

# DRAFT NORTH LAMBTON CHILDCARE CENTRE BY-LAWS

## By-Law No. 1 of North Lambton Childcare Centre

### Amendment 3

#### BY-LAW NO.1

BE IT ENACTED AS A BY-LAW OF NORTH LAMBTON CHILDCARE CENTRE (hereinafter called the "Corporation") as follows:

#### 1. REGISTERED OFFICE

The Registered Office of the Corporation shall be in the County of Lambton, in the province of Ontario.

#### 2. DEFINITIONS and INTERPRETATION

##### 2.1 Definitions

In this by-law and all other by-laws of the Corporation, unless something in the subject matter or context is inconsistent therewith or otherwise requires:

- a. "Act" means the *Not-for-Profit Corporations Act, 2010* (Ontario) and, where the context requires, includes the regulations made under it, as amended, or re-enacted from time to time;
- b. "Board" means the Board of Directors of the Centre.
- c. "President" means the chair of the Board.
- d. By-laws means these by-laws (including the schedules to this by-law) and all other by-laws of the Corporation as amended and which are from time to time, in force and effect.
- e. "Corporation" and "Centre" means North Lambton Childcare Centre.
- f. "Director" means a member of the Board of the Centre.
- g. "Member" means any member of the Corporation.
- h. "Members" means the collective membership of the Corporation; and
- i. "Officer" means a Director who also serves in an executive position on the Board as set forth in number 6.

## 2.2 Interpretation

Other than as specified in section 2.1, all terms contained in this By-law that are defined in the Act shall have the meanings given to such terms as the Act. Words importing the singular include the plural and vice versa, and words importing one gender include all genders.

### 3. SEVERABILITY AND PRECEDENCE

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. If any of the provisions contained in the By-laws are inconsistent with those contained in the articles or the Act, the provisions contained in the articles or the Act, as the case may be, shall prevail.

### 4. SEAL

The seal of the Corporation if any shall be in the form determined by the Board.

### 5. MEMBERSHIP

Members of the Corporation shall be comprised of:

- i. those families who have children enrolled in the program and whose written application for membership is accompanied by such non-returnable membership fee as is fixed by the Directors; and
- ii. persons in the community who wish to participate in the work of the Corporation and are accepted by the Board of Directors.

Membership in the Corporation is not transferable and automatically terminates if the family or community member leaves the organization, if the member resigns, or such membership is otherwise terminated in accordance with the Act.

The Board of Directors may, by resolution, reject any membership at its discretion.

Any member's membership may be terminated by resolution of the Board of Directors, in its discretion, provided the member is given fifteen (15) days written notice of the proposed termination and the grounds for same. The member upon receiving the notice shall be entitled to attend and make representations to the Board of Directors not less than five (5) days before the end of the fifteen (15)-day period, personally or by agent prior to such decision being made. The decision of the Board is final and not subject to appeal.

Each member family (regardless of the number of individuals in the family and/or the number of children enrolled) or community member in good standing shall be entitled to one vote on each question arising at any special or Annual Meeting. Community members shall be eligible to stand for election to the Board of Directors.

Members are entitled to attend the Annual Meeting and any other Special Meetings that may be called by the Board of Directors.

## 6. **BOARD OF DIRECTORS**

The number of Directors shall be five (5), to a maximum of eleven (11) which may be changed, subject to the minimum, by a special resolution.

Newly elected Directors must consent in writing to serve and hold office as a Director for the Corporation before or within ten (10) days after the election or appointment.

### 6.1 *Qualifications*

- Board members must be natural persons (i.e., corporations are not eligible).
- Board members must be in good standing in terms of fees and not in arrears to the corporation.
- Board members must be at least eighteen (18) years of age.
- Board members must not be bankrupt at time of election or throughout their term.
- Board members must not be at the time of their election, and throughout their term of office, convicted of a criminal offence involving children in any manner, involving fraud in any manner, or which, in the reasonable discretion of the Board of Directors, would render that individual unfit or inappropriate to act as a Director of the Corporation.
- Board members must not be, at the time of their election, and through their term of office, in contravention of any policy of the Corporation (including, without limiting the generality of the foregoing, the Corporation's Code of Conduct); and
- Board members must not be an employee of the corporation.

## 7. **DUTY TO DISCLOSE**

- Every Director who no longer meets the qualifications stated in section 6.1 or becomes ineligible shall disclose same to the Board immediately. Upon such disclosure being made the Board may approve of the ineligible individual to remain as a Director.
- If the Director is not so approved, the Director will be deemed to be no longer qualified pursuant to section 6.1 and will immediately cease to be a Director. The resulting vacancy may be filled by the manner prescribed in the By-Laws.

## 8. **ELECTIONS AND TERMS OF OFFICE**

Subject to the provisions, if any, of the Articles of Incorporation and any supplementary Articles Directors shall hold office from the first Annual Meeting after election until a successor has been duly elected and qualified.

Directors shall be elected by the members at each annual meeting to fill the positions of those Directors whose term of office has expired, and each Director so elected shall hold office for a term of three (3) years or until the third annual meeting of members thereafter (whichever is the later). The Director of the Corporation shall be elected and shall retire in rotation.

The election shall be by a show of hands at the annual meeting.

Elections shall take place at the Annual Meeting of the Corporation for the purpose of electing Directors. A Director's Meeting will be held within two (2) weeks following the Annual Meeting to appoint the Directors & Officers the Corporation including the Executive members and to establish bank signing powers.

## 9. **VACANCIES**

A vacancy on the Board shall be filled as follows, and the Director appointed or elected to fill the vacancy holds office for the remainder of the unexpired term of the Director's predecessor.

So long as there is a quorum of Directors in office, any vacancy occurring in the Board of Directors may be filled for the remainder of the term by the Directors in then office, if they shall see fit to do so; otherwise, such vacancy shall be filled at the next annual meeting of the members.

If there is not a quorum of Directors or there has been a failure to elect the number of minimum number of Directors set out in the articles, the remaining Directors in office shall, without delay, call a special meeting of the members to fill the vacancy and if they fail to call such a meeting or if there are no Directors in office, the meeting may be called by a member.

If the entire board resigns, the Executive Director will become legally responsible for the non-profit until the members meet and elect a new board of Directors.

The Members of the Corporation may, by special resolution, remove any Directors before the expiration of the term of office and may, by a majority of the votes cast at that meeting so called, elect any person to hold such seat for the remainder of the term.

Any Director who misses three (3) meetings without reasonable cause may be removed by special resolution as stated above.

## 10. **VACATION OF OFFICE**

The office of a Director shall be vacated:

- if the Director ceases to be a member of the corporation.
- if the Director dies or becomes bankrupt.
- if the Director does not hold the qualifications set out in 6.1.
- if by notice in writing to the Corporation the resignation of office. Any such resignation shall be effective at the time it is received.
- if at a meeting of the Members, the Member by ordinary resolution removes the Director before the expiration of the Director's term of office.

## 11. **QUORUM AND MEETINGS OF THE BOARD OF DIRECTORS**

A majority of the Directors shall form a quorum for the transaction of business. Except as otherwise required by law, the Board of Directors may hold its meetings at such place or places as it may, including virtually as it may from time to time, determine.

The Board may send a copy of the resolution fixing the place and time to each director, and no other notice shall be required for any such meetings unless required by the Act. Meetings of the Directors may be called if required by the President or by any two Directors or any two (2) officers.

Board meetings are to be held no less than eight times per year and may be held in any of in-person, virtual or hybrid formats as long the Directors consent.

## 12. **VOTING OF BOARD OF DIRECTORS**

Questions arising at any meeting of Directors shall be decided by a majority of votes. Each Director, including the President, shall be entitled to one vote on each question arising at any special or Annual Meeting of the Board of Directors. In case of an equality of votes, the President shall not have a casting vote.

Directors are not allowed to vote by proxy at any meeting of the Board.

In the absence of the President, the duties may be performed by the Vice President, or such other Director as the Board may, from time to time, appoint for the purpose.

Any resolution signed by all the Directors is as valid and effective as if passed at a meeting of the Directors duly called, constituted, and held for that purpose.

**13. PARTICIPATION BY TELEPHONIC OR ELECTRONIC MEANS**

If all of the Directors of the Corporation consent in writing, a Director may participate in a meeting of the Board or of a committee of Directors by telephonic or electronic means that permits all participants to communicate adequately with each other during the meeting. A Director participating by such means is deemed to be present at that meeting.

**14. POWERS OF DIRECTORS**

The Directors of the Corporation shall administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter and, save as hereinafter provided, generally, may exercise all other powers and do all such other acts and things as the Corporation is by its charter or otherwise authorized to exercise and do.

The management of all business, property, and interests, and other affairs shall be vested in its Board of Directors.

**15. DIRECTORS' FIDUCIARY DUTIES AND STANDARDS OF CONDUCT**

Directors have a duty to act in the best interests of the Corporation, discharge their duties honestly and in good faith, and exercise the degree of care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

The Directors shall have power to authorize expenditures on behalf of the Corporation from time to time and may delegate by resolution to an Officer or Officers of the Corporation the right to employ and pay salaries to employees.

The Board may delegate the management of the Corporation's activities, provided that the activities and affairs of the Corporation shall be managed, and all corporate powers shall be exercised under the ultimate direction of the Board. No assignment, referral, or delegation of authority by the Board or anyone acting under such delegation shall preclude the Board from exercising full authority over the conduct of the Corporation's activities.

**16. OFFICERS OF THE CORPORATION**

There shall be a Chairperson, Vice Chairperson, Secretary and Treasurer and such other Officers as the Board of Directors may determine by law, from time to time, by majority vote. One person may hold more than one office. Executive positions on the Board may be held for greater than one term. A term shall consist of a period of three (3) years.

**17. DUTIES OF THE PRESIDENT**

The President shall be appointed by the Board from among the Directors. The President shall, when present, preside at all meetings of the members of the Corporation (save when the members decide otherwise) and of the Board of Directors. The President shall be charged with the general management of the affairs and operations of the Corporation.

The President shall represent the Corporation in the community, be ex-officio of all committees of the Corporation and shall have such other duties as may be required by law or as the Board may determine from time to time.

The President and the Secretary shall sign all by-laws and membership certificates and special resolutions. During the absence or inability of the President, the duties and powers may be exercised by the Vice President, or such other Director as the Board may, from time to time, appoint for the purpose. The President shall have such duties as may be required by law or as the Board may determine from time to time.

**18. DUTIES OF THE VICE PRESIDENT**

The Vice President shall be appointed by the Board from among the Directors. The Vice President shall, in the absence of the President, fulfill the duties of that office. The Vice President is charged with the general external relations and the co-ordination of activities with other related organizations. The Vice President shall have such duties as may be required by law or as the Board may determine from time to time.

**19. DUTIES OF THE SECRETARY**

The Secretary shall be appointed by the Board from among the Directors. The Secretary shall be clerk of the Board of Directors. This person shall attend all meetings of the Board of Directors and all members' meetings and shall record all facts and minutes of all proceedings in books kept for that purpose. In addition, the Secretary shall provide an agenda, in consultation with the President, for each meeting of the Board of Directors and any general members meetings. The Secretary shall have such duties as may be required by law or as the Board may determine from time to time.

**20. DUTIES OF THE TREASURER**

The Treasurer shall be appointed by the Board from among the Directors. The Treasurer, or person performing the usual duties of Treasurer, shall keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account and shall deposit all moneys or other valuable effects in the name and to the credit of the Corporation in such banks as may, from time to time be designated by the Board of Directors.

The treasurer shall disburse the funds of the Corporation under the direction of the Board of Directors, taking proper vouchers therefore and shall render to the Board of Directors at the regular meetings thereof or whenever required an account of all transactions and of the financial position of the Corporation. In addition, the Treasurer shall perform such other duties as may, from time to time, be determined by the Board of Directors and the terms of reference. The Treasurer shall have such duties as may be required by law or as the Board may determine from time to time.

21. **DUTIES OF OTHER OFFICERS**

The duties of the other Officers of the Corporation shall be such as the terms of reference of their engagement call for or as the Board of Directors requires them.

22. **EXECUTION OF DOCUMENTS**

Deeds, transfers, licenses, contracts, and engagement on behalf of the Corporation shall be signed by any two of the President, Vice President, and Treasurer, of which the Treasurer shall normally be one. The Secretary shall affix the seal of the Corporation (if any) to such documents as require the same.

Contracts in the ordinary course of the Corporation's operations may be entered into on behalf of the Corporation by any person authorized by the Board.

23. **BANKING**

The Board by resolution from time to time designate the bank in which the money, bonds or other securities of the Corporation shall be placed for safekeeping.

24. **SIGNING CHEQUES**

All cheques or other orders for payment of money shall be signed by any two of the President, Vice President, Treasurer, or Executive Director of the Corporation.

25. **FINANCIAL YEAR**

The fiscal year of the Corporation shall terminate on December 31 in each year or on such as other date as the Board may from time to time by resolution determine.

26. **BOOKS AND RECORDS**

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors, committees having and exercising any of the authority of the Board of Directors. The Directors shall see that all necessary documentation and records of the Corporation required by applicable statutes of laws are regularly and properly kept. There shall be at the principal office a record giving the names and addresses of the members entitled to vote.

27. **DUES**

There shall be no dues or fees payable by members except such, if any, as shall from time to time, be fixed by the Board.



## 28. COMMITTEES AND SUBCOMMITTEES

Committees and subcommittees will be developed as needed and on an ad hoc basis.

1. The Board may appoint from their number a managing Director or a committee of Directors and may delegate to the managing Director or committee any of the powers of the Directors except those powers set out in the *Act* that are not permitted to be delegated; and
2. Subject to the limitations on delegation set out in the *Act*, the Board may establish any committee it determines necessary for the execution of the Board's responsibilities. The Board shall determine the composition and terms of reference for any such committee. The Board may dissolve any committee by resolution at any time.

## 29. ANNUAL AND OTHER MEETINGS OF MEMBERS

The Annual and other General Meetings of the members shall be held at the head office of the Corporation or elsewhere in Ontario as the Board of Directors may determine and on such day as the Directors shall appoint. If the Directors of the Corporation so determine, any meeting of the members, or a committee of members, may be held by telephonic or electronic means that permits all participants to communicate adequately with each other during the meeting. A member participating by such means is deemed to be present at that meeting.

Notice of the time and place of a meeting of the members and the general nature of the business to be transacted (special resolutions required by the By-laws etc.) thereat shall be delivered to each member at not less than ten days and not more than fifty before the day on which the meeting shall be held. Members shall be provided with a copy of the approved financial statement, auditor's report/review engagement report (or a summary report) at least five (5) days prior to the annual meeting.

The business transacted at the annual meeting shall include:

- a. receipt of the agenda;
- b. receipt of the minutes of the previous annual and subsequent special meetings;
- c. consideration of the financial statements;
- d. report of the auditor or person who has been appointed to conduct a review engagement.
- e. reappointment or new appointment of the auditor or a person to conduct a review engagement for the coming year;
- f. election of Directors; and

- g. such other or special business or member proposals as may be set out in the notice of the meeting.

No other item of business shall be included on the agenda for annual meeting unless a Member has given at least sixty (60) days' notice to the Corporation of any matter that the Member proposes to raise at the meeting in accordance with the *Act*, so that such item of new business can be included in the notice of annual meeting.

The Board of Directors or the President or Vice President shall have power to call at any time a special meeting of the members of the Corporation.

No public notice of said meetings shall be required but notice of the time and place of every meeting shall be given to each member by delivering, e-mailing, or mailing the notice ten days before the time fixed for the holding of such meeting.

### 30. **VOTING OF MEMBERS**

At all meetings of members, every question shall be decided by a majority of the votes of the members present unless otherwise required by the by-laws of the Corporation.

Every question shall be decided by a show of hands unless any member demands a ballot. For electronic meetings, the President shall decide the appropriate method for the taking and recording of votes.

In case of a tie, the President shall not be entitled to a casting vote. A written ballot will be required, if there is a tie vote upon a written ballot, the motion is lost.

A declaration by the President of the meeting that a resolution has been carried or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

A quorum for the transaction of business at any meeting of the members shall consist of not less than ten (10) members.

### 31. **NOTICE**

Subject to the *Act*, no public notice of said meetings shall be required but notice of the time and place of every meeting shall be given to each member by delivering personally, e-mailing, or mailing or other electronic means the notice of not less than ten (10) days and not more than fifty (50) days before the time fixed for the holding of such meetings.

Notice of the time and place of a meeting of the members and the general nature of the business to be transacted thereat shall be delivered to each member at least ten (10) days before the day on which the meeting shall be held.

**32. ERROR OR OMISSION IN GIVING NOTICE**

The accidental omission to give any notice to any Member, Director, Officer, member of a committee of the Board or auditor or person conducting a review engagement, if any, 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.

**33. BORROWING**

The Directors can on behalf of the Corporation:

- a. borrow money on the credit of the Corporation;
- b. issue, sell, or pledge securities of the Corporation; or
- c. use the property of the Corporation as security for a loan or payment of a debt.

**34. CHARITABLE CORPORATIONS**

No Director shall, directly or through an associate, receive a financial benefit, through a contract or otherwise, from the Corporation if it is a charitable corporation unless the provisions of the Act and the law applicable to charitable corporations are complied with.

**35. FUNDRAISING**

The Directors, on behalf of the Corporation, may from time to time take such steps as they may deem requisite to enable the Corporation to acquire, accept, solicit, or receive legacies, gifts, grants, settlements, bequests, endowments, and donations of any kind whatsoever for the purpose of furthering the objects of the Corporation.

**36. REMUNERATION OF DIRECTORS**

The Directors shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from occupying the position of Director, except may be reimbursed for reasonable expenses they incur in the performance of their Directors' duties.

**37. CONFLICT OF INTEREST**

A Director who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation or is a Director or Officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation shall make the disclosure required by the Act. Except as provided by the Act, no such Director shall attend any part of a meeting of Directors during which the contract or transaction is discussed or vote on any resolution to approve any such contract or transaction.

Further, a conflict of interest can happen when someone makes or takes part in a decision affecting the Corporation 's affairs, and has a financial or other interest in, or gets a benefit from, the result of that decision which the rest of the members do not have, or which only a few other members have. The facts of each case are different, and careful judgment is needed to decide whether there is a conflict of interest.

When a Director or Officer has or may have a conflict of interest:

- The Director or Officer should declare the conflict of interest at the Board meeting considering the matter.
- If a Director does not declare a conflict of interest, but another Director is aware of one, the other Director can bring it up at a meeting.
- The Board then decides whether there is a conflict of interest.
- If there is a conflict of interest, the Director cannot vote on the matter and must not be present during any of the meetings discussing the matter.
- Every declaration of interest, but not the general nature of that interest, will be recorded in the Minutes of the meeting of the Board or committee of the Board.

## **38. INDEMNIFICATION and PROTECTION OF DIRECTORS AND OFFICERS**

### *38.1 Indemnification*

Every Director or Officer of the Corporation who has undertaken or is about to undertake any liability on behalf of the Corporation and their heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation, from and against:

- a. all costs, charges, and expenses which such Director or Officer sustains or incurs in or about any action, suit or proceedings which is brought, commenced or prosecuted against the Director or Officer in respect of any act, deed, matter of thing whatsoever, made done or permitted by the Director or Officer, in or about the execution of the duties of the Director or Officers office or in respect of any such liability.
- b. all other costs, charges, and expenses which the Director or Officer sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by the Director or Officer's own willful neglect or default.

### *38.2 Protection of Directors and Officers*

No Director, Officer, or committee member of the Corporation is liable for the acts, neglects, or defaults of any other Director, Officer, committee member, or employee of the Corporation or for joining in any receipt or for any loss, damage, or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by resolution of the

Board or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the money of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or Corporation with whom or which any moneys, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his or her respective office or trust provided that they have:

1. complied with the Act and the Corporation's articles and By-laws; and
2. exercised their powers and discharged their duties in accordance with the *Act*.

#### 39. **INSURANCE**

The Corporation may purchase and maintain insurance for the benefit of an individual referred to in Section 38 against any liability incurred by the individual:

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

#### 40. **DISSOLUTION**

Upon the dissolution of the Corporation and after the payments of all debts and liabilities, the remaining property or part thereof of the Corporation shall be distributed to a Charitable to a charitable corporation with similar purposes or to a government or municipal agency.

#### 41. **AMENDMENT OF BY-LAWS**

The By-laws of the corporation not embodied in the letters patent may be repealed or amended by by-law, or a new by-law relating to the requirements of the Corporations Act, may be enacted by a majority of the Directors at a meeting of the Board of Directors and sanctioned by an affirmative vote of at least two-thirds of the members at a meeting duly called for the purpose of considering the said by-law.

#### 42. **AUDITORS**

The members shall at each annual meeting, appoint an auditor to audit the accounts and annual financial statements of the Corporation for report to the members at the next annual meeting. The auditor shall hold office until the next annual meeting provided that the Directors may fill any casual vacancy in the office of the auditor. The remuneration of the auditor shall be fixed by the Board of Directors.

The auditor may not be a member of the Board of Directors.

43. **BUSINESS**

At every annual meeting, in addition to any other business that may be transacted, the report of the Directors, financial statement and report of the auditors shall be presented, and a Board of Directors elected. The members may only consider and transact any business either special or general set out in the notice of the meeting of the members.

The Board of Directors or the President or Vice-President shall have the power to call at any time a general meeting of the members of the Corporation.

By-law No. 2 is repealed.

Passed by the Board of Directors

on \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Treasurer

Confirmed by a two-thirds vote of a duly constituted meeting of the members of the Corporation.

on \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Treasurer