

# CANADIAN CAPITAL CITIES ORGANIZATION

## BY-LAW NO. 1

### GENERAL BY-LAWS

#### HEAD OFFICE

1. Until changed in accordance with the provision of Section 24 of the Canada Corporations Act, the Corporation head office shall be located in the Regional Municipality of Ottawa-Carleton, at an address within this municipality which the Board of Directors may determine from time to time.

#### CORPORATE SEAL

2. The seal appearing in the margin is the Corporation's seal and may only be impressed with the consent of the president and the secretary.

#### MEMBERSHIP

##### **Classes**

3. The Corporation is made up of the following membership categories:
  - (1) Voting Members
  - (2) Associate Member

##### **Voting Member**

4. Any municipal corporation, association, body corporate, or provincial or territorial government interested in furthering the Corporation's objectives and activities and which complies with the eligibility standards as set forth from time to time by a resolution of the Board of Directors, and whose application for admission as a Voting Member has been approved by the Corporation's Board of Directors, may become a Voting Member upon application for these purposes.

Voting Members have a right to participate in all Corporation activities, to receive all notices convening meetings of members, to attend such meetings and to vote, which rights shall be exercised through their designated representatives. Voting Members, through notices remitted to the Corporation's secretary, may designate up to two representatives, each of whom shall automatically have all the powers and rights granted by this by-law to the Corporation's Voting Members, including therein the powers and rights to attend members' meetings and vote therein and to be eligible as directors of the corporation.

A Voting Member may at any time remove its designated representative by sending a written notice to the Corporation's secretary and to the designated representative so removed and replace said representative by another person by notice forwarded to the Corporation's secretary.

A designated representative of a Voting Member is automatically disqualified as a Voting Member in the event:

- a) he/she is dismissed by the Voting Member who designated him/her; or
- b) the Voting Member who designated him/her resigns or is removed.

Subject to Clause 13 herein, an individual shall only be a designated representative for only one Voting Member.

### **Associate Member**

5. Any corporation, association, body corporate, or other person interested in furthering the Corporation's objectives and activities and which complies with the eligibility standards as set forth from time to time by a resolution of the Board of Directors, upon application for this purposes, may become an Associate Member. Associate Members may participate in Corporate activities and may attend all members' meetings but are not entitled to vote at such meetings.

### **Dues**

6. The Board of Directors shall determine the amount and the period of the payment as well as the other terms and conditions pertaining to the dues which members shall pay to the Corporation. Paid dues are not refundable in the event of the removal, suspension or resignation of a member. A member who fails to pay his/her dues within the month following the due date shall be stricken from the membership list upon written resolution of the Board of Directors.

### **Resignation**

7. A member may resign as such at any time by submitting its resignation in writing to the president or secretary or to a meeting of the directors or members. The resignation shall take effect upon receipt of the notice by the president, secretary or meeting. The resignation of a member does not exempt it from payment of any dues owed to the Corporation prior to the effective date of its resignation.

### **Suspension or Expulsion**

8. The Board of Directors may, by resolution, indefinitely suspend or permanently expel a member who fails to pay its dues when payable or who violates any provision whatsoever of the Corporation's by-laws or whose behaviour or activities are detrimental to the Corporation. The Board of Directors' decision in this respect shall be final and may not be appealed. The Board of Directors is authorized to pass and observe any measure which it may determine from time to time in this respect.

## MEMBERSHIP MEETINGS

### **Annual General Meeting**

9. The annual general meeting of the members shall be held within a reasonable time following the end of the Corporation's fiscal year, at a date and time which the directors may from time to time determine, to accept the annual directors' report, to elect the directors and officers, to receive the Corporation's financial statements, to name the auditors and, if necessary, to determine their remuneration. The annual general meeting shall be held at the Corporation's head office or at any other location in Canada which the Board of Directors may choose.

### **Special Meetings**

10. A special meeting of the members shall be convened at any time for any purpose and at any location in Canada:
  - a) upon instructions from the president, the Board of Directors, or upon written request from at least 10 percent (10%) of the members of the Corporation, provided that a notice is given in each case as set forth in Clause 11 herein;
  - b) without formal notice of meeting if all registered members are personally present.

### **Notice of Meetings**

11. A written notice of meeting with respect to an annual general meeting or a special meeting must be sent to all members must be sent at least fourteen (14) days in advance. The notice of a meeting in which special business shall be dealt with must contain sufficient details enabling the members to make a well-informed decision. Fourteen (14) Voting Members present at the meeting shall constitute quorum. Each voting member present at the meeting shall have the right to exercise one (1) vote.

### **Proxy**

12. A member may, by means of a written proxy, appoint a proxy holder to attend and represent said member at any meeting of the members in the manner and to the extent authorized by the proxy. A proxy holder must be a Voting Member of the Corporation. The notice for each meeting of the members shall remind the members that they are entitled to name a proxy holder.

### **Failure to Send the Notice**

13. No resolution passed or procedure adopted at any meeting of members shall be invalidated because of unintentional omission to send a notice of any meeting or because of a member's failure to receive such notice.

### **Incomplete Notice of Meeting**

14. The unintentional omission in a notice of any meeting of members of any business which the law or these by-laws require be dealt with in such meeting shall not prevent the meeting from validly dealing with this business.

### **Waiver of the Notice of Meeting**

15. A member may waive, either before or after the meeting, notice of any meeting of members or any irregularity which took place in said meeting or in said notice of meeting. The attendance of a member at any such meeting shall be deemed to be a waiver to said notice of meeting.

### **Adjournment**

16. Whether or not there is quorum, any meeting of the members may be adjourned by the majority of the members present and no notice of this adjournment shall be necessary, unless the adjournment postpones the meeting by ten (10) days or more. Any business may be dealt with at any such adjourned meeting having quorum which could have been dealt with at the meeting before adjournment.

### **Decisions**

17. Unless otherwise prescribed by law or any other provision of these by-laws, all issues submitted to the meeting of members shall be decided by majority vote.

### **Vote by Show of Hands**

18. Unless otherwise prescribed by law or any other provision of these by-laws, a vote may be taken by a show of hands at any meeting of the members, unless the ballot vote is requested, and the announcement by the chairperson of the meeting that a resolution was passed or ratified unanimously or specified or rejected by a majority and an indication to this effect in the minutes of the meeting shall be sufficient proof of this fact without the need to prove the number or the percentage of votes registered for or against said resolution.

### **Ballot Vote**

19. Unless otherwise indicated, at every meeting of the members, the chairperson of the meeting or twenty percent (20%) of the members present having the right to vote at the meeting may request a ballot vote (before or during the announcement of the results of the vote by show of hands).

### **Written Resolutions**

20. Written resolutions, signed by all members of the Corporation and meeting all the requirements pertaining to the membership meetings have the same force and effect as if they had been passed during one of these meetings.

## **DIRECTORS**

### **Number**

21. The Corporation's property and business shall be managed by a board made up of a minimum of three (3) and a maximum of fifteen (15) directors. Directors must be individuals, must be 18 years of age or over and must be competent under the law of contract.

### **First Directors**

22. Those individuals who requested the incorporation shall become the first directors of the Corporation. Their mandate shall continue until their successors are elected by the members at the first annual general meeting.

### **Eligibility**

23. Any Voting Member having the qualifications required by law or the by-laws which from time to time may be enacted by the Corporation is eligible to fill the position of director of the Corporation.

### **Election and Term of Office**

24. Unless otherwise prescribed by law or any provision of these by-laws, directors shall be elected for one (1) year by the members convened at the annual general meeting. The election of the directors shall be by show of hands unless a majority of the members present at the said meeting request a ballot vote.

### **Vacancies**

25. A director's position shall be automatically vacated if:
- a) he/she withdraws from his/her duties by giving written notice to the secretary of the Corporation;
  - b) he/she is suspended or incapacitated in any way whatsoever;
  - c) he/she becomes bankrupt, ceases payments or makes an arrangement with his/her creditors;
  - d) he/she is removed from office upon a resolution passed by two-thirds (2/3) of the members present at a special general meeting of members;
  - e) he/she fails to attend three (3) consecutive meetings of the Board of Directors without the permission of the Board of Directors; or
  - f) he/she passes away.

Any director whose office has been declared vacated may be replaced by resolution of the Board of Directors but the replacement shall only fill the office for the balance of his/her predecessor's unexpired term. When vacancies arise on the Board of Directors, it is up to the directors who remain in office to fill them and, in the meantime, they may validly continue to perform their duties as long as there is quorum.

### **Remuneration**

26. Any director of the Corporation must carry out his/her duties without remuneration and he/she is forbidden to receive, either directly or indirectly, by reason of his/her position, financial benefits, with the exception of the reimbursement of reasonable expenses incurred by such director in the performance of his/her duties.

## **Liability**

27. No director or officer of the Corporation shall be liable for losses or damages of any nature whatsoever sustained by the Corporation while he/she is in office with the exception of losses or damages resulting from his/her negligence or intentional omission.

## **Indemnification**

28. A director (or his/her heirs and assigns) shall be compensated for, when necessary and at any time, from the funds of the Corporation and shall be held harmless against:
- a) all costs, charges and expenses which this director shall bear or sustain during or upon any action, lawsuit or proceedings commenced against him/her, with respect to or because of acts made or things done or allowed by him/her in the performance of his/her duties; and
  - b) all other costs, charges and expenses which this director shall bear or sustain during or upon Corporation business or with respect to its business with the exception of those resulting from his/her negligence or his/her intentional omission.

## **General Powers of the Directors**

29. In general, directors shall have the power to do all things concerning the control and management of the Corporation's business which do not contravene the law and these by-laws as well as all acts necessary to promote the Corporation's objectives.

## **Disclosure of Interest**

30. No interested director, either personally or as a member of a company or corporation, who is party to a contract with the Corporation, is obliged to resign. Subject to the provisions of the Canada Corporations Act, a director must disclose his interest to the Board of Directors when it rules on this contract and must abstain from voting on any resolution pertaining to this contract.

## DIRECTORS' MEETING

### **Regular Meeting**

31. The Board of Directors may, without the need for a notice, hold a meeting to deal with any business immediately after the annual general meeting of the members and at the same location where said meeting was held or immediately after a special meeting of the members at which there was an election of the directors. The Board of Directors may also, without the need for a notice, hold regular meetings on the date and at the location which it may determine in advance by resolution.

### **Special Meeting**

32. The Board of Directors may hold a special meeting at any time, for any reason and at any location in Canada wither when convened by the president, by the vice-president or by two directors, provided that notice is duly given to each director or, without notice, if all the directors are present or have waived the notice of the meeting in writing.

### **Notice of Meeting**

33. Meetings of the Board of Directors may be held when and where the directors shall choose provided that each one of them receives an advance written notice by mail at least fourteen (14) full days in advance. The Board must meet at least once every year. No error or omission in the advance notice given for a meeting or adjournment of a meeting shall cancel said meeting or invalidate the measures that would have been adopted and a director may at all times waive the advance notice and ratify, approve or confirm the measures taken or passed during said meeting.

### **Quorum**

34. A minimum of fifty per cent (50%) of the directors then elected shall constitute the quorum necessary to transact business, provided that the number of directors is not less than the minimum required by this by-law.

### **Adjournment**

35. Whether or not there is quorum, every meeting of the Board of Directors may be adjourned by a majority vote of the directors present and no notice of this adjournment shall be necessary.

### **Vote**

36. Any issue submitted to the meeting of the directors shall be decided by majority vote, each director present having one (1) vote. In the event of a tie vote, the chairperson of the meeting shall not be entitled to a second vote or a deciding vote.

### **Waiver of Notice**

37. A director may waive, either before or after said meeting, notice of any meeting of directors by signing a document which he remits to the secretary of the meeting. A director's presence at any meeting shall be deemed to be a waiver of the notice of said meeting.

### **Written Resolution**

38. A written resolution, signed by all the directors entitled to vote at meetings of the Board of Directors or a committee of the Board of Directors, is valid and has the same force and effect as if it has been passed at a duly convened and held meeting of the Board of Directors.

### **Participation by Telephone**

39. A director may, with the consent of all the directors of the Corporation, either before, during or after the meeting, participate in a meeting of directors with the assistance of mediums, in particular, the telephone, which shall enable him/her to communicate orally with the other participants at the meeting and permit all participants to hear each other and this director shall be deemed to attend this meeting.

### **COMMITTEES**

40. The Board of Directors may establish committees by resolution.
41. Each committee shall be chaired by a director of the Corporation appointed by the Board of Directors. Other members of the committee, who need not be members of the Corporation, shall be appointed by the Board of Directors and will hold their offices at the will of the Board of Directors.
42. The Board of Directors shall outline the mandate of each committee in the resolution establishing the committee and appointing its members.
43. A committee may be dissolved by resolution of the Board of Directors or must terminate upon completion of its mandate and submission of its final report.

### **OFFICERS**

#### **Officers**

44. The officers of the Corporation shall be a president, vice-president, secretary and treasurer and any such other officer whose title and duties may be determined by resolution of the Board of Directors. One person may fill several officers' positions.

#### **Election**

45. Officers shall be elected by the members at the annual general meeting of the members. Officers remain in office until the following annual general meeting. All officers must be directors.

#### **Delegation of Powers**

46. If an officer of the Corporation is absent, incapacitated or refuses to act or for any other reason which the Board of Directors deems sufficient, the Board may delegate all or part of said officer's powers to any other officer or director for the necessary time.

#### **Powers and Duties of the Officers**

47. Unless otherwise prescribed by law or by these by-laws, each officer shall fulfill all the duties and exercise all the powers ordinarily attached to his/her duty and shall, moreover, perform said duties and exercise said powers which shall or may be entrusted to him/her by the directors.

### **President**

48. The president shall be the Corporation's chief executive officer and, unless ordered otherwise by the Board of Directors and subject to the Board's control, is responsible for the administration of all Corporation Business. He/she shall chair all meetings of the members and of the Board of Directors at which he/she is present and shall sign all documents requiring his/her signature.

### **Vice-President**

49. The vice-president shall be vested with all the powers and shall fulfill all the duties of the president in the latter's absence, incapacity or refusal to act. The vice-president shall sign any contract, document or written instrument requiring his/her signature as well as exercising the powers and performing the duties which the Board of Directors may entrust to him/her at any time by resolution.

### **Secretary**

50. The secretary shall attend all meetings of the members and the Board of Directors and shall draft the minutes. The secretary shall give notice of all meetings as required by law or these by-laws. The secretary shall be the keeper of the seal and all books, documents and archives of the Corporation. Moreover, the secretary shall perform all other functions or duties which shall or may be entrusted to him/her by the directors.

### **Treasurer**

51. The treasurer shall receive all moneys paid to the Corporation and shall deposit said sums in the name of and to the credit of the Corporation in a financial institution chosen by the Board of Directors. The treasurer shall keep or have kept in the Corporation's books an itemized and full statement of all transactions affecting the Corporation's financial situation and shall at all times show said books and accounts to any director or the Corporation upon request at the Corporation's office during office hours. Moreover, the treasurer shall perform all other duties or functions which shall or may be entrusted to him/her by the directors. The treasurer shall answer to the Board of Directors and shall report to it during regular Board meetings or at any other time at the Board's request.

### **General Manager**

52. The Board of Directors may, by resolution, name a general manager of the Corporation and from time to time, determine the salary, and define the duties of the general manager.

### **Resignation and Dismissal of Officers**

53. An officer may resign at any time by giving written notice of the resignation to the president or the secretary or to a meeting of the Board of Directors. An officer may be dismissed at any time, with or without cause, by a resolution passed by the majority of the directors then in office.

## **Vacancy**

54. Should the office of any one of the officers of the Corporation become vacated further to death or resignation or any other reasons, the Board of Directors, by resolution, may elect or name another director to fill this vacancy and this officer shall remain in office for the unexpired duration of the term of office of the officer thus replaced.

## **FINANCIAL PROVISIONS**

### **Fiscal Year**

55. The Corporation's fiscal year shall end on the date which the Board of Directors shall determine at its discretion.

### **Auditors**

56. At every annual general meeting, the members shall name one or more auditors who shall remain in office until the following annual general meeting or until their resignation or replacement. The auditors shall every year at the end of the Corporation's fiscal year, audit the Corporation accounts, prepare the appropriate financial statements and report to the members at the next annual general meeting.

## **NEGOTIABLE INSTRUMENTS, CONTRACTS AND LEGAL DECLARATIONS**

### **Banking Instruments**

57. All cheques, bills of exchange, promissory notes and other negotiable instrument shall be signed by persons designated from time to time for this purpose by the Board of Directors. Unless provided otherwise by a resolution of the directors, all endorsements of cheques, bills of exchange, promissory notes and other negotiable instruments payable to the Corporation shall be for collection and deposit credited to the Corporation, at any duly authorized bank or depository. These endorsements may be made by a stamp or other device.

### **Attestation of Documents**

58. Contracts, documents or written instruments requiring the Corporation's signature may be validly signed by the president and by the secretary and all contracts, documents or written instruments thus signed shall bind the Corporation without further formality or authorization. The Board of Directors shall have the power to name, by resolution, from time to time, any other officer or any other person for the purposes of signing all contracts, documents or other written instruments on behalf of the Corporation and this authorization may be general or specific. When required, the Corporation's seal may be impressed upon contracts, documents, or signed instruments as indicated above or signed by any other person designated by a resolution of the Board of Directors.

## **Legal Declarations**

59. The president, the vice-president, the secretary, the treasurer or any director is authorized pursuant hereto to make, on behalf of the Corporation, any declaration upon seizure by garnishment, before or after judgment, and to reply at any examination upon articulated facts and other proceeding which may be necessary in a litigation concerning the Corporation and grant any power of attorney with respect to these proceedings.

The Board of Directors however is free to name any other person to represent the Corporation for the aforementioned purposes.

## **AMENDMENT OF THE BY-LAWS**

### **Amendment**

60. The Corporation's by-laws may be rescinded or amended by a by-law passed by the Board of Directors and approved by a simple majority (50% +1) of the votes of the members convened at a general, annual or special meeting. Any such rescission or amendment shall not take effect and nothing shall be done under its authority until such times as it is approved by the Minister of Industry.