



Rotary International District 5040 Bylaws

Approved May 25, 2022

CONTENTS

INTERPRETATION..... 3

HEAD OFFICE 4

BOARD OF DIRECTORS..... 4

MEETINGS OF DIRECTORS 6

POWERS OF DIRECTORS 7

OFFICERS 8

FOR THE PROTECTION OF DIRECTORS AND OFFICERS 10

INDEMNITIES TO DIRECTORS AND OTHERS..... 10

INTERESTED DIRECTOR CONTRACTS..... 11

MEMBERSHIP 12

MEETINGS..... 12

CUSTODY OF DOCUMENTS 14

CUSTODY OF SECURITIES 14

EXECUTION OF INSTRUMENTS 14

CHEQUES. DRAFTS, NOTES, ETC. 15

NOTICES 15

RULES AND REGULATIONS 16

PROCESS TO CHANGE BY-LAWS 16

AUDITORS..... 16

FINANCIAL YEAR..... 17

WINDING UP 17

General By-law of ROTARY INTERNATIONAL DISTRICT 5040

INTERPRETATION

1. **Definitions** In this By-law, unless the context otherwise specifies or requires:

(a) "Act" means the Canada Not-for-profit Corporations Act, SC 2009 c.23 as from time to time amended and every statute that may be substituted therefor and, in the case of such substitution, any references in the By-laws of District 5040 to provisions of the Act shall be read as references to the substituted provisions therefor in the new statute or statutes;

(b) "By-laws" means any By-law of District 5040 from time to time in force and effect;

(c) "District 5040" shall mean Rotary International District 5040, a body corporate without share capital for the purpose of carrying on objects of a charitable character as a not-for-profit corporation, without pecuniary gain to its members.

(d) "Members" means all Rotary clubs in the district in good standing with Rotary International;

(e) "Regulations" means the regulations made under the Act as from time to time amended and every regulation that may be substituted therefor and, in the case of such substitution, any references in the By-laws of District 5040 to provisions of the regulations shall be read as references to the substituted provisions therefor in the new regulations; and

(f) "RI" means Rotary International.

2. **Interpretation** This By-law shall be, unless the context otherwise requires, construed and interpreted in accordance with the following:

(a) all terms contained herein, and which are defined in the Act or the Regulations shall have the meanings given to such terms in the Act or such Regulations;

(b) words importing the singular number only shall include the plural and vice versa; and the word "person" shall include individuals, bodies corporate, corporations, companies, partnerships, syndicates, trusts and any number or aggregate of persons;

(c) the headings used in the By-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or

provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions;

(d) if any provision of these by-laws is not in conformity with the constitution, bylaws or policies of Rotary International as amended from time to time, the terms of the constitution, by-laws or policies of RI shall prevail at all times to the extent that those provisions are not in conflict with the law governing this Corporation; and

(e) all terms contained herein and which are defined in the constitution, by-laws or policies of RI as amended from time to time shall have the meanings given to such terms in the constitution, bylaws or policies.

HEAD OFFICE

3. **Head Office** The head office of District 5040 shall be within the geographical boundaries of District 5040 as determined from time to time by RI and which in any event shall comprise all or part of the province of British Columbia.

BOARD OF DIRECTORS

4. **Number** The Board of Directors of District 5040 shall consist of the following nine directors, all of whom must be members of a Rotary club from District 5040:

- (a) The district governor;
- (b) The immediate past district governor;
- (c) The district governor-elect;
- (d) The district secretary;
- (e) The district treasurer;
- (f) Four directors at large confirmed at the AGM.

5. **Election and Term** The term of office of all directors shall begin on July 1 and shall end on June 30 of the following year. With the exception of the four (4) directors to be confirmed at the annual general meeting of District 5040 to be held prior to July 1 each year, all other directors shall take office in accordance with the nomination and election procedures set out in the By-Laws of RI or as set out in RI policies.

6. **Vacancies** The office of a director shall automatically be vacated:
- (a) if the director ceases to be a member in good standing of a Rotary club from District 5040 pursuant to the By-laws of RI;
 - (b) if the director becomes bankrupt or suspends payment of debts generally or makes an authorized assignment or is declared insolvent;
 - (c) if the director is found to be a mentally incompetent person or becomes of unsound mind;
 - (d) if the director by notice in writing to District 5040 resigns office, which resignation shall be effective at the time it is received by the Secretary of District 5040 or at the time specified in the notice, whichever is later;
 - (e) if the district governor or the district governor-elect is removed from office by the president of RI pursuant to of the By-laws of RI;
 - (f) if the district secretary or the district treasurer is removed from office by the district governor pursuant to RI policies;
 - (g) with the exception of the directors described under (e) and (f), if a resolution is passed by the Board of Directors removing the director before the expiration of the director's term of office.
7. **Filling Vacancies** With the exception of the district governor and the district governor-elect, a vacancy occurring in the Board of Directors shall be filled on appointment by the district governor and any director so appointed shall hold office for the remainder of the term of office described in paragraph 6.
8. **Board of Directors Selection Committee** The Board of Directors shall establish a selection committee, chaired by the district governor-elect, to recruit and propose a slate of Directors, to be confirmed at the District 5040 AGM. Membership on the committee shall be at the discretion of the Board of Directors but members must be a Rotarian in good standing in a Rotary Club from District 5040 pursuant to RI By-laws.
9. **Other Committees** The Board of Directors shall be empowered to establish such standing or ad hoc committees as it deems necessary. Membership on such committees shall be at the discretion of the Board of Directors but members must be in good standing in a Rotary club or a Rotaract club from District 5040 pursuant to the RI by-laws.

10. **Remuneration of Directors** A member of the Board of Directors shall not receive any remuneration. Expenses shall be reimbursed consistent with District 5040 policy.

MEETINGS OF DIRECTORS

11. **Place of Meeting** Meetings of the Board of Directors may be held at any place within or outside Canada.
12. **Notice** Meetings of the Board of Directors shall be held as often as required and shall be called by the District Governor.
 - (a) Board Members shall be given seven (7) days' notice of a regular Board meeting.
 - (b) Notice may be given by email or by any other means agreed by the board; notice may be waived if all directors are present or consent to waive notice.
13. **Error or Omission in Giving Notice** No error or accidental omission in giving notice of any meeting of directors shall invalidate such meeting or make void any proceedings taken at such meeting.
14. **Adjournment** Any meeting of directors may be adjourned from time to time by the chairperson of the meeting, with the consent of the meeting, to a fixed time and place. Notice of any adjourned meeting of directors is not required to be given if the time and place of the adjourned meeting is announced at the original meeting. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The directors who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.
15. **Regular Meetings** The Board of Directors may appoint a day or days in any month or months for regular meetings of the Board of Directors at a place or hour to be named by the Board of Directors and a copy of any resolution of the Board of Directors fixing the place and time of regular meetings of the Board of Directors shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meetings.
16. **Special Meetings** A Special Meeting of the Board shall be called by the district governor within three (3) days and convened within ten (10) days of delivery to the district governor of a requisition for a Special Meeting of the Board stating the

business to be brought before the meeting, signed by three (3) members of the Board. If the district governor does not call a Special Meeting of the Board within three (3) days of delivery of the requisition, a Special Meeting of the Board may be called by a notice signed by the three (3) requisitionists.

17. **Notice of Special Meetings** Each member of the Board of Directors shall be given at least seven (7) days' notice of a Special Meeting of the Board of Directors, provided that a Special Meeting of the Board of Directors may be convened on three (3) days' notice to all directors if a majority of the Board is present at the meeting. Such notice shall be given by telephone, mail or email.
18. **Quorum** A majority of the Board of Directors shall constitute a quorum at any meeting of the Board, provided at least one (1) officer is present.
19. **Voting** Each director, except for the chairperson of a meeting of the Board of Directors, is authorized to exercise one (1) vote. Questions arising at any meeting of directors shall be decided by a majority of votes. In case of an equality of votes by the directors, the chairperson of the meeting shall vote in order to break the tie.
20. **Meetings by Electronic Means** The directors of District 5040 may meet by electronic means that permits each director to communicate adequately with each other, provided that:
 - (a) the Board of Directors of District 5040 has passed a resolution addressing the mechanics of holding such a meeting and dealing specifically with how security issues should be handled, the procedure for establishing quorum and recording votes;
 - (b) each director has equal access to the specific means of communication to be used; and

POWERS OF DIRECTORS

21. **Control and Management** Subject to these by-laws and the applicable law, the Board of Directors has full control to manage the affairs of District 5040 in keeping with written directions by RI and resolutions approved by a majority vote at a General Meeting of District 5040.
22. **Administer Affairs** The Board of Directors of District 5040 may administer the affairs of District 5040 in all things and make or cause to be made for District 5040, in its name, any kind of contract which District 5040 may lawfully enter into and, save as hereinafter provided, generally, may exercise all such other powers and do all such other acts and things as District 5040 is authorized to exercise and do.

23. **Expenditures** The Board of Directors shall have power to authorize expenditures on behalf of District 5040 from time to time for the purpose of furthering the objects of District 5040. The Board of Directors shall have the power to enter into a trust arrangement with a trust company or other financial institution for the purpose of creating a trust fund in which the capital and interest may be made available for the benefit of promoting the interest of District 5040 in accordance with such terms as the Board of Directors may prescribe.
24. **Fund Raising** The Board of Directors shall take such steps as they may deem requisite to enable District 5040 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 District 5040.
25. **Agents and Employees** The Board of Directors may appoint such agents and engage such employees (and may delegate this function to an officer or officers of District 5040) as it shall deem necessary from time to time and such persons shall have such authority and shall perform such duties as shall be prescribed at the time of such appointment. The remuneration of agents and employees shall, subject to the other provisions of this By-law, be fixed by the Board of Directors by resolution, provided that the Board of Directors may delegate this function to an officer or officers of District 5040.

OFFICERS

26. **Chairperson of the Board** The district governor of District 5040 shall be the chief executive officer of District 5040 and chairperson of the Board of Directors.
27. **Officers** The officers of District 5040 shall be comprised of the district governor, the immediate past district governor, the district governor-elect, the district secretary and the district treasurer, all of whom must be members of a Rotary club from District 5040
28. **District Governor-Elect** The district governor-elect shall take office in accordance with the nomination procedure set out in the By-laws of RI, in accordance with the policies and procedures of RI.

29. **Vacancies** Notwithstanding the foregoing, each incumbent officer shall continue in office until the earlier of:
- (a) that officer's resignation, which resignation shall be effective at the time the written resignation is received by the District Secretary or at the time specified in the resignation, whichever is later;
 - (b) June 30th of the year following the year in which the officer took office;
 - (c) that officer's removal.

If the office of any of the appointed officers of District 5040 shall be or become vacant, the district governor may appoint a person to fill such vacancy.

30. **Remuneration of Officers** An officer of District 5040 shall not receive any remuneration. Expenses shall be reimbursed consistent with District 5040 policy.
31. **Duties of Officers May be Delegated** In case of the absence or inability to act of the district secretary or district treasurer, the district governor may delegate all or any of the powers of any such officer to any qualified Rotarian in District 5040.
32. **Powers and Duties** The officers shall sign such contracts, documents or instruments in writing as require their respective signatures and shall respectively have and perform all powers and duties incidental to their respective offices and such other powers and duties respectively as may from time to time be assigned to them by the Board of Directors. The duties of the officers shall include:
- (a) **Chairperson of the Board** The Chairperson of the Board shall, when present, preside at all meetings of the Board of Directors, committees of directors, if any, and the members. In the absence of the district governor, the immediate past district governor shall act in his or her place and stead.
 - (b) **District Secretary** The District Secretary shall give or cause to be given notices for all meetings of the Board of Directors or committees of directors, if any, and members when directed to do so and have charge of the corporate records of District 5040.
 - (c) **District Treasurer** The District Treasurer shall keep or shall cause to be kept an accurate account of all receipts and disbursements of District 5040 in proper books of account and shall deposit or shall cause to be deposited all monies or other valuable effects in the name and to the credit of District 5040 in such banks or banks as may be designated from time to time by the Board of Directors. The District Treasurer shall disburse or cause to be disbursed the funds of District 5040 under the direction of the Board of Directors, receiving proper vouchers thereof and render to the Board of

Directors at its regular meetings or whenever required, an account of all transactions as District Treasurer, and of the financial position of District 5040.

FOR THE PROTECTION OF DIRECTORS AND OFFICERS

33. **For the Protection of the Directors and Officers** Except as otherwise provided in the Act, no director or officer for the time being of District 5040 shall be liable:
- (a) for the acts, receipts, neglects or defaults of any other director or officer or employee;
 - (b) or for any loss, damage or expense happening to District 5040 through the insufficiency or deficiency of title to any property acquired by District 5040 or for or on behalf of District 5040;
 - (c) or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to District 5040 shall be placed out or invested;
 - (d) or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person including any person with whom or which any moneys, securities or effects shall be lodged or deposited;
 - (e) or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to District 5040;
 - (f) or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of the director's or officer's respective office or trust or in relation thereto, unless the same shall happen by or through the director's or officer's own willful neglect or default.

INDEMNITIES TO DIRECTORS AND OTHERS

34. **Indemnities to Directors and Others** Every director or officer of District 5040 or other person who has undertaken or is about to undertake any liability on behalf of the District 5040 or any corporation controlled by it 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 District 5040, from and against:
- (a) all costs, charges and expenses whatsoever which such director, officer or other person sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against the director, officer or other person for or in respect of any act, deed matter or thing whatever, made, done or permitted by them, in or about the execution of the duties of such office or in respect of any such liability; and

- (b) all other costs, charges and expenses which the director, officer or other person sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by their own willful neglect or default.

District 5040 shall also indemnify any such person in such other circumstances as the Act or law permit or requires. Nothing in this By-law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this By-law to the extent permitted by the Act or law.

INTERESTED DIRECTOR CONTRACTS

- 35. **Conflict of Interest** A director who is in any way directly or indirectly interested in a contract or proposed contract with District 5040 shall make the disclosure required by the Act and except as provided by the Act, no such director shall vote on any resolution to approve any such contract. In supplement of and not by way of limitation upon any rights conferred upon directors by the Act and specifically subject to the provisions contained in the Act, it is declared that no director shall be disqualified by any such office from, or vacate any such office by reason of, holding any office or place of profit under District 5040 or under any corporation in which District 5040 shall be a shareholder or by reason of being otherwise in any way directly or indirectly interested or contracting with District 5040 as vendor, purchaser or otherwise or being concerned in any contract or arrangement made or proposed to be entered into with District 5040 in which the director is in any way directly or indirectly interested as vendor, purchaser or otherwise. Subject to compliance with the Act, no contract or arrangement entered into by or on behalf of District 5040 in which any director shall be in any way directly or indirectly interested shall be avoided or voidable and no director shall be liable to account to District 5040 or any of its members or creditors for any profit realized by or from any such contract or arrangement by reason of any fiduciary relationship.
- 36. **Submission of Contracts or Transactions to Members for Approval** The Board of Directors in its discretion may submit any contract, act or transaction with District 5040 for approval or ratification at any annual meeting or at any general meeting called for the purpose of considering the same and, subject to the provisions of the Act, any such contract, act or transaction that shall be approved or ratified or confirmed by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act or the By-laws) shall be as valid and as binding upon District 5040 and upon all the Rotary clubs as though it had been approved, ratified or confirmed by every Rotary club of District 5040.

MEMBERSHIP

37. **Membership** The members of District 5040 shall be comprised of and limited to those Rotary clubs in possession of a charter issued by RI and designated to be in District 5040 pursuant to the By-laws of RI. The addition or removal of a club or clubs from District 5040 pursuant to the By-laws of RI shall immediately and automatically result in a corresponding change in the membership of District 5040.
38. **Per Capita Levy** A per capita levy shall be determined at each Annual General Meeting having regard to the proposed district budget and shall be allocated to each District 5040 Rotary club.
39. **Resignation** Any Rotary club may resign its membership in District 5040 by resigning its membership in RI as provided in the By-laws of RI.
40. **Termination of Membership** The interest of a Rotary club in District 5040 is not transferable and lapses and ceases to exist upon termination of its membership in RI as provided in the By-laws of RI.

MEETINGS

41. **Time and Place of Meetings** The Annual General Meeting of District 5040 shall be held in person, or electronically, at the date and time to be established by the Board of Directors. All Rotary clubs shall be advised in writing, or by electronic means, of the time and place of the foregoing general meetings at least 30 days in advance of the meeting date.
42. **Annual General Meetings** The district governor shall present an annual report of District 5040's activities to the Annual General Meeting, together with a financial statement, and the district governor-elect shall present a budget for the coming year and the immediate past district governor shall present a financial report for the immediate past year.
43. **Special General Meetings** A Special General meeting may be called by the district governor. In addition, a special general meeting shall be called by the district governor within seven (7) days and convened within thirty (30) days of delivery to any officer of District 5040 of a requisition for a Special General Meeting signed by thirty-three (33) percent of the Rotary clubs. If the district governor does not call a Special General Meeting within seven (7) days of delivery of the requisition, a Special General Meeting may be called by a Notice signed by any three (3) of the requisitionists.

All Rotary clubs shall be advised in writing, or electronic means, of the time and place of any such Special General Meeting at least twenty-one (21) days in advance of the meeting. The notice calling any such Special General Meeting shall

contain enough information to allow the Rotary clubs to make a reasoned decision about the business to be conducted at the Special General Meeting. No other business may be conducted at such Special General Meeting.

44. **Notice** Written notice to Rotary clubs of the time and place of General and Special General Meetings shall be given by mail or email.
45. **Error or Omission in Giving Notice** No error or omission in giving notice of any annual or special meeting or any adjourned meeting of the Rotary clubs shall invalidate any resolution passed or any proceedings taken at any such meeting.
46. **Quorum** A quorum at all meetings shall be a majority of the voting Rotary clubs. No business shall be transacted at any meeting unless the requisite quorum be present at the time of the transaction of such business. If a quorum is not present at the time appointed for a meeting or within such reasonable time thereafter as those present may determine, the Rotary clubs present and entitled to vote may adjourn the meeting to a fixed time and place but may not transact any other business and the provisions of paragraph 54 with regard to notice shall apply to such adjournment.
47. **Chairperson of the Meeting** In the event that the district governor and the immediate past district governor are absent, the persons who are present and entitled to vote shall choose another past district governor as chairperson of the meeting and if no past district governor is present, then the persons who are present and entitled to vote shall choose one of their number to be chairperson.
48. **Adjournment** The chairperson of any such meeting may with the consent of the meeting adjourn the same from time to time to a fixed time and place and no notice of such adjournment need be given. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.
49. **Voting of Members** Every Rotary club member in good standing with RI and District 5040 shall be entitled to vote on all matters submitted to a vote at such meeting, except for the decision as to the amount of the per capita levy.

The vote in respect of these matters shall be conducted by the electors, being at least one per Rotary club plus one additional elector for each additional 25 individual Rotarians in the member club, or major fraction thereof, in accordance with of the bylaws of RI.

At all general meetings, every question shall be determined on a show of hands by a majority of votes unless otherwise specifically provided by the Act or by these By-laws. The chairperson of the meeting shall only vote should there be a tie.

At any meeting, unless a poll is demanded, a declaration by the chairperson 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.

A poll may be demanded either before or after any vote by show of hands by any person entitled to vote at the meeting. If at any meeting a poll is demanded on the election of a chairperson or on the question of adjournment it shall be taken forthwith without adjournment. If at any meeting a poll is demanded on any other question, the vote shall be taken by ballot in such manner and either at once, later in the meeting or after adjournment as the chairperson of the meeting directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A demand for a poll may be withdrawn.

CUSTODY OF DOCUMENTS

50. **Custody of Documents** The District Secretary shall be responsible for the preparation and safe custody of all records, documents and minutes of proceedings of District 5040, the Board of Directors or any appointed committee.

CUSTODY OF SECURITIES

51. **Custody of Securities** All securities owned by District 5040 shall be lodged (in the name of District 5040) with a chartered bank, credit union or trust company or in a safety deposit box or, if so authorized by resolution of the Board of Directors, with such other depositories or in such other manner as may be determined from time to time by the Board of Directors.

EXECUTION OF INSTRUMENTS

52. **Execution of Instruments** Contracts, documents or any instruments in writing requiring the signature of District 5040 must be signed by the District Governor and one additional officer and all contracts, documents and instruments in writing so signed shall be binding upon District 5040 without any further authorization or formality. Commitments under \$3500 may be authorized by the appropriate District Committee Chair or by a Board member, on behalf of the district, without any further authorization.

The term "contracts, documents or instruments in writing" as used in this By-law shall include but not be limited to deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares,

share warrants, stocks, bonds, debentures or other securities and all paper writings.

CHEQUES. DRAFTS, NOTES, ETC.

53. **Cheques, Drafts, Notes, Etc** All cheques, drafts or orders for the payment of money and all notes and acceptances shall be signed by two Rotarians named by the Board of Directors, who must be members of a Rotary club from District 5040. Any form of transferring money electronically must be approved by the Board of Directors, with each transfer approved by two Rotarians named by the Board of Directors, who must be members of a Rotary club from District 5040.

NOTICES

54. **Service** Subject to paragraph 44 regarding notices to Rotary clubs of any annual or special general meetings of members, any notice or other document required by the Act, the Regulations, or the By-laws to be sent to any Rotary club or director or to the auditor shall be:
- (a) delivered personally, or
 - (b) sent by registered mail or courier, or
 - (c) sent by electronic means such as e-mail at such person's latest address as shown in the records of District 5040 and to the auditor at its business address, or if no address be given therein, then to the last address of such member or director known to the Secretary, 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.

The accidental omission to send notice of a general meeting to a Rotary club, or the non-receipt of notice by a Rotary club, does not invalidate any proceedings at the meeting.

RULES AND REGULATIONS

55. **Rules and Regulations** The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern District 5040 in all cases to which they are applicable and in which they are not inconsistent with these By-laws and any special rules of order District 5040 may adopt.

PROCESS TO CHANGE BY-LAWS

56. **By-laws** Proposed rescissions, alterations or additions to the by-laws:
- a) shall be submitted in writing to the District Secretary forty-five (45) days prior to a General Meeting;
 - b) may be made by any Rotary club, the District Governor or Board of Directors;

The District Secretary shall notify all Rotary clubs of any Special Resolutions proposing rescissions, alterations or additions to the by-laws in writing thirty (30) days prior to a General Meeting.

The by-laws of District 5040 shall not be rescinded, altered or added to except by special resolution, being a resolution passed by the vote of not less than 75 percent of those Rotary club members voting.

The repeal or amendment of By-laws shall be effective on the date of adoption at the AGM. A copy of the revised approved Bylaws shall be filed with Corporations Canada, as required.

AUDITORS

57. **Auditors** The Rotary clubs shall at each annual general meeting appoint an auditor to audit the accounts of District 5040 or an accountant to conduct a Review Engagement on the Financial Statements of District 5040, who shall hold office until the next following Annual General Meeting, provided, however, that the directors may fill any casual vacancy in the office of the auditor or accountant as the case may be. The remuneration of the auditor or accountant shall be approved by the Board of Directors. Any such auditor or accountant shall not be a director, officer or employee of District 5040 unless specifically authorized by a majority vote at a properly convened General or Special General Meeting. The financial report of District 5040 shall be presented by the then immediate past district governor at the next following annual general meeting.
58. **Accounts** The books of account and financial records of District 5040 shall be prepared annually. The Financial Statements of District 5040 shall be submitted to

the Rotary clubs thirty days in advance for approval at each Annual General Meeting.

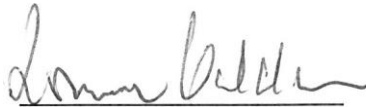
FINANCIAL YEAR

59. **Financial Year** The financial year of District 5040 shall terminate on the 30th day of June in each year, or on such other date as the directors may from time to time by resolution determine.

WINDING UP

60. **Winding Up** District 5040 shall immediately and automatically cease operations and begin dissolution proceedings upon the directive of the Board of Directors of RI, the vote of two-thirds of its Rotary clubs at an Annual General Meeting held in conjunction with a District Conference of District 5040 or in a ballot-by-mail. The district governor of District 5040 shall provide the Board of Directors of RI with notice of any such decision by the Rotary clubs of District 5040 to dissolve District 5040 and shall provide a final report upon the completion of the dissolution process to the General Secretary of RI.

Approved at the Annual General Meeting on this 25th day of May 2022.



Chair of the Board



District Secretary