

## Compute Ontario

### By-Law No. 2

A by-law relating generally to the transaction of the affairs of the Corporation

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

#### Article 1 Interpretation

##### 1.1 Definitions

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

- (a) “**Act**” means the *Corporations Act* (Ontario) and, where the context requires, includes the regulations made under it, and any statute that may be substituted therefor, as amended from time to time;
- (b) “**Board**” means the board of directors of the Corporation;
- (c) “**CEO**” means the chief executive officer of the Corporation;
- (d) “**Chair**” means the chair of the Board;
- (e) “**Corporation**” means Compute Ontario;
- (f) “**Director**” means a member of the Board;
- (g) “**Ex-officio**” means membership “by virtue of office” and includes all rights, responsibilities and power to vote unless otherwise specified;
- (h) “**Members**” means the members of the Corporation as described in Article 2;
- (i) “**Officers**” means the individuals who hold the offices described in Article 9; and
- (j) “**Rules**” means the rules adopted by the Board in accordance with section 12.2.

##### 1.2 Interpretation

In this by-law and in all other by-laws of the Corporation, unless the context otherwise requires, words importing the singular include the plural and vice versa; references to persons include individuals and entities; words importing one gender include all genders; words defined in the Act have the same meanings when used in the by-law; and headings are used for convenience of reference and do not affect the interpretation of the by-law.

## **Article 2 Membership in the Corporation**

### **2.1 Members**

The Members shall consist of the Directors from time to time of the Corporation, who shall be *ex-officio* Members for so long as they serve as Directors. No fees shall be payable by the Members.

## **Article 3 Members' Meetings**

### **3.1 Location**

Members' meetings shall be held at the head office of the Corporation or at any place in Ontario as the Board may determine.

### **3.2 Annual Meetings**

The annual Members' meeting shall be held within three months after the close of the fiscal year.

### **3.3 Calling Meetings**

The Board shall have the power to call, at any time, an annual or general Members' meeting.

### **3.4 Quorum**

A majority of the Members shall constitute a quorum at any Members' meeting.

### **3.5 Notice**

Notice of Members' meetings shall be given by sending it to each Member by one of the methods set out in section 13.1 addressed to the Members at their most recent addresses as shown on the Corporation's records not less than ten days and not more than 50 days before the meeting.

### **3.6 Votes**

- (a) Each Member shall have the right to exercise one vote.
- (b) At all Members' meetings, every question shall be determined by a majority of votes unless otherwise specifically provided by statute or by this by-law.
- (c) Every question submitted to any Members' meeting shall be decided in the first instance by a show of hands. If there is a tie vote, the chair of the meeting shall have a second vote to break the tie.
- (d) At any Members' meeting, unless a poll is demanded, a declaration by the chair of the meeting that a resolution has been carried or carried unanimously or by a particular

majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

- (e) A Member may demand a poll either before or after any vote by show of hands. If a Member demands a poll on the election of a chair of the meeting or on the question of adjournment, the poll shall be taken immediately. If a Member demands a poll on any other question, the vote shall be taken by poll in the manner and at the time that the chair of the meeting directs. The result of a poll shall be the resolution of the meeting. A Member may withdraw a demand for a poll.

### **3.7 Proxies**

Votes at Members' meetings may be given either personally or by proxy. A person appointed by proxy must be a Member. A proxy may be in the following form:

The undersigned Member of Compute Ontario appoints \_\_\_\_\_, or failing the person appointed above \_\_\_\_\_, as the proxy of the undersigned to attend and act at the Members' meeting to be held on \_\_\_\_\_, 20\_\_\_\_ and at any adjournment(s) thereof in the same manner, to the same extent, and with the same power as if the undersigned were present at the said meeting or such adjournment(s) thereof.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Signature of Member

### **3.8 Chair of the Meeting**

The chair of a Members' meeting shall be:

- (a) the Chair; or
- (b) the Vice-Chair, if the Chair is absent or unable to act; or
- (c) a chair elected by the Members if the Chair and Vice-Chair are absent or unable to act. The Secretary shall preside at the election of the chair of the meeting but if the Secretary is not present, the Members shall choose a Member to preside at the election.

### **3.9 Adjourned Meetings of Members**

If within one-half hour after the time appointed for a Members' meeting, a quorum is not present, the meeting shall stand adjourned until a day to be determined by the Board. Not less than 48 hours' notice of a rescheduled meeting following an adjournment shall be given in the manner as the Board may determine, provided that in calculating the notice period Saturdays, Sundays and statutory holidays shall be excluded.

## **Article 4 Board**

### **4.1 Composition of Board**

The Board shall consist of 13 Directors, who satisfy the criteria set out in section 4.3 and who are elected by the Members in accordance with section 4.7 or appointed in accordance with section 4.9.

### **4.2 Duties and Responsibilities**

The Board shall govern and oversee the management of the affairs of the Corporation and may exercise all such other powers and do all such other acts and things as the Corporation is, by its charter or otherwise, authorized to exercise and do.

### **4.3 Qualifications of Directors**

No individual shall be qualified for election or appointment as a Director if he or she:

- (a) is less than 18 years of age;
- (b) has been found under the *Substitute Decisions Act, 1992* or under the *Mental Health Act* to be incapable of managing property or has been found to be incapable by any court in Canada or elsewhere;
- (c) has the status of a bankrupt; or
- (d) has been convicted of a criminal offence.

### **4.4 Vacation of Office**

The office of a Director shall automatically be vacated if the Director:

- (a) dies;
- (b) resigns such office by delivering a written resignation to the Secretary, which resignation shall be effective at the time it is received or at the time specified in the notice, whichever is later; or
- (c) becomes a person referred to in subsection 4.3(b), (c) or (d).

Where there is a vacancy in the Board, the remaining Directors may exercise all the powers of the Board so long as a quorum remains.

#### **4.5 Removal**

The office of a Director may be vacated by a Members' resolution, on notice to the Director and giving such Director an opportunity to be heard at the meeting where the resolution is proposed, if the Director:

- (a) without being granted a leave of absence by the Board, is absent for two consecutive regular Board meetings, or is absent for half or more of the regular Board meetings in any 12-month period; or
- (b) fails to comply with the Act or the Corporation's Letters Patent, or the by-laws, Rules, policies or procedures adopted by the Board, including without limitation, confidentiality and conflict of interest requirements.

#### **4.6 Election and Term**

Each Director shall be elected for a one-year term provided that each Director shall hold office until the earlier of the date on which his or her office is vacated pursuant to sections 4.4 or 4.5 or until the end of the meeting at which his or her successor is elected or appointed.

#### **4.7 Nomination Procedure for Election of Directors**

Nominations made for the election of Directors at a Members' meeting may be made only by the Board in accordance with the nominating and election procedure prescribed by the Board from time to time. No nominations shall be accepted by the Members that are not submitted and approved by the Board in accordance with the Board-approved process. The decision of the Board as to whether or not a candidate is qualified to stand for election shall be final.

#### **4.8 Maximum Terms**

Each Director shall be eligible for re-election, provided that the Director shall not be re-elected for such number of terms that will result in the Director serving more than six consecutive years. The Director may also be eligible for re-election for another term or terms (to a maximum of six consecutive years) if two or more years have elapsed since the termination of his or her last term. In determining a Director's length of service as a Director, service before the coming into force of this by-law shall be included. Despite the foregoing:

- (a) a Director may, by Board resolution, have his or her maximum term as a Director extended for the sole purpose of that Director succeeding to the office of Chair or serving as Chair; and
- (b) where a Director was appointed to fill an unexpired term of a Director, the partial unexpired term filled by the Director shall be excluded from the calculation of the maximum years of service.

#### **4.9 Filling Vacancies**

So long as there is a quorum of Directors in office, any vacancy occurring in the Board may be filled by a qualified person appointed for the remainder of the term by the Directors then in office. In the absence of a quorum of the Board, or if the vacancy has arisen from a failure of the Members to elect the number of Directors required to be elected at any Members' meeting, the Board shall forthwith call a Members' meeting to fill the vacancy. A Director so appointed or elected shall hold office for the unexpired portion of the vacated term.

#### **4.10 Directors Remuneration**

Each Director shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from his or her position as such, provided that a Director may be reimbursed reasonable expenses incurred by the Director in the performance of his or her duties, which shall be subject to any Board-approved expense policy.

### **Article 5 Board Meetings**

#### **5.1 Board Meetings**

The Board shall meet at least quarterly at such times and in such places as may be determined by the Board or the Chair. Special Board meetings may be called by the Chair or Vice-Chair, and shall be called by the Secretary upon receipt of the written request of at least two Directors. If the Secretary calls a special Board meeting upon receipt of the written request of at least two Directors, the meeting shall be held within seven days thereafter, provided the Directors receive 48 hours' notice of the meeting in accordance with section 5.4.

#### **5.2 Regular Meetings**

The Board may appoint one or more days for regular Board meetings at a place and time named. A copy of any Board resolution fixing the place and time of regular Board meetings shall be given to each Director immediately after being passed and no other notice shall be required for any regular meeting. At least one of the regular Board meetings in each year shall be held in person.

#### **5.3 Telephone Meetings**

If all the Directors present at or participating in the meeting consent, a Board meeting or a Board committee meeting may be held by such telephone, electronic or other communication facilities that permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a Director or a Board committee member participating in the meeting by those means is deemed to be present at the meeting.

#### **5.4 Notices**

Notice of Board meetings, other than regular meetings, shall be given to all Directors by sending it to each Director by one of the methods set out in section 13.1 addressed to the Directors at

their most recent addresses as shown on the Corporation's records at least 48 hours before the meeting. The Chair or Vice-Chair may call a meeting on less notice, by such means as are deemed appropriate, provided that notice is given to all Directors and the majority of the Directors consent to the holding of the meeting. In calculating the 48-hour notice period, Saturdays, Sundays and statutory holidays shall be excluded. Notice of a Board meeting need not specify the business to be transacted at the meeting except where the business of the meeting is to: (a) fill a vacancy among the Directors or in the office of the auditor; (b) approve any annual financial statements; (c) adopt, amend or repeal by laws; or (c) remove a Director from office.

### **5.5 Quorum**

A majority of the Directors shall constitute a quorum.

### **5.6 First Meeting of New Board**

If a quorum of Directors is present, each newly elected Board may, without notice, hold its first meeting immediately following the Members' meeting at which the Board is elected.

### **5.7 Persons Entitled to be Present**

Guests may attend Board meetings with the consent of the meeting on the invitation of the Chair. The Board may adopt a policy from time to time on the attendance of the public at Board meetings.

### **5.8 Voting**

There is a preference for Board decision making to be reached through consensus. However, where formal voting of the Board is required, the following will apply. Each Director present at a Board meeting shall be entitled to one vote on each matter. A Director shall not be entitled to vote by proxy. Every question arising at a Board meeting or a Board committee meeting, shall be decided by a majority of votes.

### **5.9 Casting Vote**

If there is a tie vote, the Chair shall have a second vote to break the tie.

### **5.10 Ballots**

The vote on any question shall be taken by secret ballot if so demanded by any Director present. The ballots shall be counted by the chair of the meeting. Otherwise a vote shall be taken by a show of hands. A declaration by the chair of the meeting that a resolution has been carried by a particular majority or not carried shall be conclusive.

### **5.11 Adjournment of the Meeting**

If within one-half hour after the time appointed for a Board meeting a quorum is not present, the meeting shall stand adjourned until a day within two weeks to be determined by the chair of the meeting.

## **5.12 Notice of Adjourned Meeting**

At least 24 hours' notice of a rescheduled meeting following an adjournment by an appropriate means shall be given to each Director, provided that in calculating the 24-hour notice period Saturday, Sundays and statutory holidays shall be excluded.

## **Article 6 Conflict of Interest**

### **6.1 Conflict of Interest**

Every Director shall comply with the conflict of interest rules found in the Act and any conflict of interest policy adopted by the Board from time to time.

## **Article 7 Protection of Directors, Officers and Others**

### **7.1 Limitation of Liability Generally**

No Director or Officer shall be liable for any act, receipt, neglect or default of any other Director, Officer or employee or for any loss, damage or expense happening to the Corporation through any deficiency of title to any property acquired by the Corporation or for any deficiency of any security upon which any moneys of the Corporation shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, including any person with whom any moneys, securities or effects shall be deposited, or for any loss, conversion, misappropriation of, or any damage resulting from, any dealings with any moneys, securities or other assets belonging to the Corporation, or for any other loss, damage or misfortune which may happen in the execution of the duties of the Director's or Officer's respective office, unless the occurrence is as a result of the Director's or Officer's own wilful neglect or default.

### **7.2 Indemnities to Directors and Others**

Every Director and Officer and his or her heirs, executors, administrators and estates 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 whatsoever which the Director or Officer sustains or incurs in or about any action, suit or proceeding, that is brought, commenced or prosecuted against him or her, for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him or her, in or about the execution of the duties of his or her office; and
- (b) all other costs, charges and expenses, which he or she sustains or incurs in or about or in relation to the affairs of the Corporation, except the costs, charges or expenses as are occasioned by his or her own wilful neglect or default.

The indemnity provided for in this section shall be applicable only if the Director or Officer acted honestly and in good faith with a view to the best interests of the Corporation and in the

case of a criminal or administrative action or proceeding that is enforceable by a monetary penalty, had reasonable grounds for believing that his or her conduct was lawful.

## **Article 8 Board Committees**

### **8.1 Board Committees**

The Board may establish committees from time to time. The Board shall determine the duties of the Board committees. The Board committees shall be:

- (a) Standing Committees, being those committees whose duties are normally continuous; and
- (b) Special Committees, being those committees appointed for specific duties whose mandate shall expire with the completion of the tasks assigned.

### **8.2 Functions, Duties, Responsibilities and Powers of Board Committees**

The functions, duties, responsibilities and powers of the Board committees shall be provided in the Board resolution by which a Board committee is established or in terms of reference adopted by the Board.

### **8.3 Board Committee Members, Chair**

Unless otherwise provided by by-law or Board resolution, the Board shall appoint the chair, the vice-chair (if any) and the members of each Board committee. Each chair and vice-chair of a Board committee shall be a Director. The members and the chair and vice-chair of each Board committee shall hold their office at the will of the Board. The Board committees may include members who are not Directors (other than an Executive Committee, if any). Unless otherwise provided, the Chair and CEO shall be *ex-officio* members of all Board committees.

### **8.4 Procedures at Board Committee Meetings**

Procedures at and quorum for Board committee meetings shall be determined by the chair of each committee, unless established by Board resolution or by Board-approved general committee regulations. The quorum for any Board committee shall not be less than the majority of the committee members.

## **Article 9 Officers**

### **9.1 Officers**

The Officers shall include the Chair, Vice-Chair, Secretary and Treasurer, and may include such other Officers as the Board may determine. The Board shall appoint the Officers at its first meeting following the annual meeting of Members at which the Directors are elected or at such other times when a vacancy shall occur. A person may hold more than one office.

## **9.2 Terms of Office**

The Officers shall hold office for a three-year term from the date of appointment or until their successors are appointed in their stead, which term shall be renewable for one further three-year term. Officers shall be subject to removal by the Board at any time.

## **9.3 Duties of Officers**

The Officers shall have the powers and duties described in their position descriptions as approved by the Board from time to time and such other duties as may be required by statute or as may be determined by the Board from time to time. An Officer may delegate the performance of any of his or her duties to another, unless the Board otherwise directs. The Chair shall, when present, preside at all meetings of the Members and the Board.

# **Article 10 Organization and Financial**

## **10.1 Seal**

Until changed in accordance with the Act, the seal of the Corporation shall be in the form impressed on this by-law.

## **10.2 Execution of Instruments**

Contracts, documents or any other written instruments requiring the signature of the Corporation shall be signed in accordance with the delegation of signing authority adopted by the Board from time to time and all instruments so signed shall be binding upon the Corporation without any further authorization or formality, provided that the Board may, from time to time, direct the manner in which and the person or persons by whom any particular instrument or class of instruments may or shall be signed.

When required, any signing officer may affix the seal of the Corporation to any instrument and may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy.

## **10.3 Banking Arrangements**

The banking business of the Corporation or any part thereof shall be transacted with such banks, trust companies or other financial institutions as the Board may determine from time to time.

## **10.4 Financial Year**

Unless otherwise determined by the Board, the financial year of the Corporation shall end on March 31 in each year.

### **10.5 Auditor**

The Members shall, at each annual meeting, appoint an auditor to audit the accounts 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 Board may fill any casual vacancy in the office of auditor. The Board shall fix the remuneration of the auditor.

### **10.6 Borrowing Power**

Without limiting the borrowing powers of the Corporation as set forth in the Act, the Board may, from time to time, on behalf of the Corporation, without authorization of the Members:

- (a) borrow money on the credit of the Corporation;
- (b) issue, sell or pledge securities of the Corporation; or
- (c) charge, mortgage, hypothecate or pledge all or any of the property of the Corporation, including book debts and unpaid calls, rights, powers, franchises and undertakings, to secure any securities or any money borrowed, or other debt, or any other obligation or liability of the Corporation.

### **10.7 Books and Records**

The Board shall see that all necessary books and records of the Corporation required by this by-law or by any applicable statute or law are regularly and properly kept.

## **Article 11 Confidentiality**

### **11.1 Confidentiality**

Every Director, Officer, Board committee member, employee and agent of the Corporation shall respect the confidentiality of matters brought before the Board, brought before any Board committee or dealt with in the course of the employee's employment or agent's activities.

### **11.2 Board Spokesperson**

Only the Chair, the CEO or a Director specifically designated by the Board or Chair for a particular issue shall be the official spokespersons for the Board or Corporation. Other Directors shall refer all inquiries to the Chair or the alternatively designated spokesperson.

## **Article 12 Rules and Procedures**

### **12.1 Rules of Order**

Any questions of procedure at or for any meetings of Members, of the Board, or of any Board committee, which have not been provided for in this by-law or by the Act or the Rules, shall be

determined by the chair of the meeting in accordance with the rules of procedure adopted by Board resolution, or failing such resolution, adopted by the chair of the meeting.

## **12.2 Rules**

The Board may, from time to time, make such Rules as it may deem necessary or desirable in connection with the management of the affairs of the Board and the conduct of the Directors and Officers, provided, however, that any Rule shall be consistent with the provision of this by-law.

## **Article 13 Notices**

### **13.1 Notice**

Whenever under the provisions of this by-law notice is required to be given, unless otherwise provided, the notice may be given in writing and delivered or sent by prepaid mail, by facsimile transmission, or by e-mail, addressed to the Director, Officer, Board committee member, Member or auditor at the postal address, facsimile number or e-mail address, as the case may be, as the same appears on the books of the Corporation.

If any notice is sent by prepaid mail, it shall, subject to the following paragraph, conclusively be deemed to have been received on the third business day following its mailing. If delivered, a notice shall conclusively be deemed to have been received at the time of delivery, or if sent by facsimile transmission or e-mail, it shall conclusively be deemed to be received on the next business day after transmission.

Notwithstanding the foregoing provisions with respect to mailing, if it may reasonably be anticipated that, due to any strike, lock out or similar event involving an interruption in postal service, any notice will not be received by the addressee by no later than the third business day following its mailing, then the mailing of the notice shall not be an effective means of sending it but rather any notice must then be sent by an alternative method which it may reasonably be anticipated will cause the notice to be received reasonably expeditiously by the addressee.

Any person entitled to receive any notice may waive the notice either before or after the meeting to which it refers.

### **13.2 Computation of Time**

In computing the date when notice must be given under any provision of this by-law requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

### **13.3 Omissions and Errors**

The accidental omission to give any notice to any Member, Director, Officer, Board committee member or the auditor of the Corporation, or the non-receipt of any notice by any such person, or any error in any notice not affecting the substance of it, shall not invalidate any action taken at any meeting held pursuant to the notice or otherwise founded on it.

### **13.4 Waiver of Notice**

Any Member, Director, Officer, Board committee member or the auditor of the Corporation may waive any notice required to be given to him or her under any provision of the Act, the Letters Patent or this by-law, and such waiver, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in giving the notice. Attendance and participation at a meeting constitutes waiver of notice.

## **Article 14 Amendment of By-Laws**

### **14.1 Amendment**

Subject to applicable legislation, this by-law may be repealed or amended by by-law enacted by a Board resolution and sanctioned by at least a majority of the Members voting at a meeting duly called for the purpose of considering the by-law.

### **14.2 Effect of Amendment**

Subject to the Act and to section 14.3 below, a by-law or an amendment to a by-law passed by the Board has full force and effect from the time the motion was passed or from such future time as may be specified in the motion.

### **14.3 Member Approval**

A by-law or an amendment to a by-law passed by the Board shall be presented for confirmation at the next annual meeting or to a general Members' meeting called for that purpose. The notice of the annual or general meeting shall refer to the by-law or amendment to be presented. The Members may confirm the by-law as presented or reject or amend it, and if rejected, it thereupon ceases to have effect and if amended, it takes effect as amended. In any case of rejection, amendment or refusal to approve the by-law or part of the by-law in force and effect in accordance with this section, no act done or right acquired under any by-law is prejudicially affected by any rejection, amendment or refusal to approve.

## **Article 15 Effective Date**

### **15.1 Effective Date**

This by-law shall come into force when passed by the Board and confirmed by two-thirds or more of the Members.

### **15.2 Repeal and Replacement of By-law No. 1**

By-law No. 1 of the Corporation is repealed and replaced with this by-law. Such repeal shall not affect the previous operation of By-law No. 1 or affect the validity of any act done or right or privilege, obligation or liability acquired or incurred under, or the validity of any contract or

agreement made pursuant to, or the validity of any letters patent or predecessor charter documents of the Corporation obtained pursuant to By-law No. 1 prior to its repeal. All officers and persons acting under By-law No. 1 so repealed shall continue to act as if appointed under the provisions of this by-law and all resolutions of the Board with continuing effect passed under By-law No. 1 shall continue to be valid except to the extent inconsistent with this by-law and until amended or repealed.

**PASSED** by the Board and confirmed by the Members on November 25, 2016.

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Chair

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Secretary