



By-laws relating generally to the conduct of the affairs of the

NAVAL ASSOCIATION OF CANADA – OTTAWA
L'ASSOCIATION NAVALE DU CANADA – OTTAWA

BY-LAWS

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BE IT ENACTED as By-laws of the **NAVAL ASSOCIATION OF CANADA–OTTAWA / L'ASSOCIATION NAVALE DU CANADA-OTTAWA** as follows:

SECTION 1 – GENERAL

1. Definition

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

"Act" means the *Canada Not-For-Profit Corporations Act S.C. 2009, c.23* including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;

"articles" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation;

"board" means the board of directors of the Corporation and **"director"** means a member of the board;

"by-law" means this by-law and any other by-law of the Corporation as amended and which are, from time to time, in force and effect;

"meeting of members" includes an annual meeting of members or a special meeting of members; **"special meeting of members"** includes a meeting of any class or classes of members and a special meeting of all members entitled to vote at an annual meeting of members;

"NAC-O" is the short form of NAVAL ASSOCIATION OF CANADA–OTTAWA, and is synonymous with it, and with the "Corporation";

"**ordinary resolution**" means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;

"**proposal**" means a proposal submitted by a member of the NAC-O that meets the requirements of section 163 (Shareholder Proposals) of the Act;

"**Regulations**" means the regulations made under the Act, as amended, restated or in effect from time to time; and

"**special resolution**" means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

2. Interpretation

In the interpretation of this by-law, words in the singular include the plural and vice-versa, words in one gender include all genders, and "person" includes an individual, body corporate, partnership, trust and unincorporated organization.

Other than as specified above, words and expressions defined in the Act have the same meanings when used in these by-laws.

3. Objectives.

In support of the purpose of NAC-O, as described in the articles, NAC-O objectives are to:

- a. Make all levels of Government and the general public clearly aware of the vital need for, and value of adequate and effective Maritime defence forces to protect and further the interests of Canada;
- b. Actively support all national Maritime defence activities, specifically the Royal Canadian Navy, both regular and reserve;
- c. Actively support organizations with similar aims, such as other branches of the Naval Association of Canada, the Navy League of Canada, the Royal Canadian Sea Cadets, the Royal Canadian Navy Association and like associations;
- d. Maintain a strong and active membership through an activity program that keeps the members up to date on Maritime matters and that responds to their needs and interests;
- e. Support organizations and individuals engaged in preserving all aspects of Canada's Maritime history, with a special effort to encourage and help members of the Branch record their personal Naval experiences;

- f. Foster comradeship and friendship amongst all Naval and like-minded individuals, active and retired.

4. Corporate Seal

The NAC-O may have a corporate seal in the form approved from time to time by the board. If a corporate seal is approved by the board, the secretary of the NAC-O shall be the custodian of the corporate seal.

5. Execution of Documents

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the NAC-O may be signed by any two (2) of its officers or directors. In addition, the board may from time to time direct the manner in which and the person or persons by whom a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal (if any) to the document. Any signing officer may certify a copy of any instrument, resolution, by-law or other document of the NAC-O to be a true copy thereof.

6. Financial Year End

The financial year end of the NAC-O shall be determined by the board of directors.

7. Banking Arrangements

The banking business of the NAC-O shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada or elsewhere as the board of directors may designate, appoint or authorize from time to time by resolution. The banking business or any part of it shall be transacted by an officer or officers of the NAC-O and/or other persons as the board of directors may by resolution from time to time designate, direct or authorize.

8. Borrowing Powers

The directors of the NAC-O may, without authorization of the members,

- a. Borrow money on the credit of the NAC-O;
- b. Issue, reissue, sell, pledge or hypothecate debt obligations of the NAC-O;
- c. Give a guarantee on behalf; and

- d. Mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the NAC-O, owned or subsequently acquired, to secure any debt obligation of the NAC-O.

9. Annual Financial Statements

The NAC-O may, instead of sending copies of the annual financial statements and other documents referred to in subsection 172(1) (Annual Financial Statements) of the Act to the members, publish a notice to its members stating that the annual financial statements and documents provided in subsection 172(1) are available at the registered office of the NAC-O and any member may, on request, obtain a copy free of charge at the registered office or by prepaid mail.

SECTION 2 – MEMBERSHIP – MATTERS REQUIRING SPECIAL RESOLUTION

10. Membership Conditions

Subject to the articles, there shall be two classes of members in the NAC-O, namely, Regular members and Introductory members. The board of directors of the NAC-O may, by resolution, approve the admission of the members of the NAC-O. Members may also be admitted in such other manner as may be prescribed by the board by resolution. The following conditions of membership shall apply:

Regular Members

- a. Regular voting membership shall be available only to individuals who support the purpose and objectives of the NAC-O, have applied, and have been accepted for Regular voting membership in the NAC-O.
- b. The term of membership of a Regular voting member shall be annual, based on the calendar year, subject to renewal in accordance with the policies of the NAC-O, including the paying of dues.
- c. As set out in the articles, each Regular voting member is entitled to receive notice of, attend and vote at all meetings of members and each such Regular voting member shall be entitled to one (1) vote at such meetings.

Introductory Members

- a. Introductory non-voting membership shall be available only to individuals who support the purpose and objectives of the NAC-O, have applied, and have been accepted for Introductory non-voting membership in the NAC-O.

- b. The term of membership of an Introductory non-voting member shall be annual, subject to renewal in accordance with the policies of the NAC-O.
- c. Subject to the Act and the articles, an Introductory non-voting member shall be entitled to receive notice of and attend all meetings of members, but shall not be entitled to vote at meetings of the members of the NAC-O.

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendments to this section of the by-laws if those amendments affect membership rights and/or conditions described in paragraphs 197(1)(e), (h), (l) or (m).

11. Membership Transferability

A membership may only be transferred to the NAC-O. Pursuant to Section 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendment to add, change or delete this section of the by-laws.

12. Notice of Members Meeting

Notice of the time and place of a meeting of members shall be given to each member entitled to vote at the meeting by any combination of the following means:

- a. By mail, courier or personal delivery to each member entitled to vote at the meeting, during a period of 21 to 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 21 to 35 days before the day on which the meeting is to be held; or
- c. By affixing the notice, no later than 30 days before the day on which the meeting is to be held, to a notice board on which information respecting the NAC-O's activities is regularly posted and that is located in the main facilities or club house of the NAC-O; or
- d. By publication at least once in a publication of the corporation that is sent to all its members, during a period of 21 to 60 days before the day on which the meeting is to be held.

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendment to the by-laws of the NAC-O to change the manner of giving notice to members entitled to vote at a meeting of members.

13. Absentee Voting at Members' Meetings

Pursuant to Section 171(1) of the Act, a member entitled to vote at a meeting of members may vote by proxy by appointing in writing a proxyholder, and one or more alternate proxyholders, who are not required to be members, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by it subject to the following requirements:

- a. A proxy is valid only at the meeting in respect of which it is given or at a continuation of that meeting after an adjournment;
- b. A member may revoke a proxy by depositing an instrument or act in writing executed or, in Quebec, signed by the member or by their agent or mandatary
 - i. At the registered office of the corporation no later than the last business day preceding the day of the meeting, or the day of the continuation of that meeting after an adjournment of that meeting, at which the proxy is to be used, or
 - ii. With the chairperson of the meeting on the day of the meeting or the day of the continuation of that meeting after an adjournment of that meeting
- c. A proxyholder or an alternate proxyholder has the same rights as the member by whom they were appointed, including the right to speak at a meeting of members in respect of any matter, to vote by way of ballot at the meeting, to demand a ballot at the meeting and, except where a proxyholder or an alternate proxyholder has conflicting instructions from more than one member, to vote at the meeting by way of a show of hands;
- d. If a form of proxy is created by a person other than the member, the form of proxy shall
 - i. Indicate, in bold-face type,
 - A. The meeting at which it is to be used,
 - B. That the member may appoint a proxyholder, other than a person designated in the form of proxy, to attend and act on their behalf at the meeting, and
 - C. Instructions on the manner in which the member may appoint the proxyholder,
 - ii. Contain a designated blank space for the date of the signature,
 - iii. Provide a means for the member to designate some other person as proxyholder, if the form of proxy designates a person as proxyholder,
 - iv. Provide a means for the member to specify that the membership registered in their name is to be voted for or against each matter, or group of related matters, identified in the notice of meeting, other than the appointment of a public accountant and the election of directors,
 - v. Provide a means for the member to specify that the membership registered in their name is to be voted or withheld from voting in respect of the appointment of a public accountant or the election of directors, and
 - vi. State that the membership represented by the proxy is to be voted or withheld from voting, in accordance with the instructions of the member, on any ballot that may be

called for and that, if the member specifies a choice under subparagraph (iv) or (v) with respect to any matter to be acted on, the membership is to be voted accordingly;

- e. A form of proxy may include a statement that, when the proxy is signed, the member confers authority with respect to matters for which a choice is not provided in accordance with subparagraph (d)(iv) only if the form of proxy states, in bold-face type, how the proxyholder is to vote the membership in respect of each matter or group of related matters;
- f. If a form of proxy is sent in electronic form, the requirements that certain information be set out in bold-face type are satisfied if the information in question is set out in some other manner so as to draw the addressee's attention to the information; and
- g. A form of proxy that, if signed, has the effect of conferring a discretionary authority in respect of amendments to matters identified in the notice of meeting or other matters that may properly come before the meeting must contain a specific statement to that effect.

Pursuant to Section 197(1) of the Act, a special resolution of the members (and if Section 199 applies, a special resolution of each class of members) is required to make any amendment to the articles or by-laws of the Corporation to change this method of voting by members not in attendance at a meeting of Members.

SECTION 3 - MEMBERSHIP DUES, TERMINATION AND DISCIPLINE

14. Membership Dues

Annual membership dues for the following calendar year shall be recommended by the board and approved by ordinary resolution. Members shall be notified in writing of the membership dues at any time payable by them and, if any are not paid within fifteen (15) calendar months of the membership renewal date the members in default shall automatically cease to be members of the NAC-O.

15. Termination of Membership

A membership in the NAC-O is terminated when:

- a. The member dies or resigns;
- b. The member is expelled, or their membership is otherwise terminated, in accordance with the articles or by-laws;
- c. The member's term of membership expires; or
- d. The NAC-O is liquidated and dissolved under the Act.

16. Effect of Termination of Membership

Subject to the articles, upon any termination of membership, the rights of the member, including any rights in the property of the NAC-O, automatically cease to exist.

17. Discipline of Members

The board shall have authority to suspend or expel any member from the Corporation for any one or more of the following grounds:

- a. Violating any provision of the articles, by-laws, or written policies of the Corporation;
- b. Carrying out any conduct which may be detrimental to the Corporation as determined by the board in its sole discretion;
- c. For any other reason that the board in its sole and absolute discretion considers to be reasonable, having regard to the purpose of the Corporation.

In the event that the board determines that a member should be expelled or suspended from membership in the Corporation, the President, or such other officer as may be designated by the board, shall provide twenty (20) days' notice of suspension or expulsion to the member and shall provide reasons for the proposed suspension or expulsion. The member may make written submissions to the president, or such other officer as may be designated by the board, in response to the notice received within such twenty (20) day period.

In the event that no written submissions are received by the president, the president, or such other officer as may be designated by the board, may proceed to notify the member that the member is suspended or expelled from membership in the Corporation.

If written submissions are received in accordance with this section, the board will consider such submissions in arriving at a final decision and shall notify the member concerning such final decision within a further twenty (20) days from the date of receipt of the submissions. The board's decision shall be final and binding on the member, without any further right of appeal.

SECTION 4 – MEETINGS OF MEMBERS

18. Proposals Nominating Directors at Annual Members' Meetings

Subject to the Regulations under the Act, any proposal may include nominations for the election of directors if the proposal is signed by not less than 5% of members entitled to vote at the meeting at which the proposal is to be presented.

19. Cost of Publishing Proposals for Annual Members' Meetings

The member who submitted the proposal shall pay the cost of including the proposal and any statement in the notice of meeting at which the proposal is to be presented unless otherwise provided by ordinary resolution of the members present at the meeting.

20. Members Calling a Members' Meeting

The board of directors shall call a special meeting of members in accordance with Section 167 of the Act, on written requisition of members carrying not less than 5% of the voting rights. If the directors do not call a meeting within twenty-one (21) days of receiving the requisition, any member who signed the requisition may call the meeting.

21. Place of Members' Meeting

Subject to compliance with section 159 (Place of Members' Meetings) of the Act, meetings of the members may be held at any place within Canada determined by the board or, if all of the members entitled to vote at such meeting so agree, outside Canada.

22. Persons Entitled to be Present at Members' Meetings

The only persons entitled to be present at a meeting of members shall be those entitled to vote at the meeting, Introductory members, the directors and the public accountant of the NAC-O and such other persons who are entitled or required under any provision of the Act, articles or by-laws of the NAC-O to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or by resolution of the members.

23. Chair of Members' Meetings

In the event that the chair of the board and the vice-chair of the board are absent, the members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

24. Quorum at Members' Meetings

A quorum at any meeting of the members (unless a greater number of members are required to be present by the Act) shall be 20 voting members. If a quorum is present at the opening of a meeting of members, the members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

25. Votes to Govern at Members' Meetings

At any meeting of members every question shall, unless otherwise provided by the articles or by-laws or by the Act, be determined by a majority of the votes cast on the questions. In case of

an equality of votes either on a show of hands or on a ballot or on the results of electronic voting, the chair of the meeting in addition to an original vote shall have a second or casting vote.

26. Participation by Electronic Means at Members' Meetings

If the NAC-O chooses to make available a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during a meeting of members, any person entitled to attend such meeting may participate in the meeting by means of such telephonic, electronic or other communication facility in the manner provided by the Act. A person participating in a meeting by such means is deemed to be present at the meeting. Notwithstanding any other provision of this by-law, any person participating in a meeting of members pursuant to this section who is entitled to vote at that meeting may vote, in accordance with the Act, by means of any telephonic, electronic or other communication facility that the NAC-O has made available for that purpose.

27. Members' Meeting Held Entirely by Electronic Means

Meetings of members may not be held entirely by telephonic, an electronic or other communication facility.

Resolution confirmed by the membership at the 2020 AGM 6 September 2020: Repeal of NAC-O By-law Clause 27 to allow for the holding of meetings by telephonic, an electronic or other communication facility as deemed necessary by the Board of Directors.

SECTION 5 - DIRECTORS

28. Number of Directors

The board shall be comprised of the fixed number of directors as determined from time to time by the members by ordinary resolution or, if the ordinary resolution empowers the directors to determine the number, by resolution of the board. In the case of a soliciting NAC-O the minimum number of directors may not be fewer than three (3), at least two of whom are not officers or employees of the NAC-O or its affiliates.

29. Term of Office of Directors

The directors shall be elected to hold office for a term expiring not later than the close of the next annual meeting of members following the election.

SECTION 6 – MEETINGS OF DIRECTORS

30. Calling of Meetings of Board of Directors

Meetings of the board may be called by the chair of the board, the vice-chair of the board or any two (2) directors at any time.

31. Notice of Meeting of Board of Directors

Notice of the time and place for the holding of a meeting of the board shall be given in the manner provided in the section on giving notice of meeting of directors of this by-law to every director of the NAC-O not less than five (5) days before the time when the meeting is to be held. Notice of a meeting shall not be necessary if all of the directors are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting. Unless the by-law otherwise provides, no notice of meeting need specify the purpose or the business to be transacted at the meeting except that a notice of meeting of directors shall specify any matter referred to in subsection 138(2) (Limits on Authority) of the Act that is to be dealt with at the meeting.

32. Regular Meetings of the Board of Directors

The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such regular meetings of the board shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except if subsection 136(3) (Notice of Meeting) of the Act requires the purpose thereof or the business to be transacted to be specified in the notice.

NAC-O BOD (DIRECTOR) QUORUM as approved in NACO BOD minutes for 18 May 2017 meeting: "At least six (6) of the Directors in office, and one (1) of those six must be a member of the Executive Group, shall form a quorum for the conduct of a Director's meeting. No person shall act for an absent director at a meeting of directors."

33. Votes to Govern at Meetings of the Board of Directors

At all meetings of the board, every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chair of the meeting in addition to an original vote shall have a second or casting vote.

34. Committees of the Board of Directors

The board may from time to time appoint any committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the board shall see fit. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the board may from time to time make. Any committee member may be removed by resolution of the board of directors.

SECTION 7 - OFFICERS

35. Appointment of Officers

The board may designate the offices of the NAC-O, appoint officers on an annual or more frequent basis, specify their duties and, subject to the Act, delegate to such officers the power to manage the affairs of the NAC-O. A director may be appointed to any office of the NAC-O. An officer may, but need not be, a director unless these by-laws otherwise provide. Two or more offices may be held by the same person.

SECTION 8 – INVALID PROVISIONS, OMISSIONS AND ERRORS

36. Invalidity of any Provisions of this By-law

The invalidity or unenforceability of any provision of this by-law shall not affect the validity or enforceability of the remaining provisions of this by-law.

37. Omissions and Errors

The accidental omission to give any notice to any member, director, officer, member of a committee of the board or public accountant, or the non-receipt of any notice by any such person where the NAC-O has provided notice in accordance with the by-laws or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

SECTION 9 - EFFECTIVE DATE

38. By-laws and Effective Date

Subject to the articles, the board of directors may, by resolution, make, amend or repeal any by-laws that regulate the activities or affairs of the NAC-O. Any such by-law, amendment or repeal shall be effective from the date of the resolution of directors until the next meeting of members where it may be confirmed, rejected or amended by the members by ordinary resolution.

If the by-law, amendment or repeal is confirmed or confirmed as amended by the members 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 to the members at the next meeting of members or if it is rejected by the members at the meeting.

This section does not apply to a by-law that requires a special resolution of the members according to subsection 197(1) (fundamental change) of the Act because such by-law amendments or repeals are only effective when confirmed by members.