

Approved by Resolution of the Board of Directors – February 8, 2017

Approved by Special Resolution of Members – June 5, 2017

Schedule B

**BY-LAW NO. 1.2**

A by-law relating generally to the conduct  
of the affairs of  
**DIGITAL ID AND AUTHENTICATION COUNCIL OF CANADA**  
(the “**Corporation**”)

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

**1. INTERPRETATION**

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

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**“in-good-standing”** shall mean that a member has fulfilled the requirements of membership’

**“meeting of members”** includes an annual meeting of members and a special meeting of members;

**“member”** shall mean an entity that has completed the application forms and executed the required membership and contributors agreements, satisfied the objective membership criteria for the Corporation, and paid the appropriate membership fee as established by the board. For purposes of these by-laws, a member and its Affiliates shall be deemed as one member;

**“ordinary resolution”** means a resolution passed by a majority of not less than 50% plus one (1) of the votes cast on that resolution;

**“operating procedures”** shall mean the policies adopted by the board of directors governing the management of the internal and external business and affairs of the Corporation, as amended from time to time.

**“proposal”** means a proposal submitted by a member of the Corporation that meets the requirements of Section 163 of the Act;

**“regulations”** means the regulations made under the Act, as amended, restated or in effect from time to time;

**“special meeting of members”** means a special meeting of all members entitled to vote at an annual meeting of members and a meeting of any class or classes, or regional or other groups of members entitled to vote on the question at issue; and

**“special resolution”** means a resolution passed by a majority of not less than two-thirds of the votes cast on that resolution.

**1.2 Interpretation** - In the interpretation of this by-law, unless the context otherwise requires, the following rules shall apply:

- (a) except where specifically defined in this by-law, words and expressions defined in the Act have the same meanings when used in these by-laws;
- (b) words in the singular include the plural and vice versa;
- (c) words in one gender include all genders;
- (d) **“person”** includes an individual, body corporate, partnership, trust, and unincorporated organization; and
- (e) 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 of

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the by-laws or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

## **2. GENERAL**

**2.1 Registered Office** - The registered office of the Corporation shall be situated in the province specified in the articles, at such address as the board may, by resolution, determine. Subject to the Act, the members may, by special resolution, change the province in which the registered office of the Corporation shall be situated.

**2.2 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.

**2.3 Financial Year End** - The financial year end of the Corporation shall be determined by the board of directors.

**2.4 Execution of Documents** - Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by any two (2) of its officers. 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.

**2.5 Banking Arrangements** - The banking business of the Corporation shall be transacted at such bank, trust company or other firm or corporation carrying on banking business in Canada or elsewhere as the board may designate, appoint or authorize from time to time by resolution. The banking business or any part of it shall be transacted by 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.

**2.6 Appointment of Public Accountant** - Subject to the Act, unless the members have all resolved not to appoint a public accountant, the members of the Corporation shall, by ordinary resolution at each annual meeting, appoint a public accountant to hold office until the next following annual meeting. The directors may appoint a public accountant at the first organizational meeting following incorporation to hold office until the first annual meeting of members and may also, subject to the articles, fill any casual vacancy in the office of the public accountant. The remuneration of the public accountant may be fixed by ordinary resolution of the members, or if not so fixed, shall be fixed by the directors.

**2.7 By-laws and Effective Date** - Subject to the articles, the board may, by resolution, make, amend or repeal any by-laws that regulate the activities or affairs of the Corporation. 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,

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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.

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

**2.8 Borrowing Powers** - The directors of the Corporation may, without authorization of the members,

- (a) borrow money on the credit of the Corporation;
- (b) issue, reissue, sell, pledge or hypothecate debt obligations of the Corporation;
- (c) give a guarantee on behalf of the Corporation to secure performance of an obligation to any person; and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any debt obligation of the Corporation.

**2.9 Annual Financial Statements** - The Corporation shall send to the members a copy of the annual financial statements and other documents referred to in Subsection 172(1) of the Act or a copy of a publication of the Corporation reproducing the information contained in the documents. Instead of sending the documents, the Corporation may send a summary to each member along with a notice informing the member of the procedure for obtaining a copy of the documents themselves free of charge. The Corporation is not required to send the documents or a summary to a member who, in writing, declines to receive such documents.

The Corporation may, instead of sending copies of the annual financial statements and other documents referred to in Subsection 172(1) 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.

### **3. DIRECTORS**

**3.1 Powers** - Subject to the Act and the articles, the directors shall manage or supervise the management of the activities and affairs of the Corporation.

**3.2 Number** - Until changed in accordance with the Act, the board shall consist of the number of directors specified in the articles, provided that in the case of a soliciting

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corporation the minimum number of directors may not be fewer than three (3), at least two of whom are not officers or employees of the Corporation or its affiliates. If a minimum and maximum number of directors is provided for in the articles, subject to the requirements regarding the minimum number of directors for soliciting corporations referred to in this paragraph, the members may, from time to time by ordinary resolution, fix the number of directors and the number of directors to be elected at annual meetings of the members or delegate those powers to the directors.

**3.3 Qualifications** - Each director shall be: (a) anyone who is not less than 18 years of age; (b) anyone who has not been declared incapable by a court in Canada or in another country; (c) an individual; (d) a person who has not the status of a bankrupt. (e) be highly regarded and respected by others in the community which the Corporation serves; and (f) hold a position of senior leadership and ideally have served as directors of organizations in the same or similar field.

If a director acquires the status of a bankrupt or is declared incapable, such person shall immediately cease to be a director. A director need not be a member.

**3.4 Election and Term** - Subject to Subsection 128(3) of the Act, the members of the Corporation shall elect, at the first meeting of members and at each succeeding annual meeting at which an election of directors is required, directors to hold office for a term expiring not later than the close of the fourth annual meeting of members following the election. A director not elected for an expressly stated term ceases to hold office at the close of the first annual meeting of members following his election, but, if qualified, is eligible for re-election. If directors are not elected at a meeting of members, the incumbent directors continue in office until their successors are elected.

**3.5 Consent** - A director who is elected or appointed must consent to hold office as a director by:

- (a) not refusing to hold office if such person is present at the meeting when the election or appointment takes place,
- (b) consenting to hold office in writing before the election or appointment takes place or within ten (10) days after it if such person is not present at the meeting, or
- (c) by acting as a director pursuant to such person's election or appointment.

**3.6 Vacation of Office** - A director ceases to hold office when the director dies, resigns, is removed from office by the members, or becomes disqualified to serve as director.

**3.7 Resignation** - A director may resign from office by giving a written resignation to the Corporation and such resignation becomes effective when received by the Corporation or at the time specified in the resignation, whichever is later.

**3.8 Removal** - Subject to Section 131 of the Act, the members may, by ordinary resolution passed at a special meeting of members, remove any director from office

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before the expiration of the director's term and may elect a qualified individual to fill the resulting vacancy for the remainder of the term of the director so removed, failing which such vacancy may be filled by the board.

**3.9 Vacancies** - Subject to Subsection 3.8 of this by-law and the Act, a vacancy on the board may be filled for the remainder of the term by a qualified individual by ordinary resolution of the directors. If there is not a quorum of directors or if a vacancy results from the failure to elect the number of directors required to be elected at any meeting of members, the directors then in office shall without delay call a special meeting of members to fill the vacancy and, if they fail to call a meeting or if there are no directors then in office, the meeting may be called by any member.

**3.10 Delegation** - The board may appoint from their number a managing director or a committee of directors and delegate to the managing director or committee any of the powers of the board except those which may not be delegated by the board pursuant to Subsection 138(2) of the Act. Unless otherwise determined by the board, such a committee shall have the power to fix its quorum at not less than a majority of its members, to elect its chairman and to otherwise regulate its procedure.

**3.11 Other 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. The board of directors may fix any remuneration for committee members who are not also directors of the Corporation.

**3.12 Remuneration and Expenses** - Subject to the articles, the directors of the Corporation may, by resolution, fix the reasonable remuneration of the directors, officers and employees of the Corporation. A director, officer or member may receive reasonable remuneration and expenses for any services to the Corporation that are performed in a capacity other than as a director, officer or member. Any director, officer or employee of the Corporation may receive reimbursement for their expenses incurred on behalf of the Corporation in their respective capacities as a director, officer or employee.

#### **4. MEETINGS OF DIRECTORS**

**4.1 Place of Meetings** - Meetings of the board may be held at the registered office of the Corporation or at any other place within or outside of Canada, as the board may determine.

**4.2 Calling of Meetings** - Meetings of the board may be called by the chairperson of the board, the vice-chairperson 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.

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**4.3 Notice of Meeting** - Notice of the time and place for the holding of a meeting of the board shall be given in the manner provided in Section 9 of this by-law to every director of the Corporation not less than two (2) 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. Except in the case of matters referred to in Subsection 136(3) of the Act, no notice of any meeting of the board need specify the purpose or the business to be transacted at the meeting.

**4.4 First Meeting of New Board** - Provided that a quorum of directors is present, a newly elected board may, without notice, hold its first meeting immediately following the meeting of members at which such board is elected.

**4.5 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) of the Act requires the purpose thereof or the business to be transacted to be specified in the notice.

**4.6 Quorum** – Two-thirds (2/3) of the number of directors specified in the articles or where there is a minimum or maximum number, Two-thirds (2/3) of the number of directors fixed by ordinary resolution, constitutes a quorum at any meeting of the board. For the purpose of determining quorum, a director may be present in person, or, if authorized under Subsection 4.8 of this by-law, by means of a telephonic, an electronic or other communication facility.

**4.7 Resolutions in Writing** - A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or of a committee of directors, is as valid as if it had been passed at a meeting of directors or committee of directors. A copy of every such resolution in writing shall be kept with the minutes of the meetings of directors or committee of directors.

**4.8 Participation at Meeting by Means of a Telephonic, an Electronic or Other Communication Facility** - Subject to the Act, a director may, if all the directors consent, participate in a meeting of directors or of a committee of directors by means of a telephonic, an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. A director so participating in a meeting is deemed for the purposes of the Act to be present at that meeting. A consent pursuant to this section may be given before or after the meeting to which it relates and may be a "blanket" consent, relating to all meetings of the directors and/or committees of the directors.

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**4.9 Chairperson of the Meeting** - In the event that the chairperson of the board and the vice-chairperson of the board are absent, the directors who are present shall choose one of their number to chair the meeting.

**4.10 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 chairperson of the meeting in addition to an original vote shall have a second or casting vote.

**4.11 Disclosure of Interest** - A director or an officer of the Corporation shall disclose in writing to the Corporation or request to have entered in the minutes of meetings of directors or committees of directors, the nature and extent of any interest that the director or officer has in any material contract or material transaction whether made or proposed, with the Corporation if the director or officer:

- (a) is a party to the contract or transaction;
- (b) is a director or 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.

Disclosure shall be made at the time and in the manner required by the Act, and a director so having an interest in a contract or transaction shall, unless expressly permitted by the Act, not vote on any resolution to approve the contract or transaction.

## **5. OFFICERS**

**5.1 Appointment** - The board may designate the offices of the Corporation, appoint officers, specify their duties and, subject to the Act, delegate to such officers the power to manage the activities and the affairs of the Corporation. A director may be appointed to any office of the Corporation. An officer may, but need not be, a director unless these by-laws otherwise provide. Two or more offices may be held by the same person.

**5.2 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 appointed, shall have the following duties and powers associated with their positions:

- (a) **Chairperson of the Board** - The chairperson of the board, if one is to be appointed, shall be a director. The chairperson of the board, if any, shall, when present, preside at all meetings of the board of directors and of the members. The chairperson shall have such other duties and powers as the board may specify.
- (b) **Vice-Chairperson of the Board** - The vice-chairperson of the board, if one is to be appointed, shall be a director. If the chairperson of the board is absent or is unable or refuses to act, the vice-chairperson of the board, if any, shall, when present, preside at all meetings of the board of directors and of the members. The



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vice-chairperson shall have such other duties and powers as the board may specify.

- (c) **President** - If appointed, the president shall be the chief executive officer of the Corporation and shall be responsible for implementing the strategic plans and policies of the Corporation. The president shall, subject to the authority of the board, have general supervision of the affairs of the Corporation. The president shall have such other duties and powers as the board may specify.
- (d) **Secretary** - If appointed, the secretary shall attend and be the secretary of all meetings of the board, members and committees of the board. The secretary shall enter or cause to be entered in the Corporation's minute book, minutes of all proceedings at such meetings; the secretary shall give, or cause to be given, as and when instructed, notices to members, directors, the public accountant and members of committees; the secretary shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation. The secretary shall have such other duties and powers as the board may specify.
- (e) **Treasurer** - If appointed, the treasurer shall be responsible for the maintenance of proper accounting records in compliance with the Act as well as the deposit of money, the safekeeping of securities and the disbursement of funds of the Corporation; whenever required, the treasurer shall render to the board an account of all such person's transactions as treasurer and of the financial position of the Corporation. The treasurer shall have such other duties and powers as the board may specify.

The duties and powers of all other officers of the Corporation shall be such as the terms of their engagement call for or the board requires of them. The board may from time to time and subject to the Act, vary, add to or limit the powers and duties of any officer.

**5.3 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.

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**5.4 Remuneration of Officers** - The remuneration of all officers appointed by the board of directors shall be determined in accordance with Subsection 3.12 of this by-law.

**5.5 Agents and Attorneys** -The board may authorize any officer from time to time to appoint agents or attorneys for the Corporation in or out of Canada with such powers of management, administration or otherwise as the board considers fit.

**5.6 Disclosure (Conflict of Interest)** - An officer shall have the same duty to disclose such officer's interest in a material contract or transaction whether made or proposed with the Corporation, as is imposed upon directors pursuant to the provisions of the Act and Subsection 4.11 of this by-law.

## **6. PROTECTION OF DIRECTORS, OFFICERS AND OTHERS**

**6.1 Standard of Care** - Every director and officer 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 shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Every director and officer of the Corporation shall comply with the Act, the regulations, articles and by-laws.

**6.2 Indemnity of Directors and Officers** - Subject to the Act, the Corporation must indemnify a present or former director or officer of the Corporation, 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, 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 other entity if,

- (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.

The Corporation may indemnify such person in all such other matters, actions, proceedings and circumstances as may be permitted by the Act or the law. 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.

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**6.3 Insurance** - Subject to the Act, the Corporation may purchase and maintain insurance for the benefit of any individual entitled to be indemnified by the Corporation pursuant to Subsection 6.2 of this by-law against any liability incurred by the individual:

- (a) in the individual's capacity as a director or an officer of the Corporation; or
- (b) in the individual's capacity as a director or officer, or in a similar capacity, of another entity, if the individual acts or acted in that capacity at the Corporation's request.

**6.4 Advances** - With respect to the defense by a director, an officer or other individual of any claims, actions, suits or proceedings, whether civil, criminal, administrative, investigative or other proceeding for which the Corporation is liable to indemnify a director, an officer or other individual pursuant to the terms of the Act, the board of directors may authorize the Corporation to advance to the director, officer or other individual such funds as may be reasonably necessary for the defence of such claims, actions, suits or proceedings upon written notice by the director, officer or other individual to the Corporation disclosing the particulars of such claims, actions, suits or proceedings and requesting such advance. The director, officer or other individual shall repay the money advanced if the director or officer does not fulfill the conditions of Subsection 151(3) of the Act.

## **7. MEMBERS**

**7.1 Conditions of Membership** - Membership in the Corporation shall be available only to persons interested in furthering the Corporation's purpose 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.

**7.2 Transfer of Membership** - A membership may only be transferred to the Corporation. Pursuant to Subsection 197(1) of the Act, a special resolution is required to make any amendment to add, change or delete this section of the by-law.

**7.3 Termination of Membership** - A membership in the Corporation is terminated when:

- (a) the member dies, resigns 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 the Subsection on membership conditions of this by-law;
- (c) the member resigns by delivering a written resignation to the chairperson of the board of the Corporation in which case such resignation shall be effective on the date specified in the resignation;

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- (d) the member is expelled in accordance with any discipline of members Subsection or is otherwise terminated in accordance with the articles or Subsection 7.4 of this by-law;
- (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.

**7.4 Discipline** - 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 thirty (30) 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 thirty (30) days 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 the member is suspended or expelled from membership in the Corporation. If written submissions are received in accordance with this Subsection of this by-law, the board will consider such submissions in arriving at a final decision and shall notify the member concerning such final decision within a further thirty (30) 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.

**7.5 Membership Dues** - Members shall be notified in writing of the membership fees, if any, at any time payable by them and, if any are not paid within three (3) calendar months of the membership renewal date, as the case may be, the members in default shall automatically cease to be members of the Corporation.

**7.6 Membership Classes** – Membership in the Corporation shall be available only to persons interested in furthering the Corporation's purpose and who have applied for and been accepted into membership in the Corporation by resolution of the board of directors or in such other manner as may be determined by the board. Subject to the articles, the

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Corporation will have three classes of membership:

- (a) Sustaining members;
- (b) Adopter members; and
- (c) Affiliate members.

**7.7 Membership Rights and Conditions** – The following conditions of membership for each class shall apply:

- (a) Sustaining members shall have all of the rights of a member, subject to the following:
  - (i) Sustaining membership will be open only to persons who have applied for and been admitted to the membership as a Sustaining member. Sustaining membership is only open to persons who:
    - A. Are legal entities (corporations or orders of government federal or provincial, municipal) who have:
      - (a) completed the membership agreement;
      - (b) completed the contributions agreement; and
      - (c) paid the annual membership due assigned to Sustaining member status.
  - (ii) Subject to the articles, the Sustaining members shall be entitled to receive notice of and to attend all meetings of the members of the Corporation and each Sustaining member shall have one (1) vote at each such meeting, except for meetings at which only members of another class are entitled to vote separately as a class. Sustaining members are entitled to vote upon the Corporation's Organizational Ballots (as such term is defined in the Corporation's Operating Procedures);
  - (iii) Sustaining members will be entitled to vote in expert groups; and
  - (iv) Sustaining members shall have access to and may participate in the Corporation's Expert Committees and Special Interest Committees (as such terms are defined in the Corporation's Operating Procedures) and if they are a member of such committees, they shall be entitled to vote on matters being considered by such committees.

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- (b) Adopter members shall have all of the rights of a member, subject to the following:
- (i) Adopter membership will be open only to persons who have applied for and been admitted to the membership as an Adopter member. Adopter membership is only open to persons who:
    - A. Are legal entities (corporations or orders of government federal or provincial, municipal) who have:
      - (a) completed the membership agreement;
      - (b) completed the contributions agreement; and
      - (c) paid the annual membership due assigned to Adopter member status.
  - (ii) Subject to the articles and except as otherwise provided by the *Canada Not-for-profit Corporations Act*, S.C. 2009, c. 23, the Adopter members shall be entitled to receive notice of and to attend all meetings of the members of the Corporation but they are not entitled to vote at meeting of members of the Corporation. Adopter members shall not be entitled to vote on the Corporation's Organizational Ballots (as such term is defined in the Corporation's Operating Procedures); and
  - (iii) Adopter members shall have access to and may participate in the Corporation's Special Interest Committees but not the Expert Interest Committees nor shall an Adopter member be able to propose a charter for or serve as an officer on any Special Interest Committee or Expert Interest Committee.
- (c) Affiliated Sustaining members shall have all of the rights of a member, subject to the following:
- (i) Affiliated Sustaining members will be open only to persons who have applied for and been admitted to the membership as an Affiliated Sustaining member. Affiliated Sustaining membership is only open to persons who:
    - A. Are a federal or provincial government body, who have:
      - (a) completed the membership agreement;
      - (b) completed the contributions agreement; and

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(c) paid the annual membership due assigned to Affiliated Sustaining member status.

B. Have a Sustaining member from the same province or, if the Affiliated Sustaining member is a federal body, a federal Sustaining member, willing to act as the Affiliated Sustaining member's sponsor at all times that such Affiliated Sustaining member is an Affiliated Sustaining member who is at all relevant times in compliance with the Corporation's Sustaining membership requirements (the "Sponsor").

(ii) An Affiliated Sustaining member's membership shall be terminated should the Sponsor cease to meet the Sustaining membership requirements or cease to sponsor the Affiliated Sustaining member unless such Affiliated Sustaining member shall, within thirty days of notice of cessation (in writing) of the termination of the Sustaining member's membership, identify a new Sustaining member sponsor and be approved by that new Sustaining member sponsor;

(iii) Affiliated Sustaining members shall have access to and may participate in the Corporation's Special Interest Committees and, at the invitation of the Corporation, to the Expert Interest Committees. An Affiliated Sustaining member shall not be able to propose a charter for or serve as an officer on any Special Interest Committee or Expert Interest Committee; and

(iv) Subject to the articles and except as otherwise provided by the *Canada Not-for-profit Corporations Act*, S.C. 2009, c. 23, the Sustaining Affiliated members shall be entitled to receive notice of and to attend all meetings of the members of the Corporation but they are not entitled to vote at meetings of the members of the Corporation. Sustaining Affiliated members shall not be entitled to vote on the Corporation's Organizational Ballots (as such term is defined in the Corporation's Operating Procedures).

## **7.8 Members Rights to Nominate Directors and be Nominated as Directors**

- (a) Sustaining members are eligible to propose nominations for the election of directors, in accordance with the Corporation's by-laws, and they are eligible to be nominated to be elected as a director of the Corporation
- (b) Adopter members are not eligible to propose nominations for the election of directors and they are not eligible to be nominated as a director of the Corporation.

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- (c) Sustaining Affiliated members are not eligible to propose nominations for the election of directors and they are not eligible to be nominated as a director of the Corporation.

## **8. MEETINGS OF MEMBERS**

**8.1 Annual Meetings** - The board shall call, at such date and time as it determines, an annual meeting of members for the purpose of:

- (a) considering the financial statements and reports of the Corporation required by the Act to be presented at the meeting;
- (b) electing directors;
- (c) appointing the public accountant and transacting such other business as may properly be brought before the meeting or is required under the Act.

**8.2 Proposals at Annual Meeting** - Subject to the Act, a member entitled to vote at an annual meeting of members may submit to the Corporation notice of any matter that the member proposes to raise at the annual meeting. Any such proposal may include nominations for the election of directors if the proposal is signed by not less than 5% of the members of a class or group of members of the Corporation entitled to vote at the meeting at which the proposal is to be presented. The Corporation shall include the proposal in the notice of meeting and if so requested by the member, shall also include a statement by the member in support of the proposal and the name and address of the member. The member who submitted the proposal shall pay the cost of including the proposal and any statement in the notice of meeting at which the proposal is to be presented unless it is otherwise provided by ordinary resolution of the members present at the meeting.

**8.3 Special Meetings** - The board of directors may at any time call a special meeting of members for the transaction of any business which may properly be brought before the members. The board of directors shall call a special meeting of members in accordance with Section 167 of the Act, on written requisition of members carrying not less than 5% of the voting rights. If the directors do not call a meeting within 21 days of receiving the requisition, any member who signed the requisition may call the meeting.

**8.4 Place of Meetings** - Subject to compliance with Section 159 of the Act, meetings of the members may be held at any place within Canada determined by the board or, if all of the members entitled to vote at such meeting so agree, outside Canada.

**8.5 Special Business** - All business transacted at a special meeting or an annual meeting of members constitutes special business, except:



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- (a) consideration of the minutes of an earlier meeting;
- (b) consideration of the financial statements and the public accountant's report;
- (c) election of directors; and
- (d) reappointment of the incumbent public accountant.

**8.6 Notice of Meetings** - Notice of the time and place of a meeting of members shall be sent not less than 21 days before the meeting is to take place to the following:

- (a) to each member entitled to vote at the meeting (which may be determined in accordance with any record date fixed by the board of directors or failing which, in accordance with the Act);
- (b) to each director; and
- (c) to the public accountant of the Corporation.

Such notice shall be provided in accordance with the requirements of Section 9 of this by-law and shall, subject to the Act, include any proposal submitted to the Corporation under Subsection 8.2 of this by-law. Notice of a meeting of members at which special business is to be transacted shall state the nature of that business in sufficient detail to permit the member to form a reasoned judgment on the business and provide the text of any special resolution or by-law to be submitted to the meeting.

**8.7 Waiving Notice** - A member and any other person entitled to attend a meeting of members may in any manner and at any time waive notice of a meeting of members, and attendance of any such person at a meeting of members is 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.

**8.8 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 chairperson of the meeting or with the consent of the meeting.

**8.9 Chairperson of the Meeting** - In the event that the chairperson of the board and the vice-chairperson of the board are absent, the members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

**8.10 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 six (6) members present at the meeting. If a quorum is present at the opening of a meeting of members, the members present may proceed with the business of the meeting even if a quorum is not present

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throughout the meeting. If the Corporation has only one member, the member present in person or by proxy constitutes a meeting. For the purpose of determining quorum, a member may be present in person, or, if authorized under Subsection 8.11 of this by-law, by telephonic, electronic or other communication facility.

**8.11 Participation at Meetings by Telephonic, Electronic or Other Communication Facility** - Any person entitled to attend a meeting of members may participate in the meeting using telephonic, electronic or other communication facility permitting all participants to communicate adequately with each other during the meeting if the Corporation makes available such a communication facility. A person participating in the meeting by any such communication facility is deemed to be present at the meeting. A person participating by telephonic, electronic or other communication facility may vote by any such means if the facility enables the votes to be gathered in a manner that permits its subsequent verification and permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how the person voted.

**8.12 Meeting Held by Telephonic, Electronic or Other Communication Facility** - If the directors or members call a meeting of members under the Act, those directors or members, as the case may be, may determine that the meeting shall be held, in accordance with the Act, entirely by means of a telephonic, an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

**8.13 Adjournment** - The chairperson of any meeting of members may, with the consent of the meeting, adjourn the same from time to time to a fixed time and place and no notice of such adjournment need be given to the members provided the adjourned meeting takes place within 30 days of the original meeting. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

**8.14 Absentee Voting** - Subject to compliance with the Act, in addition to voting in person, every member entitled to vote at a meeting of members may vote by any of the following means:

- (a) by appointing in writing a proxyholder or one or more alternate proxyholders who are not required to be members, as the member's nominee to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by it;
- (b) by using a mailed-in ballot in the form provided by the Corporation provided that 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 without it being possible for the Corporation to identify how each member voted; or
- (c) by means of a telephonic, electronic or other communication facility, if the facility enables the votes to be gathered in a manner that permits their subsequent

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verification and permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each member voted.

**8.15 Votes to Govern** - Subject to the Act, and the articles, all questions proposed for consideration of the members shall be determined by ordinary resolution of the members. 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 chairperson of the meeting in addition to an original vote shall have a second or casting vote.

**8.16 Show of Hands** - Subject to the Act and Subsection 8.14 of this by-law, except where a ballot is demanded, voting on any question proposed for consideration at a meeting of members shall be by show of hands, and a declaration by the chairperson of the meeting as to whether or not the question or motion has been carried and an entry to that effect in the minutes of the meeting shall, in the absence of evidence to the contrary, be evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the motion.

**8.17 Ballots** - For any question proposed for consideration at a meeting of members, either before or after a vote by show of hands has been taken, the chairperson of the meeting, or any member or proxyholder may demand a ballot, in which case the ballot shall be taken in such manner as the chairperson directs and the decision of the members on the question shall be determined by the result of such ballot.

**8.18 Resolution in Lieu of Meeting** - Except where, pursuant to Section 166 of the Act, a written statement is submitted to the Corporation by a director or a public accountant:

- (a) a resolution in writing signed by all the members entitled to vote on that resolution at a meeting of members is as valid as if it had been passed at a meeting of the members; and
- (b) a resolution in writing dealing with all matters required by the Act to be dealt with at a meeting of members, and signed by all the members entitled to vote at that meeting, satisfies all the requirements of the Act relating to meetings of members.

A copy of every resolution referred to above shall be kept with the minutes of meetings of members.

## 9. Committees

**9.1 Expert Committee** - Any three (3) or more members may propose the creation of an expert committee (EC) by submitting a proposed EC terms of reference to the board. Formation of an EC requires approval of the EC terms of reference by an ordinary resolution of the board. The board shall provide timely notice to members of the formation of an EC.

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An EC may be established to cover work in areas including but not limited to technical, policy, guideline, practice, business, marketing and special interests. ECs may develop draft reports and recommendations intended for dissemination to the Corporation's members and to non-members. Sustaining members in good standing shall have the ability to participate in the Corporation's ECs. Adopter members may not participate in ECs. On a case by case basis adopter members may be invited to participate in an EC based upon approval of the board.

A proposed EC terms of reference shall include:

- The name of the committee;
- The members that initially desire to perform the work;
- Specific area and scope to be the subject of the EC;
- Tasks to be carried out by the EC;
- An indication of the time frame for the work (limited duration or ongoing); and
- Other information as may be requested by the board.

**9.2 Special Interest Committees** – Any three (3) or more members may propose the creation of an special interest committee (SIC) by submitting a proposed SIC terms of reference to the board.

An SIC may be established to address work in areas including but not limited to technical, policy, guideline, practice, business, marketing and special interests. SICs may develop reports intended for dissemination to the Corporation members. Sustaining and adopter members may participate in the Corporation's SICs.

A proposed SIC terms of reference shall include:

- The name of the committee;
- The members that initially desire to perform the work;
- Specific area and scope to be the subject of the SIC;
- Tasks to be carried out by the SIC;
- An indication of the time frame for the work (limited duration or ongoing); and
- Other information as may be requested by the board.

**9.3 Member Ballots of EG Recommendations** – Recommendations represent the findings of a specific committee of the Corporation that have been further ratified by a ballot of the sustaining members. Upon approval by ordinary resolution, an EC may declare a draft recommendation to be complete and submit the draft recommendation to the board with a request that the draft recommendation be submitted to a sustaining member ballot.

The board shall establish supplemental criteria to be used for the board to certify the EC output for a sustaining member ballot. The board shall maintain ultimate authority and discretion with regard to the decision to call a sustaining member ballot. An ordinary resolution of the board is required to certify an EC draft recommendation for a sustaining member ballot. A recommendation shall be approved by special resolution of those voting on the ballot. The ballot may be issued electronically or at a meeting of members.

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**9.4 SIC and EC Reports** – Reports represent the findings of a specific committee of the Corporation. Upon approval by ordinary resolution, an EC or SIC may declare a report to be complete. SIC reports may be disseminated internally to the Corporation's members. An EC report may be disseminated internally to the Corporation. An EC report may be disseminated to the public upon approval by ordinary resolution of the board to ensure the report is well formed and consistent with the Corporation's mission.

## **10. NOTICES**

**10.1 Method of Giving Any Notice** - Any notice (which term includes any communication or document), other than notice of a meeting of members or a meeting of the board of directors, to be given (which term includes sent, delivered or served) 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 or Section 134 of the Act and received by the Director;
- (b) if mailed to such person at such person's recorded address by prepaid ordinary or air mail;
- (c) if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
- (d) if provided in the form of an electronic document in accordance with Part 17 of the Act.

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.

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**10.2 Computation of Time** - Where a given number of days' notice or notice extending over a period is required to be given under the by-laws, the day of service, posting or other delivery of the notice shall not, unless it is otherwise provided, be counted in such number of days or other period.

**10.3 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 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.

**10.4 Electronic Documents** - Subject to the Act, any requirement in the by-laws to provide a person with information in a notice or other document is not satisfied by the provision of an electronic document unless the addressee has consented in writing and has designated an information system for receipt of the electronic document as follows:

- (a) the electronic document is provided to the designated information system; or
- (b) the document is posted on or made available through a generally accessible electronic source, such as a website and the addressee is provided with notice in writing of the availability and location of that electronic document.

**10.5 Waiver of Notice** - Any member, proxyholder, director, officer, member of a committee of the board or public accountant may waive or abridge the time for any notice required to be given to such person, and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of members or of the board or of a committee of the board, which may be given in any manner.

**10.6 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.

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**11. EFFECTIVE DATE**

**11.1 Effective Date** - This by-law shall come into force when enacted, subject to the provisions of the Act.

**ENACTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
DIACC Officer

\_\_\_\_\_  
DIACC Officer

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## **Revision History**

2012 April	Adoption of v1 By-Laws
2016 June	Added 7.6 Classes of membership, 7.7 sustaining members, 7.8 adopter members, 9 to define committees of the Corporation.
2017 February	Added experience qualifications for directors.  Revisions to membership classes 7.6 Membership Classes, 7.7 Membership Rights and Conditions, 7.8 Membership Rights to Nominate Directors and be Nominated as Directors  Added definition of “Operating Procedures”