



**AGENDA**  
**TOWN OF PINCHER CREEK**  
**SPECIAL COUNCIL MEETING AGENDA**  
**PCCELC Member - Annual General Meeting**  
**September 11, 2023 AT 5:00 P.M.**  
**Council Chambers, 962 St. John Avenue**

1. **Call to Order**
2. **Agenda Approval**
3. **New Business**
  - 3.1 Appoint Auditor
  - 3.2 Appoint the PCCELEC Board Members
  - 3.3 Receive the Financial Statements
  - 3.4 Discuss Bylaws
4. **Adjournment**

*THE NEXT REGULAR COUNCIL MEETING IS SCHEDULED for Monday, September 11, 2023 at 6:00 pm.*



# Town of Pincher Creek

## REQUEST FOR DECISION

*Council or Committee of the Whole*

<b>SUBJECT:</b> Pincher Creek Community Early Learning Centre - Member Annual General Meeting	
<b>PRESENTED BY:</b> Wendy Catonio, Director of Finance and Human Resources	<b>DATE OF MEETING:</b> 9/11/2023

**PURPOSE:**

For Council to hold an Annual General Meeting for the Member of the Pincher Creek Community Early Learning Centre, the Member is the Town of Pincher Creek.

**RECOMMENDATION:**

That Council for the Town of Pincher Creek as the Member for the Pincher Creek Community Early Learning Centre, agree to appoint Avail LLP as auditor for the Pincher Creek Community Early Learning Centre for the year ended December 31, 2023.

That Council for the Town of Pincher Creek as the Member for the Pincher Creek Community Early Learning Centre, agree to appoint the following individuals to the Board of the Pincher Creek Community Early Learning Centre:  
Michelle Spencer, Christy Gustavison, Brian McGillivray, David Green, Mark Barber and Don Anderberg.

That Council for the Town of Pincher Creek as the Member for the Pincher Creek Community Early Learning Centre, agree to receive the Audited 2022 Financial Statements and Auditor's Report for Pincher Creek Community Early Learning Centre, and a copy of these Financial Statements be attached hereto and form part of the minutes.

**BACKGROUND/HISTORY:**

None at this time.

**ALTERNATIVES:**

That Council for the Town of Pincher Creek as the Member for the Pincher Creek Community Early Learning Centre request further information from administration.

**IMPLICATIONS/SUPPORT OF PAST STUDIES OR PLANS:**

none at this time

**FINANCIAL IMPLICATIONS:**

The Audit for the Pincher Creek Community Early Learning Centre for 2022 was \$12,337.50 including GST.

**PUBLIC RELATIONS IMPLICATIONS:**

None at this time

**ATTACHMENTS:**

PCCELC Signed Financial Statement 2022 - 3244

**CONCLUSION/SUMMARY:**

Administration supports appointing the auditor, appointing the Board Members and receiving the financial statements for the Pincher Creek Community Early Learning Centre.

**Signatures:**

**Department Head:**

*Angie Lucas*

**CAO:**

*Angie Lucas*

**PINCHER CREEK COMMUNITY EARLY LEARNING CENTRE**

**FINANCIAL STATEMENTS**

**For the year ended December 31, 2022**

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**PINCHER CREEK COMMUNITY EARLY LEARNING CENTRE**  
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December 31, 2022

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## INDEPENDENT AUDITOR'S REPORT

To: The board of directors of  
Pincher Creek Community Early Learning Centre

### *Opinion*

We have audited the financial statements of Pincher Creek Community Early Learning Centre, which comprise the statement of financial position as at December 31, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Other Matter*

The financial statements of the organization for the year ended December 31, 2021 were unaudited and were subject only to a compilation engagement. Our audit opinion is not modified in respect of this matter.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

## INDEPENDENT AUDITOR'S REPORT, continued

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Lethbridge, Alberta

June 26, 2023

Chartered Professional Accountants

**PINCHER CREEK COMMUNITY EARLY LEARNING CENTRE**  
**STATEMENT OF FINANCIAL POSITION**  
As at December 31, 2022

	2022	2021 (unaudited)
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 50,128	\$ 99,776
Accounts receivable	54,353	48,873
	104,481	148,649
<b>Capital assets (note 3)</b>	10,206	12,865
	\$ 114,687	\$ 161,514
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 26,903	\$ 18,416
Loan payable (note 4)	19,942	-
Payroll remittances payable	18,464	12,332
Unearned revenue	3,686	-
Deposits (note 5)	20,050	20,100
	89,045	50,848
<b>Net assets</b>		
Unrestricted	15,436	97,801
Invested in capital assets	10,206	12,865
	25,642	110,666
	\$ 114,687	\$ 161,514

Approved on behalf of the board:

Director Don Anderberg

Director Christy Gustavison



**PINCHER CREEK COMMUNITY EARLY LEARNING CENTRE**  
**STATEMENT OF OPERATIONS**  
For the year ended December 31, 2022

	2022	2021 (unaudited)
<b>Revenue</b>		
Sage Early Learning Centre (schedule 1)	\$ 453,037	\$ 459,615
Canyon Creek Early Learning Centre (schedule 2)	410,438	398,172
	863,475	857,787
<b>Expenses</b>		
Sage Early Learning Centre (schedule 1)	490,499	443,048
Canyon Creek Early Learning Centre (schedule 2)	455,341	328,835
	945,840	771,883
<b>(Deficiency) excess of revenue over expenses from operations</b>	(82,365)	85,904
<b>Expense relating to capital assets</b>		
Amortization	2,659	3,369
<b>(Deficiency) excess of revenue over expenses</b>	\$ (85,024)	\$ 82,535

**PINCHER CREEK COMMUNITY EARLY LEARNING CENTRE**  
**STATEMENT OF CHANGES IN NET ASSETS**  
For the year ended December 31, 2022

	Unrestricted net assets	Net assets invested in capital assets	Total 2022	Total 2021 (unaudited)
<b>Balance, beginning of year</b>	\$ 97,801	\$ 12,865	\$ 110,666	\$ 28,131
<b>(Deficiency) excess of revenue over expenses</b>	(85,024)	-	(85,024)	82,535
<b>Amortization</b>	2,659	(2,659)	-	-
<b>Balance, end of year</b>	\$ 15,436	\$ 10,206	\$ 25,642	\$ 110,666

**PINCHER CREEK COMMUNITY EARLY LEARNING CENTRE**  
**STATEMENT OF CASH FLOWS**  
For the year ended December 31, 2022

	2022	2021 (unaudited)
<b>Cash flows from operating activities</b>		
(Deficiency) excess of revenue over expenses	\$ (85,024)	\$ 82,535
Adjustment for item which does not affect cash		
Amortization	2,659	3,369
	(82,365)	85,904
Change in non-cash working capital items		
Accounts receivable	(5,480)	(29,006)
Prepaid expenses	-	469
Accounts payable and accrued liabilities	8,487	(6,512)
Loan payable	19,942	-
Payroll remittances payable	6,132	7,211
Unearned revenue	3,686	-
Deposits	(50)	7,350
	(49,648)	65,416
<b>Cash flows from financing activity</b>		
Share capital	-	(100)
<b>Net (decrease) increase in cash and cash equivalents</b>	(49,648)	65,316
<b>Cash and cash equivalents, beginning of year</b>	99,776	34,460
<b>Cash and cash equivalents, end of year</b>	\$ 50,128	\$ 99,776

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**PINCHER CREEK COMMUNITY EARLY LEARNING CENTRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2022**

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**1. Nature of operations**

Pincher Creek Community Early Learning Centre was incorporated under the Business Corporations Act of Alberta on August 9, 2018. The organization was continued under the Canada Not-For-Profit Corporations Act on January 15, 2020. The organization was established for the purpose of operating daycare and out of school services for the Town of Pincher Creek and area. The organization operates as a not-for-profit and is exempt from income taxes under Section 149(1)(d.5) of the Income Tax Act.

**2. Significant accounting policies**

These financial statements are prepared in accordance with Canadian public sector accounting standards. The significant policies are detailed as follows:

- (a) Revenue recognition  
Revenue is recognized as services are performed. Amounts received for future services are deferred until the service is provided.
- (b) Capital assets  
Capital assets are recorded at cost. The organization provides for amortization using the declining balance method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:
- |                    |     |
|--------------------|-----|
| Equipment          | 20% |
| Computer equipment | 30% |
- (c) Cash and cash equivalents  
The organization includes cash on hand and amounts held by financial institutions in operating accounts in the determination of cash and cash equivalents.
- (d) Net assets invested in capital assets  
The organization has chosen to treat net assets invested in capital assets as a separate component of net assets.
- (e) Financial instruments  
The organization initially records its financial assets and financial liabilities at fair value. The organization subsequently measures its financial assets and financial liabilities at amortized cost.
- (f) Measurement uncertainty  
The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

**PINCHER CREEK COMMUNITY EARLY LEARNING CENTRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2022

**3. Capital assets**

	2022		2021 (unaudited)	
	Cost	Accumulated amortization	Net	Net
Equipment	\$ 25,564	\$ 15,965	\$ 9,599	\$ 11,998
Computer equipment	2,887	2,280	607	867
	\$ 28,451	\$ 18,245	\$ 10,206	\$ 12,865

**4. Loan payable**

	2022	2021 (unaudited)
Town of Pincher Creek	\$ 19,942	\$ -

This loan is unsecured and non-interest bearing with no specific terms of repayment.

**5. Deposits**

A registration deposit of \$300 per child is required by the organization. The deposit will either be refunded or applied against the fees charged for the last month of care.

**6. Related party transactions**

During the year, the organization had the following transactions with the Town of Pincher Creek:

	2022	2021 (unaudited)
Funding for operating costs	\$ 40,000	\$ 35,100
Rent expense	(18,900)	(44,100)
Included in accounts payable	(12,244)	(12,651)
Loan payable	(19,942)	-

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

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**PINCHER CREEK COMMUNITY EARLY LEARNING CENTRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2022**

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**7. Commitments**

The organization leases premises under a lease agreement with the Town of Pincher Creek. Under the lease the organization is required to pay \$2,100 in monthly rent plus utilities. The Town of Pincher Creek has waived the rental fees for October, November, and December 2022.

**8. Financial instruments**

**Credit risk**

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. However, the organization has a significant number of customers which minimizes the concentration of credit risk.

**PINCHER CREEK COMMUNITY EARLY LEARNING CENTRE**  
**SCHEDULES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2022

**Schedule of Sage Early Learning Centre**

**Schedule 1**

	2022	2021 (unaudited)
<b>Revenue</b>		
Subsidies and grants	\$ 342,993	\$ 202,643
Fees	61,261	173,495
Town of Pincher Creek	40,000	35,100
COVID subsidies and grants	6,783	48,377
Fundraising	2,000	-
	<b>453,037</b>	<b>459,615</b>
<b>Expenses</b>		
Wages and benefits	380,029	361,800
Contract Service	19,942	8,337
Training	15,263	2,785
Utilities	14,904	13,497
Advertising	14,180	1,619
Professional fees	13,820	13,139
Supplies	9,346	6,215
Rent	8,400	25,200
Repairs and maintenance	3,955	375
Office and telephone	3,554	3,905
Activities	3,402	3,593
Interest and bank charges	2,621	985
Memberships	1,083	272
Insurance	-	1,326
	<b>490,499</b>	<b>443,048</b>
<b>(Deficiency) excess of revenue over expenses</b>	<b>\$ (37,462)</b>	<b>\$ 16,567</b>

**PINCHER CREEK COMMUNITY EARLY LEARNING CENTRE**  
**SCHEDULES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2022

**Schedule of Canyon Creek Early Learning Centre**

**Schedule 2**

	2022	2021 (unaudited)
<b>Revenue</b>		
Subsidies and grants	\$ 325,130	\$ 202,531
Fees	79,997	183,076
COVID subsidies and grants	5,311	12,565
	410,438	398,172
<b>Expenses</b>		
Wages and benefits	403,172	283,417
Training	12,101	3,507
Utilities	11,332	8,953
Rent	10,500	18,900
Professional fees	9,319	4,725
Supplies	3,293	5,016
Repairs and maintenance	2,398	67
Office and telephone	1,934	2,508
Activities	796	607
Interest and bank charges	185	89
Memberships	158	200
Advertising	153	203
Insurance	-	643
	455,341	328,835
<b>(Deficiency) excess of revenue over expenses</b>	<b>\$ (44,903)</b>	<b>\$ 69,337</b>





# Town of Pincher Creek

## REQUEST FOR DECISION

*Council or Committee of the Whole*

<b>SUBJECT:</b> Discuss changes to Pincher Creek Community Early Learning Centre Bylaws	
<b>PRESENTED BY:</b> Wendy Catonio, Director of Finance and Human Resources	<b>DATE OF MEETING:</b> 9/11/2023

**PURPOSE:**

For Council, as the Member of Pincher Creek Community Early Learning Centre (PCCELC), to discuss changes to the PCCELC bylaws.

**RECOMMENDATION:**

That Council for the Town of Pincher Creek direct Administration to instruct the lawyer to change the Pincher Creek Community Early Learning Centre Bylaws as follows: the only member is the Town of Pincher Creek and the member is represented by all Councilors.

**BACKGROUND/HISTORY:**

Council for the Town of Pincher Creek and the Board Members of the Pincher Creek Community Early Learning Centre had a meeting to discuss the structure of PCCELC with a lawyer on Tuesday July 4, 2023. Various changes to the bylaws were discussed and from that meeting the lawyer has drafted the language as attached.

**ALTERNATIVES:**

That Council for the Town of Pincher Creek accept these bylaws as information.

**IMPLICATIONS/SUPPORT OF PAST STUDIES OR PLANS:**

None at this time

**FINANCIAL IMPLICATIONS:**

Costs for the law firm to revise the bylaws.

**PUBLIC RELATIONS IMPLICATIONS:**

None at this time.

**ATTACHMENTS:**

None at this time.

**CONCLUSION/SUMMARY:**

Administration supports Council as the Member of PCCELC revising the bylaws.

**Signatures:**  
**Department Head:**

*Angie Lucas*

**CAO:**

*Angie Lucas*

**A BY-LAW RELATING GENERALLY TO THE CONDUCT  
OF THE AFFAIRS OF**

**PINCHER CREEK COMMUNITY EARLY LEARNING CENTRE  
(the “Corporation”)**

By-law No.1

*(Post-Canada Not for profit Corporations Act transition by law)*

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(b)    any two directors; or.....	<del>32</del>
(c)    any one of the aforementioned officers together with any one director;.....	<del>32</del>
and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The Board shall have power from time to time by resolution to appoint any officer or officers or any person or persons on behalf of the Corporation either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing.....	3
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A by-law relating generally to the conduct  
of the affairs of

**PINCHER CREEK COMMUNITY EARLY LEARNING CENTRE**

(the “Corporation”)

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

**ARTICLE I  
INTERPRETATION**

**1.1 Definitions**

. In this by-law and all other by-laws and resolutions 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, and any statute that may be substituted therefor, 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;

“**By-Law**” means this by-law and all other by-laws of the Corporation as amended and which are, from time to time, in force and effect;

“**director**” means an individual elected or appointed to the Board;

“**meeting of Members**” includes an annual meeting of ~~Members~~the Member and a special meeting of ~~Members~~the Member;

“**Member**” means ~~a member~~Town of ~~the Corporation~~Pincher Creek;

“**officer**” means any of the following individuals appointed pursuant to Section 8.1 as officers of the Corporation: (a) the Chair and Vice-Chair (b) the President, Vice-President, Secretary, Assistant Secretary, Treasurer, Assistant Treasurer and the General Manager of the Corporation, and (c) any other individual who performs functions for the Corporation similar to those normally performed by an individual listed in clause (a) or (b);

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

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

“**special business**” has the meaning set out in section 4.2 and 4.3;

~~“**special meeting of Members**” means a special meeting of all Members entitled to vote at an annual meeting of Members and a meeting of any class or classes of Members entitled to vote on the question at issue called to consider special business; and~~

“**Special Resolution**” means a resolution passed by not less than two-thirds (2/3) of the votes cast on that resolution ~~and if a class vote is required, shall mean a resolution passed by not less than two-thirds (2/3) of the votes cast on that resolution by each class that is entitled to vote.~~

## 1.2 Interpretation

. In the interpretation of this By-Law, unless the context otherwise requires, the following rules shall apply:

- (a) except where specifically defined in this By-Law, words, terms and expressions appearing in this By-Law shall have the meaning ascribed to them under the Act;
- (b) words importing the singular number only shall include the plural and vice versa;
- (c) the word “person” shall mean an individual, body corporate, a partnership, a trust, a joint venture or an unincorporated association or organization;
- (d) the headings used in the By-Law are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions of the By-Law or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions; and
- (e) except where specifically stated otherwise, or as otherwise required by the Act, references to actions being taken “in writing” or similar terms shall include electronic communication and references to “address” or similar terms shall include e-mail address. It is the intent of the Corporation to use electronic communication whenever possible.

## ARTICLE II GENERAL

**2.1 Activities of the Corporation.** The Corporation has been established for the purpose of operating one or more daycares and/or out of school care businesses in the Town of Pincher Creek.

**2.2 Non-Profit.** The Corporation shall not operate for the purpose of making a profit.

**2.3 Income.** At least 90% of the income of the Corporation must be derived from activities carried on inside the same municipality or municipalities that own the share capital of the Corporation so that the Corporation qualifies as a municipal corporation pursuant to paragraph 149(1)(d.5) or 149(1)(d.6) of the *Income Tax Act* (Canada).

### 2.4 Registered Office

. The registered office of the Corporation shall be situated at Calgary, Alberta or as otherwise set by the Board.

### 2.5 Corporate Seal

. The Corporation may, but need not, have a corporate seal. If adopted, the seal shall be in the form approved from time to time by the Board, and the Secretary of the Corporation (or, in the event there is no secretary, any officer) shall be the custodian of the corporate seal.



## 2.6 Fiscal Year

. The fiscal year of the Corporation shall end on December 31 of each year or as otherwise set by the Board.

## 2.7 Execution of Documents

. Contracts, documents or any instruments in writing requiring the signature of the Corporation may be signed by

- (a) any one of the Chair of the Board, the Vice-Chair of the Board, the President or a Vice-President together with any one of the Secretary or Treasurer;
- (b) any two directors; or
- (c) any one of the aforementioned officers together with any one director;

and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The Board shall have power from time to time by resolution to appoint any officer or officers or any person or persons on behalf of the Corporation either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing.

The term “contracts, documents or instruments in writing” as used in this By-law shall include but not be limited to deeds, mortgages, hypothecs, conveyances, transfers and assignments of property real or personal, immovable or movable agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, share warrants, stocks, bonds, debentures or other securities and all paper writings.

## 2.8 Banking

. The banking business of the Corporation 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 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 Corporation and/or other persons as the Board may by resolution from time to time designate, direct or authorize.

## 2.9 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.

# ARTICLE III MEMBERS

## 3.1 Entitlement

. Membership in the Corporation shall be available only to ~~persons interested in furthering the Corporation's purposes and who have applied for and been accepted as a Member by resolution of the Board or in such other manner as may be determined by the Board. The Board may also pass membership rules~~[the Member](#).

### 3.2 Membership Conditions

. Subject to the Articles, there shall be one class of Members in the Corporation. As set out in the Articles, ~~each~~the Member shall be ~~an individual or a corporation~~ entitled to receive notice of, attend and vote at all meetings of Members and ~~each such~~the Member shall be entitled to one (1) vote at such meetings.

### 3.3 Transferability of Membership

. A membership may only be transferred to the Corporation.

### 3.4 Termination of Membership

. The rights of ~~a~~the Member lapse and cease to exist when the membership terminates for any ~~of~~reason, including the ~~following reasons:~~Member ceasing to exist.

- ~~(a) — the Member dies, resigns or, in the case of a corporation, is dissolved;~~
- ~~(b) — the Member is expelled or the Member's membership is otherwise terminated in accordance with the Articles or the By Law;~~
- ~~(c) — the Member's term of membership expires; or~~
- ~~(d) — the Corporation is liquidated or dissolved pursuant to the Act.~~

Subject to the Articles, upon any termination of membership, the rights of the Member, including any rights in the property of the Corporation, automatically cease to exist. No membership due will be returned to a previous Member upon termination of such Member's membership.

### 3.5 Resignation

. ~~Any~~The Member may resign as a Member by delivering a written resignation to the Chair, in which case such resignation shall be effective from the date specified in the resignation.

### ~~3.6 — Discipline of Members~~

~~— The Board shall have the authority to suspend or expel any Member for any one or more of the following reasons:~~

- ~~(a) — violating any provision of the Articles, By Law, 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 or such other officer as may be designated by the Board, 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 3.6, 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.~~

### ~~3.7~~ — ~~Expulsion of Members~~

~~. The Members may, by Special Resolution passed at a special meeting of Members, expel a Member where the Member carries out any conduct which may be detrimental to the Corporation, provided that the Member shall be given the opportunity to be heard at such meeting.~~

### 3.6     ~~3.8~~ Membership Dues

. The Board may require ~~Members~~the Member to make an annual contribution or pay annual dues or fees to the Corporation and may determine the manner in which the contribution is to be made or the dues are to be paid. [Note: we have removed the discipline and expulsion provisions. Consider if you wish to keep the dues section.]

## ARTICLE IV MEETINGS OF ~~MEMBERS~~THE MEMBER

### 4.1     Place of Meetings

. Meetings of the ~~Members~~Member 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~~Member agrees, outside Canada.

### 4.2     Annual Meetings

. The Board shall call an annual meeting not later than fifteen (15) months after the last preceding annual meeting but not later than six (6) months after the end of the Corporation's preceding financial year.

The Board shall call an annual meeting of ~~Members~~the Member for the purpose of:

- (a)     considering the financial statements and reports of the Corporation required by the Act to be presented at the meeting;
- (b)     electing directors;
- (c)     appointing, or re-appointing, a public accountant, if required under Part 12 of the Act; and
- (d)     transacting such other business as may properly be brought before the meeting or is required under the Act.

Any business transacted under (d) shall constitute special business.

### 4.3 Special Meetings

. The Board may at any time call a special meeting of ~~Members~~the Member for the transaction of any business which may properly be brought before the ~~Members~~Member, which shall constitute special business. The Board shall call a special meeting of ~~Members~~the Member on written requisition of ~~Members carrying not less than one-third (1/3) of the voting rights~~Member. If the Board does not call a meeting within twenty-one (21) days of receiving the requisition, ~~any~~the ~~Member who signed the requisition~~ may call the meeting.

### 4.4 Notice of Meetings

. Notice of the time and place of a meeting of ~~Members~~the Member shall be sent to the following:

- (a) to ~~each Member entitled to vote at the meeting (which may be determined in accordance with any record date fixed by the Board or failing which, in accordance with the Act)~~the Member;
- (b) to each director; and
- (c) to the public accountant of the Corporation, if any.

A notice shall be provided at least fourteen (14) days prior to the meeting. A notice shall be provided in accordance with the requirements of Article XII of this By-Law. Notice of a meeting of ~~Members~~the Member at which special business is to be transacted shall state the nature of that business in sufficient detail to permit the Member to form a reasoned judgment on the business and provide the text of any Special Resolution or By-Law to be submitted to the meeting.

### 4.5 Waiving Notice

. A person entitled to notice of a meeting of Members may in any manner and at any time waive notice of a meeting of Members, and attendance of any such person at a meeting of Members is a waiver of notice of the meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

### 4.6 Persons Entitled to be Present

. The only persons entitled to be present at a meeting of Members shall be those entitled to vote at the meeting, the directors and the public accountant of the Corporation. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.

### 4.7 Chair of the Meeting

. In the event that the Chair and the Vice-Chair are both absent, the ~~Members who are present and entitled to vote at the meeting~~Member shall choose ~~one of their number~~a representative to chair the meeting.

### 4.8 Quorum

. ~~A quorum at any meeting of the Members (unless a greater number of Members are required to be present by the Act) shall be a majority of the 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. If the Corporation has only one~~The Member~~, the Member present in person or by proxy, constitutes a meeting. For the purpose of determining quorum, a member~~The Member may be present in person, or, if permitted, by telephonic and/or other electronic means.

#### 4.9 Participation at Meetings by Telephone or Electronic Means

~~. Any person entitled to attend a meeting of Members~~The Member may participate in ~~the~~a meeting using telephonic, electronic or other communications means that permit all participants to communicate adequately with each other during the meeting, if the Corporation makes available such a communication facility and the person in question has access to such a communication facility. A person participating in the meeting by any such means shall be deemed to have been present at that meeting. A person participating by telephonic, electronic or other communication facility may vote by any such means if the facility, when necessary, can be adapted so that the votes can be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how ~~a particular member or group of Members~~the Member voted.

#### 4.10 Meeting Held by Electronic Means

. If the Board or ~~Members~~the Member call a meeting of ~~Members~~the Member, the Board or ~~Members~~Member, as the case may be, may determine that the meeting shall be held entirely by means of a telephonic, an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

#### 4.11 Adjournment

. The chair of the meeting may, with the consent of the meeting, adjourn the meeting from time to time to a fixed time and place and no notice of such adjournment need be given to the ~~Members~~Member provided the adjourned meeting takes place within thirty-one (31) days of the original meeting. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

#### 4.12 Absentee Voting

. In addition to voting in person, ~~every~~the Member ~~entitled to vote at a meeting of Members~~ may vote by any of the following means:

- (a) by appointing in writing a proxyholder and one or more alternate proxyholders who ~~need not be Members~~is or are members of the Town of Pincher Creek Town Council, as the Member's nominee to attend and act at the meeting in the manner and to the extent and with the authority conferred by the proxy, subject to the following requirements: **[Note: consider if you would like to shorten this section]**
  - (i) 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;
  - (ii) ~~a~~the Member may revoke a proxy by depositing an instrument or act in writing executed by the Member

- (A) at the registered office of the Corporation no later than the last business day preceding the day of the meeting, or the last business day preceding the day of the continuation of that meeting after an adjournment of that meeting, at which the proxy is to be used, or
  - (B) with the chair of the meeting on the day of the meeting or the day of the continuation of that meeting after an adjournment of that meeting;
- (iii) a proxyholder or an alternate proxyholder has the same rights as the ~~member~~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;
- (iv) if a form of proxy is created by a person other than the Member, the form of proxy shall:
- (A) indicate, in bold-face type:
    - (1) the meeting at which it is to be used;
    - (2) 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
    - (3) instructions on the manner in which the Member may appoint the proxyholder;
  - (B) contain a designated blank space for the date of the signature;
  - (C) provide a means for the Member to designate some other person as proxyholder, if the form of proxy designates a person as proxyholder;
  - (D) provide a means for the Member to specify that the membership registered in the Member's 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;
  - (E) provide a means for the Member to specify that the membership registered in the Member's name is to be voted or withheld from voting in respect of the appointment of a public accountant or the election of directors; and
  - (F) 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 Section 4.12(a)(iv)(D) or 4.12(a)(iv)(E) with respect to any matter to be acted on, the membership is to be voted accordingly;

- (v) 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 Section 4.12(a)(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;
  - (vi) 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
  - (vii) 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;
- (b) by using a mailed-in ballot in the form provided by the Corporation provided that the Corporation has a system that enables the votes to be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each Member voted; or
  - (c) by means of a telephonic, electronic or other communication facility, if the facility enables the votes to be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each Member voted.

#### 4.13 Votes to Govern

. Other than as otherwise required by the Act or this By-law, all questions proposed for consideration of the Members shall be determined by Ordinary Resolution ~~of the Members. In case of an equality of votes, the chair of the meeting shall have a second or casting.~~ [Note: we have left many of these provisions in for convenience. For example, sections 4.13, 4.14, 4.15 are unlikely to be relevant. Of course, because there is only one Member, all matters requiring approval by the Member require the Member to vote in favour. As well, it is likely you will do resolutions in writing for Member approval rather than meetings – see section 4.16 below.]

#### 4.14 Show of Hands

. Except where a ballot is demanded, voting on any question proposed for consideration at a meeting of Members shall be by show of hands, and a declaration by the chair of the meeting as to whether or not the question or motion has been carried and an entry to that effect in the minutes of the meeting shall, in the absence of evidence to the contrary, be evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the motion. If a meeting is held by telephonic or electronic means, the chair of the meeting may implement a process approximating a show of hands.

#### 4.15 Ballots

. For any question proposed for consideration at a meeting of Members, either before or after a vote by show of hands has been taken, the chair of the meeting, or ~~any~~the Member or proxyholder may demand a

ballot, in which case the ballot shall be taken in such manner as the chair directs and the decision of the ~~Members~~Member on the question shall be determined by the result of such ballot.

#### 4.16 Resolution in Lieu of Meeting

. Except where a written statement is submitted to the Corporation by a director under subsection 131(1) of the Act or by a public accountant under subsection 187(4) of the Act [Note: we should discuss whether you want to limit the ability of a director and the public accountant to make these statements]:

- (a) a resolution in writing signed by all the ~~Members entitled to vote on that resolution at a meeting of Members~~Member is as valid as if it had been passed at a meeting of the ~~Members~~Member; and
- (b) a resolution in writing dealing with all matters required by the Act to be dealt with at a meeting of Members, and signed by ~~all the Members entitled to vote at that meeting~~Member satisfies all the requirements of the Act relating to that meeting of Members.

A copy of every resolution referred to above shall be kept with the minutes of meetings of Members.

#### 4.17 Annual Financial Statements

. The Corporation 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~~Member, publish a notice to ~~its Members~~the Member stating that the annual financial statements and documents provided in subsection 172(1) are available at the registered office of the Corporation and any Member may, on request, obtain a copy free of charge at the registered office or by prepaid mail. [Note: consider if this is something you would want in the circumstances.]

### ARTICLE V DIRECTORS

#### 5.1 Powers

. The Board shall manage or supervise the management of the activities and affairs of the Corporation.

#### 5.2 Number

. Until changed in accordance with the Act, the Board shall consist of that number of directors specified in the Articles. If the Articles specify a minimum and a maximum number of directors, the Board shall be composed of the fixed number of directors within such range as determined from time to time by the ~~Members~~Member by Ordinary Resolution or, if the Ordinary Resolution empowers the Board to determine the number, by resolution of the Board. No decrease in the number of directors shall shorten the term of an incumbent director.

#### 5.3 Qualifications

. The following persons are disqualified from being a director of the Corporation: [Note: consider if there are other relevant considerations. For example, individuals who are Town Councillors? Individuals who are not?]



- (a) anyone who is less than 18 years of age;
- (b) anyone who has been declared incapable by a court in Canada or in another country;
- (c) anyone who is not an individual;
- (d) a person who has the status of bankrupt; and
- (e) a person who is an ineligible individual under the *Income Tax Act* (Canada).

#### **5.4 Election and Term**

. The ~~Members~~Member shall elect by Ordinary Resolution at each annual meeting at which an election of directors is required, directors to hold office for a term expiring not later than the close of the next annual meeting of Members following the election. Not all directors elected at a meeting of Members need to hold office for the same term. A director not elected for an expressly stated term ceases to hold office at the close of the first annual meeting of ~~Members~~the Member following ~~his/her~~their election, but, if qualified, is eligible for re-election. If directors are not elected at a meeting of Members, the incumbent directors continue in office until their successors are elected.

As set out in the Articles, the directors may appoint additional directors to hold office until the next annual meeting of Members, but no more than one-third of the total number of directors elected or appointed by the ~~Members~~Member at the previous meeting may be appointed by the directors.

#### **5.5 Consent**

. A director who is elected or appointed must consent to hold office as a director:

- (a) if present at the meeting at which the election or appointment takes place, by not refusing to hold office,
- (b) if not present at the meeting at which the election or appointment takes place, by either:
  - (i) consenting to hold office in writing before the election or appointment takes place or within ten (10) days of such election; or
  - (ii) by acting as a director after such person's election or appointment.

#### **5.6 Vacation of Office**

. A director ceases to hold office when the director dies, resigns, is removed from office by the Members, or becomes disqualified to serve as director.

#### **5.7 Resignation**

. A director may resign from office by giving a written resignation to the Corporation and such resignation becomes effective when received by the Corporation or at the time specified in the resignation, whichever is later.

#### **5.8 Removal**

. The ~~Members~~Member may, by Ordinary Resolution passed at a special meeting ~~of Members~~, remove any director from office before the expiration of the director's term and may elect a qualified individual to fill the resulting vacancy for the remainder of the term of the director so removed, failing which such vacancy may be filled by the Board.

## 5.9 Vacancies

. Subject to Section 5.8, a vacancy on the Board may be filled for the remainder of the term by a qualified individual by Ordinary Resolution of the directors. Notwithstanding the above, if there is not a quorum of directors or if a vacancy results from either (a) an increase in the number or change to the minimum or maximum number of directors provided in the Articles or (b) a failure to elect the number or minimum number of directors provided in the Articles, the directors then in office shall call a special meeting of Members to fill the vacancy and, if they fail to call a meeting or if there are no directors then in office, the meeting may be called by any~~the~~ Member. ~~If the director who is ceasing to hold office was elected by a particular class or group of Members, such vacancy shall only be filled by a vote of the Members of that particular class or group of Members.~~

## 5.10 Remuneration and Expenses

. The directors shall serve as such without remuneration and no directors shall directly or indirectly receive any profit from their position as such. The directors of the Corporation may, by resolution, fix the reasonable remuneration of the officers and employees of the Corporation. Any director, officer or employee of the Corporation may receive reimbursement for their expenses incurred on behalf of the Corporation in their respective capacities as a director, officer or employee. In addition, a director or officer may receive reasonable remuneration and expenses for any services to the Corporation that are performed in a capacity other than as a director or officer.

## 5.11 Borrowing Powers

**and Other Powers.** The Board of the Corporation may, without authorization of the ~~Members~~Member:  
[Note: consider]

- (a) borrow money on the credit of the Corporation;
- (b) issue, reissue, sell, pledge or hypothecate debt obligations of the Corporation;
- (c) give a guarantee on behalf of the Corporation;
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any debt obligation of the Corporation;
- (e) authorize expenditures on behalf of the Corporation and delegate, by resolution, to an officer or officers of the Corporation, such authority to such maximum amounts as determined by the Board;
- (f) employ and pay salaries to employees on behalf of the Corporation and delegate, by resolution, to an officer or officers of the Corporation such authority; and

- (g) for the purpose of furthering the mission of the Corporation, acquire, accept, solicit, or receive legacies, gifts, grants, settlements, bequests, endowments, and donations of any kind whatsoever on behalf of the Corporation.

## **5.12 Voting Shares and Securities**

- (a) All of the shares or other securities carrying voting rights of any company or corporation held from time to time by the Corporation may be voted at any and all meetings of the shareholders, bondholders, debenture holders or holders of other securities (as the case may be) of such company or corporation and in such manner and by such person or persons as the Board shall from time to time determine. The authorized signing officers of the Corporation may also from time to time execute and deliver for and on behalf of the Corporation proxies and/or arrange for the issuance of voting certificates and/or other evidence of the right to vote in such names as they may determine without the necessity of a resolution or other action by the Board.

## **ARTICLE VI COMMITTEES**

### **6.1 Delegation**

- **Executive Committee.** The Board may appoint from their number a managing director or a committee of directors (which may be referred to as an executive committee) and delegate to the managing director or committee any of the powers of the Board except those which may not be delegated by the Board pursuant to subsection 138(2) of the Act. Unless otherwise determined by the Board, such a committee shall have the power to fix its quorum at not less than a majority of its members, to elect its chair, and to otherwise regulate its procedures.

### **6.2 Other Committees**

. 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. The Board may fix any remuneration for committee members who are not also directors of the Corporation.

## **ARTICLE VII MEETINGS OF DIRECTORS**

### **7.1 Place of Meetings**

. Meetings of the Board may be held at the registered office of the Corporation or at any other place within or outside of Canada as the Board may determine.

### **7.2 Calling of Meetings**

. Meetings of the Board may be called by the Chair, the Vice-Chair, or any two (2) directors at any time. If the Corporation has only one director, that director may call and constitute a meeting.

### **7.3 Notice of Meeting**

. Notice of the time and place for the holding of a meeting of the Board shall be given in the manner provided in Article XII of this By-Law to every director of the Corporation not less than fourteen (14) 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.

#### **7.4 First Meeting of New Board**

. Provided that a quorum of directors is present, a newly-elected Board may, without notice, hold its first meeting immediately following the meeting of Members at which such Board is elected.

#### **7.5 Regular Meetings**

. 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 immediately after being passed, but no other notice shall be required for any such regular meeting except if Section 136(3) (Notice of Meeting) of the Act requires the purpose thereof or the business to be transacted to be specified in the notice.

#### **7.6 Quorum**

. A majority of the number of directors constitutes a quorum at any meeting of the Board. For the purpose of determining quorum, a director may be present in person, or, if authorized under Section 7.8, by teleconference and/or by other electronic means. A quorum must be maintained throughout the meeting.

#### **7.7 Resolutions in Writing**

. A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or of a committee of directors, shall be as valid as if it had been passed at a meeting of directors or committee of directors. A copy of every such resolution in writing shall be kept with the minutes of the proceedings of the directors or committee of directors.

#### **7.8 Participation at Meeting by Telephone or Electronic Means**

. A director may, if all directors are in agreement and have provided their consent, participate in a meeting of directors or of a committee of directors using telephonic, electronic or another communication facility that permits all participants to communicate adequately with each other during the meeting. A director participating in the meeting by such means shall be deemed for the purposes of the Act to have been present at that meeting.

#### **7.9 Chair of the Meeting**

. In the event that the Chair and the Vice-Chair are both absent, the directors who are present shall choose one of their number to chair the meeting.

#### **7.10 Votes to Govern**

. At all meetings of the Board, every question shall be decided by a majority of the votes cast on the question. Each director shall have one vote. In case of an equality of votes, the chair of the meeting shall have a second or casting vote. Directors may not appoint proxies to attend meetings in their stead.

## **ARTICLE VIII OFFICERS**

### **8.1 Appointment**

. The Board may designate the offices of the Corporation, appoint individuals as officers on an annual or more frequent basis, specify their duties and delegate to such officers the power to manage the affairs of the Corporation. A director may be appointed to any office of the Corporation. 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.

## **ARTICLE IX DESCRIPTION OF OFFICES**

### **9.1 Description of Offices**

. Unless otherwise specified by the Board, the officers of the Corporation shall have the following duties and powers associated with their positions:

- (a) Chair of the Board – The Chair of the Board, if one is appointed, shall be a director. The Chair, if any, shall, when present, preside at all meetings of the Board and of the Members. The Chair shall have such other duties and powers as the Board may specify.
- (b) Vice-Chair of the Board – The Vice-Chair of the Board, if one is appointed, shall be a director. If the Chair is absent or is unable or refuses to act, the Vice-Chair, if any, shall, when present, preside at all meetings of the Board and of the Members and shall have such others duties and powers as the Board may specify.
- (c) President - If appointed, the president shall be the chief executive officer of the Corporation and shall be responsible for implementing the strategic plans and policies of the Corporation. The president shall, subject to the authority of the board, have general supervision of the affairs of the Corporation.
- (d) Secretary - If appointed, the Secretary shall attend and be the secretary of all meetings of the Board, Members and committees of the Board. The Secretary shall enter or cause to be entered in the Corporation's minute book, minutes of all proceedings at such meetings; the Secretary shall give, or cause to be given, as and when instructed, notices to Members, directors, the public accountant and Members of committees; the Secretary shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation.
- (e) Treasurer - If appointed, the Treasurer shall have such powers and duties as the Board may specify.

The powers and duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the Board or President requires of them. The Board may from time to time and subject to the Act, vary, add to or limit the powers and duties of any officer.

## 9.2 Vacancy in Office

. In the absence of a written agreement to the contrary, the Board may remove, whether for cause or without cause, any officer of the Corporation. Unless so removed, an officer shall hold office until the earlier of:

- (a) the officer's successor being appointed;
- (b) the officer's resignation;
- (c) such officer ceasing to be a director (if a necessary qualification of appointment); or
- (d) such officer's death.

If the office of any officer of the Corporation shall be or become vacant, the directors may, by resolution, appoint a person to fill such vacancy.

## 9.3 Remuneration of Officers

. The remuneration of all officers appointed by the Board shall be determined in accordance with Section 5.10.

## ARTICLE X CONFLICT OF INTEREST

**10.1 Conflict of Interest.** [Note: Instead of including this long provision, it also is possible to include a statement that the every director and officer will comply with the conflict of interest provisions in the Act and in any code of conduct.]

- (a) Any director or officer of the Corporation who:
  - (i) is a party to a material contract or material transaction or proposed material contract or material transaction with the Corporation, or
  - (ii) is a director or officer of or has a material interest in any body corporate or business firm who is a party to a material contract or material transaction or proposed material contract or material transaction with the Corporation,shall disclose in writing at the directors' meeting or have entered in the minutes, the nature and extent of such director or officer's interest in such actual or proposed material contract or material transaction with the Corporation.
- (b) The disclosure required by (a) above, shall be made, in the case of a director:
  - (i) at the directors' meeting at which a proposed contract or proposed transaction is first considered;
  - (ii) if the director was not then interested in a proposed contract or proposed transaction, at the first directors' meeting after such director becomes so interested;

- (iii) if the director becomes interested after a contract or transaction is made, at the first directors' meeting held after the director becomes so interested; or
  - (iv) if an individual who is interested in a contract or transaction later becomes a director, at the first directors' meeting held after the individual becomes a director.
- (c) The disclosure required by (a) above, shall be made, in the case of an officer who is not a director:
- (i) immediately after the officer becomes aware that the contract, transaction, proposed contract, or proposed transaction is to be considered or has been considered at a directors' meeting;
  - (ii) if the officer becomes interested after a contract or transaction is made, immediately after the officer becomes so interested; or
  - (iii) if an individual who is interested in a contract or transaction later becomes an officer, immediately after the individual becomes an officer.
- (d) If a material contract or material transaction, whether entered into or proposed, is one that, in the ordinary course of carrying on the Corporation's activities, would not require approval by the directors or Members, a director or an officer shall, immediately after they become aware of the contract or transaction, disclose in writing to the Corporation or request to have entered in the minutes of meetings of directors or of committees of directors, the nature and extent of their interest.
- (e) A director required to make a disclosure under (a) above shall not vote on any resolution to approve the contract or transaction unless the contract or transaction
- (i) relates primarily to the director's remuneration as a director, an officer, an employee, or an agent of the Corporation or an affiliate;
  - (ii) is for indemnity or insurance under Section 151 of the Act; or
  - (iii) is with an affiliate.
- (f) For the purposes of this Section, a general written notice to the directors declaring that a director or officer is to be regarded as interested, for any of the following reasons, in a contract or transaction made with a party, is a sufficient declaration of interest in relation to the contract or transaction:
- (i) the director or officer is a director or an officer, or acting in a similar capacity, of a party referred to in Section Article X(a)(ii);
  - (ii) the director or officer has a material interest in the party; or
  - (iii) there has been a material change in the nature of the director's or the officer's interest in the party.

- (g) A contract or transaction for which disclosure is required is not invalid, and the director or officer is not accountable to the Corporation or its Members for any profit realized from the contract or transaction, because of the director's or officer's interest in the contract or transaction or because the director was present or was counted to determine whether a quorum existed at the meeting of directors or of the committee of directors that considered the contract or transaction if:
  - (i) disclosure of the interest was made in accordance with this Section;
  - (ii) the directors approved the contract or transaction; and
  - (iii) the contract or transaction was reasonable and fair to the Corporation when it was approved.
- (h) Even if the conditions under Section Article X(g) above are not met, a director or an officer, acting honestly and in good faith, is not accountable to the Corporation or to its Members for any profit realized from a contract or transaction for which disclosure is required, and the contract or transaction is not invalid by reason only of the interest of the director or officer in the contract or transaction, if:
  - (i) the contract or transaction is approved or confirmed by Special Resolution at a meeting of the Members;
  - (ii) disclosure of the interest was made to the Members in a manner sufficient to indicate its nature and extent before the contract or transaction was approved or confirmed by the Members; and
  - (iii) the contract or transaction was reasonable and fair to the Corporation when it was approved or confirmed by the Members.
- (i) A contract is not void by reason only of the failure of a director or officer to comply with the provisions of this Section. but a court may upon the application of the Corporation or a Member, set aside or annul the contract or transaction on any terms that it thinks fit, require the director or officer to account to the Corporation for any profit or gain realized on the contract or transaction, or make any other order that the court thinks fit.

## **ARTICLE XI PROTECTION OF DIRECTORS, OFFICERS AND OTHERS**

### **11.1 Standard of Care**

. Every director and officer of the Corporation, in exercising such person's powers and discharging such person's duties, shall act honestly and in good faith with a view to the best interests of the Corporation and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Every director and officer of the Corporation shall comply with the Act, the regulations, Articles, By-Law and policies of the Corporation.

### **11.2 Limitation of Liability**



. Provided that the standard of care required of the director or officer under the Act and the By-Law has been satisfied, no director or officer shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the money of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the money, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on the director or officer's part, or for any other loss, damage or misfortune which shall happen in the execution of such person's duties of office, unless the same are occasioned by the director or officer's own wilful neglect or default or otherwise result from the director or officer's failure to act in accordance with the Act or the regulations.

### **11.3 Indemnification of Directors and Officers**

. The Corporation shall indemnify a director, an officer of the Corporation, a former director or officer of the Corporation, or another individual who acts or acted at the Corporation's request as a director or officer or in a similar capacity of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by such person in respect of any civil, criminal, administrative, or investigative action or other proceeding in which the individual is involved because of that association with the Corporation or other entity if:

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

The Corporation may indemnify such person in all such other matters, actions, proceedings and circumstances as may be permitted by the Act or the law. Nothing in this By-Law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this By-Law.

### **11.4 Insurance**

. Subject to the Act, the Corporation may purchase and maintain insurance for the benefit of any person entitled to be indemnified by the Corporation pursuant to Section 11.3 against any liability incurred by the individual in the individual's capacity as a director or an officer of the Corporation; or in the individual's capacity as a director or officer, or in a similar capacity, of another entity, if the individual acts or acted in that capacity at the Corporation's request.

### **11.5 Advances**

. With respect to the defence by a director or officer or other individual of any claims, actions, suits or proceedings, whether civil or criminal, for which the Corporation is liable to indemnify a director or officer pursuant to the terms of the Act, the Board may authorize the Corporation to advance to the director or officer or other individual such funds as may be reasonably necessary for the defence of such claims, actions, suits or proceedings upon written notice by the director or officer to the Corporation

disclosing the particulars of such claims, actions, suits or proceedings and requesting such advance. The director or officer shall repay the money advanced if the director or officer does not fulfill the conditions of Section 151(3) of the Act.

## ARTICLE XII NOTICES

### 12.1 Method of Giving Notices

Any notice (which term includes any communication or document) to be given to a Member, director, officer, member of a committee of the Board, or the public accountant shall be sufficiently given if given by mail, courier or personal delivery, or by an electronic, telephonic, or other communication facility.

A Special Resolution of the ~~Members~~Member is required to make any amendment to the By-Law of the Corporation to change the manner of giving notice to ~~Members entitled to vote at a meeting of Members~~the Member.

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given at a time it would be delivered in the ordinary course of mail; and a notice so sent by any means of electronic or similar communication shall be deemed to have been given when delivered to the appropriate electronic server or equivalent facility. An officer may change or cause to be changed the recorded address of any Member, director, officer, public accountant or member of a committee of the Board in accordance with any information believed by the officer to be reliable. The declaration by the officer that notice has been given pursuant to this By-Law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any director or officer of the Corporation to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

### 12.2 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 Corporation has provided notice in accordance with the By-Law, 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.

### 12.3 Waiver of Notice

Any person entitled to notice may waive or abridge the time for any notice required to be given to such person, and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing.

## ARTICLE XIII DISPUTE RESOLUTION

### 13.1 Mediation and Arbitration

. Disputes or controversies among ~~Members~~the Member, directors, or officers of the Corporation are as much as possible to be resolved in accordance with mediation and/or arbitration as provided in Section 13.2. [Note: consider if this Article is appropriate for the organization.]

### 13.2 Dispute Resolution Mechanism

. In the event that a dispute or controversy among ~~Members~~the Member, directors, or officers of the Corporation arising out of or related to the Articles or By-Law, or out of any aspect of the activities or operations of the Corporation, is not resolved in private meetings between the parties then without prejudice to or in any other way derogating from the rights of the Members, directors, or officers of the Corporation as set out in the Articles, By-Law or the Act, and as an alternative to such person instituting a law suit or legal action, such dispute or controversy shall be settled by a confidential process of dispute resolution as follows:

- (a) The dispute or controversy shall first be submitted to a panel of mediators whereby the one party appoints one mediator, the other party appoints one mediator, and the two mediators so appointed jointly appoint a third mediator. The three mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties.
- (b) The number of mediators may be reduced from three to one or two upon agreement of the parties.
- (c) If the parties are not successful in resolving the dispute through mediation, then the dispute shall be settled by arbitration before a single arbitrator, who shall not be any one of the mediators referred to above, in accordance with the laws of the Province of Alberta. All proceedings relating to arbitration shall be kept confidential and there shall be no disclosure of any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal or review on a question of fact, law or mixed fact and law.

All costs of the mediators appointed in accordance with this Section shall be borne equally by the parties to the dispute or the controversy. All costs of the arbitrators appointed in accordance with this Section shall be borne by such parties as may be determined by the arbitrators.

## ARTICLE XIV SPECIAL RESOLUTIONS

### 14.1 Special Resolutions

. A Special Resolution of the ~~Members~~Member is required to make any amendment to these By-Laws or to the Articles to: [Note: it is fine to leave this list in as a reminder of the key things the organization can do, but, as noted above, with a single Member everything that requires Member approval will require approval of the Member so there is no real distinction between Ordinary and Special Resolutions.]

- (a) change the Corporation's name;
- (b) change the province in which the Corporation's registered office is situated;
- (c) add, change or remove any restriction on the activities that the Corporation may carry on;

- (d) create a new class or group of Members;
- (e) change a condition required for being a Member;
- (f) change the designation of any class or group of Members or add, change or remove any rights and conditions of any such class or group;
- (g) divide any class or group of Members into two or more classes or groups and fix the rights and conditions of each class or group;
- (h) add, change or remove a provision respecting the transfer of a membership;
- (i) subject to Section 133 of the Act, increase or decrease the minimum and maximum number of directors fixed by the Articles;
- (j) change the statement of the purpose of the Corporation;
- (k) change the statement concerning the distribution of property remaining on liquidation after the discharge of any liabilities of the Corporation;
- (l) change the manner of giving notice to Members entitled to vote at a meeting of Members;
- (m) change the method of voting by Members not in attendance at a meeting of Members; or
- (n) add, change or remove any other provision that is permitted by the Act to be set out in the Articles.

## **ARTICLE XV BY-LAW AND EFFECTIVE DATE**

### **15.1 By-Law and Effective Date**

. Subject to the Articles, the Board may, by resolution, make, amend or repeal any By-Law that regulates the activities or affairs of the Corporation. Any such By-Law, amendment or repeal shall be effective from the date of the resolution of the Board 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.

Despite the forgoing, a By-Law amendment that requires a Special Resolution as set out in Article XIV is only effective when confirmed by ~~Members~~the Member.

Upon the enactment of this By-Law, all previous By-Laws of the Corporation shall be repealed. Such repeal shall not affect the previous operation of any By-Law or affect the validity of any act done or right or privilege, obligation, or liability acquired or incurred under, or the validity of any contract or agreement made pursuant to, or the validity of any letters patent of the Corporation obtained pursuant to, any such By-Law prior to its repeal. All directors, officers, and person acting under any By-Law so repealed shall continue to act as if appointed under the provisions of this By-Law and all resolutions of

the Members and of the Board with continuing effect passed under any repealed By-Law shall continue as good and valid except to the extent inconsistent with this By-Law and until amended or repealed.

| ENACTED by the Board this 7<sup>th</sup> day of January , ~~2020~~202.

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Secretary

| ENACTED by the ~~Board~~Member this 7<sup>th</sup> day of January , ~~2020~~202.

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