

**THE CANADIAN KENNEL CLUB FOUNDATION/  
FONDATION DU CLUB CANIN CANADIEN**

**BY-LAWS**

A By-law relating generally to the conduct of the affairs of The Canadian Kennel Club Foundation/Fondation du club canin canadien.

**1. INTERPRETATION**

1.1 In this By-law, unless the context otherwise specifies or requires:

- (a) “**Act**” means the *Canada Not-for-profit Corporations Act* S.C. 2009, c.23 as from time to time amended and every statute that may be substituted therefor and, in the case of such substitution, any references in the By-laws of the Foundation to provisions of the Act shall be read as references to the substituted provisions therefor in the new statute or statutes;
- (b) “**Board of Directors**” or “**Board**” means the board of directors of the Foundation;
- (c) “**By-laws**” means any by-law of the Foundation from time to time in force and effect;
- (d) “**CKC**” means the Canadian Kennel Club
- (e) “**Directors**” means the directors of the Foundation and “**Director**” means any one of them;
- (f) “**Foundation**” means *The Canadian Kennel Club Foundation/Fondation du club canin canadien*, a Canadian non-share capital corporation incorporated under the Act;
- (g) “**Articles**” means the Articles of Continuance (transition) and any articles of amendment of the Foundation; and
- (h) “**Regulations**” means the regulations made under the Act as from time to time amended and every regulation that may be substituted therefor and, in the case of such substitution, any references in the By-laws of the Foundation to provisions of the regulations shall be read as references to the substituted provisions therefor in the new regulations.

1.2 This By-law shall, unless the context otherwise requires, be construed and interpreted in accordance with the following:

- (a) all terms which are contained in the By-laws and which are defined in the Act or the Regulations shall have the meanings given to such terms in the Act or the Regulations;
- (b) words importing the singular number only shall include the plural and vice versa; and the word “**person**” shall include individuals, bodies corporate, corporations, companies, partnerships, syndicates, trusts and any number or aggregate of persons; and
- (c) the headings used in the By-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

## **2. CORPORATE SEAL**

- 2.1 Until changed by the Board of Directors, the seal, an impression whereof is stamped in the margin hereof, shall be the seal of the Foundation.

## **3. HEAD OFFICE**

- 3.1 Until changed in accordance with the Act, the head office of the Foundation shall be in the City of Toronto, in the Province of Ontario and at such location therein as the Board of Directors may determine.

## **4. MEMBERSHIP**

- 4.1 The members of the Foundation shall be the Directors of the Foundation and the Directors of the CKC.
- 4.2 There shall be no membership fees or dues.
- 4.3 A member ceases to be a member of the Foundation when he or she ceases to meet the qualifications for membership set out in section 4.1 of this By-law.

## **5. BOARD OF DIRECTORS**

- 5.1 The property and affairs of the Foundation shall be managed by a board of directors consisting of a minimum of three (3) and a maximum of fifteen (15) directors and the precise number of directors shall comprise the fixed number of directors within such minimum and maximum limits as determined from time to time by ordinary resolution of the members or, if the ordinary resolution empowers the directors to determine the number, by resolution of the board, in accordance with the provisions of section 5.3 of this By-law.

Directors must be individuals, at least eighteen (18) years of age, with power under law to contract.

5.2 The applicants for incorporation shall become the first Directors of the Foundation whose term of office on the Board of Directors shall continue until their successors are elected at the first meeting of members. The Directors then elected shall replace the provisional Directors named in the Articles.

5.3 At any time, the Canadian Kennel Club Foundation shall have as Directors three (3) members of the CKC board of directors. In addition, at any time the Canadian Kennel Club Foundation shall endeavor to have as Directors the following:

- (a) three (3) voting members of the CKC none of whom shall be current members of the CKC board of directors; and
- (b) three (3) persons from the community at large none of whom shall be current members of the CKC board of directors

The Canadian Kennel Club Foundation may also have additional Directors as elected in accordance with section 5.5.

5.4 At the annual meeting of members in 2013 the members shall elect as Directors of the Foundation three (3) members of the CKC board of directors, one (1) for a one (1) year term, one (1) for a two (2) year term and one (1) for a three (3) year term.

At the annual meeting of members in 2013 the members may also elect as Directors:

- (a) three (3) voting members of the CKC, none of whom shall be current members of the CKC board of directors, one (1) for a one (1) year term, one (1) for a two (2) year term and one (1) for a three (3) year term; and
- (b) three (3) persons from the community at large, none of whom shall be current members of the CKC board of directors, one (1) for a one (1) year term, one (1) for a two (2) year term and one (1) for a three (3) year term.

5.5 At each annual meeting of members thereafter, the members shall elect one (1) individual member of the CKC board of directors for a three (3) year term and may also elect two (2) additional individuals for a three (3) year term, such that the composition of the Board is maintained as specified in section 5.3.

In addition, at each such annual meeting, the members may elect additional Directors from the community at large to hold office until the next annual meeting of the members of the Foundation where, for each such Director added, the members shall elect another Director who is a voting member of the CKC who is not a current member of the CKC board of directors to hold office for the same term.

5.6 Directors shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from his or her position as such; provided that a Director

may be reimbursed for reasonable expenses incurred by him or her in the performance of his or her duties.

5.7 A Director shall automatically cease to hold office:

- (a) if a Director resigns his or her office by delivering a written resignation to the Executive Director of the Foundation which resignation shall be effective at the time it is received by the Executive Director or at the time specified in the notice, whichever is later;
- (b) if he or she is found to be a mentally incompetent person or of unsound mind;
- (c) if he or she becomes bankrupt or suspends payment of debts generally or compounds with creditors or makes an authorized assignment or is declared insolvent;
- (d) if he or she is convicted of a criminal offence arising out of breach of trust, embezzlement, fraud or cruelty to animals;
- (e) if he or she no longer meets the qualifications of a Director as set out in sections 5.1 and **Error! Reference source not found.** of this By-Law;
- (f) with respect to Directors appointed or elected pursuant to subsection 5.3 of this By-law, if at a special meeting of members, a resolution is passed by at least two-thirds (2/3) of the votes cast by the members at the special meeting removing the Director before the expiration of the Director's term of office; or
- (g) on death.

5.8 If a vacancy occurs in the Board of Directors as a result of the removal of any Director by the members in accordance with subsection 5.7(f) above, it may be filled upon a vote of the majority of the members such that the composition of the Board is maintained as specified in section 5.3 and any Director elected to fill a removed Director's place shall hold office for the remainder of the removed Director's term. If a vacancy occurs for any reason other than removal by the members, the remaining Directors, if they constitute a quorum, may appoint an individual to complete the term of the vacating Director such that the composition of the Board is maintained as specified in section 5.3.

## **6. FOR THE PROTECTION OF DIRECTORS AND OFFICERS**

- 6.1 Except as otherwise provided in the Act, no Director or officer for the time being of the Foundation shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or employee or for any loss, damage or expense happening to the Foundation through the insufficiency or deficiency of title to any property acquired by the Foundation or for or on behalf of the Foundation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Foundation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person including any person with whom or which any moneys, securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Foundation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of the Director's or officer's respective office or trust or in relation thereto unless the same shall happen by or through the Director's or officer's own wilful neglect or default.

## **7. INDEMNITIES TO DIRECTORS AND OTHERS**

- 7.1 Every Director or officer of the Foundation or other person who has undertaken or is about to undertake any liability on behalf of the Foundation or any organization controlled by it and their heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Foundation, from and against:
- (a) all costs, charges and expenses whatsoever which such Director, officer or other person sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him or her, or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him or her, in or about the execution of the duties of his or her office or in respect of any such liability; and
  - (b) all other costs, charges and expenses which he or she sustains or incurs in or about or in relation to the affairs thereof,

except such costs, charges or expenses as are occasioned by his or her own wilful neglect or default. The Foundation shall also indemnify any such person in such other circumstances as the Act or law permit or requires. Nothing in this By-law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this By-law to the extent permitted by the Act or law.

## **8. CONFLICT OF INTEREST**

- 8.1 A Director who is in any way directly or indirectly interested in a contract or proposed contract with the Foundation shall make the disclosure required by the Act and except as provided by the Act, no such Director shall vote on any resolution to approve any such contract. In supplement of and not by way of limitation upon any rights conferred

upon Directors by section 141 of the Act and specifically subject to the provisions contained in that section, it is declared that no Director shall be disqualified by any such office from, or vacate any such office by reason of, holding any office or place of profit under the Foundation or under any corporation in which the Foundation shall be a shareholder or by reason of being otherwise in any way directly or indirectly interested or contracting with the Foundation as vendor, purchaser or otherwise or being concerned in any contract or arrangement made or proposed to be entered into with the Foundation in which the Director is in any way directly or indirectly interested as vendor, purchaser or otherwise. Subject to compliance with the Act, no contract or arrangement entered into by or on behalf of the Foundation in which any Director shall be in any way directly or indirectly interested shall be avoided or voidable and no Director shall be liable to account to the Foundation or any of its members or creditors for any profit realized by or from any such contract or arrangement by reason of any fiduciary relationship.

- 8.2 The Board of Directors in its discretion may submit any contract, act or transaction with the Foundation for approval or ratification at any annual meeting of the members or at any special meeting of the members called for the purpose of considering the same and, subject to the provisions of section 141 of the Act, any such contract, act or transaction that shall be approved or 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 Act, the Articles or the By-laws) shall be as valid and as binding upon the Foundation and upon all the members as though it had been approved, ratified or confirmed by every member of the Foundation.

## **9. AUTHORITY OF DIRECTORS**

- 9.1 The Directors of the Foundation may administer the affairs of the Foundation in all things and make or cause to be made for the Foundation, in its name, any kind of contract which the Foundation may lawfully enter into and, save as hereinafter provided, generally, may exercise all such other powers and authority and do all such other acts and things as the Foundation is by its Articles or otherwise authorized to exercise and do.
- 9.2 The Directors shall have the authority to appoint and remove the Executive Director.
- 9.3 The Board of Directors shall have power to authorize expenditures on behalf of the Foundation from time to time and may delegate by resolution to an officer or officers of the Foundation the right to employ and pay salaries to employees. The Directors shall have the authority to enter into a trust arrangement with a trust company for the purpose of creating a trust fund in which the capital and interest may be made available for the benefit of promoting the interests of the Foundation in accordance with such terms as the Board of Directors may prescribe.
- 9.4 The Board of Directors shall take such steps as it may deem requisite to enable the Foundation to acquire, accept, solicit or receive legacies, gifts, grants, settlements,

bequests, endowments and donations of any kind whatsoever for the purpose of furthering the objects of the Foundation.

- 9.5 The Board of Directors may from time to time appoint any committee or committees as it deems necessary or appropriate for such purposes and with such powers as the Board shall see fit whose members will hold their offices at the will of the Board of Directors. 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 of Directors. The Board of Directors may fix any remuneration for committee members who are not also Directors of the Foundation.

## **10. OFFICERS**

- 10.1 The officers of the Foundation shall be a president (the "President"), a vice-president (the "Vice-President"), an Executive Director (the "Executive Director") and a treasurer (the "Treasurer") and any such other officers as the Board of Directors may by resolution determine (herein referred to, individually, as an "Officer" and, collectively, as the "Officers"). Any two or more offices may be held by the same person.
- 10.2 All Officers, excluding the Executive Director shall be appointed from among the Directors.
- 10.3 All Officers, excluding the Executive Director, shall hold office for a term of one (1) year from the date of appointment or until their successors are appointed. Any Officer may be removed by resolution of the Board of Directors at any time.

## **11. DUTIES OF OFFICERS**

- 11.1 The President shall, when present, preside at all meetings of the Members and the Board of Directors. The President shall sign all by-laws and such documents or instruments in writing as required. The President shall also have such powers and duties as may from time to time be assigned by the Board of Directors.
- 11.2 The Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties as may be determined by the Board of Directors from time to time.
- 11.3 The Treasurer shall cause to be kept full and accurate accounts of all assets, liabilities, receipts and disbursements of the Foundation in the books belonging to the Foundation and shall render to the President and Board of Directors at regular meetings of the Board of Directors, or whenever they may require it, an accounting of all the transactions and a statement of the financial position of the Foundation.
- 11.4 The duties of all other Officers shall be such as the terms of their appointment require, or as may be determined by the Board of Directors from time to time.

## **12. EXECUTIVE DIRECTOR**

12.1 The Board of Directors shall engage an Executive Director who shall be the chief administrative, operating and financial officer of the Foundation and in such capacity shall have overall responsibility and authority for the day-to-day operations of the Foundation. Such authority and responsibility shall, *inter alia*, include the following:

- (a) implementation of all orders and resolutions of the Board of Directors;
- (b) administration of all matters relating to the Foundation's finances, including all matters relating to budget preparation and administration, ensuring the Foundation's investment portfolio is properly administered, that monies are appropriately deposited in the bank account of record, ensuring that the accounts of the Foundation are reviewed and paid within the prescribed time limit and ensuring that all financial records are maintained in accordance with generally accepted accounting principles;
- (c) signing authority with respect to all legal and financial matters relating to the Foundation, subject at all times to the overall limitations of the approved budget and the general discretion of the Board of Directors;
- (d) administration of all matters relating to staffing, including the hiring and termination of staff, reviewing the performance of staff, setting of salary levels, designation of titles and the assignment of duties;
- (e) acting as the official Board Secretary and, as such, shall be responsible for the preparation, assembly and distribution of agenda material, ensuring that the minutes of Board meetings are recorded and distributed, have custody of the corporate seal of the Foundation and generally ensuring that the Board is kept informed of matters requiring its attention;
- (f) providing advice and guidance to Directors on matters which may affect the operations of the Foundation and to recommend to the Board any course of action which, in the opinion of the Executive Director, requires a decision from the Board as required by statute or these By-Laws; and
- (g) reporting to the Board as a whole and, at regular meetings of the Board, providing Directors with a report on the general operations of the Foundation including a record of the revenues and expenditures of the Foundation in the form of a budget analysis.

12.2 The remuneration of the Executive Director shall be fixed by the Board of Directors by resolution.

12.3 The Executive Director shall hold office for a term to be determined by the Board of Directors which term shall commence from the date of appointment.

### **13. EXECUTION OF DOCUMENTS**



- 13.1 Contracts, documents or any instruments in writing requiring the signature of the Foundation shall be signed by the Executive Director and all contracts, documents and instruments in writing so signed shall be binding upon the Foundation without any further authorization or formality. The Directors shall have the authority from time to time by resolution to appoint a Director or officer on behalf of the Foundation either to sign specific contracts, documents and instruments in writing or to sign contracts, documents and instruments in writing generally. The Directors may give the Foundation's power of attorney to any registered dealer in securities for the purpose of the transferring of and dealing with any stocks, bonds and other securities of the Foundation. The seal of the Foundation when required may be affixed to contracts, documents and instruments in writing signed as aforesaid or by any person appointed by resolution of the Board of Directors.

#### **14. MEETINGS OF MEMBERS**

- 14.1 The annual general meeting of the members shall be held in conjunction with a meeting of the CKC Board of Directors. Any other special meeting of members shall be held at the head office of the Foundation or at any place in Canada as the Board of Directors may determine and on such day as the Directors shall appoint.
- 14.2 At every annual general meeting, in addition to any other business that may be transacted, the reports of the Chair of the Board and the Executive Director, the financial statements and the report of the public accountant shall be presented and public accountant shall be appointed for the ensuing year.
- 14.3 The Board of Directors shall have the authority to call, at any time, a special meeting of the members of the Foundation. The Board of Directors shall call a special meeting of the members of the Foundation on written requisition of members carrying not less than a majority of the voting rights.
- 14.4 Notice of the time and place of each meeting of members shall be given in writing to each member entitled to vote at the meeting by the following means:
- (a) by mail, courier or personal delivery during a period of 21 to 60 days before the day on which the meeting is to be held; or
  - (b) pursuant to subsection 162(1) of the Act, by telephonic, electronic or other communication facility during a period of 21 to 35 days before the day on which the meeting is to be held.

In accordance with subsection 162(10) of the Act, notice of a special meeting of members shall state the general nature of the matters to be considered at such meeting in such a manner as to enable the recipients thereof to form a reasoned judgment concerning the matters to be considered at such meeting and state the text of any special resolution to be submitted to the meeting. Notice of each meeting of members must remind the member that such member has the right to vote by proxy. Pursuant to subsection 162(3) of the Act, the public accountants and directors of the Foundation are entitled to receive all notices and other communications relating to any meeting of members that any member

is entitled to receive by mail, courier or personal delivery during a period of 21 to 60 days before the day on which the meeting is to be held. No public notice nor advertisement of members' meetings, whether annual, general, or special, shall be required.

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 Foundation to change the manner of giving notice to members entitled to vote at a meeting of members.

- 14.5 No error or omission in giving notice of any annual or special meeting or any adjourned meeting, whether annual or special, of the members of the Foundation shall invalidate such meeting or make void any resolution passed or proceedings taken thereat. Any member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all resolutions passed or proceedings taken or had thereat. Attendance of a member at a meeting of members shall constitute a waiver of notice of the meeting except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
- 14.6 A majority of the members of the Foundation present in person at a meeting shall constitute a quorum.
- 14.7 Each member present at a meeting shall have the right to exercise one (1) vote. At all meetings of members of the Foundation, every question shall be determined by a majority of votes unless otherwise specifically provided by the Act or by the By-Laws. In the case of an equality of votes, the chairperson of the meeting shall have a second or casting vote.
- 14.8 In accordance with subsection 159(4) of the Act, if the Foundation chooses to make available a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during a meeting of members, any person entitled to attend such meeting may participate in the meeting by means of such telephonic, electronic or other communication facility in the manner provided by the Act. A person participating in a meeting pursuant to this paragraph shall be deemed to be present in person at that meeting.

In accordance with subsections 165(3) and 165(4) of the Act and Regulations under the Act, when a vote is to be taken at a meeting of members, voting may be carried out by means of a telephonic, electronic or other communication facility and any person participating in a meeting of members who is entitled to vote at that meeting, may vote in accordance with the Act and Regulations by means of a telephonic, electronic or other communication facility, if the Foundation chooses to make available a telephonic, electronic or other communication facility which enables the votes to be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to the Foundation without it being possible for the Foundation to identify how each member or group of members voted.

The Executive Director of the Foundation shall ensure each particular meeting is handled in a secure fashion. Quorum shall be established by a verbal roll call conducted by the

Executive Director of the Foundation at the beginning of each particular meeting. Each vote cast by a member participating by telephonic, electronic or other communication facility shall be recorded in the minutes by the Executive Director of the Foundation.

## **15. MEETINGS OF DIRECTORS**

- 15.1 Meetings of the Board of Directors may be held at any time and place in or outside Canada as may be determined by the Directors. There shall be at least two (2) meetings per year of the Board of Directors. Written notice shall be sent to each Director at least fourteen (14) days' prior to the meeting. No error or accidental omission in giving notice of any meeting of the Board of Directors or any adjourned meeting of the Board of Directors shall invalidate such meeting or make void any resolutions passed or proceedings taken thereat. Any Director may in any manner and at any time waive notice of a meeting of the Directors and may ratify, approve and confirm any or all resolutions passed or proceedings taken or had thereat. Attendance of a Director at a meeting of Directors shall constitute a waiver of notice of the meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called; provided further that meetings of Directors may be held at any time without notice if all the Directors are present (except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called) or if all of the absent Directors waive notice before or after the date of such meeting.
- 15.2 A majority of the Directors shall form a quorum for the transaction of business. Notwithstanding any vacancy among the Directors, a quorum of Directors may exercise all the powers of Directors.
- 15.3 Each Director present at a meeting is authorized to exercise one (1) vote. Questions arising at any meeting of Directors shall be decided by a majority of votes. In case of an equality of votes, the chairperson of the meeting shall have a second or casting vote.
- 15.4 If all the Directors of the Foundation consent thereto in advance, generally or in respect of a particular meeting, and all Directors have equal access, a Director may participate in a meeting of the Board or of a committee of the Board by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to communicate with each other, and a Director participating in such a meeting by such means is deemed to be present at the meeting. The Executive Director of the Foundation shall ensure each particular meeting is handled in a secure fashion. Quorum shall be established by a verbal roll call conducted by the Executive Director of the Foundation at the beginning of each particular meeting. Each vote cast by a Director participating by teleconference call shall be recorded in the minutes by the Executive Director of the Foundation.

## **16. NOTICES**

- 16.1 Any notice or other document required by the Act, the Regulations, the Articles, or the By-laws to be sent to any member or Director or to the public accountant of the

Foundation shall be delivered personally or sent by prepaid postal delivery or by telegram, cable, facsimile, electronic mail or other electronic means to any such member or Director at his or her latest address as shown in the records of the Foundation and to the public accountant at its business address, or if no address be given therein then to the last address of such member or Director known to the Executive Director of the Foundation; provided always that notice may be waived or the time for the notice may be waived or abridged at any time with the consent in writing of the person entitled thereto.

- 16.2 The signature of any Director or officer of the Foundation to any notice or document to be given by the Foundation may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.
- 16.3 Where a given number of days' notice or notice extending over a period is required to be given under the By-laws or Articles, the day of service or posting of the notice shall not, unless it is otherwise provided, be counted in such number of days or other period.
- 16.4 With respect to every notice or other document sent by post it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed as provided in section 14.1 of this By-law and put into a Post Office or into a letter box. A certificate of an officer of the Foundation in office at the time of the making of the certificate as to facts in relation to the sending or delivery of any notice or other document to any member, Director, officer or public accountant of the Foundation or publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every member, Director, officer or public accountant of the Foundation, as the case may be.

## **17. FINANCIAL YEAR**

- 17.1 Unless otherwise determined by the Board of Directors, the financial year of the Foundation shall terminate on the 31<sup>st</sup> day of December in each year.

## **18. BY-LAWS**

- 18.1 In accordance with section 152 of the Act and subject to section 197 of the Act, by-laws of the Foundation may be enacted, repealed or amended by by-law enacted by a majority of the directors at a meeting of the board. Any such by-law, amendment or repeal shall be effective from the date of the resolution of directors until the next meeting of members where it may be confirmed, rejected or amended by the members by ordinary resolution. If the by-law, amendment or repeal is confirmed or confirmed as amended by the members it remains effective in the form in which it was confirmed. The by-law, amendment or repeal ceases to have effect if it is not submitted to the members at the next meeting of members or if it is rejected by the members at the meeting.

Pursuant to subsection 152(6) of the Act, any member entitled to vote at an annual meeting of members may make a proposal to make, amend or repeal a by-law.

In accordance with section 153 of the Act, a copy of any by-law that is enacted, amended or repealed in accordance with this paragraph, where such amendment to the by-laws has not been rejected by the members, shall be sent to the Director appointed under section 281 of the Act within twelve months of the day on which such amendment received member confirmation.

This paragraph does not apply to a by-law that requires a special resolution of the members according to subsection 197(1) of the Act which by-law amendments or repeals are only effective when confirmed by members.

## **19. PUBLIC ACCOUNTANTS**

- 19.1 Unless the Foundation meets the requirements of subsection 182(1) of the Act for a given year and a resolution has been passed by all the members entitled to vote at an annual meeting not to appoint a public accountant, pursuant to subsection 181(1) of the Act, the members shall at each annual meeting appoint a public accountant to prepare the financial documents and reports required by the Act and to hold office until the next annual meeting, provided that the directors may fill any casual vacancy in the office of the public accountant. The public accountant shall present a report to the members concerning the accounts of the Foundation at the following annual meeting. The remuneration of the public accountant shall be fixed by the board.
- 19.2 Pursuant to subsection 180(1) of the Act, any person appointed as the public accountant must meet the following requirements:
- (a) be a member in good standing of an institute or association of accountants incorporated by or under an act of the legislature of a province;
  - (b) meet any qualifications under an enactment of a province for performing any duty that the person is required to perform under sections 188 to 191 of the Act; and
  - (c) subject to subsection 180(6) of the Act, be independent of the Foundation, its affiliates, or the directors or officers of the Foundation or its affiliates as that term is understood for the purpose of subsection 180(2) of the Act; in particular, neither the public accountant nor a business partner of the public accountant may:
    - (i) be a business partner, director, officer or employee of the Foundation or any of its affiliates or a business partner of any director, officer or employee of the Foundation or any of its affiliates;
    - (ii) beneficially own or control, directly or indirectly, a material interest in the debt obligations of the corporation or any of its affiliates; or
    - (iii) have been a receiver, receiver-manager, sequestrator, liquidator or trustee in bankruptcy of the corporation or any of its affiliates within two years before such person's proposed appointment as public accountant of the Foundation.

**20. BOOKS AND RECORDS**

- 20.1 The Directors shall ensure that all necessary books and records of the Foundation required by the By-Laws or by any applicable statute or law are regularly and properly kept.

**21. RULES AND REGULATIONS**

- 21.1 The Board of Directors may prescribe such rules and regulations consistent with these By-Laws relating to the management and operation of the Foundation as they deem expedient.