



**AMENDED AND RENUMBERED BY-LAW NUMBER 2 (2019)**

**A by-law relating generally to the transaction of the affairs of  
Canadian Diabetes Association operating as Diabetes Canada  
Association canadienne du diabète**

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

**ARTICLE 1  
DEFINITIONS**

- 1.1 Definitions** - In this by-law and in all other by-laws of Diabetes Canada, unless the context otherwise requires:
- (a) **“CNCA”** means the *Canada Not-for-Profit Corporations Act*, S.C. 2009, c. C-23 including the regulations made pursuant thereto, and any statute or regulations that may be substituted, as amended from time to time;
  - (b) **“Annual Financial Statements”** means the comparative financial statements of Diabetes Canada, as prescribed by the CNCA, the report of the Public Accountant and any further information respecting the financial position of Diabetes Canada and the results of its operations required by the Articles or the By-laws;
  - (c) **“Annual Organizational Meeting”** means the first meeting of the Board held immediately following each National Annual General Meeting for the purpose of appointing Officers;
  - (d) **“Articles”** means the original articles of incorporation of Diabetes Canada or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of Diabetes Canada from time to time in force and effect;
  - (e) **“Board”** means the board of directors of Diabetes Canada;
  - (f) **“By-laws”** mean this by-law and all other by-laws of Diabetes Canada from time to time in force and effect;
  - (g) **“Chair”** means the chair of the Board;
  - (h) **“Committee”** means a committee established by the Board pursuant to Section 5.15 or, where the context permits, a subcommittee of such committee;
  - (i) **“Council of Regions”** has the meaning ascribed thereto in Section 8.2;

- (j) **“Declared Incapable”** means:
  - (i) an individual who has been found under the *Substitute Decisions Act, 1992* or under the *Mental Health Act (Ontario)* as being incapable of managing his or her property or who has been declared to be incapable by a court of competent jurisdiction; or
  - (ii) an individual for whom Diabetes Canada has obtained a letter from a physician who is: (A) licensed to practice medicine in one or more of the provinces of Canada; and (B) not a Member of Diabetes Canada; declaring such person to be incapable of managing property;
- (k) **“Delegate (Elected) Professional Members”** means a member of Diabetes Canada described in Section 3.2(a)(v);
- (l) **“Delegate (Ex-Officio) Member”** means a member of Diabetes Canada described in Section 3.2(a)(i) to Section 3.2(a)(iii);
- (m) **“Delegate (Elected) Member”** means a member of Diabetes Canada described in Section 3.2(a)(iv) to Section 3.2(a)(v);
- (n) **“Delegate Members”** means Delegate (Ex-Officio) Members and Delegate (Elected) Members collectively or either of them as the context requires;
- (o) **“Diabetes Canada”** means “Canadian Diabetes Association” in the English form and “Association canadienne du diabète” in the French form, a corporation continued as a corporation without share capital under the CNCA;
- (p) **“Director”** means a director of Diabetes Canada;
- (q) **“Immediate Past Chair”** at any time, means the individual who was last the Chair before the individual currently serving as Chair;
- (r) **“Members”** means the Regular Members and the Delegate Members, or either of them, as the context requires and such other classes of Members as may be set out from time to time in the Articles;
- (s) **“Membership Year”** with respect to any Regular Member means the 12 month period beginning on the day such individual becomes a Regular Member and ending on the day before the one year anniversary thereof;
- (t) **“National Annual General Meeting”** means an annual meeting of the Members of the nature described in Section 4.1;
- (u) **“Nominating Committee”** means the committee constituted by the Board and described at Section 5.16;
- (v) **“Officer”** means an officer of Diabetes Canada;

- (w) “**Ordinary Resolution**” means a resolution passed by a majority of the votes cast on that resolution;
- (x) “**Patrons**” means an individual described in Section 8.5;
- (y) “**Professional Member**” means a member of the Professional Section;
- (z) “**Professional Section**” has the meaning ascribed to it in Section 8.3;
- (aa) “**Public Accountant**” means the person from time to time appointed pursuant to Section 13.1;
- (bb) “**Region**” has the meaning ascribed thereto in Section 8.1;
- (cc) “**Regional Chair**” at any time, means an individual who is then the chair of a Region, selected in accordance with the Regional Charter;
- (dd) “**Regional Charter**” has the meaning ascribed thereto in Section 8.1;
- (ee) “**Regular Members**” means a member having the qualifications and entitlements described in Section 3.1;
- (ff) “**Secretary**” means the secretary of Diabetes Canada;
- (gg) “**Special Meeting**” means a meeting of the Members other than a National Annual General Meeting;
- (hh) “**Special Resolution**” means a resolution passed by a majority of not less than two-thirds of the votes cast on that resolution; and
- (ii) “**Specified Number of Directors**” at any time has the meaning ascribed thereto in Section 5.2(b).

**1.2 Interpretation** - In this By-law and in all other By-laws hereafter passed, unless the context otherwise requires, words imparting the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and *vice versa*, and references to persons shall include individuals, firms and corporations. The division of this By-law into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof. Unless otherwise provided, each reference to an Article or a Section is to the corresponding article or section hereof. Whenever the words “include”, “includes” or “including” are used in this By-law and in all other By-laws hereafter passed, unless the context otherwise requires, such words shall be deemed in each instance to be followed by the words “without limitation.”

## ARTICLE 2 GENERAL

- 2.1 Name** - The name of Diabetes Canada shall be Canadian Diabetes Association in English and Association canadienne du diabète in French. The name may be used in English alone or in French alone, or together, in such manner as shall be specified from time to time by the Board.
- 2.2 Registered Office** - Until changed in accordance with the CNCA, the registered office of Diabetes Canada shall be in the Province of Ontario.
- 2.3 Financial Year** – Unless otherwise approved by the Board, the financial year of Diabetes Canada shall end on the 31<sup>st</sup> day of December in each year.
- 2.4 Books and Records** – The Board shall see that all necessary books and records of Diabetes Canada required by the By-laws or by any applicable statute or law are regularly and properly kept.

## ARTICLE 3 MEMBERS

### 3.1 Regular Members

- (a) **Composition** – The Regular Members at any time shall be comprised of those individuals interested in furthering the purposes of Diabetes Canada who have paid to Diabetes Canada the annual membership fee then applicable and who have been approved for membership in accordance with the membership policy adopted by the Board from time to time.
- (b) **Privileges** – Regular Members shall be entitled to: (i) if otherwise qualified, stand for election as a Director; (ii) submit to the Nominating Committee the names of individuals to stand for election as Directors; (iii) elect Delegate (Elected) Members; and (iv) vote on such fundamental matters as properly come before them, including, as appropriate, those matters referred to in Article 15.

### 3.2 Delegate Members

- (a) **Composition** - The Delegate Members at any time shall be comprised of the individuals who are then:
- (i) the Directors;
  - (ii) the four (4) Immediate Past Chairs;
  - (iii) the current Regional Chairs;
  - (iv) the Regular Members last elected as delegates to attend a National Annual General Meeting by the Regular Members at meetings held in accordance with the Board's then applicable Delegate Selection Policy; and

- (v) the ten (10) Professional Members last elected as delegates to attend a National Annual General Meeting by the Professional Members at a Professional Section meeting held in accordance with the Board's then applicable Delegate Selection Policy (to be known as "**Delegate (Elected) Professional Members**").

For greater certainty, subject to the provisions of Sections 3.2(d) to 3.5, an individual elected as a delegate will continue to be a Delegate (Elected) Member to and after the National Annual General Meeting for which he or she was elected as a delegate until the Region or Section which elected him or her as a delegate meets to elect delegates for the next National Annual General Meeting, following which he or she will cease to be a Delegate Member unless he or she is once again elected as a delegate.

- (b) **Number of (Elected) Delegate Members** – The number of individuals to be elected as Delegate (Elected) Members pursuant to Section 3.2(a)(iv) in connection with any National Annual General Meeting shall be the number determined by the Board from time to time; provided that:
  - (i) until the Board fixes another number, such number shall be 50;
  - (ii) at all times, such number shall be greater than 19; and
  - (iii) at all times, the aggregate number of Delegate (Elected) Members entitled to be in attendance at any National Annual General Meeting elected pursuant to Section 3.2(a)(iv) and Section 3.2(a)(v) shall exceed the number of Delegate (Ex-Officio) Members entitled to be in attendance at such National Annual General Meeting;
- (c) **Privileges** - Delegate Members shall be entitled to receive notice of and attend all meetings of the Delegate Members and to vote on all matters on which members of a corporation are entitled to vote including those specified in Section 4.1.
- (d) **Alternate Delegate (Elected) Members** - In the event that a Delegate (Elected) Member:
  - (i) withdraws in accordance with Section 3.3, or ceases to be a Regular Member in accordance with Section 3.4 or 3.5; or
  - (ii) is unable to attend the meeting of Delegate Members in circumstances where he or she does not wish to vote by proxy or other permitted means,

an "**Alternate Delegate (Elected) Member**" shall be appointed by the Region or Section that elected such Delegate (Elected) Member, to attend the meeting of Delegate Members in the place and stead of the Delegate (Elected) Member, and for the purpose of such meeting of Delegate Members, the Alternate Delegate (Elected) Member so appointed shall have and may exercise all the powers, duties and privileges of the Delegate (Elected) Member he or she is replacing; provided

that where the Alternate Delegate (Elected) Member is appointed pursuant to Section 3.2(d)(ii), the appointment of the Alternate Delegate (Elected) Member shall terminate immediately following the meeting of Delegate Members for which he or she was appointed.

**3.3 Withdrawal by Member** – Members may withdraw from Diabetes Canada by delivering to Diabetes Canada a resignation in writing, which shall be effective at the time such written resignation is accepted by the Board, or at the time specified in the written resignation, whichever is earlier. An individual who is a Delegate (Elected) Member may resign as a Delegate (Elected) Member without resigning as a Regular Member.

**3.4 Removal of Member** – Subject to compliance with the provisions hereof, any Regular Member may be removed at any time by a resolution of the Board for any reason which the Board in its sole discretion deems to be in the interests of Diabetes Canada, including the following:

- (a) violating of any provisions of the Articles, By-laws or any policies or practices of Diabetes Canada in effect from time to time; and
- (b) engaging in any conduct which may be detrimental to Diabetes Canada, including its reputation.

The Board shall provide the Regular Member in question with 10 days notice of any proposed removal, which notice shall state the reasons for the proposed removal. The Regular Member may make written submissions to the Board in response to such notice within such 10 day period. In the event that no written submissions are received by the Board within such 10 day period, the Board may proceed to notify the Regular Member that the Regular Member is removed from the membership of Diabetes Canada. If written submissions are received from the Regular Member in accordance with this Section 3.4, the Board will consider such submissions in arriving at a final decision and shall notify the Regular Member concerning such final decision within a further 10 days from the date of receipt of the submissions. The Board's final decision shall be final and binding on the Regular Member, without any further right of appeal.

**3.5 Transferability and Termination of Membership** – Except as provided in Section 3.2(d), an individual's position as a Member shall not be transferable and shall lapse and terminate upon the earliest to occur of any one of the following events:

- (a) with respect to an individual's position as a Regular Member, upon the completion of a Membership Year, unless the individual has renewed his or her membership prior to the expiry of such Membership Year or within such period thereafter as is provided for in the Board's Membership Policy;
- (b) with respect to an individual's position as a Delegate (Ex-Officio) Member, the Member ceasing to hold the office entitling him or her to be a Delegate (Ex-Officio) Member;

- (c) with respect to an individual's position as a Delegate Member, such Delegate Member ceasing to be a Regular Member; and
- (d) with respect to an individual's position as a Delegate (Elected) Professional Member; such Member ceasing to be a Professional Member.

**3.6 Membership Fees** – Annual membership fees shall be fixed by resolution of the Board from time to time. Nothing herein shall prevent the Board from adopting a policy that would permit individuals to pay annual membership fees one or more years in advance of the date upon which they are due.

**3.7 Allocation of Funds**

- (a) All monies raised or received by Diabetes Canada, including those received by the Professional Section or a Region, shall be the property of Diabetes Canada, and shall be utilized in such manner as the Board determines is appropriate, in its sole discretion, in carrying out the purposes of Diabetes Canada.
- (b) The annual membership fees paid by a Regular Member shall be allocated in part to the Region and Professional Section to which such Member belongs in such proportions as may be determined by the Board from time to time.

**ARTICLE 4  
MEMBERS' MEETINGS**

**4.1 National Annual General Meetings** – A National Annual General Meeting shall be held not later than 15 months after the holding of the preceding National Annual General Meeting but no later than six (6) months after the end of Diabetes Canada's preceding financial year, at such place within Canada, on such day and at such time as the Board may determine. At every National Annual General Meeting, in addition to any other business that may be transacted, the Delegate Members shall:

- (a) have presented to them the Annual Financial Statements for the preceding financial year;
- (b) fill all vacancies on the Board;
- (c) appoint the Public Accountant for the ensuing year; and
- (d) fix the remuneration of the Public Accountant or provide for such remuneration to be fixed by the Board, as contemplated by Section 13.3; and
- (e) receive reports from the appropriate Officers, committees or bodies with respect to the implementation of policy and directives as may have been passed or established at earlier National Annual General Meetings.

A copy of the Annual Financial Statements shall be sent to the Director appointed by the Minister to exercise the powers of the Director under the CNCA at least 21 days before the date fixed for the National Annual General Meeting.

**4.2 Special Meetings of Members** – A Special Meeting of Delegate Members, or Regular Members or Regular Members and Delegate Members together, may be held from time to time as required to address matters that are appropriate to come before them, as determined by the Board or by the application of the CNCA, the Articles or the By-laws. Such meetings shall be held at such place within Canada, on such day and at such time as the Board may determine. For greater certainty, subject to the provisions of Section 3.2(d), in the event that a Special Meeting is called for a date other than that of a National Annual General Meeting, the Delegate Members entitled to vote at the Special Meeting shall be the individuals who were last elected as Delegate Members.

**4.3 Calling of Meetings** - The Board, the Chair or the Secretary shall have power to call, at any time, a meeting of Members. In addition, the Board shall call a Special Meeting of Members on written requisition of Members holding five percent (5%) of the votes that may be cast at that meeting of Members.

**4.4 Notice of Members' Meetings**

(a) Written notice of the time and place of all meetings of Members shall be given to each Director, the Public Accountant and each Member entitled to vote at such meeting and whose name is entered in the register of Members at the close of business on the record date for notice (which shall be 21 to 60 days before the date of the Meeting) or, if no record date for notice is fixed, at the close of business on the day preceding the day on which notice is given.

(b) For the purpose of this Section 4.4, notice shall be given as follows:

(i) by mail, courier or personal delivery to each person entitled to attend such meeting during a period of 21 to 60 days before the day on which the meeting is to be held;

(ii) by telephonic, electronic or other communication facility to each person entitled to attend such meeting during a period of 21 to 35 days before the day on which the meeting is to be held; provided that a Member may request that the notice be given to such Member by non-electronic means; or

(iii) so long as Diabetes Canada has more than 250 Members, by publication if notice is given:

(A) at least once in each of the three consecutive weeks preceding the meeting in a newspaper or newspapers circulated in the municipalities in which the majority of the Members entitled to attend such meeting reside as shown by their addresses in the register of Members; or

(B) at least once in a publication of Diabetes Canada that is sent to all Members entitled to attend such meeting not less than 21 days and not more than 60 days before the meeting.



(c) **Meeting Requirements** - Notice of a meeting of Members shall state the nature of the business to be transacted thereat in sufficient detail to permit a Member to form a reasoned judgement thereon and shall state the text of any Special Resolution to be submitted to the meeting.

**4.5 Chairing Meetings** - The Chair, or in the Chair's absence, the Secretary, shall be the chair at all meetings of Members. If no such Officer is present within 15 minutes from the time fixed for holding the meeting, the Members present and entitled to vote thereat shall choose one of their number to be the chair of the meeting.

**4.6 Persons Entitled to be Present**

(a) The only persons entitled to attend meetings of Members shall be the Members, the Directors, the Public Accountant, the Patrons and any other person or persons who are entitled or required under any provision of the CNCA or the Articles or By-laws to be present at the meeting. Any other person or persons may be admitted only on the invitation of the chair of the meeting or with the consent of the Members entitled to vote thereat.

(b) At any meeting of Delegate Members, Patrons and Regular Members may, if the meeting so approves, participate in debate and proceedings but they shall not have a vote.

**4.7 Quorum** – Quorum for the conduct of business at a meeting of the Members shall be:

(a) in the case of a meeting of Regular Members, ten percent (10%) of the Regular Members; and

(b) in the case of a meeting of Delegate Members, twenty-five percent (25%) of the Delegate Members.

No business shall be transacted at any meeting of Members unless a quorum is present at the commencement of and throughout the meeting.

**4.8 Voting** – Each Member present at a meeting of Members and entitled to vote thereat shall be entitled to one vote on each question put to the meeting unless the CNCA or the By-laws provide otherwise.

**4.9 Votes to Govern** - At any meeting of Members, every question shall, unless otherwise required by the CNCA, the Articles, the By-laws or otherwise by law, be determined by the majority of the votes of Members duly cast on the question.

**4.10 Voting By Show of Hands** – Every question at a meeting of Members shall be decided in the first instance by a show of hands unless prior to the show of hands, the chair of the meeting determines, or a majority of Members present and entitled to vote thereat resolve, to vote on the matter by ballot, in which case Section 4.11 shall apply.

Whenever a vote by show of hands, or a vote by a ballot in accordance with Section 4.11, shall have been held 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 Members.

**4.11 Ballot** – If a ballot is required or demanded (including in the case of a class vote), the ballot shall be held in such manner as the chair of the meeting shall direct. A demand for a ballot may be withdrawn at any time prior to the holding of the vote.

**4.12 Absentee Voting** – Subject to compliance with the CNCA, in addition to voting in person in accordance with Sections 4.10 and 4.11, every Member may vote by any of the following means:

(a) ***Proxies***

At any meeting of Members, a proxy holder, who need not be a Member, who has been duly appointed by a Member, shall be entitled to exercise, subject to any restrictions expressed in the instrument appointing him or her, the same voting and other rights that such Member appointing him or her would be entitled to exercise if present at that meeting. A proxy shall be in writing and executed by the Member. A proxy may be in such form as the Board from time to time prescribes or in such other form as the chair of the meeting may accept as sufficient, and shall be deposited with the secretary of the meeting before any vote is called under its authority, or at such earlier time and in such manner as the Board may prescribe. For greater certainty, nothing in this Section 4.12(a) shall entitle a proxy holder who is not otherwise qualified to be elected as a Delegate Member or a Director to stand for election as such.

(b) ***Telephonic, Electronic or other Communication Facilities***

A meeting of Members may be held entirely by means of such telephonic, electronic or other communication facilities that permit all participants to hear or otherwise communicate adequately with each other during the meeting if so determined by the person who called the meeting and if Diabetes Canada has 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 Diabetes Canada without it being possible for Diabetes Canada to identify how each Member voted.

(c) ***Mailed-in Ballot***

A Member may, if the written notice of the applicable meeting of Members so permits, vote by mailed-in ballot, if Diabetes Canada has 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 Diabetes Canada without it being possible for Diabetes Canada to identify how each Member voted.

A Member participating in the meeting by any of the foregoing means set out in Sections (a), (b) or (c) above is deemed for the purposes of this By-law and the CNCA to be present at the meeting.

- 4.13 Casting Vote** – In the case of an equality of votes at any meeting of Members, either upon a show of hands, a ballot or the results of telephonic or electronic voting, the chair of the meeting shall not have a second or casting vote and the question shall be deemed to be decided in the negative.

## **ARTICLE 5 DIRECTORS**

- 5.1 Authority and Responsibility** – Subject to the CNCA and the Articles, the Board shall manage, or supervise the management of, the activities and affairs of Diabetes Canada.

- 5.2 Number of Directors/Board** – The number of Directors within the minimum and maximum numbers provided for in the Articles, shall be fourteen (14); provided that:

- (a) the Board is empowered to change such number of Directors from time to time within such minimum and maximum numbers; provided that (i) any such change will be effective as at the conclusion of the next National Annual General Meeting; and (ii) no decrease in the number of Directors shall shorten the term of an incumbent Director; and
- (b) subject to the terms of the Articles, the Board may increase the number of Directors between National Annual General Meetings within the minimum and maximum numbers by an amount that does not exceed one-third of the number of Directors elected at the previous National Annual General Meeting, provided that any Directors so appointed shall hold office for a term expiring not later than the close of the next National Annual General Meeting. The number of Directors so in office at the conclusion of a National Annual General Meeting, as the same has been increased from time to time pursuant to this Section 5.2(b), if at all, is hereinafter referred to as the “**Specified Number of Directors**”.

- 5.3 Composition of the Board** - There shall be three categories of Directors:

- (a) two (2) directors who are Professional Members (“**Professional Member Directors**”) who are elected by the Delegate Members from among the candidates nominated by either the Board or the Delegate (Elected) Professional Members;
- (b) two (2) directors who are members of the Council of Regions (“**Regional Member Directors**”) and who are elected by the Delegate Members from among those then

serving on the Council of Regions and who are nominated by either the Board or a member of the Council of Regions; and

- (c) the balance who are Regular Members and who are elected by the Delegate Members from among those Regular Members nominated by the Board or the Delegate Members.

All nominations shall be made in accordance with any Board policy in place from time to time.

**5.4 Qualifications** – In addition to meeting any applicable Region or Professional Section membership requirements set out in Sections 5.3(a) and 5.3(b), in order to serve as a Director, an individual must:

- (a) be 18 years of age or older;
- (b) not be Declared Incapable;
- (c) not be an undischarged bankrupt;
- (d) not be an “ineligible individual” as such term is defined in the *Income Tax Act* (Canada), as amended from time to time.”
- (e) be a Regular Member; and
- (f) not be an employee of Diabetes Canada.

**5.5 5.5.1 Election and Term** – Subject to the Articles, each Director elected at a National Annual General Meeting, shall be elected by the Delegate Members for a term expiring at the close of the third (3<sup>rd</sup>) National Annual General Meeting following his or her election or until his or her successor is elected or appointed unless:

- (a) any such individual was elected to complete the unexpired term of a former Director, in which case such individual shall be elected for the remainder of such term; or
- (b) prior to the National Annual General Meeting at which such individual is elected as a Director, the Board determines that in the interests of providing for a staggered board or for the purpose of meeting the objectives of Section 5.5.2(b), the vacancy which he or she has been elected to fill shall be for a term expiring at the end of the first or second National Annual General Meeting following his or her election.

**5.5.2 Re-Election of Directors -**

- (a) An individual who has been elected as a Director shall be eligible for re-election so long as such individual continues to meet the qualifications set out at Section 5.4; provided that no individual may hold office for more than six consecutive years (excluding the time spent serving the unexpired portion of another Director’s term). For greater certainty, if the sixth National Annual General Meeting, following the

date upon which an individual was first elected as a Director is later than the sixth anniversary of the Director's election, the Director may continue his or her term of office until such National Annual General Meeting.

- (b) Notwithstanding the foregoing, in the case of a Director who is an Officer, where the Board determines that in the interest of providing for an orderly succession of Officers, the Director should continue to serve until the end of his or her office as the holder of that Office, such Director shall be eligible for re-election without regard to such term limit.
- (c) Regional Member Directors and Professional Member Directors whose terms on the Regional Council or as Co-chairs of the Professional Section have expired may seek re-election to the Board as Regional Member Directors or Professional Member Directors, so long as they continue to be *ex officio* members of the Council of Regions or Executive Members of the Professional Section.
- (d) Following an absence from the Board of one year or more, an individual who had previously served as a Director shall again be eligible to serve as a Director without regard to years served prior to such one year absence.
- (e) A Director who resigns from the Board to become an employee of Diabetes Canada shall again be eligible to serve as a Director, one year after the former Director ceases to be an employee of Diabetes Canada.

**5.6 Nominations** – The Board shall adopt a policy from time to time relating to the nomination and election of Directors which policy shall:

- (a) include a process by which Regular Members may submit to the Nominating Committee names of individuals to stand for election as Directors to be considered for nomination by the Board;
- (b) include a process by which Delegate Members may nominate individuals to stand for election as Directors; and
- (c) provide, in the event of a contested election, for all candidates whose names are on the ballot, and whose position is contested, to be given an opportunity to address the meeting at which the election shall occur.

The Policy shall also be made available to Members on request.

**5.7 Consent to Serve** - An individual who is elected to hold office as a Director is not a Director, and is deemed not to have been elected to hold office as a Director, unless:

- (a) the individual was present at the meeting when the election took place and did not refuse to hold office as a Director; or
- (b) the individual was not present at the meeting when the election took place but

- (i) consented to hold office as a Director in writing before the election or within 10 days after the day on which the election took place, or
- (ii) has acted as a Director after the election.

**5.8 Resignation** – Any Director who wishes to resign from the Board prior to the expiry of his or her term of office shall deliver a written resignation to the Chair or the Secretary and such resignation shall be effective from the date specified therein, or if no such date is so specified, from the date of receipt of such resignation by the Chair or the Secretary.

**5.9 Removal** – Subject to the provisions of Section 5.10, the Delegate Members may, by Ordinary Resolution passed at a Special Meeting of Delegate Members of which notice specifying the intention to pass such Ordinary Resolution has been given, remove any Director before the expiration of such Director's term of office, and may, by a majority of votes cast at that meeting, elect any individual who meets the qualifications set out in Section 5.4 in the place of such Director for the remainder of the term of such Director; provided that where the Director removed was elected pursuant to Section 5.3(a) or (b), the individual elected must be a member of the Professional Section or the Council of Regions, as the case may be.

**5.10 Written Statement** – A Director may submit to the Secretary a written statement giving reasons for resigning, or if a meeting is called for the purpose of removing him or her, for opposing his or her removal or replacement. Where the Secretary receives such a statement, the Secretary shall immediately:

- (a) give notice to the Delegate Members of the statement in accordance with Section 4.4; and
- (b) send a copy of the statement to the Director appointed by the Minister pursuant to Section 281 of the CNCA.

**5.11 Vacation of Office** – The office of a Director shall automatically be vacated when such Director: (a) dies or resigns in accordance with Section 5.8; (b) is removed from office in accordance with Section 5.9; (c) ceases to meet the qualifications for being a Director set out at Section 5.4; or (d) misses two consecutive Board meetings or three Board meetings in a calendar year, unless the Board has resolved to excuse such absences.

**5.12 Vacancies** – If a quorum of the Directors is then in office, vacancies on the Board may be filled for the remainder of the term by the remaining Directors, if such Directors determine it appropriate to do so (except for vacancies resulting from an increase in the minimum or maximum number of Directors provided for in the Articles, or failure to elect the minimum number of Directors provided for in the Articles); provided that where a vacancy occurs in the positions filled pursuant to Section 5.3(a) or 5.3(b), the Board must consult with the Professional Section executive or the Council of Regions, as the case may be, before filling the vacancy. If there is not a quorum of Directors, or if there has been a failure to elect the minimum number of Directors provided for in the Articles, the remaining Directors shall forthwith call a Special Meeting of Delegate Members to fill the vacancies, provided that if

the Directors fail to call such meeting or if there are no Directors then in office, the meeting may be called by any Delegate Member.

### **5.13 Discipline**

The Board may censure Board members for their failure to abide by the Articles, By-laws or applicable law or for their failure to comply with their fiduciary obligations to Diabetes Canada, including their obligation to disclose conflicts of interest in accordance with this By-law and any policies in effect from time to time.

### **5.14 Powers** – In addition to the power set out at Section 5.13, the Board may, on behalf of Diabetes Canada, exercise all the powers that Diabetes Canada may lawfully exercise under the CNCA, the Articles or otherwise, including the power to:

- (a) make banking and financial arrangements;
- (b) direct the manner in which any other person or persons may enter into contracts or agreements on behalf of Diabetes Canada;
- (c) purchase, lease or otherwise acquire, sell, exchange or otherwise dispose of real or personal property, securities or any rights or interests for such consideration and upon such terms and conditions as the Board may consider advisable;
- (d) borrow money on the credit of Diabetes Canada and take such other actions as contemplated by Section 11.4; and
- (e) appoint any agents and retain any employees that it considers necessary or advisable.

### **5.15 Committees**

- (a) The Board shall constitute a Nominating Committee, an Audit Committee and such other Committees as it deems necessary or advisable, from time to time, and subject to the CNCA (including the limitations on delegation set out therein), each for such purposes and with such powers as may be prescribed by the Board. Each such Committee may formulate its own rules of procedure subject to such regulations and/or directions as the Board may from time to time make in respect thereof. Any member of any such Committee may be removed from a Committee at any time at the discretion of the Board.
- (b) Membership of each Committee shall not be restricted to persons who are Directors, provided that the Audit Committee shall be composed of not less than three (3) Directors, a majority of whom are neither Officers nor employees Diabetes Canada, or any of its affiliates. The Public Accountant shall be entitled to attend each meeting of the Audit Committee and to call a meeting of that Committee.
- (c) The Board shall have the power to disband any Committee which it creates.

- 5.16 Nominating Committee** - The Nominating Committee shall be charged with developing the criteria and process for the nomination and election of the Board, making recommendations and nominations to the Board for appointment to the Board, and review and approve succession plans for Directors. The Nominating Committee shall have such members, terms of reference and rules of procedure as the Board may from time to time prescribe.
- 5.17 Audit Committee** - The Audit Committee shall have an oversight role with respect to Diabetes Canada's financial practices, including the integrity of its reporting and disclosure practices, its compliance with legal and regulatory requirements, and identification and mitigation of risk. The Audit Committee shall have such members, terms of reference and rules of procedure as the Board may from time to time prescribe.
- 5.18 No Remuneration of Directors** - The Directors shall receive no remuneration for acting as such, but shall be entitled to be paid their reasonable expenses properly incurred in the performance of their duties, including their travel and other expenses properly incurred in attending meetings of the Board, of any Committee, or of the Members.

## **ARTICLE 6 DIRECTORS' MEETINGS**

- 6.1 Place of Meetings** - Except as otherwise required herein or by law, the Board may hold its meetings at any place within Canada (or if the Board determines that it is in the best interest of Diabetes Canada, at any place outside Canada), as it may from time to time determine.
- 6.2 Calling of Meetings** - Board meetings may be formally called by the Chair or the Secretary, or by any three Directors.
- 6.3 Number of Meetings** - There shall be a minimum of one (1) Board meeting per year or such greater number of meetings as is determined, from time to time, by the Board.
- 6.4 Regular Meetings** - The Board may, by resolution, establish the date, time and place of regular meetings of the Board ("**Regularly Scheduled Meetings**"). A copy of such resolution or a list of such dates, time and places shall be sent to each Director immediately following the passage of such resolution by regular mail, pre-paid delivery, telephone, fax, email or other recorded means of recorded electronic communication, with the exception of meetings at which the matters referred to in Section 6.6 are to be discussed, thereafter no other notice will be required, including, for greater certainty, the notice requirements set out in Section 6.5, of any Regularly Scheduled Meeting.
- 6.5 Notice of Directors' Meetings** - Subject to Section 6.4, notice of Board meetings shall be given by regular mail, pre-paid delivery, telephone, fax, email or other means of recorded electronic communication to each Director not less than 48 hours before the meeting is to take place.
- 6.6 Content of Notice** - A notice of a meeting of the Board need not specify the purpose of or the business to be transacted at the meeting, except that a notice of meeting of Directors



shall provide notice of any of the following matters to be dealt with at the meeting. A resolution to:

- (a) submit to the Members any question or matter requiring the approval of Members;
- (b) fill a vacancy among the Directors or in the office of the Public Accountant or appoint additional Directors;
- (c) issue debt obligations except as authorized by the Directors;
- (d) approve the Annual Financial Statements;
- (e) adopt, amend or repeal any By-laws; or
- (f) establish membership fees under Section 3.6.

**6.7 Meetings without Notice** – A meeting of the Board may be held at any time and place without notice if all Directors who are present, and all those who are not present, either before or after the meeting, waive notice thereof, and the attendance of a Director at a meeting of Directors is a waiver of notice of the meeting, except if the 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. No notice is required to be given in order to conduct business at each Annual Organizational Meeting, provided that a quorum is present.

**6.8 Meetings by Communication Facility** - If all of the Directors present at or participating in the meeting consent, a meeting of the Board may be held by such telephonic, electronic or other communication facilities as permit all persons participating in the meeting to communicate adequately with each other during the meeting, and a Director participating in the meeting by those means is deemed for the purposes of the CNCA 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 held while a Director holds office.

**6.9 Chairing Meetings** - The Chair, or in the Chair's absence, the Secretary, shall be the chair at all meetings of the Directors. If no such Officer is present within 15 minutes from the time fixed for holding the meeting, the Directors present and entitled to vote shall choose one of their number to be the chair of the meeting.

**6.10 Quorum** - The presence of a majority of the Specified Number of Directors shall be necessary to constitute a quorum for the transaction of business at meetings of the Board. No business shall be transacted at any meeting of the Board unless a quorum is present at the commencement of and throughout the meeting.

**6.11 Written Resolution** - A resolution in writing signed by all Directors entitled to vote on that resolution at a meeting of Directors is as valid as if it had been passed at a meeting of Directors.

- 6.12 Voting** - Subject to the CNCA, the Articles and the By-laws, any question arising at any meeting of the Board shall be decided by a majority of votes. Each Director (including, for greater certainty, the chair of the meeting) is entitled to exercise one vote. All votes at any such meeting shall be taken by a show of hands in the usual manner of assent or dissent. Whenever a vote by show of hands shall be taken upon a question, a declaration by the chair of the meeting that a resolution has been carried and an entry to that effect in the minutes shall be admissible in evidence as *prima facie* proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution, and the result of the vote so taken shall be the decision of the Board upon the said question. In the case of an equality of votes at any Board meeting, the chair of the meeting shall not be entitled to a second and casting vote.
- 6.13 Persons Entitled to be Present** – The only persons entitled to attend meetings of the Directors shall be the Directors, the Immediate Past Chair and others who are entitled or required under any provision of the CNCA, the Articles or the By-laws to be present at the meeting. Any other persons may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting. Only the Directors and the Immediate Past Chair will have the right to speak at such meetings although others duly present at such meetings shall be allowed to speak with the consent of the meeting. For greater certainty, the Immediate Past Chair shall not be entitled to vote at a meeting of the Directors unless he or she has been elected to the Board pursuant to Section 5.3.

## **ARTICLE 7 OFFICERS**

- 7.1 Appointment** – The Directors shall appoint from time to time, from among their number, a Chair, a Vice-Chair/Secretary and a Treasurer. In addition, the Board shall appoint from time to time a President and Chief Executive Officer, a Vice-President and Chief Financial Officer, and such other Officers (including additional Vice-Presidents) as the Board may determine, including one or more assistants to any of the Officers so appointed. Except as otherwise provided herein, an Officer may but need not be a Director and one person may hold more than one office.
- 7.2 Duties of Officers** – Subject to the provisions of the CNCA, the Board may specify the duties of such Officers and, in accordance with this By-law and subject to the CNCA, delegate to such Officers powers to manage the activities and affairs of Diabetes Canada.
- 7.3 Terms of Office** –
- (a) Officers who are Directors shall be appointed at an Annual Organizational Meeting. The individual appointed as Chair shall serve until the conclusion of the second Annual Organizational Meeting next following his or her appointment as Chair. All other directors appointed as Officers shall serve until the conclusion of the first Annual Organizational Meeting next following his or her appointment as an Officer. Notwithstanding the foregoing, such Officers shall cease to hold office on such Officer's resignation or removal or upon such individual ceasing to be a Director. For greater certainty, an individual who is only entitled to serve one

further year on the Board may be elected as Chair, but his or her term as Chair will end on the day he or she ceases to be a Director.

- (b) Officers who are not Directors shall hold office until such Officer's successor is appointed, or until such Officer's earlier resignation or removal. The Board, in its discretion, may remove any Officer, without prejudice to such Officer's rights under any employment contract or at law.

**7.4 Remuneration of Officers** - The Officers shall be paid such remuneration for their services as the Board may from time to time determine, except that no Officer who is also a Director shall be entitled to receive remuneration for acting as such. Officers shall also be entitled to be reimbursed for travelling and other expenses properly incurred by them in the exercise of the duties of their respective offices. The remuneration of any employees or agents shall be such as the terms of their engagement call for or as the Board may specify.

**7.5 Agents and Attorneys** - Diabetes Canada, by or under the authority of the Board, shall have power from time to time to appoint agents or attorneys for Diabetes Canada in or outside Canada with such powers (including the power to sub-delegate) of management, administration or otherwise as may be thought fit.

## **ARTICLE 8 REGIONS, COUNCILS, SECTION AND PATRONS**

**8.1 Regions** – The Board may establish or recognize regions of Diabetes Canada (“**Regions**”) comprised of specified areas of Canada as determined by the Board. Each Region, when established, shall be known as “Diabetes Canada (Specified Area) Region”. Regions shall be responsible for the advancement of the purposes of Diabetes Canada within its boundaries and within the guidelines as established by the Board from time to time (such guidelines, the “**Regional Charter**”).

**8.2 Council of Regions** – There shall be a Council of Regions composed of the Board Chair and each Regional Chair (or if the Regional Chair is not willing to serve on the Council of Regions, the immediate past Regional Chair). The Council of Regions shall meet at least once in every year at the call of the Chair who shall preside as chair at each meeting and shall consider and report upon such matters as may be referred to it by the Board or a Regional Chair.

**8.3 Professional Section** – There shall be a Professional Section of Diabetes Canada which shall have regulations approved by the Board relating to its governance and activities (the “**Professional Section Charter**”). Membership in the Professional Section shall be open to all those Regular Members specified in the Professional Section Charter.

### **8.4 Operating Procedures of Regions and Professional Section**

- (a) The Professional Section or Regions may enact procedures for the operation of their affairs not inconsistent with the By-laws, the Articles, their Charter or the policies of Diabetes Canada as established by the Board from time to time;

provided that such procedures shall be of force and effect only after the same have been ratified by the Board. Such procedures may be modified or rescinded in accordance with the policies of the Board in effect from time to time.

- (b) The Board may from time to time make rules and regulations not inconsistent with this By-law governing the formation, recognition, constitution, management and operation of the Professional Section and Regions and may establish forms of general regulations to apply to the operation of the Professional Section or Regions.

- 8.5 Patrons** – The Board may from time to time appoint such individuals to be Patrons of Diabetes Canada as the Board deems advisable, and for such terms as shall be set by the Board. The Patrons shall not by virtue of this office be members of Diabetes Canada or be entitled to vote at the meetings of Members. Patrons shall be entitled to receive notice of and attend all meetings of Delegate Members and, if the meeting so approves, participate in debate and proceedings.

## **ARTICLE 9 PROTECTION OF DIRECTORS AND OFFICERS**

- 9.1 Limitation of Liability** – Every Director and Officer in exercising his powers and discharging his duties shall act honestly and in good faith with a view to the best interests of Diabetes Canada and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject thereto, no Director or Officer shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or other individual acting in a similar capacity, or for joining in any receipt or other act for conformity, or for any loss, damage or expense to Diabetes Canada arising from the insufficiency or deficiency of title to any property acquired by or on behalf of Diabetes Canada, or for the insufficiency or deficiency of any security in or upon which any of the moneys of Diabetes Canada are invested, or for any loss, damage or expense arising from the bankruptcy, insolvency, act or omission of any person, firm or corporation with whom or which any monies, securities or other property of Diabetes Canada are lodged or deposited, or for any loss, damage or expense occasioned by any error of judgment or oversight on such Director's, Officer's or other individual's part, or for any other loss, damage or expense related to the performance or non-performance of the duties of his or her respective office or in relation thereto unless the same shall happen by or through his or her own wrongful and wilful act or through his or her own wrongful or wilful neglect or default.
- 9.2 Indemnity** – Subject to the limitations contained in the CNCA, but without limiting the right of Diabetes Canada to indemnify any individual under the CNCA or otherwise to the full extent permitted by law, Diabetes Canada shall, from time to time and at all times, indemnify each Director or Officer or former Director or Officer (and each such Director's, Officer's or other individual's respective heirs, executors, administrators, or other legal personal representatives and his or her estate and effects, or another individual who acts or acted at Diabetes Canada's request as a Director or an Officer or in a similar capacity of another entity), against all costs, charges and expenses including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is

involved because of that association with Diabetes Canada or other entity provided that the individual to be indemnified:

- (a) acted honestly and in good faith with a view to the best interests of Diabetes Canada, or as the case may be, to the best interests of the other entity for which the individual acted as Director or Officer or in a similar capacity at Diabetes Canada's request; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that the individual's conduct was lawful.

**9.3 Advance of Costs** – Diabetes Canada may advance money to a Director, an Officer or other individual for the costs, charges and expenses of a proceeding referred to in Section 9.2. The individual shall repay the money if the individual does not fulfil the conditions of Sections 9.2(a) and 9.2(b).

**9.4 Insurance** – Diabetes Canada may purchase and maintain insurance for the benefit of an individual referred to in Section 9.2 against any liability incurred by the individual in the individual's capacity as a Director or an Officer, or in a similar capacity of another entity, if the individual acts or acted in that capacity at Diabetes Canada's request.

**9.5 Indemnities Not Limiting** – The provisions of this Article 9 shall be in addition to and not in substitution for or limitation of any rights, immunities and protections to which a person is otherwise entitled.

## **ARTICLE 10 DISCLOSURE OF INTEREST**

**10.1 Disclosure of Interest** - A Director or an Officer shall disclose to Diabetes Canada, in writing or by requesting to have it entered in the minutes of meetings of the Directors or of Committees, the nature and extent of any interest that the Director or Officer has in a material contract or material transaction, whether made or proposed, with Diabetes Canada, if the Director or Officer:

- (a) is a party to the contract or transaction;
- (b) is a director or an officer, or an individual acting in a similar capacity, of a party to the contract or transaction; or
- (c) has a material interest in a party to the contract or transaction.

**10.2 Time of Disclosure for Director** – The disclosure required by Section 10.1 shall be made, in the case of a Director,

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

- (b) if the Director was not, at the time of the meeting referred to in Section 10.2(a), interested in the proposed contract or transaction, at the first meeting after the Director becomes so interested;
- (c) if the Director becomes interested after a contract or transaction is made, at the first meeting after the Director becomes so interested; or
- (d) if an individual who is interested in a contract or transaction later becomes a Director, at the first meeting after the individual becomes a Director.

**10.3 Time of Disclosure for Officer** – The disclosure required by Section 10.1 shall be made, in the case of an Officer who is not a Director,

- (a) immediately after the Officer becomes aware of the contract, transaction, proposed contract or proposed transaction is to be considered or has been considered at a meeting;
- (b) if the Officer becomes interested after a contract or transaction is made, immediately after the Officer becomes so interested; or
- (c) if an individual who is interested in a contract or transaction later becomes an Officer, immediately after the individual becomes an Officer.

**10.4 Time of Disclosure for Director or Officer** – If a material contract or material transaction, whether entered into or proposed, is one that, in the ordinary course of Diabetes Canada's activities, would not require approval by the Directors or Members, a Director or an Officer shall, immediately after they become aware of the contract or transaction, disclose in writing to Diabetes Canada, or request to have entered in the minutes of meetings of Directors or of the relevant Committees, the nature and extent of their interest.

**10.5 Voting** – A Director required to make a disclosure under Section 10.1 shall not vote on any resolution to approve the contract or transaction unless the contract or transaction

- (a) is for indemnity or insurance pursuant to Article 9 hereof; or
- (b) is with an affiliate, as such term is understood for the purposes of the CNCA.

**10.6 Continuing Disclosure** – For the purposes of this Section, a general notice to the Directors declaring that a Director or an Officer is to be regarded as interested, for any of the following reasons, in a contract or transaction made with a party, is a sufficient declaration of interest in relation to the contract or transaction when:

- (a) the Director or Officer is a director or an officer, or acting in a similar capacity, of a party referred to in Section 10.1(b) or (c);
- (b) the Director or Officer has a material interest in the party; or

- (c) there has been a material change in the nature of the Director's or the Officer's interest in the party.

**10.7 Access to Disclosures** – The Members may examine the portions of any minutes of meetings of Directors or any minutes of meetings of Committees that contain disclosures contemplated by Section 10.1, and of any other documents that contain those disclosures, during Diabetes Canada's usual business hours.

**10.8 Avoidance Standards** – A contract or transaction for which disclosure is required under Section 10.1 is not invalid, and the Director or Officer is not accountable to Diabetes Canada or its Members for any profit realized from the contract or transaction, because of the Director's or Officer's interest in the contract or transaction or because the Director was present or was counted to determine whether a quorum existed at the meeting of Directors or of the Committee of Directors that considered the contract or transaction, if:

- (a) disclosure of the interest was made in accordance with this Article 10;
- (b) the Directors approved the contract or transaction; and
- (c) the contract or transaction was reasonable and fair to Diabetes Canada when it was approved.

## **ARTICLE 11**

### **EXECUTION OF DOCUMENTS, BANKING AND BORROWING**

**11.1 Signatories** – Except for documents executed in the usual and ordinary course of Diabetes Canada's business, which may be signed by the President or Vice-President of Diabetes Canada, the following are the only persons authorized to sign any document on behalf of Diabetes Canada:

- (a) any (i) two of the Chair, Vice-Chair/Secretary or the Treasurer, or (ii) one of the foregoing and any one of the President and Chief Executive Officer, a Vice-President or the Chief Financial Officer; or
- (b) any individual or individuals appointed by resolution of the Board to sign a specific document, a specific type of document, or generally on behalf of Diabetes Canada.

Any document so signed may, but need not, have the corporate seal applied, if there is one.

**11.2 Facsimile Signatures** - The signatures of any person authorized to sign on behalf of Diabetes Canada, may, if specifically authorized by resolution of the Board, be written, printed, stamped, engraved, lithographed or otherwise mechanically reproduced. Anything so signed shall be as valid as if it had been signed manually, even if that person has ceased to hold office when anything so signed is issued or delivered, until revoked by resolution of the Board.

**11.3 Banking** - The banking business of Diabetes Canada shall be transacted with such banks, trust companies or other firms or corporations carrying on a banking business in Canada, or elsewhere 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.

**11.4 Borrowing** – Subject to any limitations set out in the Articles or the By-laws, the Board may, from time to time, without authorization of the Members:

- (a) borrow money on the credit of Diabetes Canada;
- (b) issue, reissue, sell, pledge or hypothecate debt obligations of Diabetes Canada;
- (c) give a guarantee on behalf of Diabetes Canada to secure performance of an obligation of any person; and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of Diabetes Canada, owned or subsequently acquired, to secure any obligation of Diabetes Canada.

**11.5 Board Delegation** – From time to time, the Board may authorize any Director, Officer or Committee, to make arrangements with reference to the monies borrowed or to be borrowed as aforesaid and as to the terms and conditions of the loan thereof, and as to the security to be given therefor, with power to vary or modify such arrangements, terms and conditions and to give such additional security for any monies borrowed or remaining due by Diabetes Canada as the Board may authorize, and generally to manage, transact and settle the borrowing of money by Diabetes Canada.

## **ARTICLE 12 NOTICE**

**12.1 Procedure for Sending Notices** – Any notice (which term includes any communication or document) to be given, sent, delivered or served pursuant to the CNCA, this By-law or otherwise to a Member, Director, or Public Accountant shall be sufficiently given if sent to the principal address of the applicable person as last shown in Diabetes Canada's records. A notice so delivered shall be deemed to have been received when it is delivered. A notice so mailed shall be deemed to have been received on the fifth (5<sup>th</sup>) day after mailing (excluding each day during which there exists any general interruption of postal services due to strike, lockout or other cause). A notice sent by means of electronic, transmitted or recorded communication shall be deemed to have been received when so sent. The Secretary may change or cause to be changed the recorded address of any Member, Director or Public Accountant in accordance with the information believed by him or her to be reliable.

**12.2 Undelivered Notices** - If any notice given to a Member pursuant to Section 12.1 is returned on two (2) consecutive occasions because such Member cannot be found, Diabetes Canada shall not be required to give any further notice to such Member until such Member informs Diabetes Canada in writing of such Member's new address.



- 12.3 Computation of Time** - In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.
- 12.4 Waiver of Notice** - Any Member, Director or Public Accountant may waive any notice required to be given to such Member, Director or Public Accountant under any provision of the CNCA, this By-law 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.
- 12.5 Error or Omission in Notice** – No error or omission in giving notice of any Meeting or adjourned Meeting of Members or Directors to any Member, Director or Public Accountant, or the non-receipt of the notice by any such person where Diabetes Canada has provided notice in accordance with the By-laws, or any error in any notice not affecting its substance, shall invalidate any meeting to which the notice pertained or otherwise founded on such notice or make void any resolutions passed or proceedings taken thereat, and any Member or Director may ratify, approve and confirm any or all proceedings taken thereat.
- 12.6 Certification re: Delivery** - The statutory declaration of the Secretary or the Chair or of any other person authorized to give notice of a meeting that notice has been given pursuant to this By-law shall be sufficient and conclusive evidence of the giving of such notice.

### **ARTICLE 13 PUBLIC ACCOUNTANT**

- 13.1 Public Accountant** – The Delegate Members shall by Ordinary Resolution at each National Annual General Meeting appoint a Public Accountant to hold office until the next National Annual General Meeting, and if an appointment is not so made, the Public Accountant in office will continue in office until a successor is appointed. The Directors may, if a quorum of the Directors is then in office, fill any vacancy in the office of Public Accountant arising between National Annual General Meetings.
- 13.2 Qualification** – The person or firm appointed as a Public Accountant shall not be a Director, an Officer or employee of Diabetes Canada, or a partner or employee of any such person, but shall: (a) be a member in good standing of an institute or association of accountants incorporated by or under an Act of the legislature of a province of Canada; (b) meet any qualifications under an enactment of a province for performing any duty that the person is required to perform under the relevant sections of the CNCA; and (c) be independent, within the meaning of the CNCA, of Diabetes Canada, its affiliates, the Directors and Officers, and the Directors and Officers of the affiliates.
- 13.3 Remuneration** - The remuneration of the Public Accountant appointed by the Delegate Members shall be fixed by Ordinary Resolution of the Delegate Members, or by the Board if it is authorized to do so by the Delegate Members. The remuneration of a Public Accountant appointed by the Board shall be fixed by the Board.

**ARTICLE 14**  
**ANNUAL FINANCIAL STATEMENTS**

- 14.1 Statutory Requirements-** Diabetes Canada may, instead of sending copies of the Annual Financial Statements to the Members, publish or deliver a notice to its Members stating that the Annual Financial Statements are available at the registered office of Diabetes Canada and any Member may, on request, obtain a copy free of charge at the registered office of Diabetes Canada or by prepaid mail.
- 14.2 Greater Dissemination-** In recognition of the status of Diabetes Canada as a registered charitable organization and its commitment to transparency and accountability to its members, donors and stakeholders, in addition to meeting its statutory obligations regarding the distribution of its financial statements, the Board is hereby authorized to post its Annual Financial Statements on its website or to otherwise disseminate them. Nothing in this Section 14.2 is intended to limit the powers of the Board to disseminate the Annual Financial Statements or any other information as it deems appropriate, in compliance with the Articles, the By-laws and all applicable laws.

**ARTICLE 15**  
**FUNDAMENTAL CHANGES**

- 15.1 Amendment of Articles or By-law -** Pursuant to the provisions of the CNCA and notwithstanding any provisions in the By-laws to the contrary, a Special Resolution of the Delegate Members, or, if Section 15.2 applies, of each of the Regular Members and Delegate Members each voting separately as a class, is required to make any amendment to the Articles or the By-law of Diabetes Canada to:
- (a) change Diabetes Canada's name;
  - (b) change the province in which Diabetes Canada's registered office is situated;
  - (c) add, change or remove any restriction on the activities that Diabetes Canada may carry on;
  - (d) create a new class or group of Members;
  - (e) change a condition required for being a Member;
  - (f) change the designation of any class or group of Members or add, change or remove any rights and conditions of any such class or group;
  - (g) divide any class or group of Members into two or more classes or groups and fix the rights and conditions of each class or group;
  - (h) add, change or remove a provision respecting the transfer of a membership;
  - (i) subject to the provisions of the CNCA, increase or decrease the number of, or the minimum or maximum number of, directors fixed by the Articles;

- (j) change the statement of the purpose of Diabetes Canada;
- (k) change the statement concerning the distribution of property remaining on liquidation after the discharge of any liabilities of Diabetes Canada;
- (l) change the manner of giving notice to Members entitled to vote at a meeting of Members;
- (m) change the method of voting by Members not in attendance at a meeting of Members; or
- (n) add, change or remove any other provision that is permitted by the CNCA to be set out in the Articles.

**15.2 Class Vote** – Pursuant to the provisions of the CNCA and notwithstanding any provisions in the By-laws to the contrary, a Special Resolution of each of the Regular Members and Delegate Members, voting separately as a class on a proposal to make an amendment referred to in Section 15.1, is required to:

- (a) add, change or remove the rights or conditions attached to the memberships of the class or group, including:
  - (i) to reduce or remove a liquidation preference, or
  - (ii) to add, remove or change prejudicially voting or transfer rights of the class or group;
- (b) increase the rights of any other class or group of Members having rights equal or superior to those of the class or group;
- (c) increase the rights of a class or group of Members having rights inferior to those of the class or group to make them equal or superior to those of the class or group; or
- (d) effect an exchange or create a right of exchange of all or part of the memberships of another class or group into the memberships of the class or group.

For greater certainty, Section 15.2 applies whether or not the Regular Members, Delegate (Ex-Officio) Members and Delegate (Elected) Members otherwise have the right to vote pursuant to the Articles or the By-laws.

**15.3 Class Vote on Other Fundamental Matters** – Subject to the provisions of the CNCA and notwithstanding any provisions in By-laws to the contrary, a Special Resolution of each of the Regular Members and Delegate Members, each voting separately as a class, is required to effect the following:

- (a) in the case of an amalgamation of Diabetes Canada with two or more corporations, to adopt the amalgamation agreement if the amalgamation agreement contains a provision that, if contained in a proposed amendment to the Articles, would entitle the Members to vote as a class under Section 15.2;

- (b) in the case of an extraordinary sale or lease of all, or substantially all of the assets of Diabetes Canada, if the class of Members is affected by the sale, lease or exchange in a manner different from the Members of another class; and
- (c) in the case of the voluntary liquidation and dissolution of Diabetes Canada.

Each class of Members of Diabetes Canada carries the right to vote in respect of the matters referred to in this Section 15.3 whether or not it otherwise carries the right to vote.

## **ARTICLE 16 DISTRIBUTION OF ONTARIO LOTTERY PROCEEDS**

- 16.1 Distribution of Ontario Lottery Proceeds** – On a wind-up and dissolution of Diabetes Canada, any remaining proceeds of any lottery licensed events conducted exclusively in Ontario, including, without limitation, lottery trust accounts, or any real or personal property purchased in Ontario with lottery proceeds, shall be distributed only to one or more qualified donees under the *Income Tax Act* that have charitable purposes under Canadian law, and that are eligible to receive lottery proceeds in Ontario. Gaming proceeds in any other province or territory including, without limitation, lottery trust accounts, or any real or personal property purchased in that particular province or territory with lottery proceeds, shall be distributed only to one or more qualified donees under the *Income Tax Act* that have charitable purposes under Canadian law, and that are eligible to receive lottery proceeds in that specific province or territory.

## **ARTICLE 17 BY-LAWS**

- 17.1 Effective Date** – This By-law shall be effective on the date upon which it is approved by the Directors.
- 17.2 By-laws, Amendment or Repeal** – Unless the CNCA, the Articles or the By-laws otherwise provide, the Directors may, by resolution, make, amend or repeal any By-law and any such By-law or amended or repealed By-law shall be effective when made by the Board. The Directors shall submit such By-law, amendment or repeal to:
- (a) the Delegate Members at the next National Annual General Meeting, if the By-law, amendment or repeal may be effected without the approval of the Regular Members, in which case the Delegate Members may, by Ordinary Resolution, confirm, reject or amend the By-law, amendment or repeal; or
  - (b) all of the Members at a Special Meeting, if the By-law, amendment or repeal can only be effected with the approval of all of the Members.

The By-law, amendment or repeal is effective from the date of the resolution of the Directors. If the By-law, amendment or repeal is so confirmed, or confirmed as amended, by the Members entitled to vote thereon, it remains effective in the form in which it was confirmed. The By-law, amendment or repeal ceases to have effect if it is not submitted by the Directors to the Delegate Members at the next Annual General Meeting of Members or

to the Members at the Special Meeting or if it is rejected by the Members entitled to vote thereon. If a By-law, amendment or repeal ceases to have effect, a subsequent resolution of the Directors that has substantially the same purpose or effect is not effective until it is confirmed, or confirmed as amended, by the Members entitled to vote thereon.

- 17.3 Effect of Repeal of By-laws** – The repeal of any By-law in whole or part shall not in any way affect the validity of any act done or right, privilege, obligation or liability acquired or incurred thereunder prior to such repeal.

**MADE** by the Board on the 6<sup>th</sup> day of April, 2019.



\_\_\_\_\_  
Jim Newton, Chair



\_\_\_\_\_  
Catherine Potechin, Secretary

**CONFIRMED** by the Delegate Members on the 6<sup>th</sup> day of April, 2019.



\_\_\_\_\_  
Jim Newton, Chair



\_\_\_\_\_  
Catherine Potechin, Secretary