

## **BY-LAW NO. 1**

A By-law relating generally to the conduct of the business and affairs of the

### **Sault Ste. Marie and District Chamber of Commerce**

(herein called the “Chamber”)

### **CONTENTS**

- |    |                       |     |  |
|----|-----------------------|-----|--|
| 1. | General               | 7.  | Protection of Directors and Officers   |
| 2. | Members               | 8.  | Conflict of Interest                   |
| 3. | Meetings of Members   | 9.  | Notices                                |
| 4. | Directors             | 10. | Dispute Resolution                     |
| 5. | Meetings of Directors | 11. | Adoption and Amendment                 |
| 6. | Officers              | 12. | Dissolution and Distribution of Assets |
|    |                       | 13. | Code of Ethics                         |
|    |                       | 14. | Past-Presidents                        |
|    |                       | 15. | Effective Date                         |

BE IT ENACTED as a By-Law of the Chamber as follows:

**1. General**

1.01 Background

The Chamber was incorporated as a board of trade under the *Boards of Trade Act (Canada)* the 29<sup>th</sup> day of April, 1847. This By-Law No. 1 supplements and replaces in its entirety the by-laws of the Chamber in existence prior to the date hereof.

1.02 Definitions

In this By-Law and all other By-Laws and resolutions of the Chamber, unless the context otherwise requires:

- (a) “Act” means the *Boards of Trade Act (Canada)*, including the regulations made pursuant to the Act and any statute or regulation that may be substituted therefor, as amended, from time to time;
- (b) “AGM” means the Annual General Meeting of Members;
- (c) “Appointed Directors” shall mean those Directors appointed by Resolution of the Directors at a meeting called for such purpose and designated as “Appointed Directors” in accordance with section 4 of this By-Law, for one (1) year terms;
- (d) “Board” means the Board of Directors of the Chamber;
- (e) “By-Laws” means this By-Law and any other By-Laws of the Chamber as amended and which are, from time to time, in force and effect;
- (f) “CEO” means the Chief Executive Officer of the Chamber;
- (g) “Code of Conduct” means the Code of Conduct of the Chamber as approved by the Board from time to time and applicable to Members and Directors as indicated in sections 2.03 and 5.10 of this By-Law;
- (h) “Director” means a director of the Chamber, elected or appointed according to section 4 of this By-Law;

- (i) "Elected Directors" shall mean those Directors elected at the AGM or other Meeting of Members and designated as "Elected Directors" in accordance with section 4 of this By-Law, for two (2) year terms;
- (j) "Executive Committee" shall have the meaning specified in section 5.09 of this By-Law;
- (k) "First Vice President" means the chairperson-elect of the Board;
- (l) "Immediate Past-President" means the immediate past chairperson of the Board of Directors of the Chamber;
- (m) "Meetings of Members" includes the AGM, a general meeting or a Special Meeting of the Members;
- (n) "Member" means a member in good standing of the Chamber, and includes all types and classes of Members admitted to membership according to section 2 of this By-Law, provided that, when used in the context of voting, the term "Member" shall refer only to a member entitled to vote;
- (o) "Nominating Committee" means the nominating committee established by this By-Law, whether it operates under that name or otherwise;
- (p) "Notice of Meeting" shall have the meaning ascribed to that term in section 3.03;
- (q) "Officer" means an Officer of the Chamber, appointed in accordance with section 6.01 of this By-Law;
- (r) "Past-President" means a past chairperson of the Board of Directors of the Chamber;
- (s) "President" means the chairperson of the Board;
- (t) "Resolution" means, unless such resolution is a Special Resolution, a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;
- (u) "Regulations" means the regulations made under the Act, as amended, restated or in effect from time to time;

- (v) “Second Vice President” means the second vice chairperson of the Board of Directors of the Chamber;
- (w) “Secretary” means the Secretary of the Chamber;
- (x) “Signing Officer” shall have the meaning ascribed to that term in section 1.06;
- (y) “Special Meeting of Members” includes a meeting of any class or classes of Members or a special meeting of all Members entitled to vote at an AGM;
- (z) “Special Resolution” means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution;
- (aa) “Voting Representative” shall mean a duly appointed representative of a Member in good standing with the Chamber.

#### 1.03 Corporate Principles and Objectives

The Corporation shall:

- (a) encourage the development of a legislative and policy framework in which business can thrive;
- (b) act as the “Voice of Business” in Sault Ste. Marie and District;
- (c) influence government and policy makers in a positive, visible and consistent manner;
- (d) foster, nurture, support and strengthen the Chamber Members;
- (e) advise, consult, assist and disseminate relevant information to Members; and
- (f) recognize excellence achieved by Members.

#### 1.04 Interpretation

In the interpretation of this By-Law, words in the singular include the plural and vice versa, words in one gender include all genders and “person” includes an individual, body corporate, partnership, trust and unincorporated organization.

Other than as specified in section 1.02 above, words and expressions defined in the Act have the same meaning when used in this By-Law.

#### 1.05 Corporate Seal

The Chamber may, but need not, have a corporate seal. If the Chamber has a corporate seal, it shall remain in the custody of the President or the Secretary. A document executed on behalf of the Chamber is not invalid merely because the corporate seal, if any, is not affixed thereto.

#### 1.06 Execution of Documents

Deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Chamber by such Director or Directors, Officer or Officers, agent or agents of the Chamber (hereinafter each a "Signing Officer" and collectively the "Signing Officers") in such manner and number as shall from time to time be determined by resolution of the Board. In addition, the Board may from time to time direct the manner in which the person or persons by whom any particular instrument or class of instruments may or shall be signed. The corporate seal, if any, of the Chamber may, when required, be affixed to contracts, documents or instruments in writing signed as aforesaid by a Signing Officer appointed as aforesaid by the Board. The signature or signatures of any Signing Officer appointed by the Directors as aforesaid may be mechanically or electronically affixed and reproduced on any contracts, documents, instruments or debt obligations, or certificates of the Chamber, and such mechanical or electronic signatures shall be deemed to be original signatures, and shall be binding on the Chamber.

#### 1.07 Financial Year End

The financial year end of the Chamber shall be the 30<sup>th</sup> day of June of each year.

#### 1.08 Banking Arrangements

The banking business of the Chamber shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada or elsewhere as the Board may designate, appoint or authorize from time to time by Resolution. The banking business or any part of it shall be transacted by an Officer or Officers of the Chamber and/or other persons as the Board may by Resolution from time to time designate, direct or authorize.

#### 1.09 Voting Rights in Other Companies

The proper Signing Officers of the Chamber may execute and deliver instruments of proxy and arrange for the issuance of voting certificates or other evidence of the right

to exercise the voting rights attaching to any shares or other securities held by the Chamber. Such instruments, certificates or other evidence shall be in favour of such person or persons as may be determined by the officers signing them or arranging therefor. In addition, the Board may from time to time direct the manner in which or the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

#### 1.10 Borrowing

The Board may from time to time:

- (a) borrow money on the credit of the Chamber; or
- (b) charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Chamber, including book debts, rights, powers, franchises and undertakings, to secure any securities or any money borrowed, or other debt, or any other obligation or liability of the Chamber.

From time to time, the Board may authorize any Director, Officer or employee of the Chamber or any other person to make arrangements with reference to the monies borrowed or to be borrowed as aforesaid and as to the terms and conditions of the loan thereof, and as to the securities to be given therefor, with power to vary or modify such arrangements, terms and conditions, and to give such additional securities for any monies borrowed or remaining due by the Chamber as the Board may authorize, and generally to manage, transact and settle the borrowing of money by the Chamber.

#### 1.11 Head Office

The head office of the Chamber shall be in the City of Sault Ste. Marie, in the District of Algoma, Province of Ontario, at a location from time to time determined by Resolution of the Board.

#### 1.12 Rules of Order

At all meetings of the Chamber and any committee thereof any dispute in procedure shall be resolved by reference to Robert's Rules of Order (Revised).

## **2. Members**

#### 2.01 Membership Classes

The Chamber's Members shall be divided into six (6) classes: General Business Members, Government Members, Association Members, Student Entrepreneurs Members, Retired Business Professionals Members and Honourary Members.

## 2.02 Voting Rights

General Business Members, Association Members, Student Entrepreneurs Members and Retired Business Professionals are entitled to vote at Meetings of Members (hereinafter collectively "Voting Members"). No other Members shall be entitled to vote at Meetings of Members.

## 2.03 Membership Conditions

Except as otherwise specifically set out, the following conditions apply to all classes of Members:

- (a) All new Members are subject to review and approval by the Board;
- (b) All new Members are subject to review and ratification by Special Resolution of the Voting Members at the AGM or any other meeting of the Members at which admission to membership is to be lawfully discussed;
- (c) Any Member in good standing as of the date of this By-Law shall continue as a Member of the Chamber unless terminated in accordance herewith;
- (d) Membership is conditional on payment of the prescribed fees and acceptance of the By-Laws, Conflict of Interest Policy, Code of Conduct, Privacy Policy and all other policies of the Chamber as established from time to time;
- (e) Provided a Member remains in good standing, membership in the Chamber shall be for an indefinite period of time. The Board may terminate the membership of a Member by a two-thirds (2/3) vote at a meeting of the Board for failure to meet the requirements for membership; for breaching the Code of Conduct or other policies of the Chamber; for acting in a manner as to bring discredit to the Chamber; or for acting in a manner detrimental to the Chamber. The Board shall provide twenty (20) days' notice of the termination to the Member and shall provide reasons for the proposed termination, and the Member shall be permitted to make written submissions to the Board in response to such notice within such twenty (20) day period. If written submissions are received in accordance with this section, the Board will consider such submissions in arriving at a final decision within a further twenty (20) days from the date of receipt of the submissions. The Board's decision shall be final and binding on the Member, without any further right of appeal.
- (f) No political party or elected official shall be eligible to vote at a Meeting of Members of the Chamber;

(g) Membership of any Member of the Chamber is terminated when:

- i. The Member dies or, in the case of a Member that is a corporation, the corporation is liquidated or dissolved;
- ii. The Member fails to maintain any qualifications for membership described in this By-Law;
- iii. The Member resigns by delivering a written resignation to the Chamber in which case such resignation shall be effective on the date specified in the resignation; or
- iv. The Member is expelled in accordance with Article 2.03 of this By-Law or is otherwise terminated in accordance with the Act or this By-Law.

#### 2.04 Voting Representative

Each Voting Member in good standing may appoint one (1) individual as a Voting Representative for any Meeting of Members, including the AGM, by written notice to the Secretary. This appointment is subject to the terms hereof and is valid until revocation thereof is given in writing to the Secretary by such Voting Member. Each Voting Representative shall be deemed to hold a proxy for the Voting Member that Voting Representative represents. Voting representatives, whether elected or appointed, shall be subject to the following qualifications:

- (a) Each Voting Representative shall be the principal or owner of a Voting Member; provided that a Member may appoint such other person as the Member may designate upon prior written notice to the Board;
- (b) No Voting Representative shall be an employee of the Chamber; and
- (c) No Voting Representative shall be a direct full-time employee of the Government of Ontario, the Government of Canada, or a regional or municipal government in Ontario, or of any of their agencies, crown corporations, boards or commissions.

#### 2.05 Membership Dues

The membership dues of all Members shall be determined by the Board. Members shall be notified in writing of the membership dues at any time payable by them and, if any are not paid within ninety (90) days of the membership renewal date or of such



notification, the Member shall be in default and their membership may be terminated on written notice from the Chamber at any time after the said ninety (90) days.

#### 2.06 Limitation and Liability of Members

No Member, in its, his or her individual capacity, shall be liable for any debt or action of the Chamber.

#### 2.07 Rights of Members

All members in good standing shall be entitled to receive the regular publications of the Chamber. All Voting Members in good standing shall have the right to attend Meetings of Members, and, to the extent permissible by this By-Law, vote, introduce motions or second motions at any Meeting of Members. All Voting Representatives in good standing have the privileges of the floor to take part in discussions at the AGM. Government Members and Honourary Members wishing to have the privileges of the floor and to take part in discussions at the AGM must apply for written accreditation to the Chamber at least fifteen (15) days in advance of the AGM in question. Accreditation will be subject to the approval of the Board and a list of accredited delegates will be circulated to Members in accordance with the provisions of this By-Law. Directors and Officers shall have the right to attend any Meetings of Members and may request the privileges of the floor in person at the AGM. The Voting Members may grant such privileges by majority vote of those Voting Members present.

#### 2.08 Resignation

Any Member who resigns from the Chamber shall remain liable for payment of any outstanding membership fees and any and all other amounts owed by the Member prior to or at the time of the Member's resignation.

### **3. Meetings of Members**

#### 3.01 Annual General Meeting

The AGM shall be held on a day and at a place within Sault Ste. Marie fixed by the Board not later than three (3) months after the end of the Chamber's preceding financial year. The business transacted at the AGM shall include:

- (a) Receipt of the agenda;
- (b) Receipt of the minutes of the previous AGM and subsequent Meetings of the Members;

- (c) Reports from the President and/or Board on the Chamber's activities in the previous year;
- (d) Consideration of the financial statements;
- (e) Report of the auditor including presentation of copies of the annual financial statements and any other documents required by the Act to be delivered to the Chamber's Members at each AGM;
- (f) Reappointment or new appointment of the auditor;
- (g) Election of Directors and Officers; and
- (h) Such other or special business as may be set out in the Notice of Meeting.

No other item of business shall be included on the agenda for the AGM unless a Member's proposal has been given to the Secretary prior to the giving of the Notice of Meeting of the AGM in accordance with the Act, so that such item of new business can be including in the Notice of Meeting of the AGM.

### 3.02 General Quarterly Meetings

The Members shall hold general quarterly meetings in each year. Notice of a general quarterly meeting, other than an AGM, naming the time and place, shall be given to each Member by the Secretary at least three (3) days prior to such meetings.

### 3.03 Special Meetings

Special general meetings of the Members must be held at any time when summoned by the Board or by a majority of the Members. Notice of such meetings, containing enough information to allow the Members to make reasoned decisions, shall be given at least ten (10) days in advance by (a) inserting the notice in one or more newspapers published with Sault Ste. Marie; (b) circulating a letter to each Member, signed by the Secretary; or (c) sending a message to each Member by e-mail or any other electronic means.

### 3.04 Notice

Subject to the Act, not less than thirty (30) days' written notice of any Meeting of Members shall be given to each Member and to the auditor or person appointed to conduct a review engagement (the "Notice of Meeting"). The Notice of Meeting where special business will be transacted must contain sufficient information to permit Members to form a reasoned judgment on the decision to be taken. Each Notice of Meeting must

remind the Member of the right to vote by proxy. Notwithstanding the foregoing, a Meeting of Members may be held for any purpose at any date and time and, subject to the Act, at any place without notice if all of the Members and other persons entitled to notice of such meeting are present in person or represented by a Voting Representative or proxy at the meeting (except where a Member or such other person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called) or if all Members and other persons entitled to notice of such meeting and not present in person nor represented by a Voting Representative or proxy thereat waive notice of the meeting.

### 3.05 Quorum

A quorum for the transaction of business at a Meeting of Members is 10 Voting Representatives representing 25 Members whether present in person or by proxy. If a quorum is present at the opening of a Meeting of Members, the Members present may proceed with the business of the meeting, even if quorum is not present throughout the meeting.

### 3.06 Chair of the Meeting

The President shall be the chair of each Meeting of Members. In the absence of the President, the First Vice President shall act as the chair of the Meeting of Members. In the absence of the President and First Vice President, the Immediate Past-President or the Second Vice President, in that order, shall act as the chair of the meeting of Members. If none of such Officers is present, the Voting Members present at any Meeting of Members shall choose another Director as chair and if no Director is present or if all the Directors present decline to act as chair, the Voting Members present shall choose a Voting Representative to chair the meeting.

### 3.07 Voting of Members

Business arising at any Meeting of Members shall be decided by a majority vote unless otherwise required by the Act or this By-Law provided that:

- (a) Each Voting Member shall be entitled to one (1) vote at any Meeting of Members, to be exercised through that Voting Member's Voting Representative;
- (b) Votes shall be taken by a show of hands among all Voting Members present, through a Voting Representative, and the chair of the meeting, if a Voting Representative, shall have a vote on behalf of the Voting Member the chair represents;

- (c) An abstention shall not be considered a vote cast;
- (d) Before or after a show of hands has been taken on any question, the chair of the meeting may require, or any Voting Representative may demand, a written ballot. A written ballot so required or demanded shall be taken in such manner as the chair of the meeting shall direct;
- (e) If there is a tie vote, the chair of the meeting shall require a written ballot, and the chair shall not have a second or casting vote. If there is a tie vote upon written ballot, the motion is lost; and
- (f) Whenever a vote by show of hands is taken on a question, unless a written ballot is required or demanded, a declaration by the chair of the meeting that a Resolution has been carried or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour or against the motion.

### 3.08 Adjournments

The chair of a Meeting of Members may, with the majority consent at any Meeting of Members, adjourn the same from time to time and no notice of such adjournment need be given to the Members, unless the meeting is adjourned by one or more adjournments for an aggregate of thirty (30) days or more. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

### 3.09 Proxies

Any Member with a right to vote at a Meeting of Members, may by means of a proxy appoint a proxy holder, who shall be an accredited delegate approved in accordance with section 2.07 or another Member with a right to vote at such meetings and on such issue, to attend and act at such Meeting of Members in the manner and to the extent authorized by the proxy and with the authority conferred by the proxy. No individual shall be authorized, whether by accreditation or by proxy, to represent more than two (2) Members with a right to vote at such meeting and on such issues.

A form of proxy shall be written or printed in a form that is approved by the Board. A form of proxy becomes a proxy on completion by or on behalf of a Member and execution by the Member or such Member's accredited delegate or attorney authorized in writing. A proxy is valid only at the meeting in respect of which it is given or at any adjournment thereof.

The Board may specify in a notice calling a Meeting of Members a time, not exceeding 48 hours preceding the meeting or an adjournment thereof, before which proxies to be used at the meeting must be deposited with the Chamber or its agent (subject to the rights of the Members to revoke proxies, as provided below).

A Member may revoke a proxy either (i) by depositing an instrument in writing executed by the Member or by the Member's attorney authorized in writing at the registered office of the Chamber at any time up to and including the last business day of the Chamber preceding the day of the meeting, or an adjournment thereof, at which the proxy is to be used, or with the chair of the meeting on the day of the meeting or an adjournment thereof, or (ii) in any other manner permitted by law.

### 3.10 Electronic Participation

If a Meeting of Members is called under the Act, the Board may, in its sole discretion and subject to the Act and the Regulations, determine that the meeting will be held entirely by means of telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

### 3.11 Persons Entitled to be Present

The only persons entitled to attend a Meeting of Members are the Members, Directors, Officers, such employees of the Chamber as the Board may determine, the auditors of the Chamber (or the person who has been appointed to conduct a review engagement, if any), any accredited delegates approved pursuant to Section 2.07 and others who are entitled or required under any provision of the Act to be present at the meeting.

## 4. Directors

### 4.01 Election and Term

Subject to the rights of the Executive Committee in Section 5.09, the Board shall have oversight of the affairs of the Chamber. Until changed in accordance with the Act, and subject to the terms of this Section 4.01, the number of Directors shall be no less than eleven (11) and no more than sixteen (16). There shall be eleven (11) "Elected Directors" who shall serve for two (2) year terms from the date of their election. There shall also be up to five (5) "Appointed Directors" who shall serve for one (1) year terms from the date of their appointment. Subject to Section 4.07, all Directors, whether Elected Directors or Appointed Directors, shall be approved by the Voting Members at the AGM or other duly constituted meeting for that purpose. An Elected Director, once elected, may not serve more than three (3) consecutive two-year terms, unless elected or appointed, as the case may be, to be an Officer, in which case the Elected Director, unless serving

in the Officer position of Treasurer, may serve on the Executive Committee for no longer than four (4) years. An Appointed Director may not serve more than three (3) consecutive one-year terms, unless elected or appointed, as the case may be, to be an Officer, in which case the Appointed Director, unless serving in the Officer position of Treasurer, may serve on the Executive Committee for no longer than four (4) years. An Elected Director or Appointed Director holding the Officer position of Treasurer may serve as such until a replacement Treasurer is elected or appointed at which point the other provisions of this Section 4.01 relating to the term of a Director shall apply to the replaced Treasurer. A former Director having previously served the maximum number of consecutive years shall be eligible for election as a Director after at least one (1) year not being a Director.

#### 4.02 Nomination Committee

There shall be a Nominating Committee selected and appointed by the Board, which shall consist of, at minimum, the President, Immediate Past-President, the First Vice President, the Second Vice President and the Treasurer. The chair of the Nominating Committee shall be the Immediate Past-President of the Board. Meetings of the Nominating Committee shall be held at any time and place to be determined by the chair.

#### 4.03 Nominations of Directors

The following procedure shall apply to the creation of a slate of nominees for the election of Directors:

- (a) The Secretary shall, annually and before March 15<sup>th</sup> of each year, by written notice or publication of notice in the Chamber regular newsletter or on a newspaper of general/local circulation to each Member and delegated individual, call for nominations for the directors to be elected each year. Nominations shall be closed no later than the 15<sup>th</sup> day of April each year or such later date as may be approved by the Board. All nominees shall be Members in good standing shall consent in writing to stand for election.
- (b) The Nominating Committee shall be entitled, in its discretion, to make its own nominations, the only requirement being that all nominees must satisfy all qualifications set out in this By-Law and must indicate to the Nominating Committee their consent to serve.
- (c) The Nominating Committee shall deliver a list of all nominees including its recommended slate of nominees in compliance with section 4.05, to the Board no later than 11:00 AM on or before April 30<sup>th</sup> of each year or such later period as may be approved by the Board.

- (d) The Board shall, by majority vote, either approve of the Nominating Committee's recommended slate of nominees or, otherwise, vote upon a slate of nominees.
- (e) The President shall send the slate of nominees approved of or voted on by the Board to the Voting Members no later than 30 days preceding the date fixed for the AGM or other meeting at which nominations for director positions is to be held.
- (f) The chair of the AGM or other meeting at which nominations for director positions is to be held, shall invite from the meeting other nominations and should there be other nominations supported by a majority of Voting Members in attendance such nominations shall be included in a vote of the Voting Members as to the slate of Directors elected.

#### 4.04 Composition Requirements of the Director Nominees

When preparing the slate of nominees, the Nominating Committee shall comply with such selection policies and diversity requirements as are from time to time adopted by the Board including, without limitation, geography, size of the represented community, etc.

No person shall be elected or appointed for the office of Director who is a directly paid employee of a municipal, provincial or federal government (excluding a Crown corporation, agency or affiliate which is a Member) unless approval to stand for election or appointment is approved by Special Resolution of the Board.

#### 4.05 Qualification

A Director:

- (a) Shall be eighteen (18) or more years of age;
- (b) Shall not have been declared incapable by any court of competent jurisdiction;
- (c) Shall be an individual;
- (d) Shall not have the status of a bankrupt; and
- (e) Shall be (i) a person who is an employee, director or officer of a Member that is in good standing with the Chamber; or (ii) is an individual Member in good standing with the Chamber.

#### 4.06 Vacancies

The office of a Director shall be vacated immediately if:

- (a) The Director resigns office by written notice to the Secretary, which resignation shall be effective at the time it is received by the Secretary or at the time specified in the notice, whichever time is later;
- (b) The Director dies or becomes bankrupt;
- (c) The Director is found to be incapable of managing property by a court of competent jurisdiction or under Ontario law;
- (d) The Director is removed from office by the affirmative vote of two-thirds (2/3) of the Directors at a meeting of the Board, notice of which was given to all Directors in accordance with the calling of such meetings specifying the intention to pass a Special Resolution to remove the Director, and upon such Special Resolution being enacted the Director shall immediately cease to hold office;
- (e) The Director misses in any one year 3 consecutive meetings or, alternatively, 4 non-consecutive meetings of the regularly called and constituted meetings of the Board without, in the opinion of the President, a reasonable reason for so doing; or,
- (f) At a Meeting of Members, a Resolution is passed removing the Director before the expiration of the Director's term of office.

#### 4.07 Filling of Vacancies

A vacancy on the Board shall be filled as follows:

- (a) At a meeting for which quorum of Directors is present, the Directors may pass a Resolution to fill a vacancy among the Directors; and the appointee shall hold office for the remainder of the unexpired portion of the term of the vacating Director. After that, the appointee shall be eligible to be elected or appointed as a Director;
- (b) If quorum of Directors cannot be reached, or there has been a failure to elect the minimum number of Directors set out in the Act or this By-Law, the Board shall, without delay, call a Special Meeting of Members to fill the vacancy and,



if they fail to call such a meeting, the meeting may be called by any Voting Member; and

- (c) If the vacancy occurs as a result of the Voting Members removing an Elected or Appointed Director, the Voting Members may fill the vacancy by a majority vote at a Meeting of Members and any Director elected to fill the vacancy shall hold office for the remainder of the removed Director's term of office.

#### 4.08 Validity of Acts of Directors

The acts of a Director on either the Board or any committee shall be valid even if a defect in his or her election, appointment, or qualification is discovered afterwards.

#### 4.09 Remuneration of Directors

The Directors shall serve as such without remuneration, and no Director shall directly or indirectly receive any profit from occupying the position of Director, provided that:

- (a) Directors may be reimbursed for reasonable expenses they incur in the performance of their Director's duties;
- (b) Directors may be paid remuneration and reimbursed for expenses incurred in connection with services they provide to the Chamber in their capacity other than as Directors, provided that the amount of any such remuneration or reimbursement is:
  - i. Considered reasonable by the Board;
  - ii. Approved by the Board for payment by Resolution passed before such payment is made; and
  - iii. In compliance with the conflict of interest provisions of this By-Law and the Act.

#### 4.10 Agents and Employees

The Board may appoint such agents and engage such employees as they shall deem necessary from time to time and such persons shall have such authority and shall perform such duties as shall be prescribed by the Board at the time of such appointment. The remuneration of all agents and employees shall, subject to the other provisions of this By-Law, be fixed by the Board by Resolution.

#### 4.11 Rules, Regulations and Policies

The Board may prescribe such rules, regulations and policies not inconsistent with this By-Law and the Act relating to the management and operation of the Chamber and other matters provided for in the By-Laws as they may deem expedient.

### 5. Meetings of Directors

#### 5.01 Meeting of Directors

Meetings of the Board may be called by the President, the CEO or a majority of Directors at any time. The President shall preside as chair at Board meetings. In the absence of the President, the First Vice President or Second Vice President, in that order, shall preside as chair, failing which the Directors present shall choose one of their number to act as chair.

#### 5.02 Notice of Meeting

Notice of the time and place for the holding of a meeting of the Board shall be given in the manner provided in this By-Law to every Director of the Chamber not less than five (5) days before the time when the meeting is to be held. Notice of a meeting shall not be necessary if all of the Directors are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting. Unless this By-Law otherwise provides, no notice of meeting need specify the purpose or the business to be transacted at the meeting. If a quorum of Directors is present, each newly elected or appointed Board may, without notice, hold its first meeting immediately following the AGM.

#### 5.03 Regular Meetings

The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be named. A copy of any Resolution of the Board fixing the place and time of such regular meetings of the Board shall be sent to each Director forthwith after being passed, and no other notice shall be required for any such regular meeting.

#### 5.04 Votes to Govern

Each Director has one (1) vote excluding the President or chair, save as outlined below. At meetings of the Board, every question shall be decided by a majority vote of the votes cast on the question. In case of an equality of votes, the President or chair of the meeting shall have the deciding vote. Officers who are not Directors shall not be

permitted to vote at a meeting of the Board. Unless objected thereto by a majority of the Directors, votes on any issue may be conducted electronically under the direction of the Secretary in such manner as to permit the Directors to communicate adequately.

#### 5.05 Quorum

Five (5) Directors shall constitute a quorum at all meetings of the Board. For greater clarity, the President or chair of any meeting of Directors shall count towards quorum.

#### 5.06 Attendance by Telephone, Electronic or Other Means

A Director may, in accordance with the Act or the Regulations, and if all of the Directors of the Chamber consent, participate in a meeting of Directors or of a committee of Directors by means of telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. A Director so participating in a meeting is deemed for the purposes of this By-Law to be present at that meeting for all purposes including in the establishment of quorum.

#### 5.07 Resolutions in Writing

A resolution in writing, signed by all of the Directors entitled to vote on that resolution at a meeting of Directors, is as valid as if it had been passed at a meeting of Directors. Such resolution may be signed in counterparts.

#### 5.08 Committees

The Board may from time to time appoint any committee, task force or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the Board sees fit. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the Board may from time to time make. Any committee member may be removed by Resolution of the Board. Any committee may be terminated by Resolution of the Board.

#### 5.09 Executive Committee

The Board shall annually appoint, subject to the approval of the Members as may be required by the Act, an executive committee (the "Executive Committee") which shall include the President, First Vice President, Second Vice President (if appointed), Immediate Past-President, Treasurer, Secretary/CEO, and such other Directors as deemed appropriate by the Board from time to time. The President shall serve as the chair of the Executive Committee. To the fullest extent permitted by law, the Executive Committee shall carry on, and shall have the full power to carry on, the business of the Chamber between the meetings of the Board, with the same powers of the Board.

### 5.10 Liability of Directors

Every director when exercising his or her powers and discharging his or her duties must:

- (a) Comply with the Chamber's Code of Conduct and Conflict of Interest Policy;
- (b) Act honestly, in good faith and in the best interests of the Chamber;
- (c) Carry out his or her duties as a reasonable person would in the circumstances;  
and
- (d) Comply with the Act, the Regulations, any amendments to the Act or its Regulations, all other applicable laws and the By-Laws of the Chamber.

## 6. Officers

### 6.01 Nomination and Description of Offices

The Nominating Committee shall recommend to the Board such people as it may determine to hold office for their respective terms. The Board shall then, by Resolution, elect or appoint the Officers as outlined below, save for the Officer positions of President, First Vice President and Secretary, which shall be elected by the Voting Members at a Meeting of Members.

Unless otherwise specified by the Board which may, subject to the Act, modify, restrict or supplement such duties and powers, the Officers of the Chamber, if designated and if Officers are appointed by Resolution of the Board, shall have the following duties and powers associated with their positions:

- (a) **President** – The President shall be a Director. The President, when present, shall preside as chair at all meetings of the Board and Meetings of Members. The President shall be an ex-officio member of all committees of the Chamber. The President shall have such duties and powers as the Board may specify.
- (b) **CEO** – The CEO shall not be a Director. The CEO shall be the Chief Executive Officer of the Chamber and shall be responsible for implementing the strategic plans and policies of the Chamber. The CEO shall, subject to the authority of the Board, have general supervision of the affairs of the Chamber.
- (c) **First Vice President** – The First Vice President shall be a Director. If the President is absent or unable or refuses to act, the First Vice President shall, when present, preside at all meetings of the Board and the Members. The First

Vice President shall have such duties and powers as the Board may specify. The First Vice President shall hold the position of President after completing one term as the First Vice President.

- (d) **Second Vice President** – The Second Vice President shall be a Director. The Second Vice President shall have such duties and powers as the Board may specify. The Second Vice President shall hold the office of First Vice President after completing one term as Second Vice President.
- (e) **Immediate Past-President** – The Immediate Past-President shall serve as Immediate Past-President of the Chamber and shall be a Director. The Immediate Past-President shall have such duties and powers as the Board may specify. The Immediate Past-President shall hold this position after completing one term as the President.
- (f) **Secretary** – The Secretary shall attend and be the Secretary of all meetings of the Board, Meetings of Members and meetings of committees of the Board. The Secretary shall enter or cause to be entered in the Chamber's minute book, minutes of all proceedings at such meetings; the Secretary shall give, or cause to be given, as and when instructed, notices to Members, Directors, the auditor, or other person appointed to conduct a review engagement, and members of committees; the Secretary shall be the custodian of all books, papers, records, documents and other instruments belonging to the Chamber. The CEO shall be the Secretary under the supervision of the President unless the Secretary is designated by Resolution of the Directors to be a Director or Member.
- (g) **Treasurer** – The Treasurer shall have such powers and duties as the Board may specify and shall be a Director.

The powers and duties of all other Officers of the Chamber shall be such as the terms of their engagement call for or the Board or President requires of them. The Board may, from time to time and subject to the Act, vary, add to or limit the powers and duties of any Officer or create any additional office with any powers and duties deemed appropriate by the Board. In case of the absence or inability or refusal to act of any Officer of the Chamber or for any other reason that the Directors may deem sufficient, the Directors may delegate all or any of the powers of such Officer to any other Officer or to any Director for the time being. All Officers shall sign such contracts, documents or instruments in writing as require their respective signatures and shall respectively have and perform all powers and duties respectively as may from time to time be assigned to them by the Directors.

## 6.02 Officers' Term of Office

The Officers of the Corporation shall hold office for one (1) year from the date of appointment or election or until their successors are elected or appointed.

## 6.03 Validity of Actions

The acts of an Officer are valid even if a defect in his or her appointment or election is discovered afterwards.

## 6.04 Vacancies in Office

In the absence of a written agreement to the contrary, the Board may remove, whether for cause or without cause, any Officer of the Chamber by Resolution. Unless so removed, an Officer shall hold office until the earlier of:

- (a) The Officer's successor being appointed;
- (b) The Officer's resignation;
- (c) Such officer ceasing to be a Director (if a necessary qualification of appointment); or
- (d) Such Officer's death.

If the office of any Officer of the Chamber shall be or become vacant, the Directors may, by Resolution, appoint any person to fill such vacancy, subject to the Act and this By-Law.

## **7. Protection of Directors and Officers**

### 7.01 Protection of Directors and Officers

No Director, Officer or committee member of the Chamber is liable for the acts, neglects or defaults of any other Director, Officer, committee member or employee of the Chamber or for joining in any receipt or for any loss, damage or expense happening to the Chamber through the insufficiency or deficiency of title to any property acquired by Resolution of the Board or for or on behalf of the Chamber or for the insufficiency or deficiency of any security in or upon which any of the money of or belonging to the Chamber shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or the Chamber which whom or which any monies, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his or her respective office or trust provided that they have:

- (a) Complied with the Act and the By-Laws; and
- (b) Exercised their powers and discharged their duties in accordance with the Act and the By-Laws.

The Chamber may also indemnify any person in any other circumstances that 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 provisions of this By-Law to the extent permitted by the Act or law.

#### 7.02 Directors and Officers Insurance

The Chamber shall purchase insurance for the Directors and Officers of the Chamber against any liability incurred by a Director or Officer in connection with his or her duties as a Director and/or Officer of the Chamber.

### 8. **Conflict of Interest**

#### 8.01 Conflict of Interest

A conflict of interest exists if there is a real or reasonably perceived impediment to a Director's responsibility to act in the best interests of the Chamber due to the Director's affiliations, obligations, associations and/or relationships outside of the Chamber. Conflict of interest includes direct and indirect financial interests and non-financial interests. In this By-Law, associates include the parents, siblings, children, spouse and common-law partners of the Director, as well as any organization, agency, company or individual (such as a business partner or employee) with a formal relationship to a Director.

A conflict of interest shall be declared or raised as follows:

- (a) Every director who, either directly or through one of the Director's associates, has or may potentially have a conflict of interest concerning a proposed or current contract, transaction or decision of the Chamber, shall disclose the nature and extent of the interest at the Board meeting at which the contract, transaction or decision is first raised.
- (b) If the Director, either directly or through one of the Director's associates, becomes interested in a contract, transaction or decision after the Board meeting at which it was first raised, the Director shall make a declaration at the next Board meeting following the Directors' realization of a conflict or, otherwise, as soon as possible if the circumstances so require.

- (c) In the case of an existing contract, transaction or decision, the Director shall make a declaration at the first Board meeting after the individual becomes a Director or the Director realizes the interest or, otherwise, as soon as possible if the circumstances so require.
- (d) After making the declaration, the interested Director shall not vote and shall not be present at the vote, or at any portion of a Board or other meeting at which the contract, transaction or decision is discussed. The interested Director shall not attempt, in any other way, to influence the voting on a contract, transaction or decision in respect of which he or she is interested. The interested Director shall not be counted in any required quorum which respect to this vote.
- (e) If the Director refuses or fails to make a declaration of interest in a contract, transaction or decision as required by this By-Law, the Board may remove the Director by a two-thirds (2/3) vote of the Board.
- (f) The failure of any Director to comply with this section does not, in and of itself, invalidate any contract, transaction or decision undertaken by the Board.
- (g) If a Director believes that another Director is in a conflict of interest position concerning any contract, transaction or decision, the Director shall voice the interest or concern at a Board meeting or, otherwise, as soon as possible if the circumstances so require. If the Board finds a Director in a conflict, the Director shall abide by the requirements of this section.
- (h) Every declaration of a conflict of interest, and the general nature of the conflict of interest, shall be recorded in the minutes of the Board meeting or, otherwise, recorded in some fashion so as to evidence the same.

#### 8.02 Member Approval

A Director is not accountable to the Chamber, or to any of its Members, for any profit gained by the Director from a contract, transaction or decision, provided that:

- (a) The contract, transaction or decision is confirmed by a majority of the votes at a Meeting of Members called for that purpose; and
- (b) The Directors' interest in the contract, transaction or decision is declared in the notice calling the Meeting of Members.

### 9. Notices



### 9.01 Service

Any notice required to be sent to any Member, Officer or Director or to the auditor or person who has been appointed to conduct a review engagement shall be provided by telephone, delivered personally, or sent by prepaid mail, facsimile, e-mail or other electronic means to any such Member, Officer or Director at their latest address as shown in the records of the Chamber and to the auditor or the person who has been appointed to conduct a review engagement at its/their business address, or if no address has been given, then to the last address of such Member, Officer or Director known to the Secretary; provided always that notice may be waived or the time for the notice may be waived or abridged at any time with the consent in writing of the person entitled thereto. If the Chamber sends a notice or document to a Member, Officer or Director and the notice or document is returned on two (2) consecutive occasions, the Chamber is not required to send any further notices or documents to the Member, Officer or Director until and unless the Member, Officer or Director informs the Chamber in writing of a new address for service. All of the foregoing is subject to the provisions and requirements of the Act.

### 9.02 Computation of Time

Where a given number of days' notice or notice extending over any period is required to be given, the day of service or posting of the notice shall not, unless it is otherwise provided, be counted in such number of days or other period.

### 9.03 Invalidity of any Provision of this By-Law

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

### 9.04 Omissions and Errors

The accidental omission to give any notice to any Member, Director, Officer, member of a committee of the Board or the auditor, or the non-receipt of any notice by any such person or party where the Chamber has provided notice in accordance with this By-Law or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

## **10. Dispute Resolution**

In the event that a dispute or controversy among Members, Directors, Officers, committee members or volunteers of the Chamber arising out of or related to the By-Laws, or out of any aspect of the operations of the Chamber is not resolved in private meetings between the parties, 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 Chamber as set out in the By-Laws or the Act, or as otherwise permitted

by law, and as an alternative to such person instituting a legal proceeding or action, such dispute or controversy may, but is not required to be, settled by a process of dispute resolution as follows:

- (a) The dispute or controversy shall be submitted to a panel of mediators whereby one party appoints one mediator, the other party (or if applicable the Board of the Chamber) appoints one mediator, and then 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) The number of mediators may be reduced from three to one or two upon agreement of the parties.
- (c) If the parties are not successful in resolving the dispute through mediation, then the dispute may, but is not required to, be settled by arbitration before a single arbitrator who shall not be any one of the mediators referred to above, in accordance with the provincial or territorial legislation governing domestic arbitrations in force in the province or territory where the registered office of the Chamber is situated or as otherwise agreed upon by the parties to the dispute. The parties agree that all proceedings referred and relating to arbitration shall be kept confidential and there shall be no disclosure of any kind, unless otherwise agreed to by the parties to the dispute. The decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law.
- (d) All costs of the mediators appointed in accordance with this section shall be borne equally by the parties to the dispute or controversy. All costs of the arbitrator appointed in accordance with this section shall be borne by such parties as may be determined by the arbitrator.

#### **11. Amendment of By-Laws and Policies**

The Voting Members may from time to time amend this By-Law by a Resolution of the votes cast.

#### **12. Dissolution and Distribution of Assets**

In the event of amalgamation with another chamber, board of trade(s), or other organization, the Chamber's assets shall be transferred to the successor organization.

In the event the Chamber is about to be dissolved, by Resolution the Board shall distribute the assets as it sees fit after all outstanding liabilities are discharged.

In the event of Chamber dissolution and a Board Resolution is not possible, the assets shall be transferred to a registered charity with a mandate compatible with the mandate of the Chamber, and which is local in scope.

### **13. Code of Ethics**

Every Member, Director, Officer, committee member and volunteer of the Chamber shall:

- (a) Abide by the Act and By-Laws of the Chamber;
- (b) Conduct business and professional activities in a reputable manner so as to reflect honourably the Sault Ste. Marie and District business community and fellow Chamber Members;
- (c) Respect the reputation, profile and status of the Chamber and represent the Chamber accordingly;
- (d) Understand, support and promote the Chamber, along with its mission and goals for the business community;
- (e) Where possible, participate in the functions and activities of the Chamber and lend their business and professional expertise;
- (f) Provide honest, skilled and conscientious service to others;
- (g) Offer a true and honest presentation in all advertising;
- (h) Conform to all laws established by municipal, provincial and federal governments relating to their business, where applicable.

Every Member pledges to observe the spirit of this Code of Ethics in all business dealings and to conduct business in accordance with this By-Law. Failure to do so may result in the termination of membership.

All Directors, Officers, committee members and volunteers shall remain non-partisan when acting for or on behalf of the Chamber.

The CEO may not endorse any political official to assist in his or her election.

Any Director, Officer or committee member who subsequently seeks nomination to a municipal, provincial or federal level of government shall be:

- (a) Granted a leave of absence from the Board, Executive Committee or other committee, as the case may be, during the course of his or her campaign and shall have his or her position reinstated should he or she be unsuccessful in winning public office; and
- (b) Excused from the Board, Executive Committee or other committee, as the case may be, if successful in winning public office.

**14. Past-Presidents**

All Past-Presidents shall act as advisors to the Board and may be called upon to give counsel and advice to the Board on request of the Board. All Past-Presidents shall be permitted to attend Board meetings, but shall not have voting privileges.

**15. Effective Date**

This By-Law shall be effective when approved by Resolution of the Members at the AGM or other meeting held in accordance with the Act.

**DATED** as of the 28th day of September, 2016.

**ENACTED** by the Members of the Chamber on the 28th day of September, 2016.