

# BNG By-Laws

## BY-LAW NO. 1

A by-law relating generally to the business and affairs of  
**BURLINGTON NETWORK GROUP**

an association of members formed and existing to promote business relationships among and for its members in a congenial and educational atmosphere

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**BE IT ENACTED** as a by-law of **BURLINGTON NETWORK GROUP** (the "BNG") as follows:

#### **ARTICLE 1 INTERPRETATION**

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

(a) "Board" means the board of directors of the BNG;

(b) "Business Day" means any day, other than a Saturday, a Sunday or a statutory or civic holiday in the City of Burlington, or any other day on which the principal chartered banks located in Burlington are not open for business during normal banking hours;

(c) "by-laws" means this by-law and all other by-laws of the BNG as amended from time to time in force and effect;

(d) "Directors" means the members of the board of directors of the BNG, and "Director" has a corresponding meaning;

(e) "meeting of Members" means any meeting of Members of the BNG, whether annual or special; and "special meeting of Members" means a special meeting of Members entitled to vote at an annual meeting of Members;

(f) "Member" means a member in good standing of the BNG as approved by the Board for membership in the BNG, or such person's designate;

(g) "person" includes an individual, sole proprietorship, partnership, corporation, unincorporated association, syndicate or organization, trust, body corporate, and a natural person in his capacity as trustee, executor, administrator, or other legal representative; and,

(h) "Special Resolution" means a resolution submitted to a meeting of Members called for the purpose of considering such resolution and passed, with or without amendment, by two-thirds of the votes cast.

**1.02 Gender etc.** In this by-law where the context requires, words importing gender shall include the masculine, feminine and neuter genders, and words importing the singular include the plural and *vice versa*.

#### **ARTICLE 2 HEAD OFFICE**

**2.01 Head Office** The head office of the BNG shall be in the City of Burlington in the Province of Ontario, at such place therein as the Board may from time to time by resolution determine.

### **ARTICLE 3 DIRECTORS**

**3.01 Board of Directors** Until changed in accordance with the by-laws, the business and affairs of the BNG shall be managed by the Board, who may exercise all such powers and do all such acts and things as may be exercised or done by the BNG and are not by the by-laws or any resolution of the BNG or by statute expressly directed or required to be done by the BNG at a meeting of Members.

**3.02 Qualification of Directors** Any Member in good standing of the BNG is eligible to nominate an individual to run for and hold an elected position as a Director on the Board; provided that such individual shall be eighteen (18) or more years of age; and provided further that such individual shall, at the time of his election or within ten (10) days thereafter and throughout his term of office, be a Member in good standing.

**3.03 Election and Number of Directors** The Board shall, unless changed by Special Resolution, consist of eight (8) Directors. The number of Directors may be changed by Special Resolution or otherwise in accordance with the by-laws. Directors shall be elected at a meeting of Members on a show of hands unless a poll is demanded, in which case such election shall be by ballot. Subject to the by-laws, Directors shall be eligible for re-election. Retiring Directors shall continue in office until their successors have been duly elected or appointed.

**3.04 Term of Office** Subject to the by-laws, the term of office for a Director shall be one (1) year, and shall terminate at the close of the annual meeting held during such term. Provided, however, that a Director shall be eligible to be re-elected for additional terms of office.

**3.05 Vacating Office** A person ceases to be a Director if he:

- (a) becomes a bankrupt or suspends payment or compounds with his creditors or makes an authorized assignment or is declared insolvent;
- (b) is found to be mentally incompetent or of unsound mind;
- (c) by notice in writing to the Secretary resigns his office;
- (d) ceases to be a Member; or,
- (e) dies.

**3.06 Vacancies** From time to time in the event of any vacancy however caused occurring in the Board (except as a result of an increase in the number of Directors), such vacancy may, as long as there is a quorum of Directors then in office, be filled by the Directors from among the Members; otherwise such vacancy may be filled at the next meeting of Members and any Director appointed or elected to fill any such vacancy shall hold office for the unexpired term of the Director who ceased to be a Director and who caused such vacancy.

**3.07 Removal of Directors** The Members may by Special Resolution remove any Director before the expiration of his term of office, and may, by a majority of votes cast on the matter, elect any Member in his stead for the remainder of his term. The Board has the right to request or demand the resignation of any Director who is absent from three (3) consecutive meetings of the Board.

**3.08 Remuneration of Directors** The Directors shall serve without remuneration and no Director shall directly or indirectly receive any profit from his or her position as such. Provided, however, that a Director may be paid reasonable expenses incurred by him in the performance of his duties.

**3.09 Interest of Directors in Contracts** Subject to the provisions of any applicable legislation and policies adopted by the Board from time to time, no Director shall be disqualified by his office from contracting with the BNG nor shall any contract or arrangement entered into by or on behalf of the BNG with any Director or in which any Director is in any way interested be liable to account to the BNG or any of its Members or creditors for any profit realized from any such contract or arrangement by reason of such Director holding that office or the fiduciary relationship thereby established.

**3.10 Declaration of Interest** It shall be the duty of every Director who is in any way, whether directly or indirectly, interested in a contract or arrangement, or proposed contract or arrangement, with the BNG to declare such interest to the extent, in the manner and at the time required by the by-laws and any policies adopted by the Board from time to time.

**3.11 Agents and Attorneys** The Board shall have the power from time to time to appoint agents or attorneys for the BNG in or out of Ontario with such powers of management or otherwise (including the power to subdelegate) as may be thought fit.

### **ARTICLE 4 MEETINGS OF DIRECTORS**

**4.01 Place of Meetings** Meetings of the Board shall be held when and as determined by the Board and may be held either at the head office of the Corporation or at any place within the City of Burlington. A meeting of the Board may be convened by the President, a Vice-President or any two Directors at any time and the Secretary shall give notice of any meeting so convened.

**4.02 Notice** Notice of any meeting of Directors shall be delivered or mailed or sent by fax, email or otherwise communicated to each Director not less than seven (7) days if mailed and not less than two (2) days if delivered, sent by fax, email or otherwise communicated before the meeting is to take place; provided that meetings of the Board

may be held at any time without formal notice if all the Directors are present or those absent have waived notice or have signified their consent in writing to such meeting being held in their absence. Notice of any meeting or any irregularity in any meeting or in the notice thereof may be waived by any Director.

**4.03 First Meeting** No notice of the first meeting of the Board to be held immediately following the election of Directors at an annual or general meeting of Members or of a meeting of the Board at which a Director is appointed to fill a vacancy in the Board, need be given to the Director or Directors so elected or appointed in order for the meeting to be duly constituted, provided that a quorum of Directors is present.

**4.04 Voting, Quorum and Consensus** Each Director shall be entitled to have one (1) vote at any meeting of the Board, and a quorum for the transaction of business at any meeting of the Board shall be the presence in person of a majority of the authorized number of Directors. The Board shall diligently attempt to reach consensus among its members on any and all questions and matters before it. In the event of an inability to reach consensus, such questions and matters shall be decided by a majority of votes cast on each of them. In the event of a tie vote at meetings of the Board, such question or matter shall be deferred until the next meeting of the Board and in the event of a tie at such meeting, the question or matter will automatically be deemed to have been defeated.

**4.05 Validity of Actions** No act or proceeding of any Director or the Board shall be deemed invalid or ineffective by reason of the subsequent ascertainment of any irregularity in regard to such act or proceeding or the qualification of such Director or Board.

**4.06 Directors' Reliance** Directors may rely upon the accuracy of any statement or report prepared by the BNG's Treasurer, accountants or auditors, as the case may be, and shall not be responsible or held liable for any loss or damage resulting from acting upon such statement or report.

**4.07 Meetings by Telephone** Where all the Directors present at or participating in a meeting have consented thereto, any Director may participate in a meeting of the Board or of a committee of the Board by means of conference telephone, electronic or other communication facilities as permit all persons participating to communicate with each other simultaneously and instantaneously and a Director participating in such a meeting by such means shall be considered for purposes of the by-laws to be present at such meeting

#### **ARTICLE 5 OFFICERS**

**5.01 Officers** The Board shall annually, or as often as may be required, appoint a President, one or more Vice-Presidents, a Secretary, and a Treasurer. If the same person holds the offices of Secretary and Treasurer, he may, but need not, be known as the Secretary-Treasurer. All such officers must be Directors. The Board may also appoint such other officers or agents as it considers appropriate.

**5.02 Remuneration of Officers** The officers shall serve without remuneration and no officer shall directly or indirectly receive any profit from his or her position as such.

**5.03 Removal from Office** In the absence of agreement to the contrary, all officers shall be subject to removal by resolution of the Board at any time with or without cause.

**5.04 Delegation of Duties of Officers** In the case of absence or inability to act on the part of an officer of the BNG, or for any other reason that the Board may consider sufficient, the Board may delegate any or all of the powers of such officer to any other officer or member of the Board.

**5.05 President** The President shall sign such contracts, documents or instruments in writing as require his signature. The President shall be the chief executive officer of the BNG and shall be responsible to the Board for the coordination of the affairs of the BNG. In all matters affecting the BNG, the President shall be deemed to be the agent of the BNG acting under the authority and at the express intention and direction of the Board or any committee thereof.

**5.06 Vice-President** The Vice-President or, if more than one, the Vice-Presidents in order of seniority, shall be vested with and shall perform all the duties of the President in the absence or inability or refusal to act of the President. The Vice-President(s) shall sign such contracts, documents and other instruments in writing as require his signature and shall have such other powers and duties as the Board may from time to time determine.

**5.07 Secretary** The Secretary shall, when present, act as secretary of all meetings of Directors and Members, and shall have charge of the minute books of the BNG and the documents and registers maintained by the BNG. The Secretary shall sign such contracts, documents or instruments in writing as require his signature and shall have such other powers and duties as the Board may from time to time determine.

**5.08 Treasurer** Subject to the provisions of any resolution of the Board, the Treasurer shall have oversight of the care and custody of all the funds and securities of the BNG and shall cause the same to be deposited in the name of the BNG in such bank or banks or with such depository or depositories as the Board may direct, and shall have oversight of the financial affairs and condition of the BNG. The Treasurer shall sign such contracts, documents or instruments in writing as require his signature and shall have such other powers and duties as may from time to time be assigned to him by the Board or as are incident to his office.

**5.09 Vacancies** If the office of the President, Vice-President, Secretary or Treasurer shall be or become vacant by reason of death, resignation, disqualification or otherwise, the Directors may elect or appoint a Director to fill such vacancy.

#### **ARTICLE 6 COMMITTEES**

**6.01 Committees** The Board may from time to time create and constitute such committees as it deems necessary or advisable to assist the Board in carrying on the affairs of the BNG and shall prescribe the duties and responsibilities of any such committee.

## **ARTICLE 7 INDEMNITIES**

**7.01 Indemnities** Every Director or officer of the BNG or any other person who has undertaken or is about to undertake any liability on behalf of the BNG and his or her heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the BNG, from and against:

(a) all costs, charges and expenses whatsoever which such Director, officer or other person sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against him for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him, in or about the execution of the duties of his or her office; and,

(b) all other costs, charges and expenses that he sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his own willful neglect or default.

## **ARTICLE 8 PROTECTION**

**8.01 Protection** No Director or officer for the time being of the BNG shall be liable for the acts, neglects, or defaults of any other Director or officer or employee or for joining in any receipt or for any loss, damage or expense happening to the BNG through the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the BNG shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or company with whom or which any moneys, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of such Director's or officer's respective office or trust or in relation thereto unless the same shall happen by or through such Director's or officer's own wrongful and willful act or through his own wrongful and willful neglect or default.

**8.02 No Duty** The Directors for the time being of the BNG shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the BNG, except such as shall have been submitted to and authorized or approved by the Board. If any Director or officer of the BNG shall be employed by or shall perform services for the Corporation otherwise than as a Director or officer or shall be a member of a firm or a shareholder, director or officer of a company which is employed by or performs services for the BNG, the fact of his being a Director or officer of the BNG shall not disentitle such Director or officer or such firm or company, as the case may be, from receiving proper remuneration for such services.

## **ARTICLE 9 MEMBERSHIP**

**9.01 Membership** Membership in the BNG shall consist of such persons as the Board may admit to membership. Provided, however, that membership shall be restricted to one company, business or member from each identified industry or business category or sector as determined from time to time by the Board.

**9.02 Voting Rights** Members shall have the right to one (1) vote per Member at meetings of Members, and if appropriate, shall designate the person entitled to vote on its behalf.

**9.03 Fees or Dues** The Board shall establish the amount of fees or dues payable by Members from time to time, and the method or frequency of payment thereof.

**9.04 Vacating Office** A person ceases to be a Member if he or it:

(a) becomes a bankrupt or suspends payment or compounds with his creditors or makes an authorized assignment or is declared insolvent;

(b) is found to be mentally incompetent or of unsound mind;

(c) by notice in writing to the Secretary of the BNG resigns his membership;

(d) dies; or,

(e) by resolution of the Board has his membership terminated.

**9.05 Vacancies** From time to time in the event of any vacancy however caused occurring in membership, such vacancy may be filled by the Directors upon the advice of the nominating committee of the Board.

**9.06 Removal of Members** The board members may, by resolution passed at a meeting called for the purpose, terminate the membership of any Member, including by reason of such member committing an event of default.

**9.07 Events of Default** A member shall be considered to have committed an event of default if he:

(a) fails to pay the required dues or fees, or other amounts determined by the Board to be payable by all Members, when due and payable and such failure continues for a period of thirty (30) days following the date when any such amount is due;

(b) fails to attend three (3) consecutive BNG meetings;

(c) fails to attend seventy (70%) per cent of all BNG meetings in any period of three (3) consecutive months;

(d) fails to perform any obligation of membership, which failure continues for a period of thirty (30) days following notice of such failure given by the Board; or,  
(e) is determined to have engaged in conduct considered to be disreputable or injurious to the BNG.

## **ARTICLE 10 MEETINGS OF MEMBERS**

**10.01 Annual Meetings** The BNG shall hold an annual meeting of Members not more than fifteen (15) months after the holding of the last preceding annual meeting. The annual meeting of Members shall be held at such place, on such day and at such time as may be determined by the Board. At annual meetings, there shall be presented a report of the Directors of the affairs of the BNG for the previous year, a financial report of the BNG, the Treasurer's report and such other reports or information as the Board may determine or as may be required by the by-laws.

**10.02 General Meetings** Other meetings of Members (to be known as "general meetings") may be convened by order of the President or the Board to be held at such place, on such day and at such time as may be determined by the President or the Board, as the case may be. In addition, the President, or failing him the Vice-President or Secretary shall call a general meeting upon receipt of a written requisition to do so of not less than ten (10%) percent of the Members entitled to vote at such meeting.

**10.03 Persons Entitled to be Present** The only persons entitled to attend a meeting of Members shall be those entitled to vote thereat, the Directors, accountants or auditors of the BNG and others who, although not entitled to vote, are entitled or required under the by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the President or with the consent of the Board or the meeting.

**10.04 Notice** A printed, written or typewritten notice stating the day, time and place of a meeting of Members and the general nature of the business to be conducted thereat shall be served either personally or by sending such notice to each Member, and such other persons who are entitled to attend the meeting, through the post in a prepaid wrapper or letter, or by electronic means, not less than ten (10) days and not more than thirty (30) days (excluding the date of mailing but including the date for which notice is given) prior to the date of the meeting to such address of each person entitled to such notice as appears on the books of the BNG, or if no such address is recorded on the books of the BNG, then to the last address of such person known to the Secretary; provided always that a meeting of Members may be held for any purpose and on any day and at any time and place if all Members entitled to be present are present at such meeting or if all absent Members shall have waived notice of such meeting. Notice of any meeting or any irregularity in any meeting or in the notice thereof may be waived by any Member or by the auditor of the BNG.

**10.05 Omission of Notice** The accidental omission to give notice of any meeting or the non-receipt of any notice by any Member or by the auditor of the BNG shall not invalidate any resolution passed or proceeding taken at any meeting of Members.

**10.06 Contents of Notice** Notice of any meeting of Members shall contain sufficient information concerning the business proposed to be transacted at the meeting to permit the Member to form a reasoned judgment on the decision to be taken.

**10.07 Chair** In the absence of the President, the Members present at any meeting of Members shall choose a Director to act as chair of the meeting and if no Director is present or if all Directors present decline to act as chair, the Members present shall choose one of their number to be chair of the meeting.

#### **10.08 Voting**

(a) Every question submitted to any meeting of Members shall be decided by a majority of votes given on a show of hands unless otherwise specifically provided by the by-laws. In case of an equality of votes, the chair of the meeting shall, both on a show of hands and on a poll, have a second or casting vote. Each Member shall be entitled to one (1) vote if present at a meeting in person.

(b) At a meeting, unless a poll is demanded, a declaration by the chair of the meeting that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

**10.09 Polls** If at any meeting a poll is demanded on the election of a chair or on the question of adjournment, it shall be taken forthwith without adjournment. If a poll is demanded on any other question it shall be taken in such manner and either at once or later at the meeting or after adjournment as the chair directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A demand for a poll may be withdrawn.

**10.10 Adjournments** The chair may with the consent of any meeting adjourn the same from time to time and no notice of such adjournment need be given to the Members. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

**10.11 Quorum** A quorum for the transaction of business at any meeting of Members shall consist of a majority of Members in person.

### **ARTICLE 11 FINANCIAL YEAR**

**11.01 Financial Year** The Board may by resolution fix the financial year end of the BNG and the Board may from time to time by resolution change the financial year end of the BNG.

### **ARTICLE 12 BORROWING**

**12.01 Borrowing** The Board may from time to time:

- (a) borrow money upon the credit of the BNG;
- (b) issue, sell or pledge securities of the BNG;
- (c) secure any such debentures or other securities, or any other present or future borrowing or liability of the BNG, by mortgage, charge, pledge or grant of security interest in all or any currently owned or subsequently acquired real and personal, movable and immovable property of the BNG.

### **ARTICLE 13 NOTICES**

**13.01 Service** Any notice to be given to a Director or to a Member or to the auditor of the BNG shall be given in accordance with the by-laws, addressed to such Director, Member or auditor at his address as it appears in the books of the BNG or, if no address is kept therein, then to the last address of such Director, Member or auditor known to the Secretary. Proof that a notice sent by mail was properly addressed and deposited in a post office or post office letter box shall be sufficient for purposes of this section.

**13.02 Signatures to Notices** The signature to any notice may be written, stamped, typewritten, electronically reproduced or partly written, stamped, typewritten, printed or electronically reproduced.

**13.03 Computation of Time** Where a given number of days notice or notice extending over any period is required to be given, the day of service or posting of the notice shall, unless it is otherwise provided herein, be counted in such number of days or other period.

**13.04 Proof of Service** A certificate of the President, a Vice-President, the Secretary or the Treasurer or of any other officer of the BNG in office at the time of making the certificate as to facts in relation to the mailing or delivery or transmission of any notice to a Director, Member or auditor or publication of any notice shall be conclusive evidence thereof and shall be binding on every Director, Member, officer or auditor of the BNG, as the case may be.

## **ARTICLE 14 EXECUTION OF INSTRUMENTS**

**14.01 Cheques** All cheques, drafts, or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by such officers or person or persons, whether or not officers of the BNG, and in such manner as the Board may from time to time designate by resolution.

**14.02 Execution of Contracts** Contracts, documents or instruments in writing requiring the signature of the BNG may be signed by any two of the President, Vice-President or Secretary or by any two Directors, and all contracts, documents or instruments in writing so signed shall be binding upon the BNG without further authorization or formality. The Board is authorized from time to time by resolution to appoint any officer or officers or any person or persons on behalf of the BNG either to sign contracts, documents or instruments in writing generally or to sign specific contracts, documents or instruments in writing.

**14.03 Contracts** The term "contracts, documents or instruments in writing" as used herein shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers, powers of attorney and assignments of shares, bonds, debentures or other securities and all paper writings. Without limiting the generality of this Article 14, any two of the President, Vice-President, Secretary or any two Directors are authorized to sell, assign, transfer, exchange, convert or convey any and all shares, bonds, debentures, rights, warrants or other securities owned by or registered in the name of the BNG and to sign and execute all assignments, transfers, conveyances, powers of attorney and other instruments that may be necessary for the purpose of selling, assigning, transferring, exchanging, converting or conveying any such shares, bonds, debentures, rights, warrants or other securities.

## **ARTICLE 15 BY-LAWS**

**15.01 By-Laws** By-laws of the BNG may be enacted, and the by-laws of the BNG may be repealed or amended, by by-law enacted by a majority of the Board at a meeting of the Board and approved, with or without amendment, by an affirmative vote of a majority of Members present at a meeting of Members duly called for the purpose of considering such by-law. A copy of any by-law to be considered at a meeting of Members (including a by-law which amends or repeals an existing by-law) shall be sent to every Member of the BNG together with the notice of such meeting.

## **ARTICLE 16 DISSOLUTION**

**16.01 Dissolution** Upon dissolution, the BNG may, after paying all its debts and liabilities, distribute or dispose of its remaining property or a part thereof to such charitable organizations or organizations whose objects are beneficial to the community as may be determined by the Board.

**ENACTED** by the Board the day of October, 2007.

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President Secretary

**CONFIRMED** by the members the day of November, 2007.

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President Secretary