

**ANCHOR
CANADIAN REFORMED ASSOCIATION FOR THE HANDICAPPED**

GENERAL OPERATING BY-LAW NO. 1

Whereas **Anchor Canadian Reformed Association For The Handicapped** (the “Association”) was incorporated under the Ontario “Corporations Act” as of November 14, 1983, for the principal purpose of promoting the interests of individuals with mental and physical disabilities;

AND Whereas the “Association” adopted the most recent version of the General Operating By-law No. 1 as of November 28, 2008; as amended November 16, 2016; and wishes to further amend this by-law to better reflect how it has grown and evolved, By-law No. 1 is hereby amended and enacted as follows:

SECTION ONE

INTERPRETATION

1.1 Definitions - In this By-law and all other By-laws and special resolutions of the Association, unless the context otherwise requires;

- (a) "Act" means the Ontario *Corporations Act*, R.S.O. 1990, c. C.38 or, when proclaimed, the *Not-for-profit Corporations Act, 2010*, S.O. 2010, c. 15 and, includes the Regulations made pursuant to the Act, and any statute or regulations that may be substituted or amended from time to time;
- (b) “Anchor” or “Association” means the “Canadian Reformed Association for the Handicapped” incorporated by Letters Patent under the Act;
- (c) “board” means the board of directors of the Association;
- (d) “by-law(s)” means this by-law and all other by-laws of the Association as amended from time to time in force and effect;
- (e) “directors” or “board of directors” means the persons duly elected and appointed as directors of the Corporation in accordance with by-law Section Three, and ‘board of directors’ shall be the collective meeting or group of directors;
- (f) “facilities” mean supervised group living arrangements located in a single dwelling unit that is only used as a dwelling unit for a maximum number of residents, exclusive of staff, as may be permitted within each zoning category, with social, emotional, mental or physical disabilities, developed for the well being of its residents through self help and professional care, guidance and supervision;
- (g) “disability” or “disabilities” means a condition of mental impairment, or intellectual disability present or occurring during a person’s formative years, that is associated with limitations in adaptive behaviour, or any other physical disability which implies the need for support with activities of daily living, personal care and participation in the community;

- (h) "Letters Patent" means the Letters Patent of incorporation of the Association dated November 14, 1983 as from time to time amended by Supplementary Letters Patent, and as may be applicable, means the Articles of Incorporation or Articles of Amendment, Amalgamation, Continuance, Reorganization, Arrangement or Revival of the Corporation etc.;
- (i) "meeting of members" includes an annual or other meeting (e.g. special meeting) of members;
- (j) "officer" means an officer of the Corporation as defined in Section Five of the by-laws and includes the board president, vice-president, secretary and treasurer;
- (k) "recorded address" means, in the case of a member, his address as recorded in the register of members and, in the case of a director, officer, auditor or member of a committee of the board, his address as recorded in the records of the Association;
- (l) "Reformed Christian Church" shall mean the Canadian Reformed Churches, and any church with which the Canadian Reformed Churches have a relationship of ecclesiastical fellowship as determined by the Synod of the Canadian Reformed Church from time to time;
- (m) "resolution" or "ordinary resolution" means a resolution that is passed, with or without amendment, by at least a majority of the votes cast on that resolution or it means a resolution that is consented to by each director, or as applicable, by each member of the corporation entitled to vote at a meeting of the members of the corporation;
- (n) "signing officer" means, in relation to any instrument, any person authorized to sign on behalf of the Association by Section Five of this by-law or by a resolution passed pursuant thereto;
- (o) "special resolution" means a resolution that is submitted to a meeting of the members and passed at the meeting, with or without variation by at least two-thirds (2/3) of the votes cast, or it means a resolution that is consented to by each member of the Corporation entitled to vote at a meeting of the members of the Corporation.

1.2 Basis of the Association - The basis of the Association is Holy Scripture, as confessed in the Three Forms of Unity: the Belgic Confession, the Heidelberg Catechism, and the Canons of Dort; and as taught in Reformed Christian Churches.

As such, it is both a privilege and a duty that the Covenant community, care and be cared for in accordance with Holy Scripture and to the honour and glory of the Covenant God.

1.3 Basis of the Association and the Provision of Activities, Services and Programs - The activities, services and programs of the Association shall be structured and delivered to reflect and promote the basis of the Association as taught by Reformed Christian Churches.

Enrollment in the Association's activities, services and programs shall be open to individuals with needs that are compatible to the Associations activities, services and/or programs, and who are a member of a Reformed Christian Church. Any other enrolment is exceptional and subject to the review and approval of the board of directors of the Association.

1.4 Interpretation - Unless otherwise stated in the by-laws, words and expressions used in the by-laws that are defined in the Act shall have the same meanings as used in the Act; and words importing

the singular number include the plural and vice versa; words importing the masculine gender include the feminine and words importing persons include individuals, bodies corporate, partnerships, trusts and unincorporated organizations.

If any of the provisions contained in this by-law are inconsistent with those contained in the Letters Patent or the Act, the provisions contained in the Letters Patent or the Act, as the case may be, shall prevail.

1.5 Severability - 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 Letters Patent or the applicable Act, the provisions contained in the Letters Patent or the Act, as the case may be, shall prevail.

SECTION TWO

GENERAL PROVISIONS

2.1 Head Office – Until changed in accordance with the Act, the head office of the Association shall be in Lincoln Township in the Province of Ontario and at such location therein as the board may from time to time determine by resolution.

2.2 Corporate Seal –The corporate seal of the Association shall be in the form determined by the board from time to time.

2.3 Policies, Rules and Regulations - The Board may adopt by resolution such rules, policies, regulations or guidelines not inconsistent with the by-laws, the Letters Patent, or the Act, relating to the management and operation of the Association as the Board deems expedient.

SECTION THREE

DIRECTORS

3.1 Number of directors – Until changed in accordance with the Act, the board shall consist of a specified number of directors as determined by special resolution of the members from time to time.

3.2 Qualifications– To be eligible to serve as a director of the Corporation, an individual:

- (a) shall be a member of the Association throughout his term of office.
- (b) shall be a communicant member in good standing of a Reformed Christian Church;
- (c) shall satisfy the board they have a desire to advance the objects of the Association;
- (d) must not be ineligible under the Act (e.g. due to having the status of bankrupt, determined to be incapable), the Income Tax Act, or other applicable law; and
- (e) shall have attained a minimum of eighteen (18) years of age.

3.3 Consent – No election or appointment of a person as a director shall be effective unless he or she consents in writing to act as a director before his or her election, or appointment or within 10 days thereafter, however this requirement does not apply to a director who is re-elected or reappointed where there is no break in his or her term of office.

3.4 Nominations – In advance of the members meeting at which there is to be an election of directors, the board shall ensure there is an adequate number of individuals willing to stand as nominees for election as directors at the meeting. The board may establish a committee and /or board policy to set out related guidelines and procedures.

In seeking nominees, consideration shall be given to the various skill sets identified by the board as useful or necessary for the effective functioning of the board. Consideration shall also be given to the names of eligible individuals, if any, submitted by members, provided any such names are submitted at least 45 days in advance of the members meeting at which an election is to be held.

A member may nominate an eligible individual to stand for the election of directors by submitting a letter to the board at least forty-five (45) days in advance of the members meeting at which an election is to be held. The letter must clearly state the name and address of the individual being nominated, and must include their signature along with the name, address and signatures of at least 2 other members who support this nomination.

A determination as to whether an individual is eligible under the by-laws to be elected as a director of the board rests with the board, acting fairly and reasonably.

3.5 Election and Term – The directors of the Association shall be elected and shall retire in rotation if possible and hold office for a term of three (3) years from the date of their election. At each annual meeting individuals shall be elected 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 after his election whichever first occurs.

Directors, if qualified, shall be eligible for re-election, provided that no person may hold office as director for more than two consecutive terms. The limit of two (2) consecutive terms does not include any partial term served in respect of a vacancy.

The election shall be by ballot. If an election of directors is not held at the proper time, the directors shall continue in office until their successors are elected.

The following members of the Association shall be excluded from holding a position on the board of directors: employees of the Association and individuals who have a father, mother, brother, sister, spouse, son or daughter employed by the Association.

3.6 Removal of directors – The members of the Association may, by ordinary resolution, at a meeting of members called for that purpose, remove any director before the expiration of his or her term of office. The resulting vacancy shall be filled by the members by ordinary resolution, at the same meeting, or the next meeting of the members at which an election is held.

3.7 Vacation of Office – Subject to the Act, the office of a director shall be vacated upon the occurrence of any of the following events:

- (a) where the Board determines by resolution that a director ceases to meet the qualifications set out in Section 3.2;
- (b) if the director obtains the status of bankrupt;
- (c) if in accordance with the Act, an order is made declaring the director mentally incompetent or incapable of managing his/her affairs;
- (d) if the director is removed from office by resolution of the members as provided in Section 3.6;

- (e) if by notice in writing to the Association the director resigns his/her office and such resignation, if not effective immediately, becomes effective in accordance with its terms or
- (f) the director is deemed to have voluntarily resigned upon missing three (3) or more board meetings in a rolling twelve (12) month period, provided the voluntary resignation must first be affirmed by resolution of the board. The board may use their discretion, giving consideration to the circumstances, in calling for a vote on the matter.

3.8 Vacancies – If the vacancy occurs as a result of the members removing a director, the members may fill the vacancy by an ordinary resolution as set out in Section 3.6. A quorum of directors may fill any other vacancy by ordinary resolution.

If there are not enough directors to make up a quorum, or the members did not elect sufficient directors to allow for quorum to be met, the directors in office will, without delay, call a special members' meeting to fill the vacancy. If the directors fail to call such a meeting, the meeting may be called by any member. Provided that if there are enough directors to make up a quorum, the directors may at their discretion wait until the next regularly scheduled membership meeting or to forthwith call a meeting of members to fill the vacancy.

The director elected or appointed to fill the vacancy will hold office for the remainder of the removed/resigned director's term. After that, the appointee will be eligible to be elected as a Director.

3.9 Action by the board – The board shall manage or supervise the management of the affairs of the Association. The board shall have the authority to exercise all such powers and do all such acts and things as may be exercised and done by the Corporation under the Act, that are not by the by-laws or by any statute expressly directed or required to be done by the Corporation's members.

3.10 Exercise of Powers - The powers of the board may be exercised by a meeting at which a quorum of directors is present or by a resolution consented to in accordance with the Act by the signature of all the directors then in office if constituting a quorum.

Where there is a vacancy or vacancies in the board, the remaining directors may exercise all the powers of the board so long as a quorum remains in office.

Without in any way limiting the generality of the foregoing, the directors are charged with the following specific duties:

- (a) to determine the nature and scope of services and programs to be provided by the Association, subject to resources being available;
- (b) to oversee the implementation and provision of the Associations' programs for eligible individuals who are members of a Reformed Christian Church;
- (c) to determine board policies in harmony with the principles and purposes of the Association;
- (d) in accordance with the by-laws, to oversee and engage an Executive director qualified to manage and carry out the programme and policies of the Association with qualified staff;
- (e) to devise ways and means of obtaining the necessary funds for operating the Association and determine how these funds shall be distributed; and
- (f) to appoint some of the board members to visit the facilities annually to confirm the faithful carrying out of the programme and policies.

3.11 Standard of Care - Every director and officer in exercising his or her powers and discharging his or her duties to the Corporation shall:

- (a) act honestly and in good faith with a view to the best interests of the corporation; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

3.12 Duty to comply with the Act, etc. - Every director and officer shall comply with:

- (a) this Act and the regulations; and
- (b) the corporation's articles and by-laws.

3.13 Delegations – Subject to any restrictions in the Act, Letters Patent and/or by-laws, the board may from time to time delegate to such one or more of the directors and officers of the Association as may be designated on the board all or any of the powers conferred on the board by this Section to such extent and in such manner as the board shall determine at the time of each such delegation.

MEETINGS OF THE BOARD

3.14 Place of meetings – meetings of the board shall be held at the head office of the Association, or if the board so determine, at any place elsewhere in Ontario.

3.15 Calling of meetings – meeting of the board shall be held from time to time at such place, at such time and such day as the board, the president, the vice-president, or any two directors may determine. Notice of the time and place of every meeting so called shall be given in the manner provided in Section Twelve to each director (a) not less than seventy-two (72) hours before the time when the meeting is to be held if the notice is mailed, or (b) not less than twenty-four (24) hours before the time when the meeting is to be held if the notice is given personally or is delivered or is sent by any means of transmitted or recorded communication; provided that no notice of a meeting shall be necessary if all the directors in office are present or if those absent waive notice of or otherwise consent to such meeting being held.

Provided a quorum of directors is present the board may also without notice hold a meeting immediately following the meeting of members at which directors were elected.

3.16 Regular meeting – The board may appoint a day or days in any month or months for regular meetings at a place and hour to be named. A copy of any resolution of the board fixing the place and time of 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.

A majority of the determined number of directors shall constitute a quorum for the transaction of business at any meeting of the directors, and, despite any vacancy among the directors, a quorum of directors may exercise all the powers of the directors.

3.17 Chair – Subject to any provision to the contrary, the president, or in his absence the vice-chair shall be chair of any meeting of the board. If no such officer is present, the directors present shall choose one of their number to be chair.

3.18 Votes to Govern – At all meetings of the board every question shall be decided by ordinary resolution (i.e. a majority of the votes cast on the question). In the case of an equality of votes, the chair of the meeting shall be entitled to a second or casting vote. All votes of all meetings of the board shall

be taken by ballot if so demanded by any director present, but if no demand be made, the vote shall be taken in the usual way by a show of hands. A declaration by the chair of the meeting that a resolution has been carried and an entry to that effect in the minutes shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

3.19 Electronic Participation -- Pursuant to the Act, if all the directors of the Corporation present at or participating in the meeting consent, a meeting of directors or of a committee of directors may be held by such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in the meeting by those means is deemed to be present in person at the meeting.

3.20 Resolution In Lieu Of Meeting -- Pursuant to the Act, a resolution in writing signed by all of the directors entitled to vote on that Resolution at a meeting of directors, or committees of directors, is as valid as if it had been passed at a meeting of directors or committee of directors. Signatures may be in any electronic form permitted by the Act or other applicable law.

CONFLICT OF INTEREST

3.21 Good Faith and Conflicts of Interest – A director must always consider the best interests of the Association and not allow their personal interests or preferences to affect their conduct and decisions. A director has the duty to avoid conflicts of interest as well as the appearance of conflicts of interest. A conflict of interest arises when a director has a personal interest in the result of a decision. Actual or perceived conflicts of interest could arise in a number of situations, for example where there is a perceived benefit to the director, with decisions regarding the Association’s services, with financial investments or loans with the Association, donors, or other directors, and/or appropriating an opportunity that belongs to the Association. The directors shall determine to the best of their ability, whether by way of application of a related board policy and/or resolution, whether someone is ‘interested’, has a ‘material’ interest, and/or whether there is an actual or proposed ‘material contract or transaction’.

Where directors have discretion in choosing individuals who will benefit from the Association, they must use this power with complete fairness, and with the appearance of fairness.

3.22 When Duty to Declare Conflict of Interest Arises - Further to the Act, a director or officer of a corporation who:

- (a) is a party to a material contract or transaction or proposed material contract or transaction with the corporation; or
- (b) is a director or an 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 disclose to the corporation or request to have entered in the minutes of meetings of the directors the nature and extent of his or her interest.

3.23 Declaration by Director - Further to the Act, in the case of a director, the disclosure required must be made:

- (a) at the meeting at which a proposed contract or transaction is first considered;

- (b) if the director was not then interested in a proposed contract or transaction, at the first meeting after he or she becomes so interested;
- (c) if the director becomes interested after a contract is made or a transaction is entered into, at the first meeting after he or she becomes so interested; or
- (d) if a person who is interested in a contract or transaction later becomes a director, at the first meeting after he or she becomes a director.

3.24 Declaration by Officer (Non-Director) - In the case of an officer who is not a director, the Act requires that disclosure must be made:

- (a) forthwith after the officer becomes aware that the contract or transaction or proposed contract or transaction is to be considered or has been considered at a meeting of directors;
- (b) if the officer becomes interested after a contract is made or a transaction is entered into, forthwith after he or she becomes so interested; or
- (c) if a person who is interested in a contract or transaction later becomes an officer, forthwith after he or she becomes an officer.

3.25 Existence of Conflict - The fact that a conflict exists does not necessarily mean that the conflict is objectionable or material enough to be of practical importance or that it is necessarily adverse to the interests of the Corporation.

3.26 When Appropriate to Approve - Where the directors determine that a contract or transaction involving a director, officer or connected person is appropriate, the directors may only approve that contract or transaction if done in compliance with the requirements and procedures of the Act, and in particular the *Charities Account Act* and its Regulations, as well as any other applicable law, which requirements include that:

- (a) At the time the payment is authorized, the board must believe that it is in the Association's best interests;
- (b) The payment must be in an amount that is reasonable for the Association to pay for the goods, services or facilities that are provided and must not result in the amount of the Association's debts and liabilities exceeding the Association's property's value, or render the Association insolvent;
- (c) Every director of the Association and, when applicable, the connected person, must agree in writing to a maximum amount that can be paid by the Association for the goods, services or facilities; that they are satisfied that the payment is being made in accordance with the requirements, and within the restrictions, of the Charities Accounting Act's Regulation; and
- (d) Appropriate financial disclosure is made.

Except as permitted by the Act, a director or officer referred to in this Section shall not attend any part of a meeting of the directors or officers during which the contract or transaction is discussed and shall not vote on any resolution to approve the contract or transaction.

3.27 Remaining Directors Deemed Quorum

If no quorum exists for the purpose of voting on a resolution to approve a contract or transaction only because a director is not permitted to be present at the meeting by reason of Section 3.26, the remaining directors are deemed to constitute a quorum for the purposes of voting on the resolution.

3.28 Remuneration and Expenses – The directors shall receive no remuneration for acting as such, but they shall be entitled to be reimbursed for reasonable travelling and other expenses properly

incurred by them in attending meetings of the board or any committee thereof, including the Executive Committee. Provided that unless otherwise prohibited by the Corporation, a director may be compensated for services other than as a director pursuant to Conflict of Interest provisions of this by-law, the Act, and the regulation made under the *Charities Accounting Act*, or with court approval or an order made under Section 13 of the *Charities Accounting Act*.

SECTION FOUR

COMMITTEES

4.1 Executive Committee – Whenever the board consists of more than five (5) directors the board may choose to elect from among its number an executive committee. The executive committee is to be composed of not fewer than three (3) directors. The executive committee may exercise all the powers of the board, subject to the Act, by-laws and any restrictions imposed from time to time by the board.

The board remains responsible for, and will generally be held liable for the conduct and decisions of the executive committee, therefore the board shall clearly define the extent of the powers being delegated, and receive and review the reports of the executive committee. The board retains the authority to terminate or amend the terms of the executive committee.

The board shall review for information the decisions of the executive committee at the immediately following board meeting, and address any business arising as necessary.

4.2 Limits on Delegation of Powers - The powers delegated to an executive committee from time to time must be consistent with any existing board decisions, policies or restrictions in the Act or by-laws that are applicable to the executive committee. In defining the extent of the powers being delegated to the executive committee, the board may define this as narrowly or as broadly as it sees fit, provided that the board must comply with the limits set out in the Act.

Further to the Act, the board may not delegate the following powers generally, including to an executive committee:

- (a) The decision to submit to the members any question or matter requiring the approval of the members;
- (b) To fill a vacancy among the directors or in the position of public accountant.
- (c) To appoint additional directors;
- (d) To issue debt obligations except as authorized by the directors;
- (e) To enter into contracts except as authorized by the directors;
- (f) To grant indemnities or to authorize the purchase of insurance;
- (g) To approve any financial statements;
- (h) To adopt, amend or repeal by-laws;
- (i) To establish contributions to be made, or fees to be paid, by members; or
- (j) To accept individuals into membership.

4.3 Standing and Ad Hoc Committees – The board may from time to time create Standing and/or Ad Hoc Committees with such duties and responsibilities as determined by the board.

4.4 Terms of Reference - The board may by resolution and/or board policy establish terms of reference for committees generally or specifically, may appoint and remove committee members, may

amend any duties or responsibilities and may terminate any such committee, as it feels is appropriate and in the best interest of the Association.

Unless otherwise determined by the board, each standing and special committee shall have power to fix its quorum at not less than the majority of its members, and regulate its procedures.

4.5 Finance Committee – The duties of the Finance Committee, unless otherwise amended by the board, shall include:

- (a) to recommend to the board a budget for the ensuing year;
- (b) to facilitate the financial reporting to the board, to the members and donors, including in Anchor Newsletters and to the membership at the annual meeting
- (c) to make suggestions to the board as to the manner in which a home is to be maintained financially, indicating the various sources of income and how moneys are to be collected from these sources;
- (d) to represent the board in dealings with the public accountant, and review the financial statements and annual audit report.

SECTION FIVE

OFFICERS

5.1 Election or Appointment – There shall be a chair who is the president, a vice-chair, a treasurer, a secretary and such other officers as the board may determine from time to time. The chair and vice-chair shall be elected by the board from among their number at the first meeting of the board after the annual election of directors, provided that in default of such election the then incumbents, being members of the board, shall hold office until their successors are elected.

The other officers of the Association need not be members of the board and in the absence of written agreement to the contrary, the appointment or employment of all officers shall be settled from time to time by the board.

5.2 Chair– The chair shall be the president, and shall see that all orders and resolutions of the board and of the Executive Committee, if any, are carried into effect, shall preside at all meetings of the board of directors and members of the Association, and shall have such other powers and duties as the board may prescribe.

5.3 Vice-Chair – During the absence or disability of the chair, his/her duties shall be performed and his/her powers exercised by the vice-chair. The vice-chair shall have such other powers and duties as the board may prescribe.

5.4 Secretary – The secretary of the board shall attend and be the secretary of all meetings of the board, Executive Committee, and of the members. The secretary shall enter or cause to be entered in records kept for that purpose minutes of all these proceedings. The secretary shall ensure minutes of any board committees are entered into the records.

The secretary shall give or cause to be given, as and when instructed, all notices to directors, members, auditors and members of committees of the board. The secretary shall be the custodian of all books,

papers, records, documents and instruments belonging to the Association except when some other officer or agent has been appointed for that purpose. The secretary shall also have such other duties as the board may prescribe.

5.5 Treasurer – The treasurer shall keep, or ensure the keeping, of proper accounting records in compliance with the Act and, under the direction of the board, shall control the deposit of money, the safekeeping and securities and the disbursement of the funds of the Association; the treasurer shall render to the board whenever required an account of all his/her transactions as treasurer and of the financial position of the Association and the treasurer shall have such other duties as the board may prescribe.

5.6 Duties of Assistants and other Officers- The duties of any assistants to officers, or any other officers of the Association shall be such as the terms of their engagement call for or as the board may prescribe. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board otherwise directs.

5.7 Variation of Duties – From time to time the board may vary, add to or limit the powers and duties of any officer.

5.8 Term of Office – The board may remove any officer of the Association, without prejudice to such officer's rights under any employment contract. Otherwise each officer elected or appointed to the board shall hold office until his successor is elected or appointed.

5.9 Terms of Employment and Remuneration – As applicable, the terms of employment and the remuneration of officers elected or appointed by the board shall be determined by the board from time to time as necessary, provided that a director is not eligible to be employed.

5.10 Agents and Attorneys – The board shall have the power from time to time to appoint such agents or attorneys for the Association in or out of Canada with such power of management or otherwise (including the power to sub-delegate) as may be thought fit.

5.11 Resignation - If for any reason any officer chooses to resign his position, a letter of resignation shall ideally be directed to the board chair or secretary at least thirty (30) days prior to the effective date of such resignation. The resignation shall be effective upon receipt, or upon the date stated in the letter, if later. The board chair or secretary as the case may be, shall have the power to accept such resignation on behalf of the Corporation. A director holding an office is deemed to have resigned upon ceasing to be a director.

SECTION SIX

PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

6.1 Limitation of Liability – No director or officer of the Association shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee, or for joining in any receipts or other act for conformity, or for any loss, damage, expense happening to the Association through the insufficiency or deficiency of title to any property acquired by order of the board for or on behalf of the Association, or for the insufficiency or deficiency of any security in or upon which any of the moneys of

the Association shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous acts of any person with whom any of the moneys, securities or effects of the Association shall be deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same are occasioned by his own wilful neglect or default, provided that nothing herein shall relieve any director or officer of any liability imposed upon him by the Act.

6.2 Indemnity – Every director and every officer of the Association and every other person who has undertaken or is about to undertake any liability on behalf of the Association and his heirs, executors, administrators and other legal personal representatives shall, from time to time, be indemnified and saved harmless by the Association from and against:

- (a) any liability and all costs, charges and expenses that he sustains or incurs in respect of any action, suit or proceeding that is purposed or commenced against him for or in respect of anything done or permitted by him in respect of the execution of the duties of his office; and
- (b) all other costs, charges and expenses that he sustains or incurs in respect of the affairs of the Association.

SECTION SEVEN

MEMBERSHIP

7.1 Conditions of Membership – The membership shall consist of such individuals as are admitted by the board as a member, through such process and/or procedures as adopted by the board from time to time, who:

- (a) Affirm the basis, objectives and related service, program and activity objectives of the Association as set out in the Letters Patent and by-laws;
- (b) Desire to advance and promote the objects of the Association as set out in the Letters Patent;
- (c) Are communicant members in good standing of a Reformed Christian Church;
- (d) Are individuals, at least 18 years or older, provided that where a husband and wife each meet the conditions of membership, they shall hold a single membership; and
- (e) who have paid the applicable fees.

7.2 Fees - Membership requires the payment of annual fees. Such fees will be determined by the board of directors, but must be approved by the membership before they become applicable. The board may establish a committee and /or board policy to set out related guidelines and procedures for setting ad collecting fees, including in what, if any, exceptional circumstances the board may exercise it's discretion in applying the fees.

7.3 Privileges of Membership - Membership confers the privilege of voting at the meetings of the Association as provided for in the by-laws and confers the right to participate in activities entered into by the Association. Subject to the by-laws of the Association, each member in good standing shall be entitled to one vote on each question arising at any meeting of the members. Provided that in all cases where a husband and wife are members, either of them present in person or represented by proxy at a

meeting of members may, in the absence of the other, vote thereon; but if both of them shall be present in person or represented by proxy, they shall vote together as one on all questions.

7.4 Resignation of membership -- Members may resign by giving notice in writing to the board of directors, or its designate. Resignation is effective upon the date notice is received or on the date stated in the notice, if later, provided that a member shall remain liable for payment of any assessment or other sum levied or which becomes payable by him to the Association prior to his or her resignation.

7.5 Termination of membership – A member ceases to be a member in the following cases:

- (a) upon their death;
- (b) upon giving notice in writing to the board as per Section 7.4;
- (c) upon failure to pay arrears of fees within 365 days after being given notice of such arrears by the board; and
- (d) upon failure to meet the conditions of members, provided this determination is first affirmed by resolution of the board, and provided that notice of the proposed resolution was provided to the member at his or her last recorded address at least forty-five (45) days prior to the board voting on the proposed resolution, and provided that the member in question had been given an opportunity to respond or address the concern in writing or in person to the board, regarding the board’s concern about eligibility for membership, in advance of the board voting on the proposed resolution.

SECTION EIGHT

MEETINGS OF MEMBERS

8.1 Annual Meetings – The annual meeting of members shall be held at such time and on such day of each year as the board, the chair, or vice-chair may from time to time determine, for the purpose of receiving the reports and statements required by the Act to be laid before the annual meeting, electing directors, appointing auditors and fixing or authorizing the board to fix their remuneration, and for the transaction of such other business as may properly be brought before the meeting.

8.2 Special meetings – The board, the chair and/or vice-chair shall have the power to call a special meeting of the members at any time.

8.3 Place of Meetings – Meetings of the members shall be held at the head office of the Association or elsewhere in the municipality in which the head office is situated or, if the board shall so determine, at some other place in Ontario.

8.4 Notice of Meetings – Notice of the time and place of each meeting of members shall be given in the manner provided in Section 12.1, not less than twenty-one (21) days before the date of the meeting to each member. Notice of a special meeting of members shall state the general nature of the business to be transacted at it. The public accountants of the Association are entitled to receive all notices and other communications relating to any meeting of members that any member is entitled to receive.

8.5 Record Date for Notice – The record date for notice shall be the day on which notice is given, and only those persons who are entered in the register of members at that date shall be entitled to notice of any meeting of members.

8.6 Chair, Secretary and Scrutineers – The chair, or in his/her absence the vice-chair, shall preside and be chair of any meeting of members. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote may choose one of their number to be a chair. If the secretary and the assistant secretary, if any, of the Association are both absent, the chair will appoint some person, who need not be a member, to act as secretary of the meeting.

8.7 Persons Entitled to be Present – The only persons entitled to attend a meeting of members shall be those entitled to vote thereat, employees, the public accountants of the Association and any others whom, although not entitled to vote, who are entitled or required under any provision of the Act or the Letters Patent or by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.

8.8 Quorum – A quorum for the transaction of the business at any meeting of members shall be a minimum of thirty (30) members in good standing, who are able to cast a vote, and who are present in person, who are participating through electronic means and deemed to be present in person, or who are represented by proxy.

8.9 Right to Vote – Subject to the by-laws (e.g. Section 7.3), at any meeting of members every person shall be entitled to vote who is entered in the records of the Association as a member in good standing at least 24 hours before the meeting. For clarity, members with fees in arrears shall not be considered members in good standing.

Subject to the Act, where the board has developed and adopted procedures to implement and manage voting by mail, members may vote by mail in the manner prescribed by the board.

8.10 Proxies – Subject to the Act and the by-laws, every member entitled to vote at a meeting of members may appoint another member as his/her proxy to attend and act for him/her at the meeting in the manner, to the extent and with the power conferred by the instrument appointing the proxy.

An instrument appointing a proxy shall comply with all of the requirements of the Act, and shall be in writing executed by or on behalf of the appointer.

An instrument appointing a proxy shall be acted upon only if it has been received by the secretary of the Association or by the chair of the meeting or any adjournment thereof prior to the time of voting.

8.11 Votes to Govern – At any meeting of members every question shall, unless otherwise required by the Letters Patent or by-laws, be determined by the majority of votes cast on the question, whether upon a show of hand or upon a ballot. In the case of an equality of votes the chair of the meeting shall be entitled to a second or casting vote.

8.12 Show of Hands – Subject to the provisions of the Act and to the By-laws (e.g. Section 7.3), any question at a meeting of members shall be decided by a show of hand unless a ballot is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question,

unless a ballot vote thereon required or demanded, a declaration by the chair of the meeting that the vote upon the question has been carried or carried by a particular majority, or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the members upon the said question.

8.13 Ballots – On any question proposed for consideration at a meeting of members, and whether or not a show of hands has been taken thereon, the chair may require or any person entitled to vote may demand a ballot vote thereon. A ballot so required or demanded shall be taken in such manner as the chair shall direct. A requirement or demand for a ballot vote may be withdrawn at any time prior to the taking of the ballot vote. Subject to the Act and By-laws (e.g. Section 7.3), upon a ballot vote, each member present in person or by proxy shall be entitled to one vote, and the result of the said ballot so taken shall be the decision of the members upon the said question.

8.14 Adjournment – The chair at a meeting of members may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn the meeting from time to time and from place to place. No notice shall be required of any such adjournment. Such adjournment may be made notwithstanding that no quorum is present.

8.15 Electronic Meetings - At the discretion of the board, an entire members' meeting, as well as participation by members in a meeting of members, by telephone, conference call or other communications equipment providing means by which all individuals participating in the meeting can communicate with each other is permitted, and a member participating in such meeting in the aforesaid manner shall be deemed to be present in person at that meeting.

SECTION NINE

FINANCIAL AND BUSINESS MATTERS OF THE ASSOCIATION

9.1 Finances – Subject to the provisions and limitations of the Association's Letters Patent, the funds necessary for the operation of the Association and the facilities maintained by the Association shall be obtained primarily from the fees and/or other assessments paid by the member, from donations and gifts, and from fees, if any, paid by the parents, relatives or guardians/caregivers of the residents utilizing and benefitting from the facilities. Subject to Section 7.2, the board may set the fees by resolution from time to time.

Funds may be raised from individual or corporate donations, church offerings, fund drives, gifts from persons and other organizations and by other means consistent with the purposes and character of the Association.

9.2 Budget – The board shall, from time to time and no less frequently than annually, have a budget prepared and submit it for approval by the membership.

9.3 Financial Year – Until changed by the resolution of the board, the financial year of the Association shall end on the last day of December in each year.

9.4 Execution of Instruments – By-laws, membership certificates, deeds, transfers, assignments, contracts, obligations, certificates, and other instruments may be signed on behalf of the Association by two individuals, one of whom holds the office of chair, vice-chair, executive director and the other of whom holds one of the said offices, or the office of secretary, or treasurer or any other office created by the by-laws or the board. In addition, the board may from time to time direct by resolution the manner in which and the person or persons by whom any particular instrument or class of instruments may or shall be signed.

9.5 Banking Arrangements – The banking business of the Association shall be transacted with such banks, trust companies or other bodies corporate of other organizations as may from time to time be designated by or under the authority of the board. Such banking business or any part thereof shall be transacted under such agreement, instructions, and delegations of powers as the board may from time to time prescribe or authorize.

9.6 Cheques or Bills of Exchange – All cheques, bills of exchange or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the board and any one or such officers or agents may alone endorse notes and drafts for collection on account of the Association through its bankers, and endorse notes and cheques for deposit with the Association's bankers for the credit of the Association, or the same may be endorsed "for collection" or "for deposit" with the bankers of the Association by using the Association's rubber stamp for the purpose. Any one of such officers or agents so appointed may arrange, settle, balance and certify all books and accounts between the Association and the Association's bankers and may receive all paid cheques and vouchers and sign all the bank's forms or settlement of balances and release or verification slips.

9.7 Deposit of Securities for Safekeeping – The securities, if any, of the Association shall be deposited for safekeeping with one or more banks, trust companies or other financial institutions to be selected by the board. Any and all securities so deposited may be withdrawn, from time to time, only upon the written order of the Association and in such manner, as shall from time to time be determined by resolution of the board and such authority may be general or confined to specific instances. The institutions which may be so selected as custodians by the board shall be fully protected in acting in accordance with the directions of the board and shall in no event be liable for the due application of the securities so withdrawn for deposit or the proceeds thereof.

9.8 Voting Rights in Other Bodies Corporate – The signing officers of the Association may execute and deliver instruments of proxy and arrange for the issuance of voting certificates or other evidence of right to exercise the voting rights attaching to any securities held by the Association. Such instrument, certificates or other evidence shall be in favour of such person or persons as may be determined by the officers signing or arranging for them. In addition, the board may from time to time direct the manner in which and the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

SECTION TEN

BORROWING AND SECURITIES

10.1 Borrowing Power – Without restricting the powers of the Board granted under the Act, but subject to any by-laws of the Association, the board may from time to time, in such amount and on such terms as it deems expedient:

- (a) borrow money on the credit of the Association;
- (b) issue, sell or pledge debt obligations (including bonds, debentures, notes or other similar obligations, secured or unsecured) of the Association;
- (c) charge, mortgage, hypothecate or pledge all or any of the currently owned or subsequently acquired real or personal, movable or immovable, property of the Association, including book debts, rights, powers, franchises and undertakings, to secure any debt obligations or any money borrowed, or other debt or liability of the Association.

SECTION ELEVEN

THE STAFF

11.1 Executive Director – Subject to applicable law, the Letters Patent and the by-laws, the board shall hire an Executive Director after careful consideration of the requirements of the position and the individual's qualifications, with such salary and upon such conditions as the board may determine.

The Executive Director's duties shall include responsibility for the day-to-day operations of the Corporation, in accordance with a mandate as approved by the board from time to time.

The board may by resolution or board policy delegate the authority to appoint staff to the Executive Director on the same terms and conditions, provided, only the board may appoint an individual to the position of Executive Director.

The Executive Director shall be entitled (unless specifically otherwise directed by the board) to notice of, to attend and to participate in meetings of the board and board committees but shall not have a vote at such meetings.

11.2 Conditions of Appointment – Subject to applicable law and the discretion of the board in exceptional circumstances, all members of the staff must: be members of the Association; continue to meet and regularly affirm the conditions of membership, be spiritually sound in their understanding and teaching of the Reformed faith taught by the Reformed Christian Churches; and lead exemplary Christian lives.

11.3 Dismissal of Staff – Subject to the laws of Ontario and Canada, the board has the authority to dismiss the Executive director, and the authority to dismiss an employee, with or without cause, including any employees who no longer meet the requirements for employment with the Association (e.g. membership in the Association), or who prove to be unfit for the work because such person's work or personal life conflicts with the basis and purpose of the Association. The Board may delegate the authority to dismiss employees to the Executive director, provided the Board shall always receive notice of any such decision prior to it being implemented.

The board shall at all times ensure that any employee who is dismissed, or who is under review for dismissal, shall be treated respectfully, fairly and appropriately as per applicable employment legislation.

SECTION TWELVE

NOTICES

12.1 Method of Giving Notices – Any notice required to be sent to any member, director or to the public accountant shall be provided in a manner permitted by the Act, including by telephone, personal delivery, or prepaid mail, facsimile, email, or other electronic means to any such member, director or public accountant at their latest recorded address as shown in the records of the Corporation and to the public accountant at its business address, or if no address be given then to the last recorded address of such member, director or public accountant known to the chair; provided always that notice may be waived or the time for the notice may be waived or abridged at any time with the consent in writing of the person entitled thereto.

A notice so delivered shall be deemed to have been given when deposited in a post office or public letterbox; a notice 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 Association may in addition to the notice described above, post or publish notice of members meetings in the newsletters and bulletins of the Reformed Christian Churches whose members are members of the Association.

12.2 Computation of Time – In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or any event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

12.3 Omission and Errors – The accidental omission to give any notice to any member, director, officer, auditor, or member of a committee of the board, or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof, shall not invalidate any action taken at the meeting held pursuant to such notice or otherwise founded thereon.

12.4 Waiver of Notice – Any member (or his duly appointed proxy), director, public accountant, or member of a committee on the board may waive any notice required to be given to him under any provision of the Act, the Letters Patent, the by-laws or otherwise, and such waiver, whether given before or after the meeting or other event of which notice is required to be given, shall cure default in giving such notice.

12.5 Amendments to the By-Laws or Letters Patent – Subject to the Act and Letters Patent, any amendments to the by-laws and/or the Letters Patent must be made in accordance with the following regulations:

- (a) the membership must be informed no later than at the time of notification of the meeting that an amendment of the by-laws or the Letters Patent is to be discussed or made. The general nature of the proposed change or changes shall be published at this time.

- (b) all by-law amendments require the approval of a majority of the members present and voting at the meeting. As with any members meeting, the meeting must be properly called, with a quorum of members present. Votes may be cast by a member in any manner permitted by the Act and/or by-laws.
- (c) all amendments to the Letters Patent require the approval by special resolution of the members present and voting at the meeting. As with any members meeting, the meeting must be properly called, with a quorum of members present. Votes may be cast by a member in any manner permitted by the Act and/or by-laws.

ENACTED on November 27, 2020.

The undersigned certify that the above is a true and correct copy of the current By-law No. 1 of Anchor Association, passed at a meeting of members held on November 27, 2020, by a majority of not less than two-thirds of the votes cast by the members of Anchor Association present who voted; and this By-law is in full force and effect, unamended as of the date below.

Dated: _____

Chair: Jim Kay

Secretary: Marcia Fennema