

## INTRODUCTION

### Rationale for Incorporation

OutSport Toronto became incorporated as a not-for-profit amateur athletic association under the Ontario Corporations Act (hereafter referred to as “the Act”) on 7 September 2010. Prior to this, OutSport Toronto was an association of clubs, leagues, teams, and other organisations.

The reason OutSport Toronto incorporated was to help to ensure the long-term viability of OutSport Toronto and the fulfillment of its mission by

- transforming the association into an entity that is better defined in the eyes of the law (a corporation) than is an association,
- by virtue of that transformation, providing protection to current and future directors, officers, and other volunteers that the Act affords, thus eliminating to a great extent liability concerns volunteers might have had in serving as a director or on committees of OutSport Toronto, and
- making OutSport Toronto eligible for funding and sponsorship for which as an association it was not eligible.

### New Bylaws

In becoming a not-for-profit corporation, OutSport Toronto was fundamentally recreated as of 7 September 2010, with the members being only those individuals named on the application (as per the Act), and no bylaws. As a result, the directors of the former association who were also now the new members of the corporation drafted and approved this set of bylaws to govern OutSport Toronto, the corporation.

In drafting these bylaws, the team was careful to keep the spirit and important elements of the old bylaws that were agreed-to by member organisations of

the former association while at the same time ensuring compliance with the Act, implementing such provisions as were required by the Act, and choosing sensible options where the Act allowed choices to be made in how OutSport Toronto could conduct its affairs.

The bylaws were also written not only with the current organisation in mind, but also the possible future nature of the organisation, what OutSport Toronto might need years from now, and to give rules to future directors and members for handling situations that we hope would not happen but might, such as giving members the power and rules to deal with an absentee board.

As a result, these new bylaws are lengthier than the bylaws adopted by the association. This is because:

- certain things that were not required of an association are required for a corporation per the Act, and have thus been included;
- various portions of the bylaws are virtually a copy of the relevant sections of the Act, but are nonetheless included in the bylaws to ensure directors, volunteers, and members only need to read the bylaws for important elements of the Act to which they must now adhere, such as the conflict-of-interest rules;
- some ‘optional’ provisions have been included in the event that OutSport Toronto will in the future wish to do certain things (such as have a seal for important documents, awards, certificates, etc.), so that the bylaws do not have to be revisited; and
- specific rules around membership, admittance, renewal, and acceptance of renewal of membership were included to allow OutSport To-



Ontario to put in place appropriate procedures to avoid the cost of a financial audit (note that these provisions are in full compliance with the Act; see the annotations for Part XI – Auditor for details).

### Regarding Audit

The Act specifies that every company incorporated under the Act must have an annual audit (sections 94, 95, and 96), except (section 96.1) where

- (a) the company is not a public company (which OutSport Toronto is not),
- (b) the annual income of the company is less than \$100,000 (and when OutSport Toronto gets to that point it can afford and should have an audit), and
- (c) **all of the members consent, in writing, to the exemption in respect of the year in question.**

So, through an annual re-application and nominee-appointment process, OutSport Toronto will ask all of its members to specifically state in writing that they waive any requirement for OutSport Toronto to have an audit.

Why would we want to do this? Because an annual audit would cost us thousands of dollars a year, would be our largest line-item in our budget, and given our small operations, would benefit only the auditor.

All that notwithstanding, the Act has provisions for any member to examine the financial records of the corporation with reasonable notice to the directors, so any member can conduct their own examination should they have a concern.

### Annotations and Indicators

What follows in an annotated set of the new bylaws of OutSport Toronto, to help

member organisations and others understand the difference between the old bylaws and these new bylaws, including the rationale for why certain things were done as they were.

The bylaws themselves are on the left-hand side of the pages that follow in black, with the annotations on the right-hand side beside the relevant section being explained, in blue.

Where a particular bylaw is either text taken fundamentally right from the Act, or is derived by making a choice allowed in the Act, it is denoted by a vertical green bar between the bylaw and the annotation for that particular item. Bylaws that are there to permit OutSport Toronto to avoid the requirement of having an audit per section 96.1 of the Act are denoted by a purple vertical bar. Bylaws that are taken from the former association's bylaws are denoted with an orange bar. For example,

Bylaw text in black.	Annotation in blue, with green bar denoting required by or a choice per the Act.
Bylaw provision for audit avoidance.	Annotation.
Third bylaw text in black.	Annotation, indicating the old bylaw reference, and any explanation as to why the text may have changed from the old bylaw.

In this fashion you should be able to quickly go through the annotated bylaws to understand how they have changed and why, while still seeing that the spirit of the original set has been retained.

### Questions and Feedback

Should you have any questions or concerns once you have reviewed the new bylaws, please send your questions or comments to [chair@OutSport.ca](mailto:chair@OutSport.ca).

## BYLAWS OF OUTSPORT TORONTO

### Part I – Interpretation

#### 1. Definitions

(a) In these bylaws, unless the context otherwise requires:

- (i) "directors" means the directors of OutSport Toronto for the time being;
- (ii) "Corporations Act" means the Corporations Act of Ontario from time to time in force and all amendments to it;
- (iii) "special resolution" means a resolution that to be carried must have majority support of the directors and be passed at a general meeting by at least two-thirds of members;
- (iv) "registered address" of a member means the member's address as recorded in the register of members;
- (v) "registered electronic mail address" of a member means the member's electronic mail address as recorded in the register of members;
- (vi) "Sports Organisation" means an organisation, league, team or group that is involved in a recreational or competitive sport;
- (vii) "Sport Organisation board" means the board, steering committee, or otherwise named governing group for an individual Sport Organisation.

(b) The definitions in the Corporations Act on the date these bylaws become effective apply to these bylaws.

2. Words importing the singular include the plural and vice versa, and words importing a male person include a female person and a corporation.

These definitions are used later in the bylaws, so we make them clear here.

"Special resolution" is used in the Act, and is defined as it is here. Certain things can only be done by "special resolution" per the Act, so we need to know what it means. Also, we cannot change a definition in the Act, as the Act is clear that it takes precedence over any bylaw where there is a conflict.

This is a gentle reminder that these bylaws are of course subject to the Act.

### Part II – Membership

3. The members of OutSport Toronto are

- (a) the applicants for incorporation,
- (b) those individuals who subsequently become individual members per paragraph 5, and
- (c) those Sports Organisations who subsequently become members, in accordance with these bylaws

This is per the Act.

See paragraph 5's annotation for a full explanation of this.

When created, OutSport Toronto (the corporation) per the Act had only those

and, in all cases, have not ceased to be members.

4. Classes of membership:

- (a) OutSport Toronto shall have two classes of membership which shall be individual membership and Sports Organisation membership.

5. Individual members:

- (a) A person becomes an individual member of OutSport Toronto upon their election, acclamation, or appointment as a director.
- (b) A person who is an individual member does not have voting rights at a general meeting unless
  - (i) that person is also a nominee per paragraph 9, or
  - (ii) that person is the chair of the general meeting and 28(d) applies.
- (c) A person ceases to be an individual member upon resignation, retirement, or removal from the office of director.

6. Eligibility:

- (a) Except where 5 applies, membership in OutSport Toronto is voluntary and shall be open to all LGBT organisations, leagues, teams and groups that are involved in a recreational or competitive sport.

7. A Sports Organisation may apply to the directors for membership in OutSport Toronto and on acceptance by the directors is a member.

- (a) Admittance as a member of OutSport Toronto is at the sole discretion of the directors.
- (b) The directors may grant membership to a Sports Organisation that has not submitted an application to OutSport Toronto for membership if that Sports Organisation was a member of OutSport Toronto's antecedent association also by the name of "OutSport Toronto".

8. Authority:

- (a) Every member must support the objects as set out in the letters patent of OutSport Toronto and comply with

members who were named on the application for incorporation. So, all Sport Organisations who were members of the old association must become members of the corporation.

The Act stipulates that, except in special circumstances (none of which apply to OutSport Toronto), a director must be a member of OutSport Toronto.

So, in order to comply with the Act, we have two classes of members, and individuals can be members only in the special circumstance that they are a director.

In the spirit of the old association, however, directors should not have a vote at a **general meeting** (not to be confused with a directors' meeting) just because they are a member of OutSport Toronto by virtue of their office, unless...

...they are the nominee of a member organisation.

This provision allows the chair to break a tie vote so the organisation will never be in dead-lock over an issue.

Once a person is no longer a director, they cease to be a member of OutSport Toronto.

Per VII(A) of the old bylaws. Further annotations will just specify the section unless there is some material change.

Per the Act, directors grant admittance to members.

This provision is here to facilitate initial admittance to membership of organisations that had applied and were members of the former association without making them re-apply.

In other words, a member supports the mission (which is the 'objects' in the let-

- these bylaws.
- (b) Notwithstanding 8(a), OutSport Toronto shall have no authority to impose any rule, policy, or procedure that would result in interference with a member's autonomy.
9. Nominees:
- (a) Every member that is not an individual member must appoint a nominee to represent the member at meetings of OutSport Toronto.
- (b) Nominees must be a member-in-good-standing of a member Sports Organisation.
- (c) Nominees represent the interests of the member at meetings and other events of OutSport Toronto, and have the power to vote on behalf of the member.
- (d) Members must notify OutSport Toronto in writing annually and at the time of a change in the appointed nominee who the member's nominee is.
- (e) Only nominees registered with OutSport Toronto are entitled to vote on behalf of the member.
10. The amount of the first annual membership dues must be determined by the directors and after that the annual membership dues must be determined at the annual general meeting of OutSport Toronto.
11. A Sports Organisation ceases to be a member of OutSport Toronto
- (a) by delivering its resignation in writing to the secretary of OutSport Toronto or by mailing or delivering it to the address of OutSport Toronto,
- (b) on failure to renew his or her membership on an annual basis,
- (c) on the directors deciding not to renew a membership,
- (d) on dissolution of the member,
- (e) on being expelled, or
- (f) on having been a member not in good standing for 12 consecutive months.
12. Member renewals:
- (a) Members who are not individual members are required to complete a membership renewal application annually.

ters patent) and abides by these bylaws.

VI

VII(B)(a) — The old bylaws used the term 'delegate'. However, that term has a specific meaning in the Act, which is not applicable to OutSport Toronto. Thus, we have changed the term to 'nominee', which is also used in the Act, and in-line with what representatives are and do on behalf of their member organisations.

VII(B)(a)

This provision is here to protect member organisations from being represented by someone whom they did in fact not nominate.

There are currently no fees for membership to OutSport Toronto. However, the organisation may in future wish to change that.

This provision is here to help insure currency of information. There is also a need for members to agree to waive their right to an audit to avoid the cost of an audit.

See the explanation given in the Introduction to these annotated bylaws.

Again, this provision is made clear here for the purpose of being able to avoid audit costs. Part of the renewal application would be the audit waiver.

- (b) Any and all renewal applications are subject to directors' approval and such renewal is at the sole discretion of the directors.
  - (c) The directors are not obliged to renew a membership, for any reason.
  - (d) If the directors decide not to renew a membership, the Sports Organisation ceases to be a member of OutSport Toronto.
13. Expulsion:
- (a) A member may be expelled by a resolution of the directors passed at a directors meeting.
    - (i) The notice of resolution for expulsion must be accompanied by a brief statement of the reasons for the proposed expulsion, delivered to the Sports Organisation that is the subject of the proposed resolution for expulsion and to the directors.
    - (ii) The Sports Organisation that is the subject of the proposed resolution for expulsion must be given an opportunity to be heard at the directors meeting before the special resolution is put to a vote.
  - (b) A member may be expelled by a resolution at a general meeting.
    - (i) The notice of resolution for expulsion must be accompanied by a brief statement of the reasons for the proposed expulsion, delivered to the Sports Organisation that is the subject of the proposed resolution for expulsion and to the directors.
    - (ii) The Sports Organisation that is the subject of the proposed resolution for expulsion must be given an opportunity to be heard at the general meeting before the resolution is put to a vote.
14. All members are in good standing except a member that has failed to submit its annual renewal application, pay its current annual membership fee, or any other subscription or debt due and owing by the member to OutSport Toronto, and the member is not in good standing so long as the debt remains unpaid.

VII(C), but altered to allow directors to act if a member is problematic without having to call a general meeting.

### Part III – Meetings of Members

- 15. General meetings of OutSport Toronto must be held at the time and place, in accordance with the Corporations Act, that the directors decide.
- 16. Every general meeting, other than an annual general meeting, is an extraordinary general meeting.
- 17. The directors may, when they think fit, convene an extraordinary general meeting.
- 18. Members may petition the directors to convene an extraordinary general meeting, and if twenty-five percent or

IX(B), modified slightly to align with the Act.



more of nominees so petition, the directors shall convene an extraordinary general meeting.

19. Notice of general meetings:

- (a) Notice of a general meeting must specify the place, day, and hour of the meeting, and, in case of special business, the general nature of that business.
- (b) The accidental omission to give notice of a meeting to, or the non-receipt of a notice by, any of the members entitled to receive notice does not invalidate proceedings at that meeting.

20. The first annual general meeting of OutSport Toronto must be held not more than 15 months after the date of incorporation and after that an annual general meeting must be held at least once in every calendar year and not more than 15 months after the holding of the last preceding annual general meeting.

#### Part IV – Proceedings at General Meetings

21. Special business is

- (a) all business at an extraordinary general meeting except the adoption of rules of order, and
- (b) all business conducted at an annual general meeting, except the following:
  - (i) the adoption of rules of order;
  - (ii) the consideration of the financial statements;
  - (iii) the report of the directors;
  - (iv) the report of the auditor, if any;
  - (v) the election of directors;
  - (vi) the appointment of the auditor, if required;
  - (vii) the other business that, under these bylaws, ought to be conducted at an annual general meeting, or business that is brought under consideration by the report of the directors issued with the notice convening the meeting.

22. Quorum:

- (a) Business, other than the election of a chair and the adjournment or termination of the meeting, must not be conducted at a general meeting at a time when a quorum is not present.
- (b) If at any time during a general meeting there ceases to be a quorum present, business then in progress must be suspended until there is a quorum present or until the meeting is adjourned or terminated.
- (c) A quorum shall be greater than fifty percent of the existing directors and greater than one third of the

IX(B)(4), (5), and (6)

- nominees.
23. If within 30 minutes from the time appointed for a general meeting a quorum is not present, the meeting, if convened on the requisition of members, must be terminated, but in any other case, it must stand adjourned to the same day in the next week, and if, at the adjourned meeting, a quorum is not present within 30 minutes from the time appointed for the meeting, the directors and nominees present constitute a quorum.
  
  24. Subject to 25, the Chair of OutSport Toronto, the Vice Chair or, in the absence of both, one of the other directors present, must preside as chair of a general meeting.
  25. If at a general meeting
    - (a) there is no Chair, Vice Chair or other director present within 15 minutes after the time appointed for holding the meeting, or
    - (b) the Chair and all the other directors present are unwilling to act as the chair,
 the nominees present must choose one of their number to be the chair.
  26. Adjournment of a general meeting:
    - (a) A general meeting may be adjourned from time to time and from place to place, but business must not be conducted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
    - (b) When a meeting is adjourned for ten days or more, notice of the adjourned meeting must be given as in the case of the original meeting.
    - (c) Except as provided in this bylaw, it is not necessary to give notice of an adjournment or of the business to be conducted at an adjourned general meeting.
  27. Meetings shall be conducted according to Robert's Rules of Order Newly Revised where not in contravention of these bylaws.
  28. Voting:
    - (a) A Sports Organisation member in good standing with that member's nominee present at a meeting of members is entitled to one vote, cast by that member's nominee, who is entitled to speak and vote, and in all other respects exercise the rights of a member.

In other words, if a general meeting has been called by one or more members, but the issue at hand was not significant enough for them to be able to achieve a quorum, then that's it. However, if the directors call a general meeting because they need members to do something, and quorum cannot be achieved the first time around, they can try again a week later, and the second time the meeting goes ahead with a quorum of whomever is there.

This is an example of one of those things we hope just won't ever have to happen, but nonetheless the provision is here should something be going on with the organisation that requires it.

V(B)(1)

For when members want to do something in the face of an absentee board, or are otherwise unhappy with the running of OutSport Toronto.

Laying out rules so future boards and the organisation knows what to do in unusual circumstances.

Having to adjourn and reconvene an adjourned general meeting would happen in only rare circumstances, but it is possible.

IX(C)

VII(B)(b), IX(B)(9)



- (b) Voting is by show of hands.
- (c) Voting by proxy is not permitted.
- (d) In the case of a tie vote, the chair has a casting, or second, vote, in addition to the vote to which he may be entitled as a nominee.

This provision prevents the organisation from stalling on an issue.

## Part V – Directors and Officers

### 29. Eligibility:

- (a) A person is eligible to be a director of OutSport Toronto if
  - (i) they are a member in good standing of a member Sports Organisation and have been endorsed by that member Sports Organisation’s governing body to be a candidate for being a director of OutSport Toronto, or
  - (ii) they are not a member in good standing of a member Sports Organisation but they nonetheless support the objects as set out in the letters patent or supplementary letters patent of OutSport Toronto and they are actively involved in sport.

V(A)(2)

This is an important departure from the prior bylaws. This allows the board to find someone who is interested, is a sports-person, is willing to participate at a board level, but is not part of a member organisation.

The rationale is that we often find those who are willing to volunteer from our member organisations are already doing so and may have little capacity to give to OutSport Toronto. Thus we have some leeway (subject to 29(c) below) to supplement the board with persons who just want to help, without trying to force them into a member organisation first.

- (b) Where a director is a member in good standing of a member Sports Organisation, no more than one other person who is also a member in good standing from the same member Sports Organisation may be a director unless the latter person is the nominee of another member Sports Organisation and is thus representing the interests of that Sports Organisation.
- (c) At least two thirds of the directors must be persons which meet the requirements of 29(a)(i).

VII(B)(c). This prevents the board from being dominated by one organisation.

This limits the number of directors that can be ‘independents’ per 29(a)(ii).

### 30. Powers and Responsibilities of Directors:

- (a) The directors may exercise all the powers and do all the acts and things that OutSport Toronto may exercise and do, and that are by these bylaws or by statute or otherwise lawfully directed or required to be exercised or done by OutSport Toronto, but subject, nevertheless, to
  - (i) all laws affecting OutSport Toronto,
  - (ii) these bylaws, and
  - (iii) rules, not being inconsistent with these bylaws,

that are made from time to time by OutSport Toronto in a general meeting.

- (b) A rule, made by OutSport Toronto in a general meeting, does not invalidate a prior act of the directors that would have been valid if that rule had not been made.
  
- (c) Directors are accountable to the membership to act in the best interest of OutSport Toronto at all times.
  - (i) No director shall put personal gain above the best interest of OutSport Toronto.
  - (ii) If a director is in any way directly or indirectly interested in a proposed contract or an existing contract with OutSport Toronto, he shall declare his interest at a meeting of the directors of OutSport Toronto.
    - (1) In the case of a proposed contract, the declaration required shall be made at the meeting of the directors at which the question of entering into the contract is first taken into consideration or, if the director is not at the date of that meeting interested in the proposed contract, at the next meeting of the directors held after he or she becomes so interested.
    - (2) In a case where the director becomes interested in a contract after it is made, or where a member who has such an interest become a director, the declaration shall be made at the first meeting of the directors held after he becomes so interested or becomes a director.

#### 31. Indemnification of directors:

- (a) Subject to 30, every director and officer of a corporation, and his or her heirs, executors and administrators, and estate and effects, respectively, are indemnified and saved harmless out of the funds of OutSport Toronto, from and against,
  - (i) all costs, charges and expenses whatsoever that he, she or it sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against him, her or it, for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him, her or it, in or about the execution of the duties of his, her or its office; and
  - (ii) all other costs, charges and expenses that he, she or it sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his, her or its own

In other words, if the directors resolved to do and executed on something, and subsequently the membership at a general meeting by resolution enacted a rule to prevent that kind of action, it does not have bearing on the past act of the directors. i.e., what's done is done.

Conflict-of-interest guidelines.

Indemnification of directors provided they act in the best interest of OutSport Toronto with due diligence and follow the conflict-of-interest rules and all other applicable statutes.

wilful neglect or default.

32. Number and composition of directors:

- (a) The Chair, Vice Chair, Secretary, Treasurer and five other persons are the directors of OutSport Toronto.
- (b) Upon retirement of the first Chair of OutSport Toronto, one of the directors must be the Past Chair, held by the most recent but no-longer sitting Chair.
- (c) Quorum for the board shall be five.
- (d) An Executive Committee of the directors shall exist, comprised of the Chair, Vice Chair, Secretary, and Treasurer, and the Chair will be the chair of the Executive Committee.
- (e) Quorum for the executive committee shall be three.

This is our second major departure from the old bylaws. The association had six directors. In reviewing the mission and objectives of OutSport Toronto, those directors realised that that number was not sufficient, and would cause the board to become burdened and ineffective should even just two of its number become unable to execute their duties. A larger number not only gives the board more resilience, but also permits more participation at the board level from member nominees and other individuals.

V(A)(4)(b), but with voting rights on the board; in other words, a full director.

The Act requires a majority of directors.

This provision facilitates day-to-day management of OutSport Toronto given the larger number of directors on the board.

33. Contracts, documents or any instruments in writing requiring the signature of OutSport Toronto, shall be signed by any two members of the Executive Committee, and all contracts, documents and instruments in writing so signed shall be binding upon OutSport Toronto without any further authorisation or formality. The directors may give OutSport Toronto's power of attorney to any registered dealer in securities for the purposes of the transferring of and dealing with any stocks, bonds, and other securities of OutSport Toronto. The seal of OutSport Toronto when required may be affixed to contracts, documents and instruments in writing signed as aforesaid.

34. Term:

- (a) Subject to 37 and 38, directors shall hold office until the next annual general meeting.

V(A)(3)

35. Election, acclamation, and continuance of directors.

- (a) The directors must retire from office at each annual general meeting when their successors are elected.
- (b) Separate elections must be held for each office to be filled.
- (c) An election may be by acclamation; otherwise it must be by ballot.
- (d) Subject to 37, if a successor is not elected, the person previously elected or appointed continues to hold office.

V(C)

36. Appointment of directors:

V(D)

- (a) Subject to 29, the directors may at any time and from time to time appoint a member of a member Sport Organisation or any other person as a director to fill a vacancy in the directors.
- (b) A director so appointed holds office only until the conclusion of the next annual general meeting of OutSport Toronto, but is eligible for re-election at the meeting.

37. Resignation of directors:

- (a) Subject to 29, if a director resigns his office or otherwise ceases to hold office, the remaining directors must appoint a member of a member Sports Organisation or any other person to take the place of the former director.
- (b) An act or proceeding of the directors is not invalid merely because there is less than the prescribed number of directors in office.

This is here so that the board does not grind to a halt upon a resignation as it frantically look for a replacement. Business can still go on while that replacement is found.

38. Removal of Directors:

- (a) The members may, by special resolution, remove a director, before the expiration of his term of office, and may elect a successor to complete the term of office.
- (b) A director may be removed by a resolution passed by two-thirds of the remaining directors before the expiration of his term of office, and the remaining directors may appoint a successor to complete the term of office.
  - (i) A director who is subject to a resolution for removal shall be notified of the resolution prior to the meeting in with the resolution is to be put to a vote, and shall be granted the opportunity to address the remaining directors at that meeting.
- (c) The office of director shall be automatically vacated:
  - (i) if a director has resigned his office by delivering a written resignation to the secretary of OutSport Toronto;
  - (ii) if he is found by a court to be of unsound mind;
  - (iii) if he becomes bankrupt or suspends payment or compounds with his creditors;
  - (iv) on death;

V(E)

provided that if any vacancy shall occur for any reason in this paragraph contained, the board of directors by majority vote, may, by appointment, subject to 29, fill the vacancy with a member of a member Sport Organisation of OutSport Toronto or with any other person.

- 39. A retiring director shall remain in office until the dissolution or adjournment of the meeting at which his retirement is accepted and his successor is elected.
- 40. A director must not be remunerated for being or acting as a

New directors don't take office until after the adjournment of the (A)GM at which they are elected.

director but a director must be reimbursed for all expenses necessarily and reasonably incurred by the director while engaged in the affairs of OutSport Toronto.

## Part VI – Proceedings of Directors

### 41. Directors meetings:

- (a) The directors may meet at the places they think fit to conduct business, adjourn and otherwise regulate their meetings and proceedings, as they see fit.
- (b) Quorum necessary to conduct business is a majority of the directors.
- (c) The Chair is the chair of all meetings of the directors, but if at a meeting the Chair is not present within 30 minutes after the time appointed for holding the meeting, the Vice Chair must act as chair, but if neither is present the directors present may choose one of their number to be the chair at that meeting.
- (d) A director may at any time, and the secretary, on the request of a director, must, convene a meeting of the directors.
- (e) Notwithstanding 41(a) and 41(d), the directors shall meet at least quarterly to review the affairs of OutSport Toronto and conduct whatever other business is required.

IX(A)(3) and per the Act.

V(B)(b)

IX(A)(1)

IX(A)(1)

42. For a first meeting of directors held immediately following the appointment or election of a director or directors at an annual or other general meeting of members, or for a meeting of the directors at which a director is appointed to fill a vacancy in the directors, it is not necessary to give notice of the meeting to the newly elected or appointed director or directors for the meeting to be constituted, if a quorum of the directors is present.

In other words, if the new chair and board want to hold a meeting right after the AGM, since they were not in office until moments ago, and thus notice per the bylaws could not have been given, they can nonetheless decide to hold an impromptu meeting then.

Why does this matter? Let's suppose a future board did not perform its duties well, was voted out, and the new board, recognising the gravity of the situation, wanted to meet the next day after the general meeting in which they were elected. Without this paragraph, they couldn't do it. They would have to wait the notice period of two weeks.

43. A director who may be absent temporarily from Ontario may send or deliver to the address of OutSport Toronto a waiver of notice, which may be by letter, telegram, telex, cable, or electronic mail, of any meeting of the directors and may at any time withdraw the waiver, and until the waiver is withdrawn,
- (a) a notice of meeting of directors is not required to be sent to that director, and
  - (b) any and all meetings of the directors of OutSport Toronto, notice of which has not been given to that direc-

Provides rules boards to deal with directors that may be away for an extended period of time.

- tor, if a quorum of the directors is present, are valid and effective.
44. Directors meetings shall be conducted according to Robert's Rules of Order Newly Revised where not in contravention of these bylaws. IX(C)
- (a) Questions arising at a meeting of the directors and committee of directors shall be decided by a simple majority of votes, except where a two-thirds majority is required for the motion to pass.
- (b) In the case of a tie vote, the Chair has a second or casting vote. Prevents dead-lock on an issue.
45. A resolution in writing, signed with original signatures by all the directors and placed with the minutes of the directors, is as valid and effective as if regularly passed at a meeting of directors.

### Part VII – Committees

46. The directors may delegate any, but not all, of their powers to committees consisting of at least one director, nominees of members of OutSport Toronto, other individuals proposed by members and accepted by the board, and other volunteers as the directors think fit. VIII  
Laying out the nature of committees and their relationship to the board somewhat more specifically than the old bylaws.
47. A committee so formed in the exercise of the powers so delegated must conform to any rules imposed on it by the directors, and must report every act or thing done in exercise of those powers to the earliest meeting of the directors held after the act or thing has been done. VIII, third paragraph
- (a) Committees shall have no authority to establish policy for OutSport Toronto.
48. Except for 50(a) and 51(a), a committee must elect a chair of its meetings from the directors on the committee, but if no chair is elected, or if at a meeting the chair is not present within 30 minutes after the time appointed for holding the meeting, the directors present who are members of the committee must choose one of their number to be the chair of the meeting. VIII, second paragraph, but more explicit, and making directors accountable for running committees.
49. The members of a committee may meet and adjourn as they think proper.
50. The corporation shall have a Finance Committee.
- (a) The Treasurer is chair of the Finance Committee, which includes two other directors.
- (b) The Finance Committee is responsible for developing and reviewing fiscal procedures and an annual budget with the other directors.
- (c) The directors must approve the budget, and all expenditures must be within the budget.
- (d) Any major change in the budget must be approved by



- the directors or the Executive Committee.
- (e) The fiscal year shall be the calendar year.
  - (f) Annual reports are required to be submitted to the directors consisting of
    - (i) a statement of profit and loss for such period,
    - (ii) a statement of surplus for such period,
    - (iii) a balance sheet as at the end of such period, and
    - (iv) such further information respecting the financial position of the company as directed by the directors from time to time.

51. The corporation shall have a Games Committee.
- (a) One of the directors appointed by the board shall chair the Games Committee.
  - (b) The Games Committee shall be responsible for coordinating participation of members in multi-sport competitions, and any other such inter-member event participation.

## Part VIII – Duties of Officers

52. Duties of the Chair
- (a) The Chair presides at all meetings of OutSport Toronto and of the directors.
  - (b) The Chair is the chief executive officer of OutSport Toronto and must supervise the other officers in the execution of their duties.
53. The Vice Chair must carry out the duties of the Chair during the Chair's absence.
54. The Secretary must do the following:
- (a) conduct the correspondence of OutSport Toronto;
  - (b) issue notices of meetings of OutSport Toronto and directors;
  - (c) keep minutes of all meetings of OutSport Toronto and directors;
  - (d) have custody of all records and documents of OutSport Toronto except those required to be kept by the treasurer;
  - (e) have custody of the common seal of OutSport Toronto;

IV

The Act specifies a minimum set of financial statements.

VIII, fourth paragraph, but generalised to not infer a name or particular set of events.

Wording was generalised to permit more latitude in the committee's activities.

V(B), as well as portions from the Act, so as to remind new directors and certain officers in particular of their statutory obligations.

The specific naming of Membership Liaison and Communications per the old by-laws has been removed here to provide the directors with greater flexibility in determining roles and accountabilities that are not prescribed by the Act.

(f) maintain the register of members.

55. The Treasurer must

- (a) keep the financial records, including books of account, necessary to comply with the Corporations Act,
- (b) act as the chair of the Finance Committee, and
- (c) render financial statements to the directors, members and others when required.

56. Combination of Secretary and Treasurer

- (a) The offices of Secretary and Treasurer may be held by one person who is to be known as the Secretary Treasurer.

57. In the absence of the secretary from a meeting, the directors must appoint another person to act as secretary at the meeting.

Gives OutSport Toronto a bit of flexibility, and is permitted by the Act.

### Part IX – Seal

58. The directors may provide a common seal for OutSport Toronto and may destroy a seal and substitute a new seal in its place.

59. The common seal must be affixed only when authorized by a resolution of the directors and then only in the presence of the persons specified in the resolution, or if no persons are specified, in the presence of the Chair and Secretary or Chair and Secretary Treasurer.

The Act allows for this. OutSport may do nothing with this immediately, but by providing it now, it permits future boards to have a seal for documents, certificates or recognition, awards, etc.

### Part X – Borrowing

60. In order to carry out the purposes of OutSport Toronto the directors may, on behalf of and in the name of OutSport Toronto, raise or secure the payment or repayment of money in the manner they decide, and, in particular but without limiting that power, by the issue of debentures.

61. A debenture must not be issued without the authorisation of a resolution passed by two-thirds of the directors.

62. The members may, by a resolution passed by two-thirds of the members, restrict the borrowing powers of the directors, but a restriction imposed expires at the next annual general meeting.

Again, unlikely that OutSport will do anything with this in its first year, but the future OutSport Toronto may want the flexibility to deal with debt in some fashion. Even a corporate credit card is debt.

### Part XI – Auditor

63. This Part applies only if OutSport Toronto is required or has resolved to have an auditor.

64. The first auditor must be appointed by the directors who must also fill all vacancies occurring in the office of auditor.

Per 94, 95, 96, and 96.1 of the Act. See the comments in the Introduction.

Nonetheless, if OutSport Toronto is required to have an audit, rules to manage that are here.

65. At each annual general meeting OutSport Toronto must appoint an auditor to hold office until the auditor is re-elected or a successor is elected at the next annual general meeting.
66. An auditor may be removed by ordinary resolution.
67. An auditor must be promptly informed in writing of the auditor's appointment or removal.
68. A director or employee of OutSport Toronto must not be its auditor.
69. The auditor may attend general meetings.

### Part XII – Notices to Members

70. A notice may be given to a member, either personally to the member nominee, by mail to the member at the member's registered address, or by electronic mail to the member's registered electronic mail address or to the member nominee's registered address, or to the member nominee's electronic mail address.
71. A notice sent by mail is deemed to have been given on the second day following the day on which the notice is posted, and in proving that notice has been given, it is sufficient to prove the notice was properly addressed and put in a Canadian post office receptacle.
72. A notice sent by electronic mail is deemed to have been given on the day following the day on which the notice is sent, and in proving that notice has been given, it is sufficient to prove the notice was properly addressed and sent to an electronic mail gateway for forwarding.
73. Notice of General Meeting:
  - (a) Notice of a general meeting must be given to
    - (i) every member shown on the register of members on the day notice is given, and
    - (ii) the auditor, if Part XI – Auditor applies.
  - (b) No other person is entitled to receive a notice of a general meeting.
  - (c) Notice of a general meeting must be provided at least three weeks prior to the date of the meeting. IX(B)(3)

### Part XIII – Books and Records

74. The directors shall see that all necessary books and records of OutSport Toronto required by the by-laws of OutSport Toronto or by any applicable statute or law are regularly and properly kept, including but not limited to minutes of directors meetings, minutes of Executive Committee meetings, minutes of members meetings, financial records, and



such other minutes and records as directed by the directors or the Executive Committee.

#### Part XIV – Amendment of Bylaws

75. On being admitted to membership, each member is entitled to, and OutSport Toronto must furnish the member, without charge, with a copy of the bylaws of OutSport Toronto.
76. These bylaws must not be altered or added to except by a resolution passed by two-thirds of the membership of OutSport Toronto.

#### Part XV – Dissolution

77. Should OutSport Toronto dissolve, and after payment of all of its debts and liabilities, its remaining property or a part of that property shall be distributed or disposed of to such organization(s) which are sympathetic to the mission of OutSport Toronto and are organised as a not-for-profit organisation.