

CARMAN AREA FOUNDATION INC.

BY-LAW NO. 1 – Revised May 27, 2014

ARTICLE ONE

INTERPRETATION

1.01 Definitions in this By-law:

“**Act**” means the Manitoba Corporations Act as amended or substituted from time to time;

“**Board**” means the Board of Directors of the Corporation;

“**Corporation**” means the Carman Area Foundation Inc., hereafter referred to as **CAFI**;

“**Chair**” means the Chairperson of the Corporation as elected by the directors; and

“**Secretary**” means the Secretary of the Corporation.

“**Executive Director**” means the chief administrative officer of the Corporation appointed in accordance with Clause 10.08 of the By-law.

1.02 Gender, etc.: In these by-laws and in all of the Corporation hereafter passed unless the context otherwise requires, words importing the singular number of the masculine gender shall include the plural number or the feminine gender, as the case may be, and vice versa, and references to persons shall include firms and corporations.

ARTICLE TWO

CORPORATE SEAL

2.01 The corporation, as is permitted, has been incorporated with seal.

ARTICLE THREE

MANDATE

3.01 The mandate of the Carman Area Foundation Inc. is to receive and maintain a fund or funds in perpetuity for the purpose of applying all or part of the interest therefrom in the form of grants to registered charities and other qualified donees as defined in the Income Tax Act.

3.02 The mandate of the CAFI applies to the geographic area encompassed by the Rural Municipality of Roland, the Rural Municipality of Dufferin, the Town of Carman, the Rural Municipality of Grey and the Sperling Area. At the discretion of the Board of Directors, grants may be made from time to time to qualified organizations outside the mandated area. The Board of Directors may also at their discretion broaden the mandated area where other opportunities or needs arise.

3.03 The corporation shall be carried on without the purpose of gain for its members, and any profits or other accretions to the corporation shall be used in promoting its mandate.

ARTICLE FOUR

MEMBERS

4.01 Members: Membership in the Corporation shall consist of the persons who are members of the Board. Such members shall act in the capacity of Directors of the Board as elected from time to time pursuant to Clause 8.07.

ARTICLE FIVE

HEAD OFFICE

- 5.01 Head Office:** The head office of the Corporation shall be in the Town of Carman, in the Province of Manitoba, and at such place therein as the Board may from time to time determine.

ARTICLE SIX

BOARD OF DIRECTORS

- 6.01 Board Complement:** The property and business of the Corporation shall be managed by the Board which shall consist of no more than seventeen (17) directors. After the initial three years of operation, this number could be reduced to a working number of ten (10) directors. All officers and committees shall be responsible to, and subject to the direction and control of the Board. The Board may be designated either as the Board of Directors or as the Board of Governors.
- 6.02 Qualifications of Directors:** In addition to the qualifications of directors as set out in the Act, all Directors shall have reached the legal age of majority and be Canadian citizens or have attained official landed immigrant status. Directors must be individuals (not corporations). All Directors shall be residents of the geographic area encompassed in the CAF mandate as stated in 3.02. A Director leaving said geographic area will resign their position as director, and an interim director will be appointed by the Board until the next annual meeting.
- 6.03 Term of Office:**
- a) The Board of Directors consists of ten directors, each elected for three-year terms.
 - b) Any director who has served three consecutive terms of office shall not be eligible for re-election to the Board until a period of at least one term has elapsed since their third successive term of office.
 - c) One Director shall be the representative from the R.M. of Roland and One Director shall be the representative from the R.M. of Grey.
 - d) Sufficient persons shall be nominated by the Nominating Committee to replace the Directors whose terms have expired. The Board shall elect the required number of Directors by a show of hands from those persons nominated by the Nominating Committee, unless a secret ballot vote is requested by a member of the Board.
 - e) Each Director shall hold office until the earlier of:
 - i) the date on which their successor is appointed in accordance with 6.03(d);
 - ii) their bankruptcy;
 - iii) a finding by a Canadian court of competent jurisdiction that he/she is of unsound mind;
 - iv) their resignation; or
 - v) their death.
 - f) Where a Director ceases to hold office prior to the end of his/her term, the Board of Directors may appoint a replacement Director to complete the remainder of the vacated term. The appointed Director is eligible for re-election for three additional three year terms.
 - g) Any Director may resign their position on the Board of Directors by written resignation.
- 6.04 No Remuneration of Directors or Committee Members:** The directors and members of committees shall serve without remuneration and no director or committee member shall directly or indirectly receive any profit from their position on the Board as such.
- 6.05 Reimbursement of Expenses:** A director or committee member may be reimbursed for reasonable expenses incurred in the performance of their duties, and any director or committee member who is engaged in or is a member of a firm engaged in any business or profession may act in and be paid the usual professional costs and charges for any professional business required to be done in connection with the administration of the affairs of the Corporation.
- 6.06 Removal of Directors:** Any director may be removed at any duly convened meeting of the members by a vote of not less than two thirds of the members present at such meeting.

ARTICLE SEVEN

BOARD MEETINGS

- 7.01 Frequency and Notice:** Meetings of the Board may be held at any time and place as determined by the Board, provided that seven (7) clear days notice of such meeting shall be sent in writing or electronically to each director. There shall be at least one meeting per year.
- 7.02 Waiver of Notice:** A meeting of the Board may be held and duly constituted at any time without notice if all the Directors are present or, if any are absent, those absent have waived notice or signified their consent to the meeting being held in their absence or thereafter have ratified and approved the proceedings thereof or action taken and any resolution passed thereat.
- 7.03 Means of Communication:** If all the Directors consent, a Director may participate in a meeting of Directors by means of such telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a Director participating in the meeting by that means is deemed, for the purposes of the Act, to be present at the meeting.
- 7.0 Quorum:** The quorum for any meeting of the Board shall consist of a majority of the Board. Where the Chair ascertains that there are not enough directors present to make a decision in the best interests of the Corporation, the Chair has the authority to table a motion prior to the vote, to enable input from directors not present at the meeting.
- 7.05 Voting:** Directors will work towards consensus in decision making by the Board of Directors. If a vote is necessary, a majority vote of the Directors present is sufficient to pass a motion. The Chair is eligible to vote on all motions.
- 7.06 Tie Vote:** A tie vote constitutes a lost motion.

ARTICLE EIGHT

COMMITTEES

- 8.01 Creation of Committees:** The Board may create committees, the terms of reference, power and membership of which shall be determined by the Board. The Board will create standing policy to govern the functions of the committees appointed by the Board.
- 8.02 Procedure of Meetings:** Procedure for meetings of any committee shall be determined by the committee members.
- 8.03 Quorum:** A majority of members of a committee shall constitute a quorum of the Committee.
- 8.05 Chair:** The Board of Directors has the authority to appoint the chair of any committee, or to delegate the appointment of the committee chair to the committee members.
- 8.06 Removal of Committee Members:** The Board may remove any member of any committee created by the Board by a vote of not less than two thirds of the directors present at a meeting duly called by the Board.
- 8.07 Nominating Committee:** A Nominating Committee will be struck from members of the Board of Directors of the CAFI. The Nominating Committee will be required to nominate the appropriate number of directors for election to the Board in accordance with Clause 6.03(d).
- a) The Nominating Committee will submit for comment and consideration each slate of nominees to the following elected officials:
- The Mayor of the Town of Carman
 - The Reeve of the Rural Municipality of Dufferin
 - The Reeve of the Rural Municipality of Roland
 - The Reeve of the Rural Municipality of Grey
 - The President of the Carman & Area Chamber of Commerce
- 8.08 Nominating Committee Meetings:** The Nominating Committee shall meet as needed to appoint a slate of nominees for directors to the Board as contemplated by Clause 6.03(d), and shall meet at such other times as the Board may determine.

ARTICLE NINE

PROTECTION OF DIRECTORS AND OFFICERS

- 9.01 Indemnification:** Subject to the limitations contained in the Act, Carman Area Foundation shall indemnify every director or officer of the Corporation who has undertaken or is about to undertake any liability on behalf of the Corporation or any company controlled by it, and their heirs, executors and administrators, and estate and effects, respectively, against 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 them, or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by them, in or about the execution of the duties of their office or in respect of any liability, if:
- a) they acted honestly and in good faith with a view to the best interest of the Corporation; and
 - b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, they had reasonable grounds for believing that their conduct was lawful.
- 9.02** Directors shall not, as such, be held answerable or responsible for any act, default, obligation or liability of the Corporation or for any engagement, claim, payment, loss, injury, transaction, matter or thing related to or connected with the Corporation except through his own wrongful and willful act or omission.

ARTICLE TEN

OFFICERS

- 10.01 Officers:** The officers of the Corporation shall be the Chair, one or more Vice-Chairs, a Secretary and a Treasurer, and such other officers as the Board may by by-law determine. Any two offices may be held by the same person.
- 10.02 Appointment and Removal:** Officers shall be appointed by resolution of the Board annually at the first meeting of the Board following the appointment of directors provided for in Clause 6.03(d). An officer may be removed from office at any time at a duly convened meeting of the Board by a vote of not less than two-thirds of the members present at such a meeting. The terms of employment of any officers, including remuneration, if any, to be paid to any officer, shall be determined by the Board.
- 10.03 Term of Office:** The officers of the Corporation shall hold office for one year from the date of appointment or election or until their successors are elected or appointed.
- 10.04 Chairperson:** The Chairperson shall:
- a) be the chief executive officer of the corporation;
 - b) if present, preside at all meetings of the Board;
 - c) subject to the control, supervision and direction of the Board, have general control and supervision of the affairs of the Corporation.
- 10.05 Vice-Chair:** The Vice-Chair shall, in the absence or disability of the Chairperson, perform the duties and exercise the powers of the Chairperson.
- 10.06 Treasurer:** The Treasurer shall be responsible to ensure:
- a) secure custody of all corporate funds and securities;
 - b) that full and accurate accounts are kept of all assets, liabilities, receipts and disbursements of the Corporation;
 - c) appropriate deposit of all monies, securities and other valuable effects in the name and to the credit of the Corporation in such chartered bank, credit union or trust company, or in the case of securities, in such registered dealers in securities as may be designated by the Board from time to time;
 - d) disbursement of the funds of the Corporation as may be directed by the Board, taking proper documentation for such disbursements;
 - e) that accounts of all the transactions and a statement of the financial position of the Corporation are presented to the Board annually or more frequently as requested by the Board; and
 - f) that he/she is familiar with Canada Revenue Agency requirements with respect to donations and foundation, and that professional advice be sought as needed regarding these requirements.

- 10.07 Secretary:** The Secretary shall:
- a) attend all Board meetings and act as Secretary thereof and record all votes and minutes of all proceedings in the books to be kept for that purpose.
 - b) give or cause to be given notice of all meetings of the Board.
- 10.08 Executive-Director:** The Executive Committee of the Board of Directors shall hire an Executive Director to manage the day to day operation of the Corporation. The Executive Director may be appointed by the Board to assume the role of Secretary to the Corporation.
- 10.09 Other Officers:** The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the Board require of them.

ARTICLE ELEVEN

POWERS OF THE BOARD

- 11.01** The Board of Directors of CAFI shall oversee the administration of the affairs of CAFI in all things and authorize, make or cause to be made for CAFI, in its name, any kind of contract which CAFI may lawfully enter into and, save as hereinafter provided, generally may exercise all such powers and do all such other acts and things as CAFI is, by its Articles of Incorporation, By-Laws, or otherwise authorized to exercise and do.
- 11.02** The Board of Directors may hire under contract or otherwise make arrangements for or with individual(s), agency(s), corporation(s), cooperatives or other entities to conduct business, to limit CAFI's liability and to ensure accountability including time bound deliverables or activities.
- 11.03** The Board of Directors shall have the power to authorize or make expenditures on behalf of CAFI from time to time and may delegate by resolution to an officer or officers of CAFI the right to employ and pay salaries to employees.
- 11.04** The Board of Directors shall take such steps as they may deem requisite to enable CAFI to acquire, accept, solicit, or receive legacies, gifts, grants, settlements, bequests, endowments or donations of any kind whatsoever for the purpose of accomplishing CAFI's mandate and strategic plan.
- 11.05** The Board of Directors shall take such steps as they may deem requisite to borrow funds for the purpose of accomplishing CAFI's mandate, but shall not borrow an amount greater than the funds required for distribution to donees and operation of the Board on any given year.
- 11.06** The Board of Directors by a vote of two-thirds of the members present at a duly called meeting of the Board may remove any Director or Executive-Director who has been convicted of a crime of moral turpitude or who is deemed to have acted in conflict with any of CAFI's by-laws or policies.
- 11.07** The Board of Directors may establish policies setting out procedures for the exercise of their powers referred to in Article Eleven.

ARTICLE TWELVE

EXECUTION OF DOCUMENTS

- 12.01 Execution of Documents:** The Board may from time to time by resolution in writing, designate an officer or officers to sign specific contracts, documents, and instructions in writing on behalf of the Corporation, and may grant a power of attorney on behalf of the Corporation to any registered dealer in securities for the purposes of the transferring of and dealing with any stocks, bonds, and other securities of the Corporation. Contracts, documents or any instructions in writing requiring the signature of the Corporation shall be signed by any director or officer designated by the Board, together with any other director or officer designated by the Board. All contracts, documents, and instructions in writing so signed shall be binding upon the Corporation without any further authorization or formality.

ARTICLE THIRTEEN

MEETINGS

- 13.01 **Time and Place:** The annual or any other general meeting of the members shall be held at any place in the Foundation catchment area and at any time as the Board may determine.
- 13.02 **Annual Meeting:** At every annual meeting, in addition to any other business that may be transacted, the financial statement and the report of the auditors shall be presented and auditors shall be appointed for the ensuing year.
- 13.03 **Notice:** Fourteen (14) clear days prior written notice shall be given to each member of any annual or special general meeting of the members. A majority of the members present in person at the meeting shall constitute a quorum. Notice of any meeting where special business shall be transacted shall contain enough information to permit a member to make a reasoned judgment on the decision to be taken. The Board of Directors shall call a special general meeting of the members when the Chair or any two officers request such a meeting, or upon receiving a request in writing from two-thirds of the members stating the reasons in such particularity that appropriate notice can be given to members.
- 13.04 **Error or Omission:** No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether annual or general, of the members of the corporation shall invalidate such meeting.
- 13.05 **Votes:** Each member present at a meeting shall have the right to exercise one vote.

ARTICLE FOURTEEN

FINANCIAL YEAR

- 14.01 **Year End:** Unless otherwise ordered by the Board, the fiscal year end of the Corporation shall be December 31st.

ARTICLE FIFTEEN

AMENDMENT OF BY-LAWS

- 15.01 **Amendment of By-Laws:** By-laws of the Corporation may be enacted, repealed or amended only by a majority of the directors at a meeting of the Board and sanctioned by at least two-thirds of the members at a meeting duly called for the purpose of confirming the said by-law.

ARTICLE SIXTEEN

AUDITOR

- 16.01 **Appointment of Auditor:** The members shall at each annual meeting appoint a qualified accounting firm to either do a full audit of the Corporation's accounts or to prepare financial statements with a "Review Engagement Report for the Corporation for the upcoming fiscal year. In the event that the appointed firm cannot fulfill the duties, the Board of Directors may appoint an alternate qualified firm. The remuneration of the accounting firm shall be fixed by the Board.

ARTICLE SEVENTEEN

RULES AND REGULATIONS

- 17.01 **Rules and Regulations:** The Board may prescribe such rules and regulations not inconsistent with these by-laws relating to the management and operation of the Corporation as they deem expedient.

Enacted this 27th day of May, 2014

Chair

Secretary