

Not-for-profit corporation  
By-law No. 1  
A by-law relating generally to the conduct of the affairs of  
  
**[TRANSPARENCY INSTITUTE]** (the "Corporation")

**Corporation's Address**

Suite 170, 1000 Belfast Rd, Ottawa, ON K1G 4A2

**Corporation's Purposes**

The advancement of education through research and training on the transparency in the administration of external or internal complaints regarding misconduct or service or product or formal or informal policies.

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

**Section 1 - General**

**1.01 Definitions**

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

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

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

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

"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;

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

"ordinary resolution" means a resolution passed by a majority (for example 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.

### **1.02 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 in 1.01 above, words and expressions defined in the Act have the same meanings when used in these by-laws.

### **1.03 Corporate Seal**

The Corporation may have a corporate seal in the form approved from time to time by the board. If a corporate seal is approved by the board, the secretary of the Corporation shall be the custodian of the corporate seal.

### **1.04 Execution of Documents**

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by two persons that include the Chair of the Board of Directors and any other director and/or other persons as the board of directors may by resolution from time to time designate, direct or authorize. 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 person authorized to sign any document may affix the corporate seal (if any) to the document. Any signing officer may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy thereof.

### **1.05 Financial Year End**

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

### **1.06 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 two persons that include the Chair of the Board of Directors and any other director and/or other officers or persons as the board of directors may by resolution from time to time designate, direct or authorize.

### **1.07 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 or by email.

## **Section 2 - Membership – Matters requiring special resolution**

### **2.01 Membership Conditions**

Subject to the articles, there shall be one class of members in the Corporation. Membership in the Corporation shall be available only to individuals or corporations that have demonstrated interest in furthering the Corporation's purposes and who have applied for and been accepted into membership in the Corporation by resolution of the board or in such other manner as may be determined by the board. Each member shall be entitled to receive notice of, attend and vote at all meetings of the members of the Corporation.

### **2.02 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 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 telephonic, 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) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendment to the by-laws of the Corporation to change the manner of giving notice to members entitled to vote at a meeting of members.

### **2.03 Absentee Voting by Mail Ballot**

Pursuant to section 171(1) (Absentee Voting) of the Act, a member entitled to vote at a meeting of members may vote by mailed-in ballot if the Corporation has a system that:

enables the votes to be gathered in a manner that permits their subsequent verification, and permits the tallied votes to be presented to the Corporation.

The methods of voting prescribed by Section 74 of the Regulations are: (a) voting by proxy, (b) voting by mailed-in ballot, and (c) voting by means of telephonic, electronic or other communication facility in accordance with the Regulations. The procedures for collecting, counting and reporting the results of any vote shall be through electronic communication to all members of the Board.

Pursuant to subsection 197(1) (Fundamental Change) 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 meeting of members.

## **Section 3 - Membership dues, termination and discipline**

### **3.01 Membership Dues**

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 cease to be members 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 fails to maintain any qualifications for membership described in Section 2.01 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 chair of the Board, 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 or chair of the Board, the president or chair, 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.

## **Section 4 - Meetings of members**

### **4.01 Persons Entitled to be Present**

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 by resolution of the members or Board.

### **4.02 Chair of the Meeting**

In the event that the chair of the board is absent, the members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

### **4.03 Quorum**

A quorum at any meeting of the members (unless a greater number of members are required to be present by the Act) shall be a majority of not less than two-thirds (2/3) of the members entitled to vote at the meeting or as determined by a special resolution of the Board. If a quorum is present at the opening of a meeting of members, the members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

### **4.04 Votes to Govern**

At any meeting of members every question shall, unless otherwise provided by the articles or by-laws or by the Act, be determined by a majority of the votes cast on the question. In case of an equality of votes either on a show of hands or on a ballot or on the results of electronic voting, the chair of the meeting in addition to an original vote shall have a second or casting vote.

Unless otherwise required by the Act or the articles of the Corporation, questions arising at any meeting of the members shall be decided by a consensus of the members present at the meeting. A consensus will be considered to have been reached when no member objects to the question on the floor before the meeting. Should the chair of the meeting determine, after a reasonable effort to achieve consensus has been made, that a consensus will not be reached regarding a particular question then the chair shall refer the question to be decided by a majority vote of the members.

## **Section 5 - Directors**

### **5.01 Election and Term**

Subject to the articles, the members will elect the directors at the first meeting of members 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 meeting of members following the election.

The board of directors may appoint additional directors for a term expiring not later than the close of the next annual meeting of members but the total number of directors appointed may not exceed 1/3 of the number of directors elected at the previous annual meeting. The precise number of directors to be appointed in this manner may be fixed by ordinary resolution of the members.

## **Section 6 - Meetings of directors**

### **6.01 Calling of Meetings**

Meetings of the board may be called by the 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. If the Corporation has only one director, that director may call and constitute a meeting.

### **6.02 Notice of Meeting**

Notice of the time and place for the holding of a meeting of the board shall be given to every director of the Corporation not less than 7 days before the time when the meeting is to be held by one of the following methods:

- a. delivered personally 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);
- b. mailed by prepaid ordinary mail to the director's address as set out in (a);
- c. by telephonic, electronic or other communication facility at the director's recorded address for that purpose;  
or
- d. by an electronic document in accordance with Part 17 of the Act.

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 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. 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.

## **Section 7 - Officers**

### **7.01 Appointment**

Subject to any unanimous member agreement, the Board may from time to time appoint a president, one or more vice-presidents (to which title may be added words indicating seniority or function), a secretary, a treasurer and such other officers as the Board may determine, including one or more assistants to any of the officers so appointed. One person may hold more than one office. The Board may specify the duties of and, in accordance with This By-law and subject to the Act, delegate to such officers powers to manage the activities and affairs of the Corporation, except those which pertain to items which, under the Act, an officer has no authority to exercise. An officer may but need not be a director.

### **7.02 The Chair Of The Board,**

The chair of the board, shall be a director. and shall when present, preside at all meetings of the board of directors and of the members. The chair shall have such other duties and powers as the board may specify.

### **7.03 President**

If appointed, the president shall be the chief executive officer and, subject to the authority of the Board, shall have general supervision of the activities of the Corporation and such other powers and duties as the Board may specify, which includes implementation of the strategic plans and policies of the Corporation.

### **7.04 Executive Director**

The Board may from time to time also appoint an executive director. If appointed, the executive director shall be the chief operating officer and, subject to the authority of the Board, shall have general supervision of the activities and affairs of the Corporation and such other powers and duties as the Board may specify.

### **7.05 Secretary**

If appointed, the secretary shall attend and be the secretary of all meetings of the Board and the members and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat. The secretary shall give or cause to be given, as and when instructed, all notices to members, directors, officers, public accountants and members of committees of the Board. The secretary shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, records

and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose, and shall have such other powers and duties as may be specified by the Board.

#### **7.06 Treasurer**

If appointed, the treasurer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation. The treasurer shall render to the Board whenever required an account of all transactions as treasurer and of the financial position of the Corporation and shall have such other powers and duties as may be specified by the Board.

#### **7.07 Powers and Duties of Officers**

The powers and duties of all officers shall be such as the terms of their engagement call for or as the Board or (except for those whose powers and duties are to be specified only by the Board) the president may specify. The Board and (except as aforesaid) the president may, from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the Board or the president otherwise directs.

#### **7.08 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.

#### **7.09 Agents and Attorneys**

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

#### **7.10 Conflict of Interest**

An officer of the Corporation shall disclose to the Corporation, in the manner and to the extent provided by the Act, any interest that such officer has in a material contract or transaction, whether made or proposed, with the Corporation, if such officer (a) is a party to the contract or transaction, (b) is a director or an officer, or an individual acting in a similar capacity, of a party to the contract or transaction, or (c) has a material interest in a party to the contract or transaction. Such officer shall not vote on any resolution to approve the same except as provided by the Act.

#### **7.11 Remuneration**

Subject to any unanimous member agreement, the officers shall be paid such reasonable remuneration for their services as the Board may from time to time determine.

### **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 meeting of members 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 sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
- d. if provided in the form of an electronic document in accordance with Part 17 of the Act.

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch.

The secretary may change or cause to be changed the recorded address of any member, director, officer, public accountant or member of a committee of the board in accordance with any information believed by the secretary to be reliable. The declaration by the secretary that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any director or officer of the 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:

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.

The number of mediators may be reduced 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 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.

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**

### **Protection Of Directors, Officers And Others**

#### **10.1 Limitation of Liability**

All directors and officers of the Corporation in exercising their powers and discharging their duties shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, and without limiting any defences available to a director or an officer under the Act or otherwise, no director or officer shall be liable for:

- (a) the acts, omissions, failures, neglects or defaults of any other director, officer or employee;
- (b) any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation;
- (c) the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested;
- (d) any loss, damage or expense arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited;
- (e) any loss, damage or expense arising from any error of judgment or oversight on the part of such director or officer; or
- (f) any other loss, damage or expense arising from the execution of the duties of office or in relation thereto; provided that nothing in this Section shall relieve any director or officer from the duty to act in accordance with the Act or from liability for any breach of the Act.

#### **10.2 Indemnity**

Subject to the Act, the Corporation shall indemnify a director or officer, a former director or officer, or another individual who acts or acted at the Corporation's request as a director or officer or in a similar capacity of another entity, and their heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any

civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or such other entity.

10.3 Advance of Costs Subject to Section 10.4, The Corporation shall advance moneys approved by the Board, to a director, officer or other individual for the costs, charges and expenses of a proceeding referred to in Section 10.2. The individual shall repay the moneys if the individual does not fulfil the conditions of Section 10.4.

#### **10.4 Limitation**

The Corporation shall not indemnify an individual under Section 10.2 unless

(a) the individual acted honestly and in good faith with a view to the best interests of the Corporation, or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the Corporation's request, and

(b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful.

#### **10.5 Additional Circumstances**

The Corporation shall also indemnify an individual referred to in Section 10.2 in such other circumstances as the Act or law permits 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.

#### **10.6 Insurance**

Subject to the Act, the Corporation may purchase and maintain insurance for the benefit of an individual referred to in Section 10.2 as the Board may from time to time determine.

### **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 14<sup>th</sup> day of December, 2023 and confirmed by the members of the Corporation by special resolution on the 14<sup>th</sup> day of January, 2023.

Dated as of the 14<sup>th</sup> day of January, 2023.