

Rotary International District 5550 Inc.

AMENDED AND RE- STATED BY-LAW NO. 1 (2012)

being the General By-law of

ROTARY INTERNATIONAL DISTRICT 5550 INC.



2014

ARTICLE I
INTERPRETATION

1.01 **Definitions** In the By-laws, unless the context otherwise specifies or requires:

"**Act**" means the *Canada Not-for-Profit Corporations Act*, S.C. 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 to provisions of the Act shall be read as references to the substituted provisions therefor in the new statute or statutes;

"**Annual General Meeting**" has the meaning set out in **Section 11.02** below;

"**Articles**" means the letters patent, any supplementary letters patent, articles of continuance and articles of amendment of District 5550;

"**Board**" means the board of directors of District 5550;

"**By-laws**" means any by-law of District 5550 from time to time in force and effect;

"**Constitution**" means the Rotary International Constitution and the standard Rotary club Constitution;

"**Director**" means an individual member of the Board;

"**Directors-at-Large**" has the meaning set out in **Subsection 3.04(b)** below;

"**District 5550**" means Rotary International District 5550 Inc., 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;

"**District Governor**" means the person described in **Subsection 3.04(a)** below;

"**District Governor-Elect**" means the person described in **Subsection 3.04(a)** below;

"**District Governor Nominee**" means the person described in **Subsection 3.04(a)** below;

"**District Rotary Foundation Chair**" means the person described in **paragraph 3.4(a)(ii)** below, who shall also be the director of The Rotary Foundation;

"**District Secretary**" means the person described in **Subsection 3.04(a)** below;

"**District Treasurer**" means the person described in **Subsection 3.04(a)** below;

"**Electors**" has the meaning set out in **Subsection 11.13(a)** below;

"**Executive Committee**" has the meaning set out in **Section 7.01** below;

"**Executive Committee Directors**" has the meaning set out in **Subsection 3.04(a)** below;

"**Immediate Past District Governor**" means the person described in **Subsection 3.04(a)** below;

"**majority**" means fifty percent, plus one (50% + 1);

"**meeting of the Board**" means a regular meeting of the Board and a Special Meeting of the Board;

"**meeting of Members**" means an Annual General Meeting and a Special Meeting of Members;

"**Member**" means Rotary Clubs in possession of a charter issued by RI and designated to be in District 5550 pursuant to the RI By-laws;

"**Nominating Committee**" has the meaning set out in **Section 7.02** below;

"**Officer**" has the meaning set out in **Section 6.01** below;

"**Ordinary Resolution**" means a resolution passed by a majority of the votes cast on that resolution;

"**President**" means the person described in **Subsection 6.04(a)** below;

"**President-Elect**" means the person appointed to become a President of a Rotary Club for a one-year's term, which term is to commence the first July 1 after the President-Elects' Training Session is held;

"**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 to provisions of the regulations shall be read as references to the substituted provisions therefor in the new regulations;

"**RI**" means Rotary International;

"**RI By-laws**" means any by-law of Rotary International from time to time in force and effect;

"**Rotary Club**" means Rotary clubs in possession of a charter issued by RI and designated to be in District 5550 pursuant to the RI By-laws;

"**Rotary Foundation**" means The Rotary Foundation;

"**Special Meeting of the Board**" has the meaning set out in **Subsection 4.02(b)** below;

"**Special Meeting of Members**" has the meaning set out in **Subsection 11.03(a)** below; and

"**Special Resolution**" means a resolution passed by a majority of not less than two-thirds ($\frac{2}{3}$) of the votes cast on that resolution.

1.02 Interpretation The By-laws 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; words importing gender include the masculine, feminine and neuter genders; 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; and
- (d) if any provision of the By-laws is not in conformity with the Constitution, RI By-laws or policies of RI as amended from time to time, the terms of the Constitution, RI By-laws or policies of RI shall prevail at all times.

ARTICLE II
HEAD OFFICE

- 2.01 Head Office The head office of District 5550 shall be within the geographical boundaries of District 5550 as determined from time to time by RI and which in any event shall comprise all or part of the provinces of Manitoba, Saskatchewan and Northwest Ontario.

ARTICLE III
BOARD

- 3.01 First Directors The applicants for incorporation shall become the first Directors of District 5550 whose term of office on the Board shall continue until their successors are elected. At the first meeting of Members, the Board then elected shall replace the provisional Directors named in the Articles.
- 3.02 Number of Directors Subject to the Articles, until changed by a majority of the Directors at a meeting of the Board, and sanctioned by a Special Resolution passed at a meeting of Members duly called for the purpose of determining the number of Directors to be elected to the Board, the Board shall consist of a minimum of three (3) Directors and a maximum of thirteen (13) Directors.

[6/28/2015- Resolution \(approved at 2015 General meeting\)](#)

“The Board shall consist of a minimum of three (3) Directors and a maximum of sixteen (16) Directors.”

- 3.03 Qualifications No person shall be qualified for election as a Director if that person:
- (a) is not an individual;
 - (b) is less than eighteen (18) years of age;
 - (c) is not a member of a Rotary Club;
 - (d) does not have the power under law to contract;
 - (e) is of unsound mind, as found by a court in Canada or elsewhere;
 - (f) has the status of a bankrupt, or suspends payments, or makes a compromise, with the person's creditors.

3.04 Election and Term The Directors shall include the following two categories of Directors: Executive Committee Directors and Directors-at-Large. The provisions respecting election and term for each category of Directors shall be as follows:

(a) Executive Committee Directors

- (i) Each year the Members shall elect Executive Committee Directors at Annual General Meetings, provided that the Members shall elect only as many Executive Committee Directors as the number of Executive Committee Directors whose terms have expired as of each Annual General Meeting, so that there shall be no more than seven (7) Executive Committee Directors in office at any given time.
- (ii) The Executive Committee Directors shall comprise the following positions:
 - (A) the District Governor, who shall be elected to a term of one (1) year;
 - (B) the Immediate Past District Governor, who shall be elected to a term of one (1) year;
 - (C) the District Governor-Elect, who shall be elected to a term of one (1) year;
 - (D) the District Governor Nominee, who shall be elected to a term of one (1) year;
 - (E) the District Secretary, who shall be elected to a term of three (3) years;
 - (F) the District Treasurer, who shall be elected to a term of three (3) years; and
 - (G) the District Rotary Foundation Chair, who shall be elected to a term of three (3) years.
- (iii) The term of each Executive Committee Director shall commence at the end of the Annual General Meeting following the Executive Committee Director's election and shall continue until the end of the term set out in **paragraph 3.04(a)(ii)** above, or until the Executive Committee Director's successor is appointed, or for such other term as the Members who have elected such Executive Committee Director shall determine.

- (iv) It is not necessary that all Executive Committee Directors shall be elected for the same term, and the Members shall be expressly permitted to elect Executive Committee Directors to terms of less than three (3) years for the purpose of staggering the terms of the Executive Committee Directors, provided that the District Secretary and the District Treasurer shall not be elected in the same year.
 - (v) An Executive Committee Director shall be eligible for re-election.
- (b) Directors-at-Large
- (i) Each year the Members shall elect Directors-at-Large at Annual General Meetings, provided that the Members shall elect only as many Directors-At-Large as the number of Directors-At-Large whose terms have expired as of each Annual General Meeting, so that there shall be no more than six (6) Directors-at-Large in office at any given time.

[6/28/2015- Resolution \(approved at 2015 General meeting\)](#)

“There shall be no more than nine (9) Directors at large in office at any given time.”

- (ii) The term of each Director-at-Large shall commence at the end of the Annual General Meeting following the Director-at-Large's election and shall continue for a term of three (3) years, or until the Director-at-Large's successors are appointed, or for such other term as the Members who have elected such Director-at-Large shall determine.
- (iii) It is not necessary that all Directors-at-Large shall be elected for the same term, and the Members shall be expressly permitted to elect certain Directors-at-Large to terms of less than three (3) years for the purpose of staggering the terms of the Directors-At-Large.
- (iv) A Director-at-Large shall be eligible for re-election.

At each Annual General Meeting, the list of nominees for the Executive Committee Directors compiled by the Nominating Committee in accordance with **Section 7.02** below shall be placed before the Members, and the Members shall elect the Executive Committee Directors from such list of nominees, subject to an allowance being made for each Member to write in the name of, and vote for, a person whose name does not appear on such list of nominees.

3.05 Removal of Directors by Members Subject to the provisions of the Act, the Members may, by an Ordinary Resolution passed at a Special Meeting of Members, remove any elected Director from office and the vacancy created by

such removal may be filled by the Members at the same meeting, failing which it may be filled by the Board.

- 3.06 Removal of Directors for Failure to Attend and Vacancies With the exception of the District Governor and the District Governor-Elect, in the event of a Director failing to attend three (3) consecutive meetings of the Board without reasonable excuse, the sufficiency whereof shall be in the sole discretion of the Board, the Board may rescind and terminate such Director's appointment as a member of the Board, and the Board shall, within a reasonable time thereafter, appoint a replacement to fill such vacancy for the unexpired portion of such term. Subject to the provisions of the Act, a quorum of the Board may fill a vacancy in the Board. In the absence of a quorum of the Board, the Board shall forthwith call a Special Meeting of Members to fill the vacancy.
- 3.07 Vacancies The office of a Director shall automatically be vacated if the Director:
- (a) dies;
 - (b) ceases to be qualified for election as a Director pursuant to **Section 3.03** above;
 - (c) ceases to be a member in good standing of a Rotary Club, pursuant to the RI By-laws;
 - (d) has the status of a bankrupt, or suspends payments, or makes a compromise with the Director's creditors;
 - (e) by notice in writing to District 5550 resigns office, which resignation shall be effective at the time it is received by the District Secretary or at the time specified in the notice, whichever is later;
 - (f) if the District Governor or the District Governor-Elect, is removed from office by the president of RI pursuant to Article 15 of the RI By-laws;
 - (g) with the exception of the District Governor and the District Governor-Elect, is removed from office by an Ordinary Resolution passed by the Board before the expiration of the Director's term of office; or
 - (h) is removed by the Members, in accordance with **Section 3.05** above.
- 3.08 Filling Vacancies With the exception of the District Governor and the District Governor-Elect, a vacancy occurring in the Board shall be filled on appointment by the District Governor and any Director so appointed shall hold office for the remainder of that Director's term of office, as described in **Section 3.04** above.

- 3.09 Remuneration of Directors A member of the Board shall not receive any remuneration, as such. Expenses shall be reimbursed consistent with District 5550 policy.

ARTICLE IV
MEETINGS OF DIRECTORS

- 4.01 Place of Meeting Meetings of the Board may be held at any time and place to be determined by the Board.
- 4.02 Calling of Meetings and Notice Meetings of the Board shall be held as often as is required to conduct the business of District 5550, and shall be called by the District Governor.
- (a) The Board may appoint a day or days in any month or months for regular meetings of the Board at a place or hour to be named by the Board and 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 meetings.
 - (b) 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) Directors. 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. Each member of the Board shall be given at least seven (7) days' notice of a Special Meeting of the Board, provided that a Special Meeting of the Board 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 fax, telephone, mail, or email.
 - (c) Notice of any such meeting that is sent by mail shall be served in the manner specified in **Section 15.01** below, and such notice need not specify the purpose of the business to be transacted at the meeting, except where the Act requires such purpose of business to be specified, provided always that:
 - (i) a Director may in any manner and at any time waive notice of a meeting of the Board;
 - (ii) attendance of a Director at a meeting of the Board shall constitute a waiver of notice of the meeting, except where a Director attends a

meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called; and

(iii) meetings of the Board may be held at any time without notice if all the Directors are present (except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called) or if all of the absent Directors waive notice before or after the date of such meeting.

(d) If the first meeting of the Board is held immediately following the Annual General Meeting, then for such meeting or for a meeting of the Board at which a Director is appointed to fill a vacancy in the Board, no notice shall be necessary to the newly elected or appointed Directors or Director in order to legally constitute the meeting, provided that a quorum of the Directors is present.

4.03 Error or Omission in Giving Notice No error or accidental omission in giving notice of any meeting of the Board shall invalidate such meeting or make void any proceedings taken at such meeting.

4.04 Adjournment Any meeting of the Board may be adjourned from time to time by the chair of the meeting, with the consent of the meeting, to a fixed time and place. Notice of any adjourned meeting of the Board 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 at such adjourned meeting. 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.

4.05 Quorum A majority of the Board shall constitute a quorum at any meeting of the Board, provided that there be a minimum of two (2) Directors, and that the District Governor or the Immediate Past District Governor is present.

4.06 Voting Each Director, except for the chair of a meeting of the Board, is authorized to exercise one (1) vote. Questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes by the Directors, the chair of the meeting shall vote in order to break the tie.

4.07 Meetings by Teleconference or Other Means Pursuant to Subsection 159(5) of the Act, the Board may meet by telephonic or other electronic means that permit each Director to communicate adequately with each other, provided:

- (a) at least two-thirds ($\frac{2}{3}$) of the Directors consent to meeting by teleconference, or meetings by teleconference or other electronic means have been approved by Ordinary Resolution of the Board;
- (b) the Board has passed an Ordinary Resolution addressing the mechanics of holding such a meeting and dealing specifically with how security issues should be handled, the procedures for establishing quorum and recording votes; and
- (c) such telephone or other communication facilities permit all persons participating in the meeting to hear each other,

and a Director participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the Board and of committees of the Board held while a Director holds office.

- 4.08 Voting at Meetings held by Teleconference or Other Means Any question at a meeting of the Board held by teleconference or other electronic means, pursuant to **Section 4.07 above** or **Section 4.10** below, shall be determined by a verbal vote with each Director responding negatively after the Director's name is called by the chair or secretary of the meeting (failure to respond negatively shall be deemed to be a positive vote in favour of the question). Whenever a verbal vote shall have been taken upon a question 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 Board upon the said question. At any meeting of Board where all Directors at the meeting are present in person any question may be decided verbally as described above or by show of hands.
- 4.09 Resolution in Writing A resolution in writing signed by all the Directors entitled to vote on that resolution at a meeting of the Board is as valid as if it had been passed at a meeting of the Board.
- 4.10 Participation in Meeting by other Means Pursuant to Subsection 136(7) of the Act, if all the Directors consent, a Director may participate in a meeting of the Board or of a committee of the Board by means of such telephonic, electronic or other communication facilities that permit all persons participating in the meeting to hear each other and a Director participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the Board and of committees of the Board held

while a Director holds office. At the commencement of each meeting by conference telephone or other permitted communications facility, each Director participating must clearly indicate the Director's attendance and the secretary of the meeting shall maintain a record of the meeting of the Directors so participating.

ARTICLE V **POWERS OF DIRECTORS**

- 5.01 **Control and Management** Subject to the By-laws and the Act, the Board has full control to manage the affairs of District 5550, with due consideration to:
- (a) written directions issued by RI; and
 - (b) Ordinary Resolutions passed by Members at an Annual General Meeting.
- 5.02 **Administer Affairs** The Board may administer the affairs of District 5550 in all things and make or cause to be made for District 5550, in its name, any kind of contract which District 5550 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 5550 is by the Articles or otherwise authorized to exercise and do.
- 5.03 **Expenditures** The Board shall have power to authorize expenditures on behalf of District 5550 from time to time for the purpose of furthering the objects of District 5550. The Board 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 5550 in accordance with such terms as the Board may prescribe.
- 5.04 **Borrowing Power** The Board may borrow for the purpose of carrying out its objects; however, no amount in excess of ten thousand dollars (\$10,000.00) may be borrowed by the Board, except under the authority of an Ordinary Resolution passed by the Members.
- 5.05 **Fund Raising** The Board shall take such steps as it may deem requisite to enable District 5550 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 5550.
- 5.06 **Agents and Employees** Subject to the Act, the Board may appoint such agents and engage such employees (and may delegate this function to an Officer or Officers) 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, employees and committee members shall, subject to the other provisions of the By-laws, be fixed by the Board by Ordinary Resolution, provided that the Board may delegate this function to an Officer or Officers.

ARTICLE VI **OFFICERS**

- 6.01 Officers The Officers of District 5550 shall be the President, who shall be the District Governor, the District Secretary, the District Treasurer, all other members of the Executive Committee and any such other Officers as the Board may by Ordinary Resolution determine. Any two offices may be held by the same person.
- 6.02 Appointment The President shall take office in accordance with the nominee procedure set out in the RI By-laws. Other Officers shall be appointed by Ordinary Resolution of the Board at the first meeting of the Board following an Annual General Meeting.
- 6.03 Term Officers shall hold office for three (3) years from the date of their appointment, or until their successors are appointed in their stead, or for such shorter term as the Board may prescribe in such Officer's appointment.
- 6.04 Powers and Duties Until changed by Ordinary Resolution of the Board, the duties of the Officers shall include, but not be limited to:
- (a) President The President shall be the chair of the Board and shall, when present, preside at all meetings of the Board, committees of Directors, if any, and Members. In the absence of the President, the Immediate Past District Governor shall act in the President's place and stead.
 - (b) District Secretary The District Secretary shall give or cause to be given notices for all meetings of the Directors or committees of Directors, if any, and Members when directed to do so and shall have charge of the corporate seal of District 5550, the minute books of District 5550 and of the documents and registers referred to in Section 21 of the Act.
 - (c) District Treasurer The District Treasurer shall keep or shall cause to be kept an accurate account of all receipts and disbursements of District 5550 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 5550 in such banks or banks as may be designated from time to time by the Board. The District Treasurer shall disburse or cause to be disbursed the funds of District 5550 under the direction of the Board, receiving proper vouchers thereof and render to the Board at its regular

meetings or whenever required, an account of all transactions as District Treasurer, and of the financial position of District 5550.

- (d) Executive Committee Each member of the Executive Committee shall be an Officer, and shall have the duties assigned to them pursuant to **Section 7.01** below.

6.05 Duties of Officers May be Delegated In case of the absence or inability to act of the District Secretary or District Treasurer, the President may delegate all or any of the powers of any such Officer to any other Officer or to any Director until a replacement is appointed by the President.

6.06 Powers and Duties of Other Officers The powers and duties of all other Officers shall be such as the terms of their engagement call for or as the Board may specify. The Board may, from time to time, and subject to the Act, vary, add to or limit the powers and duties of any Officer.

6.07 Vacancies Officers shall continue in office until the earlier of:

- (a) the Officer ceasing to be a Member in good standing of a Rotary Club, pursuant to the RI By-laws;
- (b) 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;
- (c) that Officer ceasing to be a Director, if such is a necessary qualification of that Officer's appointment;
- (d) the expiration of that Officer's term of appointment;
- (e) that Officer's removal by the Board; or
- (f) that Officer's death.

If the office of any of the appointed Officers shall be or become vacant, with the exception of the District Governor-Elect and the District Governor Nominee, the President may appoint a person to fill such vacancy.

6.08 Remuneration of Officers An Officer shall not receive any remuneration, as such. Expenses of Officers shall be reimbursed consistent with District 5550 policy.

6.09 Variation of Powers and Duties The Board may from time to time vary, add to or limit the powers and duties of any Officer.

6.10 Inability of Officer or Director to Perform Duties If any Director or Officer is unable to perform the Director or Officer's functions or discharge the Director or

Officer's duties, as such Director or Officer, the Board may appoint such other Director(s) or Officer(s) to perform the functions and/or to discharge the duties of that Director or Officer.

- 6.11 Member of Rotary Club All Officers must be members of a Rotary Club from District 5550.

ARTICLE VII **COMMITTEES**

7.01 Executive Committee

- (a) The Executive Committee shall be comprised of the District Governor, the Immediate Past District Governor, the District Governor-Elect, the District Governor Nominee, the District Secretary, the District Treasurer and the District Rotary Foundation Chair, all of whom must be a member in good standing of a Rotary Club, pursuant to the RI By-laws.
- (b) The Executive Committee 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. The Executive Committee shall also exercise such other powers as are authorized by the Board, from time to time.
- (c) Meetings of the Executive Committee may be held at any time and place to be determined by the Officers of the Executive Committee provided that forty-eight (48) hours written notice of such meeting shall be given, other than by mail, to each Officer. Notice by mail shall be sent at least fourteen (14) days prior to the meeting. A majority of Officers in the Executive Committee, from time to time, but no less than two Officers, shall constitute a quorum for meetings of the Executive Committee. Subject thereto, and to any other provisions in the By-laws and any resolution of the Board, the Executive Committee may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit, and may, from time to time, adopt, amend or repeal rules or procedures in this regard.
- (d) Executive Committee members are entitled to be reimbursed for reasonable expenses incurred in the exercise of their duty.

7.02 Nominating Committee

- (a) The Nominating Committee shall be appointed by the Board to place nominations for the office of Director before the Members at Annual General Meetings and to determine which nominees shall be placed on the ballot. The number of the appointees to the Nominating Committee, and the qualifications thereof, shall be as determined by the Board by Ordinary Resolution, from time to time, with due consideration to the nomination procedure set out in Article 13 of the RI By-laws.
- (b) Persons seeking election, including those eligible Directors whose terms are coming to an end, if any, who are seeking re-election, shall submit their names and other personal information to the Nominating Committee for consideration not less than one hundred twenty (120) days before the next Annual General Meeting in a form and manner as may be prescribed by the Nominating Committee, for the purpose of providing adequate notice to Members regarding those persons selected, from among the nominations received by the Nominating Committee, to stand for election.
- (c) If the Nominating Committee does not receive any such names and personal information from persons seeking elections, the Nominating Committee shall provide its own names on the ballot.
- (d) No person shall appear on the list of nominees unless that person is eligible to be a Director, pursuant to the Act and the By-laws.
- (e) The list of nominees compiled by the Nominating Committee shall be provided to each person entitled to receive notice of Annual General Meetings, together with the notice of such Annual General Meetings.

7.03 Other Committees The Board shall be empowered to establish such standing or ad hoc committees as it deems necessary. Except as set out in this **Section 7.03**, memberships on such committees shall be at the discretion of the Board, but any member of such committees must be a member in good standing of a Rotary Club, pursuant to the RI By-laws. Without limiting the generality of the foregoing, the Board shall establish the following committees:

- (a) Youth Committee;
- (b) Rotary Youth Leadership Awards (R.Y.L.A.) Committee;
- (c) Wilderness Camp Committee;
- (d) World Peace Partners (W.P.P) Committee; and
- (e) World Community Service (W.C.S.) Committee, including the associated trust, The District 5550 World Community Service Foundation,

and the chair or co-chairs of each such committee shall be appointed by the

Board, which chair or co-chairs shall serve at the pleasure of the Board and may appoint the membership of each such committee.

7.04 Transaction of Business

(a) Unless otherwise set out in this **Article VII**, the powers of a committee of Directors may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all the members of such committee who would have been entitled to vote on that resolution at a meeting of the committee, provided that the provisions of **Sections 4.07, 4.08, 4.09 and 4.10** above shall apply to all committees of Directors, *mutatis mutandis*.

(b) Meetings of such committees may be held at any place in Canada.

7.05 Procedure Unless otherwise determined by the Board, or as set out in this **Article VII**, each committee shall have the power to:

(a) fix its quorum at not less than a majority of its members; and

(b) regulate its procedure.

ARTICLE VIII
FOR THE PROTECTION OF DIRECTORS AND OFFICERS

8.01 Limitation of Liability - No Director or Officer shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or employee, or for joining in any other act or conformity, or for any loss, damage or expense occurring to District 5550 through the insufficiency or deficiency of title to any property acquired for or on behalf of District 5550, or for the insufficiency or deficiency of any security in or upon which any of the monies of District 5550 shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the monies, securities or effects of District 5550 shall be deposited, or for any loss occasioned by an error of judgment or oversight on the Director or the Officer's part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution of the duties of the Director or the Officer's office or in relation thereto, unless the same are occasioned by the Director or the Officer's own willful neglect or default; provided that nothing herein shall relieve any Director or Officer from the duty to act in accordance with the Act or from liability for any breach of the provisions thereof.

8.02 Indemnity Subject to the limitations contained in the Act, District 5550 shall indemnify a Director or Officer of District 5550, a former Director or Officer of District 5550 or a person who acts or acted at District 5550's request as a Director or Officer of a body corporate of which District 5550 is or was a shareholder or creditor (or a person who undertakes or has undertaken any liability on behalf of District 5550 or any such body corporate) and the Director or the Officer's heirs

and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the Director or the Officer in respect of any civil, criminal or administrative action or proceeding to which the Director or the Officer has made a party by reason of being or having been a Director or Officer of District 5550 or such body corporate (or having undertaken any such liability) if:

- (a) the Director or the Officer acted honestly and in good faith with a view to the best interests of District 5550; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the Director or the Officer had reasonable grounds for believing that the Director or the Officer's conduct was lawful;

and shall so indemnify such a person as aforesaid who has been substantially successful in the defence of any civil, criminal or administrative action or proceeding to which the Director or the Officer is made a party by reason of being or having been a Director or Officer of District 5550 or body corporate against all costs, charges and expenses reasonably incurred by the Director or the Officer in respect of such acts or proceedings, notwithstanding sub-paragraphs (a) and (b) above.

- 8.03 Insurance Subject to the limitations contained in the Act, District 5550 may purchase and maintain such insurance for the benefit of its Directors and Officers as such, as the Board may from time to time determine.

ARTICLE IX **INTERESTED DIRECTOR CONTRACTS**

- 9.01 Conflict of Interest A Director who is in any way directly or indirectly interested in a contract or proposed contract with District 5550 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 Section 141 of the Act and specifically subject to the provisions contained in that section, 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 5550 or under any corporation in which District 5550 shall be a shareholder or by reason of being otherwise in any way directly or indirectly interested or contracting with District 5550 as vendor, purchaser or otherwise or being concerned in any contract or arrangement made or proposed to be entered into with District 5550 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 5550 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 5550 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.

- 9.02 Submission of Contracts or Transactions to Members for Approval The Board in its discretion may submit any contract, act or transaction with District 5550 for approval or ratification at any Annual General Meeting or at any Special Meeting of Members called for the purpose of considering the same and, subject to the provisions of Section 141 of the Act, any such contract, act or transaction that shall be approved or ratified or confirmed by an Ordinary Resolution passed at any such meeting (unless any different or additional requirement is imposed by the Act, the Articles or the By-laws) shall be as valid and as binding upon District 5550 and upon all the Members as though it had been approved, ratified or confirmed by every Member of District 5550.

ARTICLE X **MEMBERSHIP**

- 10.01 Membership The Members of the Corporation shall consist of Rotary Clubs who have submitted to the Board their written application for membership (in such a form as may be prescribed by the Board, from time to time) and who have been approved by the Board or by a person authorized by the Board to approve membership applications, such approval to be in the sole discretion of the Board, or its authorized designate. The addition or removal of a Rotary Club or Rotary Clubs from District 5550 pursuant to the RI By-laws shall immediately and automatically result in a corresponding change in the membership of District 5550.
- 10.02 Member Rights Each Member shall be entitled to receive notice of, and to attend, all meetings of Members and each Member shall be entitled to one (1) vote for every twenty-five (25) of its members (provided that all Members shall have at least one (1) vote) on any vote taken at any such meeting of Members.
- 10.03 Per Capita Levy A per capita levy shall be determined prior to and approved at the annual President-Elect Training Session by a vote passed by the majority of the Presidents-Elect at such President-Elect Training Session, having regard to the proposed district budget, and shall be allocated to each Member.
- 10.04 Resignation
- (a) Any Member may resign its membership provided it has fulfilled its financial and other obligations to RI. Such resignation shall be immediately effective upon its acceptance by the board of directors of RI. Upon resignation, the certificate of membership of such Member shall be returned to the general secretary of RI.

- (b) Where a terminated Member seeks to be reorganized, or where a new Member is organized in the same locality as such terminated Member, the board of directors RI may determine whether each such Member must pay a charter fee or other indebtedness due to RI from the former Member, as a condition for such Member's membership.

10.05 Termination of Membership

- (a) The Board may suspend or terminate the membership of any Member that fails to pay its dues or other financial obligations to RI or approved contributions to the district fund.
- (b) The Board may terminate the membership of any Member where such Member disbands for any reason, fails to meet regularly, or otherwise fails to function, as determined by the Board, in its sole discretion. Before acting on a termination for failure to function, the Board shall request the District Governor to submit a report regarding the circumstances of the termination.
- (c) The Board may suspend or terminate the membership of any Member that retains in its membership any person who has misused funds from The Rotary Foundation or who otherwise has breached the stewardship policies of The Rotary Foundation.
- (d) The Board may suspend or terminate the membership of a Member that fails to appropriately address any allegations made against one of its members in connection with Rotary related youth programs for violation of applicable laws regarding the protection of youth.
- (e) The Board may take action against a Member for cause, provided a copy of the charges and notice of the time and place of hearing is mailed to the president and the secretary of Member at least thirty (30) days before such hearing. Such Member shall be entitled to be represented by legal counsel at any such hearing. Following such hearing, the Board may discipline or suspend a Member upon a majority vote of the entire board or expel the Member upon a unanimous vote,

provided that, in all such cases, the suspension or termination of the Member's membership shall also be approved by the board of directors of RI. For greater certainty, any Member that has its membership so terminated, and any Member whose membership is currently suspended, shall cease to be a member in good standing, as that term is used in the By-laws.

10.06 Period of Suspension The membership rights of a Member that has been suspended shall be reinstated upon:

- (a) the determination that payment of dues or other financial obligation to RI or approved contributions to the district fund have been paid in full;
- (b) the membership of any person in the suspended Rotary Club who has misused funds from The Rotary Foundation or otherwise has breached the stewardship policies of The Rotary Foundation has been terminated;
- (c) there is evidence that the Member has appropriately addressed, in the sole discretion of the Board, any allegations made against one of its members in connection with Rotary-related youth programs for violation of applicable law regarding the protection of youth; or
- (d) issues leading to discipline for cause have been resolved.

In all other cases, if the reason for suspension has not been remedied within six (6) months, the Board shall terminate the membership of the Member.

- 10.07 Surrender of Rights by Suspended Club Any club that has been suspended by the Board shall have none of the rights provided to Members under the By-laws, so long as it remains suspended, but shall retain the rights granted to Members under the Constitution.
- 10.08 Surrender of Rights by Terminated Club The privilege of using the name, emblem, and other insignia of RI shall cease upon the termination of membership of the Member. Such Member shall have no proprietary rights in the property of RI upon termination of its membership. The general secretary of RI shall proceed to recover the certificate of membership of such former Member.
- 10.09 Membership Non-Transferrable The interest of a Member is not transferable and lapses and ceases to exist upon termination of its membership in RI as provided in the By-laws.

ARTICLE XI **MEMBERS' MEETINGS**

- 11.01 Time and Place of Meetings The Annual General Meeting shall be held in conjunction with, and at the times and dates coinciding to, the Annual District Conference of District 5550. Meetings of the Members may be held in conjunction with, and at the times and dates coinciding to, the District Assembly of District 5550, at the discretion of the District Governor. All Members shall be advised in writing of the time and place of the foregoing Annual General Meetings at least thirty (30) days in advance of the meeting date.
- 11.02 Annual General Meeting The District Governor shall present an annual report of District 5550'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.

11.03 Special Meetings

- (a) A Special Meeting of Members may be called with the consent of the majority of the Board. In addition, a Special Meeting of Members shall be called by the Board not more than seven (7) days after delivery to any Officer of District 5550 of a requisition for a Special Meeting signed by Members who hold five (5%) percent of the total number of votes held by all of the Members. If the Board does not call a Special Meeting of Members not more than seven (7) days after delivery of such requisition, a Special Meeting of Members may be called by a notice signed by any three (3) of the requisitionists.
- (b) A Special Meeting of Members shall be convened no more than thirty (30) days after the delivery of the requisition referred to in **Subsection 11.03(a)** above to any Officer of District 5550.
- (c) All Members shall be advised in writing of the time and place of any Special Meeting of Members at least twenty-one (21) days before the meeting is held.
- (d) A Special Meeting of Members may be held anywhere in Canada.

11.04 Notice Notice of the time and place of a meeting of Members shall be given to each Member entitled to vote at the meeting by the following means:

- (a) by mail, courier or personal delivery to each Member entitled to vote at the meeting, during a period of twenty-one (21) to sixty (60) days before the day on which the meeting is to be held; or
- (b) by telephonic, electronic or other communication facility to each Member entitled to vote at the meeting, during a period of twenty-one (21) to thirty-five (35) days before the day on which the meeting is to be held.

Pursuant to Subsection 197(1) of the Act, a Special Resolution of the Members is required to make any amendment to the By-laws to change the manner of giving notice to Members entitled to vote at a meeting of Members.

Notice of a meeting of Members called for any purpose other than consideration of the financial statements and auditor's report, election of Directors and re-appointment of the incumbent auditor shall state the general nature of the business to be transacted at it in sufficient detail to permit the Members to form a reasoned judgment thereon. Any notice to Members may either enclose a form of proxy or contain a reminder of the right to appoint a proxy.

11.05 Meetings without Notice A meeting of Members may be held without notice at any time and place permitted by the Act:

- (a) if all the Members entitled to vote at such meeting of Members are present in person or represented by a proxy or, if those not present or represented by a proxy, waive notice of or otherwise consent to such meeting being held; and
- (b) if the Directors are present or waive notice of or otherwise consent to such meeting being held,

and at such meeting, any business may be transacted which District 5550 at a meeting of Members may transact.

11.06 List of Members Entitled to Notice For every meeting of Members, the District Secretary shall prepare a list of Members entitled to receive notice of the meeting.

11.07 Waiver of Notice A Member and any other person entitled to attend a meeting of Members may in any manner waive notice of a meeting of Members. Attendance of any such person at a meeting of Members shall constitute a waiver of notice of the meeting except where such person attends a meeting for the express purposes of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

11.08 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 Members shall invalidate any resolution passed or any proceedings taken at any meeting of Members.

11.09 Quorum A quorum at all Members' meetings shall be a majority of the voting Members, provided there be a minimum of two Members. No business shall be transacted at any meeting unless the requisite quorum is present at the time of the transaction of such business. If a quorum is not present at the time appointed for a meeting of Members or within such reasonable time thereafter as the Members present may determine, the persons 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 **Section 15.01** below with regard to notice shall apply to such adjournment.

11.10 Chair 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 chair 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 chair.

11.11 Adjournment The chair of any meeting of Members may with the consent of the meeting adjourn the same from time to time to a fixed time and place and no notice of such adjournment need be given to the Members. 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. Notice of an adjourned meeting of Members is not required if the time and place of the adjourned meeting is announced at the original meeting.

11.12 Persons Entitled to be Present The only persons entitled to be present at a meeting of Members shall be those entitled to vote at such meeting of Members, the Directors and auditor (or accountant) of District 5550. Any other person may be excluded by the chair of the meeting with the consent of the meeting.

11.13 Voting of Members

(a) Every Member in good standing, pursuant to the RI By-laws, present at a meeting of Members shall be entitled to vote on all matters submitted to a vote at such meeting, except the decision as to the amount of the per capita levy, the vote in respect of which matters shall be conducted by the Electors, the number thereof being determined as follows:

- (i) each Member shall have one (1) Elector for every twenty-five (25) of its members, provided that no Member shall have less than one (1) Elector; and
- (ii) despite **Section 10.02** above, no Member shall be entitled to an Elector if such Member's membership has been suspended by the Board,

provided that an Elector must be present at a meeting of Members to vote.

(b) At all meetings of the Members, every question shall be determined on a show of hands by a majority of votes unless the Act or these By-laws otherwise provide. In the case of an equality of votes, the chair of the meeting shall both on a show of hands and at a poll have a second or casting vote in addition to the vote or votes to which the chair may be otherwise entitled.

(c) At any 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.

(d) 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 chair 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 chair 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.

11.14 Meetings by Teleconference or Other Means Pursuant to Subsection 159(5) of the Act, the Members may meet by telephonic, electronic or by other communication facilities that permit each Member to communicate adequately with each other, provided that:

- (a) the Board has passed an Ordinary Resolution addressing the mechanics of holding such a meeting and dealing specifically with how security issues should be handled, the procedures for establishing quorum and recording votes;
- (b) each Member has equal access to the specific means of communication to be used; and
- (c) each Member has consented in advance to meeting by telephonic, electronic or other communications facilities, using the specific means of communication proposed for the meeting.

11.15 Resolution in Writing A resolution in writing signed by all the Members entitled to vote on that resolution at a meeting of Members is as valid as if it had been passed at a meeting of the Members, unless a written statement with respect to the subject matter of the resolution is submitted by a Director or the auditors to District 5550 in accordance with Subsections 131(1) and 187(4) of the Act.

11.16 Participation in Meeting by other Means Pursuant to Subsection 159(4) of the Act, any person entitled to attend a meeting of Members may participate in the meeting by means of a telephonic, an electronic or other communication facility that permits all participants adequately with each other during the meeting, if District 5550 makes such a communication facility available. A person so participating in a meeting shall be deemed to be present at the meeting.

11.17 Absentee Voting Pursuant to Subsection 171(1) of the Act, a Member entitled to vote at a meeting of Members may:

- (a) by proxy, upon the following terms and conditions:
 - (i) every Member entitled to vote at a meeting of Members may appoint a proxyholder, or one or more alternate proxyholders, who shall be Members, to attend and act at the meeting in the manner and to the extent authorized with the authority conferred by the proxy; and

- (ii) a proxy shall be in writing, executed by the Member or the Member's attorney, shall conform to the requirements of the Act and shall be in substantially the form from time to time approved by the Board.
- (b) by mailed-in ballot;
- (c) by ballots sent pursuant to telephonic, electronic or other communication facilities; and
- (d) provided that, in all cases of absentee voting by mailed-in ballot or ballots sent pursuant telephonic, electronic or other communication facilities, District 5550 shall have a system that:
 - (i) enables the votes to be gathered in a manner that permits their subsequent verification; and
 - (ii) permits the tallied votes to be presented to District 5550 without it being possible for District 5550 to identify how each Member voted.

Pursuant to Subsection 197(1) of the Act, a Special Resolution of the Members is required to make any amendment to the By-laws to change this method of voting by Members not in attendance at a meeting of Members.

ARTICLE XII **CUSTODY**

- 12.01 Custody and Use of Seal The Board may adopt a seal as the seal of District 5550. The seal of District 5550 shall be under the control of the Board, and the District Secretary shall be responsible for its custody.
- 12.02 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 5550, the Board or any appointed committee.
- 12.03 Custody of Securities All securities owned by District 5550 shall be lodged (in the name of District 5550) with a chartered bank, credit union or trust company or in a safety deposit box or, if so authorized by Ordinary Resolution of the Board, with such other depositories or in such other manner as may be determined from time to time by the Board.

ARTICLE XIII
EXECUTION OF INSTRUMENTS

13.01 Execution of Instruments Contracts, documents or any instruments in writing requiring the signature of District 5550 may be signed by any two members of the Executive Committee and all contracts, documents and instruments in writing so signed shall be binding upon District 5550 without any further authorization or formality.

The term "contracts, documents or instruments in writing" as used in the By-laws 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. The seal of District 5550, when required, may be affixed to any instruments in writing signed as aforesaid.

13.02 Cheques, Drafts, Notes, Etc. All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed as determined by the Board.

ARTICLE XIV
INSPECTION OF DOCUMENTS

14.01 Inspection of Documents District 5550 shall keep, at its registered office:

- (a) the Articles and the By-laws;
- (b) the minutes of meetings of Members and any committee of Members;
- (c) the resolutions of Members and any committee of Members;
- (d) a register of Directors;
- (e) a register of Officers; and
- (f) a register of the Members,

and shall, on each regular business day, permit a Member to inspect the documents referred to in this **Section 14.01**, and shall provide a copy of such documents to the Member at the Member's request, provided that, if the register of the Members is requested, such register is to be used by the Member for matters relating to the affairs of District 5550.

ARTICLE XV
NOTICES

15.01 Service Subject to **Section 11.04** above and **Section 17.02** below regarding:

- (a) notices to Members of any meetings of Members; or
- (b) notice of proposed amendments to the By-laws,

any notice or other document required by the Act, the Regulations, the Articles or the By-laws to be sent to any Member or Director or to the auditor of District 5550 shall be sufficiently given if:

- (c) delivered personally to the person to whom it is to be given, or delivered to the person's recorded address. A notice so delivered shall be deemed to have been given when it is delivered personally, or to the recorded address as aforesaid;
- (d) mailed to the person at the person's recorded address by prepaid ordinary or air mail. A notice so mailed shall be deemed to have been given on the third (3rd) day after deposit in a post office or public letter box; or
- (e) sent by electronic means such as e-mail or facsimile at such person's latest address as shown in the records of District 5550 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 District Secretary. A notice so transmitted shall be deemed given and received on the first (1st) day after dispatch that is not a Saturday or Sunday or any other day which is a statutory or bank holiday in Winnipeg, Manitoba.

The District Secretary may change or cause to be changed the recorded address of any Member, Director, Officer, auditor or member of a committee of the Board in accordance with any information believed by the District Secretary to be reliable.

15.02 Signature to Notices The signature of any Officer of District 5550 to any notice or document to be given by District 5550 may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.

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

15.04 Proof of Service With respect to every notice or other document sent by post, it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed as provided in **Section 15.01** above and

put into a Post Office or into a letter box. A certificate of an Officer of District 5550 in office at the time of the making of the certificate as to facts in relation to the sending or delivery of any notice or other document to any Member, Director, Officer or auditor or publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every Member, Director, Officer or auditor of District 5550 as the case may be.

15.05 Omissions and Errors The accidental omission to give any notice to any Member, Director, Officer or auditor or the non-receipt of any notice by any Member, Director, Officer or auditor or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

15.06 Waiver of Notice Any Member (or a duly appointed proxyholder), Director, Officer or auditor may waive any notice required to be given under any provision of 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 any default in giving such notice.

ARTICLE XVI **RULES AND REGULATIONS**

16.01 Rules and Regulations The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern District 5550 in all cases to which they are applicable and in which they are not inconsistent with the By-laws and any special rules of order District 5550 may adopt.

ARTICLE XVII **BY-LAWS**

17.01 By-laws Proposed rescissions, alterations or additions to the By-laws:

(a) shall be made:

(i) by any Member; or

(ii) by the Board, providing that such proposals have the support of a majority of the Directors; and

submitted in writing to the District Secretary forty-five (45) days before a Special Meeting of Members; or

(b) may be made by the District Governor and shall be submitted in writing to the District Secretary at least thirty (30) days before a Special Meeting of Members.

17.02 Notice to Members The District Secretary shall notify all Members of any Special Resolutions proposing rescissions, alterations or additions to the By-laws in writing twenty-one (21) days prior to a Special Meeting of Members.

17.03 Special Resolution The By-laws shall not be rescinded, altered or added to, except by a Special Resolution of the Members, voting in person at a meeting of Members which not less than twenty-one (21) days notice specifying the intention to propose the Special Resolution has been duly given.

ARTICLE XVIII **AUDITORS**

18.01 Auditors The Members shall at each Annual General Meeting appoint an auditor to audit the accounts and annual financial statements of District 5550. The auditor shall hold office until the next Annual General Meeting, provided that the Directors may fill any casual vacancy in the office of the auditor. The remuneration of the auditor or accountant shall be fixed by the Board.

ARTICLE XIX **BANKING**

19.01 Banking Arrangements - The banking business of District 5550, including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or 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 agreements, instructions and delegations of powers as the Board may from time to time prescribe or authorize.

ARTICLE XX **ACCOUNTS**

20.01 Accounts The books of account and financial records of District 5550 shall be prepared annually. The Financial Statements of District 5550 shall be submitted to the Members not less than twenty-one (21) and not more than sixty (60) days before each Annual General Meeting. District 5550 may, instead of sending copies of the annual financial statements and other documents referred to in Subsection 172(1) of the Act to the Members, publish a notice to the Members stating that the annual financial statements and documents provided in

Subsection 172(1) are available at the registered office of District 5550 and any Member may, on request, obtain a copy free of charge at the registered office or by prepaid mail.

- 20.02 Recording Of Monies - All monies received by District 5550 shall be deposited to the bank accounts of District 5550 as soon as reasonably possible following receipt and all payments shall be made by cheque on District 5550's banks.
- 20.03 Accounting Records - The Board shall cause accounts to be kept of the assets and liabilities of District 5550, of all monies received by District 5550, of all monies invested by District 5550 and of all monies distributed by District 5550 and of the matters in respect of which credits and expenditures take place.

ARTICLE XXI **FINANCIAL YEAR**

- 21.01 Financial Year The financial year of District 5550 shall terminate on the 30th day of June in each year, or on such other date as the Board may, from time to time, by Ordinary Resolution determine.

ARTICLE XXII **MAINTENANCE OF CHARITABLE STATUS**

- 22.01 Maintenance of Charitable Status The Board shall at all times conduct the affairs of District 5550 in such a manner so as to maintain the charitable status of District 5550 in accordance with the provisions of the *Income Tax Act* (Canada).

ARTICLE XXIII **WINDING UP**

- 23.01 Winding Up District 5550 shall immediately and automatically cease operations and begin dissolution proceedings upon:
- (a) the directive of the board of directors of RI; or
 - (b) upon the vote of two-thirds ($\frac{2}{3}$) of its Members at an Annual General Meeting held in conjunction with a District Conference of District 5550 or in a ballot-by-mail.

The District Governor shall provide the board of directors of RI with notice of any such decision by the Members to dissolve District 5550 and shall provide a final report upon the completion of the dissolution process to the general secretary of RI.

ARTICLE XXIV
EFFECTIVE DATE

24.01 Effective Date This by-law shall come into force when it is confirmed by the Members.

ENACTED by the Board this 12th day of March, 2012.

WITNESS the seal of District 5550.

Chair

Secretary

CONFIRMED by the Members this

day of _____, _____.

Chair

Secretary