

NO: **R050**

COUNCIL DATE: **APRIL 14, 2014**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **April 8, 2014**

FROM: **Manager, Economic Development
City Solicitor**

FILE: **MV Ec. Dev.**

SUBJECT: **Establishment of the Surrey Innovation Boulevard Society**

RECOMMENDATION

The City Manager's Department recommends that Council:

1. Receive this report as information;
2. Approve the incorporation, purposes, constitution and bylaws of the Surrey Innovation Boulevard Society ("the Society") with representatives of the City of Surrey ("the City") as members of the Society; and
3. Approve that the Society's governance model be reviewed every three (3) years.

INTENT

The purpose of this report is to seek Council's approval to establish the Surrey Innovation Boulevard Society ("the Society"). This not-for-profit would provide information and advice related to Innovation Boulevard, receive funds from donors, and provide financial assistance to programs, projects and support services that relate to health technology and innovation.

This report also sets out the purposes, constitutions, bylaws and governance structure of the proposed Society.

BACKGROUND

In spring 2013 the Mayor's Health Technology Working Group was created to provide strategic direction for the development of Innovation Boulevard. The Working Group is co-chaired by Mayor Dianne Watts and Dr. Ryan D'Arcy. Dr. D'Arcy is the Surrey Memorial Hospital Foundation BC Leadership Chair in Multimodal Technology for Healthcare Innovation at Simon Fraser University and the Head of Health Sciences and Innovation for Surrey Memorial Hospital. The Working group is comprised of subject-matter experts from organizations including:

- Fraser Health Authority;
- Simon Fraser University;

- University of British Columbia;
- Kwantlen Polytechnic University;
- British Columbia Institute of Technology;
- LifeSciences BC;
- BC Technology Industry Association;
- The Centre for Child Development;
- Lark Group;
- PCI;
- National Research Council; and
- Western Economic Diversification.

The Society would liaise with the Mayor's Health Technology Working Group when required.

A current list of partners is attached as Appendix "I".

Innovation Boulevard Overview

Innovation Boulevard is a network of health institutions, universities, companies and talented people located within one square mile in Surrey's City Centre between Simon Fraser University and the Surrey Memorial Hospital (SMH) campus. The objectives of Innovation Boulevard are to:

1. Grow companies in the health technology and services sectors;
2. Improve health care outcomes for patients;
3. Implement intelligent solutions for the health care system; and
4. Attract talented clinicians and researchers.

Dr. Ryan D'Arcy and the City of Surrey Economic Development Division have been building partnerships to capitalize on the growing collection of health-related assets located in Surrey. Dr. D'Arcy's complimentary roles that bridge Fraser Health Authority/SMH and Simon Fraser University have created powerful new connections between these two institutions with a focus on medical technologies, independent living technologies and digital health technologies.

Innovation Boulevard has the potential to become a health technology cluster that is built on the co-location of health providers, researchers, and industry. The co-location creates an 'ecosystem' where there is the broad expertise and interactions to produce new ideas, innovations and advance commercialization. A current list of assets located in Innovation Boulevard is attached as Appendix "II".

DISCUSSION

The Economic Development Division and Legal Services Division are recommending the creation of the Surrey Innovation Boulevard Society to serve as a not-for-profit entity to provide information, receive donations, distribute grants and provide public accountability.

The key advantages of having a Society are:

- Provides a statutory process for accountability;
- Formalizes fiduciary responsibilities for the directors;
- Provides 'brand' recognition in marketing; and
- Will have audited financial reporting.

The proposed purposes, membership, constitution and bylaws of the Society are attached as Appendix "III". The members of the Society play a role similar to shareholders in a corporation. The Society will have four members, proposed as:

- City of Surrey representing Council
- City Manager, or designate
- City Solicitor
- Manager, Economic Development.

It is recommended that Council approve that the Society's governance model be reviewed every three (3) years. This relates to the expectation that the fund of donations will grow over time and the involvement of other interests in the Society may be appropriate.

Purpose of the Board

The overall purpose of the Society's board as defined in the constitution will include:

- To provide information and advice on matters related to Innovation Boulevard programs and projects that relate to health technology and innovation.
- To receive funds from donors for the purpose of financing programs, projects and support services that relate to health technology and innovation.
- To provide financial assistance to programs, projects and support services that relate to health technology and innovation.

Board members will be appointed on an as-needed basis.

Specific Tasks of the Board

The specific tasks will include:

- Liaise with the Mayor's Health Technology Working Group;
- Understand the health technology and innovation ecosystem in Surrey and how it aligns with the greater network across the Region, the Province and the Country;
- Receive funds from donors to Innovation Boulevard;
- Distribute grants to health technology and innovation-related programs, projects and support services; and
- Public Accountability.

SUSTAINABILITY CONSIDERATIONS

Innovation Boulevard's focus on health technology and innovation will assist the City of Surrey in achieving the objectives of the City's Sustainability Charter including:

*“Having a full range of local employment opportunities and green business”; and
“Striving to achieve one local job for every employed resident in Surrey and a range of high-value local jobs in Surrey”.*

It will also assist in achieving the following Charter scope action item:

EC2: Develop an economic development strategy that creates an attractive environment for investment.

CONCLUSION

The creation of the Surrey Innovation Boulevard Society would help Innovation Boulevard achieve its objectives by formalizing its structure, and providing a mechanism to receive donor funds and distribute grants to health technology and innovation-related projects, programs and support services.

Based on the information contained in this report, it is recommended that Council:

1. Approve the incorporation, purposes, constitution and bylaws of the Surrey Innovation Boulevard Society (“the Society”) with representatives of the City of Surrey (“the City”) as members of the Society.
2. Approve that the Society's governance model be reviewed every three (3) years.

Donna Jones,
Manager, Economic Development

Craig MacFarlane,
City Solicitor

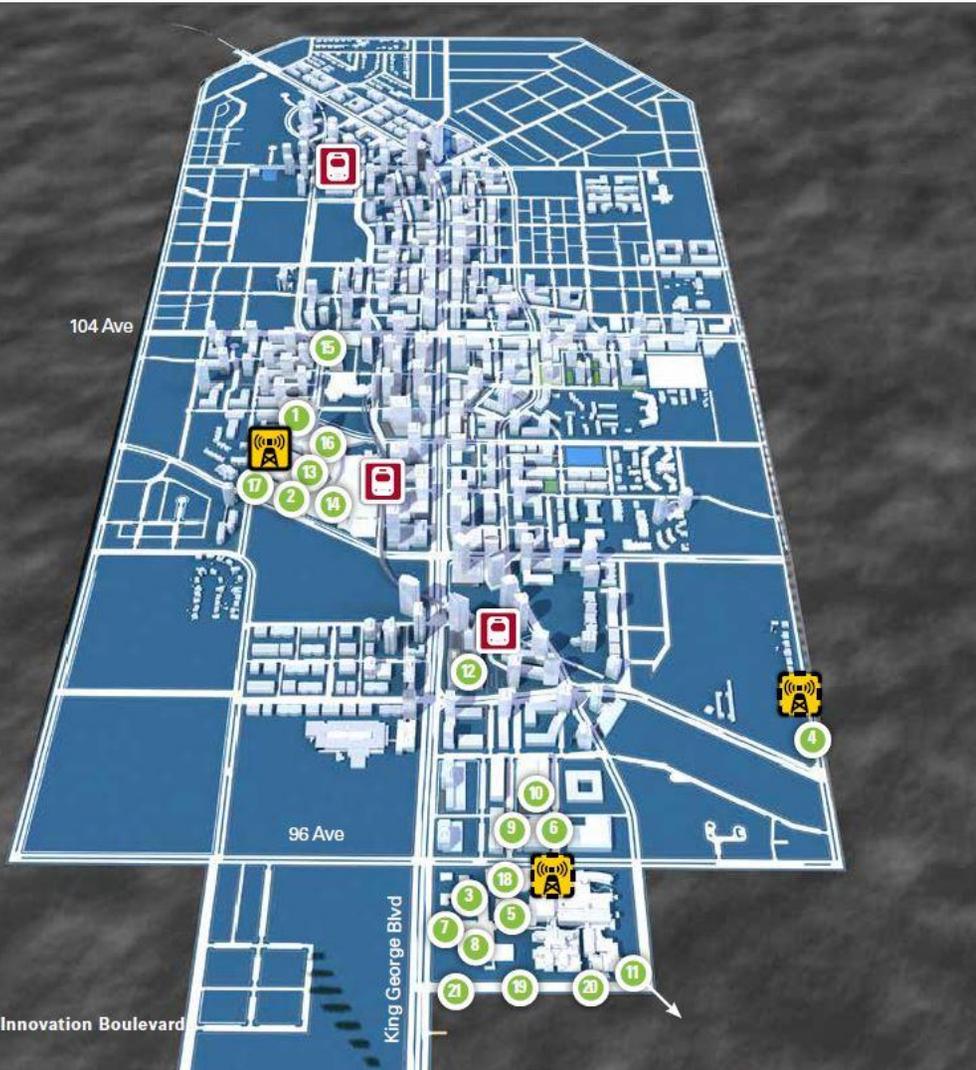
Attachments:

Appendix “I”	Current List of Innovation Boulevard Partners
Appendix “II”	Innovation Boulevard Asset Map
Appendix “III”	Society Act - Constitution and Bylaws

APPENDIX “I” – CURRENT LIST OF PARTNERS

Partner Type	Partner Name
Academic	British Columbia Institute of Technology
Academic	Kwantlen Polytechnic University
Academic	SFU Surrey
Academic	University of British Columbia
Academic	Ben-Gurion University (Be’er Sheva, Israel)
Company	Conquer Mobile
Company	MetaOptima
Company	Romich Biotechnology Inc.
Company	PHEMI Health Systems
Developer	PCI (King George Station)
Developer	Lark Group (City Centre Professional Building)
Developer	Value Group
Government	City of Surrey
Government	BC Cancer Agency - Fraser Valley Centre
Government	Fraser Health Authority
Government	Jim Pattison Outpatient and Surgery Centre
Government	National Research Council
Government	Surrey Memorial Hospital
Government	Western Economic Diversification
Incubator/accelerator	Centre4Growth
Incubator/accelerator	Digital Health Hub
Incubator/accelerator	Health Tech Connex
Incubator/accelerator	SFU Innovation Office
Industry Association	LifeSciences BC
Industry Association	BC Technology Industry Association
Not for profit	Centre for Child Development
Not for profit	Surrey Memorial Hospital Foundation

APPENDIX “II” – ASSET MAP



INNOVATION BOULEVARD

1. Simon Fraser University
2. Fraser Health Authority HQ
3. Surrey Memorial Hospital
4. Jim Pattison Surgery and Outpatient Centre
5. UBC Teaching Hospital
6. Kwantlen Polytechnic University
7. NeuroTech Lab
8. BC Cancer Agency – Fraser Valley Centre
9. Lark Group City Centre Professional Building
10. Health Tech Connex
11. Centre for Child Development
12. PCI King George Station
13. National Research Council – Industrial Technology Advisor
14. Digital Health Hub
15. Surrey City Hall
16. BC Technology Industry Association Centre4Growth
17. SFU Venture Connection Incubator
18. Surrey Memorial Hospital Foundation
19. Quibble Creek Health and Pheonix Transition Housing Centre
20. Creekside Withdrawal Management Centre
21. Timber Creek Specialized Acute Mental Health Facility

 Skytrain Station

 CANARIE Fibre Optic Network Connection

 Proposed CANARIE Fibre Optic Network Connection

FORM 3
SOCIETY ACT
CONSTITUTION

1. The name of the society is the SURREY INNOVATION BOULEVARD SOCIETY.
2. The purposes of the society are:
 - a) To provide information and advice on matters related to Innovation Boulevard programs and projects that relate to health technology and innovation.
 - b) To receive funds from donors for the purpose of financing programs, projects and support services that relate to health technology and innovation.
 - c) To provide financial assistance to programs, projects and support services that relate to health technology and innovation.
3. The activities of the society shall be carried on without purpose of gain for its members and any income, profits or other accretions to the society shall be used in promoting the purposes of the society.
4. Upon winding-up or dissolution of the society, the funds and property remaining after the payment of all costs, charges and expenses properly incurred in the winding-up or dissolution, including the remuneration of the liquidator, and after payment of any debts of the society, shall be distributed to such charities, registered under the provisions of the *Income Tax Act* (Canada), or such "qualified donees" allowed under the *Income Tax Act* (Canada), as shall be designated by the board. Any of such funds or property remaining which had originally been received for specific purposes shall, wherever possible, be distributed to "qualified donees" or charities registered under the provisions of the *Income Tax Act* (Canada) carrying on work of a similar nature to such specific purposes.
5. Paragraphs 3, 4 and 5 are unalterable.

BYLAWS

PART 1 – INTERPRETATION

- 1.1 In these bylaws and the constitution of the Society, unless the context otherwise requires:
 - (a) "address of the Society" means the address of the Society as filed from time to time with the Registrar in the Notice of Address;
 - (b) "appointed director" means a person appointed in accordance with these bylaws as an appointed director or appointed as a replacement director for an appointed director;

- (c) "Board" means the directors acting as authorized by the constitution and these bylaws in managing or supervising the management of the affairs of the Society and exercising the powers of the Society;
- (d) "Board resolution" means:
 - (i) a resolution passed at a meeting of the Board by a simple majority of the votes cast by those directors entitled to vote at such meeting; or
 - (ii) a resolution that has been submitted to all of the directors and consented to in writing by two-thirds of the directors who would have been entitled to vote on it in person at a meeting of the Board;
- (e) "bylaws" means the bylaws of the Society as filed in the Office of the Registrar;
- (f) "City" means the City of Surrey;
- (g) "City Representatives" means those persons holding from time to time the offices or appointments listed in Bylaw 2.1;
- (h) "constitution" means the constitution of the Society as filed in the Office of the Registrar;
- (i) "Council" means the City Council of the City of Surrey;
- (j) "directors" means only those persons who have become either appointed, elected, founding or replacement directors in accordance with these bylaws and have not ceased to be directors, and a "director" means any one of them;
- (k) "elected director" means a person elected as an elected director in accordance with these bylaws or elected or appointed as a replacement director for an elected director;
- (l) "founding director" means a person whose name is included in the List of First Directors filed with the Registrar at the time of incorporation;
- (m) "*Income Tax Act*" means the *Income Tax Act* (Canada) as amended from time to time;
- (n) "members" means the applicants for incorporation of the Society and those persons who have subsequently become members in accordance with these bylaws and, in either case, have not ceased to be members, and a "member" means any one of them;

- (o) "ordinary resolution" means:
 - (i) a resolution passed at a general meeting of the Society by a simple majority of the votes cast by those members entitled to vote in person or by proxy at such meeting; or
 - (ii) a resolution that has been submitted to all of the members and consented to in writing by 75% of the members who would have been entitled to vote in person or by proxy at a general meeting of the Society;
- (p) "President" means a director appointed to the office of President in accordance with these bylaws but such office holder may, with the approval of a Board resolution, use the title Chair, Chairperson, Chairwoman or Chairman in substitution for, or in addition to, the title "President";
- (q) "registered address" of a member or director means the address of that person as recorded in the register of members or the register of directors;
- (r) "Registrar" means the Registrar of Companies of the Province of British Columbia;
- (s) "Society" means the Surrey Homelessness and Housing Society, a society incorporated under the laws of British Columbia;
- (t) "*Society Act*" means the *Society Act* (British Columbia) as amended from time to time;
- (u) "special resolution" means:
 - (i) a resolution passed at a general meeting of the Society by a majority of not less than 75% of the votes cast by those members entitled to vote in person or by proxy at such meeting; or
 - (ii) a resolution consented to in writing by every member who would have been entitled to vote in person or by proxy at a general meeting of the Society.

- 1.2 Except where they conflict with the definitions contained in these bylaws, the definitions in the *Society Act* on the date these bylaws become effective apply to these bylaws and the constitution.

PART 2 – MEMBERSHIP

- 2.1 The first members of the Society shall be the applicants for incorporation and those persons named on the List of First Directors filed with the Registrar at the time of incorporation. Following incorporation, applicants who are not City Representatives

shall cease as members, and the Society membership, from incorporation forward, shall consist only of the following:

- (a) the City of Surrey representing Council
- (b) the City Manager of the City, or designate;
- (c) the City Solicitor of the City;
- (d) the Manager, Economic Development of the City.

All City Representatives immediately become members of the Society upon being elected or appointed as City Representatives in accordance with these bylaws.

- 2.2 There shall be no annual membership dues.
- 2.3 Every member shall uphold the constitution and comply with these bylaws.
- 2.4 A person shall immediately cease to be a member of the Society:
 - (a) upon the expiration or cessation of his or her position or term as a City Representative, and in the case of a member appointed by Council under Bylaw 2.1(d) on the basis that the person is a director of the Society, upon the expiration or cessation of his or her position or term as a director;
 - (b) upon the date which is the later of the date of delivering his or her resignation in writing to the Secretary of the Society or to the address of the Society and the effective date of the resignation stated therein;
 - (c) upon his or her death; or
 - (d) upon being removed.
- 2.5 The membership of a person in the Society is not transferable.
- 2.6 A member may be removed by ordinary resolution.
- 2.7 All members are always in good standing.
- 2.8 The criteria for Society membership shall be reviewed every three years from the date of incorporation.

PART 3 - MEETINGS OF MEMBERS

- 3.1 The general meetings of the Society shall be held at such time and place, in accordance with the *Society Act*, as the directors shall decide.

- 3.2 Notice of a general meeting shall specify the place, the day and the hour of the meeting.
- 3.3 The accidental omission to give notice of a general meeting to, or the non-receipt of notice by, any of the members entitled to receive notice does not invalidate proceedings at that meeting.
- 3.4 The first annual general meeting of the Society shall be held not more than 15 months after the date of incorporation, and thereafter an annual general meeting shall be held at least once in every calendar year and not more than 15 months after the holding of the last preceding annual general meeting.
- 3.5 Every general meeting other than an annual general meeting is an extraordinary general meeting.
- 3.6 The directors may, whenever they think fit, convene an extraordinary general meeting.

PART 4 - PROCEEDINGS AT GENERAL MEETINGS

- 4.1 Special business is:
 - (a) all business at an extraordinary general meeting except the adoption of rules of order; and
 - (b) all business that is transacted at an annual general meeting, except:
 - (i) the adoption of rules of order;
 - (ii) consideration of the financial statements;
 - (iii) consideration of the report of the directors;
 - (iv) consideration of the report of the auditor;
 - (v) the election or appointment of directors;
 - (vi) the appointment of the auditor; and
 - (vii) such other business that, under these bylaws or any governing statutes, ought to be transacted at an annual general meeting, or business which is brought under consideration by the report of the directors if the report was issued with the notice of the meeting.
- 4.2 A quorum at a general meeting is the greater of one-third of the members or three members present.

- 4.3 No business, other than the election of a person to chair the meeting and the adjournment or termination of the meeting, shall be conducted at a general meeting at a time when a quorum is not present.
- 4.4 If at any time during a general meeting there ceases to be a quorum present, business then in progress shall be suspended until there is a quorum present or until the meeting is adjourned or terminated.
- 4.5 If within 30 minutes from the time appointed for a general meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be terminated; but in any other case, it shall stand adjourned to the same day in the next week, at the same time and place, and if, at the adjourned meeting, a quorum is not present within 30 minutes from the time appointed for the meeting, the members present shall constitute a quorum.
- 4.6 The President, or, in his or her absence, one of the other directors present, shall chair all general meetings; but if at any general meeting the President or any other director is not present within 15 minutes after the time appointed for the general meeting, or all request that they not chair the meeting, the members present may choose one of their members to chair that general meeting.
- 4.7 If a person presiding as chair of a general meeting wants to step down as chair for all or part of that meeting, he or she may designate an alternate to chair such meeting or portion thereof, and upon such designated alternate receiving the consent of a majority of the members present at such meeting, he or she may preside as chair.
- 4.8 A general meeting may be adjourned from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 4.9 It is not necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting except where a meeting is adjourned for more than 14 days, in which case notice of the adjourned meeting shall be given as in the case of the original meeting.
- 4.10 Any issue at a general meeting which is not required by these bylaws or the *Society Act* to be decided by a special resolution shall be decided by an ordinary resolution.
- 4.11 A member in good standing is entitled to one vote.
- 4.12 A member chairing a general meeting may vote but, if he or she does so and the result is a tie, shall not be permitted to vote again to break the tie and the resolution being voted on shall be deemed to have failed.
- 4.13 No resolution proposed at a general meeting need be seconded and the person chairing such a meeting may move or propose a resolution.

- 4.14 Voting shall be by show of hands or voice vote recorded by the secretary of the meeting, unless if any two members present at the meeting make a request for a secret vote, a secret vote by written ballot shall be required.
- 4.15 Voting by proxy is permitted.
- 4.16 A resolution in writing which is identified as an ordinary resolution and has been submitted to all the members and signed by a minimum of 75% of the members who would have been entitled to vote on it in person or by proxy at a general meeting of the Society is as valid and effectual as an ordinary resolution as if it had been passed at a meeting of members duly called and constituted and shall be deemed to be an ordinary resolution. Such a resolution may be in two or more counterparts which together shall be deemed to constitute one ordinary resolution in writing. Such ordinary resolution shall be filed with minutes of the proceedings of the members and shall be effective on the date stated therein or, in the absence of such a date being stated, on the latest date stated on any counterpart.
- 4.17 A resolution in writing which is identified as a special resolution and has been signed by all the members who would have been entitled to vote on it in person or by proxy at a general meeting of the Society is as valid and effectual as a special resolution as if it had been passed at a meeting of members duly called and constituted. Such a resolution may be in two or more counterparts which together shall be deemed to constitute one special resolution in writing. Such special resolution shall be filed with minutes of the proceedings of the members and filed with the Registrar and shall be deemed to be passed on the date stated therein or, in the absence of such a date being stated, on the latest date stated on any counterpart and shall take effect on the date it is accepted by the Registrar.

PART 5 - DIRECTORS

- 5.1 The Board may exercise all such powers and do all such acts and things as the Society may exercise and do, and which are not by these bylaws or by statute or otherwise lawfully directed or required to be exercised or done by the members in general meeting, but subject, nevertheless, to the provisions of:
- (a) all laws affecting the Society;
 - (b) these bylaws; and
 - (c) rules, not being inconsistent with these bylaws, which are made from time to time by the Society in general meeting.
- 5.2 No rule made by the Society in general meeting invalidates a prior act of the Board that would have been valid if that rule had not been made.
- 5.3 The property and the affairs of the Society shall be managed by the Board.

- 5.4 Every director shall subscribe to and support the purposes of the Society. No person shall be a director of the Society unless duly elected or appointed a director in accordance with these bylaws and shall cease to be a director if notice of a change in directors is not filed with the Registrar in compliance with the *Society Act* within 60 days of such election or appointment.
- 5.5 The number of directors shall be eleven or such other number, not being less than eleven, as may be determined from time to time by ordinary resolution and two directors shall be members of City Council.
- 5.6 The persons whose names are listed in the List of First Directors filed with the Registrar at the time of incorporation shall be the founding directors of the Society and each shall continue as a director of the Society without a specific term until such time as he or she dies or resigns in writing or is removed by ordinary resolution of the members.
- 5.7 Elected directors shall be elected by the members at a general meeting and shall take office commencing at the close of such meeting. The term of office of elected directors shall be determined by ordinary resolution.
- 5.8 For purposes of calculating the duration of an elected director's term of office, the term shall be deemed to commence at the close of the annual general meeting in which such director was elected. If the director was elected at an extraordinary general meeting, for purposes of calculating the term of office, such term shall be deemed to have commenced at the close of the annual general meeting next following such extraordinary general meeting.
- 5.9 In elections where there are more candidates than vacant positions for directors, candidates shall be deemed to be elected in order of those candidates receiving the most votes.
- 5.10 No member shall vote for more directors than the number of vacant positions for elected directors. Any ballot on which more names are voted for than there are vacant positions shall be deemed to be void.
- 5.11 The members may, from time to time, appoint up to a maximum of two additional directors, to be known as appointed directors, for such terms of office as determined by the members.
- 5.12 A person need not be a member of the Society or a City Representative to be eligible to be a director of the Society.
- 5.13 A majority of the directors shall be resident or employed in the City of Surrey.
- 5.14 Every director shall retire from office at the close of the annual general meeting in the year in which his or her term expires.

- 5.15 The members may by ordinary resolution remove a director before the expiration of such director's term of office and may elect or appoint a person as a replacement director and determine the term of such replacement director.
- 5.16 Notwithstanding the foregoing bylaws, if a director ceases to hold office during his or her term for any reason other than removal as aforesaid, the Board may appoint a person as a replacement director to take the place of such director until the next annual general meeting.
- 5.17 No act or proceeding of the Board is invalid by reason only of there being less than the prescribed number of directors in office.
- 5.18 A person shall immediately cease to be a director of the Society:
- (a) upon delivering his or her resignation in writing to the Secretary of the Society or to the address of the Society;
 - (b) upon his or her death;
 - (c) upon the expiration of the term currently determined stipulating the length of time for which he or she is to serve as a director;
 - (d) upon being removed as a director by the members; or
 - (e) in the case of a director appointed by Council on the basis that the person is a member of City Council, upon the expiration or cessation of his or her position or term as a member of City Council.
- 5.19 Notwithstanding the foregoing bylaws, if no successor is elected or appointed to replace a person who ceases to be a director and the result is that the number of directors falls below eleven, then the remaining directors shall have the power to manage the affairs of the society and exercise all of the powers of the Board until the vacancy in the Board has been filled.
- 5.20 A director shall not be remunerated for services rendered in his or her capacity as a director.
- 5.21 A director may be reimbursed for all expenses necessarily and reasonably incurred by him or her while engaged on the affairs of the Society.
- 5.22 A director may hold any office in the Society (other than auditor) in conjunction with his or her office of director for the period and on such terms as the Board determines. Subject to the *Society Act*, no director shall be disqualified by such office from contracting with the Society.
- 5.23 The Society shall have the power to make expenditures and loans whether or not secured or interest bearing for the purpose of furthering the purposes of the Society. The Society shall also have the power to enter into trust arrangements or contracts for the purpose of

discharging obligations or conditions either imposed by a person donating, bequeathing, advancing or lending funds or property to the Society, or assumed by the Society in expectation of such donations, bequests, advances or loans. Such arrangements or contracts shall be in accordance with the terms and conditions that the Board may prescribe.

- 5.24 The Board shall take such steps as it deems necessary to enable the Society to receive donations, bequests, funds, property, trusts, contracts, agreements and benefits for the purpose of furthering the purposes of the Society. The Board in its sole and absolute discretion may refuse to accept any donation, bequest, trust, loan, contract or property.
- 5.25 In investing the funds of the Society, the Board shall not be limited to securities and investments in which trustees are authorized by law to invest, but may make any investments which in its opinion are prudent. In determining whether an investment is prudent, the Board may consider the extent to which an investment furthers purposes and funding of the Society in addition to issues of pure economic return. Subject to the provisions of the *Society Act*, a director shall not be liable for any loss which may result from any such investment.

PART 6 - PROCEEDINGS OF THE BOARD

- 6.1 A meeting of the Board may be held at any time and place determined by the Board, provided that 5 days' notice of such meeting shall be sent in writing to each director. However, no formal notice shall be necessary if all directors were present at the preceding meeting when the time and place of the meeting were determined or are present at the meeting or waive notice thereof in writing or give a prior verbal waiver to the Secretary of the Society.
- 6.2 The Board may from time to time fix the quorum necessary to transact business, and in no instance may the number necessary for a quorum be less than five.
- 6.3 The President shall chair all meetings of the Board; but if at any meeting the President is not present within 15 minutes after the time appointed for the meeting, or the President requests that he or she not chair that meeting, the directors present may choose one of their number to chair that meeting.
- 6.4 If the person presiding as chair of a meeting of the Board wants to step down as chair for all or part of that meeting, he or she may designate an alternate to chair such meeting or portion thereof, and upon such designated alternate receiving the consent of a majority of the directors present at such meeting, he or she may preside as chair.
- 6.5 The President may at any time, and the Secretary on the request of a director shall, convene a meeting of the Board.
- 6.6 For the purposes of the first meeting of the Board held immediately following the appointment or election of a director or directors at a general meeting, or for the purposes of a meeting of the Board at which a director is appointed to fill a vacancy in the Board, it

is not necessary to give notice of the meeting to the newly elected or appointed director or directors for the meeting to be properly constituted.

- 6.7 No resolution proposed at a meeting of the Board must be seconded. The person chairing a meeting may move or propose a resolution.
- 6.8 Any issue at a meeting of the Board which is not required by these bylaws or the *Society Act* to be decided by a resolution requiring more than a simple majority shall be decided by a Board resolution.
- 6.9 A director chairing a meeting may vote but, if he or she does so and the result is a tie, he or she shall not be permitted to vote again to break the tie and the resolution being voted on shall be deemed to have failed.
- 6.10 Voting shall be by show of hands or voice vote recorded by the Secretary of the meeting except that, at the request of any one director, a secret vote by written ballot shall be required.
- 6.11 A Board resolution in writing which has been deposited with the Secretary is as valid and effectual as if it had been passed at a meeting of the Board duly called and constituted. Such Board resolution may be in two or more counterparts which together shall be deemed to constitute one resolution in writing. Such resolution shall be filed with minutes of the proceedings of the Board and shall be effective on the date stated therein or, in the absence of such a date being stated, on the latest date stated on any counterpart.
- 6.12 A director who contemplates being or is temporarily absent from Canada may, by letter or facsimile, send or deliver to the address of the Society a waiver of notice of any meeting of the Board for a period not longer than one year and may, at any time, withdraw the waiver in like manner. Until the waiver is withdrawn:
- (a) no notice of meetings of the Board need be sent to that director; and
 - (b) any and all meetings of the Board, notice of which has not been given to that director shall, if a quorum is present, be valid and effective.

PART 7 - COMMITTEES

- 7.1 The Board may create such standing and special committees as may from time to time be required which may be in whole or in part composed of directors as the Board thinks fit. The Board may delegate any, but not all, of its power to such committees and any such committee shall limit its activities to the purpose or purposes for which it is appointed, and shall have no powers except those specifically conferred by the Board. Unless specifically designated as a standing committee, any special committee so created must be created for a specified time period only. Upon completion of the earlier of the specified time period or the task for which it was appointed, a special committee shall automatically be dissolved.

- 7.2 A committee, in the exercise of the powers delegated to it, shall conform to any rules that may from time to time be imposed by the Board, and shall report every act or thing done in exercise of those powers at the next meeting of the Board held after it has been done, or at such other time or times as the Board directs.
- 7.3 The members of a committee may meet and adjourn as they think proper and meetings of committees shall be governed *mutatis mutandis* by the rules set out in these bylaws governing proceedings of the Board.

PART 8 - DUTIES OF OFFICERS

- 8.1 The members shall by ordinary resolution appoint from among the directors a President who shall hold office for the term specified in the ordinary resolution and in the event that no term is specified, until the first meeting of the Board held after the next following annual general meeting unless he or she is removed from the office of President pursuant to Bylaw 8.3. The President shall be responsible for chairing meetings of the Board.
- 8.2 The Board shall appoint a Secretary and Treasurer and may, subject to Bylaw 8.1, appoint and remove such other officers of the Society as it deems necessary and determine the duties, responsibilities, term and remuneration, if any, of all officers.
- 8.3 A person other than the President may be removed as an officer by a Board resolution. A person may only be removed from the office of President by a resolution, complying with the provisions of the ordinary resolution appointing such person President, passed at a meeting of the members by a majority of not less than 70% of the members present.
- 8.4 Should the President or any other officer for any reason not be able to complete his or her term, the Board shall elect or appoint a replacement without delay.
- 8.5 The Secretary shall be responsible for making the necessary arrangements for:
- (a) the issuance of notices of meetings of the Board;
 - (b) the keeping of minutes of all meetings of the Board;
 - (c) the custody of all records and documents of the Society except those required to be kept by the Treasurer;
 - (d) the custody of the common seal of the Society;
 - (e) the maintenance of the register of directors; and
 - (f) the conduct of the correspondence of the Society.
- 8.6 The Treasurer shall be responsible for making the necessary arrangements for:

- (a) the keeping of such financial records, including books of account, as are necessary to comply with the *Society Act*; and
 - (b) the rendering of financial statements to the directors, members and others when required.
- 8.7 If the Secretary is absent from any meeting of the Board, the directors present shall appoint another person to act as secretary at that meeting.
- 8.8 A person may be appointed to two or more of the offices of the Society at any one time.

PART 9 - SEAL

- 9.1 The Board may provide a common seal for the Society and it shall have power from time to time to destroy a seal and substitute a new seal in its place.
- 9.2 The common seal shall be affixed only when authorized by a resolution of the Board, and then only in the presence of the persons prescribed in the resolution or, if no persons are prescribed, in the presence of any two directors.

PART 10 - BORROWING AND INVESTMENTS

- 10.1 The Board may from time to time on behalf of and in the name of the Society:
- (a) raise and borrow money in such manner and amounts, on such security, or without security, from such sources and upon such terms and conditions as they think fit;
 - (b) guarantee the repayment of money by any other person or corporation or the performance of any obligation of any other person or corporation; and
 - (c) incur, or secure the payment or repayment of or the performance of, any indebtedness or obligation in such manner and upon such terms and conditions in all respects as the Board thinks fit, and, without limiting the generality of the foregoing, by the issue of bonds, notes, income bond, perpetual or redeemable debentures or any mortgage, charge or other security whether specific or floating, on the undertaking or on the whole or any part of the property and assets (both present and future) of the Society or indebtedness or other obligation of the Society, provided, however, that no debenture shall be issued by the Society without first being authorized by special resolution.
- 10.2 The Society may invest and deal with the monies and assets of the Society not immediately required by the Society in such manner as the Board may from time to time determine. In investing the funds of the Society, the Board shall not be limited to securities and investments in which trustees are authorized by law to invest, but may make any investments which in its opinion are prudent. In determining whether an

investment is prudent, the Board may consider the extent to which an investment furthers purposes and funding of the Society in addition to issues of pure economic return. Subject to the provisions of the *Society Act*, a director shall not be liable for any loss which may result from any such investment.

- 10.3 Notwithstanding the generality of the foregoing, the Society may invest in real and personal property, shares, bonds, debentures and other securities and evidences of indebtedness and obligations issued or guaranteed by any individual or entity (regardless of any relationship which might exist between the individual or entity and the Society) and in evidences of any interest in respect of any such real and personal property, share, bonds debentures and other securities and evidence of indebtedness and obligations and the Society may invest and lend money at interest on the security of real or personal property or without security and may change or alter any investments, and while the Society is the holder or owner thereof the Board may, on behalf of the Society, exercise all rights, powers and privileges of ownership, including all voting rights, if any, with respect thereto. The Society shall be authorized to invest in "non-qualified investments" as defined in the *Income Tax Act*.
- 10.4 The Board shall be entitled, in its discretion, to hold and deposit the funds and other assets of the Society in one or more accounts, whether co-mingled with other funds and assets or not, in such manner as the Board in its discretion may determine from time to time.

PART 11 - AUDITOR

- 11.1 This Part applies only where the Society is required or has resolved to have an auditor.
- 11.2 The first auditor shall be appointed by the Board which shall also fill any vacancy occurring in the office of auditor.
- 11.3 At each annual general meeting, the Society shall appoint an auditor to hold office until he or she is re-appointed or his or her successor is appointed at the next following annual general meeting.
- 11.4 An auditor may be removed by ordinary resolution.
- 11.5 An auditor shall be promptly informed in writing of his or her appointment or removal.
- 11.6 The auditor may attend general meetings.

PART 12 - NOTICES

- 12.1 Notice of a general meeting shall be given to:
- (a) every person shown on the register of members as a member on the day the notice is given; and

(b) the auditor.

No other person is entitled to be given notice of a general meeting.

- 12.2 A notice may be given to a member or a director either personally (by delivery or facsimile) or by first class mail posted to such person's registered address.
- 12.3 A notice sent by mail shall be deemed to have been given on the second day following that on which the notice was posted. In proving that notice has been given it is sufficient to prove the notice was properly addressed and put in a Canadian Government post office receptacle with adequate postage affixed, provided that if there shall be, between the time of posting and the deemed giving of the notice, a mail strike or other labour dispute which might reasonably be expected to delay the delivery of such notice by the mails, then such notice shall only be effective when actually received. Any notice delivered by hand or sent by facsimile, shall be deemed to have been given on the day it was so delivered or sent.
- 12.4 If a number of days notice or a notice extending over any other period is required to be given, the day the notice is given or deemed to have been given shall not, but the day on which the event for which notice is given shall, be counted in the number of days required.

PART 13 - MISCELLANEOUS

- 13.1 The rules governing when notice is deemed to have been given set out in these bylaws shall apply *mutatis mutandis* to determine when a Board resolution shall be deemed to have been submitted to all of the directors and when an ordinary resolution shall be deemed to have been submitted to all of the members.
- 13.2 Subject to an order of the Registrar pursuant to Section 38 of the *Society Act* stating that the Society is a "reporting society" as defined under the *Society Act*, the Society shall be deemed not to be a "reporting society".

PART 14 - INDEMNIFICATION

- 14.1 Subject to the provisions of the *Society Act*, each director or officer of the Society shall be indemnified by the Society against expenses reasonably incurred by him or her in connection with any action, suit or proceeding to which he or she may be made a party by reason of his or her being or having been an officer or director of the Society, except in relation to matters as to which he or she shall be finally adjudged in such action, suit or proceeding to have been derelict in the performance of his or her duty as an officer or director. "Derelict" shall mean grossly negligent, criminally negligent or intentionally engaged in tortious conduct with the intent to defraud, deceive, misrepresent or take advantage improperly of an opportunity available to the Society.

- 14.2 Subject to the provisions of the *Society Act*, the Board is authorized from time to time to give indemnities to any director or other person who has undertaken or is about to undertake any liability on behalf of the Society or any Society or corporation controlled by it, and to secure such director or other person against loss by mortgage and charge on the whole or any part of the real and personal property of the Society by way of security, and any action from time to time taken by the directors under this paragraph shall not require approval or confirmation by the members.
- 14.3 The Board in its discretion may submit any contract, act or transaction for approval, ratification or confirmation at any annual general meeting or at any extraordinary general meeting of the members called for the purpose of considering the same and any contract, act or transaction that may be approved, ratified or confirmed by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the *Society Act* or these bylaws) shall be as valid and as binding upon the Society and upon all the members as though it had been approved, ratified and confirmed by every member of the Society.
- 14.4 Subject to the provisions of the *Society Act*, no director or officer for the time being of the Society shall be liable for the acts, neglects or defaults of any other director or officer of the Society or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Society through the insufficiency or deficiency of title to any property acquired by order of the directors for or on behalf of the Society, or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Society 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 corporation with whom or which any funds or property of the Society shall be lodged or deposited, or for any other loss, damage or misfortune whatsoever which may happen in the execution of the duties of his or her respective office or trust or in relation thereto, unless all or any of the same shall happen by or through the wilful act, default or neglect of such director or officer.
- 14.5 The Society shall, to the full extent permitted by the *Society Act*, indemnify and hold harmless, every person heretofore, now or hereafter serving as a director or officer of the Society and his or her heirs and legal representatives.
- 14.6 Expenses incurred with respect to any claim, action, suit or proceeding may be advanced by the Society prior to the final disposition thereof in the discretion of the Board and upon receipt of an undertaking satisfactory in form and amount to the Board by or on behalf of the recipient to repay such amount unless it is ultimately determined that he or she is entitled to indemnification hereunder.
- 14.7 The Society shall apply to the Court for any approval of the Court which may be required to make the indemnities herein effective and enforceable. Each director and officer of the Society on being elected or appointed shall be deemed to have contracted with the Society upon the terms of the foregoing indemnities. Such indemnities shall continue in effect with regard to actions arising out of the term each director or officer held such office notwithstanding that he or she no longer continues to hold such office.

- 14.8 The failure of a director or officer of the Society to comply with the provisions of the *Society Act* or of the constitution or these bylaws shall not invalidate any indemnity to which he or she is entitled under this Part.
- 14.9 The Society may purchase and maintain insurance for the benefit of any or all directors or officers against personal liability incurred by any such person as a director or officer.

PART 15 - BYLAWS

- 15.1 On being admitted to membership, each member is entitled to and upon request, the Society shall provide him or her with a copy of the constitution and bylaws of the Society.
- 15.2 These bylaws shall not be altered or added to except by special resolution.