory Board except as modified by this Section.

(b) Duties of the Advisory Board

The Advisory Board shall have the following duties:

- (i) providing observations and recommendations concerning the current operations and programs of the Corporation;
- (ii) making recommendations to the Board of Directors concerning the overall long term directions of the Corporation in achieving its Objects and Statement of Faith; and
- (iii) requiring that membership on the Advisory Board shall be served without remuneration, provided that an Advisory Board member may be paid Reasonable Expenses incurred in the performance of the duties as a member.

(c) Nature of Recommendations

All recommendations of the Advisory Board shall be subject to the approval of the Board of Directors and any administrative decisions involving the operations of the Corporation based upon any recommendations or observations of the Advisory Board shall be made at the sole discretion of the Board of Directors.

(d) Composition of Advisory Board

The composition of the Advisory Board shall be made up as follows:

- (i) At least one (1) member of the Advisory Board shall be a Director of the Corporation appointed by the Board; and
- (ii) The remaining members of the Advisory Board may be made up of non-Members of the Corporation.

(e) Chair

The Board of Directors shall by Resolution appoint from amongst the Directors of the Corporation a chair who shall thereafter be deemed to be a member of the Advisory Board.

## 5.03 Executive Committee

(a) Establishment of Executive Committee

If deemed necessary, the Board may establish an Executive Committee from time to time composed of the President, the Vice-President(s), Treasurer, and Secretary or Secretary/Treasurer of the Corporation. The Executive Director, if applicable, shall attend and participate at meetings of the Executive Committee, but shall not be a member of the Executive Committee thereof or have a vote thereat. The Standard Terms of Reference for Committees as detailed in Section 5.01 shall apply to the Executive Committee except as modified by this Section.

(b) Duties for the Executive Committee

The Executive Committee shall have the following duties:

- (i) to exercise the full powers of the Board in respect of the management and affairs of the Corporation in between meetings of the Board (save and except only such acts which by law must be performed by the Directors themselves) in all cases in which specific direction has not been given by the Board of Directors;
- (ii) all actions and expenditures authorized by the Executive Committee shall be reported to the Board of Directors at the next meeting of the Board, but shall not require the approval or ratification of the Board of Directors;
- (iii) to determine and fix the reasonable remuneration and/or allowances for non-Board Officers;
- (iv) to study, advise and make recommendations to the Board on any matter directed by the Board;
- (v) to require that membership on such Executive Committee shall be served without remuneration, provided that a Executive Committee member may be paid Reasonable Expenses incurred in the performance of the duties of a Committee member; and
- (vi) to perform such other duties as may be determined by the Board from time to time.

(c) Term of Membership on Executive Committee

The term of office for members of the Executive Committee shall be the same as their respective terms as Officers.

(d) Chair

The President for the Corporation shall be the chair of the Executive Committee or in his absence, a Vice-President may serve as the chair.

(e) Secretary of the Executive Committee

The Secretary, or in lieu thereof, the Secretary/Treasurer, shall be the secretary of the Executive Committee, failing which the members of the Executive Committee shall by Resolution appoint one of its own members to be the secretary of the meeting of the Executive Committee.

#### 5.04 Audit Committee

(a) Establishment of the Audit Committee

The Board may appoint an Audit Committee each year consisting of at least one (1) member of the Board of Director appointed by the Board and such additional member of the Board as is determined by Resolution of the Board of Directors from time to time, but not the Treasurer and the immediate past Treasurer, provided that no member of the Audit Committee shall be related as defined for the purposes of the Income Tax Act (Canada) to any other member of such Audit Committee. The Standard Terms of Reference for Committees as detailed in Section 5.01 shall apply to the Audit Committee except as modified in this Section. The President and the Executive Director, if any, shall not be ex-officio members of the Audit Committee and may not otherwise serve as members of the Audit Committee.

(b) Duties of the Audit Committee

The Audit Committee shall have the following duties:

- (i) to review the Auditor's plan to review the system of internal controls and to review the results of such a review;
- (ii) to review the annual financial statements of the Corporation together with discussing those financial statements with the Auditor;
- (iii) to make recommendations to the Board with respect to the financial statements of the Corporation and the fees, if any, paid for audit services; and
- (iv) to require that membership on the Audit Committee shall be served without remuneration, provided that a Committee member may be paid Reasonable Expenses incurred in the performance of the duties of the Committee Member.

#### 5.05 Standing Committees

(a) Establishment of Standing Committees

The Board of Directors may by Resolution establish such Standing Committees as it determines necessary from time to time. The number of members on each Standing Committee and the mandate of such Standing Committee may be determined by Resolution of the Board of Directors from time to time, provided that a

majority of the members of each Standing Committee shall be Members of the Corporation. The national Standing Committees are expected to have a continuing existence from year to year but the Board of Directors shall review on an annual basis the continuing need for all Standing Committees. The Standard Terms of Reference for Committees as detailed in Section 5.01 shall apply to the Standing Committees except as modified by this Section.

(b) Duties of Standing Committees

The specific duties of each Standing Committee arising from the mandate given by the Board shall:

- (i) be determined by such Standing Committee in writing and approved by the Board;
- (ii) include the keeping of minutes of each meeting;
- (iii) be task orientated;
- (iv) be to report and make recommendation to the Board as requested by the Board;
- (v) require that the chair of each Committee to submit a report on that Committee's activities over the past year at the annual Meeting of Members; and
- (vi) require that membership on such Committee shall be served without remuneration, provided that a Committee Member may be paid Reasonable Expenses incurred in the performance of the duties of a Committee Member.

5.06 Ad Hoc Committees

(a) Establishment of Ad Hoc Committees

The Board of Directors by Resolution may establish such Ad Hoc Committees as it determines necessary from time to time. The mandate and numbers of members on each Ad Hoc Committee shall be determined by the Board of Directors from time to time, provided that a majority of the members of each Ad Hoc Committee shall be Members of the Corporation. Ad Hoc Committees are formed for a specific purpose and are automatically dissolved once they submit their final report to the Board of Directors. However, the Board shall review on an annual basis the continuing need for all Ad Hoc Committees. The Standard Terms of Reference for Committees as detailed in Section 5.01 shall apply to the Ad Hoc Committees except as modified by this Section.

(b) Specific Duties of Ad Hoc Committees

The specific duties of each Ad Hoc Committee arising from the mandate given by the Board shall:

- (i) be determined by such Ad Hoc Committee in writing and approved by the Board;
- (ii) include the keeping of minutes of each meeting;
- (iii) be task orientated;
- (iv) be to report and make recommendations to the Board as requested by the Board; and
- (v) be to require that membership on such Ad Hoc Committee shall be served without remuneration, provided that a Ad Hoc Committee member may be paid Reasonable Expenses incurred in the performance of the duties of an Ad Hoc Committee member.

## **SECTION VI - PROTECTION AND INDEMNITY**

6.01 Protection and Indemnity to Directors, Officers and Others (a)

Protection of Directors, Officers and Others

Except as otherwise provided in the Act, no Director, Officer, Member, Committee Member, Employee or Volunteer shall be liable for the acts, receipts, neglects or defaults of any other Director, Officer, Member, Committee Member, Employee or Volunteer of the Corporation or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys, securities or effects of or belonging to the Corporation shall be placed or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person including any person with whom or which any moneys, securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of the Director's, Officer's, Committee Member's, Employee's or Volunteer's respective office or trust or in relation thereto unless the same shall happen by or through such person's wilful neglect or default.

(b) Indemnity to Directors, Officers and Others

Every Director, Officer, Member, Committee Member, Employee, Volunteer or other Person (with "Person in this Part to include corporations, partnerships, joint ventures, sole proprietorships, unincorporated associations and all other forms of business Corporations) of the Corporation, and his heirs, executors and administrators, and estate and effects, respectively, who has undertaken or is about to undertake any liability on behalf of the Corporation, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation from and against the following:

(i) all costs, charges and expenses whatsoever that such Director, Officer, Member, Committee Member, Employee, Volunteer or other Person sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against the Director, Officer, Member, Committee Member, Employee, Volunteer or other Persons for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by them, in or about the execution of the duties of their office or in respect of any such liability; and

(ii) all other costs, charges and expenses that the Director, Officer, Member, Committee Member, Employee, Volunteer or other Person sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges and expenses as are occasioned by their own willful neglect or default.

(c) Indemnity to Others

The Corporation may also indemnify such other Persons in such other circumstances as the Act or the law permits or requires. Nothing in this By-law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provision of this General Operating By-law to the extent permitted by the Act or the law.

## **SECTION VII- POLICY STATEMENTS**

### 7.01 Policy Statements

(a) Establishing Policy Statements

In consideration of the ongoing need for the Corporation to provide policies, guidelines and directions to its Directors, Officers, Members, Committee Members, Employees and Volunteers in pursuing the Objects and Statement of Faith of the Corporation, the Corporation may adopt Policy Statements on such matters as are deemed necessary from time to time by the Board and such Policy Statements upon adoption as set out below shall be deemed to be part of this General Operating Bylaw and the Constitution.

(b) Adoption of Policy Statements

A Policy Statement may be proposed or amended by the Board or a Committee so charged, but shall not become operative until first approved by a two-thirds (2/3rds) Resolution of the Board and ratified by a two-thirds (2/3rds) Resolution of the Members at a Meeting of Members duly called for that purpose.

## **SECTION VIII - RULES, REGULATIONS AND GUIDELINES**

### 8.01 Rules, Regulations and Guidelines

(a) The Board of Directors or the Members may adopt, amend, or repeal by Resolution, Rules, Regulations or Guidelines not inconsistent with this General Operating Bylaw or the Constitution relating to the management and operation of the Corporation as the Board of Directors or the Members may deem appropriate from time to time.

(b) Any Rule, Regulation or Guideline adopted by the Board of Directors shall continue to have force and effect until amended, repealed, or replaced by a subsequent Resolution of the Board of Directors or the Members, which Members Resolution, if applicable, shall take priority over any conflicting Resolution of the Board of Directors.

## **SECTION IX - WAIVER AND DISPUTE RESOLUTION**

### 9.01 Waiver

Notwithstanding anything else contained herein. Membership, Directorship, Committee Membership, or Volunteerism in the Corporation given upon the strict understanding that removal of such Person as

Member, Director, Officer, Committee Member, or Volunteer in accordance with the General Operating By-law or any other proceedings contained thereon, shall not give such Person any cause for legal action against either the Corporation, the Board of Directors, any Officer, any Member, or Committee Member, Employee or Volunteer and the acceptance of Membership, Directorship, Committee Membership, or Volunteerism shall constitute conclusive evidence of a waiver by the Member, Director, Committee Member, or Volunteer of all rights of action, causes of action, and all claims and demands against the Corporation, its Members, the Board of Directors, Officers, Committee Members, Employee or Volunteers of the Corporation in relation to any actions or proceedings or matters arising out of the General Operating By-laws or involving the General Operating By-laws in any manner whatsoever, and this provision may be pleaded as a complete estoppel in the event that such an action is commenced in violation thereof.

#### 9.02 Mediation and Arbitration

Disputes or controversies amongst Members, Directors, Officers, Committee Members, Employees or Volunteers of the Corporation are as much as possible to be resolved in accordance with the Biblical principles stated in Matthew 5:23-24, Matthew 18:15-20, Luke 17:3, Galatians 6:1, and First Corinthians 6:1-8.

#### 9.03 Dispute Resolution Mechanism

In the event that a dispute or controversy amongst Members, Directors, Officers, Committee Members, Employees or Volunteers of the Corporation arising out of or related to this General Operating By-law, the Letters Patent or Policy Statements, or out of any aspect of the operations of the Corporation is not resolved in private meetings between the parties pursuant to Matthew 5:23-24 and Matthew 18:15, then without prejudice to or in any other way derogating from the rights of the Members, Directors, Officers, Committee Members, Employees or Volunteers of the Corporation as set out in this General Operating By-law or the Act, and as an alternative to such person instituting a law suit or legal action, such dispute or controversy shall be settled by a process of Christian dispute resolution in accordance with Matthew 18:16 as follows:

(a) The dispute or controversy shall first be submitted to a panel of Christian mediators whereby one party to the dispute appoints one mediator, the other party, (or if applicable the Board of the Corporation), appoints another mediator, and the two mediators so appointed jointly appoint a third mediator. The three mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties;

b) If the matter is not resolved through mediation, then the said mediators shall arbitrate and decide all issues in accordance with the provisions of the Arbitration Act of Ontario and the award of the mediators in their role as arbitrators shall be final and binding upon the parties and the judgment once given may be entered by any court having jurisdiction;

(c) The number of mediators can be reduced from three to one upon the agreement of all parties; and

(d) All costs of the mediators appointed in accordance with this section shall be borne equally by the parties to the dispute or the controversy.

### **SECTION X - FINANCIAL MATTERS**

#### 10.01 Financial Year End

Unless otherwise ordered by the Board, the fiscal year end of the Corporation shall be the 31st day of December in each year.

#### 10.02 Financial Statements and Annual Budget

(a) The Treasurer shall prepare prior to the annual Meeting of Members each year, the following: (i) financial Statements for the preceding year prepared in accordance with the financial reporting standards of the Canadian Institute of Chartered Accountants for Charitable and Non-Profit Corporations as may be in place from time to time; and

- (ii) an annual budget for the upcoming year prepared in consultation with the chair of each Committee, with such budget presenting for comparative purposes the budget and expenditures of at least the previous year.
- (b) The financial statements and the annual budget shall be forwarded to the Board for approval at least two (2) weeks prior to the annual Meeting of Members.
- (c) After being approved by the Board, the financial statements and the annual budget shall be presented at Annual or Special Meeting of Members for approval by the Members.
- (d) Financial updates shall be presented to the Members bi-monthly.
- (e). All budgeted expenditures must be approved by the appropriate Board member or chair of the committee in accordance with their departmental approved budgets.
- (f). All unbudgeted expenditures must be approved in accordance with the approval limits set below. The approval limits shall be adjusted annually based on the Consumer Price Index of the preceding year. For example, in the 2010 fiscal year, the approval limits are as follows:
  - (g) (i) Expenditures of less than \$2,000 may be rendered upon the approval of the Chairman of the Board
  - (ii) Expenditures from \$2,000 up to \$6,000 must be approved by the Board Chairman and the Treasurer.
  - (iii) Expenditures from over \$6,000 up to \$10,000 must be approved by the Board of Directors.
  - (iv) Expenditures over \$10,000 must be approved by the Board of Directors and then the membership.
- (h). Dissolution - in the event of the physical dissolution of the said Corporation, in the City of Toronto, Ontario, Canada, all the remaining assets, real or otherwise, after the payment of any just debts and obligations, shall be transferred in whole to Grace Chinese Gospel Church of North York.

#### 10.03 Auditor

- (a) The Members of the Corporation shall at its annual meeting appoint an Auditor who shall not be a member of the Board, an Officer or Employee of the Corporation, or a partner or employee or Family Members of any such Person and is duly licensed under the provisions of the applicable provincial legislation, to hold office as an Auditor until the next annual Meeting of Members of the Corporation.
- (b) The Auditor shall have all the rights and privileges and be subject to the provisions set out in the Act and shall perform the audit function as prescribed for therein.
- (c) In addition to making a report at the annual Meeting of Members of the Corporation, the Auditor shall from time to time report, either verbally or in writing, to the Audit Committee on the audit work with any necessary recommendations.

#### 10.04 Borrowing

- (a) Borrowing Authority  
Subject to the limitations set out in the Act and this By-law. the Board may:
  - (i) borrow money upon the credit of the Corporation;
  - (ii) limit or increase the amount to be borrowed;
  - (iii) issue debentures or other securities of the Corporation;
  - (iv) pledge or sell such debentures or other securities for such sums and at such prices as may be deemed expedient; and
  - (v) 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.

(b) Authorization

From time to time, the Board may authorize any Director or Officer or other Persons of the Corporation to make arrangements with reference to money borrowed or to be borrowed as to the terms and conditions of the loan thereof, and as to the security to be given thereof, with power to vary or modify such arrangements, terms and conditions and to give such additional security as the Board may authorize and generally to manage, transact and settle the borrowing of money by the Corporation.

## **SECTION XI - GENERAL PROVISIONS**

### 11.01 Execution of Documents and Cheques

(a) Documents

Contracts, Documents or any instruments in writing requiring the signature of the Corporation shall be signed by any two Officers, Directors or other Persons designated by Resolution of the Board, whether or not a Director or Officer of the Corporation, and all contracts, Documents and instruments in writing so signed shall be binding upon the Corporation without further authorization or formality. The Board **shall** have the power from time to time by Resolution to appoint any two Directors, Officers or other Persons on behalf of the Corporation to specifically sign contracts, Documents and instruments in writing. 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 stocks, bonds, and other securities of the Corporation. The seal of the Corporation when required may be affixed to contracts, documents, and instruments in writing signed as aforesaid whereby any officer or officers appointed.

(b) Cheques

All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by two Officers or Directors, or other designated Persons, whether or not an Officer or Director of the Corporation, and in such manner as the Board may from time to time determine by Resolution.

### 11.02 Securities for Safekeeping

The securities of the Corporation shall be deposited for safekeeping with one or more bankers, trust companies or other financial institutions to be selected by the Board of Directors. Any and all securities so deposited may be withdrawn, from time to time, only upon the written order of the Corporation signed by such Officer or Officers, agent or agents of the Corporation, and in such manner, as shall from time to time be determined by Resolution of the Board of Directors and such authority may be general or confined to specific instances. The institutions which may be so selected as custodians by the Board of Directors shall be fully protected in acting in accordance with the directions of the Board of Directors and shall in no event be liable for the due application of the securities so withdrawn from deposit or the proceeds thereof.

### 11.03 Head Office

The head office of the Corporation shall be in the City of Toronto, in the Province of Ontario. .

### 11.04 Books and Records

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

### 11.05 Notice

(a) For purpose of sending notice to any Member, Director or Committee member, the address of the Director, Member or Committee member shall be his last address recorded in the books of the Corporation, or if no address has been given therein, then to the last address of such Director, Member or Committee member known to the Secretary.

(b) The signature of any Director or Officer of the Corporation to any notice or Document to be given by the Corporation may be written, stamped, typed written or printed or partly written, stamped, typed written or printed.

(c) Where a given number of days notice is required to be given under the By-laws and the Act, the day of service or posting of the notice shall not, unless it is otherwise provided, be counted in such number of days.

(d) The declaration of the Secretary or the President that notice has been given pursuant to this General Operating By-law shall be sufficient and conclusive evidence of the giving of such notice.

**SECTION XII - AMENDMENT OF LETTERS PATENT AND BY-LAWS**

12.01 Amendment of Letters Patent

Notwithstanding the Act, the Letters Patent of the Corporation may only be amended by a two-thirds (2/3rds) percent Resolution of the Board at a meeting called for that purpose and sanctioned by an affirmative two-thirds (2/3rds) percent Resolution of the Members at a Meeting of Members duly called for the purpose of considering the said amendment, provided that notice of such Members Meeting shall be given at least thirty (30) days prior to such Membership Meeting and provided further that the notice shall state the proposed amendment and the purpose thereof.

12.02 Amendment of By-laws

The By-laws of the Corporation not embodied in the Letters Patent may be repealed or amended by By-law and enacted by a two-thirds (2/3rds) Resolution of the Board at a meeting called for that purpose and sanctioned by an affirmative two-thirds (2/3rds) Resolution of the Members at a Meeting of Members duly called for the purpose of considering the said By-law, provided that notice of such Members Meeting shall be given at least thirty (30) days prior to such Membership Meeting and provided further that the notice shall state the proposed amendment and the purpose thereof, and further provided that the repeal or amendment of such By-Law shall not be enforced or acted upon until the approval of the Ministry of Industry Canada has been obtained.

IN WITNESS WHEREOF, we the Board of Directors of the Corporation have hereunto set our hands at the \_\_\_\_\_, in the \_\_\_\_\_, this \_\_\_\_\_ day of

CONFIRMED by a two-thirds (2/3rds) vote of Members of the Corporation this \_\_\_\_\_ day of \_\_\_\_\_, 2010

Per: \_\_\_\_\_  
Secretary