

**National Alliance of Hungarians in Canada  
Alliance national des hongrois au Canada  
Kanadai Magyarok Országos Szövetsége**

Founded March 3, 2012

Incorporated August 31, 2012

**BY-LAWS**

September 15, 2012

A by-law relating generally to the conduct of the affairs of  
**National Alliance of Hungarians in Canada**

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**BE IT ENACTED** as a by-law of the Corporation as follows:

## **GENERAL**

### **G1 Definitions**

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

- a. "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; in the event of any conflict between these By-laws and the Act the Act shall prevail.
- b. "articles" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation;
- c. "Board" means the Board of Directors of the Corporation and "Director" means a member of the Board;
- d. "by-law" means this by-law and any other by-laws of the Corporation as amended and which are, from time to time, in force and effect;
- e. "Members' Meeting" includes an annual Members' Meeting or a special Members' Meeting; "special Members' Meeting" includes a meeting of any class or classes of members and a special meeting of all members entitled to vote at an annual Members' Meeting;
- f. "ordinary resolution" means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;
- g. "proposal" means a proposal submitted by a member of the Corporation that meets the requirements of section 163 of the Act;
- h. "regulations" means the regulations made under the Act, as amended, restated or in effect from time to time;
- i. "rules and regulations" means rules created and approved by the Board of Directors to regulate and enable the various everyday operations of the corporation, those shall be compatible of the directives in the by-laws of the corporation; rules and procedures, which are affecting the member organizations shall be presented, kept in effect or amended retroactively by the next Members' Meeting following the date, when they were created or amended by the Board;
- j. "special resolution" means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

### **G2 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 "member" includes an individual, a corporation, trust or unincorporated member organization.

Other than as specified in G1 above, words and expressions defined in the Act have the same meanings when used in these by-laws.

### **G3 Privacy Principles**

The Not-for-profit Corporation, its Board of Directors and the Member Organizations shall insure that their Business Practices conform to the policies and practices and comply with the federal and provincial legislations.

The Corporation shall keep only the information required to serve the Members' needs and the communications to and from the Board of Directors. The Corporation shall maintain the information of Member's involvement in the Corporation's Activities.

The Corporation shall not disclose personal information to anyone outside the Corporation without prior consent received from the Member(s) or individual(s) involved.

### **G4 Execution of Documents**

Documents, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by the President (CEO) and one (1) executive officer, or any two (2) of its officers or Directors, with prior authorization by the Board of Directors.

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.

### **G5 Financial Year End**

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

### **G6 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 or elsewhere as the Board of Directors 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 Corporation and/or other persons as the Board of Directors may by resolution from time to time designate, direct or authorize.

### **G7 Annual Financial Statements**

The Corporation may, instead of sending copies of the annual financial statements and other documents - referred to in subsection 172(1) (Annual Financial Statements) 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) are available at the registered office of the Corporation and any member may, on request, obtain a copy free of charge at the registered office or by prepaid mail.

**SECTION 1**  
**CORPORATION**

**1.01 Not-for-profit Corporation**

The **National Alliance of Hungarians in Canada** (NAHC) is a not-for profit corporation without share capital; it is incorporated by Industry Canada under the *Canada Not-for-profit Corporations Act* in 2012 (Certificate of Incorporation No. 822510-9, 31 August 2012).

**1.02 Name and Official Languages of the Corporation**

In English: **National Alliance of Hungarians in Canada**  
In French: **Alliance nationale des hongrois au Canada**

The official languages of the corporation are the official languages of Canada: English and French, as well as Hungarian, the native language of Hungarians. English shall be the primary language for transacting activities and record keeping of the Corporation.

**Foreign corporate name** - It is hereby provided that the corporation may use and may be equally designated by the following form outside Canada:

In Hungarian: **Kanadai Magyarok Országos Szövetsége**

**1.03 Head Office and Jurisdiction**

The **Corporation's Head Office is located at:**

246 Queen Street, Suite 200  
Ottawa, ON, K1P 4E5

The Board of Directors may relocate the Head Office as determined by majority votes cast at a general meeting.

**Jurisdiction:** The operations of the Corporation may be carried on throughout Canada.

**1.04 Statement of the purpose of the Corporation**

The new not-for-profit corporation intends to be the umbrella organization of those Canadian-Hungarian organizations, who agree with its goals and objectives. The main goal of the umbrella organization is to enable the collaboration of Canadian-Hungarian organizations with the following main objectives:

1. Promoting the highest standards of citizenship through encouragement of, and participation in Canadian and Hungarian national, patriotic, cultural and humanitarian activities.
2. Preserving, enhancing, educating and strengthening the appreciation of Hungarian language, cultural heritage, history, folklore and traditions among Canadian-Hungarians.
3. Supporting and assisting fellow Hungarians worldwide.
4. Fostering economic, scientific, cultural and artistic co-operation among Canadian-Hungarian organizations and various social and professional groups.
5. Providing objective information on current and past events, tribulations and achievements in Hungary for the Canadian, Hungarian and global media and public; thereby upholding the interests of the Hungarian nation and its people.

### **1.05 Governance of the Corporation**

The governing bodies of the Corporation are – in order of authority:

#### **Members' Meeting**

The Members' Meeting is the supreme authority of the Corporation; it shall determine the policies, the directions and the image of the Corporation

#### **Board of Directors**

During the time when Annual or Special Members' Meetings are not in session, the operation and business affairs of the Corporation shall be administered and managed by the Board of Directors, which is elected by the Members.

#### **Member Organizations**

The member organizations forming the National Alliance of Hungarians in Canada (NAHC) are independent of NAHC and are governed by their own by-laws. NAHC has no power to interfere with the operations of the member organizations in any way. On the other hand, member organizations have the power to control and influence the operations of NAHC – since this is an organization formed to represent them - according to the principles and rules laid down in this by-law.

## SECTION 2

### MEMBERSHIP – MATTERS REQUIRING SPECIAL RESOLUTION

#### 2.01 Member Organizations

Members of the National Alliance of Hungarians in Canada (NAHC) can be any Canadian-Hungarian organizations, which agree to join the Corporation and whose application to become a member is approved by the Corporation according to Section 2.02. The “member organizations” are independent entities themselves, governed by their own by-laws or governing bodies, as required by the legislation or decree specific to their nature (which is typically either cultural, educational, religious, boy-scouts, regional community, social, professional, business-related, etc.). The Corporation as an umbrella organization cannot directly interfere or govern the operation of the member organizations.

#### 2.02 Membership Classes

Subject to the articles, there shall be three classes of members in the Corporation, namely,

**Class A members:** “corporate members”, i.e. Canadian-Hungarian organizations, who agree with the main goals of the umbrella organization and join the Corporation,

**Class B members:** “individual members”, i.e. persons elected to the Board of Directors by the Annual General Meeting.

**Class C members:** “honorary members”, i.e. individuals credited with outstanding accomplishment in the Hungarian or Canadian Societies as well as past presidents of the Corporation.

The Board of Directors of the Corporation may, by resolution, approve the admission of the members of the Corporation. Members may also be admitted in such other manner as may be prescribed by the Board by resolution.

The following conditions of membership shall apply:

#### Class A Members

- a. Class A voting membership shall be available only to Canadian-Hungarian organizations with at least 10 members of 18 years -or older, which have either co-founded the umbrella organization, or which applied for such membership after founding the Corporation.
- b. The Board of Directors approves the admission of Class A members by special resolution.
- c. The term of membership of a Class A voting member shall be continuous, subject to maintaining good standing in accordance with the policies of the Corporation. A member organization shall be considered in good standing if it complies with all the by-laws of the Corporation, and has paid the dues for the current calendar year.

- d. Class A voting members are entitled to delegate individuals from their membership, or to authorize other organizations to represent them on the Meeting of the Members.
- e. Class A voting members can nominate and vote for individuals for Director or officer positions.
- f. As set out in the articles, each Class A voting member is entitled to receive notice of, attend and vote at all Members' Meetings.
- g. The number of votes for each Class A voting member organization shall be prorated according to the number of its annual membership in such manner as determined by the Members' Meeting and recorded in the Rules and Regulations of the corporation.
- h. The method of verifying the membership of the member organizations shall be determined and performed by the Board of Directors.

#### **Class B Members:**

- a. Class B voting membership shall be available only to those individuals, who have been elected to the Board of Directors at a Members' Meeting.
- b. The term of Class B membership shall be continuous between the election to the Board of Directors and the end of the last term for which the individual has been elected for.
- c. Each Class B voting member is entitled to one (1) vote.
- d. The right of Class B individual member to vote in such capacity shall not be affected by their acting also as representative of a Class A corporate member.

#### **Class C Members**

- a. Class C membership shall be available only to individual honorary members.
- b. Honorary Members: persons credited with outstanding accomplishment in the Hungarian or Canadian Society, or in the field of Science or Art; or who provided outstanding service to the Hungarian community in Canada or elsewhere; or who valuably or generously contributed to the activities of the Corporation, may be eligible for Honorary Membership. Honorary members have the same rights as members but are exempted from paying membership dues.
- c. The method of selection and approval – or exceptionally, the withdrawal - of honorary members is regulated by the Rules and Regulations of the Corporation. Upon approval for honorary membership, the individual members are accepted for Class C voting membership in the Corporation.
- d. Each Class C voting member is entitled for one (1) vote.
- e. As set out in the articles, each Class C voting member is entitled to receive notice of, attend and vote at all Members' Meetings.
- f. The term of membership of a Class C honorary member shall be permanent, provided that no exceptional withdrawal was requested by the individual or by the Board, in accordance with the policies of the Corporation.

A special resolution of the members is required to make any amendments to this section of the by-laws if those amendments affect membership rights and/or conditions described in subsection 197(1) of the Act.

### **2.03 Notice of Members' Meeting**

Notice of the time and place of a Members' Meeting shall be given to each member entitled to vote at the meeting by the following means:

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

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 Members' Meeting.

### **2.04 Absentee Voting by Mail Ballot**

Pursuant to section 171(1) (Absentee Voting) of the Act, a member entitled to vote at a Members' Meeting may vote by mailed-in ballot or by Proxy if the Corporation 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 Corporation without it being possible for the Corporation to identify how each member voted.

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

The rules for issuing and using Proxies is regulated in the Rules and Regulations of the Corporation.

## **SECTION 3**

### **MEMBERSHIP DUES, TERMINATION AND DISCIPLINE**

#### **3.01 Membership Dues**

Membership dues are determined by the Board of Directors and approved at the Members' Meeting. 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, the members in default shall automatically be subject to the related disciplinary policy of the Corporation.

#### **3.02 Termination of Membership**

A membership in the Corporation is terminated when:

- a. the member dies, or, in the case of a member that is a corporation, the corporation is dissolved;
- b. a member, or member organization fails to maintain any qualifications for membership described in Section 2.02 of these by-laws;
- c. the member resigns by delivering a written resignation to the chair of the Board of the Corporation in which case such resignation shall be effective on the date specified in the resignation;
- d. the member is expelled in accordance with Section 3.03 below or is otherwise terminated in accordance with the articles or by-laws;
- e. the member's term of membership expires; or
- f. the Corporation is liquidated or dissolved under the Act.

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

#### **3.03 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;
- 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.

In the event that 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 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 president, 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 president, the president, or such other officer as may be designated by the Board, may proceed to notify the member that his/her membership in the Corporation is suspended or that he/she is expelled.

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.

Former member organizations may apply to resume of membership, by submitting a written request to the Board. The reason of previous cessation and the changed circumstances since then shall be indicated for consideration of the Board of Directors for approval. The president or the designated officer shall provide notification about the Board's decision to the applicant within 30 days.

## **SECTION 4**

### **MEMBERS' MEETING**

#### **4.01 Annual General Meeting (AGM)**

The Annual General Meeting is to be held annually within three (3) months following the end of the fiscal year of the Corporation.

At the Annual General Meeting the delegates of member organizations shall discuss and accept the minutes of the last Annual General Meeting, the President's report and the reports of executive Directors as well as the Financial Report of the Corporation and may elect Directors, and decide on any other matter which is presented in the Notice of the Annual General Members' Meeting. More details about the AGM is set in the Rules and Regulations.

#### **4.02 Special General Meeting (SGM) of Members**

A Special General Meeting may be called, in writing, at any time by the President or at the request of the majority of the Board, or by the written request signed by at least ten (10) Class A, B and C members in good standing addressed to the President and the Secretary.

Written notice of such meeting, including any suggestions by any of the members of the Board, or from the Class A, B or C members, and the agenda shall be given by the Secretary to all voting members in good standing of the Corporation as required by subsection 2.02 of this by-law. The notice shall contain enough information about the issue(s) on the agenda to allow the members to make a reasonable decision.

If notice for such meeting is not given by the Secretary within thirty (30) days of the written request made by the membership, then any of the ten (10) signing members may send a notice stating the date and purpose for calling a Special General Meeting.

#### **4.03 Members Entitled to be Present**

Only the representatives of Class A member organizations and Class B and C members in good standing are entitled to be present at a Members' Meeting and shall be entitled to vote at the meeting.

Furthermore, the Directors and the public accountant of the Corporation and such other persons who are also entitled or required under any provision of the Act, articles or by-laws of the Corporation can 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.

Electronic participation at a Meeting is equivalent to in-person participation, The rules for electronic participation are set by the Board of Directors and shall be described in sufficient detail in the notice of the Meeting.

#### **4.04 Chair of the Meeting**

In the event that the chair of the Board (President) and the vice-chair of the Board (Vice-President) are absent, the members who are present and entitled to vote at the meeting shall choose one of the Board members present to chair the meeting.

#### **4.05 Quorum**

A quorum at any meeting of the Class A, B and C members (unless a greater number of members are required to be present by the Act) shall be 10% of the members entitled to vote at the meeting. If a quorum is present at the opening of a Members' Meeting, the members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting. When establishing quorum, members represented by Proxies shall be considered to be equivalent to members present in-person or via their delegate.

#### **4.06 Votes to Govern**

At any Members' Meeting 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 have a second deciding or casting vote.

## SECTION 5

### DIRECTORS

#### 5.01 Election, Term and Removal of Directors

Subject to the articles, the members will elect the Directors at the first Members' Meeting and at each succeeding annual meeting at which an election of Directors is required, and the Directors shall be elected to hold office for a term expiring not later than the close of the third annual Members' Meeting following the election.

Directors of the Corporation shall be of good character and good citizens. Any person involving the name of the Corporation in any manner prejudicial or contrary to the principles of the Corporation, or committing any such acts as may be detrimental to the objectives, principles and the image of the Corporation, shall be open to censure by the Board.

Any Director or executive may be removed from office for good cause, by a two- third majority vote at a general meeting duly called for this purpose.

#### 5.02 Minimum and Maximum Number of Elected Directors

In accordance with the Articles of Incorporation of NAHC, this Corporation is an umbrella organization, which intends to serve Canadian-Hungarian organizations, associations, institutions, clubs, business groups and corporations etc. with a wide variety of functional, regional and inter-provincial diversity.

To cover and accommodate the representation of such diverse membership, the minimum number of Directors of the Corporation is set as eight (8), while the maximum number as twenty-one (21).

#### 5.03 Roles and Groups of Elected Directors

According to their main roles, the Directors of the Corporation can be categorized into three groups:

##### **Executive Directors**

This group of Directors includes the executive officers of the Corporation and shall be responsible for implementing the strategic plans and policies of the Corporation, and for the general organization and supervision of the operation and affairs of the Corporation.

##### **Advisory Directors**

This group of Directors represents various regional and functional organizations and provides their input for the strategic plans and policies. They are involved actively in the actions and issues related to the organizations they represent.

##### **Honorary Directors**

This group of Directors includes acknowledged and respected leaders of the Canadian Hungarian Community. They can provide the Board with strategic directions and policy-level recommendations. They are not involved in the everyday activities of the Corporation.

These three groups of Directors shall form the **Board of Directors of the Corporation**.

All the members of the Board have equal rights in the proceedings of the Board. Their services will not be remunerated. No one shall officially represent the Corporation without pre-authorization from the Board.

## SECTION 6

### MEETINGS OF DIRECTORS

#### 6.01 Calling of Meetings

Meetings of the Board may be called by the chair of the Board, the vice-chair of the Board or any two (2) Directors at any time; provided that, for the first organization meeting following incorporation, such meeting may be called by any Director or incorporator.

#### 6.02 Notice of Meeting

Notice of the time and place for holding of a meeting of the Board shall be given in the manner provided in Section 8.01 of this by-law to every Director of the Corporation not less than 7 days before the time when the meeting is to be held. Notice of a meeting shall not be necessary if all of the Directors are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting. Unless the by-law otherwise provides, no notice of meeting need specify the purpose or the business to be transacted at the meeting except that a notice of meeting of Directors 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.

#### 6.03 Regular Meetings

The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be named. A copy of any resolution of the Board fixing the place and time of such regular meetings of the Board shall be sent to each Director forthwith after being passed, 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.

#### 6.04 Votes to Govern

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 in addition to an original vote shall have a second deciding or casting vote.

#### 6.05 Committees

The Board may from time to time appoint any committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the Board shall see fit.

A standing committee can be created for permanent term to support the operation of the Board and/or the Corporation.

Ad hoc committees with advisory role for resolving any special matters may be created by the Board too.

Any 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 of Directors.

## **SECTION 7**

### **OFFICERS**

#### **7.01 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 Corporation, if designated and if officers are elected or appointed, shall have the duties and powers associated with their positions as specified in the Rules and Regulations.

The Board may, from time to time and subject to the Act, vary, add to or limit the powers and duties of any officer.

#### **7.02 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 Corporation. 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 Corporation shall be or become vacant, the Directors may, by resolution, appoint a person to fill such vacancy.

## **SECTION 8**

### **NOTICES**

#### **8.01 Method of Giving Notices**

Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served), other than notice of a Members' Meeting or a meeting of the Board of Directors, 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 or in the case of notice to a Director to the latest address as shown in the last notice that was sent by the Corporation in accordance with section 128 (Notice of Directors) or 134 (Notice of change of Directors); or
- b. if mailed to such person at such person's recorded address by prepaid ordinary or air mail; or
- c. if given to that person by telephone, or sent by 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 Corporation to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

#### **8.02 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.

#### **8.03 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 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 otherwise founded on such notice.

## SECTION 9

### DISPUTE RESOLUTION

#### 9.01 Mediation and Arbitration

Disputes or controversies among members, Directors, officers, committee members, or volunteers of the Corporation are as much as possible to be resolved in accordance with mediation and/or arbitration as provided in Section 9.02 of this by-law.

#### 9.02 Dispute Resolution Mechanism

In the event that a dispute or controversy among members, Directors, officers, committee members or volunteers of the Corporation arising out of or related to the articles or by-laws, or out of any aspect of the operations of the Corporation is not resolved in private meetings between the parties, then without prejudice to or in any other way derogating from the rights of the members, Directors, officers, committee members, employees or volunteers of the Corporation as set out in the articles, by-laws or the Act, and as an alternative to such person instituting a law suit or legal action, such dispute or controversy shall be settled by a process of dispute resolution as follows:

- a. The dispute or controversy shall first be submitted to a panel of mediators whereby the one party appoints one mediator, 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.
- b. The number of mediators may be reduced from three to one or two upon agreement of the parties.
- c. If the parties are not successful in resolving the dispute through mediation, then the 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 provincial or territorial legislation governing domestic arbitrations in force in the province or territory where the registered office of the Corporation is situated or as otherwise agreed upon by the parties to the dispute. 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 on a question of fact, law or mixed fact and law.
- d. All costs of the mediators appointed in accordance with this section shall be borne equally by the parties to the dispute or 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.

**SECTION 10**  
**INDEMNIFICATION**

Every person who is or was a member of the Board of Directors, his/her Heirs, Executors and/or Administrators, and estate and effects respectively, shall at all times be indemnified and saved harmless out of the Funds of the Corporation from and against all costs, charges and expenses whatsoever related to carry out their offices in the Corporation, except as are occasioned by his/her own willful neglect or default. However, such indemnification is limited to the value of the total amount of the disposable cash funds of the Corporation.

**SECTION 11**  
**EFFECTIVE DATE**

**11.01 Effective Date**

Subject to matters requiring a special resolution, this by-law shall be effective when made by the Board.

CERTIFIED to be By-law No. 1 of the Corporation, as enacted by the Directors of the Corporation by resolution

on the 15<sup>th</sup> day of September, 2012

and confirmed by the members of the Corporation by special resolution

on the 15<sup>th</sup> day of September, 2012.

Dated as of the 1st day of November, 2012.

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Name of Director/officer

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Name of Director/officer