

Ottawa Tennis and Lawn Bowling Corporation

Bylaws Adopted November 30, 2017

1. Definitions

In this by-law and all other by-laws of the Corporation (sometimes herein referred to as "the Club" or the "OTLBC"), 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 or amended from time to time;

"active members" means individuals who have paid a full-time membership fee to the OTLBC to use the sports facilities of the Corporation and who may or may not be Class A Voting Members as defined in these by-laws;

"annual meeting" means an annual general meeting called each year for the purposes of electing directors, accepting financial statements, etc.;

"articles" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation;

"board" means the board of directors of the Corporation and **"director"** means a member of the board;

"borrowing threshold" means an amount up to two (2) times the annual revenues of the Corporation as reported in the most recent financial statements which have been accepted by the members at an annual meeting;

"by-law" means this by-law and any other by-law of the Corporation as amended and which are, from time to time, in force and effect;

"meeting of members" includes an annual meeting of members or a special meeting of members;

"ordinary resolution" means a resolution passed by a majority (more than 50%) of the votes cast on that resolution;

"proposal" means a proposal submitted by a member of the Corporation that meets the requirements of section 163 (Shareholder Proposals) of the Act;

"regulations" means the regulations made under the Act, as amended, restated or in effect from time to time; 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.

"voting member fee" means an amount set by the board, payment of which is required before non-voting members become eligible to be voting members.

2. Interpretation

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

Other than as specified above, words and expressions defined in the Act have the same meanings when used in these by-laws.

3. Execution of Documents

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by any two (2) of its signing officers authorized by the board from time to time for this purpose. In addition, the board may from time to time direct the manner in which and the person or persons by whom a particular document or type of document shall be executed. Any signing officer may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy thereof.

4. Purpose of the Corporation

The establishment and operation of a tennis club for the purpose of:

- a. promoting the sport of tennis;
- b. providing facilities for tennis including, but not limited to, a clubhouse, tennis courts and a swimming pool;
- c. arranging leagues, matches and competitions and establishing and granting prizes and awards therefor;
- d. promoting the sport of tennis in the National Capital Region;
- e. engaging in such other complementary purposes including other sports and activities that are not inconsistent with these objects.

5. Financial

Financial Year End

The financial year end of the Corporation shall be determined by the board.

Banking Arrangements

The banking business of the Corporation shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada 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 any two (2) of the Corporation's authorized signing officers and/or other persons as the board may by resolution from time to time designate, direct or authorize.

Borrowing Powers

The directors of the Corporation may, without authorization of the members, incur financial obligations on behalf of the club, while not surpassing the borrowing threshold set out in these by-laws, by:

- a. borrowing money on the credit of the corporation;

- b. issuing, reissuing, selling, pledging or hypothecating debt obligations of the corporation; and
- c. mortgaging, hypothecating, pledging or otherwise creating a security interest in all or any property of the corporation, owned or subsequently acquired, to secure any debt obligation of the corporation.

Annual Financial Statements

The Corporation shall send to the Class A voting members (as defined below) a copy of the annual financial statements and other documents referred to in subsection 172(1) -Annual Financial Statements - of the Act.

The Corporation is not required to send the documents to a member who, in writing, declines to receive such documents.

Active Member Fees

The board shall determine the types of active memberships and set fee levels for persons wishing to use the OTLBC's sports facilities. Individuals are not entitled to use the OTLBC's sports facilities unless an active membership is purchased or otherwise authorized by the board.

6. Membership

Membership Conditions

There shall be two classes of members in the Corporation, namely, Class A Voting Members and Class B Non-voting Members. The following conditions of membership shall apply:

Class A – Voting Members

- a. Individuals who were OTLBC shareholders at the time of its conversion to a not-for-profit corporation shall automatically be considered Class A voting members.
- b. Class A voting memberships shall be available upon request to the Corporation to individuals aged 18 years and over who become full-time active members for a second consecutive year, and who have paid a one-time voting member fee of \$100.
- c. In the case of family memberships which have approximately twice the value of regular, adult memberships, up to two (2) family members aged 18 years and older may apply to have voting rights. In such cases, each applicant is required to pay the one-time voting member fee unless exempt as set out above.
- d. Each Class A voting member is entitled to receive notice of, attend and vote at all meetings of members and each such Class A voting member shall be entitled to no more than one (1) vote at such meetings.

Class B – Non-voting Members

- a. Class B non-voting membership shall be accorded to individuals who are not Voting Members but who have paid their active member fees and are otherwise in good standing with the OTLBC.
- b. A Class B non-voting member shall not be entitled to receive notice of, attend or vote at meetings of the members of the Corporation.

Membership Transferability

A membership may only be transferred to the Corporation (for cancellation).

Termination of Membership

A member's Class A voting membership in the Corporation is terminated:

- a. on the date of the Corporation's fiscal year-end following the season in which the member does not hold a full-time membership with the exception of members who were shareholders of the OTLBC at the time of its conversion to a not-for profit corporation without share capital;
- b. when the member resigns, dies or is expelled from the Club, or when his membership is otherwise terminated in accordance with the articles or these by-laws; or
- c. if and when the Corporation is liquidated and dissolved under the Act.

An active member's Class B non-voting membership in the Corporation is terminated when:

- a. the member dies or resigns or;
- b. the member has not paid his active membership fees for a specified membership period.

Termination of Voting Membership – holders of “1939” shares

Notwithstanding any other provision of this by-law, the voting membership of individuals who were holders of one or more of the so-called 1939 shares of the OTLBC prior to the aforementioned conversion to a corporation without share capital shall not terminate until the member dies or indicates in writing to the Corporation that he wishes to cancel his membership.

Effect of Termination of Membership

Upon any termination of membership, the rights of the member automatically cease to exist.

Discipline of Members

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

- a. violating any provision of the articles, by-laws, or written policies of the Corporation that are made known to the membership;
- b. carrying out any conduct which may be detrimental to the Corporation as determined by the board in its sole discretion;
- c. for any other reason that the board in its sole and absolute discretion considers to be reasonable, having regard to the purpose of the Corporation.

If the board determines that a member should be expelled or suspended from membership in the Corporation, the president, or such other officer as may be designated by the board, shall provide the member with twenty (20) days' notice of such suspension or expulsion and shall provide reasons for the proposed suspension or expulsion. The member may make written submissions to the president, or such other officer as may be designated by the board in response to the said notice within such twenty (20) day period. If no written submissions are received by the president, the president, 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 Corporation. 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.

Notwithstanding the foregoing, where the board determines that the behaviour or acts or omissions of a member is so egregious as to warrant immediate suspension, it may act accordingly.

7. Meetings of Members

Notice of Meeting of Members

Notice of the time and place of a meeting of members shall be given to each member entitled to vote at the meeting by telephonic, electronic, mail, courier or personal delivery or other means of communication, during a period of 21 to 35 days before the day on which the meeting is to be held.

Members Calling a Special 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 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.

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.

Annual Meeting

The Board shall call an annual meeting of members at a place in the National Capital Region on a date not later than six months after the Corporation's fiscal year-end and not later than 15 months after the previous annual meeting.

The business transacted at the annual meeting shall include:

- a. adoption of the agenda;
- b. adoption of the minutes of the previous annual and subsequent special meetings;
- c. consideration of the board-approved financial statements;
- d. report of the auditor or person who has been appointed to conduct a review engagement, or audit when an audit is required by law;
- e. reappointment or new appointment of the auditor or a person to conduct a review engagement (or audit) for the coming year;
- f. election of Directors; and
- g. such other or special business as may be set out in the notice of meeting.

No other item of business shall be included on the agenda for an annual meeting unless a member's proposal has been given to the secretary prior to the giving of notice of the annual meeting in accordance with the Act, so that such item of new business can be included in the notice of annual meeting.

Place of Members' Meeting

Subject to compliance with section 159 (Place of Members' Meetings) of the Act, meetings of the members may be held at any place within the National Capital Region determined by the board.

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 Corporation and such other persons who are entitled or required under any provision of the Act, articles or by-laws of the Corporation to be present

at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or, failing that, by resolution of the members present at such meeting.

Chair of Members' Meetings

If the chair of the board and the vice-chair of the board are absent, the members who are present and entitled to vote at the meeting shall choose another director to chair the meeting.

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 ten (10%) percent 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 sustained throughout the meeting.

Absentee Voting at Members' Meetings

Members are required to be physically present to vote at meetings. Neither absentee voting nor voting by proxy shall be permitted.

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 questions by a show of hands, unless a ballot is required. In case of an equality of votes either on a show of hands or on a ballot, the chair of the meeting, in addition to an original vote, shall have a second or deciding vote.

Nominations for Directors at Annual Meetings

Candidates for election to the board must be voting members of the Corporation.

As set out in these by-laws, the board shall mandate the Governance and Nominations Committee to identify qualified members as candidates for election to the Board. This committee shall present a list of nine candidates for election by the members at the Annual General Meeting.

Members who wish to be considered for nomination to the board may submit their names to the Governance and Nominations Committee.

Members not included on the list of nine nominees may be nominated for election to the board with the signed support of not less than 5% of members entitled to vote at the meeting. To be valid, such nominations must be received by the Chair seven days prior to the meeting.

8. Board of Directors

Number of Directors

The board shall consist of nine (9) directors.

Election and Term of Office of Directors

The Directors shall be elected by the members at the annual meeting of members. The term of office of the Directors shall expire at the following annual meeting. Where a director resigns or otherwise leaves the board in mid-term, the board may name another member to act as director in his stead until the

following annual meeting. The board shall not be entitled to name more than three (3) directors in this manner within a single term.

Directors may serve a maximum of five consecutive years. Years served as President of the Corporation shall not be counted towards the maximum of five years of consecutive service on the Board.

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) (Notice of Meeting) of the Act requires the purpose thereof or the business to be transacted to be specified in the notice.

Calling of Meetings of Board

Meetings of the board may be called by the chair, the vice-chair or any two (2) directors at any time.

Notice of Meeting of Board

Notice of the time and place for the holding of a meeting of the board shall be given to every director not less than 7 days before the time when the meeting is to be held. Notice shall not be necessary if all directors are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting. Unless the by-law otherwise provides, no notice of meeting needs to specify the purpose or the business to be transacted at the meeting except that a notice shall specify any matter referred to in subsection 138(2) (Limits on Authority) of the Act that is to be dealt with at the meeting.

Votes to Govern at Meetings of the Board

At all meetings of the board, every question or resolution 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 in addition to an original vote shall have a second or deciding vote.

Committees of the Board

The board may from time to time appoint any committee or other advisory body that it deems necessary and with such powers as the board shall see fit. Any such committee may formulate its own rules of procedure subject to such regulations or directions as the board may from time to time make. Any committee member may be removed by resolution of the board.

Organizational Meeting

Provided that a quorum of directors be present, each newly elected board may without notice hold its first meeting immediately following the meeting of members at which such board is elected.

Governance and Nominations Committee

The board shall appoint a director to chair the Governance and Nominating Committee which is mandated to advise the Board in: (i) establishing the Corporation's governance policies and practices generally; (ii) reviewing the composition of the Board and identifying individuals qualified to become members of the Board to ensure that nine (9) nominees are submitted for consideration to the annual general meeting of members ; and (iii) conducting a biennial review of the Corporation's by-laws, policies and governance practices and preparing recommendations to the board on necessary modifications.

Appointment of Officers

The board may designate the offices of the Corporation, 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 Corporation. A director may be appointed to any office of the Corporation. An officer may, but need not be, a director unless these by-laws otherwise provide. Two or more offices may be held by the same person except those of president and vice-president (or chair and vice-chair).

Description of Offices

Unless otherwise specified by the board (which may, subject to the Act modify, restrict or supplement such duties and powers), the following offices of the Corporation shall be filled annually with the following duties and powers associated with them:

- a. President and Chair of the Board – The chair of the board shall be a director and serves as the President of the Corporation. The chair of the board, shall, when present, preside at all meetings of the board and of the members. The chair shall have such other duties and powers as the board may specify from time to time.
- b. Vice-President of the Board – The vice-president of the board shall be a director and serves as vice-chair of the board. If the chair of the board is absent or is unable or refuses to act, the vice-chair of the board, shall, when present, preside at all meetings of the board and of the members. The vice-chair shall have such other duties and powers as the board may specify from time to time. The vice-chair of the Board also serves as the Vice-President of the Corporation.
- c. Executive Director – If appointed, the Executive Director shall be responsible for implementing the strategic plans and policies of the Corporation. The Executive Director shall, subject to the authority of the board, have general supervision of the affairs of the Corporation and shall be an ex-officio member of the board without voting rights.
- d. Secretary –The secretary shall attend and be the secretary of all meetings of the board. The secretary shall enter or cause to be entered in the Corporation's minute book, minutes of all proceedings at annual or special meetings of the members and 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 custodians of all books, papers, records, documents and other instruments belonging to the Corporation.
- e. Treasurer –The treasurer shall be responsible for advising the Board on borrowing and investing; submitting the annual financial statements to the Board for approval; and presenting the budget and annual financial statements at the Annual Meeting. The Treasurer shall have such other duties and powers as the board may specify from time to time.

The board may create additional offices in its sole discretion and set out their respective powers and duties. The board may, from time to time and subject to the Act, vary, add to or limit the powers and duties of any office(r).

Vacancy in Office

The board may remove, whether for cause or without cause, any officer of the Corporation. Unless so removed, an officer shall hold office until the earlier of the officer's successor being appointed or the resignation or death of the officer.

If the office of any officer of the Corporation shall be or become vacant, the directors may, by resolution, appoint a person to fill such vacancy.

Remuneration of Directors

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

- a. Directors may be reimbursed for reasonable expenses that they incur in the performance of their Directors' duties;
- b. Directors may be paid remuneration and reimbursed for expenses incurred in connection with services they provide to the Corporation in their capacity other than as Directors, provided that the amount of any such remuneration or reimbursement is: (i) considered reasonable by the Board; (ii) approved by the Board; and (iii) in compliance with the conflict of interest provisions of the Act.

Conflict of Interest

A Director who is in any way directly or indirectly interested in a contract or transaction with the Corporation shall make the disclosure required by the Act. Except as provided by the Act, no such Director shall attend any part of a meeting of Directors or vote on any resolution to approve any such contract or transaction.

Protection of Directors and Others

The Corporation shall obtain, at its expense, appropriate Director and Officer Liability insurance to be in place at all times.

9. Distribution of Property After Dissolution

In the event of dissolution, any property remaining after the discharge of any liabilities of the corporation, other than property referred to in section 234 of the Act, shall be distributed to one or more qualified donees within the meaning of subsection 248(1) of the Income Tax Act. The choice of beneficiary(ies) for such property shall be decided by the voting members at a Meeting of Members at which the decision to dissolve is made.

10. Method of Giving Any Notice

Any notice, other than notice of a meeting of members or a meeting of the board, to be given 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 Corporation;
- b. if mailed to such person at such person's recorded address by prepaid ordinary mail;
- 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.

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 Corporation to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed.

11. *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.

12. *Omissions and Errors*

The inadvertent 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 corporation 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 upon which it is founded.

13. *Dispute Resolution Mechanism*

If a dispute arises among members, directors, officers, committee members, employees or volunteers of the Corporation relating to the business of the Corporation that is not resolved in private meetings between the parties acting in good faith, then without prejudice to or in any other way derogating from the rights of such persons, and as an alternative to such person instituting legal action in a court of law, such dispute shall be settled as follows:

- The dispute or controversy shall be submitted first to a panel of mediators whereby the one disputing party appoints one mediator and the other party (or if applicable the board of the Corporation) appoints one mediator, and the two mediators so appointed jointly appoint a third mediator. The three mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties.
- The number of mediators may be reduced initially from three to one or two upon agreement of the parties.
- If the parties are not successful in resolving the dispute through mediation, then the parties agree that the dispute shall be settled by arbitration before a single arbitrator who shall not be any one of the mediators referred to above, in accordance with the legislation governing domestic arbitrations in force in the province of Ontario. The parties agree that all proceedings relating to arbitration shall be kept confidential and there shall be no disclosure of any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal.

All costs of the mediators appointed in accordance with this section shall be borne equally by the parties to the dispute or the controversy. All costs of the arbitrators appointed in accordance with this section shall be borne by such parties as may be determined by the arbitrators.

14. *Amendment of By-laws*

These by-laws can only be amended by a special resolution as defined above at a meeting of Class A voting members.

Fundamental changes to the Corporation requiring a special resolution are defined by Part 13 (Section 197) of the Act. Schedule 1 hereto, which shall form an integral part of these by-laws, is included to

provide greater certainty and assurances that the members of the Corporation shall be duly involved with all major changes to the Corporation and its operations.

ENACTED and PASSED by Special General Meeting on this 30th day of November, A.D. 2017.

Schedule 1 - Fundamental Changes

This Schedule 1 shall form an integral part of these by-laws.

In keeping with Article 197 of the Act, and notwithstanding any other provisions of these by-laws or of the articles of the Corporation which may appear to be in conflict with or silent with respect thereto, a special resolution of the members with the support of 2/3 of voting members present at a meeting for such purpose shall be required to make any amendment to the articles or the by-laws or to

- a. change the Corporation's name;
- b. sell all or part of the Corporation's real property;
- c. change the province in which the Corporation's registered office is situated;
- d. add, change or remove any restriction on the activities that the Corporation may carry on;
- e. create a new class or group of members;
- f. change a condition required for being a member;
- g. change the designation of any class or group of members or add, change or remove any rights and conditions of any such class or group;
- h. divide any class or group of members into two or more classes or groups and fix the rights and conditions of each class or group;
- i. add, change or remove a provision respecting the transfer of a membership;
- j. subject to section 133, increase or decrease the number of — or the minimum or maximum number of — directors fixed by the articles;
- k. change the statement of the purpose of the corporation;
- l. change the statement concerning the distribution of property remaining on liquidation after the discharge of any liabilities of the Corporation;
- m. change the manner of giving notice to members entitled to vote at a meeting of members;
- n. change the method of voting by members not in attendance at a meeting of members; or
- o. add, change or remove any other provision that is permitted by this Act to be set out in the articles.

For greater certainty, these bylaws already provide that a special resolution (2/3) is required to effect any change(s) to them and the Act provides a similar requirement to effect any change(s) to the Articles of Incorporation of the Corporation. This schedule has been inserted to provide greater assurance to the members that they will have a say in any fundamental changes that the board or membership wish to make to the Corporation. It is the intention however that the day-to-day operations of the club shall continue to rest with the Executive Director under the aegis of the board.