

## BY-LAW NUMBER 1

being a by-law relating generally to the conduct of  
the affairs of

**CANADIAN NETWORK FOR MATERNAL, NEWBORN AND CHILD HEALTH (CAN-MNCH)**  
(the “Network”)

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**IT IS ENACTED** as a by-law of the Network under the *Canada Not-for-profit Corporations Act* as follows:

## SECTION 1 - INTERPRETATION

### 1. Definitions

In this by-law and all other by-laws of the Network, unless the context otherwise requires:

**“Act”** means the *Canada Not-for-profit Corporations Act* S.C. 2009, c.23 including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;

**“articles”** means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Network;

**“board”** means the board of directors of the Network and **“director”** means a member of the board;

**“by-law”** means this by-law and any other by-law of the Network, as amended, and which are, from time to time, in force and effect;

**“designated corporation”** means (a) a soliciting corporation that has gross annual revenues for its last completed financial year that are equal to or less than the prescribed amount or that is deemed to have such revenues under subsection 190(a) of the Act, and (b) a non-soliciting corporation that has gross annual revenues for its last completed financial year that are equal to or less than the prescribed amount;

**“meeting of members”** includes an annual meeting of members or a special meeting of members; **“special meeting of members”** includes a meeting of any class or classes of members and a special meeting of all members entitled to vote at an annual meeting of members;

**“ordinary resolution”** means a resolution passed by a majority of the votes cast on that resolution;

**“organization”** means a body corporate, a partnership, a trust, a joint venture or an unincorporated association or organization;

**“person”** means an individual, a body corporate, a partnership, a trust, a joint venture or an unincorporated association or organization;

**“proposal”** means a proposal submitted by a member of the Network that meets the requirements of section 163 of the Act;

**“recorded address”** means, in the case of a member, director or officer, his/her address as recorded in the members' register, directors' register or officers' register, as the case may be; and, in the case of a public accountant or member of a committee of the board, his/her latest address as recorded in the records of the Network;

**“Regulations”** means the regulations made under the Act, as amended, restated or in effect from time to time;

**“soliciting corporation”** means a corporation which has received, during the prescribed period, income in excess of the prescribed amount as set out in subsection (5.1) of the Act; and

**“special resolution”** means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

Except as otherwise provided, words and expressions defined in the Act have the same meanings when used in the by-laws of the Network. In the interpretation of this by-law, words in the singular include the plural and *vice versa* and words in one (1) gender include all genders.

The division of this by-law into Sections is for convenience of reference only and shall not affect the interpretation of this by-law.

## SECTION 2 - GENERAL

### 2. **Registered Office**

The registered office of the Network shall be situated in the province or territory in Canada specified in its articles and at such location therein as the board may from time to time determine. The Network may from time to time (i) by board resolution, change the place and address of the registered office of the Network within the province or territory in Canada specified in its articles, and (ii) by an amendment to its articles, change the province or territory in Canada in which its registered office is situated.

### 3. **Corporate Seal**

The Network may, but need not, have a corporate seal. Notwithstanding the foregoing, the Network may have a corporate seal in the form approved from time to time by the board. A document executed on behalf of the Network is not invalid merely because the corporate seal, if any, is not affixed thereto.

### 4. **Execution of Documents**

Contracts, documents or instruments in writing requiring execution by the Network may be signed by the **Chair of the Board together with one (1) of its officers or directors** without any further authorization or formality.

In addition to the foregoing, the directors are authorized from time to time by resolution to appoint any officer or officers or any other person or persons on behalf of the Network either to sign contracts, documents or instruments in writing generally or to sign specific contracts, documents or instruments in writing for and on behalf of the Network. Any person authorized to sign any document may affix the corporate seal (if any) to the document. Any signing officer may certify a copy of any instrument, resolution, by-law or other document of the Network to be a true copy thereof.

The signature or signatures of any officer or director of the Network may, if authorized by board resolution, be printed, engraved or otherwise mechanically reproduced upon all contracts, documents or instruments in writing of the Network executed or issued by or on behalf of the Network.

The term "**contracts, documents or instruments in writing**" as set out above shall include, without limitation, deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, powers of attorney, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of securities and all other paper writings.

### 5. **Books and Records**

The board shall cause all necessary books and records of the Network required by law and the by-laws to be regularly and properly kept.

The minute books of the Network shall contain a copy of the articles, all ordinary and special resolutions passed, a copy of the by-laws, and copies or originals of all documents, registers, minutes and resolutions as required by law. The Network shall prepare and maintain adequate accounting records which, without limiting the generality of the foregoing, shall record all money received and expended by the Network and the matters in respect of which the receipt and expenditure takes place, all revenues and purchases and all assets and liabilities of the Network as well as all other transactions affecting the financial position of the Network.

All minute books and books of account shall at all reasonable times be open to inspection by the directors and the public accountant. No member (who is not a director) shall have any right to inspect any account or book or document of the Network except as conferred by law or authorized by the board or by resolution of the members, whether previous notice thereof has been given or not.

**6. Banking Arrangements**

The banking business of the Network 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 Network and/or other persons as the board may by resolution from time to time designate, direct or authorize.

**7. Borrowing Powers**

The directors of the Network may, without authorization of the members,

- (a) borrow money on the credit of the Network;
- (b) issue, reissue, sell, pledge or hypothecate debt obligations of the Network;
- (c) give a guarantee on behalf of the Network to secure performance of an obligation of any person; and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Network, owned or subsequently acquired, to secure any obligation of the Network.

**8. Fund Raising**

The directors shall take such steps as they may deem requisite to enable the Network to acquire, accept, solicit or receive legacies, gifts, grants, settlements, bequests, endowments and donations of any kind whatsoever for the purpose of furthering the purposes of the Network.

**SECTION 3 - FINANCIAL YEAR END AND FINANCIAL STATEMENTS**

**9. Financial Year End**

The financial year end of the Network shall end on such day in each year as the board of directors may from time to time by resolution determine.

**10. Annual Financial Statements**

Except as provided below, the Network shall send to its members a copy of the annual financial statements and other documents referred to in subsection 172(1) of the Act.

The Network may, instead of sending copies of the annual financial statements and other documents referred to in subsection 172(1) of the Act to the members, publish a notice to its members stating that the annual financial statements and documents provided in subsection 172(1) of the Act are available at the registered office of the Network and any member may, on request, obtain a copy free of charge at the registered office or by prepaid mail.

## **SECTION 4 - PUBLIC ACCOUNTANT**

### **11. Appointment of Public Accountant**

Subject to section 182 of the Act, the members shall, at each annual meeting, appoint a public accountant as is required by the Act to conduct such level of financial review of the accounts in order to prepare the financial statements of the Network that conform to any prescribed requirements for report to the members at the next annual meeting. The public accountant shall hold office until the next annual meeting provided that, subject to the Act, the directors may fill any casual vacancy in the office of the public accountant. The remuneration of the public accountant shall be fixed by the board.

A public accountant shall meet the qualifications set out in section 180 of the Act and shall:

- (a) be a member in good standing of an institute or association of accountants incorporated by or under an Act of the legislature of a province;
- (b) meet any qualifications under an enactment of a province for performing any duty that the person is required to perform under the Act; and
- (c) subject to the Act, be independent of the Network, its affiliates, or the directors or officers of the Network or its affiliates.

The public accountant of the Network is entitled to receive notice of every meeting of members of the Network and, at the expense of the Network, to attend and be heard thereat on matters relating to the public accountant's duties.

### **12. Dispensing with Public Accountant**

Pursuant to section 182 of the Act, members of a designated corporation may resolve not to appoint a public accountant, but the resolution is not valid unless all the members entitled to vote at an annual meeting of members consent to the resolution. Such resolution is valid until the following annual meeting of members.

## **SECTION 5 - MEMBERS**

### **13. Membership Conditions**

- (a) Subject to the articles, the Network shall have one (1) class of members.
- (b) Membership in the Network shall be available to organizations interested in furthering the Network's purposes and who have applied for and been accepted into membership in the Network by resolution of the board or in such other manner as may be determined by the board.
- (c) Each member of the Network shall be entitled to receive notice of, attend and vote at all meetings of the members of the Network.
- (d) As long as the organization is a member of the Network, such organization shall be permitted to designate an authorized representative to attend and vote at all meetings of the members of the Network for and on behalf of such organization; provided, however, that such organization shall advise the Network, in writing or by such other means acceptable to the Network of the name of that organization's authorized representative and any changes made thereto from time to time.
- (e) Pursuant to subsection 197(1) of the Act, a special resolution of the members is required to make any amendments to the articles or the by-laws of the Network, if those amendments affect membership rights and/or conditions described in paragraphs 197(1) (e), (h), (l) or (m) of the Act, namely:

- (i) change a condition required for being a member;
- (ii) add, change or remove a provision respecting the transfer of a membership;
- (iii) change the manner of giving notice to members entitled to vote at a meeting of members; or
- (iv) change the method of voting by members not in attendance at a meeting of members.

**14. Membership Transferability**

A membership may only be transferred to the Network. Pursuant to subsection 197(1) of the Act, a special resolution of the members entitled to vote thereon is required to make any amendment to add, change or delete this section of the by-laws.

**15. Membership Dues**

Unless otherwise determined by the directors, members shall be notified in writing of the membership dues at any time payable by them and, if any are not paid within one (1) calendar month of the membership renewal date as determined by the directors, the members in default shall automatically cease to be members of the Network.

**16. Termination of Membership**

A membership in the Network is terminated when:

- (a) the member is liquidated or dissolved;
- (b) a member fails to maintain any qualifications for membership described in the section on membership conditions of this by-law;
- (c) the member resigns by delivering a written resignation to the Chair of the Board of the Network, or such other senior officer of the Network, in which case such resignation shall be effective on the date specified in the resignation;
- (d) the member is expelled in accordance with any discipline of members section or is otherwise terminated in accordance with the articles or by-laws;
- (e) the member's term of membership expires; or
- (f) the Network is liquidated or dissolved under the Act.

**17. Effect of Termination of Membership**

Subject to the articles, upon any termination of membership, the rights of the member, including any rights in the property of the Network, automatically cease to exist.

**18. Discipline of Members**

The board shall have authority to suspend or expel any member from the Network for any one (1) or more of the following grounds:

- (a) violating any provision of the articles, by-laws, or written policies of the Network;
- (b) carrying out any conduct which may be detrimental to the Network as determined by the board in its sole discretion; or

- (c) for any other reason that the board in its sole and absolute discretion considers to be reasonable, having regard to the purposes of the Network.

In the event that the board determines that a member should be expelled or suspended from membership in the Network, the Executive Director, or such other officer as may be designated by the board, shall provide twenty (20) days' notice of suspension or expulsion to the member and shall provide reasons for the proposed suspension or expulsion. The member may make written submissions to the Executive Director, or such other officer as may be designated by the board, in response to the notice received within such twenty (20) day period. In the event that no written submissions are received by the Executive Director, the Executive Director, or such other officer as may be designated by the board, may proceed to notify the member that the member is suspended or expelled from membership in the Network. If written submissions are received in accordance with this section, the board will consider such submissions in arriving at a final decision and shall notify the member concerning such 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.

## **SECTION 6 - MEMBERS' MEETINGS**

### **19. Record Dates for Members' Meetings**

Subject to section 161 of the Act, the directors may fix in advance a date as the record date for the purpose of:

- (a) determining the members entitled to receive notice of a meeting of members and/or entitled to vote at a meeting of members, but such record date shall not precede by more than 60 days or by less than 21 days the date on which the meeting is to be held;
- (b) determining the members entitled to participate in a liquidation distribution or for any other purposes, but such record date shall not precede by more than 60 days the date on which the meeting is to be held. Such members shall be determined as at the close of business on the day on which the directors pass the resolution relating to the record date. If no record date is fixed by the directors, the record date for the determination of the members entitled to receive notice of a meeting of the members shall be:
- (i) at the close of business on the day immediately preceding the day on which the notice is given; or
- (ii) if no notice is given, the day on which the meeting is held.

### **20. Notice of Members' Meetings**

Notice of the time, date and place of a meeting of members shall be given to each member entitled to vote at the meeting, to each director of the Network and to the public accountant (if any) of the Network by the following means:

- (a) by mail, courier or personal delivery to each member entitled to vote at the meeting, during a period of twenty-one (21) to sixty (60) days before the day on which the meeting is to be held; or
- (b) by telephonic, electronic or other communication facility to each member entitled to vote at the meeting, during a period of twenty-one (21) to thirty-five (35) days before the day on which the meeting is to be held.

If special business is to be transacted at a meeting of members, the notice shall also state (i) the nature of that business in sufficient detail as to permit the member to form a reasoned judgment thereon, and (ii) the text of any special resolution to be submitted to the meeting.

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

Notwithstanding the foregoing, a meeting of members may be held for any purpose at any date and time and, subject to subsection 159(2) of the Act, at any place without notice if all the members and other persons entitled to notice of such meeting are present in person or represented by 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 the members and other persons entitled to notice of such meeting and not present in person nor represented by proxy thereat waive notice of the meeting.

Notice of any meeting of members or the time for the giving of any such notice or any irregularity in any such meeting or in the notice thereof may be waived in any manner by any member, the duly appointed proxy of any member, any director or the public accountant of the Network (if any) and any other person entitled to attend a meeting of members, and any such waiver may be validly given either before or after the meeting to which such waiver relates.

The signature of any director or officer of the Network to any notice may be written, printed or otherwise mechanically reproduced.

**21. Members Calling a Members' Meeting**

The board shall call a special meeting of members in accordance with section 167 of the Act on written requisition of members carrying not less than five per cent (5%) of the voting rights. If the directors do not call a meeting within twenty-one (21) days of receiving the requisition, any member who signed the requisition may call the meeting.

**22. Place of Members' Meetings**

Subject to compliance with section 159 of the Act, meetings of the members may be held at any place within Canada determined by the board or, if all of the members entitled to vote at such meeting so agree, outside Canada.

**23. Persons Entitled to be Present at Members' Meetings**

The only persons entitled to be present at a meeting of members shall be those entitled to vote at the meeting, the directors and the public accountant of the Network and such other persons who are entitled or required under any provision of the Act, articles or by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or by resolution of the members.

**24. Chair of Members' Meetings**

In the event that the Chair of the Board (if any), the Vice-Chair of the Board (if any) and the Executive Director are absent, the members who are present and entitled to vote at the meeting shall choose one (1) of their number to chair the meeting.

**25. Quorum at Members' Meetings**

A quorum at any meeting of the members (unless a greater number of members are required to be present by the Act) shall be a majority of the members entitled to vote at the meeting

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 a quorum is not present throughout the meeting.

Notwithstanding the foregoing, if the Network has only one (1) member, the member present in person or by proxy constitutes a meeting and a quorum at such meeting.



**26. Votes to Govern at Members' Meetings**

At any meeting of members every question shall, unless otherwise provided by the articles or by-laws or by the Act, be determined by a majority of the votes cast on the question.

In case of an equality of votes either on a show of hands or on a ballot or on the results of electronic voting, the chair of the meeting in addition to an original vote shall not have a second or casting vote.

Subject to the Act, any vote at a meeting of members may be held entirely by means of a telephonic, electronic or other communication facility, if the Network makes available such a communication facility, and any person participating in a meeting of members by means of such facility and entitled to vote at that meeting may vote by means of such facility, provided that any such facility made available by the Network shall enable the votes to be gathered in a manner that permits their subsequent verification and permit the tallied votes to be presented to the Network without it being possible for the Network to identify how each member or group of members voted.

**27. Participation by Electronic Means at Members' Meetings**

If the Network chooses to make available a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during a meeting of members, any person entitled to attend such meeting may participate in the meeting by means of such telephonic, electronic or other communication facility in the manner provided by the Act. A person participating in a meeting by such means is deemed to be present at the meeting. Notwithstanding any other provision of this by-law, any person participating in a meeting of members pursuant to this section who is entitled to vote at that meeting may vote, in accordance with the Act, by means of any telephonic, electronic or other communication facility that the Network has made available for that purpose.

**28. Members' Meeting Held Entirely by Electronic Means**

If the directors or members of the Network call a meeting of members pursuant to the Act, those directors or members, as the case may be, may determine that the meeting shall be held, in accordance with the Act and the Regulations, entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

**29. Proxies**

A member entitled to vote at a meeting of members may, by means of a proxy, appoint one (1) or more proxyholders or one (1) or more alternate proxyholders, who are not required to be members of the Network, to attend, act and vote at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by such proxy.

An acceptable form of proxy shall be a written or printed form that complies with the Regulations (to the extent applicable). A form of proxy becomes a proxy on completion by or on behalf of a member and duly signed by the member or the attorney of such member duly authorized in writing. Alternatively, a proxy may be an electronic document that satisfies the requirements of the Regulations. A proxy is valid only at the meeting in respect of which it is given or at any adjournment or adjournments thereof.

The directors may specify in a notice calling a meeting of members a time not exceeding 48 hours, excluding Saturdays and holidays, preceding the meeting or an adjournment thereof before which time proxies to be used at the meeting must be deposited with the Network or its agent (subject to the rights of members to revoke proxies, as provided below).

A member may revoke a proxy either:

- (i) by depositing at the registered office of the Network at any time up to and including the last business day 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, an instrument in writing duly signed by the member or by the attorney of the member duly authorized in writing; or
- (ii) in any other manner permitted by law.

30. **Absentee Voting at Members' Meetings**

Pursuant to subsection 171(1) of the Act, a member entitled to vote at a meeting of members may vote by mailed-in ballot or by means of a telephonic, electronic or other communication facility if the Network has a system that:

- (a) enables the votes to be gathered in a manner that permits their subsequent verification, and
- (b) permits the tallied votes to be presented to the Network without it being possible for the Network to identify how each member voted.

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

31. **Proposals Nominating Directors at Annual Members' Meetings**

Subject to the Regulations, any proposal may include nominations for the election of directors if the proposal is signed by not less than five per cent (5%) of the members entitled to vote at the meeting at which the proposal is to be presented.

32. **Cost of Publishing Proposals for Annual Members' Meetings**

The member who submitted the proposal shall pay the cost of including the proposal and any statement in the notice of meeting at which the proposal is to be presented unless otherwise provided by ordinary resolution of the members present at the meeting.

33. **Members Who Cannot Be Found**

If the Network sends a notice or document to a member and the notice or document is returned on two (2) consecutive occasions because the member cannot be found, the Network is not required to send any further notices or documents to the member until such member informs the Network in writing of his/her new address.

34. **Resolutions in Writing**

Except where a written statement is submitted by a director under subsection 131(1) of the Act or by a public accountant under subsection 187(4) of the Act,

- (a) a resolution in writing signed by all the members entitled to vote on that resolution at a meeting of members is as valid as if it had been passed at a meeting of the members; and
- (b) a resolution in writing dealing with all matters required by the Act to be dealt with at a meeting of members, and signed by all the members entitled to vote at that meeting, satisfies all the requirements of the Act relating to meetings of members.

35.

**SECTION 7 - DIRECTORS**

36. **Powers of Directors**

The directors shall manage, or supervise the management of, the activities and affairs of the Network and may exercise all such powers and do all such acts and things as may be exercised or done by the Network and are not expressly directed or required to be done in such other matter pursuant to the Act, the articles, the by-laws, any special resolution of the Network, a unanimous member agreement or such other statute.

37. **Duties of Directors**

Every director and officer of the Network in exercising their powers and discharging their duties shall:

- (a) act honestly and in good faith with a view to the best interests of the Network; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Every director and officer of the Network shall comply with the Act, the Network's articles and by-laws and any unanimous member agreement.

38. **Election of Directors**

Directors shall be elected by the members of the Network by ordinary resolution. Whenever at any election of directors of the Network the number or the minimum number of directors required by the articles is not elected by reason of the lack of consent, disqualification, incapacity or death of any candidates or nominees, the directors elected at that meeting may exercise all the powers of the directors if the number of directors so elected constitutes a quorum, but such quorum of directors may not fill the resulting vacancy or vacancies.

An individual who is elected or appointed to hold office as a director is not a director and is deemed not to have been elected or appointed to hold office as a director unless

- (a) he or she was present at the meeting when the election or appointment took place and he or she did not refuse to hold office as a director; or
- (b) he or she was not present at the meeting when the election or appointment took place and
  - (i) he or she consented to hold office as a director in writing before the election or appointment or within 10 days after it, or
  - (ii) he or she has acted as a director pursuant to the election or appointment.

39. **Number of Directors**

The board shall consist of the number of directors specified in the articles. If the articles provide for a minimum and maximum number of directors, the board shall be comprised of the fixed number of directors as determined from time to time by the members by ordinary resolution or, if the ordinary resolution empowers the directors to determine the number, by resolution of the board. In the case of a soliciting corporation, the minimum number of directors may not be fewer than three (3), at least two (2) of whom are not officers or employees of the Network or its affiliates.

40. **Qualifications**

No person shall be qualified for election as a director if s/he is less than eighteen (18) years of age; if s/he has been declared incapable by a court in Canada or elsewhere; if s/he is not an individual; or if s/he has the status of a bankrupt. Directors need not be members.

#### 41. **Term of Office of Directors**

Each director named in the notice filed pursuant to subsection 128(1) of the Act shall hold office from the issuance of the certificate of incorporation of the Network until the first meeting of members.

The directors of the Corporation shall be elected and shall be retired in rotation. At the first meeting of the members for the election of directors immediately following the issuance of the certificate of incorporation of the Network,

- (a) all directors then in office shall retire, but shall be eligible for re-election;
- (b) one-third of the number of directors (rounded upwards to the nearest whole number) shall be elected to hold office for a term of **three (3)** years from the date of their election or until the **third** annual meeting of members after such date, whichever last occurs;
- (c) one-half of the remaining number of directors (rounded upwards to the nearest whole number) shall be elected for a term of **two (2)** years from the date of their election or until the **second** annual meeting of members after such date, whichever occurs last; and
- (d) the remaining number of the directors shall be elected for a term of **one (1)** year from the date of their election or until the **first** annual meeting of members after such date, whichever last occurs.

Thereafter, at each annual meeting of members, directors shall be elected to fill the positions of those directors whose terms of office have expired and each director so elected shall hold office until the third annual meeting after his or her election.

#### 42. **Vacation of Office**

The office of a director shall be vacated if the director:

- (a) ceases to qualify to serve as a director;
- (b) resigns office by notice in writing to the Network, which resignation shall be effective at the time it is received by the Network or at the time specified in the notice, whichever is later;
- (c) dies; or
- (d) is removed from office in accordance with paragraph 43 below.

#### 43. **Removal**

In addition to the provisions of the Act and this by-law, the board may determine and set forth in separate documents the qualifications, terms and conditions to govern a director's qualification to be appointed to and continue to participate in the board, including with respect to attendance requirements, confidentiality, conflicts of interest, and conduct at meetings.

The board may, if authorized by a special resolution of the board, call a special meeting of the members and put forward a recommendation to the members for the removal of a director, such recommendation to be based on the grounds that the director was determined by the board to be:

- a. violating any provision of the articles, by-laws, or written policies of the Corporation;
- b. carrying out any conduct which may be detrimental to the Corporation, including its ability to carry out its stated objects and purposes; and/or

- c. for any other reason that the board in its sole and absolute discretion considers to be reasonable, having regard to the purpose and best interests of the Corporation.

The members may, by ordinary resolution passed at a special or general meeting of which notice specifying the intention to pass such resolution has been given, remove any director before the expiration of his term of office, and may, by a majority of the votes cast at that meeting, elect any qualified person in his stead for the remainder of his term.

If a meeting of members was called for the purpose of removing a director from office as a director, the director so removed shall cease as a director and shall vacate such office immediately upon the passage of the resolution with respect to such director's removal.

44. **Vacancies**

Subject to the Act, a quorum of directors may fill a vacancy in the board, except a vacancy resulting from an increase in the number or the minimum or maximum number of directors provided for in the articles or from a failure to elect the number or minimum number of directors provided for in the articles. If there is not a quorum of directors or if there has been a failure to elect the number of directors or minimum number of directors required by the articles, the directors then in office shall forthwith call a special meeting of members to fill the vacancy and, if they fail to call a meeting or if there are no directors then in office, the meeting may be called by any member.

In spite of any vacancy among the directors, the remaining directors may exercise all the powers of the directors so long as a quorum of the number of directors remains in office. Subject to subsections 132(1) and (4) of the Act and to the provisions (if any) of the Network's articles, where there is a quorum of directors in office and a vacancy occurs, such quorum of directors may appoint a qualified person to fill such vacancy for the unexpired term of such former director.

45. **Validity of Acts of Directors**

An act of a director or officer is valid notwithstanding an irregularity in their election or appointment as a director or a defect in their qualification as a director.

## **SECTION 8 - DIRECTORS' MEETINGS**

46. **Calling of Meetings of the Board**

Meetings of the board may be called by the Chair of the Board (if any), the Vice-Chair of the Board (if any), the Executive Director or any two (2) directors at any time and the Secretary of the Network shall, upon the direction of any of the foregoing, shall convene a meeting of the directors of the Network.

47. **Notice of Meetings of the Board**

Notice of the time and place for the holding of any such meeting shall be sent to each director not less than **five (5)** days (exclusive of the day on which the notice is sent but inclusive of the day for which notice is given) before the date of the meeting; provided that meetings of the directors or of any committee of directors may be held at any time without formal notice if all the directors are present (except where a director attends a 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 the absent directors have waived notice. The notice shall specify any matter referred to in subsection 138(2) of the Act that is to be dealt with at the meeting but need not specify the purpose of or the business to be transacted at the meeting.

For the first meeting of directors to be held following the election of directors at an annual or special meeting of the members or for a meeting of directors at which a director is appointed to fill a vacancy in the board, no notice of such meeting need be given to the newly elected or appointed director or

directors in order for the meeting to be duly constituted, provided a quorum of the directors is present.

**48. Regular Meetings of the Board**

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, but no other notice shall be required for any such regular meeting except if subsection 136(3) of the Act requires the purpose thereof or the business to be transacted to be specified in the notice.

**49. Quorum at Directors' Meetings**

A majority of the directors in office shall form a quorum for the transaction of business. A quorum of directors may exercise all the powers of directors. For the purposes of determining a quorum, a director may be present in person or, if authorized under paragraph 50 below, by teleconference and/or by other electronic means.

**50. Participation by Telephone or Electronic Means at Directors' Meetings**

Where all the directors consent thereto generally or in respect of a particular meeting, any director may participate in a meeting of the board or a committee of the board by means of conference telephone, electronic or other communication facilities that permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in the meeting by these means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board or of committees of the board.

**51. Votes to Govern at Meetings of the Board**

At all meetings of the board, every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chair of the meeting, shall NOT have a second or casting vote.

**52. Resolutions in Writing**

A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or of a committee of directors, is as valid as if it had been passed at a meeting of directors or committee of directors.

## **SECTION 9 - DELEGATION OF POWERS BY DIRECTORS**

**53. Agents and Attorneys**

Subject to the Act, the Network, by or under the authority of the board, shall have power from time to time to appoint agents or attorneys for the Network in or outside of Canada with such powers of management, administration or otherwise (including the power to sub-delegate) as may be thought fit.

**54. Delegation to Managing Director or Committee**

Subject to the Act, the articles, the by-laws and any unanimous member agreement, the directors may, from time to time, appoint from their number a managing director or a committee of directors and delegate to such managing director or committee any of the powers of the directors.

**55. Committees of the Board**

The directors may from time to time appoint from their number one or more committees of directors. The directors may delegate to each such committee any of the powers of the directors, except that no such committee shall have the authority to:

- (a) submit to the members any question or matter requiring the approval of the members;
- (b) fill a vacancy among the directors or in the office of public accountant, or appoint additional directors;
- (c) issue debt obligations except as authorized by the directors;
- (d) approve any financial statements to be placed before the members of the Network;
- (e) adopt, amend or repeal by-laws of the Network; or
- (f) establish contributions to be made or dues to be paid by members as provided in the Act.

## **SECTION 10 - OFFICERS**

### **56. Appointment of Officers**

The board may designate the offices of the Network, appoint officers on an annual or more frequent basis, specify their duties and, subject to the Act, delegate to such officers the power to manage the affairs of the Network. A director may be appointed to any office of the Network. An officer may, but need not be, a director unless these by-laws otherwise provide. Two (2) or more offices may be held by the same person.

### **57. Description of Offices**

Unless otherwise specified by the board (which may, subject to the Act, modify, restrict or supplement such duties and powers), the offices of the Network, if designated and if officers are appointed, shall have the following duties and powers associated with their positions:

- (a) **Chair of the Board** – The Chair of the Board, if one is to be appointed, shall be a director. The Chair of the Board, if any, shall, when present, preside at all meetings of the board and of the members. The Chair of the Board shall have such other duties and powers as the board may specify.
- (b) **Vice-Chair of the Board** – The Vice-Chair of the Board, if one is to be appointed, shall be a director. If the Chair of the Board is absent or is unable or refuses to act, the Vice-Chair of the Board, if any, shall, when present, preside at all meetings of the board and of the members. The Vice-Chair of the Board shall have such other duties and powers as the board may specify.
- (c) **Executive Director** – If appointed, the Executive Director shall be the chief executive officer of the Network and shall be responsible for implementing the strategic plans and policies of the Network. The Executive Director shall, subject to the authority of the board, have general supervision of the affairs of the Network. If there is no chief executive officer designated or appointed, the Executive Director may also be designated as the Chief Executive Officer of the Network.
- (d) **Secretary** – If appointed, the Secretary shall attend and be the secretary of all meetings of the board, members and committees of the board. The Secretary shall enter or cause to be entered in the Network'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 public accountant and members of committees. The Secretary shall be the custodian of all books, papers, records, documents and other instruments belonging to the Network.

- (e) **Treasurer** – If appointed, the Treasurer shall have such powers and duties as the board may specify.

The powers and duties of all other officers of the Network shall be such as the terms of their engagement call for or the board or Executive Director 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.

58. **Vacancy 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 Network. 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 Network shall be or become vacant, the directors may, by resolution, appoint a person to fill such vacancy.

## **SECTION 11 - PROTECTION OF DIRECTORS AND OFFICERS**

59. **Limitation of Liability**

Subject to the Act, every director and officer of the Network, in exercising his/her powers and discharging his/her duties, shall act honestly and in good faith with a view to the best interests of the Network, and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no director or officer shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Network through the insufficiency or deficiency of title to any property acquired for or on behalf of the Network, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Network shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the monies, securities or effects of the Network shall be deposited, or for any loss occasioned by any error of judgment or oversight on his/her part, or for any other loss, damage or misfortune whatever, which shall happen in the execution of the duties of his/her office or in relation thereto, unless the same are occasioned by his/her own willful neglect or default; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the Regulations or from liability for any breach thereof.

60. **Remuneration of Directors, Officers and Employees**

Subject to the Act, the directors of the Network are entitled to fix a reasonable remuneration for the directors, officers and employees of the Network. Directors may be reimbursed for reasonable expenses incurred in the performance of their duties.

Notwithstanding the foregoing, however, if the Network is a registered charity under the *Income Tax Act* (Canada), the Network shall be subject to any relevant provincial legislation which may prohibit the payment of remuneration to directors, whether as a director or in any other capacity.

61. **Indemnity of Directors and Officers**



Subject to the Act, the Network shall indemnify a director or officer of the Network, a former director or officer of the Network, or a person who acts or acted at the Network's request as a director or officer of a body corporate of which the Network is or was a member or creditor, and his/her heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him/her in respect of any civil, criminal or administrative action or proceeding to which he/she is made a party by reason of being or having been a director or officer of such Network or body corporate if:

- (a) s/he acted honestly and in good faith with a view to the best interests of the Network; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, s/he had reasonable grounds for believing that his/her conduct was lawful.

The Network is authorized to execute such indemnities in favour of the foregoing persons to the fullest extent permitted by law.

62. **Insurance**

Subject to the limitations contained in the Act, the Network may purchase and maintain insurance for the benefit of its directors and officers such as the board may from time to time determine.

**SECTION 12 - DISCLOSURE OF INTEREST BY DIRECTORS AND OFFICERS**

63. **Conflict of Interest**

A director or officer shall disclose his/her interest in any material contract or transaction or proposed material contract or transaction with the Network (each, a "**Material Contract**") in accordance with paragraph 64 below.

64. **Disclosure of Interest in Contracts**

A director or officer of the Network shall disclose in writing to the Network or request to have entered in the minutes of meetings of directors or committees of directors, as the case may be, the nature and extent of any interest that the director or officer has in any Material Contract with the Network if the director or officer:

- (a) is a party to the Material Contract;
- (b) is a director or officer, or an individual acting in a similar capacity, of a party to the Material Contract; or
- (c) has a material interest in a party to the Material Contract.

Disclosure shall be made at the time and in the manner required by the Act, and a director or officer so having an interest in the Material Contract shall, unless expressly permitted by the Act, not vote on any resolution to approve the Material Contract.

## **SECTION 13 - NOTICES**

### **65. Method of Giving Any Notice**

Any notice (which term includes any communication or document), other than notice of a meeting of members or a meeting of the board, to be given (which term includes sent, delivered or served) pursuant to the Act, the articles, the by-laws or otherwise to a member, director, officer or member of a committee of the board or to the public accountant shall be sufficiently given:

- (a) if delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of the Network or in the case of notice to a director to the latest address as shown in the last notice that was sent by the Network in accordance with either section 128 or section 134 of the Act and received by the Director;
- (b) if mailed to such person at such person's recorded address by prepaid ordinary or airmail;
- (c) if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
- (d) if provided in the form of an electronic document in accordance with Part 17 of the Act.

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The secretary may change or cause to be changed the recorded address of any member, director, officer, public accountant or member of a committee of the board in accordance with any information believed by the secretary to be reliable. The declaration by the secretary that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any director or officer of the Network to any notice or other document to be given by the Network may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.

### **66. Omissions and Errors**

The accidental omission to give any notice to any member, director, officer, member of a committee of the board or public accountant, or the non-receipt of any notice by any such person where the Network has provided notice in accordance with the by-laws or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

## **SECTION 14 - UNANIMOUS MEMBER AGREEMENT**

### **67. Unanimous Member Agreement**

The provisions of this by-law are subject to the terms of any unanimous member agreement in effect from time to time in respect of the Network if the Network is not a soliciting corporation and, to the extent of any inconsistency between this by-law and any such unanimous member agreement, such unanimous member agreement shall prevail over this by-law.

## **SECTION 15 - EFFECTIVE DATE**

### **68. Invalidity of any Provisions 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.

### **69. By-laws and Effective Date**

Subject to the articles, the board may, by resolution, make, amend or repeal any by-laws that regulate the activities or affairs of the Network. Any such by-law, amendment or repeal shall be effective from the date of the resolution of directors until the next meeting of members where it may be confirmed, rejected or amended by the members by ordinary resolution. If the by-law, amendment or repeal is confirmed or confirmed as amended by the members, it remains effective in the form in which it was confirmed. The by-law, amendment or repeal ceases to have effect if it is not submitted to the members at the next meeting of members or if it is rejected by the members at the meeting.

This section does not apply to a by-law that requires a special resolution of the members in accordance with subsection 197(1) of the Act as such by-law amendments or repeals are only effective when confirmed by the members.

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